



A thought for today

Information about funding to a political party is essential for a voter to exercise their freedom to vote in an effective manner

SUPREME COURT

Junked Bonds

SC opens the door to reforming political funding by burying electoral bonds

Landmark is an overused descriptor. But there's no other word to describe Supreme Court's unanimous judgment declaring electoral bonds unconstitutional. SC upheld the principle of transparency in political funding. The judgment may not entirely clean up funding, but it's a great start. Transparency is non-negotiable.

Two pillars | Any legal framework of political funding needs to account for two essential principles. First, in a democracy, voters are the most important stakeholder. Second, there can be a conflict of interest between public good and a political party's preferences, and public good must prevail.

Opaque bonds | In 2017, four separate legislations were amended to create electoral bonds. It's a bearer bond with many features that mimic currency. Most notable is the anonymity it provides donors. RBI expressed its discomfort, observing it dilutes money laundering laws. Election Commission also had reservations.

Perils of anonymity | Hypothetically, a purchaser of a bond could be funded directly or indirectly by other entities. Once purchased, the bonds could be traded because of the cover provided by anonymity. Finally, it could be delivered by the bearer to a desired political party to be encashed. Trails of sources of political funding were scrubbed by legislative amendments.

Two data points | 47% of contributions to parties are through bonds and 94% of these contributions are in denominations of ₹1 crore. This tells the story: anonymity rules in political funding.

Voter is supreme | This anonymity ran afoul of SC's reading of Article 19 of the Constitution. Jurisprudence on electoral reforms has been based on the principle that information that furthers democratic participation must be provided to citizens.

Nowhere to hide | In keeping with this principle, not only has SC prevented issuance of fresh bonds, it also asked for disclosure about issued bonds. Both majority and concurrent judgments want details of encashed bonds to be made public on EC's website by March 13.

Corporate funding | Electoral bond scheme permitted corporate funding without limits. SC drew a distinction between individual and corporate funding. It concluded unlimited corporate funding violates the right to equality. Corporate funding remains an unresolved issue in major democracies. A ban on it is neither enforceable nor justifiable. Instead, reasonable restrictions to choke funding through shell companies and mandating detailed disclosure of political funding are pragmatic options. SC has opened the way to meaningful reform.

Signal From TN

State assembly's resolution against delimitation is reminder to handle the issue smartly & sensitively

Tamil Nadu assembly's resolution against delimitation has no teeth – but it's a strong signal. TN, as well as other southern states, want current ratios of LS seats across states to be maintained, even when LS seat count becomes bigger. BJP will say this is against the spirit of the principle that every vote has equal value. Southern parties will say since Mrs Gandhi froze set apportionment to 1971 census and since Vajpayee extended that freeze again, a repeat of the same strategy is no big deal.

Basically what this means is that if delimitation is to be done after 2026 after the long-delayed census happens, Centre must have extensive, cordial and creative dialogues with all stakeholders. If



BJP comes back to power in LS elections this year, it must keep in mind that just because populous northern states are its strongholds, it can't railroad south's concerns. If some opposition coalition comes to power this year, it should similarly

remember short-changing BJP won't lead to a trouble-free solution.

This is tough – politics is polarised, federal faultlines have deepened in recent years, there are clashes over fiscal autonomy, remit of governors, roles of police and central agencies. But precisely because it's tough, it's also hugely important. At stake is nothing less than all round political acceptance of the electoral system at the heart of India's democracy. Each voter matters equally in a democracy. But balance between regions is also crucial to avoid sub-national tensions from erupting. Given south's sensitivity to gains and losses from delimitation, it will be wise for New Delhi to proceed with caution and transparency. A spirit of proportion, rather than a winner-takes-all mindset, is needed for an enduring democracy. To remain one nation, parties need to trust each other and work in collective interest.

Lakhs without tax

You might well belong to a 2.2% minority, without even knowing it

Jug Suraiya



No matter what creed, caste, or gender you are, you might belong to a minority comprising just 2.2% of the country's adult population, which comes to under 21 million people. That's the number of citizens who pay income tax in India.

In US a comparable figure is over 50%. In Germany it is 61.3%. In UK it's 59.7%. In France it's a humongous 78.3%. Mon Dieu!

How is it that so few Indians pay income tax? India is widely billed as being the fastest-growing major economy in the world, and ranks as the fifth-largest on the global scale with a GDP of \$3.7 trillion, which is projected to hit the 5 trillion mark before the finance ministry can say, 'Open Sesame'.

So, with all this money growing on trees, how come so few Indians have taxable incomes?

And if very few of us have incomes that are taxable, how is it that in towns and cities across the country more and more glitzy shopping malls are sprouting like proverbial mushrooms, and are jam-packed with people eating and drinking in upmarket restaurants, wearing designer clothes that cost an Armani and a leg? How is it that the sales of high-end cars like Mercedes and Audis that cost more than a 2BHK apartment are soaring skywards like Diwali rockets?

A lot of money is obviously – ostentatiously – being spent. But very little of it is trickling its way into government's coffers by way of income tax.

Agricultural income continues to be non-taxable. So are all these mall-hoppers and Merc-owners non-tax paying agriculturists as distinct from farmers whose suicides because of debt default are reported on Page 7 of newspapers?

This would have intrigued John Morton, the 15th century Chancellor of England. Morton argued that anyone living frugally must be saving money, and could afford to pay tax. Likewise, anyone living extravagantly was wealthy and should pay tax.

This double jeopardy of taxation is called Morton's Fork. Would it work in India's case? Or would the Indian non-taxpayer effectively tell Morton to Fork off?



jugularvein

Five Wrongs, Two Rights, One Test

What are the key points in & takeaways from SC's 228-page judgment? An explainer

Jay Vinayak Ojha & Aditya Prasanna Bhattacharya



Announced by Centre in 2017, electoral bonds enabled individuals to anonymously donate money to registered political party by purchasing electoral bonds from SBI, which parties could encash. Parliament formalised this by amending several legislations. It was challenged in SC by elections watchdog ADR and MP Jaya Thakur. In its landmark verdict, SC struck down the scheme and all associated amendments. Now, no new bonds can be issued, uncashed bonds must be returned to SBI and refunded to donors.

What did Supreme Court hold?

It held five major administrative and legislative enactments to be unconstitutional:

- Electoral bonds scheme in its entirety,
- Amendment to Representation of the People Act, 1951, which exempted parties from reporting to ECI money received via electoral bonds,
- Amendment to Income Tax Act, 1961, which exempted electoral bonds from category of 'voluntary contributions over ₹20,000' for which parties must maintain account of names and details of donors,
- Amendment to Companies Act, 2013, which omitted provisions requiring companies to disclose particulars of parties to whom they had donated,
- Amendment to Companies Act, 2013, which had removed the cap on corporate contributions to 7.5% of net aggregate profits and by extension, had also removed the bar on loss-making companies contributing to parties.

How did it apply right to information?

SC held the scheme violates right to information – a



vital component of Article 19(1)(a) of the Constitution, i.e., right to freedom of speech and expression. Voting in elections is an avenue for citizens to exercise this right, and if a citizen is kept in the dark about source of funding of parties, they cannot cast their vote freely. In his judgment, CJI held that constitutional right to information encompasses any information "necessary to further participatory democracy". Total donor anonymity under electoral bonds scheme violates this right.

How did court apply right to equality?

Unlimited corporate contributions, SC held, and ability of loss-making companies to donate, violates right to equality under Article 14 – which prevents Parliament from enacting legislation which is 'manifestly arbitrary', i.e. capricious and non-rational. CJI observed that unlimited corporate contributions exacerbate influence companies wield over parties. Permitting loss-making companies to contribute increases chances of quid pro quo arrangements as these entities are more likely than their profit-making counterparts to try and influence policy.

How did court apply test of proportionality?

It used the proportionality test, a hallmark of Indian constitutional law, to balance two competing claims – right to information and right to privacy, both fundamental rights. Petitioners argued electoral bonds violate the former, GOI argued they further the latter. Court held electoral bonds had tilted the situation too far in favour of privacy by permitting total anonymity for all donations.

While information about a donor's political affiliation is protected by right to privacy, this cannot infringe on voters' right to information. CJI pointed out there were other ways to protect a donor's right to privacy without infringing voters' right to information. He observed while there's a strong case to protect individual donors, corporate donations are more business transactions and require less protection.

The proportionality test was also used to reject GOI's argument that the objective was to curb black money. Even if court could accept there was a rational nexus between aim and means employed, it couldn't accept this was the least restrictive means to achieve the aim.

What is no one talking about?

At least two cheers are merited for another silent victory: extension of right to information to political parties. Given this precedent, the case against Chief Information Commissioner's 2013 order that political parties should be designated as public authorities under RTI Act has been weakened.

What are the alternatives?

According to court, electoral trusts are an alternative that can receive contributions from Indian citizens and corporations and distribute them to registered political parties. Unlike electoral bonds, a trust does not offer anonymity to donors. Another idea is public financing of election expenses with state footing the bill.

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Two views: Anonymous donation is corruption. Identifying companies problematic in polarised polity

Money & Power Were Bonding Too Much

N Kavitha Rameshwar



Supreme Court has revived, resuscitated and restored democracy in declaring the electoral bond scheme unconstitutional. Holding as illegal 2017's amendment to section 29C of Representation of the People Act, 1951, which had provided an exception to declaration of donation received by political parties exceeding ₹20,000, the original provision has now been restored.

Electoral bonds were introduced with specious reasoning – by affording tax exemptions and anonymity, it was a measure of coping with proliferation and circulation of black money, while diverting the same to political parties.

Such an argument is a fig leaf of a reason to cover up brazen institutionalisation of corruption in highest echelons of governance. There's never been any cap on political funding so long as it is made public by the party concerned.

Electoral bonds were nothing but bribery couched under euphemistic overtones. Legal amendments superimposed were destined to be short-lived in a democracy that holds independence of its institutions in highest esteem, and with a judiciary that lives up to its commitment to constitutional ethos.

Electoral bonds created a clique of corporate kingmakers who would also have the last laugh on policy-making, with an additional incentive of anonymity. The inevitable element of quid pro quo between political parties and giant funders loomed large.

While SC analysed the issue with specific focus on right to information of citizens to the identity of donor, which in turn would impact her choice of voting, the fact of greatest significance is that the judgment has strengthened the constitutional ideal of free and fair elections.

The Constitution's basic structure thus got sturdier: Amendment to Representation of the People Act 1951, brought about in 2017, while seemingly innocuous, had, in one stroke, taken away the element of probity, rectitude, transparency and independence from

the concept of elections. Anonymous and exponential funding with no cap is possible only by corporate giants, who would then claim illegitimate entry into governance and policy-making. That money so obtained in donation can be used by political parties for any purpose, and not necessarily for election expenditure, makes it not only unjust but also unjustifiable.

That there was no cap on receiving funding via electoral bonds but there continues to exist a legal provision limiting election expenditure lays bare the truth. The very concept of electoral bonds was opposed to objects and reasons of laws governing elections, prevention of corruption and prevention of money laundering.

The unholy bond between corporate houses and political parties was always an open secret, and SC has done well in now directing SBI to throw open the secret maintained thus far, and come clean with details of contributions till now.

There was never a semblance of doubt that electoral bonds stultified democracy and reduced elections and governance to a farce. Electoral bonds were a surrender of power to corporate giants who could manipulate the economy into a weak puppet, and be able to achieve all this in an open institutionalised manner.

The Constitution bench judgment is not only a shot of vitality to fairness and transparency in elections – lifeblood of our parliamentary democracy – but also an antidote to the cancerous cells of corruption.

The writer is advocate, Madras High Court

Who'll Protect Named Donors From Vendetta?

R Jagannathan



SC bench's verdict that held anonymous electoral bonds unconstitutional is broadly right. The bench banned fresh issue of bonds, and SBI has three weeks to disclose who bought these since April 2019.

Don't hold your breath to learn who benefited from these bonds: as governing party at Centre and in many states, BJP's been the biggest beneficiary. What we'll now get to know is who made those contributions.

Problem with electoral bonds was that they were simply too non-transparent. On the one hand, it solved the earlier problem of massive amounts of cash and black money used to finance elections.

But by keeping secret information on donors, it didn't allow voters to deduce any quid pro quo between donations and policies by parties in power.

Now this crucial information link between donations and potential policy favours to donors is being re-established. But there are downsides to transparency.

SC's decision solves one problem but revives another by making donors vulnerable to political vendetta. Given our political culture's vicious nature, where parties at Centre or state tend to harass political opponents, any disclosure of who financed political rivals may end up giving incumbent governments ability to target donor companies or wealthy individuals involved.

Bigger question is whether greater transparency alone will alter skew in donations towards governing parties. It's

worth noting that even in electoral trusts scheme – where money is raised from public to fund parties – the main beneficiary was BJP after 2013-14. Prudent Electoral Trust, backed by Bharti group, and to which companies like Arceel/Mittal contributed, allocated more than 71% of donations to BJP in 2022-23. Party in power always benefits from any poll funds scheme.

Simple point is while transparency cannot by itself ensure free and fair elections, nor can it definitely prove any linkage between donations and policy favours. Nor can it ensure donors who fund parties not in power, are not discriminated against. Political polarisation and bitter personal rivalries make this kind of victimisation more than likely.

Consider political enmity between Congress and BJP, or between DMK and AIADMK when M Karunanidhi and J Jayalalitha were around. Political vendettas are not restricted only to India. In US, Donald Trump threatened donors who funded rival Nikki Haley for Republican party's presidential nomination that he will blacklist them.

There are no easy solutions to problem of funding elections, or ensuring transparency. Most democracies struggle with this, but money power usually wins, regardless whether rules emphasise transparency or not.

Best way forward is to simplify funding principles. At both candidate and political party levels, if funding support – either through the state, electoral bonds or electoral trusts – is based on votes garnered, it should be possible to make things cleaner and more equitable.

Also, it's not all about just transparent funding. Even parties with less funding can use taxpayer money to offer freebies – free power, MSP for all crops. They must be forced to say where the money will come from, and who may lose out if funds are to be reallocated. Nobody can ban freebies in a democracy, but least one can expect transparency in how it is going to be financed.

SC's taken the first step in this clean-up by banning non-transparent electoral bonds, but we also need a multi-party consensus on preventing negative fallout of transparency.

Calvin & Hobbes



OH YEAH?? I'D LIKE TO SEE YOU TRY IT!



MY BRAIN WISHES MY EGO HAD CALL-WAITING.

Sacredspace

This planet had...a problem...most of the people were unhappy...Many solutions were suggested...but most of these were...concerned with the movement of small green pieces of paper, which was odd because...it wasn't the small green pieces of paper that were unhappy.

Douglas Adams

Is Your Spiritual Practice A Disguised Ego Trip?

Christopher Mendonca

We are often creatures of habit and seem to be wired for distraction. These two factors sometimes collude to hamper our search for meaning as we journey inwards along spiritual paths. At times designated by our varying religious traditions, we routinely change our set of practices to fulfil what is required and have a sense of satisfaction when we have faithfully 'observed the letter of the law'. All the time, however, we have been blissfully unaware that we have allowed ritual observances to 'anesthetise' us instead of their 'enriching' us.

The Season of Lent in Christian tradition, which began on Ash Wednesday, invites us to a practice of prayer, fasting and almsgiving. Beyond outward observances, we are invited to re-examine our attitude to God, to our-

selves and to others. For quite a few, this aspect is relegated to the background.

There are some who will pray with a multiplicity of words and in so doing spend large amounts of time pre-occupied with themselves and their problems. They keep track of their failures and feverishly resolve to 'better themselves'. Others, noticing their tendency to indulge themselves in one form of self-satisfaction or another, will put brakes on practices that are harmful to both mind and body, but only for a while. Many will resort to the practice of almsgiving as their way of connecting to the underprivileged and marginalised.

The point at issue is not the letter but the spirit of the Law. Readers of Bhagwad Gita may miss the point that

we are not supposed to give up our capacity for enjoyment, but rather our tendency to identify with our bodies and personalities, if we observe a fast without this inner awareness.

Christians for their part may ignore Jesus's recommendations not to make a show of our fasting and almsgiving and instead in silence enter the inner room of our heart when we pray. These two teachings are in essence complementary to each other. We tend to identify with our bodies and personalities. When we fast, we are to nurture our capacity for enjoyment in as much as we have tasted something better. Why set our hearts on food that fails to satisfy? Because we are creatures of habit, religious practices often become 'default' responses instead of originating from an inner awareness.

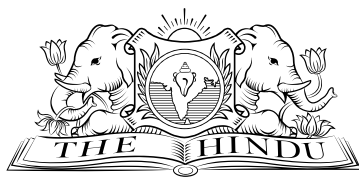
Sacred times are an invitation to press the 'pause' button and in awareness come to the growing realisation that often our spiritual practice may just be a disguised ego trip. We are asked to reconnect to an awareness of the presence of God within us as that which gives meaning and purpose to everything we are, everything we do. This reconnection manifests itself in our prayer practices, becoming less prone to keeping up appearances and more to allowing ourselves in silence to be inwardly transformed.

We will have learnt to take care of our health without becoming fitness freaks, disciplining the body to be more open to the spirit. And finally, our almsgiving will be the fruit of our being connected to others only because we all are rooted in God in whom we live, move, and have our being.

Lent season continues till March 28



THE SPEAKING TREE



Unbonded

The electoral bonds verdict is a blow for freedom of expression

Anonymous donations of high value tend to undermine electoral democracy and governance as they facilitate a *quid pro quo* culture involving donors and beneficiaries. In striking down the Electoral Bond Scheme (EBS) under which anyone could buy electoral bonds and donate them to political parties for encashment, the Supreme Court of India has recognised this malaise and struck a blow for democracy and transparency in political funding. The Court found that the entire scheme violates the Constitution, especially the voters' right to information. It further found manifestly arbitrary, the amendment to the Companies Act that removed the cap of 7.5% of a company's profit that can be donated to political parties without any requirement to disclose details of the recipient parties in its profit and loss accounts. It has also mandated disclosure of donation details since 2019. The judgment is one more in a long line of verdicts the Court has handed down to promote voter rights and preserve the purity of elections. Its earlier interventions led to the featuring of the 'None of the Above' option on the ballot, the removal of the protection given to legislators from immediate disqualification on conviction for a criminal offence, the mandatory disclosure of the assets and criminal antecedents of candidates in their election affidavits and expedited trials for MPs and MLAs involved in criminal offences.

The Court's reasoning is unexceptionable. It found that the primary justification for the EBS – curbing the use of 'black money' for political or electoral funding by allowing donations through banking channels – failed the test of proportionality, as it was not the least restrictive measure to abridge the voters' right to know. It has made the logical connection between unidentified corporate donations and the likelihood of policy decisions being tailored to suit the donors. The judgment is a natural follow-up to a principle it had laid down years ago that the voters' freedom of expression under Article 19(1)(a) will be incomplete without access to information on a candidate's background. The principle has now been extended to removing the veil on corporate donors who may have been funding ruling parties in exchange for favours. While the verdict may help ease the hold that donors may have on governance through money power, a question that arises is whether the validity of the scheme could have been decided earlier or the issuance of bonds on a regular basis stayed. How much of the thousands of crores of rupees given to parties under this scheme resulted in policy measures favourable to the donors or helped fund the deployment of additional campaign resources will never be known. This was a fit case for the grant of an interim stay.

Places of worship and an unsettling judicial silence

When the Supreme Court of India passed its verdict in November 2019, in what is popularly known as the Babri Masjid case, it was a slight beacon of hope for all backers of the idea of India. Though the Court ended up giving the plot of land to the party that was responsible for the desecration and demolition of the mosque, the Court's glowing reference to the Places of Worship (Special Provisions) Act, 1991 was like applying a little balm to an embattled soul. It promised to shut the door with a finality on further contentions of other places of worship, notably the Gyanvapi Masjid in Varanasi and the Shahi Idgah in Mathura.

The unanimous view of the five-judge Bench was, "In providing a guarantee for the preservation of the religious character of places of public worship as they existed on 15 August 1947 and against the conversion of places of public worship, Parliament determined that independence from colonial rule furnishes a constitutional basis for healing the injustices of the past by providing the confidence to every religious community that their places of worship will be preserved and that their character will not be altered. The law addresses itself to the State as much as to every citizen of the nation... The Places of Worship Act imposes a non-derogable obligation towards enforcing our commitment to secularism under the Indian Constitution.... Non-retrogression is a foundational feature of the fundamental constitutional principles of which secularism is a core component. The Places of Worship Act is thus a legislative intervention which preserves non-retrogression as an essential feature of our secular values."

A peace that prevailed for only a while
The light for peace and harmony burned bright. Not for long though. Over the next year or so, petitions began to be filed for the so-called liberation of Hindu temples where the mosques in Mathura and Kashi stand. These mosques have been on the radar of Hindutva forces ever since the Babri Masjid-Ramjanambhoomi agitation began, when the oft-heard slogan was, "Ayodhya to jhanki hai, Kashi, Mathura baqi hai (Ayodhya is a mere trailer, Kashi and Mathura are still left)". The Kashi mosque now faces almost 15 identical petitions; the Mathura mosque has 12 petitions. More petitions have been filed in the lower judiciary against mosques such as the Shamsi



Ziva Us Salam

Jama Masjid in Badaun, Teele Wali Masjid in Lucknow, Kamal Maula mosque in Dhar, Madhya Pradesh, Adhai Din ka Jhonpra in Ajmer, the Jama Masjid in Srirangapatnam, and even the Quwwat-ul-Islam Masjid at the Qutub Minar in New Delhi. The claims of the mosques having been built after restructuring or demolishing ancient temples have been questionable. If in the case of Badaun, the protesters were not sure whether the mosque was built after demolishing a temple or merely restructuring one, in the case of Kamal Maula Masjid, an idol was sought to be placed in September last year to buttress the contention that the mosque was an 11th century temple dedicated to the Hindu goddess Saraswati. There was no proof to back any of the contentions by little-known right-wing activists but the petitions were still admitted in various district courts.

Surveys and hearings

These were new territories being tested by revanchist forces. Barring a rap on the knuckles, as in the case of Quwwat-ul-Islam Masjid, the district and High Courts were silent in what amounted to a deliberate challenge to the Places of Worship Act which the Supreme Court spoke so glowingly of in the Babri judgment. They probably got their encouragement from an oral remark made by the Chief Justice of India, D.Y. Chandrachud who is reported to have stated, "the ascertainment of the religious character of a place as a procedural instrument may not necessarily fall foul of the provisions of sections 3 and 4 of the Act of 1991". The remark probably opened a Pandora's box.

Almost on cue, when the Allahabad High Court ordered a survey of the Gyanvapi mosque, a three-judge Bench of the Supreme Court upheld the decision. The religious character of Gyanvapi could indeed be ascertained. It did, however, earlier this year, stay the Allahabad High Court's order for a court-monitored survey of Shahi Idgah Masjid in Mathura.

Further, the Supreme Court agreed to hear a clutch of petitions against the Places of Worship (Special Provisions) Act itself. Even as it maintained that the pendency of petitions did not affect the maintainability of the Act, its action of admitting the petitions itself was a signal that nothing was above debate. One of the petitioners even objected to the cut-off date of August 15, 1947, something the top court had spoken glowingly of in the Babri verdict. The petitioner, a

former spokesman of the Bharatiya Janata Party in Delhi, insisted that the cut-off date should be 1206, the time when Qutubuddin Aibak laid the foundation of the Delhi Sultanate. That his objection was not dismissed at the first stage was of significance.

The petitions seeking the restoration of places of worship to their alleged status three to eight centuries ago should not have come as a surprise, but the speed and the frequency of petitions at various levels were a little alarming. The courts were probably prepared. In 1994, barely three years after the Places of Worship Act came into force, the top court expressed its apprehensions over the provisions of the Act being flouted.

Drawing a parallel with the razing of the Babri Masjid by those unconcerned with the provisions of the Indian Penal Code for violating a place of worship, the Court said, "Similarly minded people are as little likely to be deterred by the provisions of the Places of Worship (Special Provisions) Act 1991". Incidentally, the Places of Worship Act, which made an exception for the Babri Masjid, virtually envisaged the conversion of the Ayodhya mosque, but, in the same breath, wanted to put an end to demands on other monuments. With the Babri mosque having lapsed into history, challenges to the Act of 1991 itself amount to a breach of public trust. These petitions are being used as a political weapon today. They help further a certain political narrative in the run-up to the general election 2024. The public gets excited, and fringe leaders become vocal and aggressive.

A moment to ponder

Even as petitions pile up in courts across the country, let us not forget what happened in Ayodhya in 1986. It was the order of a district court in Uttar Pradesh which kick-started the flow of events that ultimately led to the destruction of the mosque and the final possession of its land by the assailants. The district court's permission changed the way India looked at places of worship. The question today is this: will the Supreme Court step in to uphold the integrity of the Places of Worship Act? Or, will the continued extensions granted to the Union government to specify its stance pave the way for the repeal of the Act by Parliament? Noises against the Act are already being heard in the Lok Sabha. It is the silence of the top court which is unsettling.

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An intervention that will help strengthen legal education

The Parliamentary Standing Committee on Personnel, Public Grievances, Law, and Justice recently submitted a significant report on legal education, making several path-breaking recommendations to strengthen the quality of legal education in India. Since Independence, legal education, unlike medicine and engineering, has not been a top priority for India's policymakers.

Things started to change for the better in the 1990s with the advent of the national law universities (NLUs) in India. Buoyed by the winds of liberalisation and globalisation, the Indian economy in the 1990s threw up many new opportunities for lawyers, which, in turn, led to bright young students opting to study law right after school. Several NLU graduates got placed in high-paying law firm jobs while many others went abroad to study at top universities, with quite a few bagging prestigious scholarships such as Rhodes and Chevening.

However, the same cannot be said about hundreds of other law schools nationwide that essentially represent a "sea of institutionalized mediocrity". Most of the NLUs too, while successfully attracting excellent students, have failed to emerge as centres of excellence in legal research. This is borne by the fact that only two Indian law schools, Jindal Global Law School and National Law School of India University, figure in the QS rankings of the top 250 law schools worldwide.

A new regulator

Against this backdrop, a key recommendation of the committee is to limit the powers of the Bar Council of India (BCI) to regulate legal education. The BCI's role in regulating legal education that pertains to acquiring basic eligibility to practise in the courts is indispensable.

However, several other facets of legal education, especially at the post-graduation level, do not pertain to litigation. The committee recommends, and rightly so, that regulating these parts of legal education should be entrusted to an independent body called the National Council for



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The recommendations made by the Parliamentary Standing Committee on Personnel, Public Grievances, Law, and Justice, on research and other issues, are timely

Legal Education and Research (NCLER). This proposed body will develop qualitative benchmarks to regulate legal education. Eminent legal academicians who deposed before the parliamentary committee batted for the creation of the NCLER. In addition to judges and practising lawyers, the NCLER should have eminent law professors with an unimpeachable track record of research and serving legal education.

Bolstering research

Many of India's 1,700-odd law schools principally focus on teaching, with scant attention to research. Consequently, India is chiefly the consumer of legal knowledge generated in the West, not its producer. An important data point that reveals this is that out of more than 800 law journals globally indexed in Scopus (an internationally recognised database that lists leading journals in all fields) barely a handful are Indian law journals. This shows the abysmally poor level of research in India's law schools.

The committee emphasises the need to prioritise and promote research in legal education, which, in turn, will lead to better teaching outcomes and help students develop a critical perspective. As Albert Einstein said, "The value of a college education is not the learning of many facts but the training of the mind to think" To strengthen research, there is a need to recruit "world class global faculty who are top researchers". While this is easier said than done, the fact that the committee has highlighted this aspect is an encouraging development.

As the committee remarks, augmenting the research ecosystem in our law schools undoubtedly involves a greater need for state funding. Bolstering research will also equip India's law schools to thrive in the globalising world. The committee is cognisant of the effect of globalisation on legal education. It thus correctly recommends developing and delivering a global curriculum, promoting student and faculty international exchange programmes, incorporating more international law courses in

the curriculum, and increasing students' exposure to different legal systems.

Changing mindsets

The parliamentary committee's suggestions are like a breath of fresh air that may help law professors keep their chin up. In some form or the other, such suggestions have been made before. But none of this will be implemented as long as higher education does not become the topmost priority for everyone.

Additionally, legal education reform is impossible without these: first, the leadership positions in our university's law faculties and law schools should be held by passionate, charismatic, and visionary academicians who inspire and create an enabling and supportive environment that allows younger academicians to realise their potential as outstanding teachers and brilliant researchers. Sadly, barring a few notable exceptions, the deans of law faculties and vice-chancellors of law universities in India have failed to provide professional leadership. These flawed academic leaders detest talented professors and are the biggest bottleneck in striving for excellence. No amount of money or perks can overcome such a primary institutional deficiency.

Second, to boost the culture of legal research in our law schools, there should be complete academic freedom and autonomy. As Jawaharlal Nehru said, "a university stands for humanism, for tolerance, for reason, for the adventure of ideas and for the search of truth". A law school or any other academic institution can accomplish this goal only if academicians are free to offer their well-researched views without any fear, even if these views are at variance with popularly held beliefs in society or contest the dominant ideas of the time.

The parliamentary committee's intervention is a welcome development, and one expects all stakeholders to work together to improve the quality of legal education in India.

The views expressed are personal

Is it ethical to use AI to clone voices for creative purposes?



Sai Shravanam
is sound engineer and music producer



Haricharan Seshadri
is a playback singer

PARLEY

Recently, music composer A.R. Rahman tweeted that the song *Thimiri Yezhuda* from the Tamil film *Lal Salaam* uses an Artificial Intelligence (AI) software to recreate the voices of singers Bamba Bakya and Shahul Hameed. Bakya died in September 2022 at the age of 42 and has sung songs in films including *2.0* and *Bigil*. Hameed, who died in 1998, worked extensively on movies such as *Gentleman* and *Kadhalan*. Though their voices were used with the permission of their families, who were also compensated, the move has raised a debate among artists about the use of AI. Is it ethical to use AI to clone voices for creative purposes? Sai Shravanam and Haricharan Seshadri discuss the question with **Srinivasa Ramanujam**. Edited excerpts:

As musicians, what were your first reactions when you heard the song?

Sai Shravanam: I was extremely happy to hear the voices of Hameed and Bakya. I was also happy to see that their families were remunerated for the song. A lot of artistes are like comets - they come, deliver big hits, and then vanish. Both these artistes are physically not here now and bringing their voices back brings back incredible memories. A.R. Rahman gave us *Roja*, which shook every boom box in the country, and now he is bringing the latest technology to the audience. He is timeless, and he has now used 'Timeless Voices' to give us this. I am in awe of this technology that brought someone "back to life". For me, it's a beautiful feeling.

Haricharan Seshadri: When I first saw their names, I thought it was a mistake. Then, I saw the news and heard the song. I was overwhelmed and curious about how this process happened. It was bound to happen sometime in the music industry. But it also made me think about my future as a singer.

Is it ethical to use AI to clone voices for creative purposes?

Sai Shravanam: Ethics is personal. AI [in this case] is [doing] nothing but mimicking human talent. An atom bomb is an incredible invention, but it has been put to bad use. The invention is not the problem; there is an issue with the way



A still from the film 'Lal Salaam. SPECIAL ARRANGEMENT

human beings use it. Even without AI, you may hear a song somewhere, recreate it, and make billions of dollars with it. Ethically, you know it's not your work. And that is wrong. But AI can never replace human singers and the output that is the result of a creative process.

Haricharan Seshadri: We have been using technology for a long time now to produce songs and make them sound good. Even the auto-tuner that is common in the music industry is a form of AI: it corrects notes based on the inputs given. A process to legalise the use of voices and safeguard the intellectual property of every person and voice needs to be in place. I feel the use of AI voices can be governed.

The other aspect revolves around permissions. If a person is alive and approachable, an AI tool need not be used, but if the person has passed on and their voice needs to be recreated, their family and friends need to be aware that such a thing is happening, and also be properly compensated. This is important, especially in a country like India where policies are not enforced. As a singer, I am still fighting for royalty rights for songs I have sung.

Can you elaborate on some instances where technology and AI tools have helped you in



A real singer cannot be replaced with AI, because we add bhaavam or feeling to a song. I fear that that the increased use of AI tools would result in mediocre music.

HARICHARAN SESHADRI

your line of work?

Sai Shravanam: AI has been a very important part of my journey. You might have seen documentaries talking about how auto-tune helps people who cannot sing, but you will still have to provide something for auto-tune to work. In Indian classical music, you have ragas like Thodi and Begada which have micro notes. In those cases, auto-tune sometimes helps, but sometimes it does not. As a musician-cum-engineer, when I know how to use the tool correctly, I have been successful in using auto-tune even for a raga like Miyan Malhar or Thodi. It is up to us engineers to use it properly.

These days, I sometimes get 200 tracks of audio, with many musicians recording them in different places. They are of different quality - some are very loud and some very quiet. It is overwhelming to hear 200 tracks that are not standardised. If we put them all into the plug-in, it levels everything so that I have an optimal mix that my session requires. AI saves me at least seven hours of work, and I can concentrate on creativity. Today, we have smart dynamic processors and that help us save time. If I didn't have those tools, I wouldn't have the luxury of delivering an incredibly sounding master within the deadline. AI as a tool has helped me greatly in areas that are not creative-driven; it has helped me in mundane activities.

Haricharan Seshadri: AI helps not only in music. Recently, a presenter used ChatGPT to come up with 75 questions to pose to me and I was overwhelmed. Though I am a musician and singer, I have to sometimes record myself at home and send it to a composer. I know how to sing and how good a take is, but there are other aspects in a project such as editing, fading in, and so on that a sound engineer usually does professionally. AI helps me do all that. I have even tried training my own AI voice model and used it to record a song, and then compared it with my original style of singing. But a real

singer cannot be replaced with AI because we add *bhaavam* or feeling to a song. I fear that that the increased use of AI tools would result in mediocre music.

Do you feel it may disrupt the progress of creativity and humaneness. And if yes, how do we tackle that?

Sai Shravanam: Creativity is God's gift. It doesn't come from you but rather through you. Art is not about learning, but about exploration. AI mixing and mastering tools are here, but human interactions and emotions can change everything. To me, AI can help in mundane activities but never in the creative process. It can never replace a Haricharan walking into my studio, learning the lines, and delivering them.

Haricharan Seshadri: It will disrupt creativity, but only for a short while. People will get tired of it soon. From a film industry perspective, a lot of mediocrity is glorified because of reels and social media views. Lyrics are not meaningful; rather, they are just based on some rhyme scheme so that they trend online. AI will have its day. It will be glorified and then we will grow tired of it.

In this marriage of music and AI, where is the future headed?

Sai Shravanam: There is responsibility among human beings to use AI the right way. We must understand that the arts and music are not just products. They have unfortunately become products. The human brain is about perception. What I hear today as a sound engineer will not be what I hear tomorrow. A computer can only give one output, and we should realise that the arts are not just a money-making industry.

Haricharan Seshadri: There needs to be an AI ethical usage board in every industry. Deepfake videos also pose a threat, so there needs to be some kind of regulation. All intellectual property needs to be registered. Tomorrow, someone might be able to use my voice for a song without permission. I should be able to sue them through proper legal channels.

India-UAE ties

There has been a growing tango between India and Arab countries in general and the United Arab Emirates in particular ever since the Modi government took office in India 10 years ago. The latest proof of these increasingly closer ties between the two countries is the inauguration by the Prime Minister Narendra Modi of the first Hindu temple in Abu Dhabi.

Till recently, presence of a religious structure other than mosques in the land of Islam was unheard of. But thanks to the enlightened leadership which is now at the helms of affairs in the Emirates and some other Arab countries, winds of change have begun to blow there. Women are no longer confined to their homes. Harsh punishments like beheading and cutting off of hands have become a thing of the past.

The oil rich countries in the Middle East have finally realized that their old wealth will not last forever. The underground oil wells will be running out of oil sooner rather than later. Therefore, they will have to transition to the next model of economy for sustenance. Hence, the increasing emphasis on trade and commerce. As the nearest giant neighbor with age-old ties, India fits the bill for requirements of these countries. India has made rapid progress in recent years and is now in a position to fulfill the needs of the world be it food, technical goods, IT, defence and allied items.

As a special gesture towards India, the kingdom of Abu Dhabi allotted land for the first Hindu temple on its soil. The construction of the temple has taken about four years to complete. As the Prime Minister observed, the inauguration of the temple has compounded the joy Indians felt at the inauguration of Ram Temple at Ayodhya. The temple has been constructed by Bochasanwasi Akshar Purushottam Swaminarayan Sanstha (BAPS).

As the Prime Minister observed on the occasion, the BAPS temple will be an enduring tribute to the values of harmony, peace and tolerance, which both India and the UAE share.

The pink sandstone temple sits on a 27-acre plot in Abu Dhabi, making it one of the largest in the Middle East. While Islam is the official religion of the UAE, the country is home to about 3.6 million Indian workers.

The guest list for the inauguration ceremony at the temple included Indian government officials, Bollywood stars and members of the billionaire Ambani family. Senior Abu Dhabi officials were also in attendance.

Former Indian Ambassador to the UAE, Navdeep Suri, said that it is a very symbolic day for the Indian community, adding that it has been a spiritual as well as religious need for them. "I think it's a very symbolic day for the Indian community, for the large Indian diaspora that we have in UAE. For many years, it's been a spiritual need, a religious need for them. And I know that in 2015, when the Prime Minister came here for the first time, he put in a request to Sheikh Mohammed bin Zayed, then crown prince of Abu Dhabi, that it would be nice if some land could be granted.

This was the second major religious site to be inaugurated by PM Modi in recent weeks. In January, he presided over the consecration ceremony of the grand Ram temple in Ayodhya which was built on the site of a demolished 16th-century mosque following the resolution of a decades-long legal battle.

RG's regressive caste politics won't take off with youth

DEEPIKA BHAN

Is Rahul Gandhi cutting himself off from the youth with his caste politics? For some time, he has been consistently talking about caste and each of his public speeches is heavily loaded with references, often in a clear provocative style.

He may be believing that by talking about caste blatantly, which his party never exhibited so openly, he will jigger a sensitive nerve in the society and break the BJP's 'Hindu' spell. But he seems to be overlooking the fact that this period is different.

For a majority of the young population in India, the priorities are good education, a paying job, a sound social circle, a mobile phone, laptop and enough space to enjoy and explore. For them, the circle includes those with whom the 'vibe' gets matched and which often transcends caste and religion. More youths want and aspire for a cosmopolitan life and caste seems to be the least concern for many of them.

The political hawks may say that the population of such youths is not that big and caste continues to remain one of the top societal concerns. It may be true in certain pockets and regions, but the recent state elections have proven that caste is no longer the basis for voting a candidate. Had it been so, the electoral results in Madhya Pradesh, Chhattisgarh and Rajasthan would have been different.

Even before these three, the electoral results would not have been so in 2014 and almost every election after that. Had elections in India only been caste-influenced, then Mayawati's Bahujan Samaj Party (BSP) would not have been in such a bad state in Uttar Pradesh. So would not have been Akhilesh Yadav's Samajwadi Party.

The truth is that the Congress has been going down consistently and the BJP's vote share is ever on rise. The Congress party won 52 seats in the 2019 Lok Sabha elections, just eight



seats more than its 2014 tally. Its vote share -- 19.5 per cent -- was almost the same as 2014. On the other hand, the BJP increased its seat tally and vote share in consecutive elections, since its defeat in 2009.

After winning a majority with 282 seats in the 2014 Lok Sabha elections, the BJP further extended its lead by 21 seats to 303 in the 2019 polls. Even in the Assembly elections, the Congress performance has been dismal. Except Telangana and Karnataka, where the victory was more because of the efforts of the local leaders, the party is nowhere else to be seen.

The Congress has not only lost elections, big or small, it has also lost a number of its leaders, both young and veterans, and even those whose families for generations had been with the Congress. Most were disillusioned with the top leadership, including Rahul Gandhi, and directly or indirectly blamed him for a lot of ills that have crept within the party.

Rahul Gandhi's sudden interest in caste-based politics stems from the fact that it has been losing out heavily since 2014 in wooing the OBCs since the advent of Narendra Modi, who is

himself from the backward caste, on the national scene.

With Modi's kind of politics, almost all castes are voting for him. And this is proven by the increasing vote share of the BJP. The saffron party's all-India vote share in the 2019 Lok Sabha election -- 37.6 per cent -- was almost double that of 2009 -- 18.6 per cent. This was largely due to the party's inroads in the OBCs, Adivasis and Dalits. While BJP seems to be growing beyond the caste-dynamics, Rahul Gandhi has pushed his party into regression. Whether inside Parliament or outside, he has been systematically making pinpoint references to caste equations.

During discussion on the Women Reservation Bill in Lok Sabha last year, he pushed for a separate quota for OBCs in the bill and also pushed for the Caste Census data to be released. In 2023 also, he said in a conclave, "I was shocked that out of 90 people (Secretaries) who controlled the government of India, only three are from the OBC community."

Gandhi's caste references have become more aggressive of late as the elections to the Lok Sabha near. In the western Odisha town of Jharsuguda

Rahul Gandhi may be under immense pressure to prove himself, but that does not mean that he should resort to narrow politicking. And, this is something which is too obvious for anyone, including the youth of the country, to ignore. With 66 per cent of India's population below the age of 35, can anyone afford to be regressive? The leaders and more so Rahul Gandhi, need to understand this

on February 8, Rahul Gandhi during his Bharat Jodo Nyay Yatra accused PM Modi of lying that he was born in the Other Backward Class. "Your Prime Minister was not born OBC and he was born in a general caste. He was born in Teli caste in Gujarat. The BJP government had included his caste in OBC category in 2000. He keeps lying everywhere that he was born OBC."

However, this allegation was trashed by the BJP which came out with the facts that the status was granted to the community by the Congress supported government in Gujarat in late 1990s.

Rahul Gandhi may be under immense pressure to prove himself, but that does not mean that he should resort to narrow politicking. And, this is something which is too obvious for anyone, including the youth of the country, to ignore. With 66 per cent of India's population below the age of 35, can anyone afford to be regressive? The leaders and more so Rahul Gandhi, need to understand this.

(Deepika Bhan can be contacted at deepika.b@ians.in) IANS

WHO releases 1st-ever guidance on clinical management of diphtheria

In a first, the World Health Organization (WHO) has released guidance on the clinical management of diphtheria

While previous available guidance was just an operational protocol, the new guidance followed the rigorous process for developing guidance at WHO. It addresses the use of Diphtheria Antitoxin (DAT) in the treatment of diphtheria.

The guidance also includes new recommendations on antibiotics. In patients with suspected or confirmed diphtheria, WHO recommends using macrolide antibiotics (azithromycin, erythromycin) rather than penicillin



antibiotics. "This clinical practice guideline has been rapidly developed recognising the global increase in diphtheria outbreaks. Outbreaks of diphtheria in Nigeria,

Guinea and neighbouring countries in 2023 have highlighted the urgent need for evidence-based clinical practice guidelines for the treatment of diphtheria," the WHO said.

"Given the sporadic nature of outbreaks, many clinicians in the affected regions have never managed acute diphtheria and its related complications. Diphtheria remains a neglected disease and vaccination is the top priority. At the same time, for patients with diphtheria, access to antibiotics, DAT and supportive care can be lifesaving," the agency noted. Diphtheria is a disease caused by a bacterium that affects the upper respiratory tract and less often the skin. It also produces a toxin that damages the heart and the nerves.

It is a vaccine preventable disease, but multiple doses and booster doses are needed to produce and sustain immunity. People who are not immunised or under immunised are at risk of the disease.

Diphtheria is fatal in 5-10 per cent of cases, with a higher mortality rate in young children. Recent diphtheria outbreaks stress the importance of sustaining high levels of vaccination coverage in communities across the life course.

In 2022, an estimated 84 per cent of children worldwide received the recommended 3 doses of diphtheria-containing vaccine during infancy, leaving 16 per cent with no or incomplete coverage. There is wide coverage variation between and within countries. IANS

Herpes virus may double dementia risk: Study

People who have had the herpes virus at some point in their lives are twice as likely to develop dementia compared to those who have never been infected, warned a study

The study from Uppsala University in Sweden, based on 1,000 people aged 70 over and followed for 15 years, confirms previous research on whether herpes can be a possible risk factor for dementia.

The results, now published in the Journal of Alzheimer's Disease, found that people who had been infected with the herpes simplex virus at some point in their lives were twice as likely to develop dementia, compared to those who had never been infected.

The herpes simplex virus is very common, and the infection is lifelong. But the symptoms

participants are roughly the same age, which makes the results even more reliable since age differences, which are otherwise linked to the development of dementia, cannot confuse the results," Vestin added.

Worldwide, 55 million people are affected by dementia. Advanced age and carrying the apolipoprotein E4 risk gene are already known risk factors. Research has previously been conducted to investigate whether the herpes simplex virus could also be a possible risk factor for dementia, something now confirmed in this study.

The study calls the need to further investigate whether already known drugs against

the herpes simplex virus can reduce the risk of dementia and the possibility of developing new vaccines. "The results may drive dementia research further towards treating the illness at an early stage using common anti-herpes virus drugs, or preventing the disease before it occurs," Vestin said. IANS

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SPIRITUAL WORLD

ਕਬੀਰ ਗਰਬੁ ਨ ਕੀਜੀਐ
ਰੰਕੁ ਨ ਹਸੀਐ ਕੋਇ॥
ਅਜਹੁ ਸੁ ਨਾਉ ਸਮੁੰਦੁ ਮਹਿ
ਕਿਆ ਜਾਨਉ ਕਿਆ ਹੋਇ॥

ਕਬੀਰ ਜੀ ਆਖਦੇ ਹਨ, ਜੇ ਤੂੰ ਧਨਵਾਨ ਹੈਂ, ਤਾਂ ਇਸ ਧਨ-ਪਦਾਰਥ ਦਾ ਮਾਣ ਨਾ ਕਰੀਂ, ਨਾ ਕਿਸੇ ਕੰਗਾਲ ਦਾ ਮਜਾਕ ਉਡਾਵੀਂ।
ਤੇਰੀ ਆਪਣੀ ਜੀਵਨ-ਬੋਝੀ ਅਜੇ ਸਮੁੰਦਰ ਵਿਚ ਹੈ, ਪਤਾ ਨਹੀਂ ਕੀਹ ਹੋ ਜਾਏ (ਇਹ ਧਨ-ਪਦਾਰਥ ਹੱਥੋਂ ਜਾਇਆਂ ਦੇਰ ਨਹੀਂ ਲਗਦੀ)।
Kabier Ji says, O man do not be proud of your wealth, & do not laugh at the poor.
Your life-boat is still out at sea: who knows what will happen?



The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

Democracy's guardian angel

In striking down the opaque Electoral Bonds Scheme, Supreme Court has lived up to its role



S Y QURAISHI

A VITAL VERDICT

SC striking down electoral bonds scheme is a landmark moment, affirms the people's right to know

INTRODUCING THE ELECTORAL bonds scheme in Union Budget 2017-18, the then finance minister, Arun Jaitley, had underlined that transparency in political funding is fundamental to the fairness of the election process. However, rather than helping clean up the shadowy world of poll finance, the electoral bonds scheme, which Jaitley had called the first step, had, over the years, invited criticism for increasing the system's opacity. Concerns over the scheme's structure based on anonymous donations were voiced even by the Election Commission and the Reserve Bank of India. The bonds allowed donors and parties to keep their association hidden from the public — the State Bank of India, a government-owned bank, and not an independent institution like the RBI, could track the donations. The Supreme Court's decision to strike down the changes in the law introduced to create electoral bonds is, therefore, enormously welcome, especially because it is anchored in the citizen's right to know. A five-judge bench headed by Chief Justice D Y Chandrachud ruled that the donor secrecy provision is "unconstitutional" and "arbitrary and violative of Article 14". CJ Chandrachud set the tone for the verdict by stressing that, "information about funding of political parties is essential for the effective exercise of the choice of voting." In the name of informational privacy, electoral bonds restrict the Right to Information to an unacceptable extent, the bench held unanimously.

Studies by the Association for Democratic Reforms show that the BJP garnered the lion's share of the bonds issued in the first tranche. Analysis of declaration data shows that in the six years since the scheme was introduced, around 55 per cent of the funds extended through the bonds have gone to the BJP — Congress came a distant second with less than 10 per cent. A report in this paper in November 2019 revealed the lopsided nature of this financing system — electoral bonds with denominations of Rs 1 crore accounted for more than 91 per cent of the Rs 5,896 crore raised in the first 11 phases of the sale of bonds. All this lent credence to allegations of corruption and cronyism, and perceptions of an uneven playing field. The government maintained that donor anonymity was necessary to shield contributors from potential retribution. But as the five-judge bench pointed out, "at a primary level, political contributions... enhance access to legislators. This access also translates to influence over policy making. There is also a legitimate possibility that financial contributions to a political party would lead to a quid pro quo arrangement because of the close nexus between money and politics." The court has also pointed out that the ability of a company to influence the electoral process through political contributions is much higher when compared to that of an individual — both in terms of the quantum of money contributed, and the purpose of such contributions.

Attempts to make political funding more transparent must continue. As the SC has said, "There are means other than electoral bonds to achieve that purpose". The government must be guided by the principles of transparency and accountability as it gives the issue a deeper look. That's the central message of the SC's landmark verdict.

FEBRUARY 15, 2024 will go down in India's history as a golden day. The Supreme Court has struck a decisive blow on behalf of democracy, which it has held as the basic structure of the Constitution. The five-member Constitution Bench, in a unanimous verdict, upheld every challenge to every aspect in the electoral bonds case, declaring the scheme unconstitutional. It ordered the SBI to stop issuing electoral bonds immediately and submit all information of the bonds sold, and the names of all the donors and recipients, to the Election Commission of India (ECI).

The Court said the scheme violates the right to information. It rejected almost every argument of the government's lawyers with hard-hitting remarks like "Constitution does not turn a blind eye only because there is a possibility of misuse". And "Curbing black money is not the only ground for electoral bonds". In retrospect, the launch of the scheme through the Union budget of 2017 was itself intriguing. The late finance minister, Arun Jaitley, started with two promising statements: "Without transparency of political funding, free and fair elections are not possible". And: "For the last 70 years, we have failed to achieve this transparency". Our natural expectation was that his third sentence will achieve what he seemed to have set out to do.

Instead, he introduced a scheme that reeked of secrecy and opacity. The excuse was that donors want secrecy as they are afraid of reprisals (obviously from the ruling dispensation). Add to it, the amendment of Section 29(C) in RPA 1951, which has immunised donations through electoral bonds from scrutiny by the ECI, which allows corporates to transfer unaccounted money. The introduction of electoral bonds was not an isolated action. The Finance Act of 2017 introduced amendments to several laws, including the Reserve Bank of India Act, Companies Act, Income Tax Act 1961, Representation of the People Act, and Foreign Contribution Regulation Act, to pave the way for electoral bonds.

Three significant changes did not receive adequate attention. Firstly, the limit of 7.5 per cent of profits that a company could donate was not just raised but completely eliminated, allowing a company to donate 100 per cent of its profits to a political party. Even

loss-making companies could now make political donations, potentially legitimising crony capitalism. It was heartening to see the SC comment on it. Moreover, Section 29B of the Representation of the People Act, 1951, prohibits political parties from accepting contributions from foreign sources, and Section 3 of the 2010 Foreign Contribution (Regulation) Act restricts foreign contributions to candidates, legislative members, political parties, and party office-holders. When, in 2014, Delhi High Court found that Congress and BJP had accepted foreign funds in violation of the FCRA 1976, the BJP government passed a retroactive amendment via a 2016 Finance Bill, replacing the 1976 Act with the modified 2010 statute. This move effectively shields any foreign financing of elections from scrutiny. This is a matter of great national concern.

Significantly, independent institutions like the RBI and ECI had raised serious doubts before the inception of the scheme. According to documents furnished by *Huffington Post*, the RBI had expressed its concerns to the government on the scheme by underlining that it would allow "unauthorised and non-sovereign entities to issue bearer bonds", in turn undermining the "core principle of central banking legislation" (RBI Act). Additionally, it said the scheme would encourage money laundering and the introduction of electoral bonds was worthless since "existing banking instruments like cheque and demand drafts" could achieve the same purpose. However, the government remained unmoved in its path to achieve opaque political funding, ironically in the garb of transparency.

In 2017, the ECI in its letter to the law ministry warned that electoral bonds would help in hiding illegal donations and lead to mushrooming of shell companies to turn their black money to white. The government brushed off its concerns. It is important to remember that citizens' right to know was settled by the apex court in 2003 when it mandated candidates to declare their financial dealings and criminal cases while filing nominations. The Supreme Court ruled that the right to know about public officials is derived from the constitutional right to freedom of expression.

Now that we are back to square one, let's

look at the available options to cleanse electoral funding. One option is to eliminate private funding altogether and introduce public funding for political parties. Another option would be to establish a National Election Fund to which all donors could contribute. The funds could be allocated to parties based on their electoral performance. This would eliminate the so-called concern about donors' reprisals. During the hearing, the apex court, however, flagged a new issue — the possibility of misuse of money received by political parties for activities like funding terror or violent protests, and asked the Centre whether it has any control on the end use.

On two occasions, however, the Supreme Court had refused to stay the electoral bonds scheme as requested by a plea filed by the Association for Democratic Reforms. This had created despondency and apprehensions about the course the case would take. There were disturbing moments when constitutional bodies like the ECI and RBI took a u-turn on their earlier opposition to the scheme. I was appalled to hear the argument of the Solicitor General that citizens have no right to know the identity of donors/recipients. The Attorney General told the SC, in his written submissions, that the citizens' right to know is subject to "reasonable" restrictions. How can keeping the potential quid pro quo between donors and the government a secret from the public be a "reasonable" restriction? These statements would behave a banana republic, not the world's largest democracy.

This is a very significant judgment which will have a long-term effect on our electoral democracy. The Court has struck down not only the Electoral Bond Scheme but also all the provisions that were made to bring it into effect in the Income Tax Act, Companies Act etc.

I have always described the Supreme Court as the guardian angel of our democracy. This faith was, however, wavering lately. Now I add that it is the last refuge in a troubled democracy.

The writer is former Chief Election Commissioner of India and author of *India's Experiment with Democracy: The Life of a Nation through its Elections*

BACK TO SQUARE ONE

With Brij Bhushan Singh reasserting clout over game's administration, wrestling's bad news won't go away

AT THE END of last year, when office-bearers of the new Wrestling Federation of India were elected, they included no one related to BJP MP Brij Bhushan Sharan Singh, the erstwhile WFI chief who faces charges of sexual harassment by the country's top female wrestlers. But at the poll venue that day, a banner hinted that Singh's control over Indian wrestling was far from over. "Dabdaba hai, dabdaba rahega (our clout will remain)" — was the writing on a placard flaunted by one of Singh's family members. Those fears have now come true. Last weekend, Singh's son, Karan, was elected president of the Uttar Pradesh Wrestling Association. It's a no-brainer that he would now have influence in the national body since the WFI is currently headed by Sanjay Singh, a close aide of his father. And with the ban on WFI being lifted by the United World Wrestling (UWW), Indian wrestling is back to square one. The two protesting wrestlers — Olympic medalists Sakshi Malik and Bajrang Punia — have requested the government, which suspended the WFI after Brij Bhushan continued to rule by proxy, to step in. Renewed protests loom on the horizon.

In this atmosphere of confusion and chaos, the only sport that has consistently medalled at Olympics, is suffering as its athletes are left in the lurch. In the past few weeks, there have been two National Championships — one recognised by the government. There is ambiguity over the dates, venues and eligibility for selection trials for the Olympic qualifiers since the wrestlers are unsure who is in charge — the WFI that has Singh's men or the ad hoc committee set by the government.

For over a year now, wrestling administrators have stayed more in the news than the potential medallists at Paris. There is a real danger that wrestling might draw a blank since the wrestlers are distracted and ambiguity remains about who is in charge. While the mat-craft of young and talented wrestlers — Anshu Malik, Aman Sehrawat and Antim Panghal — ought to be the focus, the tug of war continues to push sports in the background. Poor results at Asian Games and World Championships are bad omens. With administrators busy plotting to retain their own dabdaba, the reputation of Indian wrestlers internationally continues to take a beating.

SELLING POINT

Products don't push themselves. As an eye-catching ad shows, it needs subversive messaging and appeals to consumers' feelings

EVEN AS HE battled alcoholism and other personal demons, Don Draper, fictional advertising executive and anti-hero of the show *Mad Men*, could be counted on to come up with profound observations about human nature and the art of selling. "You are the product. You feel something. That's what sells," he tells his protégé Peggy Olson in a season two episode, in response to her assertion — an advertising cliché, if ever there was one — that "sex sells". On the face of it, with its wink-wink-nudge references to sex (including an image of a lock opening a key), a recent viral commercial for a sexual wellness brand, starring Ranveer Singh and adult film actor Johnny Sins, seems to conform to the cliché: It draws attention to itself by, well, talking about sex.

Look closer, however, and it becomes evident that the commercial has important points to make: About why female desire cannot be ignored and the need to destigmatise the topic of sexual health. These are startlingly modern concerns, addressed amidst the regressive setting of a saas-bahu serial. And so, through subversion, feelings — of dissatisfaction and shame — experienced by a vast number of people, are addressed. The stickiest advertising campaigns — whether they feature a girl in a polka-dotted dress commenting on recent news developments while selling butter, or an ecstatic woman dancing onto a cricket field to congratulate her match-winning partner while munching on a bar of chocolate — understand the persuasive power of appealing to "feelings".

All feelings and enlightened discourse aside, though, any advertisement's ultimate success can only be measured in terms of how well it does its primary job, which is to persuade consumers that its product is worth spending their hard-earned money on. As Draper put it in his hard-nosed way, "What you call love was invented by guys like me... to sell nylon."



NARAYANI GUPTA

A CENTURY AND a half ago, the people of Shahjahanabad used to climb the southern ramparts of the city wall between Turkman Gate and Dilli Gate to look at the Khandrat Kalan (the great ruins), vestiges of earlier Delhi. From the 1920s, the khandrat were mapped and identified by the Archaeological Survey of India (ASI). Interspersed were the areas broadly called Jungle Baahar (the forests outside). The landscape of these was familiar to the city folk, for here lay the shrines they visited — Hindu, Sikh, Sufi. Between the trees and shrubs lay jheels, streams, rocky outcrops, and fields, all the way south to Mehrauli. Nature and manmade habitats intersected in the Delhi Triangle (the area between the Yamuna and the arc of the Ridge from the south curving round from west to north, and sloping into the river before Wazirabad. All the Delhis till the present one were within this triangle).

The decision to build a new city was announced in December 1911. From 1912 began the listing of structures and the mapping of requisitioned villages and their lands south of Shahjahanabad. The inhabitants were shifted, areas were cleared to be laid out as roads and houses, parks and gardens.

The process has never stopped. As the urban and "urbanisable" (DDA-speak) acreage keeps growing, villages are "acquired". Villagers of Mahipalpur go for morning walks on the lush green tracks leading to the airport, recalling it was once theirs; two generations ago, erstwhile villagers of Khairpur worked as

ALL THAT IT HOLDS

Heritage is in the present. Protecting it must be a continuous process

malis in Lodi Garden, once their land.

A word on Lodi Garden — it is an example of how urban governments should work. The monuments are looked after by the ASI, the lawns by the NDMC. This spirit of cooperation has to be extended, else we have a recipe for disaster. Imagine a situation where the Sheesh Gumbad is demolished because it encroaches on the lawns! This is now happening near Mehrauli, in Sanjay Van, an invented forest delineated in 1994. Mehrauli and the Ridge have been continuously inhabited since at least the 10th century. The splendour of this landscape has been nibbled away over recent decades. It was put under the Forest Department of Delhi, which has its office in DDA's Vikas Minar. On Martyrs' Day, before sunrise, the Department was in the Van to remove "encroachments" which had happened in the 14th century. The DDA has explained that they have wonderful plans for the Forest: To use it for recreational facilities such as paragliding, rock climbing, guided nature walks and promote environmental awareness.

Of course, the perceived needs and aspirations of town-dwellers change. But our historic city has a richness that can reconcile modern activities with the spirit of the past. The monuments of centuries past communicate with the visitor who approaches them quietly. Sanjay Van does not need 'mushairas' or folk-dances or loud merriment. The sufi saint with whom the undulating landscape is associated sought — and found — peace in its birds, trees, its night sky.

birds, trees, its night sky.

The issue is about control of land. This becomes easier to achieve if one is not distracted by sentimental arguments about heritage. Till the 1980s, the ASI had suffered from a lack of friends, low self-esteem, and low funds. It was the only whipping-boy for all complaints about historic buildings. From the '80s, "heritage" suddenly became the most (over)used word. Heritage when applied to recipes and to handicrafts has been discussed and promoted spiritedly. But when brought into a discussion on historic architecture and landscapes, it becomes fuzzy, listless, often confrontational. It is also ill-informed. Today, there is no excuse for misinformation. But most of us lose our way in basketfuls of rules, gazette notifications, building bye-laws from which information has to be teased out.

While history may be in the past, heritage is in the present. The patina of years changes it and makes it more appealing. Making a list of and photographing built heritage once is not enough. It has to be a continuous process.

Our city's most impressive monuments include three towers housing decision-makers — the Vikas Minar looking down on the Jama Masjid, the Nagar Palika on Sansad Marg, the Nagar Nigam looming over south Shahjahanabad. From that height they draw the map of our city. How, from that height, will they hear our little voices?

The writer is a Delhi-based historian



FEBRUARY 16, 1984, FORTY YEARS AGO

PUNJAB LATHICHARGE

THE POLICE FIRED teargas shells and resorted to lathicharge at Karnal and Panipat to disperse mobs damaging private and public property in retaliation to the incidents in Punjab. According to reports, there was tension in Karnal, Panipat, Yamunanagar and Jagadhri, where most of the shops remained closed in a spontaneous protest against the Punjab incidents.

PAKISTAN'S ATOM BOMB

PRIME MINISTER INDIRA Gandhi has said that India was in touch with countries re-

portedly helping Pakistan in the manufacture of the atom bomb since it would materially affect the security of this country. In an interview to two Polish journalists, she said India still believed that the greatest danger was of a conventional war, but it could not but be concerned about Pakistan acquiring such a capability.

LIC ACTION DISPUTED

BOMBAY HIGH COURT allowed Escorts Ltd and H P Nanda to amend their writ petition against the Union of India, the Reserve Bank of India and others, including Swraj Paul and companies controlled by him, to implead Life

Insurance Corporation of India as the 13th respondent to the petition and challenge the action of the LIC calling for a meeting of the petitioner company to replace nine directors.

WARNING FOR UP

CONGRESS (I) GENERAL secretary Rajiv Gandhi said strict disciplinary action would be taken against detractors who tried to disturb the normal functioning of the government or the party. Reacting sharply to the recent activities of dissidents in Uttar Pradesh, Mr Gandhi said the current dissidence would fizzle out in a day or two. The dissidents have very meagre support against their tall claims.

13 THE IDEAS PAGE

Re-energising RTI

Supreme Court's judgment on Electoral Bonds Scheme is a much-needed boost for the flagging Right To Information Act



YASHOVARDHAN AZAD

THE HISTORIC DECISION by the Supreme Court (SC) declaring the Electoral Bonds (EB) scheme as unconstitutional has given a big boost to the flagging Right to Information Act. The SC weighed in in its favour under Article 19(1)(a) of the Constitution as against informational privacy. The Solicitor General (SG), arguing before the Court, had stated that citizens have no right to donor or recipient identities; the finance minister had opined that political retribution was also a cause for denial of information. Earlier, a Central Information Commissioner (CIC) turned the RTI Act on its head with the decision that information disclosure on EBs was not in public interest. Such orders, while poor in quality, also hinted at the opacity of the regime.

It is this context that makes the SC judgment truly a landmark one. The SC averred that the voters' right is breached by the anonymity clause and that information on political parties is essential. Poll bonds, in fact, are violative of fundamental rights and infringement of RTI is not justified for curbing black money. The two goals of the RTI Act — transparency and accountability — were clearly on the judges' minds while delivering this unanimous judgment.

Whether the SC judgment will put the RTI Act back on track remains to be seen. The year 2023 ended on a sombre note for the Act. Vacancies in Information Commissions, mounting pendency, delayed hearing of second appeals, opacity and the casual approach of officers in dealing with RTI queries were pointers of difficult days ahead. Three lakh twenty-one thousand appeals were pending before the various Commissions as of June 30, 2023. Satark Nagrik Sangathan, in its recent study of State Information Commissions' performances, found that four out of 29 are defunct and at least three are still headless. In ten, the waiting time for hearing after filing an appeal is over a year. Nineteen have not cared to file their annual report, which is mandatory under the Act. The CIC itself boasts of only three commissioners with eight vacant posts. At this rate, there is hardly any hope of clearing the backlog.

The RTI era in India began with the filing of the first query in a police station in Poona on October 12, 2005. The end of the first decade left clear indications that RTI was a work in progress. Public authorities were still not geared to manage the growing demand for information. Repeated queries arising from personal vendetta raised concerns. Compliance with the Commission's orders saw delays in some cases, while pendency increased. The pursuit of queries regarding corruption led to the murder of many RTI activists.

The CIC faced its first major test with a landmark judgment delivered on June 3, 2013, which brought political parties under the ambit of the RTI Act. The ruling party and the Opposition baulked at its audacity. Advised by legal luminaries, they neither complied with nor appealed against the decision. The order had a debilitating impact on the CIC. The body could have, at best, fined



CR Sasikumar

a political party spokesman or an official Rs 25,000 and done little else to ensure compliance with its orders. It also signalled the beginning of a lack of trust between the Commission and the government. Today, its commissioners are shorn of their former status and fixity of tenures.

A decade on, reiterating the government's stand on the issue, the SG argued before the SC in June 2023, that the CIC order cannot be used to seek a writ from the SC to bring political parties under the ambit of the RTI Act. Legally, the SG is right, but what does a common person do when parties cleverly choose not to comply, nor appeal against the CIC order — this, while there is a compelling demand that political parties thriving on public money should be more open to public scrutiny?

While issues such as these and the PM CARES Fund are from relatively recent years, even information from over 20 years ago is withheld on security grounds. The Henderson Papers are doomed to the archives and access to the correspondence between Roy Bucher, the second Army commander-in-chief, and Prime Minister Jawaharlal Nehru, resting in the Nehru Memorial Library, is denied because the Ministry of External Affairs feels that foreign relations would be impacted. Revelation of Robert McNamara and Richard Nixon's observations on Indira Gandhi has not impacted our relations with the US; neither have Winston Churchill's trenchant and acerbic comments on India hampered relations with the UK.

Things can still turn around if the govern-

ment shows the will to resurrect the RTI regime. Let a committee under the Ministry of Personnel, comprising information commissioners, officials and even civil society members, examine issues and take appropriate measures. The Prime Minister has often stressed on transparency and accountability and that is exactly what the Preamble of the RTI Act embodies. The RTI Act was once called a 'sunshine legislation', rated as one of the best in the world and even emulated by a few nations.

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In the early '90s, a catchy slogan from rural Rajasthan — "Hamara Paisa, Hamara Hisab", coined by the Mazdoor Kisan Sangathan Samiti (MKSS) — resonated across villages, townships and the corridors of power in Jaipur. Access to government records on public expenditure in villages was a long-standing demand and it ushered in a mass movement, garnering support from all quarters. As replies started coming in from officials in village durbars, the MKSS, led by crusaders Aruna Roy and Nikhil Dey, scripted a historic win for the right to information.

The time has come for India, boasting of a rising economy and moral and political clout, to re-energise the RTI regime, which would only add heft to its position in the comity of nations. Let us hope that the SC judgment acts as a catalyst in strengthening the RTI Act and restoring it to its past glory.

The writer is chairman of DeepStrat, a former central information commissioner and a retired IPS officer who served as secretary, security, and special director, Intelligence Bureau. Views expressed are personal.

A Pyrrhic victory

SC's electoral bonds verdict turns back clock, is more idealistic than pragmatic



SUBHASH CHANDRA GARG

THE SUPREME COURT (SC), on February 15, extinguished the Electoral Bonds (EB) Scheme (2018), by holding all the amendments made in the Representation of People Act (RPA), the Companies Act (CA) and the Income Tax Act (ITA) violative of the fundamental right to information under Article 19(1)(a) and the right to equality (Article 14) of the Constitution.

The amendment in Section 29C of the RPA excluded the EBs from the requirement of mandatory reporting by political parties to the Elections Commission of India (ECI). Section 13A(b) of the ITA was amended to make cash donations of only Rs 2,000, received other than by way of cheque, bank draft, electronic clearing system or electoral bonds, eligible for tax exemption from income tax.

The amendment of Section 182(1) and Section 183(3) of the CA had the effect of making every company, loss-making or profit-making, eligible to make unlimited corporate funding to political parties as the earlier ceiling of 7.5 per cent of profits was removed.

The SC has not laid down any alternative scheme of political funding. As all the above amendments have been held to be unconstitutional and no alternative funding system has been prescribed, the EBs go out of business completely and the pre-EBs regime of cash donations and corporate do-

nations will be restored.

The SC judgment stops the State Bank of India (SBI) from issuing any more EBs forthwith. The SBI has also been directed to submit the details of EBs purchased since April 12, 2019 (the date of the interim order of the SC) to the ECI. The details to be submitted shall include the date of purchase of each electoral bond, the name of the purchaser and the denomination of the electoral bonds purchased.

The SBI has also been directed to submit the details of the political parties, which received and deposited the contributions through EBs from the date of the same interim order. The details to be furnished shall include the date of encashment and the denomination of each of the electoral bonds. These details have been directed to be furnished by March 6. The ECI has been directed to publish the information received from the SBI on its website by March 13.

By this date, most details of the EBs issued after April 12, 2019, would be in the public domain — which companies purchased the EBs with details of each EB purchased and details of each EB received by the political parties. The SC has taken care to prescribe the mode of disposal of EBs currently in transit as well. The EBs, which are within the validity period of 15 days but have not been encashed by the political parties so far, will be returned by the political

party to the purchaser-donor. Upon deposit, the issuing bank shall refund the EB amounts in the purchaser's account.

The SBI has not been asked to provide the specific identification number of each EB issued and received. It has also not been asked to match the purchaser and depositor for each EB. Therefore, the information to be furnished by SBI and to be placed by the ECI on its website will not lead to the discovery of exact information relating to which company provided which EB to which political party. Perhaps a data analyst would figure it out in due course. That, however, will not be easy.

From the judgment read out by the Chief Justice of India, DY Chandrachud, and major details available so far, the five-judge bench, including Justices Sanjiv Khanna, B R Gavai, J B Pardiwala and Manoj Misra, appears to have based the judgment on two major principles.

The SC laid stress on the virtues of "open governance" and accepted the idea that "information about funding of political parties is essential for the effective exercise of the choice of voting". Further, the SC wanted to discourage/stop corporate funding for political favours. The SC said: "At a primary level, political contributions give a seat at the table of contributors, i.e. it enhances access to legislators. This access also translates to influence over policymaking. There is also a

legitimate possibility that financial contributions to a political party would lead to quid pro quo arrangement because of the close nexus between money and politics."

The Court did apply the restrictive means test of the doctrine of proportionality but found that the EB system did not satisfy the same. The SC accepted the argument that there are means other than EBs to achieve the purpose of curbing black money, even assuming it to be a legitimate objective. It viewed EBs as infringing, to an unjustifiable degree, on the right to information.

EBs are now history. Only profitable corporates would be able to make political donations within the limit of a maximum of 7.5 per cent of profits — though this route was always available, it was seldom used. It is unlikely to be used going forward as well. Political parties will need funding for the upcoming Lok Sabha elections. How will they receive contributions?

Most likely, the corporates and the political parties will fall back upon the pre-2018 route of splitting the funding into cash donations of less than Rs 20,000 per donation. Or, they may resort to making completely unaccounted political donations. In sum, India will have a Pyrrhic victory. It is a triumph of idealism over pragmatism.

The writer is a former finance secretary

WHAT THE OTHERS SAY

"Only if it is successful in overturning the ROs' decisions in a significant number of seats and improving its numerical strength can the PTI think of ousting the PML-N-led government inside parliament. Otherwise, the PTI dream of again forming the government at the centre it will have to wait." — DAWN, PAKISTAN

This is not how India really lives

Daily struggles of ordinary men and women do not find a place in the government's budget rhetoric



ZERO HOUR BY DEREK O'BRIEN

THE INTERIM BUDGET session of Parliament has just concluded. Nine days of the Union government using a deluge of several self-aggrandising adjectives — some romantic, others poetic and almost all unsubstantiated by fact. Intellectual dishonesty about data is endemic. This columnist delves into the lives behind the numbers. The people who aggregate into government "data" and find out how India really lives. This is the story of Rekha, Kavita and Mohan.

Health: "The Ayushman Bharat scheme has greatly helped the poor."

Scenario A: Rekha visits a government hospital and waits in a long queue. She desperately needs medical assistance. She knows the treatment she will get here is of poor quality, but this is all her pocket allows. Not just the quality of the treatment, but the process of accessing it is also difficult. Data stored with government hospitals under the Ayushman Bharat scheme is riddled with errors. This pushes Rekha, and citizens like her, further away from timely healthcare. The numbers either misidentify the dead, incorrectly record surgery details or entirely leave out beneficiaries from the list. If Rekha is lucky enough to not get entangled in all the red tape, she would be treated at a government facility, where resources are limited and facilities often subpar. What more can one expect from a government that invests a mere 2.1 per cent of GDP in healthcare? Endless out-of-pocket expenditure coupled with insufficient government support impoverishes 55 million Indians every year.

Scenario B: Rekha attempts self-medication to save money. This severely jeopardises her health. According to the recent NFHS report, the proportion of households that typically avoided utilising government health facilities between 2019 and 2021 was staggering 49.9 per cent. This means that half the country does not turn to government facilities in their time of need. Reality gets worse for Indian women like Rekha. Six out of 10 women from the general category, and seven out of 10 women from the tribal community have reported at least one concern in accessing healthcare. PS: The International Institute for Population Sciences (IIPS) Director and Senior Professor KS James, who was behind this year's NFHS data, was suspended by the Union government shortly after the release of the report.

Food security: "India's food diversity is a dividend for global investors."

Scenario A: Kavita decides to buy her family's monthly ration from the government-subsidised ration shop. The prices are low but so is the nutritional value. Kavita's is not a one-off case. Her reality confirms what various independent surveys say, like the Global Hunger Index where India ranked 111 out of 125 countries. Kavita's reliance on subsidised options amplifies the struggles faced by countless low-income Indian families whose nutritional needs remain unfulfilled.

Scenario B: Kavita opts to buy groceries from the supermarket close by. It gives her more options, and better quality, albeit at a higher cost. Kavita reduces the number of meals she has in order to afford the quality. Her predicament supplements the report recently published by FAO, IFAD, UNICEF, WFP, and WHO which finds that three out of four Indians (a staggering one billion people) cannot afford a healthy diet.

Employment: "Today, every youth believes that they can cement their job position with hard work and skills"

Scenario A: Mohan decides to participate in a recruitment drive organised at the local school. Like the five thousand others from his state, he joins the queue for a job in war-torn Israel. Mohan fears for his life but the prospect of earning over one lakh rupees per month is tempting. That is ten times more than what he is earning now. Twenty-four year-old Mohan knows that there would be a grave threat to his life in a country where 30,000 people have been killed since October of last year. However, in the grocery store in his locality, a packet of rice costs 56 per cent more while dal costs 120 per cent more than it did earlier. If he wants to provide for his family, then a job in a war zone is his only option.

Scenario B: Mohan is considering taking up a job as a delivery agent for a food services company. He has a graduate degree in economics from a reputed central university. Sadly, much like the other 42 per cent graduates under 25 years of age, he has not found employment. It has now been 11 months. Every morning he finds himself as one of those 10 per cent who the newspapers report to be unemployed at a two-year record high. Mohan has to provide for his ageing parents. He understands that as a gig worker, no law protects him from losing his job or working unfixed strenuous hours. So he tells himself, "let me board that plane to Israel."

The voices of Kavita, Rekha and Mohan did not find a place in the Prime Minister's marathon monologue in Parliament.

The writer is Member of Parliament and Leader, All India Trinamool Congress Parliamentary Party (Rajya Sabha). Additional research credit: Chahat Mangtani, Varnika Mishra

LETTERS TO THE EDITOR

TEMPLE & MOSQUE

THIS REFERS TO the report, 'Abu Dhabi enhances Ayodhya joy, says PM, opens UAE temple' (IE, February 15). It is deeply symbolic that while the temple has arisen in Abu Dhabi with the full support of the UAE authorities, here in Mehrauli, a 600-year-old mosque was demolished with 10 minutes' notice by the Delhi Development Authority on January 30.

Jawid Laiq, New Delhi

tation of expressing their personal and political opinions while performing their ceremonial duties and responsibilities. Policymakers of the day should consider constitutional safeguards to limit the discretionary power vested in the governor's office to a bare minimum. A fixed tenure may motivate governors to look after the interests of the state and its people while in office.

Sudip Kumar Dey, Barasat

TIME FOR RESOLUTION

THIS REFERS TO the editorial, 'Plainly on MSP' (IE, February 15). The ongoing confrontation between farmers and the Centre is worrisome. There are reasons to blame the government's intransigence for the current ugly scenario, but, as the editorial points out, a legal guarantee on MSP will be nothing short of financial harakiri. Moreover, the government cannot yet again give the message that it is being held to ransom by the farming community, as had happened at the time of the repeal of farm laws. With daily commuters also facing a harrowing time due to the agitation, a resolution must be found soon.

Vijai Pant, Hempur

LOVE THYSELF

THIS REFERS TO the editorial, 'One and enough' (IE, February 15). Belgium's initiative to normalise being single is a step towards challenging the social stigma surrounding single people. Some individuals decide not to get romantically involved by choice and it is unjust to impose societal expectations on them. Instead of stressing the need for a romantic partner for joy, society should give due importance to the practice of self-love and self-acceptance.

Kamia Namitha, Bengaluru

LIMIT THE POWER

THIS REFERS TO the editorial, 'Governor in a china shop' (IE, February 15). The office of the governor plays an important role in upholding the constitutional fabric. It ensures that the functioning of the state machinery is in alignment with the constitutional spirit. The good office is meant to act as a bridge between the Union government and the respective state. It is high time the incumbents of the office resist the temp-

UNFULFILLED PROMISE THIS REFERS TO the article, 'Farmers' protest, lessons unlearned' (IE, February 15). The Union government's reluctance to accede to the demands made by the farmers during the protests of 2021 has left them with little option but to re-launch their movement. Back then, PM Modi had been prudent enough to repeal the three controversial farm laws and had promised to look after their welfare. But he has not walked the talk. Let the "feeders of the nation" be heard as there have been many unfortunate instances of farmer suicides in the recent past.

SS Paul, Nadia

A vote for disclosure

Scrapping electoral bonds is an opportunity for reform

A five-judge Constitutional Bench of the Supreme Court has injected much-needed transparency into electoral funding in India by striking down the six-year-old electoral bond scheme for political contributions, ruling it violative of the right to information embedded in Article 19(1)(a) of the Constitution. In doing so, the majority court ruling has upheld the values of open and transparent governance and access to information for voters that had been infringed upon by this secretive campaign finance law. To this end, the apex court has instructed State Bank of India, the designated state-owned bank issuing these bonds, to give details of the bonds issued and bought since April 12, 2019 (when an interim order to this effect was passed) to the Election Commission of India (ECI). The ECI, in turn, must publish this information on its website between March 6 and 13. Electoral bonds that are within the 15-day validity period have to be returned.

No less significant is the apex court's observations on amendments through the 2017 Finance Act to Section 182(3) of the Companies Act, 2013, concerning political contributions by companies. Section 182(3) required such contributions be authorised by the board, not be made in cash, and disclosed in the profit & loss account. The 2017 amendment removed the cap on donations — set at 7.5 per cent of the preceding three years' profits — and eliminated disclosure requirements. The court raised the question of whether unlimited corporate funding to political parties violated the principle of free and fair elections and cast doubts on the potential of electoral bonds to curb black money. It also pointed out that this amendment had been introduced to align with Section 29(C) of the Representation of People's Act, which exempts political parties from disclosing contributions received from electoral bonds and had therefore become "otiose". In March 2023, the Association for Democratic Reforms found that more than 66 per cent of the income of seven national parties, including the ruling party, came from "unknown sources" in 2021-22; electoral bonds accounted for 83 per cent of this income.

The fact is that electoral bonds added one more element of opacity to a lax regime on political funding. Under current laws it is mandatory for parties to declare donations above ₹20,000, a ceiling that enables large donations to be broken up into smaller undocumented denominations. In the absence of a system of independent audit of political parties, it is easy to circumvent even these disclosure rules. In 2013, the government introduced the Electoral Trust Scheme to allow not-for-profit companies to set up entities that can raise money from other companies and individuals and distribute them to political parties. These disclosure norms, too, do not require a declaration of the parent company setting up the trust. By questioning the rationale for "selective anonymity" and suggesting that corporations had a greater ability to influence the electoral process than individuals did, the court has pointed to the urgent need for an overhaul of political funding laws. This is imperative in any democracy where money remains a driver for political success. Campaign finance laws can perhaps never be perfect. But the ECI should not forgo this opportunity to try to align political donation rules with best-in-class norms of Western democracies.

Unjustified demands

Price guarantee will kill the agri market

Two years after farmers called off their protests, they are again marching towards Delhi with multiple demands. Protesting farmers want, among other things, a legal guarantee for minimum support price (MSP), implementation of the Swaminathan Committee report, loan waivers, pensions, and a doubling of the number of work days under the Mahatma Gandhi National Rural Employment Guarantee Act. They also want India to withdraw from the World Trade Organization. While the government was negotiating with farmers till the press time, most of the demands lack basic economic logic. The timing is also intriguing. The Lok Sabha elections can be called anytime and laws can be passed only after the next Lok Sabha is constituted. The idea clearly is to put pressure on political parties to take these demands forward. The Congress, for example, has promised a legal guarantee for MSP.

The government declares MSP for 23 crops and purchases some, mainly wheat and rice, for distribution under the National Food Security Act and maintaining a buffer stock. It also intervenes in other commodities to support prices. However, providing a legally guaranteed price for all 23 commodities is simply impossible. The government does not have the resources to do this. A legal guarantee would mean every time prices go below the MSP, the government will have to procure because private traders will move out of the market. Logically, once private trade gets discouraged, prices will automatically fall. In such a situation, the government will have to buy everything. While there are various estimates of how much the price guarantee will cost the exchequer, to be fair, it is hard to arrive at a number. Also, how will the government liquidate the stock? The idea will destroy the market and will soon lead to shortages.

It is also worth noting that only a small proportion of agriculture and related output is covered under MSP. Some of the faster-growing commodities, such as milk and poultry, do not get support. Even for the crops that are covered under MSP, only a small minority of farm households benefit. The data analysed by economist Ashok Gulati and others, for instance, showed that for the agriculture year 2018-19, only 8.8 per cent of agricultural households sold any crop at MSP to government agencies. Further, the value of that produce was just 8 per cent of total output — crops and livestock. Thus, a price guarantee will not address the real concerns of the farm sector.

To be sure, farmers do face vagaries of weather and markets. Unfortunately, the challenges on the weather front will only increase with changes in the climate. It is therefore necessary to address fundamental challenges. To support the farm sector, among other things, the government is doing cash transfers to farmers. The scheme can be suitably adjusted to improve its effectiveness. The government can also work on a mechanism for price stabilisation, which can be used to intervene if prices go below a certain level. Further, it can avoid curbs on exports and stock holdings. A price guarantee will only create more problems. In fact, it is in the interests of farmers, particularly in Punjab and Haryana, to move away from water-intensive crops like paddy, which is depleting groundwater at an alarming pace and will soon become a crisis.



ILLUSTRATION: BINAY SINHA

Banking laws and regulatory shake-ups

Regulatory action against Paytm's payments bank points to the need for reform of banking regulation

A press release issued by the Reserve Bank of India (RBI) two weeks ago directed the Paytm Payments Bank Ltd (PPBL) to stop onboarding customers with immediate effect. Existing customers were allowed to withdraw or utilise the balance in all their accounts but were not permitted to make additional deposit or credit transactions. No other banking services can be carried out by PPBL after February 29. Essentially, the RBI has stopped the operations of the PPBL. Why was this done?

An established and respected regulator like the RBI does not act without reason and justification. We presume that PPBL has engaged in egregious violations that necessitated a drastic response. It is likely that many smaller violations have occurred in the past. We would also presume that the top-management of PPBL was informed about the violations and given a chance to correct past behaviour. But these are presumptions; the truth is we do not know.

We do not have a formal legal order from the RBI setting out the failurers and the justification for the action. All we have is a press release that specifies punishments, without offering evidence or rationale. The press release simply says that "the Comprehensive System Audit report and subsequent Compliance Validation report of the external auditors revealed persistent non-compliances and continued material supervisory concerns in the bank, warranting further supervisory action".

This statement leaves many questions unanswered. We do not know whether a hearing took place, we have not heard PPBL's side of the story, and we do

not know the RBI's rebuttal of PPBL's defence. It is thus unclear whether due process and rule of law principles were followed by public authorities before imposing punitive actions.

This is an issue of some relevance because as Lord Hewart, the Lord Chief Justice of England, famously remarked in a 1924 case: "It is not merely of some importance but is of fundamental importance that justice should not only be done, but should manifestly and undoubtedly be seen to be done".

At heart, this requires adherence to principles of rule of law and natural justice:

1. The term "rule of law" is about equal treatment of everyone, with the same set of laws and fair procedures in the legal process. Encyclopaedia Britannica defines it as "the mechanism, process, institution, practice, or norm that supports the equality of all citizens before the law, secures a non-arbitrary form of government, and more generally prevents the arbitrary use of power".
2. Closely related to this notion is the notion of natural justice, which

has two basic elements. The first principle is that no person should be judged without a fair hearing, providing the person the opportunity to respond to the evidence against her. Second is the principle that no one should be a judge in her own cause.

All of us in India will readily agree that a modern market economy requires these concepts to be fully in play, for arbitrary exercise of state power is unfair and deters private investment.

Is it possible that banking is special, and hence the foundations of constitutional law need to be sus-



AARTHIKAM CHINTANAM

K P KRISHNAN

Defence exports: A strategic imperative

Amidst escalating geopolitical tensions, analysts foresee a rapid expansion of the global defence and aerospace industry, from \$750 billion in 2022, to \$1.38 trillion by 2030. Beyond economic gains, defence exports offer substantial strategic advantages. The deployment of defence equipment from a specific nation establishes technological dependencies, influencing maintenance, repair, overhaul, spares, components, and future upgrades. Compatibility between exporting and receiving nations enhances military interoperability, expanding options for joint operations. These dependencies significantly impact the diplomatic and strategic geopolitical stance of partner nations, highlighting the broader implications and significance of defence exports.

The United States, currently the world's largest arms exporter with over 40 per cent of global exports, did not always dominate the market. In the 1870s and '80s, the American shipbuilding and strategic metals industry lagged behind Europe. Prior to the 1880s, the navy and war departments procured ships and armaments from the government naval yards and arsenals. Faced with the transition from wood-sail to steel-steam fleets, the US had to decide whether to import from Britain or encourage domestic production. They opted for the latter, legislating that all ships and components must be sourced domestically, fostering a private defence industry.

Along with this fundamental change, other key policy measures transformed the defence industry in the US. The Government Metal Testing programme subsidised industry testing cost, amendment to the basic procurement law allowed direct negotiation instead of competitive bidding in emergency conditions or when competition was impractical. Another landmark decision involved the State promoting foreign sales of US firms, arguing that it was crucial for maintaining the military-industrial complex for national defence.

The transformation of the US into a world-class defence industry ecosystem holds valuable insights for India as it embarks on a similar journey. India's defence exports surged to a record ₹16,000 crore in 2022-23, a staggering 800 per cent growth in five

years and reaching 85 countries across continents. This propelled India into the top 25 defence exporters globally. Interestingly, nearly 80 per cent of this growth is attributable to private industry. India's expanding defence exports encompass missiles, rockets, torpedoes, artillery-guns, and drones, among others. Integration of hundreds of Indian Micro, small and medium enterprises (MSMEs) into global defence original equipment manufacturer (OEM) supply chains, coupled with a surge in exports, positions India favourably for future growth. Notably, DefExpo 2022 in Gandhinagar witnessed around 20 ministerial level delegations expressing interest in sourcing defence equipment from India.

External factors contribute to this optimistic outlook. China's declining arms exports, marked by a 7.8 per cent drop between 2016 and 2020, apparently due to poor quality and unreliable performance creates an opportunity for India. Myanmar's grounding of Chinese jets, Nigeria's return of Chengdu F-7 fighters, and Pakistan's issue with F-22 frigates highlight the challenges faced by China's arms industry. Amidst Russia-Ukraine conflict-related supply chain disruptions, Israel's preoccupation with Hamas, and the US tied up on multiple fronts, India emerges as a reliable partner attracting countries keen on diversifying arms sourcing.

India's expertise in servicing Russian platforms has gained prominence from countries possessing Russian inventory. As the Indo-Pacific region gains significance, Indian shipyards find opportunities to service the increasing presence of US and European naval fleet. The rising importance of software and artificial intelligence (AI) in defence platforms aligns with India's strengths, fostering the establishment of global capability centres by global defence OEMs.

Government's Innovation for Defence Excellence (IDEX) programme has created hundreds of startups, which are serving the Indian armed forces and are poised for global licensing of their technologies in areas such as wireless communication, image sensors, quantum communication, AI, and swarming. Above all, Prime Minister Narendra Modi has been able to trans-

formed in this field? A look at contemporary examples of regulatory orders in the domain from the US and the UK ([t.ly/Lyz8J](https://www.federalreserve.gov/news/2023/02/20230201a) and [t.ly/9lk9](https://www.bankofengland.co.uk/press-releases/2023/02/20230201a)) shows that this is not the case. It is possible to reconcile the rule of law and constitutionalism with the field of banking.

Another possibility is that if the RBI is more transparent in such matters it could cause a run on a bank. Hence, it is argued that rule of law procedures are inappropriate for regulation and supervision of banks. But that argument cannot be made here. Prior to the action, PPBL had 30 million accounts and over 700,000 point-of-sale terminals. There are more than 35 million UPI QR codes associated with PPBL and 300 million wallets. On the Indian roads there are nearly 10 million FASTags of PPBL. All of them are impacted by the RBI action. Each of these users does not know what went wrong at PPBL, and only sees strong RBI action. This could lead to panic; if anything, it is the RBI action that potentially might set off a bank run. Indeed, there are market rumours that this entity is not alone; as a result, many other new-age financial firms are also facing considerable stress.

On the second principle of natural justice, it is relevant to ask if the RBI supervisors who inspected PPBL and found violations are distinct and separate from those who weighed the evidence and concluded that drastic actions were called for. In all likelihood they are. But we don't know.

Prima facie, the evidence of the application of the two elements of natural justice in the case is thin. We are not able to say that justice has been manifestly and undoubtedly seen to be done.

Finally, is the RBI to blame for these observed difficulties? Not really. Section 35A of the Banking Regulation Act effectively instructs the RBI to do all the things that they have done. RBI employees are faithfully implementing the old laws with which they are obliged to work.

Consequently, it is time to revisit these old laws. This is part of India's journey in building the institutions of a modern economy. In the case of Securities and Exchange Board of India (Sebi) the concept of a "speaking order" (with a rationale) came about as a result of two developments. A modern legislation, namely the Securities and Exchange Board of India Act, 1992 and the creation of relevant jurisprudence by the Securities Appellate Tribunal, which performs judicial oversight functions over Sebi.

Likewise, India needs a modern Banking Regulation Act, one that would ensure that the rule of law and natural justice apply fully in regulatory enforcement matters, whenever authorities engage with financial firms. After all, in a democracy, financial firms need reassurance that justice will not be arbitrary. And all of us as citizens, depositors, and users of wallets and QR codes have the right to know more about what went wrong at PPBL.

The writer is an honorary professor at CPR, member of a few for-profit and not-for-profit boards, and a former civil servant



OFF THE GRID

AJAY KUMAR

Unpacking the 'S' word



BOOK REVIEW

NILANJAN MUKHOPADHYAY

Secularism is a problematic word in India. Almost every political party or civil society group, whatever their political orientation, claims to be "secular" and committed to the "ism". The author of this treatise fleshes out three definitions of the word from two dictionaries and one encyclopaedia and contends that all are "simplistic and misleading insofar as they imply that secularism is a single-value idea." Instead, she postulates that "secularism is a far more complex, triple-value concept".

This is the third book in an intended series of 10 publications that analyses various core elements of India's Constitution. Its launch coincided with

the 75th anniversary of Independence, the intention being that publications like these would stand apart from the watershed event's conversion into an "event" by the government.

We are now marking the same watershed anniversary of India becoming a republic in 1950, when the Constitution came into force. Over the years, various issues that made up the core ideas of what is also termed as "India's only Holy Book", are used mainly as clichés and rarely as motivating principles.

The first book in this series was written by eminent social scientist, Neera Chandhoke, who has also helped the series anchor Harsh Mander bring it out and was evocatively titled *We, the People, and Our Constitution*.

What was the genesis of the idea of secularism in contemporary India's constitutional discourse? India was for long periods of its history a multi-faith country, but where is the origin of the enshrinement of secularism as an idea in official texts? The first official document that referred to equality for all religions and various followers, the author says,

was in the 1858 Proclamation of Queen Victoria promising equality for all religions and pledging state neutrality. This proclamation, the author writes "inaugurated a new British colonial policy of support for non-interference in matters of religious belief of worship within British India."

This proclamation set the tone to ensure that in the Indian Constitution, all eight religions to which India is an on-paper home — Hinduism, Sikhism, Buddhism, Jain, Islam, Christianity, Zoroastrianism and Judaism — are not interfered with.

In today's India, this non-interference is highlighted as evidence of weakness and imperfection. On February 10, speaking in the Lok Sabha during the hastily convened debate on the consecration of the Ram temple, Union Home Minister Amit Shah made a disquieting assertion: "There is not a single country in the world where the majority community fought such a long legal battle to practise their faith." Implicit in this assertion is the contention that it is normal for a minority community to wage battles to practise their faith but this fate shall not be the majority community's.

The author would not have been aware, given that the manuscript was

completed before the January 22 event at Ayodhya, of how the day would pan out. Although this episode has been in the news, the author reminds readers about the sharp divergence between PM Jawaharlal Nehru and President Rajendra Prasad over the inaugural ceremony of the Somnath Temple. Nehru then, unambiguously stated that "he strongly objected to public functionaries attending religious ceremonies."

Eventually, India's first president attended the ceremony in a private capacity. Nehru was committed to a "liberal, secular state that would focus on individual rights." In contrast, PM Narendra Modi was the principal *Jajman* of the religious ritual. Thereafter, he addressed, as the Prime Minister, a select audience that ominously included several retired chiefs of the armed forces even as a military helicopter showered flower petals.

Secularism cannot be understood without unpeeling the Constitution and

comprehending that new sectarian interpretations of it are possible. The author points out that India's formal charter "protects the right to propagate religion" but that in recent years a new discourse has been created to bring in notions of "inducements" and "fraud" pertaining to religious conversion.

With contentions like "the strength of a secular state lies in the way it treats its minorities", this book goes readers to pose questions: To what extent is India secular today? Will India's allegiance on paper to the idea of secularism be struck down by the judiciary in times to come? This question becomes important in the backdrop of the Supreme Court

agreeing to hear a plea asserting that insertion of the two words through the 42nd Amendment, "Secularism" and "Socialism", was against the law and should be deleted from the Preamble.

It is not just this amendment to the Constitution that has faced attack, but even the landmark judgment by the largest-ever 13-judge Bench in 1973, in

what is popularly known as the Kesavananda Bharati case, has faced criticism. This judgment put a check on parliamentary sovereignty by stating that while "Parliament had wide powers, it did not have the power to destroy the basic structure of the fundamental rights by making it subservient to directive principles, which are non-justiciable." This ruling has been questioned by the current regime.

Methodically, the author critically examines flawed and often contradictory SC judgments on issues that impinged secularism. This includes the 1962 verdict in the *Sardar Syedna Taher Saifuddin Saheb vs State of Bombay* when the Supreme Court used the word secularism for the first time. The sweep of judgments scrutinised is vast.

This book may be slim but packs an abundance of deeply researched information and insight that reinforces readers' understanding of secularism. It is a useful tool while preparing to contest efforts to undermine the secular principles of the Constitution.

The reviewer is an NCR-based author and journalist. @NilanjanUdwin

Opinion

FRIDAY, FEBRUARY 16, 2024



HAVING A FAIR PLAYING FIELD

Vice president Jagdeep Dhankar

Corruption and patronage are the worst killers of young minds. They are antithetical to merit and stability. Young people hate it because they feel cheated by corruption, nepotism, and favouritism

Better late than never

The SC has done a great service to the nation by scrapping electoral bonds, but it could've been done sooner

THE SUPREME COURT'S decision to strike down electoral bonds as "unconstitutional" is a landmark judgement for several reasons, the main one being that the scheme, which allowed anonymous funding to political parties, clearly violated the right to information and Article 19(1)(a) of the Constitution. Nothing—not even the government's contention that the electoral bond scheme curbs black money and its circulation—can justify the encroachment into fundamental rights. The fact that it clearly means business is evident from the three directions the SC issued: All the electoral bonds within the 15-day validity period shall be returned by political parties to the purchasers; the Election Commission will make all donations public within one week of the receipt of information; and the State Bank of India (SBI) should stop issuing electoral bonds immediately and submit all details to the EC by March 6.

The only concern is the huge time taken by the court in coming to a conclusion on the issue, despite the reservations of the Reserve Bank of India, the Election Commission and civil society watchdogs. The central bank, for example, raised concerns about the possible "misuse" of the bonds, "particularly through the use of shell companies". Yet, the court had refused to grant an interim stay on the bonds in 2020, and resumed the hearing of petitions only in 2022. Given the obviously questionable ethics in the design of the scheme, the process should have been much faster. In any case, it is now unlikely to have much bearing on the funding of the next general election, which is barely a couple of months away.

The government's rationale for these bonds was that they reform political finance by eliminating the use of cash, and create a channel of legitimate funding for political parties. Plus, donors and receivers are assured of anonymity, which helps them avoid victimisation by any entity. Introduced in 2017 by then-finance minister Arun Jaitley, these bonds were meant to be an alternative to the growing complaints of black money flowing into political party coffers. Political parties could escape Election Commission scrutiny of these donations by claiming—disingenuously—that they mostly came in the form of cash and were below the limit of ₹20,000 for identifying individual contributions. In reality, however, these bonds have entrenched opacity and carry significant potential for corruption. The scale of legally permitted non-disclosures were completely out of sync with the tenets of electoral democracy. For companies, the only option left now is to revert to electoral trusts as they allow companies to maintain an arm's length while donating to political parties, at least in terms of perception.

The moot point, however, is whether scrapping of electoral bonds would have any material impact on the fundamentally murky nature of electoral funding in India. A report of Analysis of Donations to Registered Recognized Political Parties (ADR) says the donations received by 31 political parties in the last six years were a princely sum of ₹9,188 crore. Given that India's elections are incredibly expensive—in fact, the 2019 general election was reported to be more expensive than America's 2016 presidential election—the money raised through electoral bonds is loose change. So the rot is much deeper.

HISTORICALLY DEMOCRATIC

IN STRIKING DOWN THE ELECTORAL BONDS SCHEME, SC PROVES ITSELF AS DEMOCRACY'S GUARDIAN ANGEL

Letting the light in

SY QURAISHI

Former Chief Election Commissioner



FEBRUARY 15, 2024 will go down in India's history as a golden day. The Supreme Court has struck a decisive blow on behalf of democracy, which it has held as the basic structure of the Constitution. The five-member Constitution Bench, in a unanimous verdict, upheld every challenge to every aspect in the electoral bonds case, declaring the scheme unconstitutional. It ordered the SBI to stop issuing electoral bonds immediately and submit all information of the bonds sold, and the names of all the donors and recipients, to the Election Commission of India (ECI).

The Court said the scheme violates the right to information. It rejected almost every argument of the government's lawyers with hard-hitting remarks like "Constitution does not turn a blind eye only because there is a possibility of misuse". And "Curbing black money is not the only ground for electoral bonds". In retrospect, the launch of the scheme through the Union budget of 2017 was itself intriguing. The late finance minister, Arun Jaitley, started with two promising statements: "Without transparency of political funding, free and fair elections are not possible". And: "For the last 70 years, we have failed to achieve this transparency". Our natural expectation was that his third sentence will achieve what he seemed to have set out to do.

Instead, he introduced a scheme that reeked of secrecy and opacity. The excuse was that donors want secrecy as they are afraid of reprisals (obviously from the ruling dispensation). Add to it the amendment of Section 29(C) in RPA 1951, which has immunised donations through electoral bonds from scrutiny by the ECI, which allows corporates to transfer unaccounted money. The introduction of electoral bonds was not an isolated action. The Finance Act of 2017 introduced amendments to several laws, including the Reserve Bank of India Act,

Companies Act, Income Tax Act 1961, Representation of the People Act, and Foreign Contribution Regulation Act to pave the way for electoral bonds.

Three significant changes did not receive adequate attention. Firstly, the limit of 7.5% of profits that a company could donate was not just raised but completely eliminated, allowing a company to donate 100% of its profits to a political party. Even loss-making companies could now make political donations, potentially legitimising crony capitalism. It was heartening to see the SC comment on it. Moreover, Section 29B of the Representation of the People Act, 1951, prohibits political parties from accepting contributions from foreign sources, and Section 3 of the 2010 Foreign Contribution (Regulation) Act restricts foreign contributions to candidates, legislative members, political parties, and party office-holders. When the Delhi High Court found in 2014 that Congress and BJP had accepted foreign funds in violation of the FCRA 1976, the BJP government passed a retroactive amendment via a 2016 Finance Bill, replacing the 1976 Act with the modified 2010 statute. This move effectively shields any foreign financing of elections from scrutiny. This is a matter of great national concern.

Significantly, independent institutions like the RBI and ECI had raised seri-

ous doubts before the inception of the scheme. According to documents furnished by *Huffington Post*, the RBI had expressed its concerns to the government on the scheme by underlining that it would allow "unauthorised and non-sovereign entities to issue bearer bonds", in turn undermining the "core principle of central banking legislation" (RBI Act). Additionally, it said the scheme would encourage money laundering and the introduction of electoral bonds was worthless since "existing banking instruments like cheque and demand drafts" could achieve the same purpose. However, the government remained unmoved in its path to achieve opaque political funding, ironically in the garb of transparency.

In 2017, the ECI, in its letter to the law ministry, warned that electoral bonds would help hide illegal donations and lead to mushrooming of shell companies to turn their black money to white. The government brushed off its concerns. It is important to remember that citizens' right to know was settled by the apex court in 2003 when it mandated candidates to declare their financial dealings and criminal cases while filing nominations. The Supreme Court ruled that the right to know about public officials is derived from the constitutional right to freedom of expression.

Now that we are back to square one, let's look at the available options to cleanse electoral funding. One option is to eliminate private funding altogether and introduce public funding for political parties. Another option would be to establish a National Election Fund to which all donors could contribute. The funds could be allocated to parties based on their electoral performance. This would eliminate the so-called concern about donors' reprisals. During the hearing, the apex court, however, flagged a new issue—the possibility of misuse of money received by political parties for activities like funding terror or violent protests, and asked the Centre whether it has any control on the end use.

On two occasions, however, the Supreme Court had refused to stay the electoral bonds scheme as requested by a plea filed by the Association for Democratic Reforms. This had created despondency and apprehensions about the course the case would take. There were disturbing moments when constitutional bodies like the ECI and RBI took a U-turn on their earlier opposition to the scheme. I was appalled to hear the argument of the Solicitor General that citizens have no right to know the identity of donors/recipients. The Attorney General told the SC, in his written submissions, that the citizens' right to know is subject to "reasonable" restrictions. How can keeping the potential quid pro quo between donors and the government a secret from the public be a "reasonable" restriction? These statements would behave a banana republic, not the world's largest democracy.

This is a very significant judgment which will have a long-term effect on our electoral democracy. The Court has struck down not only the Electoral Bond Scheme but also all the provisions that were made to bring it into effect in the Income Tax Act, Companies Act etc.

I have always described the Supreme Court as the guardian angel of our democracy. This faith was, however, wavering lately. Now I add that it is the last refuge in a troubled democracy.

Banks' real estate losses will be hyperlocal

THE SENSE OF impending doom in commercial property is almost inescapable in the US and Europe, but evidence of actual disaster is scant. Real estate experts and investors who specialise in distressed assets think it's only a matter of time before landlords and lenders must face reality and yet finance officials like US Treasury Secretary Janet Yellen say problems are manageable.

The truth is that the losses to come over the next few years will likely be as varied and specific as the experiences of different banks so far seem to be. There will be some stories of real pain like the losses for Blackstone Inc. and its lenders on 1740 Broadway, New York. But other owners will be filling units and raising rents on offices a little more than a stone's throw away. In offices especially, the troubles look hyperlocal and dependent on the state of individual buildings rather than the kind of systemic crisis that comes with a deep and coordinated recession.

The prophecies of doom are very familiar: Office use hasn't recovered from the Covid-19 pandemic as people persist in working from home, which also means some retail is suffering in sympathy; meanwhile, higher interest rates hurt building values and make refinancing terms costly for owners, and particularly painful where rent rises are difficult to achieve.

But that blanket characterisation hides a lot of variation. Occupancy rates in the Asia-Pacific region and Europe have recovered much more than in the US broadly. Price declines in recently overbid markets, such as San Francisco, far outstrip those in other major US cities and European centers like Amsterdam or Paris, according to data from MSCI Real Assets.

Exposures also vary enormously across banks in the US and Europe. Take Deutsche Bank AG, which lifted provisions by nearly five times against commercial property lending sharply in its recent fourth-quarter results compared with the same period a year ago. That sounds shocking, but the €1.23 billion (\$1.32 billion) it put aside amounted to less than 10% of net income in the quarter. The German bank is relatively well-known for its real estate lending, and yet total commercial property loans on its book are less than 8% of all loans, below the average of nearly 9% for listed UK and European banks with more than €50 billion in total lending, based on data from the banks and the European Banking Authority's transparency exercise. Less than one-fifth of its €38 billion in commercial property loans are to US offices.

By contrast, Denmark's Jyske Bank A/S has about one-third of its lending against commercial real estate, according to the EBA data. Nordic banks have more commercial property than other listed European banks, the EBA figures show, but they also have low loan-to-value ratios of around 40% on average, according to UBS Group AG analysts.

Big international banks and property specialists have more US debt on their books than other Europeans. They mainly lend to offices in central downtown districts of major metropolitan centers, according to data from MSCI Real Assets. That is a defensive characteristic, according to banks like Deutsche Bank, but their ultimate loss experience will be specific to the subdistricts and individual buildings they are in. The worry for investors is whether regional US banks are putting enough money aside to cover potential losses. Lenders with less than \$100 billion in total assets enjoy lighter regulation and supervision. They tend to have lower provisions for bad debts than larger banks and those with the highest proportion of commercial property in their loan books have the lowest provisioning rates, according to analysts at Morgan Stanley.

The threat is of a hollowing out in cities with longer commutes and less attractive centers where stubbornly low office use leads to a spiral of other businesses closing and downtowns where no one wants to go. Meantime, somewhere like San Francisco could see a strong rebound if developments in artificial intelligence bring a boom in related investment and startups. For investors in banks, the key to the next couple of years will be getting as much detail as possible down to every building that each lender has. It's going to be all about the nitty-gritty.

Engaging the Indian-Australian diaspora



**PRADEEP S MEHTA
AMIT DASGUPTA**

Respectively, secretary general, CUTS International and distinguished fellow, Australia India Institute and CUTS International

The Indian-Australian diaspora is not homogenous. They should be engaged with accordingly to leverage them as changemakers for Indo-Australian ties

AN EXTRAORDINARY AND exciting partnership between India and Australia has been forged in less than a decade, with promise of a collaboration that could credibly become a pivot in the Indo Pacific, especially at a time when the region faces a hostile and adversarial environment. For this to happen, however, it is important to recognise that while the government can be the principal initiator, the role of multiple stakeholders, including the diaspora—often referred to as 'the human bridge' between nations—plays a significant role.

Indeed, tributes have regularly been paid to the extraordinary role played by a section of the Indian-American community in pushing through the historic 123 Agreement with Washington on the civilian use of nuclear power, and furthermore, in denying Islamabad a similar recognition, despite enormous pressure from Beijing to do so. The significance of leveraging the Indian Australian diaspora as changemakers is, therefore, a priority for New Delhi and Canberra to strengthen the bilateral narrative.

According to data, Indian-Australians are the fastest growing migrant community in Australia which currently totals one million. In a country of around 24 million, it is a sizable proportion of the population. With the present frostiness in India-Canada relations, which shows no immediate signs of abating, 2024 is expected to show a sharp decrease in student inflows to Canada and subsequent diversions to

Australia, the UK, and the US. India is already the second-largest source of international students to Australia.

This suggests that the increase in the number of Indian migrants to Australia is set to grow. The question arises on how best they might be engaged and leveraged.

The contribution by the Indian diaspora across the globe has been significant and recognised by the local community and the host governments. In Australia, they have responded to skill shortages, and to the requirements of a rapidly aging population. They have demonstrated that they are happy to do any job that comes their way, whether it is driving taxis or working in petrol pumps or grocery stores, for instance. Several live tough unenviable lives, working long hours, saving as much as possible to repatriate money home to their families, or paying off loans that helped them migrate. Many others have established their credentials as professionals and work as doctors, lawyers, chartered accountants, middle and senior-level management in transnational corporations and the Big 4, educators and researchers, architects, personnel in the police service and the armed forces, employees in the state and fed-

eral government, and today, even as elected representatives, to name a few. Several have earned the Australian government's accolades and awards in recognition of their contributions. Collectively, they are an integral part of the bilateral landscape.

Indeed, this extraordinary diversity of professions ought to have been an unambiguous indicator of the diaspora's diversity. Yet, the prevalent misperception is that the diaspora is homogenous, and consequently, that it is not necessary to engage with its different segments. This unfortunate misstep by official interlocutors on both sides has resulted in an overemphasis on the several community associations—the vocal minority—that have proliferated. In Sydney alone, there are around 140 associations! To say they do not play a role would be a misnomer. They certainly contribute through the promotion of 'fun, food, and festivals' that have seen local parliamentarians and government officials gravitate towards such events for photo-ops. Indeed, the way the community associations have succeeded in projecting themselves as the go-to for all matters Indian is surprising.

But they have their limitations. Their

focus is not on the strategic challenges and imperatives that underpin the bilateral relationship, especially the external threats that threaten regional stability and order. Many would argue that their sole objective is opportunistic, limited to self-promotion, and temporal. Yet, for decades they have been mistakenly equated with being the sole representatives of the diaspora. This needs to change if Indo-Australia relations is to move to the next level. This is not as easy as it sounds.

Presently, following years of neglect, the key interlocutors—the silent majority—who are shy and reticent to engage have begun to come out of their shell. They had preferred to stay as part of the exclusive world they belonged to and felt comfortable in, rarely interacting with community associations, other than anonymously, and were not on any invitation lists of official receptions. Yet, they are the key changemakers in any relationship. They are doing path-breaking work in each of the areas that New Delhi has identified as part of its developmental aspirations. To ignore them, as indeed we have, only diminishes the partnership.

The diaspora needs to be understood in all its manifestations and incarnations if they are to be leveraged as changemakers. A fresh look needs to be taken on the earlier high-level committee report on the diaspora to better understand how the diaspora might be effectively tapped into, given contemporary realities, for mutual benefit of both countries.

LETTERS TO THE EDITOR

On cyber frauds

Apropos of 'Cyber frauds: A new-age reality', it is not just novices and the uninformed who are victims to cybercrooks. Others like bank managers or police personnel too have been conned out of their money. The complete lack of violence or physical contact has made cyber crimes popular. The probability of arrest and punishment is almost non-existent and acts an added incentive

for those who indulge in such crimes. Cases of sextortion using morphed images or honey-trapping are quite rampant. Cyberbullying which has no financial angle is also a cybercrime; though it may not get reported as much except in extreme cases. The Indian authorities are ill-equipped to handle cybercrime, though a special cell has been set up. Most individuals are not even likely to complain if the amounts involved are not too large because they feel it would be futile.

The use of AI by cybercrooks is going to further make the task of the law enforcing authorities still harder. India needs to be prepared, else there is going to be complete chaos and disruption in the digital world. —Anthony Henriques, Maharashtra

Farmers' agitation

An unrelenting farmers' agitation shows that degrees of dissent do not scale up with greater transparency in governance, but from the lack of it,

and that an electoral majority is not a silver bullet to quell differing opinions. The earnestness of the government to sit down with proponents of an alternative narrative only emerges when an agitation escalates. The farmers are surely capable of helping shape agro policies, and yet, the government chooses to reserve all wisdom to itself. —R Narayanan, Navi Mumbai

Write to us at feletters@expressindia.com



OPINION

The
Hindustan Times
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OUR TAKE

SC verdict is an opportunity

The scrapping of electoral bonds over lack of transparency is a welcome step. It is time to clean up poll funding

At the heart of the Supreme Court (SC) order that struck down the Electoral Bonds Scheme, 2018 on Thursday is that this route of political funding, introduced through amendments to the Finance Act in 2017, is opaque and violates the provisions of Article 19(1)(a) of the Constitution. Article 19(1)(a) concerns the right to freedom of speech and expression, which includes the right to information. The SC has held that the scheme infringes upon the right to information of the voter since political parties are not required to reveal the names and addresses of those contributing by way of electoral bonds in their reports filed with the Election Commission of India (ECI). This has been a criticism held against electoral bonds from the time of its inception and the Court seemed to concur with it: It held that the "information about funding of political parties is essential for the effective exercise of the choice of voting."

The fact is, election funding is a messy affair the world over. Elections are expensive affairs and political parties take money from corporate houses to fund their campaigns. There is nothing wrong with the latter providing funds to political parties. The key issue is transparency. As the Court has flagged, political contributions may allow contributors to exercise influence on policymaking. It is not illegitimate for any party to pursue its concerns provided there is a disclosure of interests. It is up to the voter to make an informed choice, on the basis of the information available on whether there is any *quid pro quo* involved in donations and policymaking. The job of the Opposition and civil society watchdogs is to spot incongruities and make them a part of the electoral discourse. In that sense, the SC order is an opportunity to clean up the system: The ECI and political parties need to sit together and figure out ways to remove all forms of opaqueness in election funding.

So, what could be the political impact of the Court order? The Electoral Bonds Scheme, with its lack of transparency, favours the party in office. Available data suggests that the BJP has received the bulk of funds through these bonds. However, it would be facile to assume that scrapping the scheme would impact its political prospects. If the BJP is the largest recipient of the bonds, it is because the party is successful, not vice versa: Money, after all, tends to chase a winner. The Opposition's demand for transparency in poll funding is legitimate, but it will be overreading the verdict to expect it to swing the polls its way.

Pakistan's search for a stable government

Pakistan appears set for a new coalition government to be led by former premier Shehbaz Sharif, whose PML-N party has emerged as the single largest entity in the National Assembly and will be backed by the Pakistan People's Party (PPP) and a motley bunch of smaller parties that have usually been corralled by the military establishment to support candidates of its choice. That the PML-N isn't in a strong position is obvious from three-time former premier Nawaz Sharif's decision to withdraw from the race in favour of his younger brother. Though senior PPP leader Asif Ali Zardari may be headed for a second stint as president, his party has astutely decided not to take any ministerial positions, while supporting the coalition to help Pakistan cope with its challenges.

Such a coalition will immediately have to confront the challenge posed by independent candidates backed by Imran Khan's Pakistan Tehreek-e-Insaf (PTI) party, who have almost 100 seats in the 336-member National Assembly. These candidates were successful in the election because voters, especially the youth, wanted a change, and there are growing murmurs of protests by the PTI which will benefit from Khan's cult-like status. Khan's continuing defiance of the army will further burnish his standing among PTI supporters and pose a headache for the next government. The upcoming government in Islamabad will hardly be in an enviable position when it comes to tackling Pakistan's economic backsliding, deeply polarised polity and society, and fragile security situation. Such a government will also be unlikely to provide the political stability for making a fresh beginning in the currently non-existent relationship with India.

Bridging North-South divide over tax shares

Inter-state disparities and the grievances of states in the south and west call for innovative solutions from the Centre

Last week, the chief ministers (CMs) of three southern states alleged discrimination by the Centre in the allocation of funds to states. Speaking at a protest in Delhi, Karnataka CM Siddaramaiah mentioned that the state gives ₹100 (in terms of revenue) to the Centre, but gets back only ₹13. Finance minister Nirmala Sitharaman has responded to the allegations saying that Karnataka got all the allocated funds agreed upon. Further, Sitharaman clarified that the devolution of funds to the states is done based on the recommendations of the Finance Commission and she has no discretion in the allocation of tax funds.

It is not the first time we have seen the southern states protest over tax allocations. The 11th Finance Commission report submitted in 2000 reduced the percentage share for high- and middle-income states in the total tax. In the wake of that report, Chandrababu Naidu, then Andhra Pradesh CM and a key member of the Atal Bihari Vajpayee-led NDA coalition, complained about the Commission's recommendations. He led a public protest of eight high- and middle-income states in August 2000.

They challenged the traditional role of the Finance Commission as a federal equaliser, condemning it for encouraging fiscal and reproductive profligacy.

The existence of wide inter-state disparities in a vast country like India is well recognised. South Indian states have achieved higher economic growth and human development. Similarly, states in the western region have done well in economic growth. Industry, infrastructure and high-income services are concentrated here. Credit, private investment including foreign direct investment, and exports are higher in these states. Similarly, state capacity in implementation is also better. As a result, the per capita Gross State Domestic Product (GSDP) is high in both southern and western parts of India. On the other hand, per capita GSDP and human development are low in several states to the north of the Vindhyas. Apart from low private investment, state capacity in spending and implementation is also relatively low in these states.

Empirical evidence shows that inter-state disparities in per capita GSDP are diverging rather than converging. In contrast, the regional disparities in human development such as literacy, school enrolment, infant mortality and life expectancy seem to be converging. This is not surprising as less developed states will catch up with developed states in human development indicators, as there are

asymptotic limits for these criteria. Moreover, many of the poorer states could contribute more to economic development because of the demographic dividend. The share of the old age population in Bihar is likely to be 8%, while it would be 17% in Kerala by 2036.

Whether the constitutionally mandated Finance Commission, appointed every five years to recommend the allocation of taxes between the Centre and states and among states, are agents of profligacy or discipline is a subject of debate. Politicians and civil servants from southern and western India see them as protectors of fiscal irresponsibility and population expansion.

Traditionally, as heirs of the redistributive philosophy of the founding generation, the Finance Commission has been seen as the rectifier of unacceptable disparities among the states. At the same time, the concerns of the states in southern India have to be addressed. There is a feeling among them that they are being penalised for better performance. Also, the terms of reference of the 15th Finance Commission were quite contentious as it was asked to take into account 2011 population figures instead of 1971 numbers.

For every rupee they contribute to the Centre's taxes, the southern and western regions get back less than a rupee, while the less developed states in the north and east get much more than a rupee. In a large diverse coun-



S Mahendra Dev



Last week, the chief ministers of three southern states alleged discrimination by the Centre in allocation of funds to states

HT PHOTO

try like India, cross-subsidisation of poorer states by developed states is inevitable and acceptable. However, the share of Union taxes for southern states has declined from 21.1% in the 11th Finance Commission to 16% in the 15th Finance Commission. Given the North-South divide in the performance and widening gap, how long will the southern states accept this arrangement? Another political issue is that the delimitation due in 2026 will result in a reduction in parliamentary seats of the southern states. It is a double blow for southern India, which is performing well in development with low growth of population. The South is also unhappy with the "one-size-fits-all" approach to centrally sponsored schemes.

What is the solution? There is no easy remedy for this political challenge. The 16th Finance Commission should consider the continuous fall in the share of southern states and make suggestions for compensating them. As this North-South divide keeps coming up frequently, the Centre and the states have to discuss and decide the optimum path for resolving this problem. One can think of setting up a stabilisation fund, which can be distributed as grants when there is a sig-

nificant fall in the share of Union taxes. Innovations in Goods and Services Tax would also help. Setting up an independent fiscal council could be useful for discussing these issues. Basically, we have to find an answer for incentivising the better performing states while giving a legitimate share of taxes to the less-developed states in the North.

Despite progressive central transfers, inter-state disparities in income are increasing. In other words, competitive market forces are helping the developed states to grow faster. The low-income states should not be complacent because of higher transfers. These states should develop physical infrastructure, human capital, and state capacity and attract private investment. Bifurcation of large states into smaller states may also lead to better development. The medium-term solution is that states should converge in per capita income. This should lead to some equalisation of shares of Union taxes between the North and the South.

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EU restates its mandate with Ukraine aid deal

For political cynics, the European Union (EU) has long been an easy target. The size and scale of its ambitions and the continual over-production of bureaucratic absurdities offer ample opportunity for derision — inside Europe and beyond. But a February 1 summit meeting to hash out member-State differences over a multi-year EU funding package for Ukraine reminds us again that on priority issues, the EU works far more effectively than conventional wisdom and euro-sceptic populists suggest.

February's success was not inevitable. A meeting in December meant to provide Ukraine with a €50-billion EU aid package ended in acrimony when serial political blackmailer Viktor Orban, Hungary's prime minister (PM), vetoed a plan that required unanimous support from all 27 EU member-States. Kyiv needs that money to help pay pensions, salaries, and other costs over the next four years as Ukraine fights to repel Russian invaders. The growing political uncertainty over the future of American aid for Ukraine, exacerbated by concerns that the November elections in the United States could create new obstacles, added a sense of urgency to the request.

In exchange for unblocking the plan, Orban made several demands. First, he called for an annual review of aid to the Ukraine plan. EU officials decided, rightly in my view, this was Orban's bid to grant himself an annual veto threat that would give him long term leverage to extract a steady stream of new EU concessions. Orban also wanted to secure the remainder of €20 billion in EU funds earmarked for Hungary that are currently locked up until he addresses EU concerns over corruption and human rights concerns in his government's treatment of some of Hungary's minority groups. (€10 billion in funds were unfrozen late last year, but much of this money has yet to be disbursed.)

Orban is widely considered Russian President Vladimir Putin's best friend in Europe, adding credibility to suspicions he wants to undermine European support for a country

Putin is trying to conquer. But Orban has a more practical concern about Ukraine's future. If that country one day joins the EU, Hungary would become a net contributor to the EU budget rather than a net recipient since the much larger country, in desperate need of post-war reconstruction, would require so much early financial support.

Hungary's PM also wanted to help boost the performance of populist parties in the European elections scheduled for June by making "Ukraine fatigue" an electoral theme that might win him new allies inside States with sympathetic political parties — like Germany and the Netherlands, for example.

But Orban lost this fight because the other 26 EU member-States — including Poland, where an election last year produced a government much less like-minded with Orban's social conservatism and anti-EU populist bent — voted to deprive Orban of the chance to use future reviews of this package to veto it. Hungary lifted its veto when other States promised a review if needed, after two years, but one that would not provide Hungary with another veto.

EU officials also appear to have persuaded Orban that other EU governments could support Ukraine individually without his support, by offering Kyiv loans outside the EU budget. "Get what you can," EU officials warned, "because you can't have the bargaining leverage you think you do."

Finally, and most importantly, other EU member-States know Orban is playing a weak hand. Hungary's economy contracted last year, with inflation surging to more than 25%. Interest rates stood at 10.75% as of December, and its debt-to-Gross Domestic Product ratio has reached 70%. These are weaknesses the EU knew it could exploit. Orban understood that another veto of Ukraine aid might even limit Hungary's access to the €44 billion it could access from the EU budget. And senior EU officials knew the country's economic and financial conditions would sink quickly if Orban lost permanent access to these funds. Orban realised he had picked a fight he couldn't win, and he folded.

Make no mistake: The EU still has substantial limitations. Aid to Ukraine has been held up through seven months of war because the plan remains bound to a review of broader EU spending. More concerning, no one believes that €50 billion over four years, though badly needed and warmly welcomed in Kyiv, will come anywhere close to helping Ukraine win its war. Nor is this tactical victory over Orban the end of the Hungarian leader's attempts to win concessions in exchange for cooperation. Next up, Hungary is now the only EU country that's yet to sign off on Sweden's bid to join the North Atlantic Treaty Organization. We'll have to wait and see what Orban wants for that.

But by using hardball negotiating tactics to maintain the Union's unity on this high-profile issue, the EU has proven again that, when push comes to shove, it can still do big things.



Ian Bremmer

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Viktor Orban is widely considered Russian President Vladimir Putin's best friend in Europe

AFP

{ VLADIMIR PUTIN } RUSSIAN PRESIDENT

Biden is more experienced, more predictable, he's a politician of the old formation. But we will work with any US leader whom the American people trust

Expressing his preference for Joe Biden as the US president over Donald Trump

Why U'khand's UCC is a transformative law

In the unfolding narrative of India's legal landscape, the enactment of the Uniform Civil Code (UCC) in Uttarakhand is a significant stride towards fostering a fair and inclusive society. Born out of meticulous parliamentary deliberations in 2023, this transformative piece of legislation emerges as a beacon of hope for gender equality and societal advancement. When Pushkar Singh Dhami, the chief minister of Uttarakhand, presented the UCC Bill before the state assembly on February 5, it was a pivotal moment in Indian legislative history. Uttarakhand is now the first post-Independence state to embrace a comprehensive legal framework governing civil matters that includes marriage, divorce, inheritance, and adoption.

At the core of this legislative triumph lies a steadfast commitment to dismantling outdated gender norms and promoting inclusivity. The UCC challenges entrenched patriarchal structures within traditional personal laws. By ensuring equal rights and opportunities for all genders, the UCC epitomises India's unwavering dedication to gender parity.

Critics of the UCC vacillate between acknowledging its transformative potential and questioning its biases, such as those pertaining to the age of marriage, live-in relationships, and inheritance. Let's take these up one by one. In the intricate tapestry of marriage and divorce, the UCC helps reshape gender dynamics and familial relations. Central to its mission is the establishment of a uniform minimum age of marriage for women, transcending religious or cultural boundaries. This provision safeguards their autonomy, providing them the opportunity to pursue education, career aspirations, and personal growth before marriage. Delaying marriage until adulthood also mitigates the risks of early pregnancies.

By proscribing polygamy, the UCC aims to safeguard the fundamental principles of equality, respect, and dignity within relationships and society at large. Polygamy perpetuates gender inequality by often relegating women to subordinate roles within marriage and exacerbating economic disparities as resources are divided among multiple households, potentially depriving some family members of basic necessities. The UCC also provides for uniformity in the rights and procedures concerning the dissolution of marriages, regardless of religious beliefs and prac-

tices. This plays a pivotal role in protecting the interests of women by ensuring their financial security and safeguarding their rights within the dissolution of a marriage. The UCC affords women from all strata of society, irrespective of their religion or customs, fair access to financial support, assets, and resources following a divorce.

By mandating a uniform marriageable age and abolishing discriminatory conditions for women in the areas of marriage, divorce and remarriage, the UCC lays the groundwork for a more egalitarian society. Its provisions for mandatory registration of marriage serve as a bulwark against deception and exploitation, and ensure transparency and accountability within marital relationships.

The UCC grants equal rights to sons and daughters, regardless of lineage or circumstance, in matters of inheritance. The UCC has streamlined inheritance regulations to ensure gender equality across all fronts. It eliminates previous differentiation between separate and coparcenary joint family property and rectifies the unequal shares allotted to women under certain personal laws. Even unborn children find protection under this progressive legislation, underscoring its unwavering commitment to inclusivity and justice.

One aspect of the UCC that has faced criticism is the mandatory registration of live-in relationships. However, this criticism stems from a misunderstanding of its intent. Far from promoting moral policing, this initiative serves as a bastion of protection for couples, offering legal recognition and support in a society where autonomy and consent must reign supreme. The UCC recognises the right of maintenance to the woman and legitimacy to the children born out of the live-in relationship. Hence, it becomes imperative to have a legitimate record of the live-in relationships.

In conclusion, the enactment of the UCC in Uttarakhand signifies not only a legislative triumph but also a testament to India's ongoing journey towards progress and equality. As the wheels of change continue to turn, one thing remains certain — the enduring legacy of the UCC will shape the fabric of society, heralding a brighter and more equitable future for generations to come.



Bansuri Swaraj

Bansuri Swaraj is an advocate and the secretary of the Delhi-Bharatiya Janata Party. The views expressed are personal



OUR VIEW



The US opioid crisis: Is it a theatre of Cold War II?

It featured in Xi-Biden talks late last year, with the US trying to stanch fentanyl inflows in an eerie echo of the Opium Wars. In Cold War II, drug control matters as much as missile control

A Joe Biden presidency would be better for Russia than a Donald Trump one, Russian President Vladimir Putin said this week, calling the current US leader more “predictable.” Coming from a Cold War adversary, this may be taken in America as a backhanded endorsement of Trump, whose anti-Nato rants have made US allies in Europe sit up. Shorn of Eurocentricity, though, the Cold War II underway is actually a US-China face-off, so what matters more is who China’s Xi Jinping would rather have in the White House. As Xi has been discreet, this is a mystery. Between a business-focused Trump and a Pax Americana-oriented Biden, Xi’s pick may go by his country’s quest for global heft now that it has dumped “Hide your strength, bide your time.” Where trade and geopolitics converge, though, who wins this year’s US polls may make no difference to China. This covers not just high-end chips and AI, but, in a twist of irony worthy of a Mobius strip, also opioid drugs. The last time Xi and Biden met, three months ago, apart from a restored military hotline to defuse tension, hands were shaken over Xi’s promise to crack down on inputs for opioids being made in China and sneaked into America. More than half a decade ago, Trump had got Xi’s assent on helping stanch the illegal inflow of fentanyl, an addictive pain-killer that has sent overdose deaths surging in America.

The US opioid crisis is mostly self-inflicted. Regulatory approval of oxycodone for pain relief was obtained by profit-seekers on the false claim that its opium-derived stuff was safe. This set off a wave of recreational use, which, amplified by Purdue Pharma’s aggressive oxy-marketing, created legions of addicts as well as a

lucrative grey market... which, in turn, set the stage for usage escalation to fentanyl, a fully synthetic pill that’s approved for terminal pain but is far more potent. Described as ‘mega morphine,’ it’s a pill that can kill its popper. Of American lives lost to overdoses, an official count that soared above 100,000 in 2021, over two-thirds are pinned squarely on fentanyl, which has been taking a rapidly rising toll since 2015. Fatalities from heroin, that has been opium derivative, saw a drop-off around the same time. The US drug police have been trying to plug fentanyl’s inflow, but plenty still gets smuggled in, some of it via Mexico. Did supply create demand for demand to suck in supply? The story has an eerie echo of what led up to the Opium Wars. Alarmed by this addictive menace, China sought to block opium imports in the mid-19th century, but its barriers were battered down by the force of arms deployed by a British-led coalition of victors, who had trade interests to ‘defend’ and ports to control (yes, Hong Kong) for smooth market access. China, of course, saw invasive shipments as a profound loss of sovereignty, and this memory is said to inform its view of the West till this day. Does it, perchance, also animate its relations with today’s great power, the US?

China exported its way out of poverty, cannot be blamed for America’s opioid addiction, and now has US leaders asking for drug control in the same breath as missile control. This differs from the era of US-Soviet talks. Those were held across an ‘iron curtain.’ Today’s are within a jumble of ties with trade enmeshed and drugs thrown in. As Biden frames it, it’s democracy versus autocracy. True. To keep mass opiates in check, democracy must prevail. And that would serve India’s best interests too.

MY VIEW | TECH WHISPERS

GenAI’s hallucinations may turn out helpful if we use them well

Dreamt-up stuff can inspire human creativity if we consider it a feature instead of a software bug



JASPREET BINDRA

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German chemist Friedrich Kekulé was having a reverie, or day-dream, of a snake biting its own tail, and he started wondering if the six carbon atoms in the benzene molecule had a similar structure. This hallucinatory experience led to the discovery of the hexagonal ring structure with alternating single and double bonds, a ground-breaking concept in organic chemistry. Kekule was not the only one. Dmitri Mendeleev reportedly had a vision of the periodic table and Edison claimed to mine his dreams for material. Writer Stephen King claimed to have dreamt up his novel *Misery* during a somnolent flight, and the masterpieces of Van Gogh and Salvador Dali were often inspired by hallucinations.

The word ‘hallucinate’ entered the technology lexicon after the launch of ChatGPT and the realization that these Generative AI chatbots were inventing or ‘dreaming up’ a lot of false and weird stuff. ChatGPT’s alter ego Sydney famously expressed its undying love for a *New York Times* reporter. A US lawyer relied upon it to file a case against an airline, but the judge found that all the cases cited were dreamt up by ChatGPT. When I was writing a paper on Indian philosophy and privacy for a Cambridge University course, ChatGPT authoritatively gave me five research papers to cite—all of them wrong. This hallucinatory ability of GenAI has peo-

ple worried, especially when dealing with enterprise use cases or applications in healthcare or education. In fact, the efficacy of a large language model (LLM) is often measured by how much it does or does not hallucinate, with research companies introducing hallucination indexes. A recent Cornell research (bit.ly/48gko5Y) revealed that GPT 3.5 hallucinated 69% of the time, and Meta’s LLaMA 2 hit an astounding 88% level. While the later versions of the models have improved substantially, companies are worried that the nonsense that these models spew out could hurt their brand and stock price, anger customers and pose a legal threat.

However, we need to think differently about this. What if hallucinations in LLMs are a feature, not a bug? The probabilistic construct of these models promotes this behaviour, and it might be impossible for Generative AI to be accurate all the time. What if we start leveraging this human-like behaviour of creativity (and, yes, hallucination) the same way Kekule and Dali did? Sundar Pichai of Google backs the thought. He suggests that hallucinating could be a feature and a bug, and that a GenAI experience should be “imaginative, like a child who doesn’t know what the constraints are when they’re imagining something.” Marc Andreessen of AI6Z

remarked: “When we like the answer, we call it creativity; when we do not, we call it hallucination.”

Artists and creators have caught on. John Thornhill has written in the *Financial Times* (bit.ly/42E8FNm) about Martin Puchner, a Harvard professor who “loves hallucinations.” Puchner talks about how humans mix cultures and inputs from previous generations to generate new stuff, and how civilizations advance that way. “Culture,” he says, “is a huge recycling project.” This is precisely what GenAI is doing. It is borrowing, stealing, copying and also mashing up different inputs from humans to create new stuff. Thus, says Thornhill, “Hallucinations may not be so much an algorithmic aberration as a reflection of human culture.” If we stop looking at GenAI as a forecasting tool, but as one that enhances our creative prowess by giving us innovative ideas and content, ‘hallucinations’ would be welcome. Modern artists and creators have started harnessing this power. Visual Electric, a California-based firm, encourages hallucinations to create new visuals and ideas (bit.ly/49A1wAd). Austin Carr has written in *BusinessWeek* about a film director, Paul Trillo, who used GenAI to create an acclaimed short film with psychedelic effect. Inworld AI uses the creativity of GenAI to help video game developers build interactive computer characters.

We need to see GenAI for what it is, not confuse it with machine or deep learning (which are also AI) and expect it to make high-accuracy predictions. Think of GenAI as a writer of fiction, not non-fiction. It is the ‘creative’ side of GenAI that enables idea generation, art production and better work outcomes with Copilot. If we think like Stephen King or Van Gogh, it can become an immensely powerful creative tool. As for use cases that require exact answers, we need to be careful until these models improve. Until then, as John Thornhill concludes his *FT* article: “Caveat prompter.” Gen-AI users, beware.

QUICK READ

The false and weird results that Generative AI often throws up have got many people worried but we should start viewing these hallucinations as an aid for human creativity.

Factual accuracy may not be GenAI’s strong suit but it helps to have new ideas churned out that can inspire novel thoughts and nudge our minds towards creative recombinations.

10 YEARS AGO



MINT METRIC

by Bibek Debroy

The Ballia mass wedding fraud
Showed incentive structure was flawed.

Now we have a ceiling

To prevent wheeling and dealing,
But the fakes won’t be over-awed.

THEIR VIEW

Let’s not spread India’s social sector spending too thin

AMIT KAPOOR & JESSICA DUGGAL



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India unhesitatingly desires to grow” were the words echoed by our former finance minister, the late Arun Jaitley, when he presented the Narendra Modi government’s first Union budget a decade ago. Its focus was conspicuously on poverty reduction, increasing employment opportunities, equitable development and fighting these challenges under the government’s pet phrase for collective development, “*Sab ka Saath, Sab ka Vikas*.” New words have been added to it, like “*Sab ka Vishwas*” (collective trust) and “*Sab ka Prayaas*” (collective effort), highlighting the push for good governance and self-reliance. As of 2022, there were 740 central sector schemes (fully funded by the Centre) and 65 centrally sponsored schemes (financed by the Centre and implemented by state governments). Last year, finance minister Nirmala Sitharaman, while presenting the budget for 2023-24, highlighted the Centre’s vision for India’s journey towards its centennial year of independence. It included a focus on aims like the economic

empowerment of women, integrating artisans and craftspeople with micro, small and medium enterprise (MSME) value chains, and promoting tourism and green growth.

In the interim budget for 2024-25, we again see the government’s tilt in rhetoric towards social inclusion and justice, with talk of a development approach that is “all-round, all-pervasive and all-inclusive.” As per *The Indian Economy: A Review* released by the department of economic affairs, the government’s expenditure on social services has increased at a compound annual growth rate (CAGR) of 5.9% between fiscal years 2011-12 and 2022-23, with capital spending on these services growing at a CAGR of 8.1% over the same period. However, in 2022-23, the share of social-sector expenditure fell below 20%, at 18% of the annual budget. Looking at centrally sponsored schemes, an 8.9% change has been observed between the 2023-24 revised and 2024-25 budget estimates, with the latest allocation set at ₹14,94,296 crore. The 2024-25 interim budget also saw an increase of 28.4% in the allocation for the social justice and empowerment ministry from the 2023-24 revised estimate.

At the same time, we see that the total expenditure in subsidies fell in 2023-24 by 28.3% from the revised estimate of 2022-23. Fertilizer and other subsidies, such as for agricultural price support, also fell. This trend continued in the 2024-25 budget, with the expenditure on food subsidies down by 3.3% over the 2023-24 revised estimate, and the fertilizer-subsidy outlay down by about 13%. Total outlays on subsidies fell by 7% in the current budget.

As for expenditure on particular schemes, the biggest hit had been suffered by the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), with a nearly 33% fall in the allocated budget in 2023-24 from 2022-23. The ₹60,000 crore for 2023-24 was the lowest in four years, though it was revised to ₹86,000. The same sum has been earmarked in the interim budget. However, compared to other major schemes, it is still high; the PM Awas Yojana, for

example, has a lower outlay. That said, it has been opined that India’s rural job guarantee scheme continues to be under-funded, given the dependence of millions of people on it for employment.

The rhetoric of acting in favour of “the poor” has always been a part and parcel of the Indian policy discourse. This is particularly evident in budget speeches and expenditures. If we study budget speeches closely, there have been subtle attempts at redefining ‘poverty’ in India. The definition has broadened from a conservative focus on income and consumption to include factors like health, education and housing. Even when there is no mention of “inequality” or “redistribution of wealth,” the country’s social-sector priorities have traditionally been driven by the larger focus on poverty reduction. This was fused with the idea of “social justice,” which has been a central aspect of the ideological approach of the current government.

Our problem is of inadequate outlays for a sprawling portfolio of schemes, some of which are plainly political tools. We’d be better off focusing on a handful of aptly funded initiatives.

QUICK READ

The political rhetoric on tackling poverty and ensuring social justice isn’t adequately reflected in our budget allocations as many welfare programmes remain significantly under-funded.

While criticism has been levelled at the incumbent government, arguing that its welfare schemes are built on a foundation laid by its predecessors, the problem at hand is a rather peculiar one. Our social sector suffers from a mix of inadequate budgeting combined with overcrowding of schemes. As a result, existing schemes receive inadequate allocations, which adversely impacts the lives of people dependent on them. In February 2021, the Indian government had embarked on a mission to streamline its 131 centrally sponsored schemes and reduce them to 65 by 2022, with a total allocation of ₹442,781 crore. That year saw 157 central and centrally sponsored schemes in operation, with each receiving funding in excess of ₹500 crore. At another level, the sheer number of schemes presents some risks. Identifying beneficiaries for multiple schemes involves many logistical and bureaucratic steps that can cause delays in their implementation. Additionally, these welfare schemes can be used for political gains, which leads to overcrowding, confusion, fiscal leakages and under-funding. The question facing us is whether we need more schemes or adequate funding to strengthen existing schemes. The answer is the latter.



THEIR VIEW

MINT CURATOR

India's stock market stands apart as an enabler of mass prosperity

A triad of complexity, diversity and institutional strength makes a big difference for the better to its role as capital allocator



MANISH SABHARWAL & DHIRAJ AGARWAL are, respectively, with Teamlease Services and Ambit Investment Managers.

India's stock market value crossing \$4 trillion separates us from competitors; Brazil, Mexico, Thailand and Malaysia are worth about \$0.5 trillion each, with Chile and Vietnam about \$0.2 trillion. Our milestone is interesting, but history suggests that quality matters more than quantity; the 1988 launch of the Morgan Stanley Composite Index for emerging markets (MSCI-EM) gave Malaysia a weight of 33% (now 2%) and Brazil, Chile and Mexico also 33% (now 10%). Hong Kong's Hang Seng Index is unchanged from when China took over 27 years ago. We believe India's qualitative stock-market differentiation—in terms of complexity, diversity and institutionalization—creates a fertile substratum for mass prosperity.

We disagree that stock market value, economic growth and job creation are poorly connected. Harvard Professor Ricardo Hausmann believes economic development is like a game of Scrabble, where the government supplies the vowels, the private sector provides the consonants, and the goal is to make more, longer and unique words. Our Licence Raj harshly restricted the supply of vowels and consonants; consequently, the private sector made only a few small words till 1991. Over the last decade, the government has raised the number of vowels by reducing sins of commission (lowering regulatory cholesterol, replacing excise with GST, adopting the Insolvency and Bankruptcy Code, paying subsidies through direct benefit transfers) and sins of omission (infrastructure, health, education and national security). Our stock market is now differentiated in three ways:

Complexity: India skipped the bulk job creation of mass manufacturing, but caught value creation through reverse engineering, technological skills and service exports. While many listed companies were uncompetitive in 1991 (think of animals bred in captivity finding it hard to live in the jungle), a renewed slate is growing faster than multinational competitors in sectors like pharma, software, banking, cars, other consumer goods, staffing and much else. India is more open to foreign capital than ever, but the fear that business in India would become like Wimbledon—it is played in England but no Briton ever wins—was misplaced. Tata Motors and Mahindra are worth more in market capitalization than Maruti Suzuki, and may also outsell it in the auto sector.

Diversity: *Atmanirbharta* or self-reliance means India has companies in many sectors (rather than a few selected for competitive advantage), diverse consumer markets (mass production with localization) and a large services sector (with higher employment elasticity than manufacturing). We have less concentration than Korea (where two big electronics companies are more than 20% of its



market cap), Taiwan (TSMC alone is 25%) and Saudi Arabia (where 80% of its \$2.7 trillion market cap is on account of Aramco), since our biggest company Reliance equals only about 6% of India's market cap. Our sectors are widely distributed across financial services (at 33%), technology (14%), oil and gas (14%), consumer goods (9%), automobiles (7%) and pharma (4%). Unlisted inventory migrating to the stock market will further increase diversity; Ola and Ather are global technology leaders in electric scooters, Paperboat is outrunning the global cola duopoly and Manipal Hospitals is breaking ahead.

Institutionalization: India's democracy, with its checks and balances, has blunted widespread crony capitalism. Institutional ownership of shares has risen from 10% in 1991 to 35% today, with a near doubling of equity holdings by Indian institutions from 8% to 15%. Corporate India now has less debt, less diversification, less unification of shareholder and executive roles, superior capital allocation and stronger boards. These combine with strong regulation of capital markets and banking to drive superior returns on capital; Nifty's return-on-equity is a healthy 14%, while Korea and China are below 10%. India's 80% premium to its MSCI-EM valuation is driven by governance as much as growth, its potential and shortages.

Mass prosperity needs land, labour and capital to combine and create jobs that draw people off farms (only 2% of rich-country workers toil in agriculture). This transition needs human capital, infrastructure and low regulatory cholesterol, but is impossible without a stock market that promotes private investment, risk-taking and job creation through meritocratic capital allocation. India is entering a virtuous cycle where fast-increasing jobs—in sales, customer service and logistics—are

aimed at domestic consumption and also fuel it. Foreign direct investment from companies in need of refuge away from China are creating factory jobs, and some multinationals like Hyundai and Flipkart are contemplating domestic listings. Many Indian listed companies look likely to reach a critical mass in scalability, after which their job creation should accelerate.

India has only one worthy competitor: China. Twenty years ago, an investor told one of us, "India is a Mickey Mouse market; my single holding in China Mobile is worth more than my 25-stock India portfolio." Eight years ago, an investor asked one of us, "The Indian economy today equals China's ten years ago; they were growing at 13% while you are growing at 7%.

QUICK READ
The stock market plays a largely under-appreciated role in channelling funds to deserving enterprises that generate jobs at scale and we can expect India's to outperform its peers.
India has cleared much of its regulatory cholesterol, fixed various weak spots and made a new appointment with destiny for a future that combines democracy with mass prosperity.

The Brihadaranyak Upanishad says: *You are what your deep, driving desire is. As your desire is, so is your will. As your will is, so is your deed. As your deed is, so is your destiny.* India's magnificent desire for democracy in 1947 was accompanied by an economic experiment that failed our destiny. China's economic model after Mao forced its citizens to choose between their wallets and freedoms; it still bears the costs of that contradiction. India missed its tryst with destiny, but has made a new appointment that combines democracy with mass prosperity. It is an appointment we will keep.

The threat of US debt inflated away haunts its fiscal outlook

A consensus on fiscal irresponsibility has lent this risk plausibility



CLIVE CROOK is a Bloomberg Opinion columnist and member of the editorial board covering economics.



Will the US Fed eventually be forced to let inflation rip in America? AP

One of the few things US Democrats and Republicans appear to agree on is that fiscal responsibility is for losers. As a result, the country's looming financial breakdown gets barely a mention as elections approach. Last week's bracing projections on the deficit from the Congressional Budget Office (CBO) passed almost unnoticed. How long this studied inattention can be sustained or what it will take to get Washington even talking about solutions is anybody's guess. Meantime, the odds of an outright fiscal crisis within the next few years are rising steadily.

The CBO now expects a deficit of \$1.6 trillion, or 5.6% of GDP, this fiscal year. That's for an economy at full employment and growing pretty well. Under current law, the gap between spending and taxes will keep widening over the next decade, rising to \$2.6 trillion (6.2% of GDP) by 2034. Despite steady economic growth, debt will rise from 97% of GDP this year to 116%. From there, it just keeps going up.

Believe it or not, this is a rosy scenario. First, the outlook includes no recession. The pandemic crushed output and demanded strong fiscal stimulus, a combination that added 20 percentage points to the debt ratio in a single year. The next economic setback is a matter of when, not if. Even a much milder reversal than that of 2020 would push the numbers forcefully in the wrong direction.

Second, the CBO's "current law" forecast includes an unlikely degree of scheduled tightening. The projection assumes that caps on discretionary spending introduced last year will be maintained and that the Trump administration's 2017 tax cuts will expire in 2025 as the law promised. A more plausible forecast will let public spending grow in line with the economy (as it usually does) and assume that tax rates won't rise automatically (as they usually don't). In that scenario, debt climbs to more than 130% of GDP by 2034 and keeps climbing, again assuming uninterrupted growth.

Didn't US Congress pass the Fiscal Responsibility Act (FRA) last year, proving that it's ready to do something about it? Well, the FRA did help a bit. The aforementioned spending caps and other tweaks (if maintained) lower the deficit by about \$150 billion a year. In other words, without the FRA, the ten-year deficit would not be roughly \$19 trillion, as the CBO projects, but a little more than \$20 trillion. The measure failed to restore any semblance of balance. If Washington can't summon a lot more fiscal responsibility, the US economy will be in trouble.

The crux of the matter is that the parties have different fiscal preferences, except when it comes to curbing borrowing. Republicans want lower taxes and lower spending. Democrats want high spending and higher taxes (on companies and the rich). How to strike a deal? Easy. Cut taxes and raise spending. This appeals to voters and offers the default option.

A large bipartisan majority in the House of Representatives recently passed a bill that captures the problem. It combined a big increase in the Child Tax Credit with more generous corporate-tax treatment of R&D and other capital spending. The first gives poor families a 'refund' of taxes they aren't required to pay (public spending disguised as tax reform) and was long sought by Democrats. The other is a tax preference for some kinds of investment, which Republicans think is good for growth. In isolation, both parts are good policy. The CTC reform is an effective, well-targeted anti-poverty measure; accelerated depreciation is good for investment, which is good for growth. But the package will increase public borrowing and debt, and it needs to be paid for.

The House pretends it has taken care of that. This fiscal gimmickry involves deemphasizing the CTC expansion and corporate-tax relief temporary, while offsetting their costs with savings from payments of the pandemic-era Employee Retention Credit (ERC). Yet the two changes aren't really intended to be temporary, whereas the ERC savings are a one-off. It's the old 'current law' versus 'current policy' ploy, one of the main devices used by policymakers to set aside disagreements and get things done, as they claim, thereby digging the country into a deepening fiscal hole.

The US fiscal irresponsibility consensus embeds rising public debt into the very structure of its economy. Every year's delay in addressing the problem makes it harder to solve. At some point, the fiscal outlook will start driving long-term interest rates higher, which adds to debt, which worsens the outlook, and so on. In the end, without strong action, the result will either be a fiscal collapse of the kind seen elsewhere but not in the US, or else the dreaded 'fiscal dominance' through which the Federal Reserve inflates away the debt burden by letting prices rip. ©BLOOMBERG

MY VIEW | PEN DRIVE

We must find a living-learning-livelihood congruence

REVA JHINGAN MALIK



is co-founder of Primalise.

Mental models are algorithms of the mind. They are thinking constructs that govern how we make meaning and choices. How did separating work from life become a mental model? It goes back to early 18th century. The Industrial Revolution introduced the factory system, which required large number of workers to travel from their homes to a central work location every day. This has long been the norm, one that we take for granted. So much so that the stress of a frustrating pursuit of a work-life balance feels normal too.

Time to challenge the 'work-life balance' mental model? The factory system sure must have taken our forebears some getting used to, but the issue of balance was much simpler back then. Think of quadrants with our personal and professional lives mapped against time and space. The first, Q1, is personal on both dimensions; Q2 is professional time in our personal space; Q3 is time given to work in our work space; and Q4 is

personal time in our professional space. For long, Q2 and Q4 were virtually nonexistent. Balance was embedded in the system by design: you clocked in and clocked out of a work-space at fixed times.

Stress arrived with productivity metrics, like the input-output ratio. The factory system began extracting more out of each factor of production. Q1 was the obvious victim of this squeeze, making workers prioritize work over life. This imbalance reached unhealthy levels once human resources were manipulated to become consumers and work harder to afford better lifestyles.

In the midst of this, some worker-friendly organizations arose that were liberal about Q2 and Q4. And then covid demonstrated to cynical employers and anxious employees that Q2 could be a possible new normal. While remote working from home (or elsewhere), workers saw something they just couldn't unsee: that they had been blinkered all these years; and that a work-life balance is a futile pursuit. This brought back the old question: What's the best way to organize our lives?

The answer might lie in understanding how human beings have historically organized life all through the ages.

Across the three distinct phases in our evolution, from hunter-gatherers to rural crop cultivators and then urban industrial job-holders, we see a pattern. Humans organize life around life-essentials: water, food, energy and habitation. Once these are secured, other aspects of living are organized around them. As the system matures, it learns. Feedback loops raise efficiency and efficacy, new synergies emerge and the system acquires a wondrous complexity. The core human life-system is a nested system with three inter-related subsystems: livelihood, living and learning. Livelihood is about securing life essentials; living is organizing life around these essentials; and learning mostly is a consequence of living.

How did we end up with a system breakdown, with sub-par outcomes on all three? Life makes us naively look at these as three partitioned worlds within our world. We find our own

ways to participate in each, often feeling torn between them.

The standard template of modern life has a fragmented life-system as its default setting. Living is mostly insular, in houses cut off from the larger community, with family members in their own separate spaces. Learning happens elsewhere, in educational institutions. And livelihood spaces are far removed from the other two spaces. Each of the three subsystems follows its own structure, order and values, and these are often incongruent with one another.

An unintended consequence of artificial partitions has been that we don't see synergy among the three subsystems. We are neither in touch with the whole, nor the cyclicity of specific processes that run across them. "Dividing an elephant in half does not produce two elephants", says author Peter Senge. If you try artificially separating livelihood, living

and learning, you will have a broken-down system with three subpar fragments.

Forget balance, find congruence. General incongruence between who we are within and how we are required to be in the constructed world we live in produces a lot of the stress we go through. This might also be the cause of an inexplicable sense of alienation that many of us experience.

The solution to this problem might be surprisingly simple: just mimic the principles that natural systems follow, and re-tune the current life-system.

If livelihood, living and learning are all in tune with each other, and also with nature, life will probably just flow. The way it does for our fellow beings in the web-of-life.

If everyday living can nourish us enough physically, mentally and socially, we would not need artificial supplementary processes like, say, a gym routine to keep us fit; our life processes would take care of it.

A truly congruent life-system does not need to be driven. It is self-driven, self-directing and constantly evolving.

If we find ourselves *doing* living, *doing* learning and *doing* livelihood, we might not be living a congruent life. After all, we don't *do* life, we *live* life.



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PAPER WITH PASSION

Modi maxes his maxim

PM takes 'Minimum Govt, Maximum Governance' pitch to Dubai, says trust in Govt at all-time high

Reiterating his administration's commitment to the principle of 'Minimum Government, Maximum Governance,' Prime Minister Narendra Modi has stressed upon the significant strides made in streamlining bureaucracy and fostering Indian public's trust in governance. Speaking at Expo 2020 in Dubai, Modi underscored the transformative reforms undertaken by his Government to enhance efficiency, transparency and accountability in India's governance framework. The concept of 'Minimum Government, Maximum Governance' encapsulates the philosophy of promoting lean and efficient governance structures while maximising the delivery of public services. Since assuming office, Modi has consistently advocated for reducing bureaucratic red tape, simplifying administrative processes and leveraging technology to empower citizens and businesses alike. During his address in Dubai, the Prime Minister highlighted several key initiatives aimed at realising this vision, including the implementation of Goods and



Services Tax (GST), the introduction of the Direct Benefits Transfer (DBT) scheme and the push for digitalisation across various sectors. These reforms, he emphasised, have not only facilitated ease of doing business but also led to greater inclusivity and equitable distribution of resources. One of the most significant achievements cited by Modi was the marked increase in people's trust "in recent years" in the Government. He attributed this trust to his Government's unwavering commitment to serving the interests of all sections of society, coupled with its relentless focus on delivering tangible results. Through proactive outreach and citizen engagement initiatives, the Modi-led

NDA Government has fostered a sense of ownership and participation among the populace, thereby strengthening the social contract between the State and its citizens.

Modi's address in Dubai comes at a crucial juncture when India seeks to position itself as a global leader in trade, investment and innovation. The Expo 2020 Dubai, with its theme of 'Connecting Minds, Creating the Future,' provides an ideal platform for India to showcase its economic prowess and technological advancements to the world. In an era marked by geopolitical uncertainties, the assurance of a responsive and accountable Government is paramount for attracting foreign investment and fostering sustainable growth. However, while lauding the progress made under the 'Minimum Govt, Maximum Governance' paradigm, Modi also acknowledged the need for continuous adaptation and refinement. He emphasised the importance of staying agile and responsive to evolving challenges, whether they be economic, social or technological in nature. Indeed, Prime Minister Modi's address in Dubai reaffirmed India's commitment to the principles of efficiency, transparency and accountability in governance. As the world looks towards a future defined by innovation and collaboration, India stands poised to lead the way with confidence and conviction. Good luck, Mr Prime Minister!

PICTALK



Devotees blow conches on the opening of the first stone-built Hindu temple in the Middle East, in Abu Mureikha

Tamil Nadu: The power struggle intensifies



KUMAR CHELLAPPAN

RN Ravi, the Governor of Tamil Nadu, refuses to read State Government's speech which was critical of Central Government, ignites political tension

For the first time in the history of Tamil Nadu, a Governor refused to read the speech prepared by the State Government at the beginning of the 2024-2025 session of the Legislative Assembly and this has opened yet another battlefield in the ongoing war of nerves between the Chief Minister and the Raj Bhavan.

Every year, the parliament as well as the legislative assemblies begin their budget sessions with speeches to be delivered by the President and the respective Governors of the States concerned. The speech to be delivered by the President is prepared by the Government of India in the case of the joint session of Lok Sabha and Rajya Sabha while it is the State Governments that prepare the speeches of the Governors. By and large, these speeches do not evoke much controversy though the State Government may be administered by the party rival to the one that governs the Centre. This year saw Kerala Governor Arif Mohammed Khan skipping the speech prepared by the CPI(M) led Government and just reading out the last two sentences which left Chief Minister Pinarayi Vijayan and his comrades flabbergasted. The reasons behind the Governor's action are explanatory. The speech prepared by the Chief Minister's Office was a charge sheet against the Centre. The LDF Government blamed the Centre for all the economic woes faced by the State and indicted the union finance minister for "throttling" the funds meant for the State.

The speech prepared by Tamil Nadu Chief Minister M K Stalin's office went one step further. While "blaming" the Centre for not allowing the State to raise finance from non-governmental agencies, the Tamil Nadu Government had incorporated the declaration that the State would not implement the Citizenship Amendment Act enacted by the Centre. There is a ridiculous statement that the granting of citizenship to anybody is the prerogative of the Centre while the State administration has no role in it.



The speech also blamed the Centre for not giving enough financial package to the State to address the problems arising out of rains and hailstorms in the months of November and December. But what we saw during the floods was the soldiers of the Disaster Relief Forces deployed by the Centre working round the clock to save the victims from flood and waterlogging. The sailors and aviators of the Indian Navy and Coast Guard too were pressed into service by the Centre to help the people from floods.

Though it is known to all policymakers and politicians in Tamil Nadu that the State has to bear the brunt of recurring floods, the State Government has failed to take proper action to avoid such disasters. The stormwater drains in all cities like Chennai, Coimbatore, Salem, Madurai etc are in a pathetic state. The State administrations in Tamil Nadu and Kerala have left it to the Centre to take whatever solution is needed to address this issue which happens to be the prerogative of the State. The white paper presented by Union Finance Minister Nirmala Sitharaman gives a lie to all the charges made by Kerala and Tamil Nadu. The summer of 2024 is going to be severe and the Tamil Nadu Government is getting ready to wage a "war" against Karnataka for more water



THE CONSTITUTION HAS NOT SAID THAT THE GOVERNOR SHOULD BE SERVILE TO THE CHIEF MINISTER AND THE MEMBERS OF HIS COUNCIL OF MINISTERS

from Kaveri. If the water level in Karnataka's reservoirs is low, what that State should do is anybody's guess. Stalin has done nothing to resolve the perpetual water scarcity in Tamil Nadu though the State has a more than 1,000 km long coastline. It is possible to build desalination plants along the East Coast with which the entire water requirements of Tamil Nadu could be met. But the Dravidian major has done nothing other than get some resolutions passed in the legislative assembly and sent the same to the Centre.

A Governor who profoundly disagrees with the State government should not stay in office," says a pro-CPI (M) newspaper. The issue is should the Governor read out any trash material given to him by the State Government? The Governor is the representative of the Centre and he has work to do. The only drawback against RN Ravi is that he was appointed by the BJP Government at the Centre. The designs and intentions of the DMK as well as the Lefts are very clear. The Constitution has not said that the Governor should be servile to the Chief Minister and the members of his council of ministers. Articles 153 to 164 deal with the appointment of the Governor and his responsibilities. If the Governor feels that the legislation enacted by the State

Legislature is not in synchronization with the Constitution, he will send it back to the Government for review/reconsideration. If the Government is adamant that it would not budge, then the Governor has every right to withhold the Bill and seek legal advice from his lawyers at the Centre. This is what Kerala Governor Arif Mohammed Khan said when the ruling CPI(M) wanted to appoint party cadres as vice-chancellors and faculties in the State's universities. The Supreme Court verdict declaring null and void the appointment of the vice-chancellors has vindicated the Governor's contention that the selection was in violation of all norms specified by the UGC. Interestingly, a book "Indian Constitution" by Dr M V Pylee, constitutional expert and former vice chancellor of Cochin University says that if a difference of opinion erupts between the Governor and the council of ministers, the Governor's decision would prevail. Moreover, the ministry does not have the power to decide what the Governor should or should not do. This book was published by the Kerala Government's own State Institute of Languages! This is the 17th revised edition published in 2020! (The writer is a special correspondent for The Pioneer; views are personal)

LETTERS TO THE EDITOR

REVIVE READER ENGAGEMENT

Sir — In newspapers, a column "Reader's correspondence" is published. This column has been going on for the last so many decades and people love to go through this column first while sipping their morning coffee. Readers express their thoughts, reactions and the crux of the problem faced by society in daily routine. Presently, some newspapers are closed as they could not survive tough competition in the print media and some of them closed their reader's correspondence column without a valid reason.

Thus, the reason behind closing the backbone news dailies is not known. So the readers cannot express their thoughts through the print media and do much-needed social needs to the society. It is requested that resume the Letters to the Editor Column in newspapers and give pride of place to the readers without seeing caste, creed and religion and avoid publishing one set of personal letters all the time.

Jayanthi CK Manaiam | Mumbai

BCCI PRIORITISES DOMESTIC CRICKET

Sir — It refers to BCCI's new instructions to its players to play a certain number of Ranji Trophy games to be eligible for the forthcoming IPL. BCCI has hit the nail on its head because this action was much needed, as players seem to have taken the board for granted. We have had so many instances where a player picks and chooses the format and gives royal ignorance to the domestic cricket, Ranji Trophy. Ideally, when they are not representing the country, they should go back to domestic cricket and play red-ball cricket rather than preferring to play money-minting IPL. It is high time that representing the country must take precedence over IPL. No player should take his place for granted in the national team and it has to be earned through hard grind.

Bal Govind | Noida

UPI goes beyond India



Unified Payments Interface (UPI), introduced by the National Payments Corporation of India (NPCI) in 2016, has emerged as a transformative force in the realm of digital finance. By facilitating real-time fund transfers between bank accounts via mobile devices using unique UPI IDs or QR codes, UPI has revolutionized the way individuals and businesses conduct transactions in India. With over 10 billion transactions and a total value of ₹ 15.7 lakh crore recorded in August 2023 alone, UPI has solid-

ified its position as a cornerstone of the country's fintech ecosystem. Its remarkable growth trajectory is exemplified by its market size, which surged from \$50 billion in 2021 to an estimated \$150 billion by 2025, highlighting its immense potential to drive financial inclusion and economic growth.

Beyond its domestic success, UPI has also expanded its reach internationally, establishing partnerships with local banks and payment platforms in countries like Singapore, Bhutan, and the UAE to facilitate cross-border transactions. This global expansion underscores India's leadership in fintech innovation and its ability to leverage technological advancements for international collaboration and financial connectivity. Moreover, the recent launch of UPI services in Sri Lanka and Mauritius, following its introduction in France, further enhances the accessibility and convenience of cross-border payments, enhancing the travel experience for Indians and international travellers while showcasing India's fintech prowess on the global stage.

Amarjeet Kumar | Hazaribagh

TRAINING FOR LAWYERS

Sir — When judges have judicial academies to be trained in salient features of law, why not the lawyers? was an apt query by the Supreme Court bench of Justices Bela Trivedi and Pankaj Mittal. A young lawyer's "knowledge" in submitting a bail petition, without a summoning order, rightly disturbed the court. The top court's observation is a wake-up call for a profession that once enjoyed unquestionable reverence but has had several questions asked about its ethics and professionalism over the years. Young lawyers who emerge from smaller places are often thrown into the vast sea of legal professionals without proper hands to guide them. They are often found wanting in courtroom etiquettes and decorum. Barring senior lawyers who have a reputation to

maintain, and a handful of old timers, many young lawyers suffer from paucity of drafting skills and presentation acumen. Evolving changes in law and jurisprudence only mean they have to keep abreast of the latest developments because their advancement in the legal profession hinges on favourable court verdicts. Therefore, a successful lawyer is an amalgamation of impeccable courtroom behaviour and outstanding arguing skills that can impress the judges. Also, transparency and accountability are not commodities to be compromised at all.

Ganapathi Bhat | Akola

Send your feedback to: letterstopioneer@gmail.com

Memories of forgotten time linger on!

In a life that is running at an increasingly frenetic pace, each one of us needs a pressure relief valve from time to time

There was a time in our lives, during our childhood and adolescence, not so long back, though now it seems a lifetime away, when cities had not grown.

We lived in a then upcoming locality in a state capital. Each Saturday we would walk to another adjoining upcoming locality for a weekly visit to the temple. Crossing a few empty fields, skipping alongside our parents, the temple seemed too far from our home; but it was fun. I have vainly tried to revisit those empty fields during my recent visits to the city, and the distance between the two colonies also does not appear too long. However, the memory - when it chooses to surface - always brings a smile to my face.

A few years later, we shifted to another city. Each weekend morning, few of us youngsters would venture beyond our homes. It was all agriculture land around the island that we called colony. We would walk through those fields lovingly planted with seasonal vegetables by the farmers. The tangy taste



of the tomatoes - those were not the hybrid variety - still tingles my palate.

I have faint memories of the first few years of my life. My grandparents lived deep inside a lane in a small town in North India. Numerous sweets and savoury shops abutted on both sides of the lane. Aroma of the fresh delicacies would be wafting and teasing our taste buds. Each morning we would wake up to sumptuous sweets and savouries that my grandfather would have brought home.

There were a few years till my adolescence when trains were still hauled by steam engines. Most of our travels during summer holidays were in second class, that

too unreserved compartments - probably those were the only ones affordable to the middle class at the time. There were no bars in the windows. We could stick our necks far out of the windows with the sole purpose of getting a few pieces of coal entangled in our hair, and then plucking those out with a glee that only children are capable of.

There were days when we would lie face up on grass and stare wide-eyed at the wonders of nature as also those created by humans. The condensation trail of a jet flying overhead was a sight to behold. But who could beat the shapes that passing clouds could assume! The shapes could be

as fantastic as our yet developing brains could conjure. In a life that is running at an increasingly frenetic pace, each one of us needs a pressure relief valve from time to time.

It is at times like these, that my lost, but fond memories surface, to grant me that moment of bliss in my own solitude. These are my endorphins, dopamine, serotonin, and oxytocin all rolled into one. I have met several persons in my life. While most of the happy ones are only too eager to delve into their past to narrate memories, even those going through personal crisis come up with pleasant memories when gently nudged.

Those visions from the past may not solve the current problems; but they do help in working towards finding a solution. All of us need that gentle prodding from time to time. Don't we owe it to ourselves to be that gentle push in someone's life!

(The author is an electrical engineer with the Indian Railways and conducts classes in creative writing; views are personal)



SANJAY CHANDRA



FIRST COLUMN

MODI'S TOUR SIGNALS A GEOPOLITICAL SHIFT

Modi's visit to UAE and Qatar would assert India's position in the region



KUMARDEEP BANERJEE

Prime Minister Narendra Modi was in UAE and Qatar earlier this week, underscoring the importance of the region in India's growing interests in the geo-political strategic outcomes from Arabia. This land masses west of the India ocean, and, especially UAE hadn't seen a visit by an Indian Prime Minister in more than three decades, till Narendra Modi decided to refocus. For nearly three decades before 2015, these nations on the other end of the Arabian Sea had been a distant place for Indian political leadership, occasionally grabbing domestic headlines for the wrong reasons, even though a sizeable chunk of the Indian diaspora was toiling away mostly in labour intensive jobs, sending precious hard foreign currency back to their villages in India. However, the importance of the region especially strategically important countries such as UAE as a key balancing power in West Asia was lost to the foreign policy makers of the time. The Indian prime minister's seven official visits to the UAE in a decade and reciprocal visits by UAE president Sheikh Mohamed Bin Zayed Al Nahyan in a similar timeline, underscore the seriousness both sides have attributed to nurturing, this relationship. It was in August 2015 when PM Modi visited UAE on the invitation of then crown prince Sheikh Mohamed Bin Zayed Al Nahyan, which was the foundation of this ever-greening relationship. The joint statement released, stated "The visit of an Indian Prime Minister to UAE after 34 years marks the beginning of a new and comprehensive strategic partnership between India and UAE in a world of multiple transitions and changing opportunities and challenges."

In recent decades, UAE's economic progress has been one of the global success stories, transforming the nation into a regional leader and a thriving international centre.



India's rapid growth, modernization, and skilled workforce position it as a key player in the global economy. The robust economic partnership between India and the UAE, upgraded to a Comprehensive Strategic Partnership in 2015, culminated in the India-UAE Comprehensive Economic Partnership Agreement (CEPA).

This was one of the first CEPAs or bilateral trade agreements India entered with any country with significant economic clout, in decades and a statement released last year on the first anniversary of the CEPA implementation highlighted the positive impact it had on exports in labour-intensive sectors such as 'Mineral Fuels; Electrical Machinery (particularly telephone equipment); Gems & Jewellery; Automobiles; Essential Oils; Other Machinery; Cereals; Other Agri Products; and Chemical Products. The CEPA with UAE proved to be a template for a similar trade agreement India managed to sign with Australia in the same year. However, another key element of the strategic partnership between India and UAE was the close cooperation on defence, security, and counter-terrorism measures outlined during the 2015 visit. The two sides had in 2015 pledged to "Coordinate efforts to counter radicalization and misuse of religion by groups and countries for inciting hatred, perpetrating and justifying terrorism or pursuing political aims. Denounce and oppose terrorism in all forms and manifestations, wherever committed and by whomever, calling on all states to reject and abandon the use of terrorism against other countries, dismantle terrorism infrastructures where they exist, and bring perpetrators of terrorism to justice. And Work together to control, regulate and share information on the flow of funds that could have a bearing on radicalization activities cooperate in interdicting illegal flows and take action against concerned organizations. Prime minister's visit this week which could be his last during his current tenure, signifies the importance of West Asia in India's geo-political and geo-economic approach for the 21st Century.

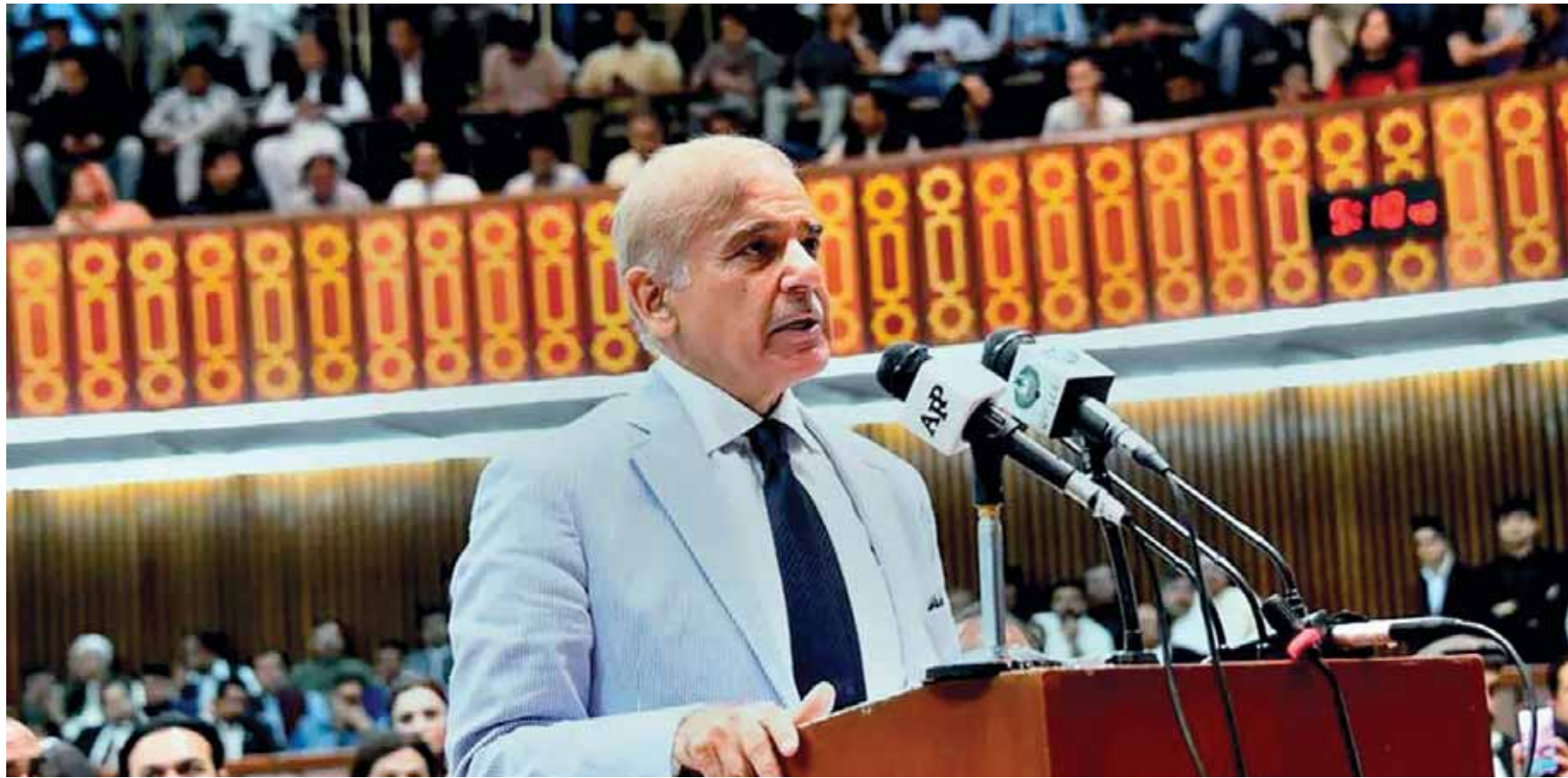
(The writer is a policy analyst; views are personal)

History repeats itself in Pakistan

Shehbaz Sharif emerges as the 'selected' PM candidate amidst elections scripted by the military to ensure PML-N's success, echoing past patterns



KS TOMAR



As per the amended version of the famous quote of American humorist and writer, Mark Twain history repeats itself but, at times in Rhymes, holds true in a stereotyped manner to the outcome of polls in Pakistan which is evident from the decks cleared for Shehbaz Sharif to become prime minister of Pakistan and the army has executed full proof strategy through the process of selection.

The results of the 2024 general elections in Pakistan had been a novella or saga scripted by the super-powerful army to ensure the success of Nawaz Sharif's party, PML-N which is identical to the previous elections held in 2018 to enthroned Imran Khan in the post of prime minister of Pakistan. Owing to this predominant factor of supremacy of the army and 'mind-set of people', none will question the "selection" of Shehbaz in this country which has got tradition and history of being ruled by the army indirectly by proxy for decades and directly for 33 years ranging from 1958-1971, 1977-1988 and 1999 to 2008).

It was also an illusion that democracy was restored for the rest of the period as the military had a hundred per cent dominance in domestic and international affairs as 'selected prime ministers' always acted as symbolic public figures. Now the cat is out of the bag and the outcome of the polls in Pakistan is in consonance with the expectations and estimation of the entire world besides the people of this beleaguered country.

Unexpected Drama Unfolds: Amidst the volatile and uncertain political scenario, in a surprise move, three-time PM, Nawaz Sharif has nominated his younger brother, Shehbaz Sharif for the post of PM which will enable him to rule by "Proxy" and confirm the post of chief minister of Punjab for his daughter, Maryam Nawaz. Experts say that Nawaz has tried to kill two birds with one stone thereby keeping the scope of the Pakistan Peoples Party's



NAWAZ WILL BE IN THE DRIVER'S SEAT AND HE MAY MAKE CONCERTED EFFORTS TO IMPROVE THE RELATIONS WITH NEIGHBOURS, INCLUDING INDIA, WHICH WAS MENTIONED BY HIM IN HIS VICTORY SPEECH

chances to join the government as Bilawal Bhutto chairman of the party has declared to support the PML-N government from outside. Bilawal may bargain with PML-N to nominate his father, Asif Ali Zardari for the post of the president which may lead to a change of equations. 2nd, it will pave the way for the rehabilitation of his daughter Maryam and PML-N Information Secretary as CM of the most important province, Punjab. The coalition government will comprise various parties including PML-N, PPP, MQM, PML-Q, BAP etc. which will have a strength of 152 as against the required tally of 133 in the house of 265 which may go up to 169 after the addition of nominated members.

Ties with India to improve: Nawaz will be in the driver's seat and he may make concerted efforts to improve the relations with neighbours including India which was mentioned by him in his victory speech. A cursory look at Indian PM, Narendra Modi's attempts to have cordial relations with Pakistan shows that he had attempted to normalize the relations when he made a sudden trip to Lahore on Dec 25, 2015 and wished happy birthday to Pakistan EX PM Nawaz who turned 66. Prior to it, Atal Bihari Vajpayee had visited Pakistan in 2004 who will be credited for bringing a thaw in relations with Islamabad.

As per the principle of diplomacy, dialogue must continue even if enmity governs the ties between two nations. India may resume the talks if Pakistan shows sincerity and comes out of Kashmir phobia. Experts are unanimous over the attitude of Chinese President Xi Jinping who is having animosity

towards democratic set up whereas the United States will feel ease at the continuation of democracy in Pakistan. Modi even attended the marriage reception of Nawaz's granddaughter, Merun Nisa in Dec 2015 at Jati Umrah outside Lahore but the army disapproved of these initiatives and hence sabotaged the same.

In this backdrop, the situation is different now as the army and Nawaz seem to be on the same page which may yield positive results. Army's ISI wing will have to shed its policy to support terrorists in indulging in violence in Kashmir. Nawaz is expected to come out of Kashmir's phobia and focus on economic issues which can act as guiding principles to his brother, Shabaz. Shehbaz and Asim duo will yell at the US administration. Imran Khan will be remembered for directly accusing America of ensuring his defeat in Parliament in April 2022 which brought Shehbaz Sharif to power. Imran had quoted a secret diplomatic cable to prove his allegation which was at variance with the stand of the army. Imran also took cudgels against the powerful army which cost him the PM chair especially when he won the election with the help of the military.

The track record shows that the US administration always had a close relationship with the Pakistan army which will be true to the current set-up also. Army will fully support Shehbaz to improve ties with the US which may help Pakistan to get more financial assistance from the IMF. Army Chief, General Asim had visited the US to lobby for getting a financial bailout package from the IMF. Army had been instrumental in

the installation of Shehbaz after orchestrating the downfall of Imran in 2018 which witnessed cordial relations between ex-PM and army chief, Asim Muneer. Nawaz will be the guiding force to cement the ties with the army and ensure the success of the coalition government.

Unequal Playing Field: It is a paradox and none will doubt that the present elections in Pakistan were a reflection of an unequal playing field especially when Imran Khan, a strong contender and popular leader was eliminated from the electoral process under a well-planned conspiracy. Imran's loyalists say that the army played a predominant role in giving the PM chair to Nawaz Sharif on the plate who has preferred to rule by proxy. Imran was disqualified and convicted in several cases to put him in jail which made his party, PTI, rudderless. The election commission snatched its symbol of Bat to put it in a disadvantageous position.

Analysts opine that Pakistan is poised for another spell of pain, mess and chaos as Imran's supporters have won in big numbers and are bound to create problems for the Shehbaz government. They may continue their tirade against the army and demand the release of their leader from jail. India should not expect some tangible result from such an unstable and fragile government though Ex-PM Nawaz and the army are on the same page hence there are chances of change in dynamics in diplomacy but let us wait and watch.

(The writer is a political analyst and has six years experience of in foreign posting in a neighbouring country; views are personal)

Lakshadweep has strategic importance and tourism potential

China has invested heavily in Sri Lanka and also now in Maldives. This compels us to look at Lakshadweep with a fresh sense of urgency

Lakshadweep-Maldives-Chagos group of islands are actually the tops of a vast undersea mountain (Chagos-Laccadive) Range in the Indian Ocean. Lakshadweep has 36 islands that are located 400 km to the west of the nearest coast. The islands have a total land area of 32 sq km but add to a 400,000 sq km Exclusive Economic Zone to India as 200 nautical miles astride the nearest land area is economic zone of that country as per the international maritime law. Possession of these islands away from the mainland provides a strategic, military and political advantage to India.

Lakshadweep stands as India's fingers in the Indian Ocean, almost touching the Sea Lines



UMANG KOHLI

of Communication that pass through the 'Nine Degree Channel'. The channel is used by all ships shuttling to and from Europe, the Middle East, West and South East Asia and also the Far East. It's thus essential that these islands are given due infrastructure so that they can be hubs of tourist and commercial activity in the years to come. So the question now is how do we get the infrastructure built

and add on to the integration of the islands with the mainland? Should an Integrated Tri-service unit come up in Lakshadweep in the years to come, with a suitable component of the Coast Guard? Should we add on to the existing infrastructure or just start building a new set-up altogether? Should we concentrate on tourism aspects initially or go for a multi-dimensional approach to development straight away? Are the people of Lakshadweep on board for a rapid pace of development? These questions need to be answered before we can make tall claims of disturbing the Apple Cart of some third country. Lakshadweep islands can be used as a launch pad during

symmetric and asymmetric conflicts and hence must have the basic infrastructure to support a Tri-service setup to include a multipurpose airport and a proper dockyard. Lakshadweep Islands can also then be used as a vantage point to monitor any movement of vessels in the Arabian Sea. These islands would play a key role in controlling the Sea Lines of Communication (SLOCs) during conflicts/crises due to their close proximity to many choke points.

For now, the basic infrastructure exists in bits and pieces. Tourism requires ample accommodation and sustainable infrastructure to facilitate comfortable stays, which right now is limited as compared to the potential increase we

envisage in the years to come. Obviously, Mumbai is a major feeder point for all foreign and domestic tourists. Cruise lines like Cordelia provide accommodation at sea and access to tourists as well. This kind of tourism model could be very effective and sustainable without adversely affecting the land and population of Lakshadweep. The cruise line right now acts as a major feeder of tourists to Lakshadweep. More such cruise lines are a must to boost the economy of Lakshadweep and also to establish trade routes further South.

Adding on to the existing infrastructure is always the first step of development, though obviously, new projects would come in some time. Private public partner-

ship in this regard could be very helpful. Education of locals also needs to be a priority for them to be able to interact with tourists in both Hindi and English. Small helipads in all ten islands that are inhabited would facilitate fast movement between the islands and could be used as air taxis by the tourists, further adding to the charm of Lakshadweep. These helipads would also be handy for setting up an anti-drone grid, so essential for the protection of these islands. They could help in times of Tsunami and medical emergencies as well. Suitable communication means along with numerous satellite communication channels need to come up on an urgent basis. The islands have no petrol pumps and maybe

that is good, for subsidized electric vehicles must be provided to locals which would be very effective there. Since the distances to be travelled are short, the range barrier of electric vehicles won't be an issue. So a multidimensional approach to development along with a push to tourism for Lakshadweep and Andaman may go a long way in consolidating India's position in the Indian Ocean. China has interests in the Indian Ocean and has invested heavily in Sri Lanka and also now in Maldives. This compels us to look at Lakshadweep with a fresh sense of urgency. It would be prudent if we educate the population of the mainland about the overall importance of these islands. Each island in

the Indian Ocean needs to be protected and integrated with the mainland. Lakshadweep is India's Strategic Sentinel, Maritime and Trade Route Guardian. The current 'Maldives political row is a spark that should propel us to take steps to develop India's maritime muscle. A well-orchestrated use of these islands would go a long way in helping India establish itself as a major economic and military player. Make no mistake that the ten inhabited islands of Lakshadweep act as ten fingers of India in the Indian Ocean. These fingers give us a long arm to help us build up resources, beyond our imagination.

(The writer is an expert on international relations; views are personal)

Farmers' Protest

The on-going farmers' protest has become a flash-point in the national political discourse, highlighting the deep-seated issues surrounding agricultural policies. The contrasting narratives presented by the ruling Bharatiya Janata Party (BJP) and the opposition, particularly the Congress, underscore the complexity of the challenges faced by farmers and the divergent paths proposed for their resolution. The BJP, defending its stance, asserts an unwavering commitment to farmers, citing policies aimed at their welfare. The party emphasises initiatives such as health cards, low-interest loans, and increased Minimum Support Price (MSP) on various crops.

However, the opposition, notably the Congress, paints a starkly different picture, decrying what it labels the government's "cruelty, barbarity, repression, and oppression against farmers." At the heart of this controversy is the demand for a legal guarantee to MSPs. Congress MP Rahul Gandhi, during his Bharat Jodo Nyay Yatra, announced the party's commitment to providing this legal safeguard if it assumes power after the elections. The question arises - are MSPs the panacea to the agrarian crisis, and why has implementation been a contentious issue? MSPs, designed to ensure farmers receive a minimum price for their produce, has been a longstanding demand.

The Swaminathan Commission recommended MSP as a legal right for farmers, a proposal now reiterated by the Congress. The farmers argue that without this legal guarantee, their hard work might not translate into fair compensation. However, the BJP questions the timing of this promise, asking why the Congress did not implement it during its tenure, or why it does not do so in states it rules. The 'Delhi Chalo' (March to Delhi) protest, led by Kisan Mazdoor Morcha and Samyukt Kisan Morcha, unfolds against a backdrop of tear gas shells, barricades, and heightened security. This paints a distressing picture of a nation divided on how to address the concerns of those who feed it. The opposition argues farmers' voices are being stifled, comparing the capital to a "police cantonment" to suppress dissent. West Bengal Chief Minister Mamata Banerjee and the Aam Aadmi Party (AAP) join the chorus of criticism, condemning the Centre's treatment of farmers. The AAP government in Delhi denies permission to convert Bawana stadium into a temporary jail, asserting farmers' constitutional right to protest.

In this maelstrom of conflicting narratives, it is crucial to recognise the plight of farmers themselves. The agriculture sector forms the backbone of India's economy, and the well-being of farmers is inextricably linked to the nation's prosperity. The protests, while a manifestation of discontent, also present an opportunity for a comprehensive dialogue on agricultural reforms. A collaborative effort is needed to address the systemic challenges facing farmers, ensuring a sustainable and prosperous future for Indian agriculture. The 'Delhi Chalo' protest is not merely a clash of political ideologies but a plea to prioritise the well-being of those who toil in the fields to nourish the nation. Shunning politics, all stakeholders must join hands to find solutions.

Brexit pangs

Brexit, once hailed as a grand natural experiment for economists to dissect the repercussions of leaving a low-friction trade environment, has proven messier than anticipated. Britain's departure from the European Union coincided with the disruptive force of the pandemic and an unprecedented energy-price shock. This confluence of events has clouded the ability to discern a clear economic fallout from Britain's departure from the EU. The narrative unfolds against the backdrop of a reluctant British government, delaying full assumption of control over its borders. Although officially leaving the EU on 31 January 2020, the UK effectively remained in the single market and customs union until 31 December 2020.

This transitional period shielded the nation from immediate border challenges. However, January 2021 saw the imposition of new controls and bureaucracy by European trading partners on British exports. In contrast, the British government, in a series of delays, postponed checks on goods arriving from Europe. After several delays, these controls started being enforced two weeks ago - from January 31. Despite tariff- and quota-free trade with the EU, imported goods into Britain will require additional paperwork this year. Sanitary and phytosanitary (SPS) checks will be mandatory for food products to ensure compliance with national standards. The phased rollout of customs and SPS checks over the next nine months means that European exporters will soon confront challenges akin to those faced by their British counterparts in the past three years. The introduction of extra bureaucracy, albeit a necessary measure for regulatory adherence, has the potential to lead to significant delays. Hauliers highlight the precarious nature of customs code precision, where a simple error can lead to hours of resolution. For perishable goods, even a day's delay can render an entire shipment economically futile. The concept of "groupage" adds another layer of complexity, with trailers containing various goods requiring individual checks. Recent trade figures underscore the asymmetric impact of Brexit on goods trade. British goods exports to the EU in Q3 2023 rose by 10.3 per cent compared to the final quarter of 2020, a lacklustre performance when contrasted with a 19.7 per cent increase in exports to non-EU countries. On the import front, goods from the EU increased by 10.7 per cent, while imports from the rest of the world remained broadly flat. Trade body reports indicate that export problems to Europe persist for 90 per cent of manufacturers, demonstrating only a marginal improvement since December 2020. As new border checks take effect, the pain is expected to be more evenly distributed. Retailers, grappling with recent drops in food-price inflation, fear the potential for upward price pressure due to new border checks. The overarching lesson from Britain's post-Brexit trade experience is clear - more trade frictions generally translate to less trade.

Online concerns

In India, the online gaming industry has witnessed phenomenal growth, especially during the Covid period, and this trend is going to continue. If we look at its contribution to the economy, data reveals (as per a KPMG report) that, in FY 2021, there were 433 million online gaming users, giving a revenue of Rs 136 billion (\$1.6 bn). This number is expected to go up to 657 million users, and revenue to the tune of Rs. 290 billion (\$3.5 bn) by 2025



Online gaming and gambling are two different activities that are often confused or considered together, due to their association with the internet, and the potential for financial transactions. Online gaming refers to the act of playing video games or computer games over the internet. This can be done individually, or as part of a multi-player experience, where players from around the world connect and interact with each other in virtual environments. Online gaming can be entirely for recreational purposes, allowing players to compete against others, complete missions or quests, or explore virtual worlds. On the other hand, online gambling involves the act of placing bets or wagers on various games.

In India, online gaming is a rapidly growing industry, and it includes a wide range of games, such as skill-based games, fantasy sports, poker, rummy, and more. These games are legal and regulated under the framework of the Public Gambling Act, 1867. Skill-based games, like chess, carrom, and online multi-player games, like PUBG, Fortnite, and Call of Duty, are popular among Indian gamers. These games are considered legitimate, and do not fall under the legal definition of gambling because their outcome relies heavily on the skill, and decision-making ability of the player.

However, some skill-based games that involve real money transactions, have faced scrutiny, with debates on whether they should be categorized as gambling or games of skill. Games like poker and rummy have faced legal challenges, with some states classifying them as games of chance and others defining them as skill-based games.

In the case of fantasy sports, which involve creating virtual teams and earning points based on the real-life performance of professional players, it is largely considered a game of skill, and has gained massive popularity in recent years.

On the other hand, online gambling, specifically involving games of chance, like online casinos and betting on sports events, is generally considered illegal. The Public Gambling Act, 1867, prohibits operating or visiting gambling houses but it is not sufficient to deal with online gaming or gambling.

Overall, the Indian online gaming and gambling landscape is complex and evolving, with debates related to the classification of certain games and the regulations surrounding online gambling. The legal framework is varied among different states, and it is essential for entities to understand the laws and regulations specific to their region to

engage in online gaming or gambling activities. In India, the online gaming industry has witnessed phenomenal growth, especially during the Covid period, and this trend is going to continue. If we look at its contribution to the economy, data reveals (as per a KPMG report) that, in FY 2021, there were 433 million online gaming users, giving a revenue of Rs 136 billion (\$1.6 bn). This number is expected to go up to 657 million users, and revenue to the tune of Rs. 290 billion (\$3.5 bn) by 2025.

According to this report, casual gaming industry's ad revenues amounted to Rs 3,600 crore in FY 2021, making up to 60 per cent of casual gaming revenues, and are forecast to increase at a CAGR of 29 per cent to Rs 9,900 crore in FY 2025. With the arrival of 5G and cloud-based gaming, subscription-based models may acquire market share in the mobile based casual gaming industries worldwide, and in India. Revenue stream from the subscription model is more reliable than the advertising model.

In fact, the affordability of high-speed internet, increase in the volume of digital payments along with rise in the usage of smartphones, and tech savvy younger generation in our country, are causative factors for this phenomenal growth and prospects. Government stands to gain substantially by taxing gaming, and with improved laws, it can control a vast, unreported sector. The growth of the economy will also be positively affected.

Recently, resisting all pulls and pressures from gaming industry associations and pressure groups, the GST Council, has agreed to levy 28 per cent GST on full face value of gaming transactions. Amended legal provisions and rules for online gaming, horse racing and casinos came into effect from 1 October 2023, bringing into effect the 28 per cent GST at face value at entry level, and mandatory registration for offshore online gaming companies. Officials on their part have started issuing huge tax notices to such companies, and notices worth Rs one lakh crore have been issued so far.

However, the growth of online gaming sector in India coincides with growing socio-economic concerns related to addiction in youth, especially children and working adults, content-related concerns in terms of depiction of violence or other inappropriate content, ads of

off-shore gambling and betting websites targeting Indian users, risks of money laundering and financial frauds in the absence of any strict KYC mechanism.

The Union Government, being aware of the potentialities of the positive and negative aspects of the gaming industry in India, has taken incremental steps towards regulating online gaming. The Ministry of Electronics and Information Technology (MeitY) has been made the nodal ministry for online gaming and e sports. After due deliberations with experts and stakeholders, the ministry on 6 April 2023, notified detailed amendments to the Information Technology (intermediary Guidelines and Digital Media Ethics Code) Rules, 2021.

The purpose of these amendments is to control the unabated and unwarranted negative impact of online gaming activities on users, especially children and other vulnerable sections of society. The amended rules notably provide

for a Self Regulatory Body (SRB) which will have the authority to inquire and satisfy itself that the online game does not involve wagering on any outcome, the online gaming intermediary and the game complies with the rules, the requirements under law for being competent to enter a contract, and a framework made by SRB regarding safeguards against user harm, including psychological harm. It is obligatory on the part of intermediaries to make reasonable effort to not host, publish or share any online game that can cause harm to users, or that has not been verified as permissible by designated SRB.

There is an additional obligation on the intermediaries in relation to games involving money, by way of displaying mark of verification on such games; informing users of the policy for withdrawal or refund, manner of determination and distribution of winnings, fees, and other charges; obtaining KYC details of users, and not giving credit or enabling financing by third parties to the users. The rules address addiction related concerns through safeguards, such as warning messages, monetary spending limit, and time limit. These rules mandate that SRBs are held accountable for performing their functions responsibly.

However, online gaming has serious national economic security implications as well. There are varied means of money laundering through

online games, and one of them is in-game items purchased by the players, for enhancement of gaming experience, and which have real life value outside the game. Such items are purchased using virtual currencies, using funds acquired through hacking/phishing, or through a labyrinth of exchanges amongst multi-player online game characters, which are hard to identify, and which enable cross country movement of money.

Certain online games allow players to buy "loot boxes" which contain unknown sums and can be used in the game after its contents are accessed post purchase. Loot boxes have become a popular avenue for money laundering. The anti-money laundering (AML) laws in India require 'reporting entities' like banks, financial institutions, and persons carrying on designated business, which includes games of chance, to undertake client verification before commencing a business relationship. Such entities are required to maintain records of prescribed transactions, like transactions crossing Rs 10 lakh, and suspicious transactions effected in cash.

While the reporting entities are obliged to report non-monetary transactions as well, it does not explicitly cover online gaming companies. However, recent imposition of heavy penalty by the FIU-India on an online payment system, despite their contention that it is not a reporting entity, is an illustration of the strict stance the authorities can take to uphold the spirit of law.

FIU-India in its order has emphasised the need for AML laws to cover entities that facilitate cross border transactions through various payment systems. Besides money laundering, criminals also exploit the gaming sites for committing various cyber-crimes, like extracting vital bank and personal data, by way of gaining access to the smartphones of the users through download of the games. In short, online games provide a fertile ground for serious cyber and economic crimes impinging on national security.

Gaming and gambling have a lot of common ground, and there is a hairline difference. Advantage of the same is taken by online gaming companies for earning huge amounts of money, especially true of offshore companies. Elements of gambling can be found in a variety of online games, whereas the laws governing the same are not very clear. Perhaps amendments in the IT laws, as the entire action takes place in cyberspace, to make online gaming or gambling a serious crime, are required. Present laws do not have enough deterrence to prevent the misuse by unscrupulous elements, which at times adversely impacts national security.



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LETTERS TO THE EDITOR

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Growing footprint

SIR, This refers to today's report "PM Modi inaugurates first Hindu temple in Abu Dhabi," in *The Statesman*. The PM's remark that being in the UAE made him 'feel at home' sums up the strength and depth of the ties between the two countries. PM Modi has taken the bilateral relationship between the two nations to the next level in terms of geopolitical, cultural and economic cooperation. The bilat-

eral trade between the two countries was around \$85 billion in 2022-23, with the UAE being among the biggest investors in India in terms of foreign direct investment. The Intergovernmental Framework Agreement concerning Cooperation for the Empowerment and Operation of the India-Middle East-Europe Economic Corridor is expected to give a boost to regional connectiv-



ity. The signing of an agreement connecting the instant payment platforms - India's UPI and UAE's AANI - and a pact on interlinking domestic debit/credit cards is

another major step forward. The high point of PM Modi's trip was the inauguration of the Swaminarayan Mandir in Abu Dhabi. The temple, a testament to inter-

faith harmony in the Muslim-majority country, also signifies a religious and cultural outreach to the 3.5 million-strong Indian community that forms the largest expatriate group in the UAE. The PM's rapport with UAE President Sheikh Mohamed bin Zayed Al Nahyan has played a big role in bringing the two nations closer. Having such a dependable ally augurs well for India's growing footprint in the Gulf region.

Yours, etc., N Sadhasiva Reddy, Bengaluru, 15 February.

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Hong Kong needs local law to boost national security

Safeguarding sovereignty, national security and development interests is the fundamental purpose and bottom line of the "one country, two systems" principle. Without national security, the long-term prosperity and stability of the Hong Kong Special Administrative Region cannot be guaranteed. Article 23 of the Basic Law empowers the SAR government to enact laws on its own so as to safeguard national security. However, even 26 years after the return of Hong Kong to the motherland, no legislation on Article 23 of the Basic Law (BL23) has been enacted.

The sixth-term SAR government led by Chief Executive John Lee Ka-chiu has taken concrete measures to promote legislation on BL23. On Jan 25, during his question and answer session, Lee said the government's preparations were in the final stage and the "path to the finishing line" is straight. On Jan 30, the government officially launched public consultations on a piece of BL23 legislation.

The senior officials of the SAR government, Executive Council and Legislative Council members, as well as people and organizations from all walks of life in HK have supported such legislation. The SAR has the constitutional responsibility of enacting legislation based on Article 23 of the Basic Law of Hong Kong. Article 3 of the "Decision on Establishing and Improving the

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Legal System and Enforcement Mechanisms for the Hong Kong Special Administrative Region to Safeguard National Security by the National People's Congress" and Article 7 of the "Law of the People's Republic of China on Safeguarding National Security in the Hong Kong Special Administrative Region" state that Hong Kong should enact legislation on safeguarding national security. Hence, the SAR's Secretary for Justice Paul T.K. Lam claimed that a BL23 law is an "overdue assignment" and the enactment of the legislation is "paying off old debts". Moreover, BL23 legislation will make up for HK's shortcomings in safeguarding national security. Although the National Security Law is a milestone when it comes to safeguarding national security, it contains only four categories of offenses and penalties: secession, subversion, terrorist activities and collusion with a foreign country or with external elements to endanger national security. The four categories do not cover all activities and crimes that threaten national security. And since Hong Kong's existing laws such as the Crimes Ordinance and the Official Secrets Ordinance are yet to be fully enforced, it is necessary to enact a BL23 law to ensure the implementation of all the security and security-related laws in the SAR to safeguard national security. Besides, BL23 legislation conforms to international conventions. Safeguarding national security by implementing security laws is the top priority of every country, and the foundation of their stability and development. For example, the United States has at least 21 national security laws, the United Kingdom at least 14, Canada at least nine, Australia at least four, New Zealand at least two, and Singapore at least six. First, it prohibits activities that endanger state security. During the public consultations on a piece of BL23 legislation, many suggested how to better safeguard national security which covers five categories: treason and related acts; insurrection, incitement to mutiny and disaffection, and acts with seditious intention; theft of state secrets and espionage; sabotage endangering national security and related activities; and external interference and organizations engaging in activities endangering national security. A BL23 law will target precisely those acts that endanger national security, and specify what constitutes such crimes and the penalties for committing such crimes. Second, it will help build a legal framework for better safeguarding national security while underscoring the importance of the National Security Law, which will deal with national security risks that may occur now or in the future and achieve long-term stability.

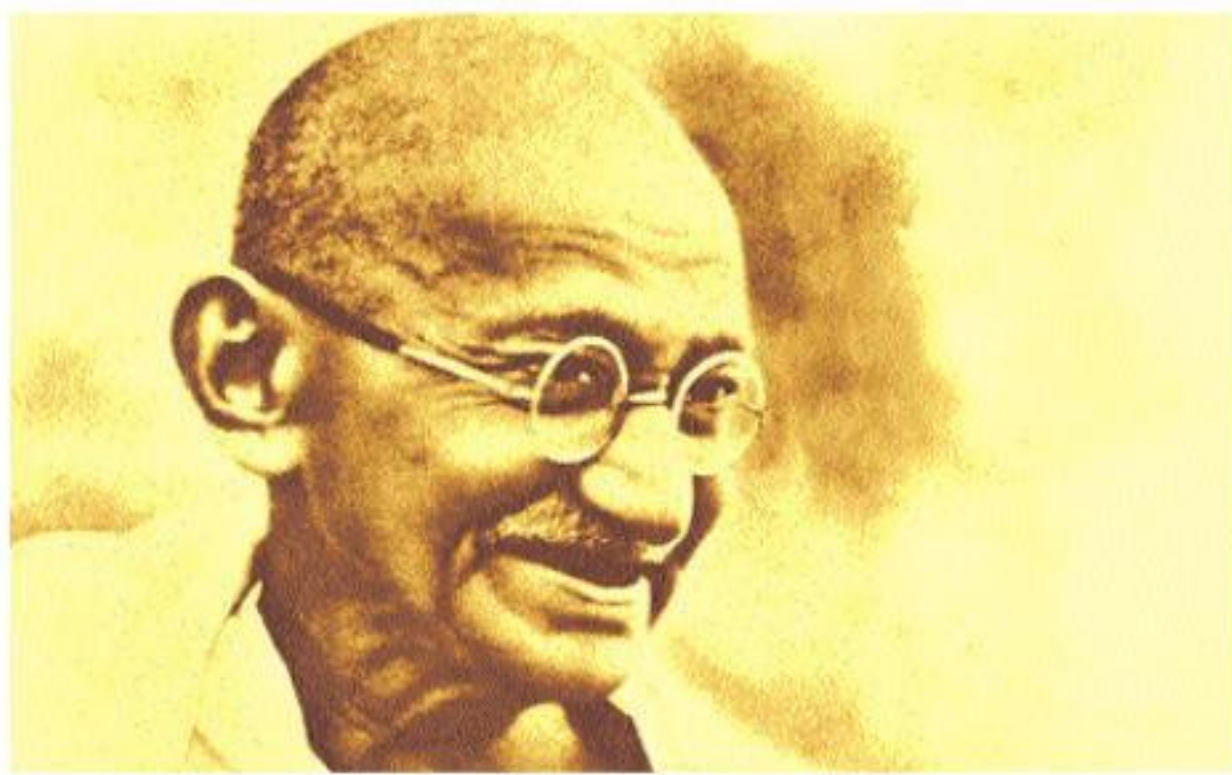
Lessons from Gandhi's life

A. K. MERCHANT

In a voice choked with sadness and emotion, two hours after the assassination of Mahatma Gandhi on 30 January 1948, Pt. Jawaharlal Nehru, first Prime Minister of India, while announcing the dastardly act to the nation through All India Radio, inter alia said: "...The light that has illumined this country for these many years will illumine this country for many more years, and a thousand years later, that light will be seen in this country and the world will see it and it will give solace to innumerable hearts..."

A little more than seventy-six years ago, Mahatma Gandhi's life was abruptly terminated. Surely, he would have never thought that his end would be so unexpected, less than six months after he and the whole band of freedom fighters, many of whom had suffered greatly and sacrificed their lives, had secured India's freedom from the colonial yoke.

Those who sacrifice their life and endure persecution for the benefit of humankind have a very high station in the sight of God. From the very beginning when the Bab, Martyr-Prophet of the Bahá'í Faith, declared his mission, thousands of followers had to bear the brunt of persecution, several hundred willingly sacrificed their lives. While none of us can fully fathom the mysteries of martyrdom and why so much innocent blood is shed, the history of humankind is replete with soul-stirring episodes of supreme sacrifice, such as that of Jesus Christ and his apostles; Imam Husayn and his entire family, massa-



cred on the plain of Karbala; Guru Tegh Bahadur, who at the urging of his minor son, later Guru Gobind Singh, willingly offered his life, refusing to yield to the diktat of a tyrant, and the assassination of Gandhiji, Father of the Nation.

Today let's reflect on the life of Gandhiji. What was the message of his death? What does he have to teach the world? With so much violence everywhere today, what is so significant about Bapu's killing? We can answer these questions with the word "yagna". Yagna was the spirit of his life and the message of his death. Every breath of his life, including the last, was an oblation to his country, his principles and his faith in God.

The theme of his life was truly sacrifice. He could have been a wealthy attorney. He could have had a life of relative ease and prosperity. However, he was man devoted to his

country and to its freedom. Through his tireless efforts and his simple piety he showed the world how through principles of satyagraha, ahimsa and sarvodaya his fellow-country men and women could be inspired and motivated to achieve greatness. However, in spite of national and international acclaim, he never lost his humility, his dedication or his spirit of sacrifice. Rather, the flames of his true yagna to Bharat mata seemed to only grow until he, himself, was the poornahuti, or final offering. Gandhiji's spirit of non-violence and sacrifice did not only pertain to overt actions. It was a quality of the spirit - a quality of humble love for all human beings. There is a story of a man travelling by train to Porbandar in the same coach as Gandhiji. However, the man did not know that the skinny old man in his coach was Mahatma Gandhi. So, all night long this man lay down on the

seat, occupied the entire berth and pushed Gandhiji and put his feet on him and left Gandhiji with barely enough room to sit upright. However, Gandhiji did not fight, nor complain. How easy it would have been to shout and say, "I am Mahatma Gandhi; give me room in the coach." But Gandhiji's ahimsa was an ahimsa of the tongue and an ahimsa of the heart. So, he simply let the man use as much of the seat as he desired.

As the train pulled into Porbandar, the man mentioned that he was going to see the famous Mahatma Gandhi. Gandhiji still remained silent. He had no need to stray from humility and disclose his identity. As Gandhiji descended from the train to a welcoming crowd of thousands, the man fell at his feet, begging for forgiveness. Gandhiji, of course, blessed and forgave him, telling him only that he should be more respectful of others, regardless of who they are. He taught the man the true lesson of sarvodaya, that everyone must be treated with dignity and respect, even those who are less fortunate. Fully aware of his shortcomings, Gandhiji tenaciously clung to truth and virtue all his life. The Bhagavad-Gita was his closest companion and source of guidance. How unfortunate it is that today so many people claim that their lives and their work are "God's". Yet, they use this as an excuse to lie, to cheat and even to kill. And, at the end it is clear that they merely used God's name in the service of themselves. Gandhiji remained pure and his death is the clearest example. Due to his commitment to ahimsa and complete surrender in God he refused to have body-

guards. Hence, on that fateful day as he climbed the four sandstone steps where people had gathered for the evening prayer meeting, a 'stout young man in khaki dress' made obeisance to him and the very next moment fired three shots from his pistol that was hidden in his pocket. Gandhiji collapsed on the ground and gasping for breath uttered "hey Ram," "hey Ram."

Gandhiji would not have wanted to be only remembered in history books. He would not want to be remembered only as the freedom fighter who led India to independence. He would want his message to live on; he would want his yagna to continue burning, to continue bringing light and warmth to all the world. He was steadfast in his commitment to the law of nonviolence which he believed was the law of love and fervently wanted to make it the law of our species.

Bahá'ís believe that it is within the power of everyone, just as Gandhiji showed through his life, to bring about positive change. When enough of us prioritize the well-being of future generations above our own instant gratification, the country will progress rapidly and every citizen will benefit greatly from positive and sustainable development. To this end, the words of Martin Luther King Jr., also a martyr, are so pertinent: "If humanity is to progress, Gandhi is inescapable...We may ignore him at our own risk."

(The writer is a social worker, independent researcher and an active member of the Bahá'í community of India. Views expressed are personal.)

100 YEARS AGO

OCCASIONAL NOTE

A somewhat surprising fact mentioned in the last Calcutta census report is that more than one in every five amongst the population of Calcutta over the age of five can read and write English. The comparative figures for 1911 and 1901 show that the proportion in increasing very rapidly. This was the best to be expected because it is precisely during the last twenty years that the greatest efforts have been made by political parties to discourage the study of English and education in English in Calcutta. An explanation of what is happening is to be found in the fact that the population of Calcutta grows more cosmopolitan every year and the multitudes engaged in commerce need a second language, which must be English because of its all-round general value, Urdu, of course, as opposed to Bengali has also a large all-round value in India, but the script presents so many difficulties that even people who are literate in the language employ another script if they know one. What is known as the shikast or running hand in Urdu is very painful to read because of the number of elisions, almost approaching those of shorthand, which are practised. Hindi, on the other hand, is easier than English to read, for letters are written complete and there is a letter for every sound, but Mahomedans do not care to learn Hindi, whereas they have no objection to English.

NEWS ITEMS

VICTORIA MEMORIAL

The Trustees have now opened several new rooms for the display of a fine collection of views of Indian scenery. In the room to the right over the north entrance, will be found a series of James Baillie Fraser's views of the Himalayas and another series by George F. White of H.M. 31st Regiment which include a number of drawings by J.M.W. Turner, R.A. In the adjoining corridor is a display of Mrs. Scott's Himalayan views, and the remainder of the White series. In the room on the left are James Moffat's engravings of Benares, Berhampore, and Moorshidabad, and drawings by Henry Salt and William Hodges, R.A. Adjoining this room in the corridor have been placed Meham's and Sarsfield Greene's sketches of the Mutiny and the Siege of Lucknow.

POLITICAL CRIME IN INDIA

LONDON, FEB. 15

Replying to a question by Mr. John Scurr in the House of Commons today, Mr. F.O. Roberts stated that thirty or more persons were at present in jail in India undergoing sentences for sedition. Between 70 and 90 were confined in the United Provinces on account of offences arising out of political agitations and possibly a few in other provinces on the same count. Twenty-three were also detained under Regulation III of 1818. In addition, there were probably some thousands of Moplahs still imprisoned. These figures did not include Sikhs under trial or already convicted in connection with the Akali agitation. According to the latest information 120 were under trial and 180 had been convicted recently.

ANGLO-PERSIAN OIL

Mr. Neville Chamberlain informed Commander Kenworthy in the House of Commons today that the proposal for the sale of the Government's share in the Anglo-Persian Oil Company was first made by the managing director of the Burma Oil Company, but it was understood that the Shell Royal Dutch was also interested in the project. Mr. Chamberlain said the Anglo-Persian Board had been officially consulted. The Government did not feel able to take final decisions as it had been intended to refer the matter to a Cabinet Committee prior to decision. Asked who conducted the negotiations on behalf of the Government Mr. Chamberlain said the proposals had been originally submitted to the President of the Board of Trade.

INDIAN LOCOMOTIVES

LONDON, FEB. 15

The Times engineering supplement commenting on the Indian High Commissioner's acceptance of the German tender for locomotives says that under the present economic conditions failure to obtain a contract on the part of British shops, though relatively small, is to be regretted, but the agitation or attempts to bring political pressure to bear would defeat its own ends. British manufacturers can best meet the situation by continuing a sound policy of high quality enterprise in utilising latest improvements in equipment, and resolute care regarding production costs. They should also develop closer touch with the best market by branches in India eligible for preference given on articles manufactured or obtainable there.

FRENCH TAXATION

The Government has secured a vote of confidence by the Chamber rejecting by 301 votes to 212 an amendment to the Government's proposal for an all-round increase in taxation of 20 per cent on which very keen opposition was anticipated.

Is Army the winner in Pakistan polls?

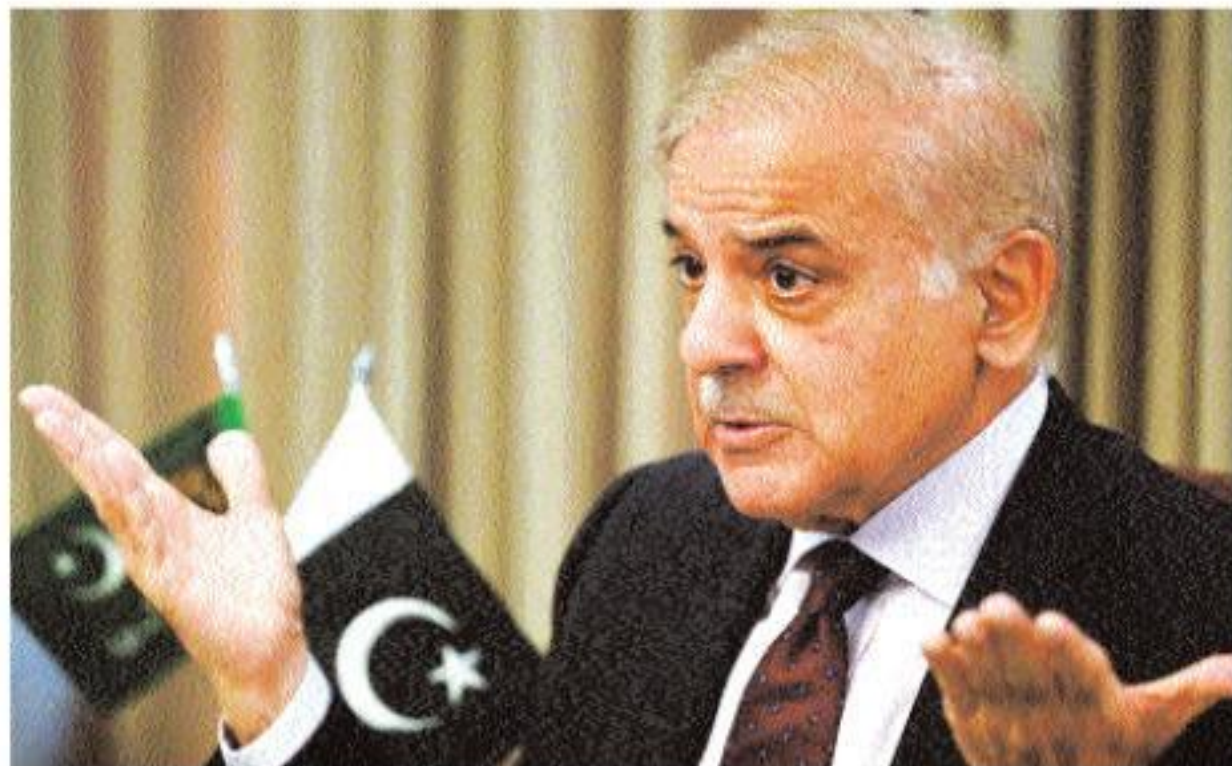
SMRUTI S PATTANAİK

On 8 February 2024, Pakistanis voted in their 16th parliamentary election, which many initially speculated would be postponed and, if held, rigged in favour of the Pakistan Muslim League (N). However, the election results brought interesting numbers - none of the parties got the majority. A total of 101 independent candidates, most of who were supported by the Pakistan Tehreek-e-Insaf (PTI), have the largest number of seats. Announcement of the results was inordinately delayed in some constituencies. The suspension of mobile service on voting day gave rise to the rumour of rigging.

How are we to interpret this fractured mandate? The votes each political party drew reflect that it is essentially against the Army's political interference, which Imran Khan championed after he was ousted from power. If the past is an indicator, the parties' lack of majority in the Parliament and formation of a coalition will make the government susceptible to manipulation by the Army.

Since the independent candidates, despite winning the largest number of seats in the 266 directly elected constituencies, are not organised as a political party, they cannot stake claim to form the government. Out of the independents, 93 were supported by the PTI. The PML-N, which has emerged as the largest party with 75 seats, is short of a majority in Parliament and is in talks with other political parties to form the next government. The Pakistan Peoples' Party (PPP) has won 54 seats whereas the Muttahida Qaumi Movement (Pakistan) (MQM-P) has attained 17 seats.

On February 13, six political parties, including PML-N, PPP, PML-Q (Quaid), Istehkam-e-Pakistan Party (IPP), Balochistan Awami Party (BAP), Muttahida Qaumi Movement Pakistan came together to form a coalition government. The consensus candidate for prime minister was Shehbaz Sharif, younger brother of



Nawaz Sharif and the outgoing prime minister of Pakistan.

Asif Ali Zardari, who was the President of Pakistan from 2008-13, is set to assume the office of presidency again, while Maryam Nawaz will be sworn in as the chief minister of Punjab, the province that determines the political fortune of parties as it is the largest province with the largest number of seats in Pakistan's National Assembly. While welcoming the PTI to join the coalition, Asif Ali Zardari, who took the lead in this negotiation, said that their "economic and defence agenda should be common". But interestingly, the PTI in its X account captioned this coalition as "mandate thieves".

After removing Imran Khan from premiership through a no-confidence vote in April 2022, the opposition parties formed a 13-party Pakistan Democratic Movement (PDM) government. This government, led by Prime Minister Shehbaz Sharif, empowered the Army by passing acts like the Army Amendment Bill, the Official Secrets Amendment and the Criminal Law Amendment Bill that prevented criticism of the Army. The Military courts, under which many of Khan's supporters were tried for vandalising Army installations and attacking the Corp Commander's house, were strengthened by Shehbaz

Sharif's government.

The return of Nawaz Sharif to Pakistan and his acquittal from several cases in which he was accused gave rise to the assumption that he was the favoured candidate of the establishment. However, Nawaz has withdrawn from the prime ministerial race and has blessed his younger brother, Shehbaz, to become the premier for the second time. Interestingly, the PML-N has marginally improved its number of seats - it had won 64 seats in the National Assembly in 2018 despite Sharif's adverse relations with Army, and has won 75 seats this time, when he is touted as a favourite of the Army.

While the PTI campaigned against the Army's interference in politics and the imprisonment of their leader in corruption cases, the most frivolous case against him was his being sentenced to seven years in prison on the ground of iddat. This also demonstrated that the poster boy of the Army was turned into a villain as serious differences cropped up between him and the establishment over the Army chief's appointment.

After the conclusion of this election, where the PTI could not fight on its election symbol of Bat, his supporters continued to harp on rigging. They happily accepted the blatant electoral support that the Army

extended to them earlier, which resulted in the party increasing its seats from 27 in 2013 to 115 in 2018. In April 2018, Sharif was disqualified from contesting the election as per the provision of 62(1)(f) to facilitate Khan's victory. This ban for life was lifted by the Supreme Court prior to the 2024 election as the court said that the ban cannot be for more than five years and is against the fundamental right to contest election.

The PTI's narrative since 2013 has been that their votes were stolen. In fact, many of the demonstrations organised by the PTI at that time revolved around this issue, which led to the setting up of the Judicial Commission, whose findings rejected Khan's claims. They are trying to bring back the same narrative now to argue that it is the Army that has manipulated the election to deny the PTI majority in the Parliament by stealing votes. There is no denying the fact that despite all odds, Khan still retains popularity compared to the PML-N and PPP.

The party that almost lost popularity in 2021-22 in the face of a rising economic crisis has persisted, as Imran remained adamant on his stance not to approach the IMF. He turned the table on his detractors when he attributed his loss of majority in Parliament to a Western conspiracy. He criticised his benefactors for interfering in politics and being above the law. He also accused the Army of being petrified of his popularity and, therefore, arresting him.

Social media is rife with the assumption that the Army could not manage the election as the PTI-backed independents, popularly known as Azad, won many seats. However, several reports in the print media allege irregularity in the election even as the establishment calls for politicians to show maturity and unity.

A fractured mandate has always given the Army the space to call the shots. After the 2008 transition to democracy, the PPP and the PML-N as political parties retained power in

the Centre even though their prime ministers were removed through judicial verdicts. The PTI, which formed a coalition government stitched by the military with the support of other parties, could not last the five-year term as the judiciary opened in the middle of the night to ensure that Khan stood for a floor test to prove his majority in the house which he failed.

The Army's ability to play one party against another is well known. It empowered the PTI as both the PPP and the PML-N were critical of the Army and its interference. Nawaz Sharif filed a treason case against General Musharraf, which he later admitted as one of the causes for his conviction in the Panama Papers corruption case and subsequent disqualification. In most of these cases, the Supreme Court of Pakistan did not hesitate to do the bidding on behalf of the Army. Part of its judgement stemmed from the judicial activism under former Chief Justice Iftikhar Chowdhury, and partly, it was dictated by the expediency of the situation.

Shehbaz Sharif is known to have close relations with the Army, which is perhaps the best bet for the coalition's longevity. During his tenure as the Prime Minister, he sufficiently empowered the military. For the Army, the choice was clear: Anyone but Imran Khan. Khan has been able to mobilise youth, and for the first time, the Army has faced severe domestic opposition to its role. During Khan's rule, the Army was divided over their approach to Imran Khan.

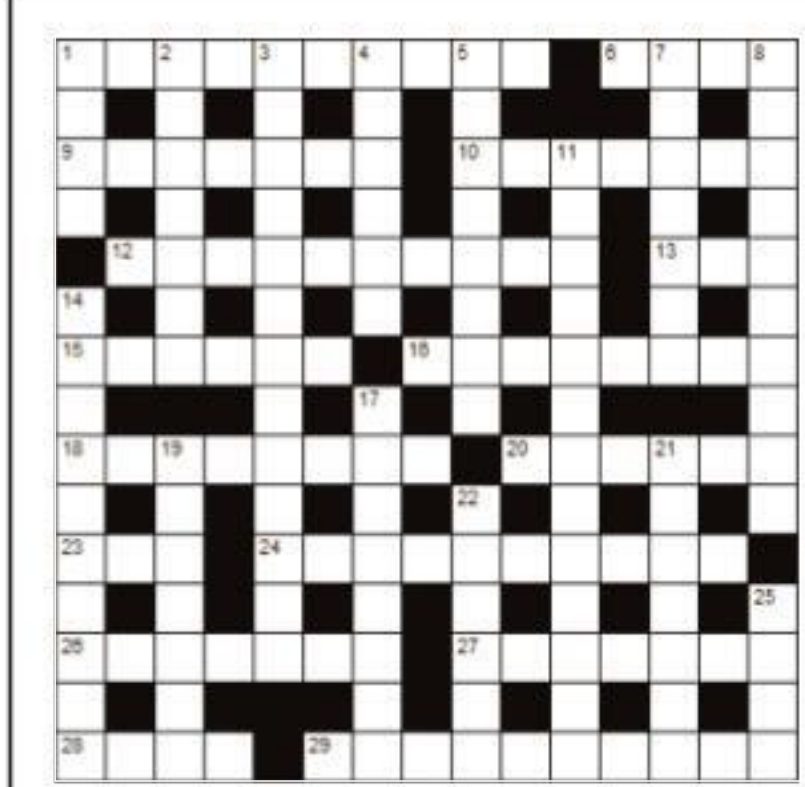
As of now, seven independents have already joined the PML-N. Some may join in the future - a possibility that cannot be ruled out. With the election for 60 reserved seats for women and 10 for minorities, the coalition will have a comfortable majority to sail through the next five years if they decide to stick together.

Political instability will only add to Pakistan's economic predicaments as the country faces severe economic challenges with rising inflation and nearly \$30 billion in debt servicing.

The Kathmandu Post/ANN.

CROSSWORD

NO-292695



YESTERDAY'S SOLUTION



ACROSS

- Extra jam, perhaps, is popular (10)
- Some recipes from the east of impressive proportions (4)
- Clever leader is accommodating, at the moment (7)
- Collusion? California loudly shows disapproval (7)
- Backtracking oil producer's at first an advocate of Home Rule (10)
- Field exposed when fencing is removed (3)

- State: "You look a state" (6)
- Understood female in Germany (6)
- Body fluid and fly found in mug (8)
- Reportedly spirit-like spirit? (6)
- Leaves note with answer (3)
- I smell following purge, awareness essentially shot (10)
- It cuts the chat at sea (7)
- Salesman allowed European to be charged (7)
- Lapwing loses it, twisting to give cry (4)

- Religious office in hot periods abandoned (10)

DOWN

- Pan's People finally aware of bigotry (4)
- Couple study advanced body parts (7)
- Lead from salt mine of Wieliczka possibly taken outside with excessive cleaning (4,3,6)
- Container of chopped-up garb and assorted gubbins, primarily (6)
- Cary, in reality, mostly gets Victor to replace book of records (8)
- Interrogate male about liberal pest, maybe (7)

- Criminal is captured displaying classic comedy prop (7,5)
- Possibly the aim of bows and snooker players: to win big (3,3,7)
- Young dog and cat perhaps present Sesame Street? (6,4)
- Clock catalogue (8)
- Surprise promising young actress with time up (7)
- New team in France getting discontented Ronaldo for nothing? Anything but (3,4)
- Order grade to be changed, getting C for German (6)
- Cash short? Study. Cash missing upfront? Study (4)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)