



THOUGHT FOR THE DAY: Love recognises no barriers. It jumps hurdles, leaps fences, penetrates walls to arrive at its destination full of hope.

— MAYA ANGELOU



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EDIT

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Will show of unity make a difference?

The mega Opposition rally at the historic Ramliha Maidan in Delhi, just weeks ahead of the Lok Sabha election, was a huge show of unity that has sadly been eluding the I.N.D.I.A alliance in the last few months. The arrest of two chief ministers Arvind Kejriwal and Hemant Soren and the freezing of Congress accounts by the Income Tax department proved to be the trigger for this massive show of strength which essentially stressed on the necessity for a free and fair election. The 'Save Democracy' (Loktantra bachao) and 'End Dictatorship' (Tanashahi hatao) rally saw speaker after speaker taking on the Narendra Modi government over the alleged misuse of investigative agencies, the arrest of top leaders, the alleged subversion of the Constitution, tax terrorism in the form of freezing accounts of Opposition parties, the purported scam over electoral bonds and the EVM 'tampering' issue. Leaders and representatives of 28 parties came together braving the scorching summer heat. Even the Trinamool Congress representatives categorically asserted that their party was very much part of the I.N.D.I.A bloc despite indications to the contrary when Mamata Banerjee unilaterally announced candidates for all the 42 Lok Sabha seats in West Bengal without taking her alliance partners into confidence. While the Trinamool Congress and the Aam Aadmi Party have been blowing hot and cold over seat sharing with the Congress in Bengal and Punjab respectively, the Ramliha Maidan mega rally witnessed a rare show of solidarity to protest the arrest of Kejriwal by the Enforcement Directorate. His wife Sunita Kejriwal and Hemant Soren's wife Kalpana took centrestage at the rally organised by the Delhi and Punjab units of AAP. Congress leader Rahul Gandhi used the match-fixing metaphor to target the BJP and Modi, saying the umpires (Election Commission) had been bought over to ensure victory for the ruling party. The BJP was quick to dismiss the rally as a desperate bid to protect a family and the corrupt, with PM Modi also raising the issue at his rally in Meerut when he promised to double down on the corrupt, however influential they may be. It remains to be seen who wins this battle of perception. If the crowds at the Ramliha Maidan are anything to go by, the fight will be quite interesting but perhaps this show of Opposition unity has come a little too late in the day.

Island row

As Tamil Nadu gears up for the Lok Sabha election to be held in the first phase on April 19, the tiny island of Katchatheevu between India and Sri Lanka has become a key talking point. The BJP, which has been desperately seeking to make an electoral dent in the southern state, has raked up Katchatheevu to embarrass the DMK government. The disputed island had been given to Sri Lanka by the then Congress government headed by Indira Gandhi in 1974. Tamil Nadu BJP chief K Annamalai had through an RTI application sought details on the decision to hand over the island. This appeared in the local media and Prime Minister Narendra Modi was quick to latch on to it accusing the Congress government of callously giving away the island. Katchatheevu, a disputed territory between India and Sri Lanka since British times, was attached to the Madras Presidency by the imperial rulers. However, after Independence there was a dispute over fishing rights around the island. In a bid to strengthen ties with Sri Lanka, Indira Gandhi ceded the island under the Indo-Sri Lanka Maritime agreement. To this day Indian fishermen who go to the area are mostly from Tamil Nadu. The then DMK government in the state had protested the agreement and subsequent governments have also continued to raise the issue. Last year, too, Chief Minister MK Stalin had flagged the issue with PM Modi ahead of Lankan PM Ranil Wickremesinghe's visit. Many TN fishermen are regularly arrested by the Sri Lankan authorities around the island and Stalin had bemoaned the threat to their livelihoods. The BJP is hoping to make Katchatheevu a key issue ahead of polling day by embarrassing the DMK which is an ally of the Congress in the state. The Congress has accused the BJP of having no achievements to show, questioned the timing of the controversy, and wondered why the PM had not taken up the issue over the last ten years. It remains to be seen if Katchatheevu will have any electoral traction.



NEW PALESTINE CRISIS

Tel Aviv, March 16. A crisis with possible military implications was today developing on the central Palestine front. Israeli Foreign Office sources said they had information that Arab Legion forces were taking over frontline positions in the Iraqi-held area.

Employment growth much slower than economy

Fiscal Prudence

✶Ajit Ranade



The India Employment Report 2024 was published last week. It has a comprehensive, in-depth analysis contained in a 300-page report published jointly by the Geneva based International Labour Organization (ILO) and Delhi based Institute for Human Development (IHD). This is actually the third major report by ILO-IHD on labour and employment issues in India, the first two being published in 2014 (workers and globalisation) and 2016 (employment in manufacturing led growth). The data used in the present report is mostly from government sources, covering a period of more than two decades since 2000. Prior to 2018 the main source of the data was the quinquennial survey of employment conditions, and thereafter it is the quarterly reporting of the periodic labour force survey (PLFS). Granular data at the unit level is available to all researchers and the present report goes into great detail to gain insights.

Before we examine the main findings of the report, it is important to remember definitions. The labour force participation rate (LFPR) is those of working age in the population (15 years and older) who are working or seeking work.

It is important to note that while India's population growth has slowed down to 0.8% per year, its labour force is still expanding at more than 2% annually. Thus, the people in the working age group are a relatively fast expanding bulge. From this bulge we first look at what is happening to LFPR over past two decades. The worker participation ratio (WPR) is the proportion of working age people who are working. The rest are unemployed, and hence the unemployment rate is the share of those in the labour force who do not have work and are seeking work.

Now to the main findings. The dismal long-term trend is that until 2019 all three ratios LFPR, WPR and unemployment rate were moving in an adverse direction. Participation rate was dropping, and unemployment rate was rising. This is dismal because it means that the growing economy was not generating work or jobs for the ever-expanding work force. During 2000 to 2012, the economy expanded at the rate of 6.2% per year, but jobs grew only at 1.6%. This became worse between 2012 and 2019 (i.e. until the pre-covid year) when average economic growth was 6.7%, but job growth was just 0.1%.

This is the classic case of jobless growth. What does this mean? It means economic productivity measured as unit of GDP per worker has been increasing, eliminating the need for extra workers. It also means that GDP growth is more capital intensive, employing more machines per worker. This is

particularly stark in the manufacturing sector of the GDP. In manufacturing for the entire period of 2000 till 2019, employment growth was merely 1.7% per annum whereas manufacturing output grew at 7.5%. By comparison the services sector employment growth was nearly 3% per year, thus providing jobs. Particularly construction work responded very well to economic growth during 2000 to 2019.

The growth process is supposed to absorb the surplus labour in agriculture into manufacturing and services. This is called struc-

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tural transformation of the economy. It can be aided by rising exports too. The share of export of goods and services in GDP was just 6.3% back in 1984 and is now at 22% in 2022.

This expansion in global market opportunities should have meant more employment in India, a pattern we would have witnessed if we had focused on labour intensive exports. Indeed, that was the story of export led growth in most of East Asia starting five decades ago with Japan, and still continuing with countries like Vietnam. India somehow missed the bus, firstly with its initial export pessimism, and then being wary of joining global value chains. This is likely to change in the coming years. But now there

are new challenges, as trade barriers go up due to geopolitical reasons, and automation threatens to eliminate jobs even in labour intensive sectors.

Manufacturing employment remains stuck at 12-14% of the workforce for over two decades. The reason for non-absorption of new workers into manufacturing are many, not least because manufacturing still has a bias of more capital intensity. But a big and persisting problem is that of skills mismatch. The education sector is failing potential employers, because the students who come out

of schools and colleges are not employable. No wonder the bulk of unemployment is among the youth. A whopping 83% of the unemployed are youth i.e. under the age of 34. Above that age the chance of getting a job improve dramatically, even though the job may not be high paying. The youth constitute 27% of the population and due to the ageing process, this number will decline to 23% by 2036. Since India's gross enrollment rate in colleges will keep rising, those youth will not be part of the labour force, and hence LFPR might decline somewhat.

But youth unemployment remains a stubbornly difficult challenge. It tripled from 5.7% to 17.5% in 2019 and decline a bit to 12.1% in 2022. The problem of youth un-

employment is inversely correlated with education. In 2022, the youth unemployment rate for those who cannot read or write was 3.4%, for those who have secondary or higher-level education was 18.4% and those who are graduates it was 29.1%. This is the highest countrywide educated youth unemployment we have ever had. The causative factors are many, but chief among them is lack of skill building and vocational training. It is the failure of our teaching and skill imparting institutions. Since a lot of vocational skills and learning happens on the job and the shop floor, it is time to aggressively pursue the apprenticeship programme, which is portable across the country. It should not force the apprentice employer to make the job holder permanent.

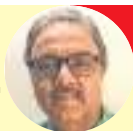
There are many useful nuggets of insights and information in the ILO-IHD report as also recommendations for policy makers. The main thrust of policy is to incentivise investment which maximises jobs per dollar, not just exports or total production value. Simultaneously the National Education Policy 2020 can be oriented to focus much more on employability, skill intensity, collaboration with employers and experiential learning. The next decade should be a decade of investing in enhancing India's human capital.

Dr Ajit Ranade is a noted Pune-based economist. Syndicate: The Billion Press (email: editor@thebillionpress.org)

Ahead of the elections, is BJP in throes of doubt?

Heart of the Matter

✶S N M Abdi



There is clearly a huge confidence deficit in the Prime Minister Narendra Modi-led Bharatiya Janata Party. If the BJP was sure of itself, would it get Jharkhand Chief Minister Hemant Soren, Bharat Rashtra Samithi's Kalvakunta Kavitha and Delhi Chief Minister Arvind Kejriwal arrested by the Enforcement Directorate or Central Bureau of Investigation in the run-up to the Parliamentary elections?

The onslaught on Opposition leaders inevitably sends a message that Modi is not confident of becoming the PM for a third straight term. Modi and his men are publicly boasting of winning 370 seats and the BJP-led National Democratic Alliance romping home with 400 Members of Parliament, but in reality they are wracked by self-doubt and are full of apprehensions. If it isn't so, why is the Modi regime determined to hold Opposition-mukt elections so as to ensure a BJP victory?

Modi is very sharp, extremely intelligent and an uncompromising, hardcore realist. By no stretch of the imagination does he live in a make-believe or illusionary world.

He knows too well that the electorate is not going to vote for the BJP blindly and unquestioningly. He is India's tallest and most charismatic leader no doubt, but he is fully aware that his face and persona are not enough to carry the BJP to the shores of victory.

Modi knows that the public will cast its vote after assessing the government's performance. Joblessness is at an all-time high. And amid the unemployment crisis and stagnant income of those who are lucky enough to have jobs, prices of essential commodities are going through the roof, making life unbearable.

Inequality is becoming more glaring with every passing day, with the rich becoming richer and the poor poorer. Modi and company are obviously factoring in all this in their internal assessments of the BJP's prospects at the hustings, making them jittery.

The situation is so grim that the BJP is even fielding former chief ministers in the coming Lok Sabha elections; Madhya Pradesh's Shivraj Singh Chouhan and Karnataka's Basavaraj Bommai are prime examples. Moreover, harried and restless top leaders are burning the midnight oil deciphering the caste arithmetic in seat after seat to know what lies in store for party candidates.

The BJP is suffering from such acute insecurity that the Income Tax department has reopened assessment proceedings against the

Congress Party for accounts submitted in 1994-95! This is like digging out corpses for post-mortem examination three decades after burial.

On the one hand, Modi and other BJP leaders accuse the Congress of being corrupt and a party of thieves and robbers. And on the other, the BJP is embracing leaders with criminal records.

It has just inducted Janardhan Reddy who has 20 police cases against him, including nine CBI cases for looting forests and mines

court politicians belonging to other parties mired in landmark corruption cases and taking them under its wing?

In the Parliamentary elections post Indira Gandhi's assassination in 1984, the Congress party had won more than 400 seats. Since then, no other party or coalition has broken that record. For three decades after 1984, no single party could even win 272 seats to form a government on its own. But in 2014 the BJP got 282 seats by encashing the Congress

The BJP is panicky before the moment of truth and is therefore resorting to every trick it can to somehow retain power which it fears is slipping out of its hand

—and attempting to pay a bribe of Rs 40 crore to a judge for bail! Such defections reinforce the Opposition's description of the ruling party as a washing machine through which tainted leaders pass to emerge spotlessly clean. Last week, the CBI filed a closure report in a massive corruption case against Praful Patel, who had crossed over to the BJP eight months ago. Naveen Jindal is another feather in the BJP's cap. The Congress MP from Haryana, who is a 'Coalgate' accused, crossed over to the BJP along with his mother, Savitri Jindal, to work alongside Modi in developing India. So what's driving the BJP to

party's myriad failures and promising "achche din" (good days). And in 2019, the BJP increased its tally to a mind-boggling 303 by exploiting the massacre of central forces in Pulwama to the hilt.

Before the bloodbath in Pulwama, the BJP was projected to win far fewer seats. But Pulwama was a game-changer. After the inauguration of the Ram temple in Ayodhya on January 22, the BJP had hoped to trigger an electoral tsunami in April-May. That's why immediately after the temple's launch the BJP started announcing from houseboats that it would bag 370 seats singlehandedly and the NDA's tally would cross 400,

signalling Hindutva's victory over secular-liberal India.

But for a pragmatic party like the BJP it didn't take long to realise that winning a two-thirds majority is no child's play. There is hardly any scope for the BJP to wrest more seats in north India than it already has under its belt. And in states like Tamil Nadu, Kerala, Andhra Pradesh, Telangana and Punjab it simply doesn't have the organisational bandwidth to increase its tally. In 2019, the BJP had bagged 25 out of 28 seats in Karnataka. But with Siddaramiah-Shivakumar now at the helm, it won't be surprising if the BJP wins fewer seats. And despite BJP rule in Maharashtra in alliance with Eknath Shinde's Shiv Sena and Ajit Pawar's Nationalist Congress Party, NDA is unlikely to go anywhere near its 2019 tally of 41 seats out of 48. Similarly in Bihar, where NDA bagged 39 seats out of 40, the current picture is nowhere as rosy despite Nitish Kumar's return to the NDA.

All this explains the BJP's crisis of confidence, acute insecurity and debilitating doubts ahead of the hour of reckoning. The BJP is panicky before the moment of truth and is therefore resorting to every trick it can to somehow retain power which it fears is slipping out of its hand.

The author is an independent, Pegasus reporter and commentator on foreign policy and domestic politics

LETTERS TO THE EDITOR

Conundrum of Mumbai

This refers to the article 'Has Mumbai missed the growth-job bus?' (Apr 1). In fact history repeats itself. Any city's growth as well as decline and fall depends on many factors. Once upon a time Kolkata used to be the biggest city of Asia and more industrialised than Europe. But today its prosperity and glamour has faded. The writer's concerns about Mumbai are genuine and justified as millions find their bread and butter from this great city. It should grow and develop further for the betterment of the nation.

Sudhakar Pandey, Mira Road

Subsidise RWH

The acute drinking water crisis in Bengaluru, highlighted by a shortage of about 2000 million litres per day, underscores the urgency of adopting sustainable water management practices like rainwater harvesting (RWH). Despite mandates like the BWSSB Amendment Bill 2021, RWH adoption remains low. Offering tax incentives for RWH systems could

incentivise citizens, aligning with calls for greater awareness of rainwater harvesting's long-term benefits. Emulating Odisha's subsidy model could further bolster adoption rates statewide, conserving groundwater and enhancing environmental sustainability. With concerted efforts, Bengaluru can mitigate its water crisis by RWH and can contribute to sustainable water management, ensuring a more resilient future.

Dr Vijaykumar HK, Raichur

GI tags are an honour

It is a matter of pride that 60 traditional products from across India, including the quintessential drink Banaras thandai, have been granted Geographical Indication (GI). This is a significant occasion towards cultural preservation of such products in the country, and it is a strategic move in attracting global recognition of India's diverse heritage. The ripple effects of this award will likely foster greater appreciation and demand for traditional crafts and contributing to sustainable development of local communities. GI tags cut across states and their cultures and communities, and each GI tag is a testament to the diversity of India.

Ranganathan Sivakumar, Chennai

Shine in the sun

The Guiding Light article 'Spiritually Eidical!' (Mar 30) calls a spade a spade, metaphorically. We're living in a time where secrets are being revealed and the earth is being cleansed. It's a wake-up call for all of us to have spiritual awareness and understand the darkness as well as the light. Let's keep our eyes and hearts open as we navigate through these challenging times. We are in the age of knowing. Stay strong and stay informed, friends. The universe is flooding with light and energy, igniting a powerful process of cellular purification within us all. Step beyond the illusions of the past and into a realm of quantum healing and reality-shifting beyond the confines of the matrix. As the matrix crumbles, remember that high frequencies are your ally in this journey of evolution. Release the old programming and embrace the light that will elevate your spirit and soul. The choice is yours — will you allow this divine attainment to renew and transform the society you live in?

Ramswarth Acharya, Thane

Dear reader, We are eager to know your opinions, comments and suggestions. Write to letters@fpj.co.in with the title of the letter in the subject line. Using small mail! Send your letters to The Free Press Journal, Free Press House, Free Press Marg, 215 Nariman Point, Mumbai 400021.

LORD GANESH MESSAGE FOR THE DAY

A day of financial planning, banking transactions, maintaining balance, luxury, mother healing. You will be asked to act as a mediator to resolve conflict. Take the mid way rather than being stubborn. Some of you may receive cashback, discounts or cash gifts. Mothers in heaven are sending love. You will do shopping and invest in yourself. I loved the pink flowers.



Tip for the day: Focus on Lord Ganesha's image and say "Lord Ganesha please walk ahead of me so that all the obstacles from my life will be uplifted".

Lots of divine miracles your way, Sheetal Sapan Mhatre.





D Y CHANDRACHUD
Chief Justice of India

“We have spread out the premier investigative agencies too thin. They must only focus on those that concern national security and crimes of economic offences against the nation



VIVEK TANKHA
Congress RS member

Now till July 24, no action will be taken against Congress on tax demand... If you keep fighting, disappointment or despair turns into hope; This is called the cycle of time



STÉPHANE SÉJOURNÉ
French Foreign Minister

The European Union is a very open market, the most open in the world. But the current deficits with a certain number of countries, including China, are not sustainable for us

India as peacemaker

India has the required diplomatic heft to play a peacemaker role in the ongoing Russia-Ukraine war. This was demonstrated once again during the recent engagements that New Delhi had with both the warring nations. There is a growing international recognition of New Delhi's role as a peace advocate in the region. Ukrainian Foreign Minister Dmytro Kuleba's visit to India last week — the first since the Russian invasion of his country two years ago — was loaded with significance. His trip came close on the heels of a long telephonic conversation between Prime Minister Narendra Modi and Ukrainian President Volodymyr Zelenskyy last month. On the same day, Modi spoke with Russian President Vladimir Putin, signifying the strengthening of Indo-Russia ties since New Delhi began buying Russian goods that the West had spurned after the Ukraine war began. India can be a potential mediator due to its stand of not blaming any side and consistently insisting on dialogue and diplomacy as the way forward to resolve the conflict. It has refused to be caught in a binary choice. Of immediate interest to Kyiv is ensuring high-level Indian participation in the peace summit to be organised by Switzerland. Though the proposed peace meeting is faced with many obstacles, it can be a good starting point to find a lasting solution and end the war. For India, the Ukraine war has been posing a daunting diplomatic challenge as it needs to take a nuanced position to protect its national interests without succumbing to the pressures of the West.

The proposed peace summit in Switzerland can be a good starting point to find a lasting solution and end the Ukraine war

New Delhi is acutely aware of the continuing need to have Russia as an all-weather friend despite its own growing strategic affinity with the United States. So far, India has been consistently rooting for a negotiated settlement of all disputes and immediate cessation of hostilities. It took a pragmatic approach throughout the conflict, purely guided by national interests. Overcoming the pressures from the Western nations, India continues to buy oil from Russia. And, the S-400 missile defence system supplies have continued. The Russian equipment, especially missile and nuclear technologies, forms the bedrock of India's defence while the economic partnership with the West, particularly the United States, and its support against an increasingly belligerent China, are key to India's future. Russia has been hit hard by Western sanctions over the war and relying on continued trade with India and China, including sales of oil and natural gas. The biggest limitation of the proposed peace meeting is that it excludes Russia. Zelenskyy's peace plan, which makes it incumbent upon Russia to vacate all captured territory, will be unacceptable to Moscow. There is still no indication of whether other Global South majors will attend the summit. However, India's participation seems certain and this should serve as a promising starting point to draw the curtain on the protracted war.

Time to rethink Afghanistan

Big powers are busy with other conflicts in West Asia and Europe, and it's here that India can play a crucial role



DHANANJAY TRIPATHI

When the United States of America exited Afghanistan in August 2021, it was a long war of 20 years that came to an end. Every war has its cost, both material and human. For example, America invested almost \$2.3 trillion during its military involvement in Afghanistan. Reports indicate that in this war, nearly 2,400 US military and 70,000 Afghan military and police personnel lost their lives. Though there is no concrete data, the civilian casualties are high — estimated between 1 lakh and 1.5 lakh people, including Taliban fighters. Needless to say, it is a traumatic experience for ordinary Afghans who remain unsettled for almost four decades.

The return of the Taliban ended the conflict, but there are several issues, mainly related to women's rights, that are unresolved. The unfortunate part is that after the exit, the US and its Western allies are not focused enough on Afghanistan. There is still confusion on how to deal with the Taliban. Is the world going to officially recognise it, and when? Let us deal with some of these questions.

Return of History

In 1989, the Soviets, after fighting for 10 years in Afghanistan, retreated but left the country in complete disarray. The US, after fulfilling its objective of defeating the Soviets in Afghanistan, turned its back and returned only in 2001 after it was attacked by Al-Qaeda, whose leader Osama bin Laden was based in Afghanistan. Armed re-entry of the US in Afghanistan was termed as part of a decisive war on terrorism. However, soon the US entered into another war in a different region by invading Iraq in March 2003 on the pretext of Saddam Hussein possessing Weapons of Mass Destruction (WMD).



The Taliban, which was under pressure, fled and took refuge in Pakistan and started regrouping after 2003 as the US had to divert attention from Afghanistan. Now, documents and papers reveal how the Pentagon and the White House remained indecisive on Afghanistan, lacked a coordinated policy and kept changing the goalposts. Ultimately, just like the Soviets, the US had to leave Afghanistan in 2021 after formally negotiating a peace deal with the Taliban. The same Taliban that was chased out of Kabul by the US was brought back through a deal.

Taliban 2.0

The sudden departure of the US from Afghanistan surprised many. Today, Afghanistan has a government, but there are several doubts about governance. The Taliban, during the peace process, assured the international community that it would not allow Afghan land to be used for terrorism. Unlike the earlier Taliban that was facing stiff resistance in Afghanistan, this time, there is no organised opposition. Moreover, unofficially, the Taliban has a wider international reach and is hopeful of formal recognition by the international community.

While these are new things about the Taliban, we have not witnessed any real reform on several fronts. The most important is women's rights, and here, the Taliban is unwilling to relent. This year again girls over the age of 12 were kept out of schools. As per the Taliban's education policy, girls beyond sixth grade are not permitted to continue their learning in a school. While one can be critical of the US' Afghan policy, during the tenure of the US-supported government of Hamid Karzai and Ashraf Ghani, Afghan women enjoyed fundamental rights.

Today, there are around 1 million Afghan girls who are out of school.

Taliban's defence of the present ban on girls' education is based on its interpretation of Sharia. The Taliban also claim that their position on girl's education is in the context of Afghan culture, which is undoubtedly a debatable proposition. Faced with international criticism, the Taliban often argue they are preparing an appropriate Islamic curriculum for girls. Even if one takes this reason of the Taliban, it fails to convince how long it will take to prepare a curriculum.

Experts believe that the Taliban as an organisation consist of leaders and cadres who are trained in a very conservative orthodox ideology. Therefore, it is difficult for the top leadership of the Taliban to radically change their politics. However, they don't want to completely close themselves to the outside world. In brief, let us not expect sudden alterations in the Taliban's worldview. Nevertheless, it is pertinent that one keeps raising these concerns regarding the rule of the Taliban.

Future of Afghanistan

Afghanistan, for the last many decades, remained politically volatile and violent. It has affected the people and only added to lawlessness. Long internal conflict, the near absence of good gov-

Afghanistan is mineral-rich country and by connecting energy-rich Central and West Asia to South Asia, both Afghanistan and Pakistan will benefit

ernance and the presence of several unwarranted non-state actors only added to the troubles of common Afghans. Now, with the Taliban in Kabul, things can go in the right direction, provided the international community remains concentrated on the country.

Afghanistan has economic potential, but it requires external assistance for growth. According to the World Bank data, Afghanistan received aid of \$6.75 billion in 2011, which reduced to \$4.66 billion in 2021, the year the US decided to end its intervention in this country. There was a concern that post-2021, the aid may shrink further.

In 2021, more than two-thirds of the Afghan population desperately needed international assistance. Even today, the ground realities have not changed much, and some 23 million people cannot lead a proper life without some kind of support. In one of its studies, the Centre for Disaster Philanthropy underlined that between “November 2023 and March 2024, around 15.8 million people are projected to experience high levels of food insecurity” in Afghanistan. Fortunately, international aid agencies have not abandoned Afghanistan and provided \$6.9 billion in humanitarian aid from August 2021 to September 2023. This generosity of the aid agencies checked the rising inflation in the country and provided some economic cushion.

External backing is necessary, but Afghanistan has to develop its own industrial base for long-term economic sustainability. It is a mineral-rich country, and geographically connects South to Central and West Asia. According to a report published in Reuters, the country has natural resources worth \$3 trillion. To highlight a few, Afghanistan has copper reserves of around 30 million tonnes and some 2.2 billion tonnes of iron ore that can be used for steel-making. It is relevant to note that by connecting energy-rich Central and West Asia to South Asia, both Afghanistan and Pakistan will benefit.

What can be Done?

Once again, Afghanistan is at a crossroads and requires aid and political engagement. The international community cannot afford to isolate the Taliban. It is time to think about giving official recognition to its regime. There are diplomatic tribulations because, at the official level, one is dealing with the Taliban, but when it comes to ordinary Afghans, they cannot travel easily to another country. It is difficult for an Afghan to obtain a Visa. At present, big powers of the world are busy with other conflicts such as in West Asia and Europe, and may not prioritise Afghanistan. Here, India has a role. Let us hope that after the general election, the new government will take some diplomatic initiatives on Afghanistan.

(The author is Associate Professor, Department of International Relations, South Asian University, New Delhi)

Letters to the Editor

Uphold rule of law

Unfortunately, there is a perception that the country's premier enforcement agency is selectively targeting the CMs of opposition-ruled States and their family members on the direction of political bosses in Delhi to weaken the opposition in view of the general elections. All these tragic episodes are sparking a massive debate in the country on the autonomy of law enforcement and the role of political influence in legal proceedings. These agencies must operate independently, impartially and uphold the rule of law and avoid political bias.

PH HEMA SAGAR,
Secunderabad

Vote wisely

Politics and morality are poles apart. Corruption and scams have only made the overall scene as dirty as it could get. The Mr clean image is never a truism. The judiciary is overburdened with numerous cases pertaining to corruption, scams and other high-profile economic offences. While political parties gear up to fight general elections, this issue will dominate and prick their conscience far more than the development agenda (work) which these parties have undertaken for their electorate during these past five years. The Indian electorate, especially the educated young, has a huge responsibility. Hope they will rise to the occasion at least this time. The young should arise and awake, and be 'harbingers of a New India' that we all earnestly yearn for.

NR RAGHURAM, Hyderabad

Water crisis

The Telangana Chief Minister promised that there will be no water and power crises in the State as it has enough water reserves. But the recent water crisis in Karnataka, especially in Bengaluru, must be an eye-opener for any State. The State government has to immediately initiate a massive awareness campaign about the usage, protection and conservation of water and also power ahead of the summer season to avoid any such crisis. It must also protect its forests and drying lakes.

VENKAT RUDRA

Cooperative federalism

That Tamil Nadu governor RN Ravi administering the oath of office to DMK MLA K Ponmudi after the SC slammed him for defying its order is yet another case of his adamancy and his sustained acrimonious nature towards the DMK-led Stalin government. The 'BJP-appointed' governors, by trampling upon democracy, continue to create a lot of problems for the State governments and the chief ministers where the saffron party doesn't rule. The government at the Centre has been doing its best to subvert the democratic process by using governors as a political weapon. There must be checks and balances on the conduct of governors. It is only then that cooperative federalism will flourish as envisaged in the Constitution.

RANGANATHAN SIVAKUMAR, Chennai

Short of money?

Finance Minister Nirmala Sitharaman expressed that she does not have the money needed to contest LS elections. Politicians like her have a good track record. They show sincerity towards peoples' needs. Thus, she need not worry about the money. What voters want is stability, productivity, growth of the country from elected leaders. People know whom to elect and eliminate.

G MURALI MOHAN RAO, Secunderabad

India in the hotspot

Financial Times

China wades into tea wars brewing in Himalayas

Chinese tea buyers are disrupting a heated trade spat between Nepal and India. Indian tea estates have come under severe pressure due to an onslaught of cheaper Nepalese tea that traders have been happy to repackage as Darjeeling, the “champagne” of premium teas grown just over the Nepal-India border.

The Washington Post

Huge donations linked to investigated firms

Mahendra Kumar Jalan was an Indian millionaire with a diversified portfolio of food-processing plants, dairy farms and commercial real estate. As he faced scrutiny from the Indian government's financial crimes investigators in 2019, he began to put money in something else.

The New York Times

10 years of Modi rule and India's Economy

As Narendra Modi was storming to victory in the election of 2014, he said that “acche din aane waale hain” — good times are coming. ...But the economic gains have been widely unequal. The bulk of India's growth depends on those at the top of the income ladder.

AI in Healthcare

In the ever-evolving landscape of healthcare, the integration of artificial intelligence (AI) stands as a beacon of hope, promising to revolutionise the way we approach disease prevention, diagnosis, and treatment. The recent surge in AI-powered innovations has sparked both excitement and apprehension as we navigate the profound implications of this technological advancement on global healthcare systems. At the forefront of this movement are visionaries like Ms Priscilla Chan and Mr Mark Zuckerberg, whose Chan Zuckerberg Initiative boldly aims to eradicate disease through the strategic application of AI. Their commitment underscores the transformative potential of AI in reshaping the future of healthcare delivery. From accelerating drug discovery to optimising patient care pathways, the possibilities seem boundless. However, amidst the optimism, it's crucial to recognise the inherent complexities and challenges associated with harnessing AI in healthcare. One of the most pressing concerns is the issue of data bias, which threatens to perpetuate healthcare disparities and exacerbate existing inequities. Without robust safeguards in place, AI algorithms run the risk of amplifying systemic biases present within healthcare datasets, inadvertently compromising the quality of care for marginalised populations. Furthermore, the non-deterministic nature of AI poses significant regulatory and ethical dilemmas. Unlike traditional medical devices that adhere to predictable algorithms, AI-powered systems exhibit a degree of unpredictability that complicates their integration into clinical practice. Ensuring patient safety and accountability in this rapidly evolving landscape requires a concerted effort to establish transparent guidelines and regulatory frameworks that prioritise ethical AI development and deployment. Despite these challenges, the potential benefits of AI in healthcare are undeniable. By augmenting clinical decision-making with real-time insights and predictive analytics, AI has the power to enhance diagnostic accuracy and streamline treatment protocols, ultimately improving patient outcomes and reducing healthcare costs. Moreover, in resource-limited settings, AI-driven innovations hold the promise of expanding access to quality care and empowering frontline healthcare workers with advanced tools and support. As we navigate the complexities of integrating AI into healthcare, it is imperative to adopt a cautious yet forward-thinking approach. Collaborative efforts between policymakers, healthcare providers, technologists, and ethicists are essential to ensure that AI remains a force for good in the realm of global health. By prioritising equity, transparency, and accountability, we can harness the full potential of AI to usher in a new era of healthcare innovation that benefits all members of society. While the road ahead may be fraught with challenges, the transformative potential of AI in healthcare is undeniable. By embracing innovation while upholding ethical principles, the world can harness the power of AI to drive meaningful progress towards a future where all individuals have access to high-quality, personalised healthcare. This requires a concerted effort to address concerns, but the rewards of a more efficient, equitable, and effective healthcare system are well worth the effort.

GDP Growth

India's economic trajectory, as outlined by Finance Minister Nirmala Sitharaman, paints a picture of resilience and potential amidst global uncertainties. The projected GDP growth of 8 per cent or more for the January-March quarter signifies a remarkable rebound from the challenges posed by the Covid-19 pandemic, especially when juxtaposed with the position of other major economies. Rating agencies have confirmed that India's growth will outstrip that of other G-20 economies, by itself a significant achievement. However, beyond the numbers lies a narrative of strategic policy measures and structural reforms that have laid the groundwork for sustainable growth. One of the key drivers behind India's economic resurgence is the emphasis on inflation management and macroeconomic stability. Inflation, a persistent concern in emerging economies, has been meticulously managed, creating a conducive environment for investment and consumption. This disciplined approach not only instils confidence among investors but also ensures that the benefits of growth trickle down to all segments of society. Moreover, the government's commitment to structural reforms has been instrumental in unlocking India's growth potential. Initiatives such as the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) have streamlined the business environment, enhancing transparency and efficiency. Additionally, targeted interventions in sectors such as agriculture and manufacturing have bolstered productivity and competitiveness, paving the way for sustained expansion. The resilience displayed by India's economy in the face of external shocks is equally commendable. Despite facing headwinds such as global supply chain disruptions and geopolitical tensions, India has managed to maintain its growth momentum. This resilience can be attributed to the diversification of trade partners, proactive fiscal policies, and the robustness of domestic demand. However, amidst the optimism, it is essential to acknowledge the challenges that lie ahead. While the headline GDP figures paint a rosy picture, the distributional aspects of growth warrant attention. Addressing income inequality, enhancing social safety nets, and fostering inclusive development must remain top priorities for policymakers. Additionally, structural bottlenecks such as infrastructure deficits and bureaucratic red tape need to be addressed to unleash the full potential of the economy. Furthermore, the sustainability of India's growth trajectory hinges on its ability to navigate emerging risks, particularly in the realm of environmental sustainability and technological disruption. Embracing renewable energy sources, investing in green infrastructure, and fostering innovation are imperative to ensure long-term prosperity while mitigating climate risks. India's projected GDP growth of 8 per cent or more for the January-March quarter underscores the resilience and potential of its economy. However, addressing distributional challenges, navigating emerging risks, and fostering inclusive and sustainable development are essential to realising India's full economic potential in the years to come. As the nation stands at the cusp of a new era of growth, proactive and inclusive policy making will be key to unlocking its promise.

Jihad in Spring~I

Among the princely states during the British Raj, Hyderabad was the largest in terms of size, more than 82,000 sq miles, almost one-quarter the size of present-day Pakistan. It had a population of around 16 million. If the coastal rim of peninsular India is likened to the visible lace of a necklace, and the cluster of present-day Tamil Nadu, Karnataka and Kerala to an oversized gem hanging heavy at the bottom, then the hollow [neck] of it can fairly be equated with what Hyderabad was



Certain events in history are not forgettable but unfortunately have paled into oblivion with the passage of time. The merger of the princely state of Hyderabad (in the Deccan) is one such paradoxical exception that had taken place about 75 years ago. Choudhry Rahmat Ali, a Punjabi Gujar Muslim, while studying law in England in the early 1930s had first coined the word Osmanistan for a proposed monarchy in the Deccan. Ali was also credited with the term 'Pakistan', being the acronym of the provinces of the north-western part of the British Indian Empire, which would be the homeland for the Indian Muslims. For the portion of Bengal, and Assam, he coined Bang-i-Islam (Islam in Bengal).

Among the princely states during the British Raj, Hyderabad was the largest in terms of size, more than 82,000 sq miles, almost one-quarter the size of present-day Pakistan. It had a population of around 16 million. If the coastal rim of peninsular India is likened to the visible lace of a necklace, and the cluster of present-day Tamil Nadu, Karnataka and Kerala to an oversized gem hanging heavy at the bottom, then the hollow [neck] of it can fairly be equated with what Hyderabad was.

As the British were about to leave India, most of the princely states had agreed to the draft Standstill Agreement with the would-be Dominions of India or Pakistan.

As the name suggests, the Standstill Agreement – which was to be signed between a princely state and the Dominion of India or Pakistan – guaranteed the status quo as that had existed between the British Crown and a vassal princely state.

Technically speaking, it called for status quo of Administrative Arrangements for "common cause". The British Crown had had the ultimate say on three matters – defence, communications and external affairs – while dealing with the native rulers.

Once the princely rulers enter into the Agreement with the Dominion of India or Pakistan, they would recognize the paramountcy of the Dominion.

By 15 August 1947, Hyderabad did not sign the agreement but sought time. Hyderabad did not have any exit to Pakistan or to the sea. It was landlocked by

India on all sides.

On the other hand, the Maharaja of Jammu and Kashmir, offered to sign the agreement with both India and Pakistan, being contagious with both.

If Hyderabad had a Muslim ruler over a largely Hindu population, for Jammu and Kashmir, it was just the opposite. Pakistan responded telegraphically to the Maharaja.

But the pact did not materialize with India, as the Indian side insisted on installation of a responsible government, which meant rule by the National Conference or its leader Sheikh Abdullah, arguably the most popular politician in that state at that point of time.

History will judge whether India's initial reluctance to sign the Standstill Agreement with the Maharaja proved to be detrimental, and if so then by how much, to both India and J&K particularly when Pakistan exploited this vacuum to send army regulars and the tribal fighters of the NWFP right up to Poonch in October 1947.

Srinagar came within a whisker of being overrun by Pakistani invaders. Negotiations went on, and so crucial time went by, between the state of J&K and the India Union on the Instrument of Accession so that on signing the same, India could enjoy much-needed legitimate authority to send troops to Srinagar.

However, at the last moment, the Maharaja conceded authority to India; the Indian army reached Srinagar on 26 October 1947 and the Maharaja escaped death by the skin of his teeth.

On encountering the challenges of addressing the concerns of the princely states – varying on multiple dimensions, size, ethnicity, geographical position, attitude, amount of pension and biases of the rulers etc. – in his initial years in India, Lord Mountbatten wrote afterwards, "Nothing had been said to me in London... I had been given no inkling that it was going to be as hard, if not harder, to solve as that of British India." [pg-357, The Accession Of The States/ The Great Divide, by H.D. Hodson, e-book].

As stated, 26 October 1947 is an important date in our history. On this day, India had finally got Srinagar. In the far south, His Exalted Highness the 'Nizam' [meaning Administrator] of Hyderabad was almost close to signing the Standstill Agreement with India. [All other heads of princely states were addressed as 'His Highness', but the Nizam was given the additional honorific title of 'Exalted' reflecting the special status conferred upon him by the British Crown. Mir Osman Ali Khan, the seventh and last Nizam of the Asaf Jahi dynasty, was also one of the richest men of the world in his time].

On that day, his delegation went up to him to present a typed draft for his signature, which he had orally approved, and his cabinet consented to, before the team would fly to Delhi. Without citing any reason, Nizam postponed signing.

But this was as if it had not been enough to compound the uncertainty in the prospect of Accession.

Inspired by the stories of the Pakistani invasion in Kashmir, at 3 am of 27 October, a pro-Pakistani mob surrounded the houses where the delegates of the Nizam were staying.

Slowly but steadily, Majlis-e-Ittehad-ul-Muslimeen or in short, "Ittehad" (literally meaning a union in Urdu) had gathered so much strength as to call the shots.

They threatened physical actions should the delegation make any attempt to sign any pact with India. The Prime Minister of Hyderabad (the Nawab of Chhatari) of the Nizam's Executive Council himself was a member of the delegation and he too became a hostage. No Hyderabad police were present.

At 5 am that day, the Hyderabad PM called in the army and the delegates were evacuated. Three hours later, the Nizam directed the delegates to defer their departure to Delhi.

The fate of Hyderabad slipped through the hands of the Nizam into those of uncertainty. Ittehad leader Qasim Razvi – not a Hyderabad but of the United Provinces – became the de facto leader of Hyderabad. This event

is referred to as the October Coup.

On 1 November, the Nizam replaced the Nawab of Chhatari with Mir Laik Ali, an Ittehad sympathiser, as the Prime Minister of his cabinet.

Hyderabad absolutely slid into a pro-Pakistani state. On 29 November, the new delegation of the Nizam signed the Standstill Agreement, without any significant changes.

The Standstill Agreement affirmed in the preamble the aim of both sides to work together. Article one said that all arrangements of common concerns including defence, external affairs and communication that had existed between the British Crown and the Nizam would continue with India. This was a sort of association and surely not accession.

The second article provided for an exchange of resident representatives in Delhi and Hyderabad.

The third article – another most prejudicial to the interest of India – called for cessation of paramouncy functions of the India or what the British Crown would enjoy. The fourth allowed the scope for arbitration. The agreement had a life of a year, as the fifth article said.

Without exaggeration, the Agreement fell far short of what India had earlier desired. The Indian side had hoped that eventually the Nizam would fall in line. K.M. Munshi served as the Agent (representative) of India in Hyderabad.

He was steadfast in his mission, much to the dislike of Governor General Lord Mountbatten, the chief negotiator and conciliator on behalf of the Dominion of India.

Despite all these concessions from India, anti-India feelings of the Ittehad were brewing up. India delayed release of Pakistan's share of cash assets to the tune of Rs 55 crore from RBI in view of aggression in Kashmir. The Laik Ali Government – at the turn of the year 1948 – secretly lent Rs 20 crore to Pakistan without informing India. This went against the letter and spirit of the Standstill Agreement and a collateral letter that the Nizam had signed assuring certain points in the interest of India. This amount was badly needed by cash-starved Pakistan which would otherwise have stopped its anti-minority steps kowtowing to India.

(To Be Concluded)

A warning behind rumors

Rumors about "a crisis in April" recently swirled around in the financial and construction sectors last week, floating a possibility that debt problems stemming from project financing could spin out of control and touch off a chain reaction of insolvencies and a credit crunch among home builders and financial firms. The gist of the rumor is that the government would start restructuring the PF-related sector saddled with troubled building projects and the shortage of funds once the April 10 parliamentary elections are over. This would force weak construction companies to go under, and then hit brokerages and secondary financial firms that lent loans to the beleaguered builders, triggering a wider financial crisis.

Government officials are generally slow to express their views on wild rumors that are likely to fade away over time. The rumors about the PF crisis in April, however, prompted a relatively quick and resolute response from a key aide to President Yoon Suk Yeol, reflecting the potentially explosive impact of such a crisis.

Sung Tae-yoon, director of national policy at the presidential office, said on a KBS TV program Sunday, "There is no chance that a crisis may break out in April." Stressing that the government was closely monitoring the PF-related situation, Sung said the most important factors that could worsen the PF problem are interest rates and the construction market conditions. "Fortunately, interest rate conditions are improving even without (a

The Korea Herald

central bank) rate change," Sung said. If the benchmark rate is cut, overall conditions about the PF situation in the property market will get better, he added.

High interest rates, coupled with a housing market's slowdown and rising construction costs, are the major negative factors that could deal a critical blow to PF-based home builders and related financial companies.

The Bank of Korea froze its policy rate at 3.5 percent for the ninth session in February but is now expected to begin cutting rates later this year in step with the US Federal Reserve, which signaled it plans three rate cuts before the end of the year.

But not all factors look hopeful. The market conditions in the construction sector – one of the two critical factors pinpointed by Sung – are deteriorating as the housing slump continues.

According to the Ministry of Land, Infrastructure and Transport, 886 construction companies have filed for voluntary closure and six have gone bankrupt in less than three months this year. In addition, unsold apartment units continue to pile up, especially among builders outside the metropolitan region.

Particularly worrisome in connection with the lethargic housing market are securities firms, whose property PF loans had a delinquency rate of 13.73 percent as of the end of last year – far higher than 6.94 percent at savings banks and 2.7 percent on average for the entire financial sector.

There is no doubt that authorities must keep a watch on the PF-linked financial risks in consideration of the increase in delinquency rates and negative market developments. But the current figures seem far more manageable than the past PF crisis that started in 2011 and sent delinquency rates soaring in 2013-2015. This is why both financial authorities and the presidential office strongly claim the ongoing PF woes are unlikely to result in a broader financial crisis in April.

The real task for policymakers is to figure out why rumors about a PF crisis keep surfacing again and again. One reason might be that the government and financial authorities earlier decided to address the PF problem only after the elections, even though financial firms should lose no time in handling PF debt losses amid rising loan delinquency rates.

Another aspect to consider is that recurring risk rumors should not be ignored, as they tend to reflect concerns among market players – a warning signal that deserves attention, especially in the financial markets, where public sentiment matters.

LETTERS TO THE EDITOR

editor@thestatesman.com

Tackle waste

SIR, I refer to "Households across all continents wasted over 1 billion meals a day: UN report" published in your columns. As the world's population grows, our challenge should not be how to grow more food but reducing food loss and waste in a sustainable manner.

It is an immediate need if we are to maximize the food we produce and to feed more people.

Globally, about one-third of food is wasted: 1.05 billion tonnes of produce a year, with a value of about \$1 trillion as per a UN report.

About Rs. 60,000 crore worth of food grains are wasted in India every year due to poor storage and transportation.

Earlier people used everything they could grow for e.g., the banana or coconut. India needs



a national mission to conserve food and foodgrains.

It is not surprising that India ranks low on the Global hunger index. And that we waste around 50 kgs of food per person is really appalling.

Paradoxically, India has the additional dubious rank of being the third most obese nation in the world. Weddings and political rallies should be simple with penalties for violators

Yours, etc.,
H N Ramakrishna,
Bengaluru, 28 March.



India in global crosshairs

HARSHA KAKAR

The US Commission on International Religious Freedom (UNCIRF) adversely commented on the CAA (Citizenship Amendment Act) rules issued recently by the government. In a statement its spokesperson mentioned, "If the law were truly aimed at protecting persecuted religious minorities, it would include Rohingya Muslims from Burma, Ahmadiyya Muslims from Pakistan or Hazara Shi'a from Afghanistan, among others. No one should be denied citizenship based on religion or belief."

India responded by stating, "The CAA is about giving citizenship, not about taking away citizenship. It addresses the issue of statelessness, provides human dignity and supports human rights." India insists that UNCIRF has no locus standi on the matter. The US state government spokesperson, Mathew Miller, had also commented on CAA, which was similarly countered by India.

The arrest of Arvind Kejriwal by the Enforcement Directorate was initially criticized by both Germany and the US. India responded vigorously. The MEA summoned both the German deputy chief of mission and the acting US Deputy Ambassador to convey India's protest.

In response to US comments the MEA said, "In diplomacy, states are expected to be respectful of the sovereignty and internal affairs of others. This responsibility is even more so in the case of fellow democracies. It could otherwise end up setting unhealthy precedents."

While Germany backtracked, the US did not. The German foreign office spokesperson mentioned in a subsequent statement, "The Indian Constitution guarantees basic human rights and freedoms. We share these democratic values with India as a strategic partner."

In a briefing, post the summoning of its envoy in Delhi, the US spokesperson commented a second time on both the arrest of Kejriwal and



the freezing of Congress party accounts. India retaliated sharply once again. The same two nations had earlier aired similar views on the disqualification of Rahul Gandhi.

Breaking norms of interference in internal matters, the office of the UN Secretary General also raised the arrest of Kejriwal. Stephane Dujarric, spokesperson for UN Secretary-General Antonio Guterres, responding to a question on the arrest of Kejriwal and the freezing of Congress bank accounts mentioned, "everyone's rights should be protected, including political and civil rights." India responded sharply.

Inputs mentioned that both spokespersons (US and UN) responded to similar questions raised by a Bangladeshi journalist who is said to be a fugitive from his own country.

There are differing views on why foreign governments reacted to the arrest of Kejriwal and not of another CM, Hemant Soren, who resigned moments before his arrest. Additionally, was there an ulterior motive to

their comments or was Kejriwal more in the limelight being CM of Delhi?

Also debatable is whether the statement of Sikhs for Justice leader, Gurpatwant Singh Pannun, a known CIA asset, that his organization paid Kejriwal USD 16 Million, or around Rs 133 crores, to fund his election campaign in 2014 and 2022, was a reason for the US to display sympathy for Kejriwal. Additionally, is the US conveying a message by its continued statements?

However, commenting on India's internal matters as also its decisions, political or otherwise, has witnessed a phenomenal rise in recent years. Earlier it was Pakistan and on occasions, China, which criticised the Indian government's decisions. However, since India's global rise, this has increased from the West and reduced from Pakistan and China.

The scrapping of Article 370, suspension of the internet to prevent spread of rumours to instigate violence, protests against the NRC (National Register of Citizens) and management of the farmers' protest

are some events which invited global observations, despite there being almost no loss of lives as also the decisions being legally sound. Simultaneously, police violence against farmers in Europe and Canada, which were far more suppressive than in India, were justified as correct. The Indian judiciary has also received derogatory comments despite being independent and impartial.

India is a growing power which cannot be ignored and hence would remain in the global limelight. Its decisions have global ramifications, examples being restrictions on export of foodgrains, vaccine policies and procuring Russian oil. Post his visit to the UN General Assembly session in 2022, Foreign Minister S Jaishankar mentioned, "Today our opinions count, our views matter and... have actually today the ability to shape big issues of our time."

Without India's military cooperation, operating in the Indo-Pacific is impractical. India is now a power the world seeks to engage with. As Minis-

ter Piyush Goyal stated last week, "The world today knows that when you negotiate with India, you're negotiating with a USD 35 trillion economy, not a USD 3.5 trillion economy. Unless we get that (Free Trade Agreement) on our terms, we don't rush into closing any FTA negotiation."

Added is the impact of Indian domestic politics on the global stage. Indian politicians who may be out of favour with the masses exploit global platforms to comment adversely on the country's leadership and policies. No democracy, including in the West and India, is perfect; however, washing 'assumed' dirty linen on international platforms to gain credence does not bode well.

It is also easy to blame the world for adopting an anti-India bias as Dr Jaishankar justified in Munich, "It is because the West has had a bad habit for a long time of commenting on others. They somehow think it is some kind of God-given right." It is similarly simple to advise others to look inwards at their own flaws prior to targeting India.

However, we also need to look in the mirror on our policies and decisions. Arresting major opposition figures and blocking accounts of political parties just before elections does not send the right global message, no matter how well the government attempts to justify or counter it. The world will view it as a subversion of democracy.

Nations which once controlled over half the world through colonization are way below India's global stature and economy, hence there will be jealousy. Every move, every decision, taken by the government will come under the global microscope. India is no longer a corner of the world which can be ignored.

The government needs to be prepared for criticism of all its actions. It must respond forcefully, even if those commenting are allies. India must no longer be taken for granted.

(The writer is a retired Major-General of the Indian Army.)

100 YEARS AGO

OCCASIONAL NOTE

CAREFUL investigation by a committee of inquiry has confirmed the original report showing that the recent disaster on the Ramganga bridge, near Bareilly, was due entirely to the sudden onset of in the cyclone which struck the rear coaches of the ill-fated train, and that and there was no contributory fault. The on, railway track was found to be in perfect order, and it has been proved that the wrecked vehicles were thrown over by the impact of the cyclone without any previous derailment. Such a calamity is rare, but, as pointed out already in this column, it is not unprecedented. The question of possible precautions against such accidents in future is still under investigation, but as the matter stands, the event must be classed in the category described, by a not very happy legal phrase, as "acts of God," beyond human control. In the case of the Tay Bridge disaster of 1879, the Board of Trade inquiry revealed serious defects in the structure and maintenance of the bridge itself. It is a matter for thankfulness that there is no such additional cause for distress in the case of the Bareilly accident.

NEWS ITEMS

"OLD SOLDIER" OF 4TH IRISH DRAGOONS

LONDON, MAR. 30.

CONGRATULATORY messages from the King-Emperor and the Princess Royal were read at the reunion dinner of the Old Comrades' Association (Fourth Royal Iri

Lieut.-Colonel Sir Edward Bethune presided, and Major-General Sir Richard Hutchinson was present.

Loud cheers greeted the action of the Chairman in calling forward and shaking by the hand the oldest soldier present-C. Toole, of Dublin, who joined the regiment in 1859,

Captain Radclyffe, responding to the principal toast, described how the old traditions of the regiment were being maintained at Secunderabad-Special Cable: Copyright.

TOKIO PROFESSOR'S APPEAL TO INDIA

THE recent catastrophe in Japan has had many far-reaching effects, one of the most regrettable of which is the destruction of the Indian museum and library attached to the Department of Literature of the Imperial University of Tokio.

Dr. J. Taka Kusu, Professor Sanskrit at the Imperial University Tokio, has issued an appeal to all lovers and students of Indian art, and to the princes and people of India for (a) manuscripts (Brahmanic, Budistic and Jainic); (b) printed books reports, documents, newspapers and periodicals; and (c) Indian art objects plaster castings, relics, etc., illustrative of Indian life, history, and culture.

To avoid delay in communicating with Japan Mr. R. Mitsukuri, 2-3, Clive Row, Calcutta, will be pleased to forward any books to the Imperial University of Tokio.

FEAR OF RUSSIA.

The controversy about border policies has been going on since the time of General John Jacob and Lord Lawrence but the curse has been the continual change of policy according to which party had the ear of the Secretary of State or the Viceroy for the time being and this has bewildered not only the officials responsible, but the people. Fear has been the principal factor, fear of Russia, and therefore the strategy which has laid down the general rule that the farther ahead of our frontier we can get to meet a Russian advance the better. Now is the time for statesmanship without fear, to come to decision and

(A) Lay down definite lines of advance for the administrative system in the North-West Frontier administered areas, taking the people much more into our confidence and giving them more responsibility.

(B) Lay down a definite policy for our dealings with our trans-border tribes and see it through.

If the advance to the Durand line can be financed and maintained, it should be carried out (if possible in agreement with the Ameer), if not, then it should be dropped, as playing with it only upsets the tribes, ruffles the Afghans, and looks up a large force in positions from which it could not be withdrawn in time of need without the certainty of disastrous consequences. It would be wiser for the decision to be made away from the heated atmosphere of the present politics at Delhi, and clear of the influence of the influence of the politically-minded military staff in India.

Will coercive diplomacy rein Kabul in?

MALEEHA LODHI

Pakistan-Afghanistan relations have been on a downward trajectory. They plunged to a new low last month when Pakistan carried out air strikes on hideouts of the outlawed Tehreek-i-Taliban Pakistan inside Afghanistan. This was in retaliation to a series of cross-border terrorist attacks in Pakistan from Afghan soil, including a deadly one in North Waziristan that claimed the lives of several security personnel.

The attack prompted ISPR to directly hold Kabul responsible, saying, "The Afghan interim government is not only arming terrorists but also providing a safe haven for terrorist organisations involved in incidents of terrorism in Pakistan". In fact, since the Taliban returned to power in 2021, Islamabad repeatedly cautioned Kabul that its failure to act against TTP would force Pakistan's hand. But these warnings were in vain.

Although Pakistan has undertaken kinetic actions before against militant bases in Afghanistan, they were rare and always undeclared. In a significant departure from the past, this time Islamabad went public to send a strong message to Kabul. The foreign ministry declared that "intelligence-based terrorist operations" had been conducted in Afghanistan's border regions. The statement recalled that Afghan authorities had been repeatedly urged "to take effective action to ensure that Afghan soil is not used as a staging ground for terrorism against Pakistan".

Kabul reacted by issuing toughly worded statements that condemned the attacks as violations of Afghan territory. Its defence ministry



announced that "In response to that aggression, the border forces of the Islamic Emirate of Afghanistan targeted military bases of Pakistan's army across the artificial Durand Line with heavy weapons". The reference to the border as "artificial" was particularly provocative.

While the air strikes served as evidence of Pakistan's coercive diplomacy towards the Taliban, Islamabad's increasingly tough approach has also involved use of its considerable leverage. All this aims to raise the costs for Kabul for its lack of movement on the TTP issue. It seeks to compel Taliban leaders to change course on an issue deemed critical to Pakistan's security. Pakistan's 'asks' of the Taliban over the past two years have been to disarm the TTP, detain its leaders and rein in its violent activities. Despite assurances Taliban leaders have done little to meet these demands, asking instead for time and invoking other excuses on this count.

The two other instruments Pakistan has deployed to mount pressure

on Kabul concern transit trade restrictions and expulsion of illegal Afghan refugees. Both actions were taken in the backdrop of a spike in militant attacks in Pakistan. Last year saw almost 800 terror incidents most of which Pakistani officials attributed to TTP and other militants including Islamic State-Khorasan Province residing in Afghanistan. This represented an increase of over 50 per cent in violent incidents over previous years.

In October 2023, Islamabad sought to tighten the transit trade regime by imposing a ban on a number of items that could be imported by Afghanistan via Pakistan; these were officially designated as products "prone to smuggling". It also slapped a processing fee on several categories of commercial goods transiting through Pakistan to Afghanistan. Afghan importers were also required to submit bank guarantees to ensure imported goods reached the stated destination.

For sure, the principal driver of these measures was to curb smug-

gling. But they also had another objective — to ratchet up pressure on Kabul to respond to Pakistan's security concerns. The Taliban certainly understood the message and accused Pakistan of politicising trade. But in several rounds of talks, worried Afghan officials urged Pakistan to decouple trade from terrorism.

At around the same time, in October 2023, Pakistani authorities ordered the expulsion of undocumented Afghans residing in the country, estimated to be around 700,000. The action was linked to the official assessment announced publicly that the majority of suicide bombings last year were carried out by Afghan nationals. This evoked criticism from Kabul, especially over the tight time frame in which the repatriation process was executed.

It also provoked criticism from international human rights organisations and the UN. But none of this deterred the government from pressing on in November with repatriating Afghans living illegally in the country. So far, well over half a million have been sent back. A second phase is now on the anvil with the decision to deport around 600,000 Afghan citizen card holders; these cards were issued by Pakistan a few years ago. This plan is expected to become operational next month.

The Pakistan government is also rigorously enforcing the 'one document' regime at every border crossing with Afghanistan. Implemented gradually over the years, this measure requires Afghans entering Pakistan to possess a valid passport and visa. Previously, other forms of identification and travel permits were accepted. From November 2023, the passport/visa regime was extended to every border crossing including most

recently Chaman. This met with resistance from Taliban authorities and criticism, including public protests by tribesmen and traders living on Pakistan's side of the border. But it hasn't dissuaded Islamabad from robustly executing a measure seen as essential for border security.

Although Pakistan-Afghanistan relations entered another phase of tensions in the wake of Pakistani air strikes this didn't lead to any suspension of communication or diplomatic disengagement. The mutual desire to avoid a breakdown in relations and continue bilateral engagement is reflected in the visit to Kabul last week — after the air strikes — of an official delegation led by Pakistan's commerce secretary to discuss trade issues.

Officials say the delegation went with an open mind to show flexibility on Afghan concerns on trade. They later claimed progress was achieved. The Afghan side announced several agreements were reached in the talks including removal of the bank guarantee for imports. This indicated Islamabad was now using carrots, not just sticks in its policy approach.

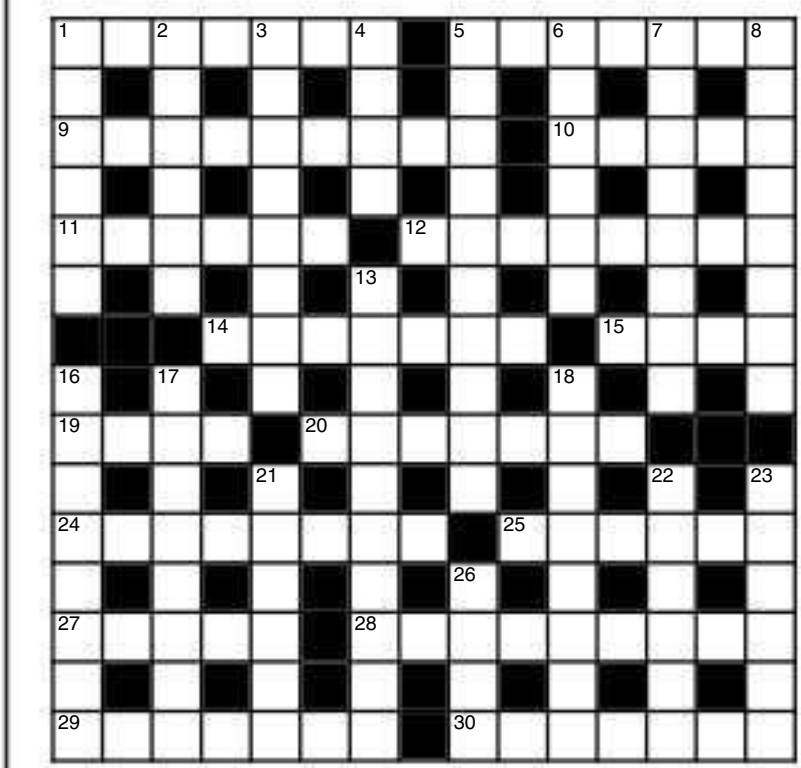
However, any significant improvement in the fraught relationship will be contingent on how and when the Taliban respond to Pakistan's demands on TTP.

The hope of Pakistani officials is that the combined effect of Pakistan's coercive diplomacy and other measures including selective inducements will persuade the Taliban to finally move on this count. The coming months will determine how effective this approach turns out to be and whether such hopes will materialise.

Dawn/ANN.

CROSSWORD

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YESTERDAY'S SOLUTION

S P B G D W M T
K N E E L A B O M I N A T E
I N U R L D E R M
N I T R I E R E L I E F M A P
N A M O O O O O A
Y O G H U R T P L A S T E R
O R T I A
S I N I E D I E B O R S T A L Y
Y E O B R
M U S K R A T S O L O I S T
B H R A S A A A
O R A N G E A D E D E L F T
L N A G Y D R T
I N T E S T I N E E Q U A L
C Y H C D R N E

ACROSS

- Going off and very quietly supplanting good person in assignment (7)
- Spatter around liquid dispenser (7)
- Nitwit taking action in German march? (5-4)
- Brown arrived late without a note (5)
- Climactic moment from Borg, as McEnroe discovered (6)
- Partly visible satellite found by doctor, perhaps, if not working (4-4)
- Exercise a fowl to produce a more beautiful bird (7)
- Among others, General Sherman's oddly targeted (4)

DOWN

- Male lead is husband, I'm thinking, with nothing on (4)
- Fighter shot arrow, possessing boundless grit (7)
- Make a botch of altering instrument (8)
- Questions in hearing after multinational group's badly advised (6)
- Seated posture many adopting uncomfortably at first (5)
- "Suggestions welcome!", I said initially, leading to problems (9)
- In the East End, he's bound to find the one that got away (7)
- Origins of Agni and Nandi (part human Indian god) (7)

DOWN

- Animal needing a long time to become a proficient flyer (6)
- Seven stars break ground (6)
- They're brilliant but I'm dense, confused about answer (5,3)
- ... and carpets ruined their performance (3,7)
- Calm provided in fast-moving surroundings (6)
- Drums peculiar to rumbas (8)
- Entered left by mistake and threw in the towel (8)


DOWN

- Perhaps Indian makeup for Queen Mary? (5,5)
- While it circulates before start of election, it's not true (5,3)
- Creative painter, returning to attic after losing head, is found inside (8)
- Significant relief when donkey, say, gets a home (8)
- Finds oneself in a headstand? (4,2)
- Pose can start with sacred sound in The Good Life, perhaps (6)
- England's highest military man? (6)
- Oscar, for example, having a temperature, always lost (4)

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

FIRST COLUMN

REHABILITATION OF ALCOHOLICS



RAVI VALLURI

Alcoholism is a complex interplay of desires, physiology and mental patterns

This article arose as a result of a debate on the ban of alcohol consumption in some states of the country, which I heard on a podcast recently. Without getting into the merits of the issue, a simple question arose in my mind - can we expatriate thoughts? An alcoholic's mind is extraordinarily sharp yet deviant despite suffering from this medical malady. An alcoholic will employ all possible means at his disposal to acquire the prized possession - the bottle. Like fish is to water, an alcoholic is to liquor. The problem can be addressed by getting an alcoholic admitted into a rehabilitation programme, joining the Alcoholics Anonymous, a self-help group; undertaking the Happiness Programme of the Art of Living (where the unique breathing technique of Sudarshan Kriya is imparted) or undergoing the Vipassana breathing technique. These techniques can be of help only when the alcoholic acknowledges the problem. Through grave indulgence of Bacchus and reckless drinking, alcoholics wreak immense damage to all organs of the human body. This is no rocket science and is known to the afflicted. To begin with, the stomach, the pancreas, the liver, the esophagus, the small and large intestine get adversely damaged. Once the gut is affected, it has a debilitating impact on the circulatory and nervous systems. Alcoholics develop heart ailments, problems pertaining to blood pressure, diabetes and arthritis, among others. One organ after the other start failing and collapsing and eventually an alcoholic becomes a vegetable. The alcoholic finally lands up in the ICU or is in the grave. The cause of alcoholism is the negative and destructive pattern of thinking. This is an advisory for all alcoholics and recovering alcoholics (those who have turned sober through the gift of the Divine) regarding their eating and drinking patterns. Those who get admitted to a rehab or an Ayurvedic clinic fortuitously will be served a regulated diet for proper resuscitation. There are large, unfortunate numbers who are caught in the vortex of drinking or continue to suffer from relapses. They should begin the day with several glasses of warm lime water laced with honey and not with a cup of coffee/tea. It goes without saying, say a firm 'NO' to drink. Lime water with honey assists in detoxifying the system. Eating fresh fruits for breakfast and not leftovers of the night help in digestion. It is guaranteed that most alcoholics suffer from an irritable bowel syndrome and associated disorders. The fruit should be partaken as an entire meal and should not merely be a supplement. Tamasic and Rajasic intake of food invariably trigger the desire to consume alcohol. However, consumption of Sattvic food will certainly enable to rectify the imbalances present in the body and diminish the craving for alcohol. There is a tremendous weakening of the immune system of the body of an alcoholic as precious minerals and vitamins get drained out. The resistance levels need to be enhanced through the proper intake of nutritious food. The propensity of an alcoholic falling prey to opportunistic ailments is extortionate. This medical problem can be addressed only by a qualified medical practitioner. Also, what about the mental problem? Louise L. Hay, in You Can Heal Your Life has identified the probable cause of alcoholism as negative thought processes such as - 'What's the use?'. Feelings of futility, guilt, and self-rejection. According to her, the renewed thought pattern should be - 'I live in the now'. 'Each moment is new'. 'I choose to see my self-worth'. 'I love and approve of myself'.
(The writer is the CEO of Chhattisgarh East Railway Ltd. and Chhattisgarh East West Railway Ltd. He is a faculty of the Art of Living; views are personal)

Checkmating China's chicanery

China's relentless pursuit of dominance in the Asia-Pacific region has led to unease. It is time to call China's bluff and give a befitting reply



ATUL SEHGAL

China is at it continuously. Devising devious designs to disturb and destabilise its neighbouring countries to whet its hegemonic appetite, it has created an atmosphere of unprecedented tension in the Asia Pacific region. In specific countries, picking on individuals and community persons who have Communist mindset and funding, arming and training them to further its hegemonic agenda, it has gravely vitiated the political atmosphere of the Asian subcontinent. The instruments of its nefarious actions extend from veiled cultural and economic intrusion to brazen intimidation through military exercises and gestures. Yes, it has learnt expansionism from none other than the erstwhile hegemonic global powers who have ruled the roost in the twentieth century. Nations are built on ideologies and sustain on the ideological threads that are drawn from the universalistic divine principles called Dharma. But disbelievers in the divine have always existed in this world. Their original breed was called Naastik (atheists) whose ideological icon was an ancient Indian philosopher called Charavak and members of its modern breed are the Communists. Since they do not believe in any supernatural controlling and regulating power called God and also reject the theory of karmic retribution, they display naked self righteousness. They show no qualms of conscience. Since their numbers have steadily grown in the last few decades, they have become arrogant and supercilious. The ruling Chinese Communist Party, its cohorts and subscribers are an illustrative example of above. China, under its communist regime, annexed Tibet in 1951 and followed it up in 1962 by usurping 38000 square kilometres of Indian territory in Ladakh. In recent months, persons have circulated on social media channels like Facebook, WhatsApp and Instagram the original map of China showing in distinctive colours the grabbed territories- China occupied Tibet, East



CHINA, UNDER ITS COMMUNIST REGIME, ANNEXED TIBET IN 1951 AND FOLLOWED IT UP IN 1962 BY USURPING 38,000 SQUARE KILOMETRES OF INDIAN TERRITORY IN LADAKH

Turkistan, South Mongolia, Manchuria and Yunnan. And China doesn't stop at it. It is continuously provoking India either through military build-up across the LAC, intrusion and attempts for encroachment of Indian territory using salami slicing tactics, negative and malicious propaganda against India through its mouthpiece Global Times or by enticing smaller nations in the Indo-China region in its debt trap, installing Communist party regimes in some of these smaller states, establishing military bases in neighbouring smaller states through debt trap diplomacy, cultural infiltration in states as far flung as USA and developing a starkly hegemonic global land route infrastructure for trade called the Belt and Road Initiative – BRI. The recent political manipulations by China in Maldives, Nepal and Sri Lanka glaringly reveal this. But Bharat, through astute political and diplomatic counter plays has been successfully checkmating all the sinister moves by China. However, Bharat needs to do much more and with greater prudence and precision, using planning and proactive approach to beat China at its game. The Chinese are following the ideological principles of Sun Tzu which are full of guile, deceit and chicanery. But Bara's ancient strategy Chanakya Niti is ideologically far superior and powerful, based as it is on the divine principles of eternal Dharma. And, it is heartening to note that the present political dispensation in Bharat is using Chanakya Niti to a good extent to counter the predatory actions of China. Bharat has a much bigger and broader task to do in keeping with its ancient historical role as the

spiritual torchbearer of the world. It has to first retrieve its territory occupied by China-eastern Ladakh or Aksai Chin and then go on to liberate Tibet. Its long term natural objective should be reintegration of Bangladesh, Nepal, Sri Lanka and even Pakistan and Afghanistan with it. The following action plan is suggested for achieving its geo political objectives in the Asia Pacific region. 1. Creation of strong national and international media channels for propagation of the facts about pristine cultural and geopolitical glory of Bharat and exposing the propaganda of the colonial and new colonial west about Bharat's past. This and much more needs to be done to propagate the divine, universalistic Vedic culture of Bharat so that our peace and progress promoting ideology can enter the mental space of global citizens. 2. Countering China by following the axioms of Chanakya Niti and Artha Shastra-the ultimate tools of statecraft for progress, prosperity and political empowerment of nations. This means China will be dealt with in a planned, proactive, secretive and deceptive manner befitting it. The strategy will not just be paying it back in the same coin, but surprising and shocking it at every step and thoroughly outwitting it. As long as our approach is anchored to eternal principles of Dharma, we will always be victorious. 3. Bharat needs to spend much more on its defence than at present. Bharat with its current defence outlay of 75 million USD is far behind China with outlay of 222 billion USD. The outlay needs to be doubled by reducing the expenditure on socialistic schemes and doles. R&D in defence needs

to be given a further boost by reviving the critical MSME sector, though some good work has been done in the past few years by involving private sector in defence and by encouraging startups. The MSME part of the economy has not received adequate attention of the present Government so far. Boosting of MSME sector will need more drastic import curbs and bureaucratic and structural reforms which will accelerate the growth of this sector and generate jobs in a big way. 4. Military strength and geopolitical clout are based on economic might. And we need to boost economic growth through educational reforms, agricultural reforms, judicial reforms and bureaucratic reforms. We hope Modi 3.0 envisions them and will complete the half or quarter steps taken in these areas in Modi 1.0 and Modi 2.0 terms. 5. The reintegration of Bharat to form the United Bharat of the distant past will need ironing out of ideological differences between the countries of the Indian subcontinent. This, it is reiterated, is the most important measure. Our Sanatan Vedic ideology has the potential to rationalise and harmonise all other schools of thought because only the former is humanistic and universalistic. It can reunite the ideologically divided world like nothing else can. We need to make intensive efforts to disseminate our peace promoting philosophy in the current world with raging wars and other peace disrupting processes on. This is the singular most important step that the scholars, sages and politicians of Bharat need to take in the present times.
(The author is a management consultant; views are personal)

Political turmoil in the Capital in the wake of ED arrests

The arrest of Arvind Kejriwal and tax notices issued to Opposition parties stir up both domestic and international disquiet

Political heat is also on the rise with the soaring temperature in Delhi after the arrest of Delhi chief minister Arvind Kejriwal and tax notices to opposition parties. Political development in India has invited criticism from Germany, US and even United Nations, more particularly on the arrest of Delhi chief minister Arvind Kejriwal who is facing corruption charges and many of his cabinet ministers are already in jail. Perhaps western powers are still in the colonial hangover and carrying a false sense of superiority believing that they can meddle in the internal affairs of any country; Perhaps it is high time for them to smell the coffee and adjust to the realities of the twenty-first



SHSHANK SAUROV

show some maturity and issuing notices on merely technical grounds is not going to help the Indian democracy. If the position taken by the IT officials is applied across all assessments, then it would be difficult to find any political party which is fully compliant. In terms of technical requirements as per the law, section 13A of the IT Act casts a requirement to maintain the detail of every donor (viz name and address) and Section 29C of the Representation of the People's Act, 1951 requires the political party to file these details with the Election Commission of India (ECI). Contribution report filed by all major political parties with the ECI and available on



its website shows that data quality issues persist across the details provided by all the parties. IT authorities need to look beyond what has been submitted in the return filed with ECI and they must be answering the question, if in-substance they are in possession of any information which can establish the donor's credentials. Section

13A of the Income Tax Act, 1961 clearly provides that any donation more than Rs. Two thousand must be received via banking channels and if any political party is compliant with this requirement, then it is for the tax officials to explain what difficulty they are facing in corroborating the details when donations are coming via bank? As per media reports, communist party of India (CPI) has received IT notice quoting its old income tax PAN in the filing and questions should be asked from tax officials on what was the bonafide intent in sending notice to the assessee? How this error has impacted the cause of transparency and why couldn't CPI be provided

an opportunity to correct this kind of error by updating the PAN? This country does not need a bureaucracy which goes on unleashed and those who are defending harassment over trivial issues should think from a long-term perspective. Bureaucrats are not answerable to the public but politicians should be conscious of the message which gets disseminated from the actions of babus. Treasurer and office bearers of Congress, CPI or any other political outfit can be criticised for not following appropriate procedures so far as it relates to filing the necessary details or pursuing the income tax notices, or filing an appeal with income tax appellate tribunal but as a democracy we must not give

a free run to bureaucrats to manage the show in accordance with their whims and fancies. Though people's memory is very short, I would like to remind you of the retrospective amendment done in Foreign Contribution Regulation Act (FCRA), 1976 to bailout both BJP and Congress. In 2014, Delhi high court found both BJP & Congress guilty of receiving foreign contribution in violation of FCRA and therefore the law was amended first in 2016 and applied retrospectively since the inception of FCRA, 1976 via another amendment in 2018. This issue was also technical in nature and the current income tax issue is also technical in nature.

We are the largest democracy in the world and such instances which appear to be over enthusiasm of tax officials to please their bosses is not in a good taste. There are a lot of cases pending with the agencies and they should be told to focus on those rather than bringing new topics for discussion which create unnecessary noise and have no practical value. On a lighter note, now seasoned politicians would have understood how the common man of the country feels when it gets tax notices on frivolous grounds which gets quashed but only after following a prolonged appellate procedure.
(The writer is Chartered Accountant, Author and Public Policy Analyst; views are personal)

Agile at 90

Despite a few misses, the RBI has played a stellar role in the India growth story

IN HER 90TH year, the Old Lady of Mint Street can look back with satisfaction on a job well done, albeit with a few misses. If the Indian economy has benefitted from reforms, the liberalisation of banking rules unleashed by the Reserve Bank of India (RBI) has played an equally big role with the government in this growth story. The most significant among these policy changes would have to be the licences to private sector entities starting in the mid-nineties. The emergence of private sector banks completely changed India's lending landscape. In more recent times, new categories of lenders—small finance banks for instance—have been allowed to operate in the financial system. Of course, from time to time, the central bank has amended the rules and regulations to facilitate the flow of credit to the economy, especially those segments which need special support. One wishes the shadow banking segment had been brought under the RBI's supervision earlier than it was. It might have made a significant difference to the evolution of the non-banking financial company space.

In fact, from its lofty perch, the central bank should have worked to keep a closer eye on NBFCs after the Harshad Mehta scam in 1991, which involved transactions in government securities. That should have prompted the RBI to be much more vigilant and to strengthen the supervision, which could have prevented many episodes of failure of financial sector entities. Indeed, the huge pile-up of bad loans and the many lending malpractices—the constant ever-greening of loans, for example—could have been spotted and the problem addressed before it blew up.

Indeed, while the central bank may have done well in the areas of monetary policy, foreign exchange and currency management, it has been a reluctant regulator in the past. Some governors asked for the central bank to be excused from regulating banks but that has not been allowed. In recent times, the central bank has been extremely quick to red-flag stress in the system. At the risk of being criticised for stifling innovation, the RBI has been nimble to nip in the bud dangerous practices in the digital ecosystem. Relations between North Block and Mint Street have not always been cordial; there have been run-ins on several issues in the past. Most notably, the RBI is understood to have been opposed to the idea of demonetisation but obviously did not have the authority to stop it.

The conflicting role that the RBI plays in reining in inflation and, at the same time, being the government's debt manager, has often been debated. Governor YV Reddy had observed a separation of the roles would be better after the fiscal consolidation had made progress. Reddy believed that as long as there is fiscal dominance—a large amount of savings is going towards financing the fiscal deficit—there is clearly an advantage in close co-ordination between the various wings of policy. This dual role has, at times, hampered decisions on rate changes. However, it would have to be said that the RBI's handling of monetary policy during the pandemic has been nothing short of exemplary. It has managed India's financial system far better than many other central banks. That itself is a big reason to celebrate. Former RBI Governor Urijit Patel had once said the RBI is neither a dove nor a hawk—it's actually an owl. India needs the services of the ever-watchful bird.

The bank run of 2023 could easily happen again

Ever since the demise of Silicon Valley Bank in March 2023, regulators have been focused primarily on increasing loss-absorbing capital at the largest US financial institutions. Much less attention has been paid to the problem that precipitated last spring's banking crisis: banks' vulnerability to sudden depositor withdrawals.

The SVB debacle exposed three weaknesses. First, depositors pulled their money much faster than assumed by requirements such as the liquidity coverage ratio, intended to ensure that banks have enough cash and easy-to-sell assets to survive 30 days of withdrawals. Second, the Federal Reserve couldn't provide sufficient emergency discount-window loans, because banks hadn't pledged enough collateral to the Fed. Third, uninsured depositors had ample reason to run, because they couldn't be sure the government would make them whole: Such bailouts can happen only after a bank fails and regulators judge that the situation is bad enough to invoke the "systemic risk exception".

What to do? Certainly, regulators need to recognise that depositor runs will be much faster, and outflow rates much higher, in an era of social media and 24-hour banking. Yet requiring banks to hold a lot more high-quality assets in response would be counterproductive. Tougher liquidity requirements would force banks to divert funds away from lending.

There's a better solution. The Fed can require banks to pre-pledge enough collateral (such as securities and consumer and commercial loans) to cover all their runnable liabilities (everything but equity, long-term debt and insured deposits) on a day-to-day basis. The central bank would be willing to lend against this collateral, ensuring that banks could always obtain the cash they needed to meet depositor withdrawals. If a portion of the pledged collateral counted toward satisfying the liquidity coverage ratio, banks wouldn't have to bulk up on safe assets and reduce lending.

This would have several advantages. With an explicit Fed backstop, uninsured depositors would have little incentive to run in the first place. Most banks could easily comply: Because smaller banks fund themselves mostly with insured deposits, they wouldn't have to come up with much collateral to pledge. Others that were more constrained could adjust by raising equity, issuing more long-term debt, increasing their insured deposits or holding more high-quality assets. The Fed's lender-of-last-resort function would be much improved: No last-minute scramble would be required to identify and mobilise collateral to pledge to the discount window.

How, then, to proceed? First, officials should do a detailed study to ascertain which banks would struggle to satisfy the requirement. In some cases, the Fed might need to make adjustments to avoid unintended consequences. For example, it might be appropriate to grant some relief for the big clearing banks, which process large volumes of payment and securities transactions for their customers. These activities often require significant operational deposits, well beyond the insured limit. Because these deposits are needed to conduct the banking business, they're unlikely to run.

Second, the Fed should overhaul the discount window. Banks are often reluctant to use it when they should, for fear of being seen as troubled. This stigma could be reduced by restricting use of the discount window to healthy banks, and diverting genuinely troubled banks to a new emergency lending facility. Beyond that, the Fed needs to modernise its lender-of-last-resort function so that it can quickly value and enable the rapid substitution of collateral. Also, it needs to harmonise discount-window operations at the 12 regional reserve banks into a standardised "no questions asked" approach.

These reforms will require considerable time and effort, but they'll be well worth it. Done right, they'll reduce the risk of banking panics and, at the same time, make banks stronger and better able to compete with less-regulated, non-bank rivals. It's time to move forward.

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QUESTIONS ON TAXATION

ITR FILING HAS IMPROVED, BUT HOW LONG CAN LESS THAN 3% SUPPORT THE REST?

Tax burden on a minority

**FURQAN QAMAR
TAUFEEQUE SIDDIQUI**

Faculty, department of management studies,
Jamia Millia Islamia. Views are personal



ingly low number of taxpayers, which, in relative terms, accounts for a mere 5.21% of the country's population and 7.66% of the people in the working-age group.

This is even though the net has been cast wide. All individuals with an annual income of ₹2.5 lakh or having ₹1 crore in the current account or ₹50 lakh in a savings account must file ITR. Additionally, anyone spending ₹2 lakh on foreign travel or ₹1 lakh on electricity are also mandated to file ITR.

Besides, individuals earning ₹60 lakh or more in business sales/turnover/gross receipts and ₹10 lakh in a profession must file ITR. Moreover, all such persons from whom ₹25,000 or more has been deducted as tax on source (TDS), those who hold assets abroad or are beneficiaries or signing authority of a bank account overseas, as well as those seeking adjustments against past losses must file ITR as applicable to them.

Of the 74 million ITR filed during AY 2022-23, 51.6 million declared zero tax liability. In other words, only 22.4 million people paid any income tax. This makes up 1.58% of the total population and 2.31% of the working-

age population.

Available data also reveals that nearly 20 million people from whom tax was deducted at source still need to file ITR. Taking this group into account, the tax base expands to 42.4 million or 2.97% of the country's population.

Over the 2013-23 decade, individual income taxpayers in India expanded by a compound annual growth rate (CAGR) of 6.04%. Yet, despite the ever-rising numbers of dollar billionaires, only 0.05% of those who file ITR reported an annual income exceeding ₹1 crore.

For comparison, 59.9% of households in the USA (2022), 76.4% in the UK (2019), 39.5% in Germany (2021), 34.1% in OECD countries (2021), and 44% in France (2022) pay income taxes.

Much of our economic accomplishments come from the sheer size of our population, making absolute figures for those who file ITR, taxpayers, and GDP look impressive and on top of the world. Expressed in relative terms (on a per capita basis or as a percentage of the population), they push us to the bottom.

Despite being the world's fifth-largest economy, India's per capita GDP in

Much of our economic accomplishments come from the sheer size of our population, making absolute figures for those who file ITR, taxpayers, and GDP look impressive and on top of the world

A steep climb up the value chain



**SNEHIL GAMBHIR
ANUJ MANDAL**

Respectively, partner and director, and Platinum senior IT consultant, BCG. Views are personal

GCCs need a clear vision, headquarter's support, a sound operating model, and the right employer value proposition to deliver more to their enterprises

CAPABILITY AND INNOVATION hubs (CIH), often referred to as global capability centres or GCCs, have been integral to enterprise growth. As they continue to expand their service portfolio to include customer-facing operations and advanced technological capabilities, their significance is expected to increase substantially. Currently, the global in-sourced spending on capability hubs is estimated between \$265 billion and \$290 billion. By 2027, this is expected to rise to anywhere between \$390 billion and \$420 billion, expanding at a compound annual growth rate (CAGR) of 10%. India, in particular, is a significant capability hub hotspot with an expected 16% CAGR and spend of \$117 billion by 2027.

However, despite the general growth trajectory of CIHs, many find it challenging to deliver substantial value to their enterprises. Certain key elements are required to be in place to help these hubs move up the value chain and transition from a transactional partner to a customer experience- and tech-focused centre. To unlock their full potential, four key elements must be addressed:

(a) Creating a forward-looking vision and mission: Articulating a compelling vision statement that highlights their contribution to organisational strategic goals is essential. Creating and disseminating a clear vision and mission can energise and motivate employees, guide decision-making, and provide a long-term outlook for the organisation. Despite its clear importance, a recent analysis of 10 capability hubs showed

that only four had a well-defined vision statement, and five had a clearly articulated mission statement. The starting step in any CIH journey should be to establish a vision and mission that resonates with stakeholders and addresses three key aspects: Linkage to value creation, promotion of innovation, and drive towards transformation.

(b) Obtaining sponsorship from HQ: Leadership commitment and sponsorship are crucial to the success of a CIH. They help mitigate resistance to change and fosters a culture that embraces new processes and strategies, thus preventing marginalisation of the hub as a 'stepchild'. Leadership buy-in from the top prompts an execution bias among the next level of leaders to follow the set road map beyond mere discussions. It also guarantees resource allocation and prioritisation, while consistent endorsement reassures and motivates executives that challenges will be addressed through a 'one organisation' approach. According to our recent study "Capability and Innovation Hubs – The Emerging Frontier", only 48% of CIHs have attained greater autonomy in making strategic decisions and policies that significantly influence business outcomes, facilitated by headquarters' sponsorship.

(c) Create and evolve an appropriate

operating model: Establishing a CIH often impacts existing reporting lines, team structures, roles and responsibilities. This may cause concerns at the HQ about losing control and, subsequently, about maintaining quality. Generally, organisations choose between two operating models: a federated structure, where hub functions report to their respective business units, or an integrated structure, where all function heads report to the local hub head, who then reports to a global CXO, CXO-1 etc. In either choice, the model can be matrixed with dotted line reporting as well. The choice between these models requires careful consideration and is deeply tied to the culture of the organisation and who is the primary sponsor of the initiative. Mod-

els can also have the hub leader "double hat". These Op models, also called landlord-tenant vs CoE model, or hosted vs embedded, are an important element, and the solution may be a mix of both.

(d) Ensuring the right employer value proposition (EVP) to attract and retain talent: Our analysis of Fortune 500 companies shows that approximately 45% have adopted capability hubs across various sectors, highlighting a significant potential for growth. As these organisations establish and expand their hubs, retaining and attracting the right talent through a

robust EVP becomes crucial. Developing an effective EVP can be complex, requiring analysis of over 40 factors across six dimensions: principles and values, leadership and responsibility opportunities, work-life balance, training and development, job security, compensation, and work appreciation. Tailoring these EVP factors to meet local talent preferences is also vital. For example, professionals in India value leadership opportunities and recognition more, but prioritise paid time off less, compared to their global peers. Despite the apparent benefits, our recent report indicates only two-thirds have adopted a holistic EVP strategy. Although attrition rates have almost halved to 10% from the near peak, maintaining a consistent focus on EVP is essential.

As organisations start or accelerate their CIH journey, their strategic priorities can differ widely based on starting point and shoring maturity. Those with no capability hub presence can set up to build advanced capabilities and accelerate their digital agenda, centralise, standardise and drive revenue acceleration with the right level of efficiencies. ROI on a scaled centre can be as quick as 15-18 months with multiple options to enter the market. A refreshed location strategy along with partnerships, ecosystems and outsourcing can accelerate the transformation by reducing fragmentation, and such existing hubs can scale and leapfrog to a platform model with microservices, providing unprecedented agility, efficiencies and more importantly strategic leverage.

reinvent farmer cooperatives. The government ought to focus on infrastructure, research, and water management, too. Nodal institutions must actively seed, assist and guide the marginalised farming sector, that comprise a huge 70%, to form cooperatives, enabling scientific farm management, crop planning, and a market-oriented produce mix. —R Narayanan, Navi Mumbai

●Write to us at feletters@expressindia.com

DECCAN
Chronicle

2 APRIL 2024

Misuse of agencies makes
fair polls bigger challenge

It is a paradox that the National Democratic Alliance (NDA), which is running the Union government, gives the Opposition INDIA bloc a reason to come together and put up a show of solidarity with one another at regular intervals. The ‘Save Constitution’ rally by INDIA bloc held in the national capital on Sunday was the latest in the series. Interestingly, the Opposition platform was able to peg its demand for a level playing field ahead of the Lok Sabha elections to the doings of the agencies controlled by the Union government.

After its coming together in Patna after one of the founding members, Nitish Kumar, had left the opposition platform, INDIA partners called for a rally in the historic Ramlila Maidan in Delhi to protest against the arrest of Delhi Chief Minister and Aam Aadmi Party leader Arvind Kejriwal in the Delhi excise policy case and former Jharkhand chief minister and Jharkhand Mukti Morcha leader Hemant Soren in a money laundering case. Almost all the senior leaders barring Mamata Banerjee, who is recuperating after a fall, attended the meeting. Her party, which went with its unilateral ways on seat-sharing which practically ended the alliance in the state, was represented at the meet.

Free and fair elections are one of the cornerstones of our democracy and every constitutional institution, be it the Supreme Court or the Election Commission, reminds everyone about it at frequent intervals. However, the relentless pursuit by Central government agencies such as the CBI, the Enforcement Directorate and the Income-tax department of the Opposition politicians and parties does not square with the demands of such a fair play.

The country has been witnessing abuse and misuse of draconian sections in the Prevention of Money Laundering Act which makes bail next to impossible to hunt down politicians and the income-tax laws to make political activity nearly impossible for the opposition parties weeks before the Lok Sabha elections. This can hardly contribute to the creation of a level-playing field. The assurance by the government that there will be no coercive action against political parties by the income-tax department till the elections are over is a minor relief the parties have got thanks to their protests.

The Opposition parties have been crying hoarse that the democratic institutions in our country, including the Constitution, are in danger; the economic situation is not what the government paints it to be and the unemployment level is grim and unprecedented. However, they have not yet been able to sit together and formulate a policy that would seek to address the ills at the short term and in the long term. The NDA with its tested election machinery can reach out to the last voter in the country in a matter of hours but the Opposition bloc is yet to make a policy and a medium to meet the ultimate arbiter in the electoral contest.

The Opposition may have a reading of the state of the nation but unless they can convince the voter about the immediacy of the action required of him, the efforts would go in waste. The message the voter wants to send to the politician and the reply he wants to send to the voter must sync. And there are no easy ways for it to happen.

Much ado about a small island

The ceding of the tiny uninhabited Katchatheevu island in the Palk strait has become a bone of contention between the ruling party and the Opposition in Tamil Nadu. Why the old issue of the island being given to Sri Lanka by a 1974 agreement while redrawing the maritime boundaries between the two nations is cropping up now is obvious — it is poll time.

This is a complex and super sensitive issue of international relations and local and Sri Lankan fishermen’s livelihoods arising out of a New Delhi decision that may not have been thought through enough 50 years ago.

Scratch the surface and light is thrown on a historical lack of understanding and caring for something concerning southern India in the national capital. In fact, the issue of Sri Lanka’s harassment of Indian, mainly Tamil Nadu, fishermen and their frequent arrests on the high seas that has existed for over 50 years itself suffers from the presence of two views on Sri Lanka — the one from Chennai and the other from New Delhi.

The then Prime Minister Indira Gandhi may have been ill-advised to cede the island, the property of the Rajah of Ramnad from long before independence, that used to serve as a transit base for drying nets and resting for India’s fishermen and to visit a church there.

There is much to be said against why India chose to initiate the 1974 and 1976 bilateral agreements. She also committed a faux pas in choosing to bypass Parliament and cede Indian territory. But it is also true that, irrespective of how much of an irritant the ceding has proved to be historically, everyone has become aware that nothing can be done about it now. If then chief minister J. Jayalalithaa once threatened to “take” the island by force, she was only resorting to rhetoric, of which an unlimited amount has been triggered by the latest row in the wake of an RTI filed by the TN BJP chief Annamalai that brought out information on the agreement that was not put in the public domain.

The fact of the matter is India has been stretched to use diplomacy every time scores of fishermen are arrested by Sri Lanka. The view from Chennai is that New Delhi is unable to do much about Sri Lankan action while the capital view is that TN fishermen stray into Sri Lankan waters because the catch is better there.

Subhani



West’s disquiet about India:
Meddling or friendly nudge?



K.C. Singh

The rumblings were audible in India for months as investigative agencies like the Enforcement Directorate and the income-tax department had been selectively targeting Opposition leaders and parties. It was expected that once the elections to the Lok Sabha were announced the Model Code of Conduct would compel balanced restraint till the elections were over. However, if anything, the arrest of Delhi chief minister Arvind Kejriwal on March 21 and exaggerated income-tax claims from the Congress, the main Opposition party, defied that logic. The un-levelling of the playing field continues under the very nose of the Election Commission.

Germany was the first country to express discomfort over this scenario. India reacted with calculated diplomatic ire, advising the Germans to mind their own business. But when the US state department expressed similar anxiety, the ministry of external affairs first strongly protested, although less stridently, and then followed up by summoning acting US deputy chief of mission Gloriana Berbera. India’s expectation was that the matter would end there, both sides having appeased public opinion in their respective countries.

However, US state department spokesman Mathew Miller, when asked about the summoning of their diplomat, in seniority next only to the ambassador, had no hesitation in reiterating that “we continue to follow these actions closely, including the arrest of the Delhi CM”. Not stopping there, he added that the US was also aware of tax authorities hampering the electioneering ability of the Congress Party by freezing their accounts. Mr Miller concluded that they “encourage fair, transparent and timely legal

processes for each of these issues”. Justice and fairness of the proceedings was also emphasised.

Amongst those who were trolled in India was an anchor of a major television channel when he simply tweeted the latest US reaction. This writer’s comments a day earlier on a major business television channel, when posted on X and YouTube, generated huge viewership and some acerbic comments. The main line of counterattack by pro-BJP elements was that comments on the fairness of Indian elections by foreign powers was a breach of Indian sovereignty and interference in India’s internal affairs. All those reporting such criticism, and especially those pointing out the misuse of the agencies only against government’s opponents were anti-national.

This writer, in his social media response, pointed out that the “bhakts”, or hardcore BJP supporters, failed to perceive the difference between the government and the nation. Mark Twain’s quote captures it perfectly that “loyalty to the country always, loyalty to a government when it deserves it”.

The fracas raises the broader question about the validity of the Indian defence that any criticism of the Indian electoral processes is a breach of Indian sovereignty. US President Joe Biden came into office in January 2021 promising a summit of democracies, intending thereby to globally advance the values that the liberal democratic model represents. But the United States has a poor record historically of such evangelism. Late US secretary of state Zbigniew Brzezinski had named his memoir *Power and Principle*, underscoring the conflict in the conduct of foreign policy between ethics and realpolitik. A case in point is Pakistan. The minute the

What can happen next? It is possible that, diplomatic demarches aside, the Indian government realises the damage that it is doing to India’s reputation as a robust democracy.

Soviet Union militarily intervened in Afghanistan in 1979, the US sidelined its ire over Gen. Muhammad Zia-ul Haq’s military coup, the hanging of former Prime Minister Zulfikar Ali Bhutto and Pakistan’s clandestine nuclear weapons programme. A similar long rope was offered again to military dictator Gen. Pervez Musharraf after Al Qaeda’s 9/11 terrorist attack on the United States.

However, India presents a separate case. Even during the Cold War, the US was drawn to India as a citadel of democracy in Asia. Thereafter, India became additionally attractive for its economic rise, huge market, increasing military strength and as a counterfoil to China. But its basic relevance persists as an established democracy, which shares the American commitment to a global liberal democratic order. Prime Minister Narendra Modi has promoted this soft power of India by coinages like India as the “mother of democracies”.

Understandably, thus, India’s friends among the Western nations get concerned about any democratic slippage in India. In the European Union itself, they have similar anxiety about democratic recession in member nations like Hungary. Brazil, as the 21st century opened, was seen alongside Germany, India and Japan as a natural candidate for permanent membership of the UN Security Council. But after the short and democratically destructive presidency of Jair Bolsonaro, that edge is gone.

On March 28, UN Secretary-General Antonio Guterres’ spokesman also commented on the Indian elections, hoping in “India,

as in any country that is having elections, that everyone’s rights are protected, including political and civil rights, and everyone can vote in an atmosphere that is free and fair”. India may tell the UN to stick to more pressing issues like the humanitarian crisis in Gaza and the protracted war in Ukraine. However, the fundamental question of partisan conduct by the investigative agencies cannot be ignored.

The Indian legal system is basically sound, but faces questions about its independence. One is symbolised by an anti- Opposition judge of the Calcutta high court quitting overnight to become the BJP’s candidate in the forthcoming election. Similarly, an excessive number of sensitive political cases have gone to a Supreme Court judge with past Gujarat government links. This may be a coincidence but the Chief Justice must ensure, as the phrase goes, that “Caesar’s wife must be above suspicion”.

What can happen next? It is possible that, diplomatic demarches aside, the Indian government realises the damage that it is doing to India’s reputation as a robust democracy. It may curb its inexplicable desire to overplay its winning hand, with possibilities of diminished gain. Separately, the highest court may freeze the income-tax orders and also start de-weaponising the Prevention of Money Laundering Act by restricting the detention powers of the ED. A warning signal was one member of the Election Commission suddenly resigning.

Hopefully, like the US institutions defending the democratic framework when defeated incumbent President Donald Trump attempted to subvert the verdict, Indian institutions will not completely wilt. It would be a mistake to ignore warnings from the US and other Western powers as mere bluster. The people of India may be thinking analogously and vote accordingly.

The writer is a former secretary in the external affairs ministry. He tweets at @ambksingh

LETTERS

US, UN STAND INTRIGUING

It is intriguing to note that the US, UN and Germany, which did not open its mouth when Lalu Prasad, Jayalalitha and Amit Shah were arrested, is showing so much concern when the CM of a UT is arrested and is talking as if the hell has broken loose. US has been directly and indirectly responsible for the genocide in Gaza where more than 32,000 people have died, including children and infants.

Gopalaswamy J
Chennai

MEDIATOR CAT TO ENJOY
THE SPOILS

The statement of Maharashtra State Congress leader, Naseem Khan, that the unilateral announcement of candidates by Shiv Sena (UBT), has angered his party workers and that the state unit is keen to have “Friendly fights” in 6 Lok Sabha constituencies in Maharashtra State. Instead of fighting against each other and dividing the votes, the leader of INDIA bloc should have gracefully left the seats for Shiv Sena, as they have done in West Bengal, where the TMC is contesting all the seats. Hope this doesn’t turn out to be like the tale of two monkeys fighting for a bun and the mediator cat enjoying it.

N. Mahadevan
Chennai

SAVING DEMOCRACY

While addressing a mammoth rally in New Delhi to protest against the arrest of Delhi Chief Minister Arvind Kejriwal in a money laundering case by the Enforcement Directorate (ED), leaders of the constituent parties of the opposition INDIA alliance have rightly framed the 2024 Lok Sabha polls as a battle to save democracy and the constitution, as the BJP ruling dispensation under the leadership of Prime Minister Narendra Modi has been pulling out all stops to weaken and stifle opposition. But the challenges remain for INDIA alliance partners to stay united and stop the BJP juggernaut from rolling on in the Lok Sabha polls. Rather than indulge in anti-Modi diatribe, the opposition has the onerous task of ensuring the focus of the general election remains on key issues plaguing the country and its people, such as inflation and unprecedented levels of unemployment. As things stand today, Modi remains a powerful leader and has crafted a narrative that he is all set to assume the mantle of prime minister for the third consecutive term.

M. Jeyaram
Sholavandan

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Aakar Patel



With CM in jail,
Opp. accounts
frozen, election
not free and fair

It is becoming quite apparent that this is not going to be a free and fair election. The repercussions and ramifications of this rigging and fixing will be felt all through Narendra Modi’s third time in office. And this election has damaged and will further damage our republic.

One does not need to labour to make the point that the election has been rigged. Two chief ministers are in jail. Why? Not because they are convicted but because they have been jailed by agencies controlled by Prime Minister Narendra Modi.

The Congress Party has no access to its bank accounts. Why? Not because it has been convicted but because it is being manhandled by agencies controlled by Mr Modi. Those who have been previously booked by the same agencies have now been given clean chits after they switched their allegiance to the NDA.

In no real democracy does this happen. We don’t even have to go into the electoral bonds scandal. The strange thing is that most people had already assumed that Mr Modi would return to power in 2024, so why do this? Perhaps it is just who he is. That is the most natural explanation for those who have noted with alarm the sequence of events that led to this pass.

This includes the outside world, and especially the institutions that study democracy. They have been telling us for years now that India is not fully

free, that its democracy has slid and that it has become authoritarian. V-Dem inside the University of Gothenburg in Sweden had classified India as an “electoral autocracy” in 2018. In its 2024 report, released in March, it said that India was “one of the worst autocratisers”. In 2020, the Economist Intelligence Unit classified India as a “flawed democracy”, saying that “democratic norms have been under pressure since 2015”.

In 2021, Freedom House, the think tank in Washington, said that India was now not free but only “partly free”. The rating has remained since.

The government’s response to the Freedom House finding was to trot out a press release which said: “Many states in India under its federal structure are ruled by parties other than the one at the national level, through an election process which is free and fair and which is conducted by an independent election body. This reflects the working of a vibrant democracy, which gives space to those who hold varying views.”

This was dishonest. The Freedom House report had two parts. The first, given 40 per cent weightage, was on political rights. Here India got a score of 34/40 (falling to 33/40 in 2023), including full marks for free and fair elections, election commission impartiality, freedom to start political parties and opportunities for the Opposition to

increase their power. In this part, India did not get full marks on whether voting was unhampered by violence and unaffected by communal tension.

This is hardly arguable. In fact, the government even got 3/4 on transparency, which was probably overly generous.

The government response was therefore merely repeating what Freedom House had anyway said. Where India’s rating was hurt was in the other 60 per cent, for civil liberties, which are also a part of freedom. Here it performed poorly (33/60). On the issues of freedom of expression, freedom of religion, academic freedom, freedom of assembly, freedom for NGOs to work (the report named the government’s attack on my organisation Amnesty International India specifically), rule of law, independence of judiciary and due process by the police, India’s rating was poor. But the scores merely reflected the reality.

In fact, as readers may have noted, India should expect that on the side of political rights, the score will now crater. It is not possible to jail your Opposition and pretend you are a democracy with political rights.

When the scores began to fall at first the government appeared baffled by the results, because Mr Modi was convinced that he was doing a good job. The government sought details from ministries of the parameters used by the Economist

Intelligence Unit in its downgrading of India to a “flawed democracy”, though the report itself cites the reasons clearly. It said the “primary cause was an erosion of civil liberties” and the introduction of religion into citizenship. Again, all this was already on view, what is new now in New India is the direct assault on democracy and its processes.

What should we now expect in the elections and after? If Mr Modi is able to get a very large majority and 400-plus seats, as he is claiming he will, then the election will be seen as those in Russia and North Korea are. There will be no credibility and that will remain through the term.

On the other hand, if he gets fewer seats than in 2019 and has a simple majority, the Opposition will not be cowed down easily. They know he will misuse authority and abuse office to put them in jail.

India has become like Bangladesh is, a democracy where the Opposition is not allowed to function. This same state of affairs had happened in Pakistan as well, most famously in 1977.

Prime Minister Modi can coin grand phrases like “mother of democracy” but it has been apparent for quite some time now that this is not only untrue but a joke.

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CASH-STARVED CONG STRUGGLES TO DEAL WITH TAX GOOGLY

WITH the income tax department freezing funds and slapping fresh demands of over ₹3,500 crore on the Congress, the party appears to be staring down the barrel of a gun. The tax orders disturbed the level playing field the Election Commission is mandated to ensure after polls are notified. But the government assured the Supreme Court it would not take coercive action on the recovery of the fresh tax demands during the Lok Sabha elections. When a national party like the Congress admits it no longer has the ability to spend on print and TV advertisements, you get a sense of its desperation. The party has since restricted its ad blitz to social media platforms and asked its state units to fend for themselves through crowdfunding. That the grand old party was caught unawares was reflected in Tamil Nadu MP Manickam Tagore admitting the situation could have been handled better had the state units known about the challenge six months ago.

Rahul Gandhi recently said his party's central unit was not even able to spend ₹2 on campaign work. That might be an exaggeration but it amplified the hard stance of its opponent, not deterred by its democratic fallout and ignoring the concerns of the US and UN. Coming as the action did just before the elections, the Congress raged against what it called "tax terrorism". But its timing is suspect—it knew the crackdown was imminent, as the tax sleuths acted only after the Delhi High Court last month dismissed the party's challenges to the reassessment of the last six years' returns. The court sneered at the party tactically seeking legal intervention only near the end of the taxman's proceedings. It also saw merit in the claim that the reassessment was necessitated following the recovery of incriminating documents in 2019 raids, which allegedly revealed lots of hidden revenues not recorded in the books.

That the BJP would not miss an opportunity to choke the opposition's money power is well known. For example, when demonetisation happened in November 2016, one of the alleged unstated objectives was to render the state parties' stash of black money useless ahead of the UP polls. But the Congress chose a flawed strategy to fend off the nosey taxman. Had it been more proactive in keeping its books, chances are it could have been on firmer ground.

INDIAN FOOTBALL'S NEW EMBARRASSING LOW

NDIAN football has hit another nadir. The cheers have been replaced by jeers. The national team's 1-2 loss against Afghanistan at home was a reflection of all that is bad about Indian football. The team that was ranked within 100 now stands at 116; it struggled against a war-torn Afghanistan ranked 158 and playing with a hurriedly-assembled team. Swords are out against head coach Igor Stimac, the jingoistic Croatian who once said, "This is new India." Though accountable, he is by no means the only reason for India's poor show. The team that can hardly stitch together a string of passes or make a decisive move towards the goal has failed to improve. As things stand, no matter who the coach is—Pep Guardiola or Jurgen Klopp—the team will not magically resurrect.

The failure is a reflection on the system itself. The All India Football Federation (AIFF), instead of focusing on big-ticket events like FIFA tournaments, should look into their grassroots programmes. The 2017 U17 World Cup in India is a case in point. That well-trained and widely-travelled junior team has not contributed to the senior team as much as was projected; only a few players enjoyed a seamless transition. Also, the Indian Super League (ISL), which is in its 10th year, has not yielded the desired results. A league without relegation lacks intensity and high-pressure situations. It's a league where footballers beyond their prime from strong footballing nations like Brazil, Spain and Portugal ply their trade. It's a place where Indians usually play second fiddle. It looks like a failed experiment. After cricket, some ISL footballers are the highest paid professionals in the country. And they are happy to play in a mediocre setup.

When the newly-elected AIFF officials headed by Kalyan Chaubey, a former international and a BJP politician, took office, a lot was expected from them. What the nation got was controversy after controversy, including the sacking of its secretary general and allegations of corruption and, more recently, charges of assault on women footballers. There have been more foreign travels of officials than discussions on India's roadmap to get the sport back in shape. The Sports Authority and the sports ministry have put Stimac on notice, but that's just a part of the remedy. Things are unlikely to improve unless the ecosystem changes.

QUICK TAKE

MORE DRONE DIDIS WELCOME

THE prime minister's scheme to train women in using drones for farming is a journey in the right direction. It helps the women-led self-help groups or SHGs involved in the scheme earn money and, at the same time, provides farmers with cheaper, time-saving options for arduous jobs such as spreading seeds and pesticides. The scheme's potential is immense in a country boasting of 93 lakh SHGs involving 9 crore women. It can surely be widened from its current fleet of 1,000 drones and 15,000 self-help groups. Companies, including those in the growing ecosystem of drone manufacturers, should come forward to support it.

ON March 22, a terrorist attack killed at least 137 people at the Crocus City Hall in Krasnogorsk at the edge of Moscow city during a rock concert. The incident had echoes of Moscow's Nord-Ost theatre siege in 2002, where more than 170 people died, and the 2004 seizure of a school in Beslan in which 334 people, including 186 children, perished. Those attacks were carried out by Chechen militants fighting a separatist war against Russia. They had ties to Al Qaeda-related groups at the height of the early years of the first cycle of global terror.

The Krasnogorsk incident, which seemed to suggest a pattern akin to earlier incidents in Russia, initially threw up a few possibilities. First that it was related to and an outcome of the Russian involvement in the war against Ukraine, that it was a Ukraine-initiated event to take the war into Russia's interior. This was vehemently denied by Ukraine, which, despite bearing the brunt of Russian assaults on its cities and civil populations, has not attempted to target the Russian civilian population. The action appeared to be aimed at embarrassing President Putin either during the election or immediately afterwards.

Claims and investigations involving body cam clips of the incident ultimately point towards the Afghanistan-based Islamic State of Khorasan Province (ISKP), which accuses Russia of having Muslim blood on its hands in Afghanistan, Chechnya and Syria. If the ISKP claim is true, then it signifies an attempt to signal that it has finally established itself in the vicinity of the near abroad region in sufficient measure to target Russia and its interests, including those in and around Central Asia.

The Kremlin is obviously concerned. In addition to the much-projected image of national unity in the war against Ukraine, Russia is also increasingly economically dependent on seasonal and migrant workers, particularly from Central Asia; remember, Russia has a dwindling population. Also, do recall that Russia once had a token number of troops deployed in Tajikistan to keep an eye on the area, which has 72 million Muslims all vulnerable to the vile propaganda of the ISKP and similar exponents of Islamic terrorism. This deployment is now history once the Russian Army found itself deficient in troops in Ukraine.

Krasnogorsk is an event that has been condemned around the world without full realisation of what its geopolitical significance is. On one hand, there are beliefs

Terror networks went into a shell during the pandemic. But global events since the US withdrawal from Afghanistan in August 2021 have given them a fresh impetus

FOCUS MOSCOW: THE RETURN OF GLOBAL TERROR



LT GEN SYED ATA HASNAIN (RETD)

Former Commander, Srinagar-based 15 Corps. Now Chancellor, Central University of Kashmir

SOURAV ROY

about the connection of ISKP through the mother organisation ISIS to the US, which, it is alleged, is the main sponsor of ISIS to prevent a Russian-Iranian takeover of Syria and northern Iraq. No credible evidence of this has ever been presented. Krasnogorsk appears to increasingly signify the return of global terror; the making of a second cycle after the decline of the first witnessed during the pandemic. This was something anticipated for long; the recent historical legacy is important to understand.

We have believed that global terror incubated in Afghanistan after ISIS lost the battle of Mosul in 2018. The latter led to it attempting a failed revival in Marawi in the Philippines and a last-ditch attempt in Sri Lanka with the Easter

bombings in April 2019. With the coming of the pandemic in 2020, terrorism went into a shell but with all networks intact; a phenomenon that takes place when terror groups temporarily withdraw to recoup. ISIS gravitated to Northern Afghanistan in an area where neither the Taliban nor the coalition forces had presence or control. The US withdrawal from Afghanistan in August 2021 offered the greatest opportunities to terrorist groups to break their shackles and emerge as before. The situation in the Middle East was yet in the middle of the follow-up to the Abraham Accords.

The outbreak of the Ukraine war in February 2022, six months after the US withdrawal from Afghanistan, took away a lot of attention from the likely threats of

POLITICS OF NEW POETRY AND THE SALESMAN POET

IN the new Google and Apple world, the individual loses his or her edge exactly as in a mega mall. Or in an airport. You sift through racks. Or clear the ticket counter and the security. There are fixed ways to behave. There are rules. There are queues.

The greatest corruption that a post-informational society assists into birth is a uniform world, where our most personal opinions and the most intimate desires must express themselves as acceptable to groups. So what do we do? We pretend that inside and outside we are the same. The kind of thing a politician—the ultimate salesman—perhaps will do to win your vote.

To the natural outsider (recall Albert Camus's Meursault in *The Outsider*), which is what a sensitive poet essentially could be, the most universal form of repression is political correctness, an offshoot really of the global marketplace that the world is. You can agree with someone in Paris on the Gaza issue and feel good. You are a rebel even while sitting on your toilet. You are constantly seeking to be grouped and regrouped. You are never alone with the things that cannot be shared. Never alone with your inadequacies and failings, the source of your poetry.

Is this good for the poet? As Michel Houellebecq, an iconoclast French writer often in the news for the wrong reasons, says in one of his poems, "I will go home with my lungs/ The tiles will be freezing./ As a child I loved sweets/ And now nothing matters." "Now nothing matters" because even loss has been homogenised and collectivised. Sweets do not feel the same to the now-blubbery tongue.

I have published five volumes of poetry, including a volume of collected and new poems (*Available Light*). I have no illusion about their permanence. You write a poem, and no matter how good it is, it is water over your head in these times of tsunamis of distraction. But you must still pay a price for your lines.

In India, just now, there is an explosion of poetry, most of it attributable to the readymade town square of social media. The cell phone is your trumpet. Hundreds of new poets throng the counters, murderous self-promotion gleaming in their eyes. Some of them come with awards in their pockets, form a group and honour the others in the group. In a



C P SURENDRAN

Poet, novelist, and screenplay writer. His latest novel is *One Love and the Many Lives of Osip B*



There is an explosion of poetry in India now, including the publication of large anthologies such as the one edited by poet Jeet Thayil. Scores of independent presses have come up; online publishing is flourishing too. But does the proliferation of poets translate into quality?

are as common as gatherings of crows. And anthologies, unlike in the past, compete to include rather than exclude.

The natural sense of loss, that out-of-place feeling that once perhaps defined a state of being of the compulsively marginal bard, is precisely what his or her updated version must dangle to attract the market. The endless festivals and readings and online meetings are the malls where you hope to buy a little fame in exchange for a lot of words you no longer can truly claim as true. What must jockeying of this type do to one's integrity? This unwavering and constant urge to sell?

Recent English anthologies edited by poets like Jeet Thayil or Sudeep Sen, or the *Yearbook of Indian Poetry* (last

edition edited by Sukrita Paul Kumar and Vinita Agrawal) run into many hundreds of pages. These are monumental efforts. Equally, these are great democratic exercises as well. But in the process, poetry itself might have been dumbed down. I could be wrong. But is a festival talking about this possibility?

Does the proliferation of poets proportionately translate into quality? It is hard to say because there are no longer any clear standards, save the one of the community that one has assiduously worked one's entry into. It might be too much to say that we are sitting on a heap of collapsed aesthetic values. But the idea persists.

"Go right to the bottom of the absence of love," says Houellebecq, "Cultivate self-hatred. Hatred of oneself, contempt for others. Hatred of others, contempt for oneself... In the tumult of life, always be the loser... To learn to become a poet is to unlearn how to live."

What the new poet is looking for is a stage, a studio, a mic, but not experience, that basic unit of art. We end up censoring even our thoughts to facilitate access to these dead objects. Our so-called literary endeavours must therefore embody more falsity than truth. And the logical culmination of the lack of individuation is the AI poet. The automaton poet, smoothed off all his edges, still making noises. The end of the extreme correct society is a robot. It cannot fail or fall. And it has no gender. It is correct because it has no conflict.

But without Man falling, there is neither the *Bible*, which to me is a handbook to the art of fall, nor Art. James Joyce's great words ring hollow: "To live, to err; to fall, to triumph, to recreate life out of life. A wild angel appeared to him, the angel of mortal youth and beauty, an envoy from the fair courts of life, to throw open before him... the gates of all the ways of error and glory. On and on and on and on!"

You believe those words, you will believe anything.

(Views are personal)
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international terrorism. The rise of the Afghan Taliban, the encouragement it has given to the Tehreek e Taliban Pakistan (TTP), and in the last five months the atrocities across Gaza after an equally obnoxious display of terrorism by Hamas against innocents in Southern Israel have all given rise to the sentiments that have gone into the making of fresh triggers. These have the potential to take the world back to the days of 9/11 and thereafter: Islamic radicalism is back and flourishing.

From Afghanistan as a base, Islamic terrorists have been able to strike Pakistan, Turkey and Iran. Afghanistan's Taliban government appears to be taking on the mantle once donned by Zia ul Haq and the ISI to be one of the lead sponsors of terrorism through motivation using the radical route. The Taliban is using its surrogate, the Tehreek e Taliban Pakistan (TTP) as the sword arm of this attempt to revive militant Islam and have greater control over it.

Al Qaeda has been quieter in comparison and is yet trying to re-establish its significance in the new strategic matrix that global revival of terrorism is trying to create. In the strange world of global terrorism, although there is little or no coordination, a live and let live norm seems to have come into existence, at least for now. The Af-Pak region, where the terror footprint is increasing by the day, will find state response increasingly weak and easy to overcome, given Pakistan's utter downturn in its security capability; that is a nation that fought terror through the conventional mode during Operation Zarb e Azb.

With the display of brazen capability to establish networks in Central Asia, execute acts in Russia's capital and remain capable of targeting the Iranian city of Kerman, even during an event in memory of national hero General Qassem Soleimani, the ISKP is demonstrating a creeping expansion. Recent exposes in India reflect the tip of the possible iceberg. The nation that should be most worried is China. Its counter terrorism experience is next to nil, except for the string of some very harsh measures in Xinjiang from where many of the fighters of the ISKP hail.

The second cycle of global terror will be countered by much greater experience, but much more technologies are also available to terrorists. Even with impending ceasefires in Ukraine and Gaza, it's unlikely that the world will witness too much peace as yet.

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MAILBAG

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Public sympathy

Ref: *The importance of being Arvind Kejriwal* (Apr 1). The author talks of how public sympathy has already turned to AAP's favour after the arrest of Arvind Kejriwal and his associates. His comments about "Lutyens ki duniya" being full of Modi bhakts is tragic. **V O Harindranathan, Chennai**

Washing machine

As the article rightly states, Praful Patel, who was accused for years by the BJP of wrongdoings, was exonerated the moment he joined the BJP. This proves the BJP acted as a washing machine as alleged by West Bengal CM Mamata Banerjee. Kejriwal was incarcerated based on a simple statement by an accused person who turned approver. **M Haneef, Kottayam**

Legendary women

Ref: *The legend of the first female Sufi saint* (Apr 1). Readers owe the author a huge debt for enlightening us on relatively unknown legends that existed. It is true there are very few female saints compared to males. I can readily recollect just three: Meera, Alvaiyar and, much later, Mother Teresa. May the world have more such legends. **Sukumar Mandalika, email**

Depleting groundwater

Ref: *Parched summer wake-up call for Kerala* (Apr 1). Deficiency in rainfall during the months of southwest and northeast monsoons in the previous year could also be the reason for the depletion of groundwater levels. In Kerala, the failure of the summer showers causes the temperature to rise to alarming levels, which in turn makes the situation worse. **V K Kumar, Thiruvananthapuram**

Extreme heat

This year, extreme heat has started taking a toll early. If end-March itself witnesses such high temperatures, what will the condition be in the coming months? People may start collapsing from heatstroke. Because of such high temperatures and the lavish use of water, groundwater levels are going down alarmingly. People should be educated on the judicious use of water. **PP Sahadevan, Nileshtar**

Revived opposition?

Ref: *INDIA bloc leaders flex muscles, rally behind Kejriwal and Soren* (Apr 1). Nearly a year after its formation in Patna, leaders of the INDIA bloc came together in a rally at Delhi's Ramli Grounds on Sunday. The arrests of CMs Arvind Kejriwal and Hemant Soren seem to have infused new life into the opposition. Will this turn the tables on the NDA? **George Jacob, Kochi**

The Tribune

ESTABLISHED IN 1881

China's name game

No let-up in Beijing's designs on Arunachal

WEEKS after Prime Minister Narendra Modi dedicated the strategically important Sela tunnel to the nation, China has released a list of 30 'standardised' names of places in the Indian state of Arunachal Pradesh. This is the fourth such list issued by the Chinese Ministry of Civil Affairs in the past seven years. Beijing claims that Zangnan — the Chinese name for Arunachal — is part of south Tibet. India has repeatedly rejected the assertions, with External Affairs Minister S Jaishankar saying that these were ludicrous to begin with and remain ludicrous today.

China had reacted sharply to the opening of the tunnel, which will provide all-weather connectivity to Arunachal's Tawang and is expected to facilitate faster movement of troops in the frontier region. Lodging a diplomatic protest, Beijing had said that India's move would 'only complicate' the boundary issue. The Dragon was also left fuming when the US reaffirmed Arunachal as Indian territory and opposed any 'unilateral attempts' by China to advance its territorial claims across the Line of Actual Control (LAC).

Ironically, the latest provocation comes on the heels of the 29th meeting of the Working Mechanism for Consultation and Coordination on India-China Border Affairs. Both sides had stated that there was an in-depth exchange of views on how to achieve 'complete disengagement' and resolve the remaining issues along the LAC. It's obvious that China is keeping up the façade of dialogue and communication while maintaining its intransigent position. While it is imperative for both nations to remain in regular contact through diplomatic and military channels, India cannot afford to let its guard down in view of the Chinese duplicity. New Delhi needs to be more vigilant to safeguard peace and tranquillity in the border areas.

Cong gets tax relief

Imperative to ensure a level playing field

THE Centre has given an undertaking to the Supreme Court that it would refrain from initiating coercive steps to recover the Congress' tax dues of more than Rs 3,500 crore till July. This development comes weeks before the first phase of the Lok Sabha polls. While offering a respite to the Congress, it raises pertinent questions about the politicisation of tax matters. The party's allegations of 'tax terrorism' by the ruling BJP underscore the broader issue of using the state apparatus for political advantage. The timing of the freeze on Congress funds and repeated income tax penalties are inseparable from the elections. The promise of no coercive action until after the polls may ease immediate financial pressures on the Congress, but it doesn't address the underlying concerns of fairness and transparency in tax law enforcement. The judiciary's role in adjudicating these matters impartially is pivotal to upholding the rule of law.

In this tumultuous political landscape, the 'Save Democracy' rally organised by the INDIA bloc on Sunday highlights various challenges facing our democratic institutions. The allegations of tax harassment and the criticism of the BJP's alleged attempts to stifle dissent have gone hand in hand with the clamour for the release of arrested Opposition leaders Arvind Kejriwal and Hemant Soren. Despite the recent discord within the Opposition ranks, the arrests have served as a rallying point, galvanising support for a united front. The bloc's demands to the Election Commission, including the cessation of actions by investigative agencies and a Supreme Court-monitored probe into alleged electoral malpractices, emphasise the need for institutional integrity and fairness in the poll process.

The public's trust in the democratic framework hinges on ensuring a level playing field for all political parties. Any perception of undue influence or manipulation undermines its foundation.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, WEDNESDAY, APRIL 2, 1924

Obstruction in Bengal

EXPERIENCE is, indeed, the best of schoolmasters. It has already, within a few days, made the Swarajists in the Bengal Legislative Council a great deal wiser. Their policy is no longer indiscriminate and wholesale obstruction, but selective and carefully thought out obstruction. This change from one policy to the other has been effected by gradual stages, which are in themselves an interesting study. First, there was the announcement that the Swarajists, with the help of their independent allies, had decided to throw out all supplies. In pursuance of this decision, one or two demands on reserved subjects were actually thrown out in toto. As soon, however, as the discussion of demands on transferred subjects began, a change was visible. But here again, the Swarajists were at first unrelenting. They began by opposing all grants, and it was only through the wise discretion of two or three independents that the demands were prevented from being wholly refused. And now the Swarajists themselves have given up wholesale obstruction, and although they gave notice of a good many motions for the total rejection of all grants, these motions, where transferred subjects are concerned, have all been withdrawn — such substantial cuts as have been made in these grants being the outcome of a very different policy. Thus, on Friday, of the 24 motions for the refusal or reduction of the educational grant, only one was moved, and that relating to an item on which public opinion in India has always been strongly against the Government's policy — educational inspection. The discretion thus shown by the party was not without its effect, and the grant under this head was reduced by nearly Rs 6.5 lakh.

OPINION

Prioritise humanitarian concerns

India, Pakistan must strive to ensure that the two juveniles' case is not repeated



VIVEK KATJU
FORMER SECRETARY, MINISTRY
OF EXTERNAL AFFAIRS

A report in *The Tribune* (March 30) gave an account of two Pakistani boys who are languishing in the Faridkot Observation Home for convicted juveniles and under-trials. The boys had 'strayed' into Indian territory in the Tam Taran area on August 31, 2022. They were acquitted by the Juvenile Justice Board on July 18, 2023. There was no indication of the action taken by the board or the Punjab authorities to ensure their early repatriation to their home country.

According to the report, Justice NS Shekhawat of the Punjab and Haryana High Court inspected the observation home in January this year. He found the boys' presence unwarranted and asked the authorities to make arrangements to send them back to Pakistan. They were taken to the Attari border on March 29, but Pakistani immigration officials declined to accept them because they did not have any directions from their authorities. The report stated that the Faridkot District and Sessions Judge had taken up the matter with the Ministry of External Affairs so that the juveniles could be sent home.

I have given a detailed account of this report as it vividly illustrates the fate of Indians and Pakistanis who inadvertently enter the other country's territory. There were times, especially when the bilateral relationship was going through a less hostile phase, when the Border Security Force and Pakistani Rangers, after ascertaining that the persons concerned



IMPERATIVE: Issues relating to fishermen, civilian prisoners and inadvertent border crossers should be seen through the prism of human rights. ANI

had mistakenly strayed, informally handed them over to the other side. The officials on the 'other side' questioned them, and if they were satisfied with their bona fides, they allowed them to cross over and go to their homes.

Once the border crossers are handed over to the police, the immigration laws are invoked and they are prosecuted and sentenced to imprisonment. This results in their spending many years in jail. That is sad for inadvertent border crossers. What is worse, they are compelled to spend time in custody even after they have served their sentences, or, as in this case, the Juvenile Justice Board has ordered that they be repatriated. Their cases are not given priority by the respective foreign ministries or other authorities. They simply become victims of the India-Pakistan relationship, which in such cases follows the time-honoured tradition of organising collective exchanges from time to time.

The fate of fishermen, civilian prisoners and inadvertent bor-

The NHRCs of both countries would be able to give this category of humanitarian matters higher priority than the diplomatic establishment.

der crossers is part of what in the India-Pakistan diplomatic lexicon is considered to be a humanitarian issue. Other matters within this rubric pertain to Indians and Pakistanis who wish to visit the other country for religious reasons or to meet relatives. Another issue is the intention of some Pakistanis to travel to India for medical treatment. The absence of effective diplomatic ties between the two countries since Pakistan's irrational response to the constitutional changes in Jammu and Kashmir in August 2019 has adversely impacted these

humanitarian issues. The only partial exception has been the visit of Sikh jathas to Pakistan on religious occasions.

The entire gamut of the India-Pakistan bilateral ties covers issues relating to (i) cooperation, such as in trade and commerce; (ii) addressing contentious matters such as Sir Creek, terrorism and J&K; and (iii) humanitarian concerns. When the bilateral relations were revived in early 1997 after a hiatus of over four years, the Pakistanis insisted that all issues should be addressed in an integrated manner. At that stage, Pakistan thought that India was interested in focusing on commercial and economic cooperation instead of resolving outstanding issues because if a strong pro-bilateral trade lobby developed in Pakistan, it would exert pressure on the establishment to put contentious issues, including J&K, on the back burner. Amidst this dichotomy, the political and diplomatic authorities did not give the attention to humanitarian issues that they deserved. Consequently, delays in releasing fishermen and civilian pris-

oners were overlooked. Sometimes, though, the courts in both countries have acted positively to help the victims.

This writer has had experience of dealing with India-Pakistan matters during his diplomatic career. I had advocated that humanitarian issues relating to fishermen, civilian prisoners and inadvertent border crossers should be seen through the prism of human rights and that the National Human Rights Commissions (NHRCs) of the two countries should be given the responsibility to handle them. This may require that Pakistan enact legislation to create an official body for this purpose, with its remit limited only to these matters.

The two bodies can decide, with the approval of other ministries and agencies concerned, on matters concerning consular access to confirm the national identity of fishermen and civilian prisoners. They can, thereafter, focus on how they would monitor cases of these categories of persons so that they can return very early after serving their sentences. This would naturally be in cases where citizens of the other country have been convicted.

The NHRCs of both countries would be able to give this category of humanitarian matters higher priority than the diplomatic establishment. This would also insulate these issues from the status of the bilateral relationship. Beginning with these issues, they may also generate confidence to offer suggestions on matters relating to visas for relatives and other categories too. Naturally, those accused of or convicted of espionage or terrorism would not be within the remit of the suggested mechanism.

The two countries must strive to ensure that a case such as that of the two Pakistani juveniles in Faridkot is not repeated. And Pakistan should take them back immediately so as to reunite them with their families.

THOUGHT FOR THE DAY

We are defined not by our borders but by our bonds. —Barack Obama

The dental nightmare

COL PS RANDHAWA (RETD)

AMERICAN poet Ogden Nash said: 'Some tortures are physical and some are mental. But the one that is both is dental'. God forbid if you are in the US or a European country and you have to undergo dental treatment. It will definitely punch a hole in your pocket and upset your budget for the next few months.

I recently visited the US to be with my daughter. She had severe dental pain, and it affected more than one tooth. She had overlooked the problem for quite some time, but I was quite concerned to see her inability to chew hard food. On my insistence, she visited a dentist to get herself treated under the available insurance plan.

She came home exasperated. She said the bill for dental treatment under her medical plan would turn out to be \$12,000. I was shocked. With half of this amount, she could fly to India, get her treatment done, and return in business class. No wonder for most NRIs who visit India, dental treatment is usually on the to-do list.

An old friend of mine, who had migrated to the US, narrated his woeful but amusing tale of dental treatment abroad. The filling of his molar had worn off, and he was unable to bear the pain. He had no option but to visit the dentist. As he could only converse in rudimentary English, he took along somebody who could explain his problem to the dentist.

The dentist, who happened to be an immigrant from East Asia, was told about my friend's English handicap. As he settled in the patient's recliner and the doctor examined his teeth, the latter asked him what he wanted. With the dentist's tools still in his mouth, my friend said: 'Fill'. The doctor heard it as 'pull'. He sought confirmation from the patient and asked, 'Pull?', to which my friend nodded. He quickly administered local anaesthesia to the patient and proceeded with the treatment.

After the job was done, the patient was devastated to find a gaping hole instead of an aching tooth. The post-operation chaos had to be seen to be believed. He started arguing with the doctor in half Punjabi and half English. He was fuming in sheer disbelief. His trusted partner rushed in, only to realise that this whole matter was just a 'fill vs pull' comedy of errors. Minus one tooth, my friend vowed never to go for dental treatment abroad.

LETTERS TO THE EDITOR

Weaponisation of govt agencies

The arrest of Delhi CM Arvind Kejriwal has ignited a firestorm across party lines. The Opposition, once fragmented, now stands united, pointing fingers at PM Narendra Modi and the ruling party. Kejriwal, a vocal critic of Modi, finds himself ensnared in graft allegations in the run-up to the national polls. His party has labelled the case politically motivated. Congress leader Rahul Gandhi's claim that PM Modi is trying to do match-fixing in the election has found favour with many voters. This is no ordinary election. It is a battle for our nation's soul. Government agencies must not be allowed to become weapons for the Centre.

SEWA SINGH, AMRITSAR

Polls a chance to save democracy

AAP national convener Arvind Kejriwal's arrest underscores a disturbing trend in Indian politics. PM Narendra Modi's government stands accused of orchestrating a campaign of intimidation and harassment against its political opponents. The timing of the arrest — just weeks before the General Election — raises serious questions about the integrity of the electoral process. The Opposition's united front against the tactics of the current regime signals a critical moment in Indian democracy. The alleged 'match-fixing' strikes at the heart of free and fair elections. This election will give the voters a chance to safeguard the principles of democracy and uphold the rule of law.

SAHIBPREET SINGH, MOHALI

The downfall of Congress

Apropos of the news report 'INDIA puts up unity show in Capital, urges people to restore democracy', the Congress has been reduced to playing second fiddle. It has failed to reach good seat-sharing deals with its INDIA bloc allies. This has hit the morale of the party's local leaders and workers. It is imperative that the grand old party regain its momentum and the INDIA grouping find a substantial agenda to be able to present itself as a strong Opposition alliance. Just being anti-Modi or anti-BJP is not enough to win over voters.

BHRIGU CHOPRA, ZIRAKPUR

India not the right mediator

Apropos of the editorial 'Ukraine beckons', the argument that India could be a potential mediator in the conflict because it does not blame either side and has consistently insisted on dialogue and diplomacy sounds convincing. But New Delhi's strategic proximity to Moscow is quite remarkable. And India's supposed neutrality may be viewed with suspicion because of its obvious leanings toward Russia. Further, India has failed to condemn the obvious wrongs committed by the two warring nations. India doesn't want to jeopardise its bilateral ties with Russia, which makes it difficult for it to mediate and hammer out a peaceful solution without displeasing its close ally.

ROSHAN LAL GOEL, BY MAIL

Break the nexus of mining

With reference to 'Illegal mining', the Haryana Government's SOP with regard to the menace is baffling, to say the least. The nexus between those involved in illegal mining and the local administration and law enforcement agencies is an open secret. Usually, cops are hand in glove with miners. That is why the police look the other way as illegal mining continues unabated. The miners' misdeeds must not be ignored. It is worth noting how mining in the Aravallis has damaged the environment and disturbed the ecosystem there. It is high time that the state government took corrective measures and dealt with the culprits stringently.

BAL GOVIND, NOIDA

Probe Supriya's post on Kangana

Lieut Governor (L-G) VK Saxena recently directed Delhi Police Commissioner Sanjay Arora to carry out a thorough investigation into a social media post by firebrand Congress leader Supriya Shrinete against Bollywood actor and BJP candidate Kangana Ranaut. It was allegedly a bid to outrage the modesty of a woman. And it is hard to digest Supriya's claim that someone else who had access to her social media account was behind the objectionable post. The police must probe the matter and identify the culprit. Further, if someone other than Supriya was responsible, she must take appropriate legal action.

UPENDRA SHARMA, BY MAIL

Let's value the ethos of libertarian education



AVIJIT PATHAK
SOCIOLOGIST

FOR quite some time, I have been witnessing the transformation of a young student I am deeply attached to. There was a time when he was playful. From cycling to football, or from reading good literature to writing reflexive essays and short stories — he was filled with abundant creative energy. However, these days, it seems, he remains perpetually tense, fearful and discontented. He recently appeared in the Class XII board examinations. Yet, there is no relief. He is worried because he could not answer a five-mark question in the physics paper. He is worried because he is not very sure whether he would be able to get at least 97 per cent marks in the exam. And moreover, the anxiety over a series of standardised tests — JEE, NEET, CUET — he has to confront to prove his 'worth' seems to have taken away his laughter, his lightness, his sleep and his life energy.

However, this is not just his story. If you move around, converse with young students and listen

to the tales of their everyday struggle — from schools to coaching centres — you are bound to feel that a toxic culture of education is destroying our children, robbing them of their joy and curiosity, and creating a restless/unhappy generation.

Why do I say that what this generation is receiving in the name of education is toxic? There are four reasons. First, the excessive importance it attaches to tests and exams diminishes the joy of learning. While a meaningful culture of engaged learning demands a reasonably relaxed social and pedagogic environment for self-exploration and inner growth on the basis of one's unique aptitude and skills, the reckless pressure to judge, rank and quantify one's 'knowledge' of physics, mathematics or English through the never-ending cycle of weekly/monthly/yearly tests, or the chain of hugely problematic standardised tests disturbs the rhythm of learning, and causes stress, fear and chronic mental agony. Second, it disturbs the rhythm of social connectivity and the spirit of collaborative and dialogic learning. Instead, the virus of hyper-competitiveness and associated traits of envy, loneliness and selfishness pollute the mental landscape of young students.



RAT RACE: Nothing is more tragic than to lose one's unique talent and aptitude in the name of treading the path followed by 'successful' students. PTI

Because of this culture of education, it becomes exceedingly difficult for our children to learn the civic virtues that a healthy/democratic society needs to sustain itself — humility, empathy and the art of collective elevation through dialogue, cooperation and the ethic of care. Third, as it is obsessed with 'success stories' (imagine the instant 'stardom' that transforms the 'toppers' of board exams or much-hyped tests like NEET and JEE into some sort of mythological figures), it invariably manufactures

Every year, we are compelling thousands of youngsters to believe that they are good for nothing since they cannot crack the much-hyped tests

the tales of 'failures' amid these shining 'stars'.

Yes, every year, we are compelling thousands of youngsters to believe that they are good for nothing since they cannot crack these tests, and thereby incapable of becoming doctors and engineers; we are forcing them to live with stigma, low self-esteem, wounded selves and suicidal tendencies. And fourth, this culture of education is toxic because it is one-dimensional. As purely instrumental reasoning is celebrated, and a high-paid job in the techno-corporate

empire tends to become the only purpose of being 'educated' and 'meritorious', what we witness is the systematic erosion of the dignity of other forms of work. Furthermore, it devalues the ethos of humanistic education. Possibly, policy-makers and academic managers who run the show are planning to nurture a generation specialised in, for example, robotics and artificial intelligence, but utterly indifferent to the treasure of great poetry, literature and spiritual/philosophic texts that seeks to awaken our souls, and take us from darkness to light, or from egotism to altruism. Indeed, here is a generation technically skilled but morally impoverished. This is the ultimate irony.

I am not very sure whether it will ever be possible to save our children from this toxic culture. Yet, with the 'optimism of the will', we — as teachers and parents — need to raise our voice and create a new discourse on education. It is important for those who still love the vocation of teaching to assert the importance of libertarian education or the ethos of a democratic classroom. Unless we as teachers stand up, work on ourselves, play the role of self-confident/awakened educators and public intellectuals — neither cogs in a bureau-

cratic machine nor passive followers of the policies formulated by a set of technomanagers and corporate elites who are completely detached from the world of children or the dynamics of teaching as well as learning — and initiate a movement for saving education, there is no hope. Likewise, it is important on the part of the parents to realise and appreciate the fact that every child is unique, and there is no uniform, measurable and standardised notion of 'merit' or 'intelligence'. There is nothing unnatural if your child does not like science; it is not her fault if she hates tests like the 'Mathematics Olympiad'. An empathic understanding of her inner world might enable you to realise that she is possibly endowed with yet another kind of talent or merit — say, in painting, music, farming, or even social work. When do we realise that there are moral limits of markets, and there is nothing wrong if our children remain happy even in relatively low-paid jobs which are in tune with their unique aptitude?

Nothing is more tragic in life than to lose one's unique talent and aptitude in the name of treading the path followed by 'successful' students in the neurotic rat race that the toxic culture of education has normalised.

India reaffirms commitment to boosting ties with ASEAN



GURJIT SINGH
FORMER AMBASSADOR

EXTERNAL Affairs Minister (EAM) S Jaishankar reaffirmed India's partnership with the Association of Southeast Asian Nations (ASEAN) with recent visits to Singapore, the Philippines and Malaysia.

Within the past year or so, he has interacted with his counterparts from most ASEAN nations. He met Thailand's Foreign Minister (FM) Parnpree Bahiddha-Nukara in February at the 10th India-Thailand Joint Commission meeting in India. He had visited Indonesia for the ASEAN and the East Asia Summit ministerial last July, where he met the FM of Indonesia, Laos and Malaysia. He followed it up with a visit to Thailand, which featured a ministerial meeting of the Mekong-Ganga Cooperation. He visited Vietnam in October, while the King of Cambodia was in India in May last year.

As India's coordinator with ASEAN, Singapore is vigorously promoting the relationship. Singapore remains the largest conduit for ASEAN-India investments. With

Malaysia, the relationship is back on an even keel after then Foreign Minister Zambry Abdul Kadir visited India in November last year. With Jaishankar's recent visit, the two nations are particularly looking to consolidate the economic partnership. Malaysia will chair ASEAN next year.

The India-Philippines ties are on the upswing during the tenure of President Ferdinand Marcos Jr. The Philippines' Secretary for Foreign Affairs Enrique Manalo visited India last June. The strategic coherence and defence cooperation with the Philippines are now perhaps the best among all ASEAN nations. The Philippines is the first ASEAN country to which India exported BrahMos missiles. It is also exploring other avenues for purchases from India. It will be the country coordinator for India-ASEAN later this year.

The context of these visits is the consolidation of the bilateral engagement with the countries that will chair ASEAN and coordinate the India-ASEAN partnership.

Singapore, India's major economic interface with ASEAN, leads the digital interaction. Singapore FM Vivian Balakrishnan said during the India-ASEAN meeting in June 2022 that ASEAN looked to India for public health support, food security and digital interface.

Singapore, which has already signed an agreement for link-



OUTREACH: External Affairs Minister S Jaishankar (left) met Philippines President Ferdinand Marcos Jr in Manila on March 26. PTI

agewith the UPI, is leading the ASEAN unified interface for digital payments with which India could be associated. With Singapore being a major source of ASEAN investment in India, New Delhi is looking forward to the next stage of supply-chain building.

During Mahathir Mohamad's rule, Malaysia cocked a snook at India, cosy-ing up to Pakistan and Turkey and trying to rile New Delhi with statements on Jammu and Kashmir. The new government, which is more pragmatic, is engaging India positively. During his visit to Kuala Lumpur, the EAM met CEOs and spoke about the next level of business and entrepreneurial engagement for which India would be prepared. Malaysia will have a campus of IIT-Kharagpur, showing that

India is being more vocal in its support for the Philippines' sovereignty and integrity, while being ready to provide defence equipment that Manila requires for its protection.

India-Malaysia-ASEAN science & technology and human resource development cooperation is progressing apace.

Jaishankar's visit to the Philippines coincided with the arrival of an Indian Coast Guard ship, Samudra Paharedar, at Manila Bay. New Delhi's trade with Manila has finally hit the \$3-billion mark, still among the lowest for large ASEAN countries. There are efforts by the Philippines to woo Indian companies into investing and pursuing contracts.

The Philippines is challenged on a daily basis by the Chinese coast guard, while it tries to service outposts on islands. The strength of the Philippine coast guard is inadequate to push the Chinese out. The Philippines strengthened its relationship

with Japan and the US to augment its old bases, obtain more equipment and engage with them as part of its overall regional policy.

The northernmost Philippine bases, which the US runs, could be an asset in case of a Taiwan crisis. Tokyo has made Manila the test case for its new official security assistance and providing equipment to the Philippines. Australia and the Philippines also have a vibrant relationship.

India has openly said that it supports the 2016 arbitral award in favour of the Philippines. Jaishankar did not mince words while talking about the validity of the UNCLOS (United Nations Convention on the Law of the Sea) and the sanctity of a free and open Indo-Pacific, which would legally protect the Philippines from Chinese aggression. India is being more vocal in its support for the Philippines' sovereignty and integrity, while being ready to provide defence equipment that Manila requires for its protection.

The recent visits come months after the 20th India-ASEAN summit held last September in Jakarta, where PM Modi enunciated a 12-point programme for enhancing the India-ASEAN partnership. Now, New Delhi is pursuing individual ASEAN member states to implement parts of the programme in which they are interested.

Besides, Singapore has already announced its support

for the Indo-Pacific Oceans Initiative, which the Philippines is also keen on. Malaysia remains circumspect because of tensions in the South China Sea, whereas the Philippines is outspoken about the problems caused by China. Brunei and Malaysia follow a policy of not challenging China openly. Therefore, in the case of Malaysia, the Chinese shadow does not really come up like it does for the Philippines.

In the case of Singapore, there is greater realisation that putting all its eggs in the Chinese basket will not work. India is moving forward rapidly on several counts. ASEAN in general and Singapore in particular need the Indian market for further growth.

Besides the programme agreed upon with ASEAN, there is also a joint statement on maritime and food security. Apart from the aspect of maritime security, an exception has been made to India's ban on the export of rice to provide the Philippines with emergency rice supplies. Similar exceptions were made for Singapore, Malaysia and Indonesia earlier.

India is clearly rising to the challenge that China presents in the region and is offering steady support. The framework agreements with ASEAN are in place, including a joint statement on cooperation in the Indo-Pacific. Now, efforts to scale up the partnership with like-minded countries are receiving a positive response.

QUICK CROSSWORD

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ACROSS

1 Author of the Canterbury Tales (7)

4 Protect by insurance (5)

7 Be gloomily depressed (4)

8 Immaculate (8)

10 When the need arises (2,8)

12 Scavenging wild dog (6)

13 Precarious (6)

15 Transparent (3-7)

18 Enjoying prosperous life (2,6)

19 Side post of doorway (4)

20 Bird's nest in mountain (5)

21 Matter under discussion (7)

DOWN

1 Small strong character role (5)

2 Golf shot to the green (8)

3 Tranquillity (6)

4 Take risks for sake of speed (3,7)

5 Change direction (4)

6 Interval of rest (7)

9 Barely attain objective (6,4)

11 Soak thoroughly (8)

12 Run around in stolen car (7)

14 Accentuate (6)

16 Customary practice (5)

17 Mark left by wound (4)

YESTERDAY'S SOLUTION

Across: 1 Torchbearer, 9 Infidel, 10 Least, 11 Yarn, 12 Cavalier, 14 Lissom, 16 Advent, 18 Check out, 19 Oral, 22 Enter, 23 Measure, 24 Front-runner.

Down: 2 Offer, 3 Code, 4 Ballad, 5 All hands, 6 Evasive, 7 City slicker, 8 Storyteller, 13 Looker-on, 15 Shelter, 17 Murnur, 20 Rouse, 21 Fawn.

SU DO KU

824

217

143

896

78

65

862

513

947

63

85

26

YESTERDAY'S SOLUTION

239645187

684917523

715382469

967153842

523864791

148729635

451296378

396578214

872431956

CALENDAR

APRIL 2, 2024, TUESDAY

■ Shaka Samvat 1946

■ Chaitra Shaka 13

■ Chaitra Parvishite 20

■ Hijari 1445

■ Krishna Paksha Tithi 8, up to 8.09 pm

■ Parigha Yoga up to 6.35 pm

■ Purnvashadha Nakshatra up to 10.49 pm

■ Moon enters Capricorn sign 4.37 pm

■ Sheetashatami

FORECAST

SUNSET: 18:42 HRS

SUNRISE: 06:09 HRS

TUESDAY

WEDNESDAY

CITY

MAX

MIN

Chandigarh

31

18

New Delhi

35

18

Amritsar

29

15

Bathinda

30

16

Jalandhar

29

15

Ludhiana

31

17

Bhiwani

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Hisar

32

17

Sirsa

32

18

Dharamsala

25

12

Manali

18

05

Shimla

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12

Srinagar

19

06

Jammu

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16

Kargil

10

-01

Leh

10

-03

Dehradun

31

14

Mussoorie

20

09

TEMPERATURE IN °C

How to Disconnect in The Connected Age

Best decided between employer and employee

A law to disconnect after work, which California is considering, has a basis in three universally accepted rights pertaining to working hours, rest and privacy. Yet, the simple act of ignoring a call, message or mail from your boss is based on a complex interplay of factors that involve the nature of business you are in, the urgency of the communication, and the extent of remote work you are engaged in. Rules cannot be the same for doctors and accountants or, for that matter, travelling salesmen. Which is why France, where the right first found its way into law, has left it to be decided between employer and employee, without sanctions against offenders.

Granted, disconnection is the equivalent of the 8-hour workday rule in the digital economy. It affects a much larger share of the workforce than those who need to travel longer than usual to report for work. If inordinate commuting finds its place in the statute books, so should digital curfew after work. Problem is, how does one enforce it? It's not a matter of a multitude of workers filing out of the factory gates to the sound of a siren à la Chaplin's Modern Times, but one-on-one interactions behind company firewalls.



With communication becoming ubiquitous, there is no way to switch off physically. It has to be a judgement call, subject to interpretation.

Better ways will need to be devised to enforce the right to disconnect digitally. Otherwise, the rights to leisure and privacy cannot be defended in their entirety. Large companies can lead the way by drawing up self-enforceable contracts with employees. A template has to evolve covering large parts of the wage economy. States must have a mechanism to intervene when negotiated terms are broken. Workers' rights should not be allowed to fall too far behind the evolution of technology and business. To that extent, the legal support California is proposing — almost a decade after several European countries wrote it into law — is a welcome development in the US, which has contributed the most to digital leg-irons for workers.

What a Waste Food Waste Is, Stop It

Food waste by households and retail units is growing. Globally, an estimated 1.05 bn tonnes of food was wasted in 2022, compared to 931 mn in 2019, according to the UN Environment Programme's 2024 Food Waste Index Report. While 19% of food available to consumers is being wasted, some 783 mn people are going hungry across the world. And it is no longer just the rich world's problem. The gap in amount wasted is 5-7 kg per capita, with households in middle-income countries wasting more.

India is not immune. Average household food waste is 55 kg a year, an increase of 5 kg since 2019. Food waste will rise as India's middle class grows. Reducing food waste will require improving household-level storage, and cold chain and storage facilities from farm to market. This will increase shelf life for fresh produce, decoupling food waste and affluence, encouraging a culture that minimises food waste, and developing mechanisms for redistribution of unconsumed food from retail and food service units. Local authorities must be empowered to build partnerships with stakeholders and communities to track food waste and reduce it.

Countries agreed to halve per-capita global food waste at the retail and household level by 2030. But doing it is proving to be difficult. Measuring and tracking food waste is uneven. Reducing food waste must become a priority. The world literally throws away more than \$1 tn worth of food every year. Add to the bill, resources used for producing the wasted food — water, land, fertilisers, etc. The other cost food waste imposes is through greenhouse gas emissions — 8-10% of global emissions. Unless conducted on a war footing, the problem of food waste, along with rising emissions, wasted resources and hunger, will only get bigger.



JUST IN JEST

Wuhan is trending, this time with people in their 'trendiest' look in office

Junk Officewear, It's Gross Gear to Work

Guess who's back in the news? It's Wuhan. That Chinese town. But before you start digging out your face masks and vaccine certs, hold on to your hats. This time, Wuhan isn't about any nasty virus. Instead, the city's new fashion code is going viral. Young professionals are discarding stuffy suits and ties, and strutting into their offices in pyjamas, sweatpants and sleepwear. And, no, they are *not* lazy.

Welcome to the era of Generation CoZy, where comfort reigns supreme and individuality is the name of the game. Who needs formal attire when your job involves looking at a blue screen all day and meeting colleagues over a virtual session, they rightly ask. This shift in wardrobe represents more than a fashion choice. It's a lifestyle, a movement towards a more spartan, laid-back existence. It's a progression of China's 'lying flat' movement, a rebellion against the rat race of traditional work culture. And where better to showcase these daring ensembles than on Xiaohongshu, China's Instagram? A thread dedicated to 'gross outfits at work' has become the talk of the town. But amid the chaos of business meetings in bunny slippers, and conference calls from the comfort of a cosy duvet nest, one thing's for sure: even the most serious of corporate bigwigs would raise a sleepy-eyed salute to this merger of two Covid-era legacies: WPH and WFO.

FAMJAM Sidestep the tangles investment decisions in family businesses can get mired in Business, Nothing Personal



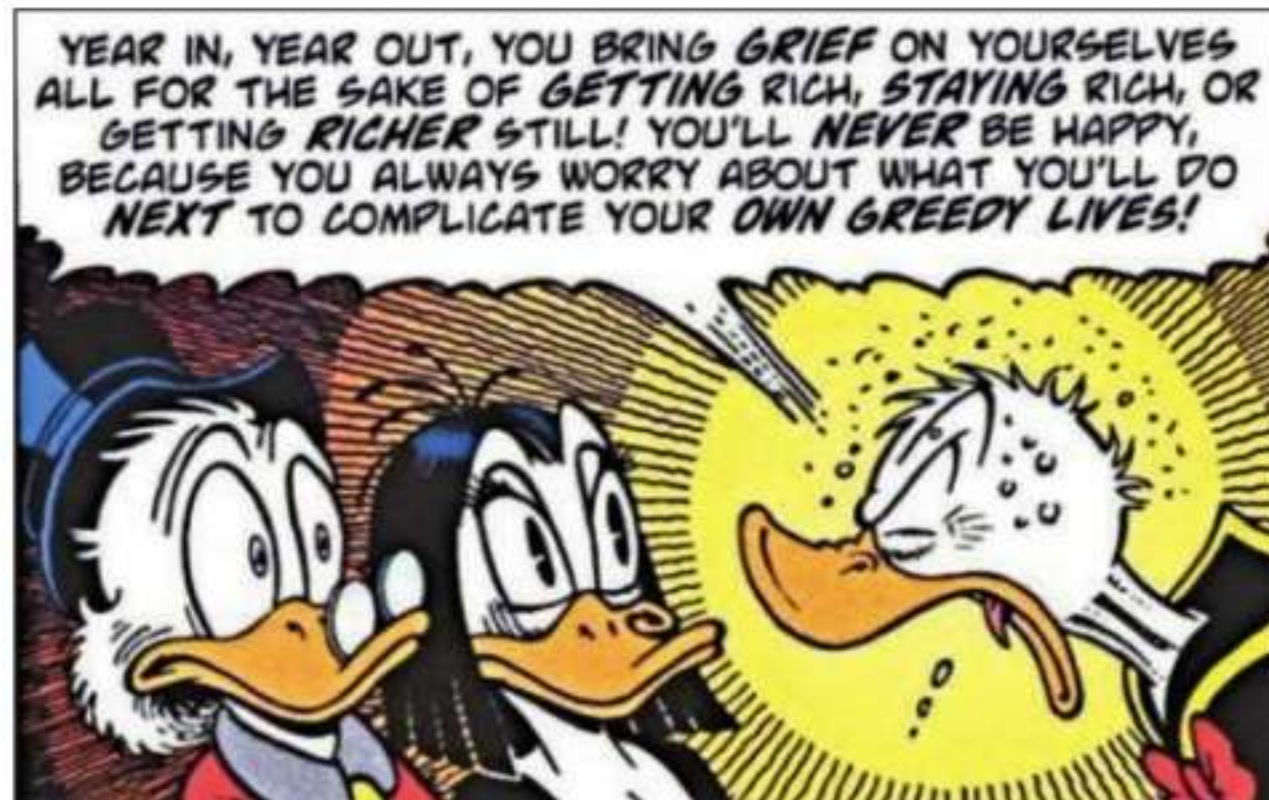
Harsh Mariwala & Tatwamasi Dixit

In non-family businesses, capital allocation is typically determined based on data and business acumen. In family businesses, the process is seldom as straightforward. Balancing business goals with family obligations — such as catering to various life stages and lifestyles, and accommodating individual aspirations — becomes paramount in capital allocation decisions. Carefully assessing mindsets and idiosyncrasies of family stakeholders also becomes central to these deliberations.

In a family business, there's no guarantee that all capital allocation leads to optimum profit-making. Capital may be allocated for the promoter's passion projects, to feed the ego of attention-seeking disruptive family members, to maintain loss-making but sentimental businesses, or to maintain harmony in relationships. When decision-makers operate from unconscious cognitive biases, it's inevitable that they lose perspective. These aspects are often not spoken about. Yet, they significantly influence the capital allocation process.

► Growth or greed Entrepreneurial businessmen possess an unquenchable thirst for growth. Trailblazers are constantly seeking improvements, creating abundance along the way. However, this pursuit can also breed unhealthy power dynamics, arrogance and lack of balance. When ambition lacks balance, it can morph into self-centred greed. Growth initiatives driven by desire for power, comparison, unhealthy competition or rivalry often result in long-term failures. If left unchecked, greed can result in unmanageable debt, and eventual decline of the family business.

Power plays a vital role in investment decisions, particularly when business owners and decision-makers act as power centres. They may make financial decisions with minimal analysis solely to assert their power. Such actions not only disrupt fair collabora-



Clearing the air in the boardroom

tion with other family members but also jeopardise the business' growth by prioritising personal advantage over collective success.

► Disconnect Successful founders possess the capacity to operate with a deep understanding of the business at its core. They have mastered the art of staying connected to every intricate detail of business operations, and their decisions regarding growth and diversification are always grounded. However, as generations progress, and wealth, position, power and politics come into play, promoters become increasingly disconnected from reality.

There is a significant lack of alertness and agility when decisions are based on data filtered through various structures and layers. Effective capital allocation and business acumen for growth require both macro- and micro-level connections. When strategic capital allocation decisions are made from this disconnected space, it impacts growth.

► Purpose alignment How family directors decide on capital allocation is very important. One of the best practices is to create consensus around 'purpose of family business'. Aligning this fundamental criterion is the starting point of the

capital allocation process. This ensures that diverse motivations, strategies and perspectives are all transparently discussed to invoke commitment. The capital allocation process varies, depending on the agreed purpose:

► Family businesses aspiring to perpetuate across generations, adapting a custodian mindset, make long-term investments. Growth is balanced by retaining ownership control at any cost.

► During a specific phase of the business' life cycle, a need for diversification arises. It becomes imperative to allocate resources judiciously for new ventures.

► In few family businesses, it is common to notice that capital allocation



Power plays a vital role in investment decisions. Business owners and decision-makers may make financial decisions with minimal analysis solely to assert their power

decisions are made to cater to individual aspirations of certain family members and to harmonise relationships. Under such conditions, resorting to a fair process becomes mandatory.

► It is imperative for business families to address evolving lifestyle needs across generations by allocating the required capital, necessitating careful planning and establishment of adequate corpus. It is also imperative to establish specific governance systems.

► Governance framework Once clarity is attained regarding the 'why' and 'what', attention turns to the 'how'. Good governance demands setting up fora such as family business council (FBC), family office board (FOB), shareholders committee (SHC) and investment committee (IC).

While FBC is responsible for envisioning capital requirements to drive business growth, FOB is responsible for forecasting the budget for family needs, such as promoter-level debt reduction, corpus for new ventures, funds for living cost and philanthropic initiatives. SHC has to play a crucial balancing act of protecting and building economic value, as well as fulfil familial needs while engaged in capital allocation.

► While large family businesses can afford to set up various governing fora, it may not be feasible for small family businesses to do so. They should learn how to wear different hats while dealing with different subjects. When they wear the business manager's hat, they think what is right for the business. When they wear the family hat, they tend to focus on what's required for the family. The shareholder's hat helps them perform a balancing act, catering to both business and family needs.

► When family members engage themselves in the capital allocation process, they may lose objectivity. Which is why they should bring in external independent professionals to various fora to offer external perspectives and insights to establish objectivity.

Traditional metrics like ROI, IRR, net worth and free cash flow often fall short in the nuanced landscape of family businesses while engaged in capital allocation. Success hinges on the delicate equilibrium between data-driven analysis and intuitive understanding — logic meeting instinct.

Mariwala is chairman, Marico, and Dixit is founder-mentor, Family Business Research International Centre (FABRIC)



Holiness And Piety

SUMIT PAUL

A tourist says to his guide, 'You must be proud of your town. I was especially impressed by the number of churches in it. Surely, the people here must love the Lord.' 'Well,' says the cynical guide, 'they may love the Lord, but they sure as hell hate each other.'

Jonathan Swift aptly said, 'We have just enough religion to make us hate, but not enough to make us love one another.' It's really ironic that as religiosity is on the rise, hatred and fights in the name of religion and god are also increasing rapidly.

Once Persian mystic Khashani was eating dates during the daytime in the holy month of Ramadan. Seeing this, a holier-than-thou said, 'What are you doing? You're not observing roza, fast?' He cursed and abused Khashani and went away. The great mystic looked skyward and said, 'I'm eating dates instead of fasting and thanking you. And there are people who abuse their fellow beings in the holy month. Oh Allah, tell me what's holiness?'

Holiness and piety are two of the most sacred human traits that are independent of religion and god. A person once asked the Buddha, 'Can humans be holy and pious without any faith in god and religion?' The Buddha said, 'My whole philosophy is based on this. You can be holy and pious without being religious and god-centric.' Once you're aware of your intrinsic holiness and piety, all hatred caused by religion will peter out eventually.

Chat Room

Job-Making is an MSME Speciality

Apropos the Edit, 'Think Beyond Mfg For More/Better Jobs' (Apr 1), the employment intensity of MSMEs is higher than that of large capital-intensive units. It is estimated that an investment of ₹7.72 lakh is required to create a job in an MSME, compared with ₹5.56 lakh in a large enterprise. MSMEs contribute 50% to India's exports, originating from employment-intensive sectors such as textiles, leather and jewellery. GoI should introduce a PLI scheme for medium units to incentivise exports, and encourage small units to scale up operations and move into the medium category. This will further boost employment and exports.

CHANDER SHEKHAR DOGRA
Jalandhar

Vocal Govs and Silent Investors

This refers to 'India Serves Demarche to US After Remarks on AAP Chief' by Dipanjan Roy Chaudhury (Mar 28). The MEA has rightly taken the comments by Germany and the US on Arvind Kejriwal's arrest as interference in India's internal affairs. Be that as it may, this exchange is also being watched keenly by potential and existing investors from these countries. While the size of the Indian market is incentive enough for most investors, a rules-based government inspires more confidence than just the market size. It may be worthwhile for Indian agencies to time their actions better and with more certainty.

RAJ KHALID
Mumbai

Critics, Fans Don Coloured Glasses

Apropos 'Is the Critic Wrong Or Right? Neither, Dear Film Fan' by Anna M M Vetticad (Mar 31), there has been an evolutionary change in the judgemental characteristics of cine-goers and film critics from the post-Independence times' critics of film magazines like, say, Filmindia. Back then, objectivity and deep evaluation of a film characterised reviews. Today, critics have their favourites, particularly after the rise of Amitabh Bachchan and later the troika of Khans. Modern movie fans, too, are extremely subjective and intolerant of any adverse comments about their idols. These blindly committed groups are better ignored.

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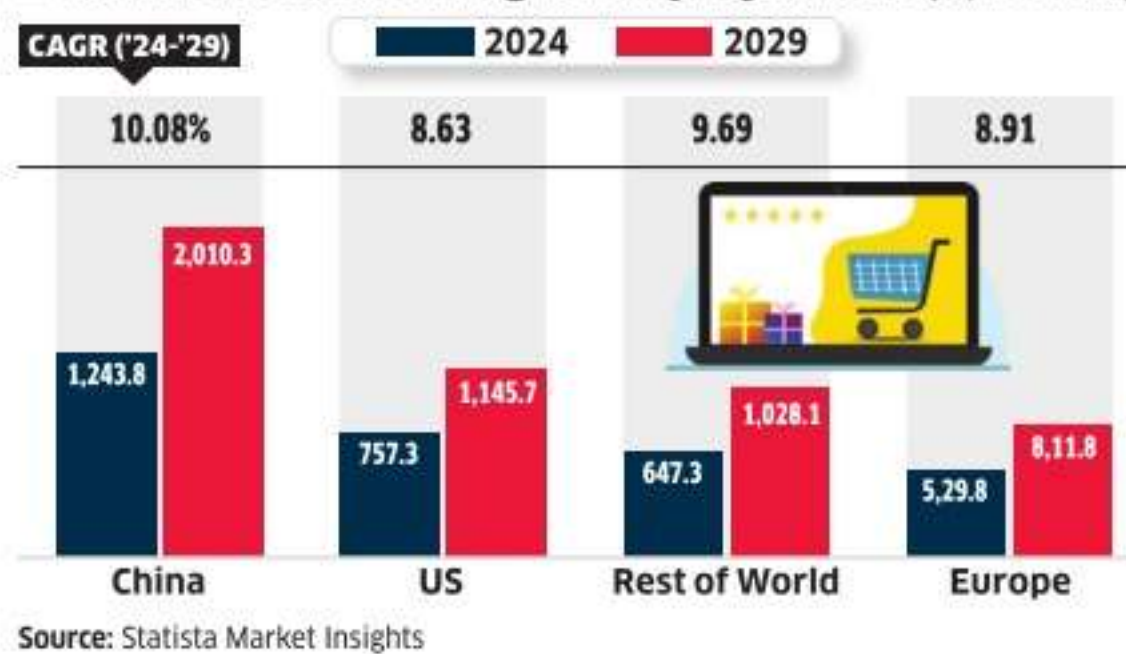
ChatGPT SHAIRI OF THE DAY

There are some forecasters bold,
Who're predicting extreme heat to unfold.
As elections draw near,
Dire warnings, oh dear,
Many are putting their voting on hold.

Global e-commerce sales

Global e-commerce sales are expected to reach \$3.18 trillion this year, according to figures from Statista Market Insights. Sales in China, the biggest e-commerce market, are estimated to be \$1.24 trillion, and are projected to exceed \$2 trillion by 2029. Markets excluding China, the US and Europe are together expected to register sales of more than \$1 trillion this year, slightly less than the US figure. A snapshot...

E-commerce sales and growth projections (\$, billion)



Bell Curves ■ R Prasad



Thomas always reads terms and conditions carefully before investing.

Scrap the 'WiDef' Tag



M C Govardhana Rangan

Transformation of the Indian banking sector over the past three decades has been nothing short of revolutionary. It was an achievement of sorts to have one's own cheque encashed at the teller, while consumer loans as a product were still in the distant future. Now, it takes a few seconds to transfer crores online, while loans are readily available for a millennial to zip around town on a motorcycle.

Many laws governing the industry have also evolved to accommodate rapid changes that are driving innovation at breakneck speed. However, some attitudes among bankers and regulators have lagged behind, and don't reflect the digital age.

One such laggard is the 'wilful defaulter' label. This classification is unique to India among all big economies, and it defies logic in the era of data analytics and AI. A wilful defaulter is a borrower with enough money but isn't repaying banks. The dubious category also includes those that siphoned funds and left businesses high and dry.

The issue is back in the spotlight with Bombay High Court's recent ruling in the 'Milind Patel vs. Union Bank of India and Others' case. The court said banks and financial institutions that seek to declare the occurrence of 'wilful default' must identify identification committees and review committee members, and share the reasoned orders passed by these committees.

In April 1999, at the behest of CVC, RBI directed banks to share details of wilful defaulters above ₹25 lakh to prevent them from receiving fresh funding. The

same year, it told banks, 'The main business of banking would, over a period of time, become unachievable if the policies of banks do not include computerisation as one of their main activities.'

Reading the two circulars together tells you that the concept of barring wilful defaulters from using banks was conceived in an era when banks were not computerised. Let alone one bank not knowing the status of a borrower in another bank, it was a time when data from two nearby branches of the same bank was unavailable to each other.

Should RBI in 2023 be issuing circulars on the matter? And do banks need to take this half-hearted approach to do their primary task: recover funds?

Between 1999 and now, banks' toolkit for recovering funds has grown and become more effective.

► In 2002, banks were given Sarfaesi Act 2002 to legally seize assets of defaulters and recover money.

► The recovery mechanism was further strengthened with IBC in 2016, which put the fear of god in defaulters because it showed how billionaires who once played the banking industry saw their empires crumble.

► Setting up of credit information bureaus and RBI's database, Central Repository of Information on Large Credits (CRILC), have plugged most gaps that unscrupulous borrowers exploited.

With an insolvency law, lenders should avoid tagging someone a wilful defaulter, unless the intention is to keep some jobs in the bank.

Banks using their powers to declare someone a wilful defaulter carries its risks. This matter has demonstrated the

risk of placing serious discretionary powers to inflict penal measures in the hands of commercial entities such as banks, without appropriate capacity and training to appreciate requirements of the rule of law,' said Bombay High Court.

Why should banks set up a structure where bankers have to wear the hat of a CBI officer and a judge? There is no certainty that it would lead to the recovery of funds, because courts could entertain the defaulter in the name of justice and drag it for years.

This wilful defaulter concept is more of a circus that got a life when there was an intention to appear to be acting tough on errant borrowers by the administration. But it wasn't so.

RBI itself tells you how meaningless the exercise is. 'It is essential to recognise that there is scope even under the existing legislations to initiate criminal action against wilful defaulters depending upon the facts and circumstances of the case under the provisions of Sections 408 and 415 of the Indian Penal Code (IPC),' the regulator said in its 2015 circular on wilful defaulters. 'Banks are advised to seriously and promptly consider initiating criminal action against wilful defaulters.'


RBI's couched language shows that criminal laws would be more effective than tagging someone a wilful defaulter. Banks' record in prosecuting the guilty is patchy as many forensic audits have not led to criminal actions.

Banks need to be judicious in their actions. Recovery funds should top the agenda while leaving punishment of fraudsters to the criminal justice system. Banks must read RBI's message on launching criminal proceedings, rather than building another layer of bureaucracy and lengthy legal battles.

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To catch a caricature



A thought for today

We must guard against the acquisition of
unwarranted influence by military-industrial complex

DWIGHT D EISENHOWER

Global War Inc

Why do so many wars carry on and on? Because the political-military-industrial complex wants them to

Over the weekend tens of thousands of Israelis began four days of demonstrations against their govt over its handling of the Gaza war. But is Netanyahu listening? No. In ports across the world some dock workers and others have protested shipments of military cargo to Israel. Has that halted Israel's offensive? No. This dissonance between decision makers and increasingly vocal popular opinion shows why it's really difficult to stop conflicts today.

The political-military-industrial complex | Arms companies benefit from wars. Generals, who don't usually die fighting, like weapons. Therefore, they like arms companies. But the influence of arms companies on political leadership is less discussed. Per SIPRI, Europe is witnessing record defence spending with companies like Germany's Rheinmetall and France's Dassault Aviation witnessing 367% and 89% growth, respectively, in share prices. Almost all politicians like companies that are doing well, they like jobs being created, and they respect their generals. Plus, wanting to be macho is a universal political weakness. Hence the political-industrial-military complex.

Joe's finessing | Look at Biden. Despite protests from young Democrats, he continues to ship weapons to Israel. He also says protesters have a point. But he fears cutting off weapons supplies to Tel Aviv might jeopardise his re-election campaign – American arms firms like Lockheed

Martin, Raytheon and General Dynamics are big political financiers. And generals want weapons to be tested.

Tail wagging the dog? | Africa is awash with weapons and multiple conflict zones. Little wonder, all top weapons manufacturers have a presence on the continent. Russia is a leading arms supplier in the sub-Saharan region. China is close behind in second spot, while US and France continue to have new and legacy weapons platforms. This again begs interesting questions: Would disputes such as the one over the Moroccan Sahara continue if Russia hadn't been a major supplier of arms to West-backed Morocco's rival Algeria? Was the war against Gaddafi's Libya a move to open up new markets for arms producers? Is Sudan a test bed for Western and Russian weapons?

These questions are asked because many wars around the world just go on and on. Mad dictators are only one part of the answer. Who supplies the weapons? The global arms industry today is more powerful than ever. And when its interests align with those of politicians, whether in democracies or in autocracies, war becomes big business – and deaths become statistics.

Freeloading & Freedom

Sticky-fingered journos are an embarrassment to the profession. Repressive regimes are a threat to it

US govt is asking journos who travelled on Air Force One to – discreetly – return items filched from the prez's ride. Indian journos are known to have flicked towels, cutlery, even ketchup sachets and toothpaste during their work trips. Journos are only human. And some of them are susceptible to petty follies. The nature of journalism can bring reporters and editors proximity and access to exalted situations and things. Some folks help themselves to goodies, just as some scrupulously do not. Sticky-fingered journos should face the same penalties anyone else would. No journalist can deny there are a few rotten apples in the basket.

But, seriously, what journalists need is not the ability to freeload, but the ability to speak and write freely. Pressure from heavy-handed regimes is cramping journalists around the world. Russia has detained hundreds of journalists since it started the war. Israel, until recently a thriving democracy with flourishing press freedom, has not only denied access and security to journalists, its security forces seem to have intentionally targeted them – more journalists have died in Gaza than during the two-decade Vietnam war.

Journalists are being harassed and censored when they try to be a check on power. Around the world, various regimes delegitimise the media. Journalists have been called traitors, prostitutes and liars. Professional questioning is often branded 'fake news', while real fake news flows freely. A free press is crucial, if we are not to be torn apart by tribal interpretations of the world. Journalists need the freedom to report facts as they see them, to disclose their biases and then proceed fairly. Yes, even when reporting or commenting, journalism isn't perfect. But the answer to that is calling out imperfections of the press, not filching the freedom of the press.

However brawny the bots

On AI bestsellers, Rushdie's bite has it right

Shinie Antony

Halt all ye writers preparing your Booker speeches – AI won't just write your speech for you, it will write your book! Naively you thought AI was here to do your housework, watching fondly as you type an award-winning masterpiece. Instead, GPT-5 is all set to mimic your personal writing style; 'co-written by AI' is going to be a common byline. While you stare out of the window pondering over the nature of existence and drunk-text an ex, AI is busy going clickety-clack. Put in all the words you know, press button, sit back for bestseller.

Salman Rushdie did dooh-pooh this AI threat, dismissing as 'a bunch of nonsense' what an AI tool came up with as his style. He says it has no humour or originality. No backstory or childhood trauma either. AI does not drink itself silly in middle age because its dad missed a school play. AI's mom did not fat-shame it through puberty. My kids accuse me of the terrible damage I wreaked on them as foetuses – they don't share my interest in Punjabi rap – but what will AI ever tell a therapist?

The Writers Guild of America went on strike because writers wanted to play hero, with AI cast as a research extra. Rie Kudan's novel *Tokyo-to Dojoto-to* is 5% AI-generated; Stephen Marche's novella *Death of an Author* is 95% AI-generated. As far as publishers are concerned, no fat advances, no writer's block, no fancy book launch, no tantrum after a bad review. Pulp fiction writers will be jobless sooner; it will take longer – maybe 20 years – to erase the critically-acclaimed lot.

But human input will remain key even in the new AI-verse. Machine can never know more than man. Could Robert Browning's *The Pied Piper of Hamelin*, which has been my earliest religious text with its brawny, tawny, rumbling, tumbling rhymes, be replicated by *anyone*? Bots go by patterns. Press releases, yes; poems, no.

What about when no words are spoken? That pause when a silent look is exchanged in a story. AI can write 'his eyes met hers' all it wants, but has it ever met an eye? ChatGPT is like an over-talkative uncle who knows everything about everything but in a dull second-hand way. Books written by non-AI authors will become an underground movement one day. Future readers will then go: Fie, foh and fum, I smell the blood of a real writer:

Don't Lose Sleep Over Inequality

Bihar has the lowest consumption inequality among the largest states, Kerala highest. Migrants from the more equal to the less equal state underline what matters in a developing country: Fighting poverty

Arvind Panagariya

Unlike poverty, which many countries, including India, have successfully combated through the instrumentality of growth and anti-poverty programmes, inequality lacks easy solutions. Those who have made careers out of sounding

the alarm about rising inequality have rarely succeeded in doing anything about it. Not only is combating inequality inherently difficult, but the form of inequality on which alarmists focus often does not resonate with the public, denying them policymakers' ear.

A commonest measure of inequality on which experts focus is the Gini coefficient. For those unfamiliar with it, Gini is an index that takes a value of 0 when income (or wealth) is equally divided among the members of a group and 1 if it concentrates in the hands of a single member. A rising value of the index indicates rising inequality.

In India, we have periodically conducted large-scale consumption expenditure surveys of representative households, which allow us to track the value of this Gini coefficient over time, nationally and for individual states.

Nationally, value of this index was 0.30 in 1993-94, 0.35 in 2004-05, 0.36 in 2009-10 and 0.36 in 2011-12. While hundreds of millions experienced the joy of exiting extreme poverty during these years, hardly any of them were even aware that inequality had risen at the same time.

The common man knows what his consumption is; he may also know what his neighbour's consumption is. But he has little knowledge of or interest in what the national Gini is.

During my lecture on inequality in the Indian economy course at Columbia in the 2000s, I would challenge students in the class to name the Indian state among the larger ones that exhibited the highest consumption inequality, as measured by Gini. I would give them three guesses, which they quickly exhausted by picking states such as Maharashtra, Haryana, Gujarat, Tamil Nadu, or Bihar.

I would then tease them by telling them they would likely get it wrong even if I gave them another ten chances. The correct answer – Kerala – was simply contrary to the common impression that having been governed by left-of-centre parties throughout its post-Independence history, the state had to be among the most equal.

The outcome in these classes was not very different when I asked students to name from among the larger

states the one exhibiting the lowest consumption inequality. The answer in this case was Bihar, which they rarely guessed correctly in three tries.

To drive home the point that people cared a lot more about poverty than inequality, I would then remind students that they migrated out of Bihar into Kerala; that is to say, from the poorer but more equal to the richer but less equal state.



Poverty reduction requires wealth creation. Until 1990, wealth creation in India was minimal, dollar billionaires were rare, and extreme poverty persisted. Today, billionaires are ubiquitous, but extreme poverty is history

Politics Is Tough. But Women Have It Tougher

From Mamata to Smriti to Jaya and others across parties, how women politicians have been subjected to treatment men seldom face

Nandita.Sengupta@timesgroup.com

hopefully reduce the other disease: relentless toxicity.

When Kalpana Soren and Sunita Kejriwal faced the cameras for the first time in political avatars – Kalpana early Feb and Sunita in March – to protest the imprisonment of their spouse-CMs, it took barely minutes for contempt to be heaped upon them. Sly comments flew of wives 'eyeing the CM post', of going the 'Rabri way', a reference to the time when Bihar CM Lalu Prasad's wife was vaulted into the CM's seat.

Kalpana (48) and Sunita (58) remained unfazed by the chatter. At Sunday's opposition rally in the capital's Ramlila Maidan, both addressed crowds, without any stage fright. Kalpana is set to contest in the upcoming polls, Sunita, not yet, though that may be more a matter of 'when', than 'if'.

It's always encouraging to see more women turn to politics, though electoral politics demands a tough hide. Women are in Parliament in small numbers. But in no small measure, they helped India take giant strides to realise rights for women – from the anti-dowry act to inheritance rights, to name two legislations of many.

Bring them in | Thirty years since constitutional amendments reserved one-third of seats for women in local administration, women hold over 40% seats in local bodies, and 20 states have expanded reservations in panchayati raj institutions to 50%, per an ORF report.

Reservation for women is more often pitted as sharing of power, but it is in fact bringing in women's perspectives to policy-making. At the state level, Jyalaithaa's welfare schemes focused on women. Back in 1990s, women in a Yavatmal panchayat even got officials suspended for manipulating village funds. Health and education are often considered soft issues – the two sectors where India still struggles. More women in Parliament will not only focus on 'women's issues' such as health and education, but will also

From everywhere | Women enter politics from all walks of life, via family networks, via cadre-based recruitments like in Left parties, through parivar politics into BJP, such as veterans Sushma Swaraj and minister Smriti Irani, or via the temple movement such as Uma Bharti, Rithambara and Pragya Thakur – all of whom have been elected representatives.

An ever-expanding pipeline is of career politicians ever since reservations in panchayat bodies. But the



pain point is that regardless where they come from, for decades women politicians have had it tough – at multiple levels. Kerala's communist leader KR Gouri Amma had said she faced, in 1960s and 1970s, "extreme harassment within the party" from then CPM (male) leadership.

Never enough | For starters, they're held to higher standards of a nebulous 'merit'. While that's the case across sectors, medical science to media, computer science to PhD labs, the difference for a woman in public life is that she's judged more on 'conformity to tradition', which passes off as 'merit'.

If a woman politician has entered politics via family network – bibi, beti, bahu – she's an object of derision, which is hardly the case for the most incompetent beta or bhatija. As Brinda Karat pointed out at least 20 years ago, a "bibi" in politics is also the last resort for politicians – brought in only when a male relative is not at hand. Which is why, though it falls foul of tenets of intra-party democracy, NCP founder Sharad Pawar's handing the reins of his party to daughter Supriya Sule was a thumbs-up for women in politics.

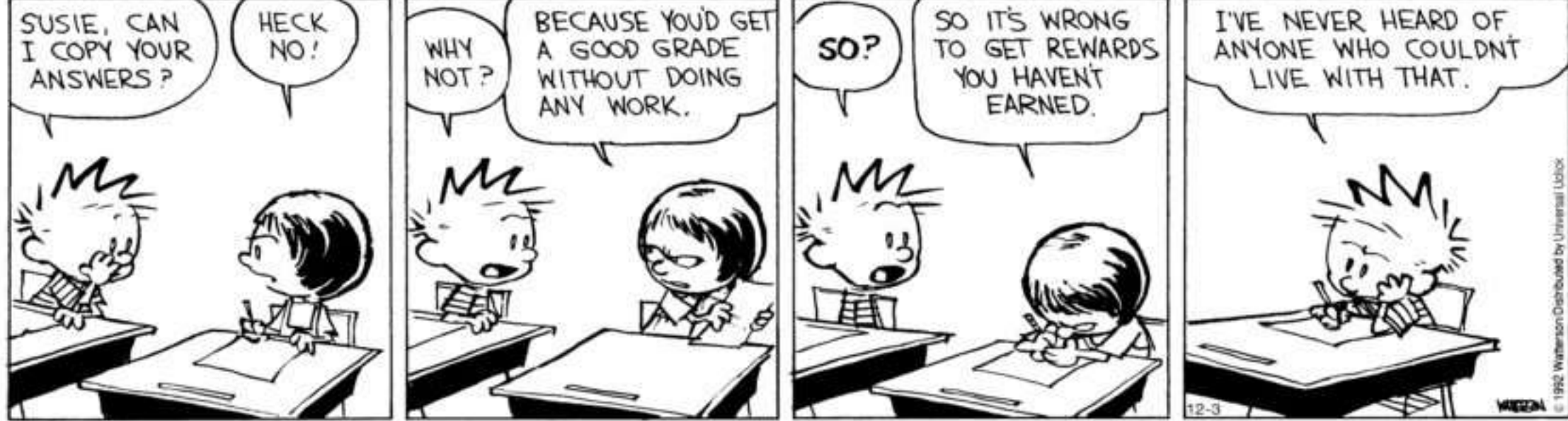
We love aggro, but... | Indian male netas have often gushed at machismo politics. Whether Indira Gandhi ever took the fawning 'only man in cabinet' comment as a *compliment* was never even debated. It was taken as given. That men approved some aggro geopolitics was sufficient.

But even aggressive women netas in later years didn't have it any easier: Take Mayawati or Mamata or Jayalalithaa. They persevered despite physical assaults by men from parties in power – Jayalalithaa was even attacked in TN assembly, her sari was pulled. When Mayawati years later tied up with SP for the Gorakhpur bypolls, which the alliance won, her character was again put through the slander machine, derided for allying with her attackers. There were whisper campaigns against Smriti Irani, of a kind that male politicians never face.

Toxic plus | Social media has made toxicity an always-on phenomenon. A 2021 study found that women in politics face 27 times more online abuse than male counterparts. Sometimes it's women against women. Congress's Supriya Shrinete apologised for a base post against BJP nominee Kangana Ranaut. But the actor herself has doubled down since, on her old post denigrating Urmila Matondkar.

For women in politics, it's a quick jump from being in the news to being under the microscope. Men in politics should remember – it's far tougher being a woman politician.

Calvin & Hobbes



Mantra For Evolution: Arpan, Tarpan, Samarpan

Meena Om

Our breath is like a conveyor belt. It carries into the universe our thoughts, words, actions, and intentions. It also draws to us directives, messages and the energy from the Universe for creative living and for fulfilling our purpose of existence.

Whatever we do, has to be like arpan – an offering to the Divine. This way one does not get tied to the karma, that is, get caught in the cause-and-effect cycle of karm, action.

Since everything we do has to be like an offering, can we offer negativity, complaints, criticism, abuses to the Divine? No. Whatever we throw into the Universe via breath comes back to us manifold; this is true for pious thoughts as well as impious ones. Since everything is a prasad from the Divine, we need to be

careful that we are offering only the best – righteous actions, thoughts, and speech.

For all the existing burdens of the soul, imperfections of the body, polluted thoughts of the mind, we should do tarpan, oblation. Like we do tarpan for our ancestors, wishing them well for their journey ahead and delinking ourselves from them, as part of the final rituals. Whenever troubling thoughts arise, past incidents surface in the mind, and realisation dawns that we have acquired some substandard habits, or are nurturing some vices, do their tarpan. Visualise that you are releasing them into the Universe, offering them to the Divine for recycling, and are getting rid of them. There is no better way to cleanse our subconscious minds than tarpan.

Continue doing this repeatedly until the bothersome and undesirable thoughts stop surfacing or troubling.

For the situations and people that come in front of us, be in samarpan, in surrender to the Divine's will. No complaining, no brooding. Know that everything – situation or people – that comes, is meant to cut our past karma; take us forward; help us evolve further; spiritually; indicate the path ahead; illuminate our mann and buddhi, mind and intellect; awaken us from Sushupti – slumbering state; and show us what karm to give up, which one to continue performing. Every action should be done to the best of one's abilities and capacities. Supreme Intelligence knows everything and is omnipresent. It arranges everything according to our karmas.



THE SPEAKING TREE

Sacredspace

Truthfulness is attained if one's speech is such that it harms no being in the world. Truth is not truth if it is spoken to further some wrong. The standard test for right conduct including truthfulness is harmlessness...

Thiru Valluvar



WORDLY WISE
WHEREVER LAW ENDS,
TYRANNY BEGINS.
— JOHN LOCKE

The IndianEXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

FREE, FAIR, FOUL

Will Opposition's alarm bells resonate with voters? That is its political challenge; there's also an institutional one for EC

THE THIRD RALLY of the joint Opposition front, INDIA, at Ramlila Maidan less than three weeks before the first vote is cast, was not just a pre-election rally. For the first time in recent memory, the country's Opposition framed its biggest issue in the election, not as jobs, or price rise, not as the caste census or amity between communities — but as the election itself. United under the banners "Loktantra bachao (save democracy)" and "Tanashahi hatao (remove dictatorship)", the Opposition alleged that the poll field has been distorted by the ruling BJP and its machine, oiled by a host of compliant institutions. That was its main charge and message from a Maidan that has played host to consequential political exhortations and clarion calls in the past, including by the Anna Hazare movement against the then Congress-led UPA government (an uncomfortable memory on the INDIA stage in the current context of Congress-AAP bonhomie). Speaker after speaker from an array of parties set aside their differences with each other and with the Arvind Kejriwal-led AAP, to flag this concern. They pointed to the arrest of two chief ministers, Hemant Soren and Kejriwal, and to ED-CBI-I-T action against Opposition parties. At the heart, therefore, of Sunday's messaging from Ramlila Maidan, lay the faith, vital in a democracy, in the Indian election being free as well as fair that was so far shared and even taken-for-granted. Not anymore, the Opposition said.

Of course, for the Opposition, ahead of the election, it will not be enough to raise the rhetorical pitch. It has said its piece at Ramlila Maidan, but it still has to thread it into issues that resonate among the people. It will have to continue to set aside internal differences and maintain unity. It will also have to sidestep traps like the apocalyptic framing by Rahul Gandhi — while his main thrust on "match-fixing" was pointed, his warning that if the BJP wins the election and changes the Constitution, "poore desh mein aag lagne jaa rahi hai (fires will rage in the country)", was spectre-peddling, unwise and unwarranted. Kejriwal sent a message from jail that may have been aimed at holding on to his voter in Delhi, but could also be read as a pointer towards the Opposition's need, nationally, to frame an agenda of an alternative governance and politics. In his message, read out by wife Sunita, were guarantees ranging from 24-hour electricity throughout the country, to better health care and higher MSPs, and an invite to "140 crore people" to help make "Naya Bharat."

The five demands of INDIA were addressed to the Election Commission mostly — to ensure a level playing field, put a halt to the BJP government's attempt to forcefully scuttle the Opposition's finances and the targeting of these parties by the ED-CBI and I-T. Many of these are uncharted waters but the EC needs to address these concerns. It is armed with immense powers, consistently affirmed by the apex court, once the model code of conduct comes into force, to ensure free and fair polls. As it watches over the election, it will be watched as well.

POINTERS FROM WHEAT

Green Revolution 2.0's focus must be on input use efficiency and building climate resilience

WITH WHEAT STOCKS in government godowns, at 9.7 million tonnes on March 1, the lowest in seven years for this date, all eyes are on the crop about to be marketed. For now, a bumper harvest seems to be in the offing, at least in Punjab, Haryana, UP and Bihar. Unlike in 2022 and 2023, when the crop suffered yield losses due to temperature spikes and unseasonal heavy rains respectively during the final grain formation and filling stage, no such "Ides of March" weather events have been reported from this major wheat belt. March temperatures ruling near normal this time and three-fourths of the grain-filling completed augurs well for the crop across the Indo-Gangetic plains. The problem, if any, is with the wheat in central India — MP, Gujarat and Maharashtra — that has already been, or is close to being, harvested. And even there, it's not March but November-December temperatures that may have played spoiler.

It only highlights how susceptible wheat — and agriculture itself — has become to climate change. In this case, it isn't just terminal heat stress, leading to premature ripening and drying of the crop in its final growth phase. It is also about relatively warm temperatures at the time of sowing and initial vegetative growth period, resulting in fewer tillers being formed and premature flowering. Climate change, thus, manifests itself both in the early onset of summer and the delayed setting in of winter. If the 2021-22 wheat in north-west and north India was affected by the former, the crop this time in central India has apparently taken a hit from the latter. To the extent the lower yields from central India are offset by better-than-average production in the Indo-Gangetic plains, the country can still end up harvesting more wheat than in 2021-22 and 2022-23. Whether that is so will be known in a month's time. Thankfully, global wheat prices are currently at their lowest in four years, making imports feasible. The government should enable it by doing away with the 40 per cent customs duty.

From a medium- to long-term perspective, India has to invest more in breeding for climate change. The Green Revolution strategy essentially relied on expansion of irrigation and developing crop varieties responsive to high fertiliser application. Green Revolution 2.0's focus must be on input use efficiency — producing more from the same or even less quantity of water, nutrients and energy — and building climate resilience through breeding of drought-resistant and heat-tolerant varieties. This would entail screening germplasm and identifying genes in plants responsible for the desirable traits.

FREEZE FRAME

E P UNNY



Maharashtra's moving parts



GIRISH KUBER

BJP's no-holds-barred aggression against rivals has unleashed a storm it may find hard to manage

CANDIDATE A, ALTHOUGH belonging to party B, will contest the elections on the symbol of party C, which will vacate its seat for a defector from party D, which in turn will extend its support to a breakaway faction of E and...

Political news coming out of Maharashtra these days may read something like this. With elections looming, the magnificent mess of Maharashtra politics is looking farcical and tragic at the same time. Farcical, because even the heads of various political parties are clueless about who stands with whom and what lies ahead, and tragic because it is the state and its people who are the real losers in the seemingly unstoppable Lilliputisation of its political leaders.

The roots of the ongoing political mayhem lie in 1995 when, for the first time, the Shiv Sena-BJP combine defeated Congress in the state Assembly elections and formed the first saffron alliance government. Though married to each other since the early Eighties, the saffron couple could hardly have conceived of political success in a state that was a Congress stronghold. There was clear political demarcation those days. The state government was Congress's fief while the megapolopolis of Mumbai was left to the Shiv Sena, which was used by Congress's Marathi leaders in the party's internal power struggles. Dominated by resourceful and influential Gujaratis and Marwaris like Bhanushankar Yagnik, Rajni Patel and B A Desai, the Marathi leaders in the party such as Vasantrao Naik and Vasantdada Patil tactfully used the Shiv Sena as a counter to the Hindi-speaking leaders. So much so that the Shiv Sena earned the moniker "Vasant Sena" for its pro-Vasantrao Naik stance.

All this while, the Jana Sangh, the BJP's previous avatar, stayed on the sidelines. It joined hands with Sharad Pawar when the Maratha strongman became chief minister as early as in 1978 at the age of 37. This also marked the beginning of the end for political giant Yashwantrao Chavan. From then on-

Unwilling to cede even an inch of space to its competitors, the new BJP received a body blow when it failed to retain power in the 2019 state Assembly elections. Standing in its way were two political families: The Pawars and the Thackerays, headed by scion Uddhav. Leading from the front was Bal Thackeray's political foe and personal friend Sharad Pawar, who hand-held Uddhav to the CM's chair, thereby thwarting the BJP leadership's equations. Since then, the BJP has had a one-point agenda: To cut the Pawars and the Thackerays to size.

wards, Chavan's disciple Pawar was in the driver's seat. Besides Pawar, Congress at the time had a strong battery of leaders like Vilasrao Deshmukh and Sudhakar Naik, besides the two Vasant. Other than Congress, socialists led by Nanasaheb Gore, S M Joshi, Madhu Limaye, Madhu Dandavate and many others, were a dominant presence in the state. Those were the days when Maharashtra's political canvas featured a range of political hues.

Things began to change after the Nineties when L K Advani played the Mandir card to counter V P Singh's Mandal move. The first to jump on the Hindutva bandwagon was the Shiv Sena which had been in search of an issue after the 10-year textile mill strike in Mumbai robbed it of its "Marathi manoo" card. It was the perfect marriage: The BJP was looking for an ideological partner, while the Shiv Sena was searching for a political plank. The saffron alliance thus came into being, getting its first taste of power in 1995 when it defeated Pawar, who was then with Congress.

But the success was short-lived, as Pawar, with his newly-formed outfit Nationalist Congress Party, in association with his alma mater Congress, defeated the ruling Sena-BJP combine in subsequent elections. To counter Pawar and Congress's influence, the saffron partners had the trio of Sena patriarch Bal Thackeray, the BJP's Pramod Mahajan — more of a strategist or, some might say, back-room operator — and his brother-in-law Gopinath Munde, who was among the tallest mass leaders in the Maharashtra BJP. However, it took the BJP another 15 years to wrest the state from the Congress-NCP. By then, Mahajan was gone, soon to be followed by Munde and Sena patriarch Thackeray. This period also saw the rise of the new BJP, which had very little connection to its erstwhile affable leadership.

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way were two political families: The Pawars and the Thackerays, headed by scion Uddhav. Leading from the front was Bal Thackeray's political foe and personal friend Sharad Pawar, who hand-held Uddhav to the CM's chair, thereby thwarting the BJP leadership's equations. Since then, the BJP has had a one-point agenda: To cut the Pawars and the Thackerays to size. This was the motive behind the two high-profile splits in the last two years, when Eknath Shinde and Ajit Pawar walked out of the Thackeray and Pawar camps, respectively.

Much to the BJP's dismay, instead of dousing the political fire, its firefighting only fuelled the blaze. Earlier it had to deal with just one Pawar and/or one Thackeray. Now there are two Pawars, one Shinde, two Thackerays (Uddhav and his bête noire and chief of the Maharashtra Navnirman Sena, Raj) and numerous splinter groups. It can ignore none. The reason for this is the state's political map. The days of one-party dominance in Maharashtra have been over for a while. Now, the situation is such that even two is not enough to manage the state. Any combine hoping to rule the state has to have a combination of three parties to its side. Two is not enough for a company and three certainly is not a crowd in Maharashtra.

Currently, the state has two Shiv Senas, two NCPs, half of MNS, another Vidarbha-only outfit led by Prakash Ambedkar, Asaduddin Owaisi's All India Majlis-E-Itehadul Muslimeen (MIM), one Congress (with many ready-to-flee Congressmen) and the BJP. None of the smaller parties mentioned here are insignificant. Add to the list disgruntled leaders from each of these parties along with minor regional players.

With so many "flying objects", Maharashtra has become the perfect place for political storm. In its quest to "finish off" its rivals, the BJP broke open rather too many political enterprises.

The writer is editor, Loksatta



REKHA SAXENA AND ADITI NARAYANI PASWAN

MANIFESTO FOR NARI SHAKTI

Women's empowerment and political participation are key electoral issues

THE INDIAN CIVILISATION places the woman, *nari*, in a pre-eminent position. *Shakti* is seen as a source of creation, maintenance, and destruction and is understood as a way of bringing balance to the universe. It has always signified the divine feminine form. The prayer 'Yaa Devi Sarva-Bhuteshu Shakti-Rupenna Samsthitaa' refers to the *devi* or goddess who resides in all beings as a form of *shakti*. In this context, *nari shakti* is not merely *sashaktikaran* (empowerment) but the feminine power residing in all beings. With a greater emphasis on *nari shakti* now and with the biggest festival of democracy, the Lok Sabha elections, around the corner, it is imperative to ask: Where does the *nari* of this nation stand? How do we understand the language of empowerment? Can it only be understood in political or economic terms?

Empowerment is a complex phenomenon, affecting education, economy and culture. In the recent state elections, women have emerged as a significant voter base, but we hope to see their engagement as "contenders" also being increased. Whether it was during the elections in Bihar in 2020, West Bengal in 2021 or the 2023 elections in Karnataka and Madhya Pradesh, female voters have supported parties that put forward policies and schemes designed to cater to their needs and well-being.

As the manifestos of all parties are being tabled, there should be increased allocation of funds for the holistic well being of women. Parties must include gender budgets targeting the female labour force in their mani-

Effective analysis using gender disaggregated data is critical for ensuring that policies and activities benefit women. Lack of funds and inefficient use has a negative influence on gender equality. We must work towards pay parity to ensure that men and women receive equal wages for performing the same work in the informal sector.

festos. Gender is incorporated in government policy in India, and the gender budget statement reflects the extent of this integration, but there is a need for a nuanced understanding of intersectionality within the gender discourse. Examples include initiatives such as the National Health Mission, National Rural Livelihood Mission, MGNREGA, and Integrated Child Development Services. Effective analysis using gender disaggregated data is critical for ensuring that policies and activities benefit women. Lack of funds and inefficient use has a negative influence on gender equality. We must work towards pay parity to ensure that men and women receive equal wages for performing the same work in the informal sector.

Over the past decade, financial inclusion schemes such as the MUDRA Yojana, Mahila e-Haats and Pradhan Mantri Jan Dhan Yojana (PMJDY) have helped millions of women in asserting their basic rights. With access to banking, LPG cylinders and education, they need not be reliant on male family members to lead a dignified life. The digitalisation of access to government schemes and facilities has the potential to create equal access to social security, micro-financing, skill-based funding, and subsidies. An unprecedented number of women have gained access to clean toilets and energy under Swachh Bharat and the Ujjwala scheme, which are important for a life of dignity. Policies like PM-JAY and PM-SUMAN, are a move in the right direction while addressing women's health, although, there is a need to invest in pre- and post-na-

tal care for women. There is also a need to broaden the scope for women entrepreneurs and focus on diversification of skills.

Women's rights need to be advocated even in the domain of personal laws. While the Triple Talaq Bill passed in 2019 has ensured the dignity of Muslim women, a Uniform Civil Code may ensure absolute formal citizenship rights for women. Gruesome violations as seen in Manipur and Sandeshkhali highlight the systemic nature of violence against women, underlining that the journey towards creating gender-sensitive public spaces is a long and arduous one. In their manifestos, political parties should formulate a policy statement against gender-based violence, ensuring safe public spaces for women.

In India, elections have served as harbingers of social change and shifting political dynamics. The forthcoming elections will be pivotal to ascertain the aspirations of tribal and Dalit women considering the recent introduction of the Nari Shakti Vandan Adhiniyam Bill. It remains to be seen whether this legislative initiative will translate into tangible advancements facilitating increased accessibility and visible participation of marginalised women in the political sphere. The upcoming electoral race will be crucial in determining the untapped potential of *nari shakti*.

Saxena is senior Professor, department of Political Science, DU and Paswan is Assistant Professor of Sociology, Lakshmi Bai College, DU

APRIL 1, 1984, FORTY YEARS AGO

CENTRE'S OFFER

THE GOVERNMENT OFFERED to amend Article 25 of the Constitution as demanded by the Akali Dal after consulting the Shiromani Gurdwara Prabandhak Committee and representatives of the Sikh community. The government's decision was announced by Home Minister P C Sethi. He has expressed hope that in light of this, the Akali Dal will withdraw its agitation proposed to start the next day.

AKALIS CALL OFF STRIKE

THE AKALI DAL called off its "Panth Azad Week" agitation. The announcement was

made by party chief Harchand Singh Longowal. His decision to call off the agitation, under which Akali workers were asked to burn copies of Article 25 in all district headquarters of Punjab, followed the offer by Home Minister P C Sethi.

NO RESOLUTION AT JRC

THE MINISTER FOR Irrigation, Ram Niwas Mirdha, said the issue of sharing Ganga waters during the lean season at Farakka between India and Bangladesh would have to be sorted out at the political level. Returning to the Capital after the latest round of Indo-Bangladesh Joint Rivers Commission (JRC)

talks at Dhaka which failed to resolve the issue, Mirdha said that the JRC would continue to tackle the problem of water sharing of common border rivers.

SPLITTING UP OF SC

LEFT TO HIMSELF, the chairman of the Law Commission, Justice K K Mathew, would have recommended the splitting of the Supreme Court into two courts. One court at the apex, in his scheme of things, would have dealt with cases only of constitutional importance, the other with appeals. This was Justice Mathew's view the Law Commission circulated its questionnaire in January 1982.



Viksit must be inclusive

With agriculture on a weak wicket, government needs to think of policies and institutions to enable farmers to access domestic and global markets



FROM PLATE TO PLOUGH
BY ASHOK GULATI

THE TEMPERATURES ARE rising not only politically, but also atmospherically. It is now confirmed that 2023 was the warmest year on record since 1850 as per the National Oceanic and Atmospheric Administration (NOAA) in the US. The 2023 temperatures were 1.18 degrees Celsius higher than pre-industrial levels, and many scientists are predicting that 2024 could be even worse.

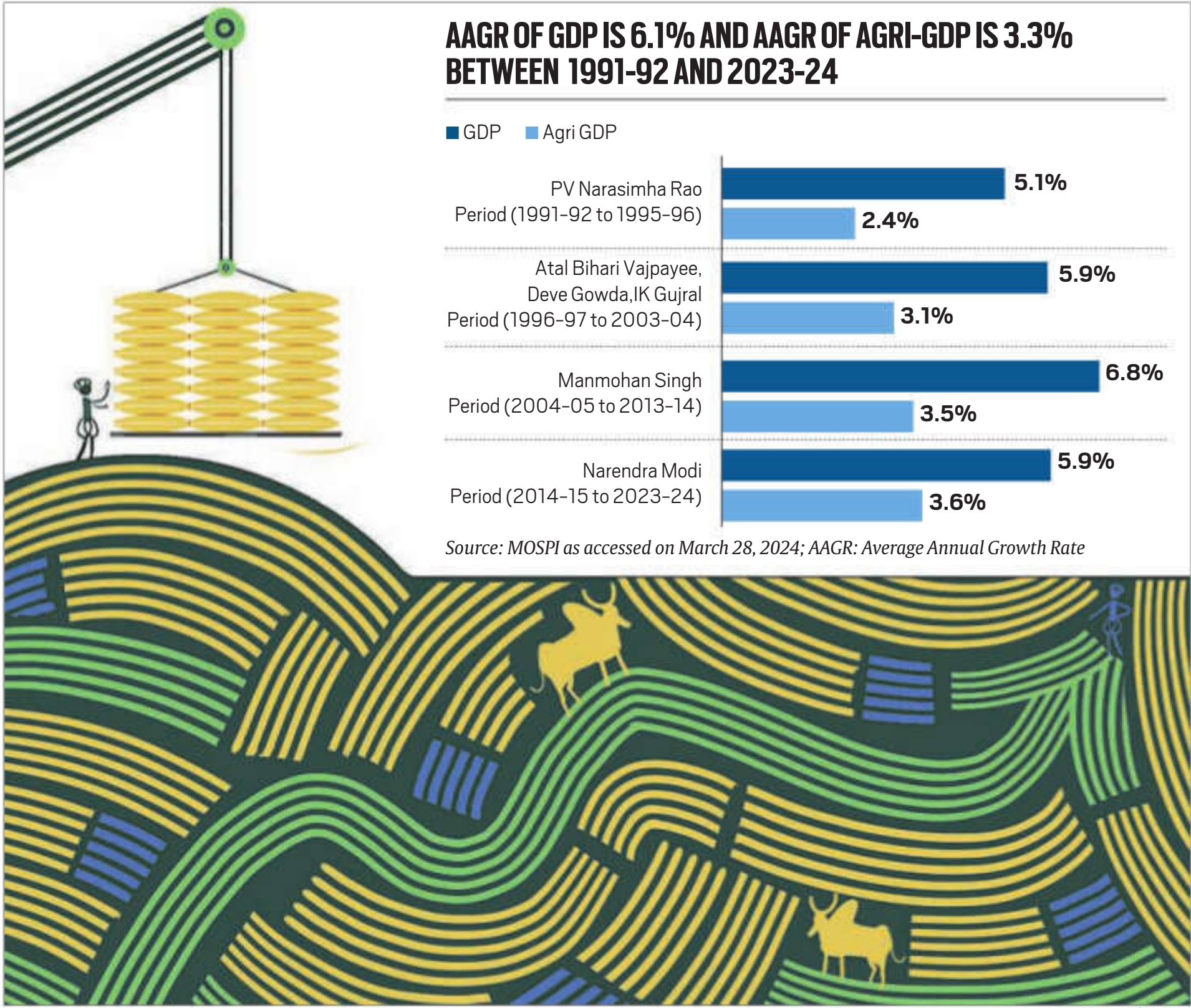
Against this backdrop of rising temperatures, the moot question for us in India is: Will Indian agriculture be able to feed our growing population in the medium to long run, and whether our farmers will also be prosperous in Viksit Bharat@2047—an aspirational slogan given by Prime Minister Narendra Modi.

Although 2047 is still 23 years away, and it is very difficult to arrive at such long-term projections, a rough idea can be obtained by looking at what happened since reforms began in 1991 and continued, in one way or the other, under various governments. But more interesting would be to see the growth story in the last 10 years under the Narendra Modi government since 2014 and compare it with the 10 years of the Manmohan Singh government. Given that the incumbent government feels very confident of coming back to office with a thumping majority, it is likely to continue its policies of the last 10 years, or may even accelerate to realise its aspiration of a Viksit Bharat by 2047.

The infographic gives average annual growth rates (AAGR) of overall GDP and agri-GDP (2011-12 base, revised series). While the long-term growth rate from 1991-92 to 2023-24 (second advance estimate) of overall GDP is 6.1 per cent, for agri-GDP it is 3.3 per cent. However, during the last 10 years of the Modi government, overall GDP has grown only by 5.9 per cent (compared to 6.8 per cent during Manmohan Singh's period) and agriculture growth has been 3.6 per cent (compared to 3.5 per cent during the Manmohan Singh period). There is not much of a difference between the two governments with respect to agri-GDP growth.

Agriculture is critical for India's development as it still engages about 45 per cent of the working population (2022-23, PLFS data). So, if Viksit Bharat has to be an inclusive Bharat, it must develop its agriculture to its full potential. Productivity needs to rise, water consumption needs to be reduced, groundwater needs to be re-charged, soil degradation needs to be arrested, and greenhouse gas (GHG) emissions from agriculture need to be curtailed. Business as usual, with the current set of policies, is not likely to deliver this dream of inclusive Viksit Bharat by 2047.

What we know today is that agriculture contributes roughly 18 per cent to the overall GDP but engages 45 per cent of the workforce—as pointed out earlier. If our growth rates of overall GDP and agri-GDP keep grow-



ing as they have during the last 20 years, or even last 10 years, the likely chances are that by 2047, agriculture's share in overall GDP may drop to just 7-8 per cent but it may still be saddled with more than 30 per cent of the country's workforce. More people need to move out of agriculture to higher productivity jobs with better skills. Therefore, the skill formation of rural people for rapidly growing and urbanising India has to be a top priority. Else I am afraid, Viksit Bharat will be Viksit only for the top 25 per cent population, while the remaining may remain stuck in the low-medium income category.

The expected overall GDP growth of 7.6 per cent in 2023-24 is a good foundation to build on. The Ministry of Finance and RBI both feel upbeat and expect the final numbers of this year may even be higher. It is good news and many in the tribe of economists feel that this can be maintained for the long run. But how many of us have noted that the agri-GDP growth rate of 2023-24 is a pitifully low 0.7 per cent (second advance estimate)? Do we want a situation where the economic conditions of the masses improve at less than one per cent while overall GDP grows at 7.6 per cent? The answer is obviously "no".

Remember that agriculture growth dropped to this low level (0.7 per cent) primarily because of unseasonal rains during the last kharif season. And there are no positive signals that the situation will improve. If there are any signals, the risks of extreme weather events are going to increase, as humanity is falling far behind in arresting global warming. Is India in general, and agriculture in particular, ready for that? Not really.

Indian agriculture in Viksit Bharat cannot

Agriculture is critical for India's development as it still engages about 45 per cent of the working population (2022-23, PLFS data). So, if Viksit Bharat has to be an inclusive Bharat, it must develop its agriculture to its full potential. Productivity needs to rise, water consumption needs to be reduced, groundwater needs to be re-charged, soil degradation needs to be arrested, and greenhouse gas (GHG) emissions from agriculture need to be curtailed. Business as usual, with the current set of policies, is not likely to deliver this dream of inclusive Viksit Bharat by 2047.

be on a weak and risky wicket. Two years of successive droughts can spoil the party of Viksit Bharat. Even without a drought, RBI has been fighting almost this entire year to control food inflation. GoI has put export controls, stocking limits on traders, suspended futures trading in many agri-commodities, and unloaded wheat and rice at prices below their economic costs. These are all signs of panic, and policy tools of the 1960s, when India was living from "ship to mouth". This policy toolbox cannot be carried on in Viksit Bharat.

So, what should be the agenda for agriculture in Viksit Bharat? Rationalise food and fertiliser subsidies, and put the savings to augment agri-R&D, agri-innovations, agri-extension, soil and water recharge through check dams and watersheds, promoting water saving techniques in agriculture (drip and sprinklers, fertigation, protected cultivation, etc). More importantly, Indian agriculture has to move to high-value agriculture (poultry, fishery, dairy, fruits and vegetables) with a value chain approach, from plate to plough, that is, a demand-driven system. For that, we need to think of policies and institutions through which our farmers can access pan-India markets, and even export markets on a regular basis. Be it through cooperatives or farmer producer organisations (FPOs) on digital commerce (E-NAM, ONDC type) or through contract farming with large processors, retailers, and exporters. And, don't forget to step off from the brakes on futures trading. The price messenger can't be shot down in Viksit Bharat.

Gulati is distinguished professor at ICRIER. Views are personal

The green vanguard

A new book tells stories about those who are shifting the needle of policy to ease the climate transition



OVER THE BARREL
BY VIKRAM S MEHTA

WHAT IS TO be done?—this was the title of the pamphlet by Vladimir Lenin in 1902. The key message of the pamphlet was that the proletariat (workers) will not be able to wrest concessions from their employers regarding working conditions and wages unless they organised themselves into a "vanguard of dedicated revolutionaries".

I thought of this pamphlet while ruminating about global warming recently. For, this is a challenge that cannot be tackled without such a vanguard, at least in my view. Everyone other than the most diehard of contrarians agrees that global warming presents an existential crisis. More pertinently, they accept that solutions exist for curbing carbon emissions. People, however, differ on "what is to be done" to bring such solutions to scale. The problem is that the planet is fast exhausting its carbon budget. Time is running out.

It is against this backdrop of ruminations that I found the book *Climate Capitalism: Winning the Global Race to Zero Emissions* by Akshat Rathi refreshingly comforting.

Rathi is an optimist. His book is about interventions in the clean energy space that made a materially positive difference. He writes about these interventions under pithy two-word chapter headings that encapsulate the drivers for scaling up green solutions.

Rathi is not a market fundamentalist. He does not whitewash the contribution of "unfettered capitalism" to global warming. On the contrary, he quotes the admonition by the economist Nicholas Stern that "not pricing in that negative externality has been the greatest market failure of all time". But, as the title of the book suggests, and his stories establish, he holds the view that carbon emissions can most effectively be curbed under the canopy of capitalism, albeit under a patient and reformed capitalism, designed to respond to the longer lead times associated with climate economics.

Chapter 2 is titled 'The Bureaucrat'. It is about Wan Gang who, after a stint with Audi Motors as an engineer/designer, returned to China to evangelise the transition from internal combustion engines to battery-operated Electric Vehicles (EVs). Wan was the Minister of Science and Technology. He leveraged his bureaucratic clout and technical expertise to empower entrepreneurship and incentivise public and private investment into EVs. He was successful. It is estimated that between 2009 and 2017, he was able to channel approximately \$60 billion into the sector. Wan is the reason China is today the world's leading manufacturer of EVs.

Chapter 3 is captioned 'The Winner'. Here too the subject is Chinese—Zeng Yuqun, the founder/CEO of Contemporary Amperex Technology Co., Limited (CATL)—currently the largest manufacturer of lithium ion batteries in the world. Zeng's success derives from multiple factors, but the two most relevant are his focus on domestic R&D and his skill in managing partnerships with western car manufacturers (original equipment manufacturers). The former is the reason CATL has upended US

first mover advantage over battery technology; the latter the reason for its rapid penetration of the market.

Chapter 5 is 'The Fixer'. Fatih Birol, the executive director of the International Energy Agency (IEA) may not be happy with the appellation, but the chapter is about how Fatih navigated the geopolitical and geo-economic tightrope of the energy transition to stretch the mandate of the IEA from "caring about carbon underground" to caring about it "everywhere". The IEA was set up in 1974 in the aftermath of the oil crisis of 1973 to help industrial countries manage oil supply disruptions. Its mandate was energy security. Not surprisingly, the stretch to caring about it everywhere has attracted criticism. But, Fatih is unfazed. His response (as conveyed by Akshat) is, "there is a growing gap between the people who care about climate issues and those who care about energy issues". His priority is to "bridge this gap". Whether he succeeds or not remains to be seen, but what Fatih and his team of technocrats have achieved so far is to heighten the sense of urgency with regards to the energy transition and to provide empirical data, climate scenarios and tools to countries struggling to mitigate and adapt to global warming.

Chapter 6 is 'The Billionaire'. It is about Bill Gates and his multibillion dollar fund "Breakthrough Energy Ventures" (BEV). The fund incubates start-ups that are experimenting with technologies that can potentially reduce GHGs by at least 500 million tons when operating at full scale. Gates is hopeful that by reducing risk, BEV's seed investments will trigger the flow of additional private capital. Gates knows, however, that money can at best fulfill the necessary conditions for a successful scale-up. It is not sufficient. What is also required is the creation of a market for "green products" and innovation. To achieve these objectives, Gates has leveraged his name and network to lobby for a policy ecosystem that, at one level, reduces the "green premium" attached to green hydrogen, sustainable aviation and carbon removal through tax credits, carbon pricing and regulation and at another, stimulates innovation through non-monetary support.

The book contains several more stories. 'The Reformer' is about the CEO of a US oil MNC who is investing cash generated from the production of oil in carbon capture. 'The Enforcer' is about a Danish energy company that through "accident, timing, policy and entrepreneurship" has become the largest offshore wind farm company in the world. 'The Campaigner' is about politicians, bureaucrats and climate activists campaigning for legislation and organisational change to accelerate the pace of decarbonisation and 'The Capitalist' is about companies whose strategies have balanced investments in solutions to solve global warming and profitability.

These are disparate stories linked by the common thread of success in shifting the needle of climate policy in a positive direction. Their progenitors are not revolutionaries but they do represent the vanguard of change. More importantly, their experience provides pointers for answering the question "what is to be done". All of the above stories are built around the drivers of leadership, policy, technology, entrepreneurship and collaboration. And subject to the proviso power and politics, are supportive of the direction of change.

The writer is chairman and distinguished fellow, Centre for Social and Economic Progress



INDIRA JAISING

HISTORIANS HAVE DOCUMENTED the prominent role of lawyers in the freedom movement. Mahatma Gandhi, Jawaharlal Nehru and Sardar Vallabhbhai Patel were lawyers and so was B.R. Ambedkar, the chief draftsman of our Constitution. There were many more lawyers among freedom fighters. This was no accident. Lawyers share a natural affinity with the rule of law in society. Today's lawyers have inherited this legacy of activism from those who led the freedom movement.

The separation of powers adopted by the Constitution is an article of faith in a liberal democracy. Judicial review is also a basic feature of the Constitution and the judiciary exists to exercise checks and balances when the rights of citizens are challenged because of executive overreach.

India's Constitution is unique in permitting direct access to the Supreme Court when fundamental rights are violated. As the Chief Justice of India pointed out recently, access to the Supreme Court is available to all, no matter how big or small. When, therefore, lawyers see these doors open to some and closed to others, it is normal for them to protest.

The recent letter from 600 lawyers raises the issue of the judiciary's role and that of the legal profession in a society governed by rule of law. This then takes us to the question: After 75 years of Independence, are we a rule-of-law society?

Many political analysts have pointed to

the democratic deficit in our country evidenced by the violence against minorities, attacks against opposition parties, the decline in the independence of a section of the media and the incarceration of human rights activists. The defence of the Constitution is one of the main challenges we face today. The ruling party has often been accused of ignoring the liberal Constitution and using cultural nationalism, instead, as the governing norm.

Unfortunately, this approach to law seems to be seeping into sections of the judiciary. A family court in Madhya Pradesh recently held that it is the duty of a married Hindu woman to wear *sindoor*. The MP High Court is reported to have told a teenage couple in a live-in relationship that it was "not necessary to enjoy and enforce" every fundamental right enshrined in the Constitution.

If this is indeed the case, why do we have Article 226 or Article 32, considered by Ambedkar, as the "heart and soul" of the Constitution?

The letter of the 600 lawyers must be seen in the context of competing views of constitutionalism in the country—those who believe that human rights are not negotiable under any circumstances and those who believe that liberalism is a foreign import and must be rejected. The role of lawyers in raising human rights issues depends on which view you take.

Each time this independence has been

under threat, it is the legal profession that has risen to the occasion and ensured that the judiciary remained insulated from partisan politics. The NDA government's attempt to introduce a dominant voice in the appointment of judges was opposed successfully by the legal profession. When lawyers notice that there are other ways in which the independence of the judiciary can be undermined, it is natural for them to protest.

This is the context in which the letter by 600 lawyers led by Harish Salve must be seen. They see voices among us as "browbeating" of the judiciary and an attempt to pressure it. This is a trivialisation of the main issue raised by some of us about the independence of the judiciary being in jeopardy.

The letter has now been endorsed by the PM, who ironically sees this as a move by the Congress. The fact is, we who speak for the independence of the judiciary speak on our own behalf, whereas the letter writers appear to be speaking the language of the powerful ruling party that is trying to silence dissenting voices. The Vice President of India has also branded us as "anti-national" for raising an alarm over the threat to the judiciary's independence. This seems more an attack on the judiciary, and human rights lawyers are the collateral damage.

India's Constitution was drafted at the time when the Universal Declaration of Human Rights was in place. The civil and political rights enshrined in the Constitution reflect the genius of that dec-

laration, to which 193 nations, including India, have subscribed. This is why we call ourselves a democracy, indeed "the mother of democracy".

Human rights lawyers have always called out the judiciary when its judgments compromise the life and liberty of the citizens, regardless of the political party to which they belong. The judiciary too is conscious of its mistakes and does welcome constructive criticism. The current CJI, for instance, overruled the decision of the court in ADM Jabalpur in *Puttaswamy* case—I commented favourably on that verdict in this paper ('Right to privacy, a brake on government, IE, August 25, 2017).

The letter writers are also aggrieved by human rights activists using the media. They seem to overlook the fact that the media is meant to be an important pillar of accountability of those in power, including the judiciary—its use must be encouraged.

An independent Bar is a precondition to an independent judiciary. In a polarised society where much depends on the ability of the courts to defend the Constitution, it is normal for the ruling party to seek allies in the legal profession. But as we head into a national election, and the election of the head of the Supreme Court Bar Association, lawyers must think carefully about who they want as their leader.

The writer is senior advocate, Supreme Court and trustee, Lawyers Collective

LETTERS TO THE EDITOR

LET THEM CHOOSE

THIS REFERS TO the editorial, 'Caution, please' (IE, March 30). The problem with Delhi CM Arvind Kejriwal is that he has not chosen his successor. He cannot rely on ex-deputy CM Manish Sisodia. So there is a vacuum in Delhi's government that has to be filled sooner rather than later. Arvind Kejriwal can not run his government from jail. As far as the L-G is concerned, we all know there is no love lost between him and Kejriwal. And so, the L-G would better not jump the gun and let AAP choose Kejriwal's successor as Delhi has given a massive mandate to Kejriwal and AAP. But AAP must also decide fast as time is running out for them.

Bal Govind, Noida

CONTROL INFECTIONS

THIS REFERS TO the editorial, 'Taking on TB' (IE, March 30). According to the Global Tuberculosis Report 2023, India recorded an average of 199 new infections in every 100,000 people in 2022. Current biomedical strategies to reduce new infections include the BCG vaccine,

tuberculosis preventive treatment (TPT), and newer, shorter course rifamycin-based regimes. Undernutrition is a major risk factor for both the occurrence of new cases and the occurrence of severe TB that can result in deaths. Undernutrition in adults contributes to 34-45 per cent of all new cases annually, while undernutrition in patients with TB is a major risk factor for TB deaths.

Khokan Das, Kolkata

NOT FOR THE PEOPLE

THIS REFERS TO the article, 'Who's angry over arrest of a CM?' (IE, March 29). There are other reasons too for people's disenchantment with the political class. Most elected representatives are not in close contact with their people and are indifferent to their woes. They make tall promises knowing that some of them are impossible to fulfil. National opposition parties lack capable leaders and party apparatus to convey their message to the people. Political leaders' relationship with the public has become transactional because the latter finds the former has transformed into a self-serving lot.

YG Chouksey, Pune

OUR VIEW



Hybrids can be a bridge to carbon-free mobility

India should rethink tax policy in support of hybrid vehicles as a pathway to exhaust-free roads. It could smoothen the transition while infrastructure for EVs takes time to emerge

For all the policy promotion of electric vehicles (EVs), their sales figures in India have been a disappointment as far as four-wheelers go. Even hybrid cars, which get no policy push, have lately been selling more. Consider the automobile sales numbers for 2023-24. In the second half of the year, around 52,000 units were sold of hybrids, which combine combustion engines with battery-powered propulsion to reduce fuel emissions. In comparison, sales of all-electric four-wheelers lagged at 48,000 units. For the full year, EVs nosed ahead with almost 100,000 units, while hybrids sold about a tenth less. The latter have significant consumer appeal, evidently, in spite of bearing a heavier tax burden. This may explain why transport minister Nitin Gadkari has sent a proposal to the finance ministry, as reported, to place hybrids in the same 5% GST bracket as EVs. Currently, hybrids are taxed at par with fossil-fuelled vehicles: at the top GST rate of 28%, that is, with a cess levied on top of that, taking the effective levy higher. It may be time, however, to incentivize hybrids too as we go about electrifying transport towards India's overarching aim of carbon neutrality by 2070.

The premise for treating hybrids like regular combustion cars was that they do not fully eliminate the use of fossil fuels, even if they stretch the distance every litre of a fuel-refill takes them. The fact that they are not entirely exhaust-free prompted critics to label them as old-tech in the guise of clean-tech. In their view, a shift away from hydrocarbon usage to anything short of EVs would amount to a cop-out, as that could become the new normal, making it harder to achieve the transport sector's goal of decarbonization. This may turn

out to be true if that's where our mobility transition ends. But not if hybrids serve as a bridge for an eventual switch to EVs across India. In fact, hybrid advocates have a sound argument for why we need such a two-stage plan to decarbonize our motorized traffic. For one, hybrids that use both batteries and pistons to move wheels not only reduce demand for petrol or diesel—and thus compress carbon emissions—they induce no anxiety over being stranded without charge. Unlike EVs, they are not dependent on charging infrastructure, the slow emergence of which deters many would-be EV buyers. Long waits to charge cars have been an EV-market dampener even in rich economies like the US. There is a worry that India's power grid may be unable to meet a surge in power demand for charging should we switch to EVs in far larger numbers. Also, as most electricity used in India is still from coal-fired plants, it will be many years before overall exhaust levels drop. In short, a premature pivot to EVs could prove disruptive without sufficient gains on the clean-up front to justify it. Not to imply that we aren't making progress against those lacunae. But our target of EVs making up 30% of vehicle sales by 2030 looks steep. Of the 4.15 million passenger vehicles sold in 2023-24, just 2.4% were EVs. That they tend to be priced dearly doesn't help.

Apart from being cheaper, typically, hybrids offer a practical pathway towards our climate aims. While there are auto lobbies on both sides of the hybrid debate, what matters is how to reach net-zero optimally. GST relief can help. As EV-makers complain of inverted GST rates, with inputs charged more than 5% and capital blocked in refunds, a wider rate rejig might be needed too. Let's re-route the way ahead.

THEIR VIEW

Women's employment could be enhanced by well-aimed policies

State-funded pilot projects aimed at lowering hidden barriers could help us chart a path forward



VIDYA MAHAMBARE & VIVEK JADHAV

are, respectively, professor of economics and director (research and FPM) at Great Lakes Institute of Management, and assistant professor at Institute of Management Technology, Ghaziabad.

Tamil Nadu and Karnataka are two large neighbouring states in South India. Nearly 20 years ago, in 2004-05, around 57% of women in the prime age group of 25-to-54 years were in paid work in Tamil Nadu (TN) and Karnataka. Fast forward. While 44% of prime-age women in TN were employed in 2022-23, the proportion was 51% in Karnataka. This data suggests that Karnataka has done better at keeping women employed. The state overtook TN in terms of per-person real state GDP during the last decade. With its growth driven by the IT sector, one of the largest employers of educated women, it seems like Karnataka has managed to arrest women dropping out of the job market better than its neighbour. Or is that so?

Dig deeper and a different story will emerge. First, a caveat. Given small subsamples at the state level in the Periodic Labour Force Surveys, the percentages discussed below may not be entirely representative. Yet, the comparative trends are unlikely to differ vastly. With economic prosperity, people usually move out of agriculture and into non-farm jobs. 26% of women of prime age in TN were working in either industrial or service sectors in 2022-23. In Karnataka, it was only 21%. More than 30% of Karnataka women in this age

group continued to work in the primary sector, while it was only about 18% in TN. Among women aged under 30, there is virtually no farm employment in TN (under 2%). While non-farm employment is higher in TN, joblessness among young women is also higher. A higher level of urbanization in TN has not enabled all women seeking paid work to find such jobs. Is low job creation keeping women in urban TN from paid work?

The answer is not so straightforward. Educated unemployment in the 20s in TN is also high among young men, but almost all men are in work by the time they turn 30. This suggests that rather than a lack of jobs, it is either the type of jobs or lack of enabling factors that stop people from taking up employment.

From the perspective of women, what are enabling factors? First, marriage remains universal in India and household chores and care responsibilities continue to be carried out by women, regardless of their employment status. Employed young Indian women in urban areas spend around 2 hours and 45 minutes on domestic work, based on data from a time-use survey 2019 (bit.ly/3XbTGYz). In contrast, employed young urban men spend only 30 minutes on domestic work. Women face many more trade-offs, balancing housework and paid work. They need their workplace commute to be less time-consuming and more convenient, a difficult condition to meet for most.

More women than men depend on public transport and intermediate modes such as shared three-wheelers, which increases commuting time and is more tiring. Also, unsafe public transport, either as perceived or in reality, is a crucial concern for women in low-skilled occupations in Chennai. (bit.ly/3FjNugf) In the case of high-skilled women, such as those working in IT, a shared auto is replaced by a cab or a company transport, but the former raises commuting costs and the latter makes it hard to keep flexible timings.

Second, for many women, unlike men, marriage typically involves a shift in home location, even in the same city, which could make earlier jobs hard to keep. In cities where residential areas are segregated from commercial areas, finding a suitable job near homes is not easy. Also, migrants and low-income families often settle in suburbs because they cannot afford rents in central city areas where there are more jobs.

Instead of providing a subsidy to build homes in rural areas, which is what many state governments as well as the central government do, it would be worthwhile to explore how affordable housing supply can be increased where jobs are plentiful, or if housing vouchers can be used to make rents affordable in the interim. Such policies will benefit families, and more so women.

Third, one of the big trade-offs for urban women continues to be between full-time childcare and paid work. While the Indian law mandates large companies to have a childcare facility at the workplace, this is not of much use once schooling starts. It is not practical to bring a child to a workplace facility from a school far away from the office.

Policy-makers should consider a case for after-school daycare facilities on school premises. This would eliminate the need for transportation. Instead of firms funding childcare on their premises, the same money can be used to subsidize convenient childcare.

Finally, bigger long-term gains may come from making gender education a norm at the school level for everyone. It is easier to influence young minds, raise girls' aspirations and inculcate gender equality in early phases of learning.

Tamil Nadu has historically taken a lead in promoting women's empowerment in India. Now it could set a new example by initiating pilot projects to test some of these proposals that may help raise women employment.

It would be even better, of course, if both neighbours come together in this worthwhile cause.



JUST A THOUGHT

As the saying goes, the Stone Age did not end because we ran out of stones; we transitioned to better solutions. The same opportunity lies before us with energy efficiency and clean energy.

STEVEN CHU

THEIR VIEW

Shield other shareholders from business family feuds

SRINATH SRIDHARAN



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All seems good when the parents are around. After their passing, human greed and jealousy seem to strain relations in many business families. The distribution of wealth and power within a family to everyone's satisfaction is a universal challenge. In many parts of the world, timely transitions from family-run to professionally managed businesses have helped mitigate such conflicts, driven in part by the fear of shareholder lawsuits.

With nine-tenths of India's publicly traded companies being family-owned or controlled, the complexity and pressure of keeping control of these businesses intensifies as families enlarge across generations. Family feuds can manifest in diverse ways, often beginning with minor disagreements among members over business strategies or priorities, often with personal egos at play. However, seemingly trivial issues can quickly escalate into major disputes, fuelled by friction around inheritance matters or control of a majority stake in a listed corporation.

The Securities and Exchange Board of India took a significant step last year by expanding the scope of disclosure requirements under Sebi's listing Regulation 30A. It addressed the prevalence of undisclosed family arrangements within business groups that directly impact the operation and ownership of listed entities. These arrangements, whether formal or informal, can restrict the freedom of listed entities to conduct business or dictate succession plans for key management positions, while remaining hidden from the scrutiny of the business's board and shareholders. Sebi's notification mandates the public disclosure of all such covenants, shedding light on any exclusion of family members from ownership or control, or the allocation of specific entities to particular branches of the family. Such transparency is essential to ensure that the governance of listed entities stays free of undue familial influence and manipulation.

Compliance with this regulatory shift, previously regarded as closely guarded family proprietary information, will not occur spontaneously. Sebi may need to take proactive measures to compel all companies to make a one-time disclosure.

Moreover, while even written agreements can be contentious, oral or loose arrange-

ments pose an even greater challenge, often leading to fierce disputes. We have seen this play out many times in India. The bulk of Indian enterprises have had family feuds. Be it the Kirloskar family, the current Kalyani-Hiremath feud, the old Ambani brothers dispute, Murugappa group muddle over one of the daughters asking for a board seat, the Chhabrias of Finolex, the Singhania of Raymond, the Wadias of Bombay Dyeing and Britannia, or the K.K. Modi family discord and the recent Tata-Mistry battle. Who has paid the price for these wars? Is it not their minority shareholders?

So long as family-run businesses dominate our corporate landscape, family succession battles will remain a risk factor for minority investors. If reputational risk does not seem to concern business families, it's primarily because institutional investors are just waking up and yet to find their voice.

Unfortunately, much of India Inc still resorts to age-old tactics to resolve disputes. In addition to airing grievances in public and

pursuing costly litigation, factions within families have been found to instigate media mud-slinging as well as investigations by authorities against one another. The repercussions of such manoeuvres inevitably hit shareholders. Is there a way to shield investors from the fallout of succession battles?

Most family conflicts are resolved through litigation or private mediation. Large businesses are often influenced by the policies and principles of founding families, blurring the distinction between the firm and its owners. While investors may initially benefit from trust and confidence vested in promoter families, the record has shown high potential for investors to suffer as a result of prolonged family disputes that depress share prices and market cap.

Perhaps rules that get warring factions to step aside until disputes are resolved could provide a solution. Reluctance to relinquish management control (and thus access to company funds, especially for legal battles), may compel all parties to come to the table

and reach a pragmatic resolution. But then, that's what boards are partly for, some say.

While there are 'independent directors,' how many are truly independent? Most directors owe their seats to their proximity to promoters, the management or goodwill earned in their previous official capacities. Those who dare assert themselves risk swift ejection, with informal power networks ensuring their exclusion from other board invitations. This dissuades many from challenging the *status quo*. Consequently, the expectations placed on independent directors remain fictional, as they lack the freedom and authority needed to enact meaningful change in such circumstances.

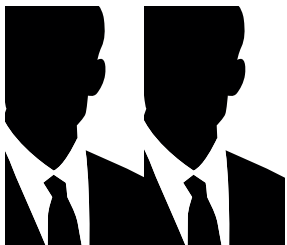
Although the law provides general guidelines, Sebi should establish specific regulations for companies to protect minority shareholders' interests, especially in cases of business-family spats. This underscores the importance of Sebi's proposal to separate the chairperson and managing director roles in the top 500 listed entities—an initiative that promotes better corporate governance and accountability. However, it's evident that India Inc, driven by a sense of entitlement, opposes the idea of any regulator dictating the distribution and transparency of familial power within companies.

GUEST VIEW

MINT CURATOR

Food security finances: A push for efficiency is a win for India

The government's 2020-21 clearing of FCI's subsidy dues and other steps have improved both capital and food management



ASHOK K. K. MEENA & CHANDRASEN KUMAR

are, respectively, chairman and managing director, and deputy general manager at Food Corporation of India.

The government of India has taken a slew of measures to bolster finances required for institutionalized food security management, involving the procurement of wheat, rice and coarse grains from farmers, their safe storage and transportation to deficit regions, and then their distribution among beneficiaries. These measures started with the settlement in fiscal year 2020-21 of all the food-subsidy arrears and claims of Food Corporation of India (FCI), amounting to ₹4.63 trillion. The latest step in this direction, taken in February 2024, has been an enhancement of the authorized working capital of FCI from ₹10,000 crore to ₹21,000 crore.

Traditionally, these operations have been financed through food credit. There has been a separate arrangement for pre-emptive lending to FCI and food-procuring state governments regulated by the Reserve Bank of India (RBI). The entire volume of food credit is extended by a consortium of banks led by State Bank of India (SBI). In the past, this consortium charged higher interest rates due to uncertainty of repayment, because credit extended could be repaid only once the subsidy was disbursed after liquidation of foodgrain stock held in the central pool.

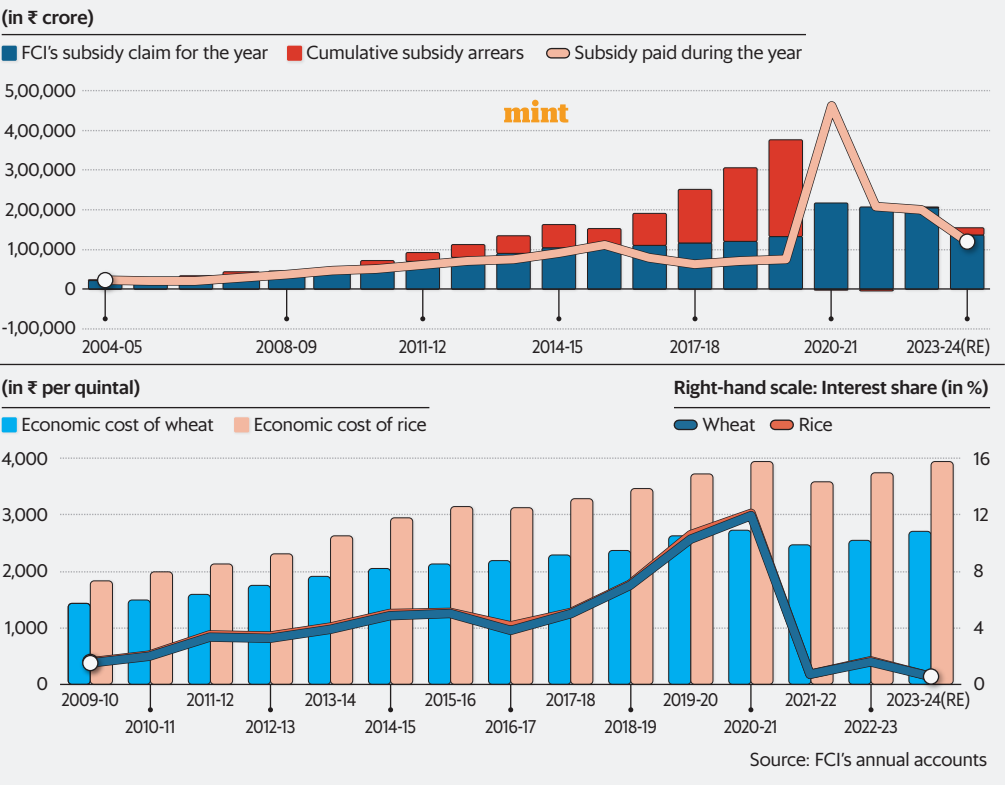
The extent of food credit extended by the consortium reduced credit available for other sectors of the economy, classified as 'non-food credit.' Since the establishment of FCI in 1965, food credit had been consuming a significant share of the total credit deployed in the Indian economy. According to *Economic Survey* reports of 2000-01 and 2001-02, it ranged from 15% to 20% until the end of year 2000, and had risen to 37.7% during April to October 2001, due to an extended period of stock holding. From 2001-02 onwards, the share of food credit started declining, due to quicker liquidation of stock. It declined further with FCI's diversification of fund sources, such as government guaranteed bonds, National Small Savings Scheme (NSS) and ways-and-means advances, which was done to reduce interest costs. Thus, the share of food credit has been on a decline over the past two decades.

However, from the year 2010-11 onwards, the central government's subsidy disbursement to FCI had become sticky. Usually, the government would disburse 95% of the subsidy during a given year and the rest after a complete audit of accounts. But the disbursement dropped sharply during the previous decade, and subsidy arrears were cleared only in small parts. As a result, the total subsidy arrears owed to FCI rose to ₹3.76 trillion by the end of 2019-20, and then further to ₹4.37 trillion by the end of 2020-21's third quarter. Subsequently, in an effort to square off-budget borrowings, the government cleared the pending bill of subsidy arrears in one go during the fourth quarter of 2020-21, by disbursing ₹3.85 trillion. Thus, a total subsidy payment in 2020-21 of ₹4.63 trillion from



Burden-free food distribution

The government's clearance of subsidy arrears in 2020-21 has sharply reduced the interest component of foodgrain costs borne for food security.



SATISH KUMAR/MINT

the central budget outlay not only cleaned up the balance sheet of the government, but also helped FCI clear all its debt.

During the previous decade, spanning a period from 2011 to 2020, FCI had managed its finances by borrowing huge amounts of money from various sources that incurred an accumulated interest burden of about ₹29,000 crore (2020-21 estimate). Rising interest pay-outs weighed heavily on food-security operations, especially by raising the share of interest in the 'economic cost' borne of wheat and rice to a peak of about 12% in 2020-21.

High economic costs in turn leads to higher food subsidy pay-outs by the government and also places constraints on modernizing food-security infrastructure for more efficient operations. Thus the enhancement of FCI's approved working capital to ₹21,000 crore shall help further contain the interest component of the economic cost of food-grains, and thereby also the subsidy incurred thereupon.

Historically, in a developing country like India, financing food security operations has been a

highly challenging part of public financial management. However, from 2020-21 onward, India's government has also developed a mechanism for quick and regular disbursements of subsidy claims on almost a weekly basis, and sometimes even twice in a week, and extended support to FCI in raising funds through cheaper sources, such as bonds. These measures of the government not only exhibit efficient public financial management, but also affirm its commitment to protect the interests of farmers as well as vulnerable consumers. Efficiency brought about in the finances required for carrying out institutionalized food security management is likely to have a positive impact on the operational capabilities of the world's largest food dispensing system, one that distributes 5kg of free foodgrains to over 810 million beneficiaries across the country every month, even as payments for the procurement of wheat and paddy at Minimum Support Prices are made to about 12.5 million farmers directly into their bank accounts.

These are the authors' personal views.

MY VIEW | IT MATTERS

IT firms mustn't miss warning signals from Accenture

SIDDHARTH PAI



is co-founder of Siana Capital, a venture fund manager.

In the IT services industry, Accenture doesn't just make waves—it can create storms that either lift the boats of competitors or send them into a whirlpool. This past week, JPMorgan and other equity analysts have been mulling the fact that Accenture has issued a weaker than expected forecast. There has been a meaningful cut by the firm of its constant currency revenue growth guidance from 2-5% to an anaemic 1-3%. This, say equity analysts, has been caused by a tight leash held by clients on discretionary spending. This throttles quickly converted small deals that drive a part of the business that contributes heavily to overall revenue.

In the meanwhile, equity analysts claim that a large "transformational" deal pipeline is healthy for Accenture, but that there are delays in deal signing or a revenue ramp-up on already-signed deals. There is also hope among analysts that the industry is cautiously optimistic, and they expect growth in the latter part of the year. In my opinion, the ripple effects of Accenture's slowdown on

Indian information technology (IT) service providers will be multi-faceted. First, let's address investor sentiment. The stock market is as much about perception as it is about performance. Given Accenture's broad client base across industries and geographies, its forecast is often seen as a barometer for global IT spending. If it hints at a slowdown, it sets a narrative of caution across the sector, which can lead investors to recalibrate their expectations beyond Accenture too.

For Indian IT firms, this recalibration might result in stock-price volatility. Companies like Cognizant, TCS, Infosys, Tech Mahindra, Wipro and HCL Technologies, which have an overlap with Accenture in terms of services and client industries, could see valuations affected as investors adopt a wait-and-see approach. If so, however, this would likely be more knee-jerk than judicious, and influenced by a herd mentality. Over the medium term, their stock prices would auto-correct *vis-à-vis* Accenture.

Beyond the immediate financial market implications, a more substantive concern for Indian IT firms would be understanding the underpinnings of Accenture's weak forecast. Is it due to reduced IT spending by clients? Is it because of geopolitical tensions, or perhaps a sign of broader economic headwinds?

The diagnosis matters. While analysts have hazarded some guesses, Indian IT providers should engage in some navel-gazing of their own forecasts to compare with the category leader's weak commentary.

Accenture has been the most successful at reinventing itself in the digital age, while Indian firms have been laggards, no matter what their advertising may say. In an earlier column in this space, I discussed how Accenture had recast itself to enter a "reinvention phase," as had Varun Sood of *Mint*. In my view, the firm is well ahead of its Indian (and non-Indian) competition when it comes to facing the new flood of Generative Artificial Intelligence (GenAI) and other cutting-edge technologies in the digital realm.

Since the downturn is supposedly due to a decrease in discretionary spending on new technology initiatives, Indian companies could double down on showcasing the return-on-investment for digital-pivot projects or pushing into recession-proof sectors

like healthcare or utilities. Alternatively, if the forecast points to a shift in technology investment—say, from enterprise IT to emerging technologies like Generative AI or blockchain—Indian firms would need to realign their service offerings and talent acquisition strategies accordingly, which seems like a Herculean task for their current management suites.

The IT services industry is notorious for its tactics to attract skilled professionals and very poor at managing its revolving door of departures and new recruits. While attrition has now reduced, the pandemic saw the gross incapability of Indian IT providers to retain talent, unless they were willing to poach from each other at twice the recruit's salary. This, they did short-sightedly and are still trying to lose that payroll bloat. According to analyst firm ISG, GenAI talent is "1% of 1%" (to quote its chief strategy officer). It is not clear to me that this talent can easily be wooed and retained by management teams using old tactics.

There is a silver lining for Indian IT providers, however. On one hand, scaling back on consulting and discretionary IT projects affects the pipeline and revenues of Indian IT companies. On the other hand, a focus on cost optimization could play to the strengths of Indian providers, known for their cost-effective solutions and operational excellence. This scenario could lead to an increase in offshoring and greater demand for managed services, as clients seek to do more with less.

But offshoring is a mezzanine step. It occurs before the automation and elimination of jobs. We have already seen this in the business process outsourcing (BPO) sector. I happened to run into the wife of the majority owner of one of India's largest IT services businesses some weeks ago at a social soiree. When I recounted to her that her husband had wanted to hire me as the chief executive of his BPO business some 10 years ago, she remarked, "Does anybody even have a BPO company anymore?" God forbid that someone gets a chance to make that same remark about today's IT services in the future.

That said, the IT industry has a history of turning challenges into catalysts for transformation. A weak forecast from a global market leader could well spark the next wave of evolution. Let's see.

India must look at the needs of its thirsty cities before the rest

Farms and power plants consume too much and our cities too little



DAVID FICKLING

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Water scarcity afflicts many Indian cities other than Bengaluru

At the time Egypt's pyramids were being constructed, one of the cradles of global civilization emerged the Indus Valley around the borders of Pakistan and India. Its grid-planned cities produced sewerage networks, delicate artworks and an undeciphered writing system. Then, a 900-year drought [is thought to have] emptied its urban areas and sent its population back to a simpler, poorer village life on the plains of the River Ganga.

Something grimly similar is happening right now. Tech professionals are leaving India's IT hub of Bengaluru amid an intensifying drought that has gripped the city as it sweats through another torrid pre-monsoon season. *The Deccan Herald* reported this month. More than half of the wells the city depends on for groundwater have dried up after failed rains last year, leaving businesses and citizens dependent on trucked-in water tankers.

In neighbouring Kerala—which catches much of the monsoon rainfall before it reaches inland stretches of Karnataka—a minister has written to Bengaluru's companies, suggesting they relocate because "water is not an issue at all" in his state, *The Times of India* reported.

That seems in poor taste in southern India, where fights over the distribution of river flows between parched states have gone on for decades. These pressures are only going to grow as populations rise and climate change makes the cycles of drought and monsoon more pronounced.

That's not just a regional problem, but an issue for the country as a whole and the world at large. The southern states of Karnataka, Kerala, Telangana, Andhra Pradesh and Tamil Nadu account for just about 15% of India's population but they generate about a quarter of GDP thanks to the strong performance of their technology and manufacturing sectors. The global economy is counting on that engine of growth to take over in the years ahead, as China slows toward stagnation.

Southern India lacks the huge reserves provided by the Himalayan snowpack in the north, making water shortages a fact of life. Chennai went through a comparable emergency in 2019, while the current drought is also biting in Hyderabad.

Existing policies are not helping fix a problem will require making hard compromises with two of India's most politically sensitive industries: agriculture and power generation.

The households struggling with water restrictions right now only consume about 7% of India's water. The overwhelming

majority, 85% or so, goes to farming.

While rainfall cannot simply be transferred from a paddy farm to a tech worker's kitchen tap, the groundwater that's running out in Bengaluru ultimately shares its aquifers with rural water tables. Karnataka and Tamil Nadu are two of the most important growing states for sugarcane, a notoriously thirsty crop. Far from seeking to rein in this trade, the government is encouraging planting with mandated prices and export subsidies that have landed New Delhi in years of disputes at the World Trade Organization.

India now produces enough sugar to meet its population's needs twice over and production will remain higher than demand well into the 2040s, according to a recent report from government think-tank Niti Aayog. Meanwhile, the increased cane production required by the central government's ethanol-blending policy could consume an additional 348 billion cubic metres of water, according to a 2020 study—around twice what is used by every city in the country.

Coal-fired electricity is another water hog. Thermal generators need to suck giga-litres from rivers to cool their turbine circuits. The power sector may account for more than a quarter of Karnataka's urban water consumption by 2030, according to a 2014 study. Much of that electricity goes back into agriculture. As well as sucking up groundwater, India's millions of grid-connected electric pumps put further stress on the power system, accounting for about a fifth of electricity consumption.

It's unlikely that, with general elections just weeks away, these persistent problems will be tackled any time soon. But they can't be ignored. Bengaluru and Hyderabad have prospered by earning a reputation as some of India's best cities for upwardly-mobile professionals, blessed with relatively clean air and a milder climate. Should institutional failures turn urban clean water into a privilege rather than a right, their attractions will diminish, dissipating the development benefits of urban growth and agglomeration.

India is determined to escape the fate of its Indus Valley forebears, and prosper through this coming era of climate change. To do so, it will need to put the needs of its thirsty cities first.

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Prime Minister Narendra Modi, by raking up the contentious matter of Katchatheevu, has set an unhealthy trend of politicising an issue for electoral gains, and one that has bearing on ties with Sri Lanka. Mr. Modi, on March 31 on X, stated that “new facts reveal how Congress callously gave away #Katchatheevu”. Even though the State BJP, like other parties in Tamil Nadu, has been talking about the island’s retrieval, the situation gets complicated when its national leadership too lends its voice. As with the Congress-led UPA government, the BJP-led NDA regime too has seen the islet as a part of Sri Lanka. In 2022, the External Affairs Ministry (MEA) informed the Rajya Sabha that “Katchatheevu lies on the Sri Lankan side of the India-Sri Lanka International Maritime Boundary Line [IMBL]”. In 2013, the UPA regime told the Supreme Court that the question of retrieval did not arise as no territory belonging to India was ceded to Sri Lanka. It contended that the islet was a matter of dispute between British India and Ceylon and that there was no agreed boundary, a matter settled through the 1974 and 1976 agreements, leading to the IMBL. A little after Mr. Modi became Prime Minister, an MEA affidavit in the Madras High Court stated that sovereignty over Katchatheevu “is a settled matter”. But the present government has also been telling Parliament that the matter relating to the islet is sub judice as it was before the Supreme Court.

The crux of the row now is whether the Congress, under Jawaharlal Nehru or Indira Gandhi, had “callously” handled the matter. Documents from an RTI query by BJP State president K. Anamalai reveal that the Indian leadership, before the agreements of 1974 and 1976, had recognised that it did not have a strong case over the territory, even though the area was part of the zamindari of the Raja of Ramanathapuram since 1803. A report in *The Hindu* (March 1972) says the annual church festival began over “90 years ago”. But, what must have troubled the Indian authorities, going by the minutes of a meeting in Chennai in 1974 between Foreign Secretary Kewal Singh and Chief Minister M. Karunanidhi, were historical facts aiding Sri Lanka. These include the reference by an Indian survey team in 1874-76 to Katchatheevu being a part of Sri Lanka, Sri Lanka’s assertion of sovereignty since 1921 when talks began to demarcate the fishery line in the Palk Bay, and the inability of the Madras Presidency to establish the islet’s original title. Besides, Sri Lanka had been exercising jurisdiction over the territory since the mid-1920s without protest by India. Nehru’s observation on “giving up our claim” or constitutional expert M.C. Setalvald’s favourable opinion is thus cited by critics of the Congress and the DMK, but the RTI documents show that the decision had sound basis. It is understandable if political leaders in Tamil Nadu raise the demand of Katchatheevu’s retrieval every now and then, but it would be extremely disturbing if the Prime Minister too joins the bandwagon.

India's solar industry must grow without compromising on quality

The new financial year has begun with the government finally bringing into effect a policy that will discourage solar power project developers from relying on imported panels. The Approved Models and Manufacturers of Solar Photovoltaic Modules (Requirement for Compulsory Registration) Order, 2019, requires module makers to submit to an inspection of their manufacturing facilities by the National Institute of Solar Energy. Being on the list as an 'approved' manufacturing facility certifies a company as legitimately manufacturing solar panels within its premises and not importing modules. The major advantage is eligibility to compete for the government's tenders for its flagship solar energy programmes. This includes the recently announced PM solar rooftop scheme.

The creation of such a list was also aimed at restricting imports from China, which controls nearly 80% of the global supply, amid the downturn in diplomatic relations. India has ambitious plans of sourcing about 500 GW, nearly half its requirement of electricity, from non-fossil fuel sources by 2030. This would mean at least 280 GW from solar power by that year or at least 40 GW of solar capacity being annually added until 2030. In the last five years, this has barely crossed 13 GW though the government has claimed that the COVID-19 pandemic affected this trajectory and the country was on track to add between 25 GW-40 GW annually. The difficulty is that meeting the targets requires many more panels and component cells than India's domestic industry can supply. In recent years, a significant fraction of India's solar installations has been met by imports. This affects the interests of domestic panel manufacturers who have to pay the government to be certified while at the same time losing out on orders to the cheaper Chinese panels. To meet demand, the Centre, which has kept postponing the implementation of the approved list, has now decreed that this will take effect from April 1. The yardstick of success is when India meets its 2030 commitment while also ensuring that solar power is affordable to most Indians. This means that domestic manufacturers should be subject to stringent quality checks and not be allowed to compromise on cost and quality merely on nationalistic grounds. While the Indian solar industry must grow and gain a reputation for being a high quality exporter, it should not forget that this is a road with no easy shortcuts.

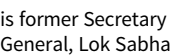
The Prevention of Money Laundering Act (PMLA), 2002 was enacted with a distinct objective. The humongous volume of black money generated through international drug trafficking posed a grave threat to the economy of many countries. There was widespread realisation that the black money generated through the flourishing drug trade and integrated into the legitimate economy was likely to destabilise the world economy and endanger the integrity and sovereignty of nations.

The United Nations took serious note of this, and in 1988, held the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances. All countries were urged to take urgent steps to prevent the laundering of the proceeds of drug crimes and other connected activities. Subsequent to this, seven major industrial nations held a summit in Paris (July 1989) and established the Financial Action Task Force (FATF) to examine the problem of money laundering and recommend measures to tackle this menace. Thereafter, in 1990, the United Nations General Assembly adopted a resolution, namely, the Political Declaration and Global Programme of Action which called upon all member-countries to enact suitable pieces of legislation to effectively prevent the laundering of drug money.

In pursuance of this resolution of the UN General Assembly, the Government of India used the recommendations of the FATF to formulate a legislation to prevent drug money laundering. As drug trafficking is a trans-border operation, the UN held a special session on June 10, 1998 on the theme 'Countering World Drug Problem Together' and made another declaration on the urgent need to combat money laundering. Accordingly, the Indian Parliament enacted the Prevention of Money Laundering Act in 2002. But it was brought into force in 2005.

This narration of the history of this law is necessary in order to emphasise the original objective and the circumstances which lead to the enactment. As is clear from the history, the main focus of the law is on combating the laundering of drug money. Accordingly, the Act of 2002 contained a few offences listed in the Indian Penal Code (IPC) and the Narcotic Drugs and Psychotropic Substances Act, 1985. The UN resolutions, and the FATF recommendations are all focused on the prevention of money from the laundering of drugs. However, the PMLA of India acquired a different character through amendments from time to time.

The law on money laundering revolves around the “crime proceeds” which are laundered. Not



The most serious aspect of the Prevention of Money Laundering Act (PMLA) is the inclusion of offences which have nothing to do with the original motive – namely, to combat the laundering of drug money

only the persons involved directly in the crime and the generation of the crime proceeds but also persons who have nothing to do with the crime but who have some involvement at a later stage in the laundering process are also guilty under this law.

But the most serious aspect of the PMLA is that it includes a large number of offences in the schedule which have nothing to do with the original purpose of this law – namely, combating the laundering of drug money. The UN resolution on the basis of which the law on laundering was enacted in India spoke only about the offence of the laundering of drug money. This was considered the most serious economic crime which had the potential to destabilise the world economy and endanger the sovereignty of nations, as highlighted above. The preamble to the PMLA endorses it. So, there was global consensus on the need to have a tough law to deal effectively with this crime. Thus, the *raison d'être* of the PMLA is the crime of the laundering of a huge volume of black money generated from the international drug trade and the spectre of destabilisation of the world economy.

Further, the PMLA was enacted by India's Parliament under Article 253 which empowers it to make laws for implementing the international conventions. This Article indicates that a law Parliament makes to implement any decision of an international body will be confined to the subject matter of that decision. Item 13 in the Union list of the Seventh Schedule of the Constitution is specific on this point. Thus, the law on money laundering enacted under Article 253 and Item 13 of the Union list in the context of the UN resolution referred to above can only be on drug money. Various amendments made in this Act at different times bloated the schedule which now contains such offences which are either ordinary offences listed in the IPC or for which there are special laws in force. Since money laundering as an offence is linked to one of the scheduled offences, the offences contained in the schedule become the starting point of the whole process of operationalisation of the PMLA.

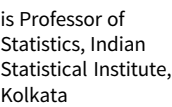
A close look at the schedule will convince a man of ordinary prudence that this law has deviated from its original scheme. The provisions contained in it are draconian which were meant to deal with the dangerous men involved in drug trafficking and the money chain. These provisions are now being used in other scheduled offences too without mitigating their rigour. Offences which by their very nature do not generate crime proceeds of a scale which can destabilise the economy and endanger the

In an effort to broaden Prime Minister Narendra Modi's reach to a variety of linguistic groups, the Bharatiya Janata Party (BJP) has used Artificial Intelligence (AI) to translate his speeches into eight different languages ahead of the Lok Sabha elections, which may potentially be considered India's "first AI election". Yes, the widespread application of AI, with its seemingly limitless possibilities, is likely to bring about a paradigm shift in the general election in 2024.

In practically every election over the past three decades, India's electoral strategy has changed due to the process of an integration with and a capitalisation on emerging technologies. Its spread can be traced to the extensive usage of phonecalls in the 1990s, the Uttar Pradesh Assembly election in 2007 that saw the first "mass mobile phone" elections, the use of holograms in 2014, and, now, the current AI era.

For instance, the significance of social media platforms as essential political campaign instruments will be particularly remembered in relation to the 2014 Indian elections. Many analysts even referred to it as India's first "social media elections" or the "Facebook elections," given the estimated \$500 crore in digital spending. The BJP, undoubtedly, benefited from being the first to use these technological tools widely to connect with India's sizeable youth population.

A paper in the *Asian Journal of Political Science*, in 2015, titled “India 2014: Facebook ‘Like’ as a Predictor of Election Outcomes” showed a high positive correlation between the number of ‘likes’ a party or its leader secured on their official Facebook fan page and their popular vote share. By the time he took office, Mr. Modi was the sixth-most-followed global leader on X (Twitter) and had amassed over 16 million “likes” on Facebook, second only to former U.S President Barack Obama among politicians worldwide.



The widespread application of Artificial Intelligence is likely to cause a paradigm shift in almost every aspect of an election

The 2019 general election was widely dubbed the “first WhatsApp election” in India. Indeed, in the previous 12 months and earlier, elections in Nigeria, Brazil, and a few Indian States have shown how WhatsApp can be used to spread messages that are designed to mislead voters for political purposes very quickly. In his book, *How to Win an Indian Election* (2019), former election campaign consultant Shivam Shankar Singh explained that WhatsApp is “an effective political platform because it allows for targeted delivery of information to voters and also because it allows an excellent tool to organize and mobilize party workers”.

The global elections of 2024, in contrast, are “AI elections”. In January, New Hampshire voters answered a phone call from what sounded like U.S. President Joe Biden. Indeed, it was a robocall made by AI aimed at dissuading Democratic voters not to turn up to polling stations on election day. Two days before parliamentary elections in Slovakia, in September 2023, a recording of a conversation between a journalist and the leader of the pro-North Atlantic Treaty Organization Progressive Slovakia Party was shared on Facebook, purportedly discussing methods of election manipulation. They both immediately called out the audio as fake, and fact checking turned up proof of AI manipulation. But, in a close race, Progressive Slovakia lost out. Was it a “test case” before the global elections in 2024?

It was Argentina's turn in October-November 2023, following which an article in *The New York Times* perceived that "with its expanding power and falling cost, it [AI] is now likely to be a factor in many democratic elections around the globe". Deepfakes were used in the recent Assembly elections in Madhya Pradesh and Telangana, either through doctored clips of the game show "Kaun Banega Crorepati" or a fake video of a leader allegedly pushing voters to support their

sovereignty of the nation are being tried under this law. One such example is the Prevention of Corruption Act, 1988 which is aimed at curbing corruption among public servants. This Act was added to the schedule of offences in 2009. The PMLA now applies with all its rigour to public servants. Thus, a public servant charged with corruption and a hard-core drug trafficker are treated alike. A very disturbing thing about the PMLA is that an accused under this law is presumed to be guilty until proved innocent.

A fundamental principle of Anglo-Saxon jurisprudence is that a person is presumed innocent until proven guilty. PMLA turns this principle upside down. An accused will be denied bail by the entire hierarchy of courts because the bail provision contained in section 45 of the PMLA says that a judge can give bail only when he is satisfied that the accused is innocent. Which judge will take such a risk? So the person will rot in jail for years together without trial.

The bail provision of the PMLA Act (Section 45) is invested with a lot of political significance in present day India. It was held unconstitutional by a two-judge Bench of the Supreme Court of India in *Nikesh Tarachand Shah vs Union of India* (2018) as violating Article 14 and Article 21. However, Parliament, with great alacrity, restored this provision with certain amendments which was upheld by a three-judge Bench headed by Justice A.M. Khanwilkar in *Vijay Madanlal Choudhary vs Union of India* (2022). The top court held that this provision is reasonable and has direct nexus with the purposes and objects of the PMLA Act. Herein lies the problem.

The object of the Act is to curb the laundering of black money and to save the economy from being destabilised. But what about less serious offences which have found a place in the schedule? The learned judges nearly said that inclusion of a particular offence in the schedule comes within the domain of the legislative policy.

The present judicial approach to the issue of bail in PMLA cases appears to be very technical. The judicial perspective on bail was laid out by Justice V.R. Krishna Iyer back in 1978 under the following words in *Gudikanti Narasimhulu And Ors vs Public Prosecutor, High Court Of Andhra*: “Personal liberty, deprived when bail is refused, is too precious a value of our constitutional system recognised under Article 21 that the curial power to negate it is a great trust exercisable, not casually but judicially, with lively concern for the cost to the individual and the community”. From Justice V.R. Krishna Iyer to Justice A.M. Khanwilkar, the apex court has travelled a long distance.

However, AI can play a far wider role in elections than just disseminating disinformation. It can be used in the entire spectrum of campaign strategies, from the preliminary steps of voter

identification to the intricate details of content development and delivery. With real-time analytics on campaign performances, AI is raising the bar for political campaigns with its data-driven and effective micro-targeting strategy. The political landscape is changing quickly due to GenAI technology, which presents both the potential and challenges for the 2024 elections.

The United States government has outlawed robocalls using AI-generated voices in its response to the Biden robocall incident.

Technology behemoths including Microsoft, Google, OpenAI, and Meta have vowed to combat AI content that aims to deceive voters. But will they be able to complete the task fully proofed?

There is general concern that, similar to Slovakia, election-related generated contents may shape last-minute attempts to deter voters from exercising their right to vote or create an event with a manufactured portrayal of a candidate that is challenging to swiftly debunk. A few months ago, an AI-created image of Donald Trump's arrest went viral. What would happen if a picture like that went viral a day before the election?

AI will be far more efficient five years later, in 2029, but as one might perceive, the world will also be more resilient, accustomed, and prepared for AI's deceptive effects. It is a realm of unknowable unknowns right now. And, a lot of uncertainties remain.

The great Indian election

In its urge to somehow stay on in power, the Bharatiya Janata Party (BJP) could be resorting to the use of many undesirable tactics. Its tall claim of "*na khaunga na khane doonga*" is a narrative that seems to be falling flat in the face of some of its political moves. The BJP may still have many strong advantages such as an absence of strong opponents and a

divided Opposition, but its image as a clean party may no longer be resonating with the people. The party seems to be accommodating many who are involved in corruption and in this the Opposition's claim of the 'washing machine' effect could hold true. The electoral bonds scheme has also established that the party is one that is in search of money whatever the

method. In a democracy, such a high-handed and majoritarian party spells danger. I hope the party is taught a lesson or two in this election.

Soundararajan,
Chennai

A joint platform of Opposition parties to fight the dominant Bharatiya Janata Party in the 2024 elections was always an illusion (Page 1,

“Democracy is in danger, warns Opposition at mega Delhi rally”, April 1). It is amusing that the Opposition talks about ‘opposition unity’ just before elections. Have these parties not wasted a precious five years to highlight people’s issues and the government’s failures? The Opposition parties ought to realise that merely forming an electoral alliance does not spell

Opposition unity.
Kshirasagar Balaji Rao,
Hyderabad

The cartoon accompanying the article, “Biggest challenge yet for the great Indian election” (Inside pages, ‘Elections 2024’ page, April 1) was enough to convince me why the BJP, despite its faults, is still the better horse to back.

J.R. Rao,
Hyderabad

MSD, at Vizag
M.S. Dhoni's 16-ball 37 runs, a spell that was laced with three sixes and four fours, against Delhi Capitals ('Sport' page, April 1) spelt delight to his fans. His power-hitting batting remains the same today as it existed in the first edition of the IPL. It is unfortunate that Chennai Super Kings lost the match in Vizag.

K. Pradeep,
Chennai

A speech that put India on the global stage

On April 2, 1954, Prime Minister Jawaharlal Nehru made a speech in the Lok Sabha that would put India on the global stage of nuclear disarmament. Prompted by the U.S.'s 'Castle Bravo' thermonuclear test of the previous month, which was reportedly so powerful that it overwhelmed all measuring instruments, Nehru called for "a standstill agreement" on nuclear testing. This speech was marked by pragmatism, vision, and self-assurance. Newly decolonised India, with all the problems of nation-building and none of the traditional markers of international power such as military and economic might – or even nuclear weapons to disarm – was an unlikely candidate for this leadership role; yet such was Nehru's belief in India's global standing that he not only called for this moratorium but also pushed for it at every opportunity and forum. With this speech, he cemented India's claim to leadership, gave impetus to calls that eventually yielded the Partial Test Ban Treaty (PTBT), and arguably limited horizontal nuclear proliferation by insisting on treating nuclear weapons as beyond the pale.

The standstill agreement
The standstill agreement is remarkable for its willingness to accept an incremental approach to what was fast becoming an insurmountable problem of disarmament against the backdrop of the Cold War. The four elements of the proposal called for an immediate moratorium on testing; urged the United Nations Disarmament Commission to address both the immediate moratorium and the longer-term goal of prohibiting the production and stockpiling of nuclear weapons; sought to build public pressure on nuclear states by calling for greater disclosure on the destructiveness and effects of these weapons; and called on all 'states and peoples of the world'



Priyanjali Malik

is the author of 'India's Nuclear Debate: Exceptionalism and the Bomb'

Seventy years ago, with a speech in the Lok Sabha, Nehru cemented India's claim to leadership, gave impetus to calls that eventually yielded the Partial Test Ban Treaty, and arguably limited horizontal nuclear proliferation

to recognise the global threat posed by nuclear weapons. Nehru took disarmament out of the confines of the UN Disarmament Commission (with its limited membership) and made it a global problem. India had effectively put the nuclear weapons states on notice. Nehru was asking them to not only recognise that their tests were imperilling the globe but also calling for more information on the effects of nuclear tests and radiation to exert global pressure on them to disarm. India followed this up with interventions at the UN, including a draft resolution in 1955 calling for a halt to testing, and progress to be reported to the Disarmament Commission. Simultaneously, Nehru convened a conference of scientists to study atomic energy and the effects of nuclear explosions in 1954 and, had the Suez Crisis and the Hungarian Revolution not intervened in 1956, the first meeting of what became Pugwash might well have happened in Delhi, for invitations had been sent out by Bertrand Russell and Joseph Rotblat to the scientists assembled.

Moral force
It is easy, 70 years later, with the history of India's diplomacy and active participation in negotiations for the Nuclear Non-Proliferation Treaty at the Eighteen-Nation Disarmament Commission, and the Comprehensive Test Ban Treaty (neither of which New Delhi eventually signed for reasons of national interest), to take for granted India's active role in nuclear disarmament. However, there was nothing preordained about this. India in 1954 was poor and weak. This was before the Bandung Conference, so it did not even have the backing of the non-aligned nations. What it did have, though, was moral force. As Nehru explained in his first address to the UN in 1948, "I have no fear, even though India, from a military point of view, is of no great consequence. I am not afraid

of the bigness of Great Powers, and their armies, their fleets and their atom bombs. This is the lesson which my Master taught me. We stood as an unarmed people against a great country and a powerful empire." Placing India on a global stage on account of its moral influence was a brilliant move. Of course, the sheen of morality soon wore off as India grappled with using force in Hyderabad and Goa to bring them within the Indian Union, and in discovering that morality would not defeat China. But it gave India a significance far in excess of what might be justified by its material strength. Nor was this stance purely naïve. Nehru spoke the language of disarmament because India had pressing development needs for its scarce resources that might be swallowed up by an arms race. But there was a Plan B. The Atomic Energy Act, 1948 allowed for the sequestration of the nuclear programme to shield any potential weapons development, should the need arise. Homi Bhabha, the father of India's nuclear programme, wanted to develop nuclear weapons. Nehru did not give the go-ahead, but did not entirely discourage him either.

The legacy of the speech in the Lok Sabha, when Nehru explained to his people first what India was doing to secure its place in the world, was most immediately felt in the PTBT that was eventually negotiated by the nuclear weapons states. When the treaty opened for signatures in 1963, India was the fourth to sign. The call for greater information about the effects of nuclear radiation and the mobilising of global opinion against atomic weapons helped solidify a norm against nuclear use that has ensured that these weapons have not been used in anger again after 1945. And, most importantly, the speech put India on a global stage as a voice of reason and morality, and in Nehru's words from 1948, to "be a power for peace and for the good of the world."

The disgruntled Rajputs of Gujarat

The recent protests show the community's frustration at being sidelined in the BJP

STATE OF PLAY

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On March 22, during an election campaign speech in Rajkot in Gujarat, Union Minister and Rajkot Bharatiya Janata Party (BJP) candidate Parshottam Rupala unwittingly triggered outrage when he praised the Dalits at the expense of the Kshatriyas or Rajputs. Commenting on British rule, Mr. Rupala said, "Even kings and royals bowed down to the British, started family bonds with them, broke bread with them, and even married their daughters to them but this Rukhi Samaj (a Dalit community) did not budge. I salute them for their fortitude and strength. It is this strength that has kept Sanatana Dharma alive...Jai Bhim!" His reference to *roti-beti vyavahar* (breaking bread and entering into marital relations) caused anger that neither he nor the party anticipated in a State where the BJP enjoys near-complete dominance.

As clips of the speech went viral on social media, the Rajputs, who are descendants of royal or princely families in Saurashtra, began to protest. This was the region where more than 100 large and small princely states existed at the time of independence.

Taken aback by the response, Mr. Rupala, who belongs to the Patidar or Patel community, hastened to apologise twice, stressing that he will regret his remarks for the rest of his life. "It was not my intention to show the royal families or Kshatriya community in poor light... I just wanted to elaborate on the atrocities committed by *vidharmis* (people of other faiths) on our

country and culture," he said. But the apology cut no ice with the community. In fact, in parts of Saurashtra, Mr. Rupala's statements have revived old caste rivalries between the Rajputs and Patels.

In Saurashtra, caste tensions over the years have resulted in conflicts and even killings. In 1988, a Patel legislator of the Congress, Popat Sothariya, was shot dead in public by a man named Anirudhdhsinh Jadeja on August 15. The following year, Cabinet Minister Valabhbhai Patel was assassinated by another Kshatriya, also called Anirudhdhsinh. In 1995, Jayanti Vadodaria, a civic body member of the BJP in Gondal, was murdered by members of the Kshatriya community.

In the heydays of the Congress in Gujarat, and particularly in Saurashtra, Rajputs held their sway over Patels despite being fewer in number. But in the mid-1990s, the complete consolidation of the Patels in favour of the BJP helped the saffron party wrest the State from the Congress. Since 1995, the BJP has won seven Assembly elections in the State in a row. Today, both the Patels and the Rajputs firmly support the BJP.

However, power is not equally distributed. There are five MLAs and one Rajya Sabha BJP member from the Rajput community from the Saurashtra-Kutch region in the BJP. But Kshatriyas or Rajputs

who are Ministers in the State or Central government exercise little power, according to a political commentator. "Today, Patidar domination in the ruling party and in the government is complete. The Chief Minister is a Patel and Union Ministers including Mr. Rupala and Mansukh Mandaviya are Patels. There is not a single notable Kshatriya face in the State cabinet," he says. He believes that the recent protests by the Rajputs show their frustration with being sidelined within the BJP.

While it is unlikely that there will be any major adverse impact electorally for the BJP or for Mr. Rupala, it would nevertheless be wise for the ruling party leadership to dwell on why only a handful of communities such as the Patels, Brahmins, or Banias corner a large share of the pie in the State government or at the Centre, while other communities including the Kshatriyas, Other Backward Classes, Scheduled Castes, and Scheduled Tribes remain on the margins. The Scheduled Tribes in Gujarat are roughly the same in number as the Patidars (around 15% of the population), yet, there is not a single tribal leader in the Union Cabinet from the State.

In Gujarat, under the BJP, it is common to see a Dalit Minister be put in charge of the Department of Social Justice and Empowerment and an Adivasi Minister be put in charge of the Department of Tribal Development and sometimes Forest and Environment, but never in charge of Finance, Revenue, or Home, the most important portfolios in terms of power and resources. The only exception was during the Vijay Rupani period when a Rajput leader, Pradipsinh Jadeja, was made Minister of State, Home.

Two States: a comparison on access to life-saving C-sections

While access is equitable, C-section rates are alarmingly high in Tamil Nadu, pointing to the need for corrective measures

DATA POINT

The Hindu Data Team

A study published by IIT Madras shows that in Tamil Nadu, access to cesarean section (C-section), an essential medical intervention that can save lives when vaginal deliveries are risky, is more equitable compared to India's average. However, C-section rates among the women of Tamil Nadu are also alarmingly high, especially in private hospitals, pointing to the need for corrective action, the study points out. The report also compares Tamil Nadu's figures with those of Chhattisgarh to show how in certain States, C-sections are more prevalent among richer sections of society, while the poor lack access to it.

A C-section delivery refers to a surgical procedure in which an incision is made in the woman's abdomen to deliver one or more infants. According to the World Health Organization, access to hospitals that are equipped to perform such procedures is crucial to ensure the safety and well-being of both the mother and child in the event of medical necessity. Maternal and neonatal mortality rates decline in countries which have C-section rates of about 10%, the WHO concludes. However, the agency also warns that if C-section rates go beyond 10%, it will not necessarily reduce maternal mortality. In 2021, global C-section rates exceeded 20%. They are projected to rise to 30% by 2030.

Chart 1 shows the change in the share of births delivered by C-sections in public sector hospitals in India, Tamil Nadu, and Chhattisgarh between 2015-16 and 2019-21. In public sector hospitals, nearly 40% of women underwent C-sections in Tamil Nadu in 2019-21. That is, of every 100 deliveries in public sector hospitals, 40 were C-sections. This is much higher than India's average of around 16% and Chhattisgarh's 10%.

Chart 2 shows the change in the share of births delivered by C-sections in private hospitals across India, Tamil Nadu, and Chhattisgarh between 2015-16 and 2019-21. The gap narrowed considerably in private hospitals: close to 64% women underwent C-sections in private sector hospitals in Tamil Nadu in 2019-21 compared to India's average of around 50% and Chhattisgarh's 59%. "In Chhattisgarh, a woman is 10 times more likely to undergo a C-section in a private hospital than in a public hospital. This could be due to a lack of adequate or high-quality services in public health institutions," the study concludes. Assuming that poorer households choose public hospitals for deliveries and richer households prefer private ones, this points to inequitable access at the national level and more equitable access in Tamil Nadu.

The study also shows that the location of childbirth (whether in a public or private institution) had the most considerable influence on the decision to get a C-section delivery. This suggests that 'clinical necessity' isn't always the driving factor for surgical births. Throughout India and Chhattisgarh, individuals who were better off financially tended to choose C-sections more frequently, whereas, in Tamil Nadu, the situation was distinct, with poorer individuals being more prone to undergo C-sections in private hospitals.

Chart 3 shows the disparity among women from the poor and non-poor categories in their access to C-sections in public hospitals across India, Tamil Nadu and Chhattisgarh in 2015-16 and 2019-21. **Chart 4** shows the same for private hospitals. It shows that the poor were more likely to have C-sections in private hospitals in Tamil Nadu. "The inversion in income-based inequality in Tamil Nadu in private institutions in 2019-21, with a greater proportion of the poor than the non-poor delivering via C-section, is difficult to explain," the study says.

Access and misuse

The charts were sourced from the report titled, "Variations in the prevalence of caesarean section deliveries in India between 2016 and 2021 – an analysis of Tamil Nadu and Chhattisgarh", published in BMC Pregnancy and Childbirth



Chart 1: Change in % of births delivered by C-sections in public hospitals in India, Tamil Nadu and Chhattisgarh between 2015-16 and 2019-21

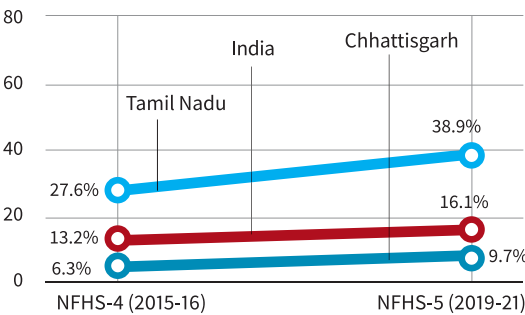


Chart 3: Disparity among women from the poor and non-poor categories in their access to C-sections in public hospitals across India, Tamil Nadu and Chhattisgarh in 2015-16 and 2019-21. Figures in %

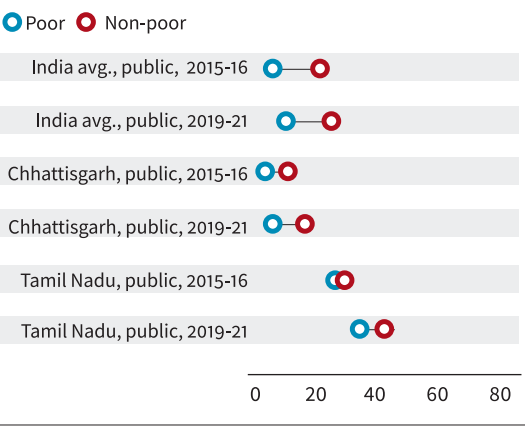


Chart 2: Change in % of births delivered by C-sections in private hospitals in India, Tamil Nadu and Chhattisgarh between 2015-16 and 2019-21

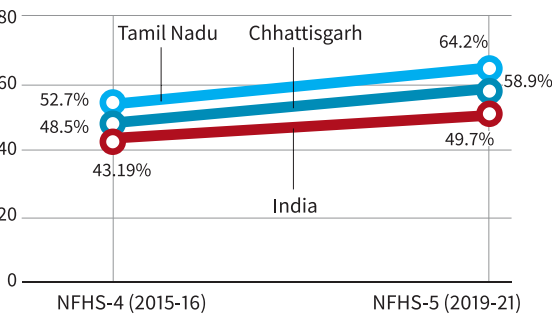
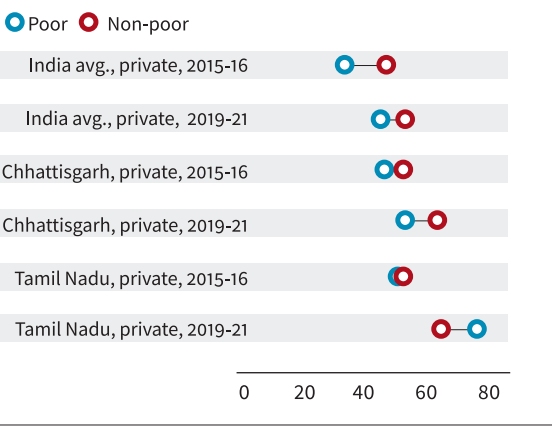


Chart 4: Disparity among women from the poor and non-poor categories in their access to C-sections in private hospitals across India, Tamil Nadu and Chhattisgarh in 2015-16 and 2019-21. Figures in %



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO APRIL 2, 1974

Israel seeks more planes, missiles from U.S.

Washington, April 1: The Israeli Defence Minister, Gen. Moshe Dayan, to-day asked the United States for more planes, tanks and missiles to offset communist aid to Syria and other Arab nations.

Gen. Dayan presented his shopping list to the U.S. Defence Secretary, Mr. James Schlesinger, at a meeting to-day at the Pentagon.

During television interviews yesterday and to-day, Gen. Dayan said Israel particularly needed planes and anti-aircraft missiles. He alleged that communist aid to Syria included the presence of a brigade of Cubans on Syrian territory, an assertion which surprised officials here.

While U.S. intelligence services had known for a long time that small groups of Cuban technicians were training Syrians to operate anti-aircraft missiles and the Soviet-built MIG fighters, they had estimated the Cuban presence at less than the several battalions Gen. Dayan said were in Syria.

Israel still has \$700 millions to spend of the \$2,200 millions in additional military aid granted by Congress to compensate for the losses sustained during the October war in West Asia.

Gen. Dayan arrived in the U.S. last week to present the Secretary of State, Dr. Henry Kissinger, with detailed Israeli proposals for troop disengagement with Syria on the Golan front.

A HUNDRED YEARS AGO APRIL 2, 1924

Railway management

London, Mar. 31: In the Commons to-day Sir Charles Yata asked whether it was proposed to proceed with the placing of the East Indian and Great Indian Peninsula Railways under State management, in view of the position in the Legislative Assembly and danger to the safety of passengers and maintenance of service if the present management was weakened under State control. Mr. Richard's Under Secretary for India replied that Lord Olivier did not consider there was any reason for modifying the decision to place these railways under State management. Sir Charles Yata declared that the Manager of the Egyptian Railway had resigned because the Minister had taken all power out of his hands and asked if it was to be allowed in India. The speaker intervened at this stage.

Text & Context

THE HINDU

NEWS IN NUMBERS

World Bank's growth forecast for Asia this year

4.50 in percentage. The World Bank, in its latest report, also says that debt, trade barriers and policy uncertainties dull the region's economic dynamism. AP

India's hydroelectricity output records steepest fall

16.30 in percentage. The drop coincided with the share of renewables sliding since the Prime Minister made commitments to boost solar and wind capacity. REUTERS

Rise in maximum temperature expected in North India

2-3 degrees C. The Met office has predicted a drastic rise in temperature in many parts of North India. However as most of the wheat crop is harvest-ready, it won't impact its production. PTI

Y-o-y increase in coal sector's output in February 2024

11.6 in percentage. As per the index of eight core industries, the coal industry has demonstrated sustained double-digit growth over the past eight months. PTI

Palestinians killed till Monday in Gaza since October 7

32,845 The war has displaced most of the people and driven a third of its residents to the brink of famine. AP
COMPILED BY THE HINDU DATA TEAM

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Ladakh's protest; a hunger for justice

What are the key demands of the LAB-KDA representatives in negotiations with the Centre? What are the main pressures on local resources in Ladakh, particularly water and land? How does tourism growth contribute to resource strain in Ladakh?

EXPLAINER

Kavita Upadhyay

The story so far:

On March 6, in Leh, a town situated at about 3,500 metres in the cold, arid Union Territory (UT) of Ladakh, Sonam Wangchuk, Ladakh's famous educationist and environmentalist, began a 21-day hunger strike that he called a "climate fast". The strike was in support of thousands of Ladakh residents who have been demanding Statehood for Ladakh and its inclusion in the Sixth Schedule of the Indian Constitution, so they can make decisions regarding the use and management of resources such as land and water, which they currently can't. Mr. Wangchuk discontinued his hunger strike on March 26, as he urged Prime Minister Narendra Modi and Union Home Minister Amit Shah to "prove that they are statesmen". The strike is currently being continued by women in Leh. If their demands stay unmet, the youth, monks, and the elderly have said they will join the hunger strike as well, in phases.

How has the formation of UTs affected the decision-making powers of Ladakh?

In August 2019, the State of Jammu and Kashmir was split into two UTs: Jammu and Kashmir and Ladakh. It ended people's exclusive rights to land and jobs.

Under the Jammu and Kashmir Reorganisation Act, 2019, Ladakh became a UT without a legislature.

"Our UT is administered by a Lieutenant Governor, who is not a Ladakh resident, and yet is appointed to take decisions for our future," said Jigmat Paljor, coordinator of Leh Apex Body (LAB), a collective of political, social, religious, and student organisations of the Buddhist-majority Leh district.

Several bureaucrats in key positions, influencing decisions for the region's future, were also not residents of Ladakh, Sajjad Kargili, a core committee member of the Kargil Democratic Alliance (KDA) of the Muslim-majority Kargil district, said.

Similar to LAB, KDA is a collective of Kargil's political, social, religious, and student organisations.

Mr. Kargili further said the existing Ladakh Autonomous Hill Development Councils (LAHDCs) in Leh and Kargil were rendered powerless after the national government declared Ladakh a UT.

The draft Ladakh Industrial Land Allotment Policy, 2023 is a case in point. While the LAHDCs have the powers to make decisions on land use and its management, the draft policy, which has been designed to attract investments in Ladakh, completely excludes them from having any powers related to land allotment and lease-related decision-making.

Mr. Paljor said villagers along the border region in Ladakh were losing grazing land to China, as well as to industries planning on establishing renewable energy projects in the region, and yet the affected residents lacked the authority to intervene in matters concerning their own land.

The LAB and the KDA have contended that the Sixth Schedule could help tackle these issues because it enables the establishment of regional and district councils with the authority to make laws regarding land use for grazing, agriculture, residential purposes, and other purposes that cater to the residents' interests.

Considering more than 97% of Ladakh's population of over 2.74 lakh (2011 Census) is tribal, the National Commission for Scheduled Tribes



Call to action: A child holds a placard during Sonam Wangchuk's hunger strike protest. ANI

recommended in 2019 that Ladakh be brought under the Sixth Schedule.

The Bharatiya Janata Party (BJP) too in its manifestos, ahead of the 2019 Lok Sabha and 2020 LAHDC elections, had promised to bring Ladakh under the Sixth Schedule. It remains unmet.

In an effort to persuade the BJP at the Union government to bring Ladakh under the Sixth Schedule, LAB-KDA representatives have engaged in discussions with various Ministers on at least 10 occasions between 2020 and March 4 this year. A few of these negotiations, including the most recent one on March 4, have happened with Mr. Shah.

Mr. Kargili, who has been participating in the negotiations with the Centre, said LAB-KDA's demands since 2021 have included safeguards under the Sixth Schedule, either Statehood for Ladakh or declaring it a UT with a legislature, a separate Public Service Commission for Ladakh, and separate parliamentary seats for Kargil and Leh. The Centre has not yet accepted them.

"The current hunger strike is a result of numerous unsuccessful negotiations with the Centre," Mr. Kargili said.

What are the pressures on local resources?

According to recent data from the Ministry of Tourism, Ladakh is witnessing a high influx of domestic tourists. In 2022, more than five lakh domestic tourists visited the region. In Leh alone, which is Ladakh's largest town, while just over half a lakh domestic and foreign tourists visited in 2007, by 2018 the number had risen to 3.2 lakh. A research article published in 2019 stated that the built area in the town had increased from 36 hectares in 1969 to 196 hectares in 2017.

Rapid urbanisation and increasing tourist footfall are exerting significant pressure on resources in Ladakh, particularly water.

A report on water-related issues in Leh

published in 2019 by Bremen Overseas Research and Development Association, South Asia (BORDA-SA), and Ladakh Ecological Development Group calculated that in Leh, a tourist used about 100 litres of water a day in summers and 60 litres in winters whereas a local used about 75 litres a day in summers and 50 litres in winters. The poor, especially migrant workers, had access to only 25-35 litres per person per day. To meet these requirements, the dependence on underground water, which is often contaminated, had increased, the report found.

Stanjin Tsephel, former regional director of BORDA-SA and a co-author of the report, said the issue was with water management rather than availability.

The pressure on resources is especially high during peak tourist season, between May and July each year, when about 70% of tourists visit the UT, Deleks Namgyal, president, All Ladakh Tour Operators Association, said.

However, Mr. Namgyal was worried about the possible narrative against tourism the ongoing hunger strike could feed. "We want tourists to visit Ladakh because it is important for our region's economy, but we want sustainable tourism and we are working towards it," he said.

How does climate change threaten the region?

In the last two decades, Ladakh has been affected by several floods, landslides, and extreme rainfall events. For instance, in August 2010, several parts of Ladakh, especially Leh, were hit by flash floods. Nearly 255 people died in the deluge. In August 2014, a glacial lake outburst flood (GLOF), caused when a glacial lake is breached, damaged houses and bridges in Gya village.

More recently, in August 2021, a GLOF near Rumbak village also damaged roads and a bridge.

A study published in 2020 estimated

that Ladakh has 192 glacial lakes. Several research articles also state that due to increasing temperature caused by global warming, the number and sizes of glacial lakes in the Himalaya are increasing, and glaciers are shrinking.

This trend has increased the threat of possible GLOFs in Ladakh, especially from proglacial lakes that are formed at the edge of glaciers, said Irfan Rashid, a glaciologist from the University of Kashmir, who conducts research in the UT, which lies in the Trans-Himalayan region.

"The increased temperatures are also resulting in permafrost degradation and are causing mudflows in Ladakh," Dr. Rashid added.

According to Sonam Lotus, a scientist at the India Meteorological Department's Meteorological Centre at Leh, the trend over the past few years shows slight increase in the region's minimum temperature.

While the lowest minimum temperature recorded in 2011 was minus 23.6 degrees C, in 2023, 2022, and 2021, it was minus 16.8 degrees C, minus 18 degrees C, and minus 16 degrees C, respectively, Mr. Lotus said.

Despite the challenges posed by climate change, mining and renewable energy companies are eyeing Ladakh, and tourism-related activities are on a rise.

With significant tourist influx, pollutants from vehicular traffic (like black carbon) will settle on snow and ice and expedite melting.

Mohammad Farooq Azam of the Indian Institute of Technology, Indore, who has undertaken glacio-hydrological studies in Ladakh, said mining activities might increase slope instability, making them landslide-prone. Dust from mining that will settle on glaciers could also accelerate their melting.

Kavita Upadhyay is an independent journalist and researcher who writes on issues of environmental governance in the Indian Himalayan Region

THE GIST

▼ Sonam Wangchuk's hunger strike in Leh calls for Ladakh's Statehood and inclusion in the Sixth Schedule of the Indian Constitution to empower locals in decision-making, following the reorganisation of Jammu and Kashmir into separate Union Territories in 2019.

▼ Rapid urbanisation and tourism growth are straining Ladakh's resources, particularly water, leading to concerns over sustainability and equitable access. Dependence on underground water, exacerbated by tourism, is highlighted as a key issue.

▼ Ladakh faces increasing risks from climate change, including glacial lake outburst floods (GLOFs), permafrost degradation, and rising temperatures.

▼ Despite these challenges, mining, renewable energy projects, and tourism continue to grow, exacerbating environmental concerns.

CACHE



Legal drama: Sam Bankman-Fried's high-profile arrest, his disgraced return to the U.S., and the dramatic court proceedings where his own former colleagues and even a romantic partner testified against him made headlines worldwide. REUTERS

How will Bankman-Fried’s legal fallout impact the crypto market’s stability?

Former FTX CEO Sam Bankman-Fried has been sentenced to 25 years in prison for orchestrating one of the largest financial frauds in history, involving at least \$8 billion of customer funds; the sentencing serves as a stark warning to crypto entrepreneurs about the consequences of regulatory violations

Sahana Venugopal

Sam Bankman-Fried, the former CEO of the collapsed cryptocurrency exchange FTX, was sentenced to 25 years in prison on March 28, having been found guilty of multiple counts of fraud in 2023 after the spectacular crash of his crypto exchange and business. Almost one and a half years after the crash, what does the sentencing mean for the crypto sector and its investors?

What are the full terms of the sentence? While Bankman-Fried's lawyers tried to push for a shorter prison sentence of just a few years, prosecutors wanted to see him in prison for 40 to 50 years. Meanwhile, the maximum possible sentence was 110 years. Throughout a month-long trial in 2023, Bankman-Fried's legal team tried to steer away from the image of him being a malicious fraudster who stole crypto investors' money and instead painted a portrait of a well-intentioned businessman who had been let down by his trusted associates. Attorney Mark Mukasey referred to Bankman-Fried as an "awkward math nerd," spoke about his autism, and pushed for a shorter sentence so that his client would be able to start a family. When he was sentenced to 25 years in prison and three years of supervised release, Bankman-Fried accepted that FTX customers had suffered and that such an acknowledgment was "missing" from what he had spoken about during the trial. He also expressed regret about the way he treated his former colleagues. Bankman-Fried, a former billionaire, will also have to give up around \$11 billion

as part of the sentence. During the legal proceedings, it was established that customers lost at least \$8 billion, though this figure may vary due to the volatile nature of cryptocurrencies' prices. The judge authorised the government to use the funds recovered through the forfeiture process to compensate victims, per the U.S. Department of Justice direction released on March 28. Bankman-Fried's lawyer is planning to appeal.

What were the charges against Sam Bankman-Fried? FTX collapsed in late 2022 as customers panicked about the health of the exchange and tried to rapidly pull billions of dollars, triggering a liquidity crisis. It was later established that Bankman-Fried misused customer funds to prop up Alameda Research, a cryptocurrency trading firm. Bankman-Fried was arrested in the Bahamas a month later and was brought back to the U.S. to face trial. He was found guilty of seven counts in total, made up of two counts of wire fraud conspiracy, two counts of wire fraud, one count of conspiracy to commit money laundering, one count of conspiracy to commit commodities fraud, and one count of conspiracy to commit securities fraud. In a statement on March 28, U.S. Attorney for the Southern District of New York, Damian Williams, used the sentencing to issue a warning that focused on Bankman-Fried as a financial criminal rather than a fraudster in the crypto industry. "Samuel Bankman-Fried orchestrated one of the largest financial frauds in history, stealing over \$8 billion of his customers' money," said Williams. "His

deliberate and ongoing lies demonstrated a brazen disregard for customers' expectations and disrespect for the rule of law, all so that he could secretly use his customers' money to expand his own power and influence. The scale of his crimes is measured not just by the amount of money that was stolen, but by the extraordinary harm caused to victims, who in some cases had their life savings wiped out overnight." The co-founder and ex-CEO of FTX has been in custody since last year, because he violated his bail conditions and engaged in witness tampering, according to the judge. **Will FTX users get their money back?** There is no way to be certain of this, but such an outcome looks highly unlikely, with different parties making vastly different claims about the state of FTX's assets. Lawyer Andrew Dietderich, who is working with the collapsed crypto exchange, said earlier this year that a strategy was in place to try and repay all those customers and creditors with "legitimate claims," CNBC reported. Bankman-Fried also said earlier that people would be paid back. However, Judge Lewis A. Kaplan expressed doubt during the sentencing, noting, "The defendant's assertion that FTX customers and creditors will be paid in full is misleading, it is logically flawed, it is speculative." **How will the sentencing affect the crypto market?** Bankman-Fried's high-profile arrest, his disgraced return to the U.S., and the dramatic court proceedings where his own former colleagues and even a romantic partner testified against him,

made headlines worldwide. His chaotic testimony and uncooperative behaviour stunned even the judge and did not help to turn public opinion in his favour. The cryptocurrency market itself seemed largely unaffected by the news of the sentencing, as top coins Bitcoin (BTC) and Ether (ETH) did not dramatically spike or fall in the past few days. While FTX's token is still trading, it fell by more than 13% on Friday and was worth less than \$2, when compared to its all-time-high of \$85.02. "The FTX bankruptcy proceedings are underway. The FTTT token no longer has any use, and may be liquidated by the estate to pay creditors. Please proceed with caution," said a notice on its CoinMarketCap page. Bitcoin this year marked a new all-time-high in price and crossed the \$70,000 threshold, injecting the sector with optimism after around two years of depressed prices and a reputational crisis. FTX was founded in 2019 and former CEO Sam Bankman-Fried was known for his casual dress sense, lavish lifestyle, and a controversial approach to charity known as 'effective altruism.' Bankman-Fried was also a prolific political donor in the U.S. who gave millions of dollars to individuals from both parties, while FTX was known for its high-profile advertising gimmicks, including commercials with comedian Larry David and American football athlete Tom Brady. The 25-year-long prison sentence serves as a reminder to crypto entrepreneurs everywhere that U.S. regulators can strike quickly when it comes to the fintech sector. The greatest loss, however, is usually borne by risk-taking investors.

THE DAILY QUIZ

From significant milestones to remarkable achievements, many interesting events took place on April 2 across the world. Here is a quiz on some of them

Sindhu Nagaraj

- QUESTION 1** He was the head of the Roman Catholic Church from 1978 and was the first non-Italian pope in 455 years and the first from a Slavic country. He died on this day in 2005. Who was he?
- QUESTION 2** He was the first recognised emperor to rule in the West after the fall of the Western Roman Empire approximately three centuries earlier. Born on April 2, 748, his impact on the Middle Ages, and his influence on the vast territory he ruled has led him to be called the "Father of Europe". Name him.
- QUESTION 3** This Portuguese filmmaker died on this

- day in 2015, at the age of 106. Known for his artistic films, in March 2008, he was reported to be the oldest active film director in the world. Identify this person.
- QUESTION 4** This science fiction film noted for its scientifically accurate depiction of space flight, pioneering special effects, and ambiguous imagery premiered on this day in 1968. It was nominated for four Academy Awards, winning the director the award for his direction of the visual effects. Name the film and director.
- QUESTION 5** This German artist was born on this day in 1891. He was a primary pioneer of the Dada movement and Surrealism in Europe. His experimental attitude toward the making of art resulted in his invention of frottage and grattage. Who was he?



Visual Question: Identify this character from a very popular TV show that premiered for the first time on this day in 1978. Name the show.

- Questions and Answers to the previous day's daily quiz:** 1. Which was the first product to get the GI tag? **Ans: Darjeeling tea** 2. It is said that the Mughals were visiting a region in present day Madhya Pradesh when they wanted vermicelli. The local Bhils made them out of gran flour and this savoury was given the tag in 2014. Name this edible item. **Ans: Ratlami Sev** 3. Products like Apatani, Monpa, Adi, Galo, and Tai Khamti received GI tags in January 2024. From which State do they originate? **Ans: Arunachal Pradesh** 4. From which State do the Appemidi and Jardalu come? **Ans: Karnataka and Bihar respectively** 5. Which State cultivates the unique saline-tolerant rice variety known as Pokkali? **Ans: Kerala** Visual: Which famous GI handicrafted product is the former President Pranab Mukherjee being presented with? **Ans: Aranmula Kannadi** **Early Birds:** Vivek Lokhande | Prashant Nain | Rajmohan. V | K.N. Viswanathan | Vijaya Parimi | Jyot Prakash Gulati



FROM THE ARCHIVES

Know your English

K. Subrahmanian

MR. M. Jhabar Ali, Hindustan Teleprinters, Madras, wants to know which is correct: (a) The board has decided (b) The board have decided. Both are correct. When we use the singular verb, we think of the members of the board as a group. When we use the plural verb, we think of the board as individuals that make up the group. Other words like 'board' are government, committee, family, gang, jury, mob, team, public, class, crowd, flock, herd, orchestra, panel, offspring, staff. How is the team? It is fine. How are the team? They are enthusiastic. The committee has submitted its report. The committee are yet to arrive at a decision. The audience were delighted. The audience was unimpressed. These collective nouns can be used either with the singular verb or the plural. But you should not mix the singular and plural.

The team is noted for their liveness' is wrong. Either it is the team is noted for its liveness,' or 'The team are noted for their liveness.' The use of the singular verb or the plural depends on whether you look at the collective noun as a unit or as individuals comprising the unit. Mr. P. S. Mathur, Indira Nagar, Madras, wants to know whether it is correct to use 'Britisher' for a British person. It is used by Americans and not by the British. 'British' is what is generally used in British English.

He is British.
He is a British citizen.
The British introduced cricket wherever they went. 'Briton' is also used in Britain to refer to a British person, mainly in newspaper reports concerning British people. *Ten Britons died in the air crash in Paris.*

'Briton' also refers to the early inhabitants of Britain. Those who live in England are English people. The people of Britain are all British. Britain comprises England, Scotland and Wales. The term was first used in 1604 when James I was proclaimed 'King of Great Britain'. 'Great' was used to distinguish Britain from Britannia Minor, Brittany in France. Those who belong to Scotland are Scots and those who belong to Wales are Welsh. In India, there is a tendency to use 'English' to refer to Scots and the Welsh also. Both resent this. Scotland is a country by itself and so is Wales. England, Scotland, Wales and Northern Ireland comprise the United Kingdom, or the U.K. for short.

There are certain terms where 'Scots' is used as an adjective: Scots law, Scotsman, Scotswoman. But 'Scottish' is more 'frequently used as an adjective: Scottish universities, Scottish newspapers, Scottish English. 'Scotch' is used for products originating in Scotland: Scotch whisky, Scotch wool. Scots call their national drink whisky rather than Scotch whisky or Scotch. The people of Scotland are Scots or the Scottish people and not Scotch. Scots are offended when you call them Scotch. They used to call themselves 'Scotch' during the 18th and 19th centuries, but now they do not like it. The blacks of America are offended when you call them Negroes. The Japanese dislike being called Japs. Even some highly educated people in India call the blacks 'Negroes' and the Japanese 'Japs' out of ignorance. *Published in The Hindu on June 11, 1991*

Word of the day

- Flout:** treat with contemptuous disregard
- Synonyms:** defy, disdain, ignore
- Usage:** *The corrupt politician continued to flout the law.*
- Pronunciation:** bit.ly/floutpro
- Internation Phonetic Alphabet:** /fláwt/

For feedback and suggestions for Text & Context, please write to **letters@thehindu.co.in** with the subject 'Text & Context'

The last bastion

RBI way above all institutions in economic governance

How should the Reserve Bank of India (RBI) be evaluated as it enters its 91st year? By how well it has discharged its legislative mandate of maintaining the financial stability of the country? By its perseverance in disciplining governments when they indulge in their natural tendency to spend more than they earn from taxes? Or in the way it has supervised the brood of banks under its charge? By its ability to be fleet-footed enough to cope with ever new challenges, especially but not only from new technologies?



On a scale of 10, over a 90-year period, the RBI would probably get 9.5. And there are excellent reasons why it can't score a perfect ten — it's scope for independent action is considerably circumscribed by the government. Before Independence, interest and exchange rate policies had to suit London's economic imperatives and there was little the RBI could do about it. After Independence the compulsions of democratic politics have compelled the RBI to strive for what economists call constrained optima because there are always many conflicts of interest arising out of the dual control of the economy that the British bequeathed. The most important of such conflicts has been over interest rates because of the extensive cross-subsidisation by the commercial sector of the non-commercial sectors. Likewise, in the case of banking supervision, which ought not to have been thrust on an institution charged with maintaining monetary stability, the government ownership of nearly 30 banks with 70 per cent of the assets has made the RBI's job very difficult. Do the banks pay heed to the owner or to their supervisor?

Whether dealing with regulation of banks or managing the country's forex reserves and public debt, one quality that has stood RBI in good stead is its uncompromising conservatism. It is this conservatism that prevented India from falling prey to the US sub-prime crisis and the East Asian currency crisis. But going forward, with a new breed of fintech actors playing a key role in payments and lending, RBI will need to strike a balance between being a conservative regulator and nurturing innovations to further financial inclusion in credit, payments and credit evaluation. So far RBI has shown itself to be conflicted on this score. Its regulatory moves, such as barring digital lending apps from lending or assessing borrowers without the help of a regulated entity and barring credit lines on wallets, have been reactive rather than proactive.

Overall, however, whether it is institutional integrity or handling major economic crises, the RBI has done the country proud. It stands above all other institutions that help with the economic governance of the country. Its role was described best in 1933 by Montagu Norman, the all powerful governor of the Bank of England. When asked what the relationship of the RBI with the government should be he said it should be like a 'Hindoo wife' who advises but does not insist. He would have granted the RBI 10/10 for its performance over the last 90 years.

POCKET



Digital invoicing needs a leg-up

GO PAPERLESS. Not only is it eco-friendly, but also convenient and cost effective. Changes in GST law will be an enabler



RUPA CHANDA
VIVEK SOMAREDDY

Cross-border paperless trade has been plagued by challenges such as lack of interoperability of national trade facilitation processes, varying standards and formats, lack of mutual recognition of signatures and certificates, and e-authentication issues. Within India, paperless trade is moving slowly due to multiple reasons. India can set an example by moving towards digital invoicing for its domestic trade. Online is no longer 'a' medium. It is 'the' medium of convenience and accessibility. Shoes, clothes, vegetables, groceries, furniture, and even medicines — the average Indian consumer is adopting online gradually. The discounts, convenience, ease of returns, provision of EMIs and cash on delivery, and a mind-boggling array of goods have made it as appealing as offline markets. The numbers clearly reflect this shift.

India has more than 185 million online shoppers currently, and this is expected to increase to 425 million in 2027. Riding the wave of online orders, India's e-commerce market is expected to reach \$200 billion by 2026. The numbers would be good news for people who support transition towards a greener, cleaner and sustainable world. Growth in e-commerce presents an excellent opportunity to replace paper invoices and receipts which, today, still accompany the soft copies of these documents.

Paper may be environmentally friendly, but it still places a huge burden on the planet. That sheet of paper, which is so recklessly tossed out, requires five to ten litres of precious water to make. And its fate is to end up in the landfill with tonnes more of its tribe, contributing 26 per cent of the total waste in the dumps. Producing one tonne of new paper claims almost 50 trees. Each of those trees could easily produce enough oxygen to sustain three human beings.

While the correlation between paper and oxygen-producing trees is known to all, few know that when paper rots, it emits methane gas which is 25 times more toxic than CO2.

Now consider the fact that of the 17



HANDY. E-receipts will always be available for convenient access and review irrespective of geographical location GETTY IMAGES/ISTOCKPHOTO

billion cubic feet of trees deforested each year, over 60 per cent are used to make paper. Deforestation is unquestionably a major contributor to climate change, producing 6-17 per cent of global greenhouse gas emissions. Even though it is nearly impossible to estimate what percentage of this carbon footprint can be attributed to the receipts printed by e-commerce firms, every possible effort must be made to save paper.

Provision of paperless billing is one of the easiest steps in that direction. Apart from environmental reasons, e-receipts also make for a practical alternative.

From the consumer's point of view, unlike the paper receipt which will fade with time, e-receipts will always be available for convenient access and review irrespective of geographical location. From the e-commerce sellers'

The principle of digital invoicing is completely aligned with the government's Digital India Programme, which has created a robust digital infrastructure in the last nine years.

perspective, it will reduce operational costs by 1-3 per cent, cutting down expenses incurred on printers, papers, ink cartridges, storage, besides manpower and energy. Moreover, it is not only about the receipts in the delivery boxes but also the printed invoices that must be carried along with the shipments.

HURDLES AHEAD

Despite prudence weighing in favour of e-invoicing, the road ahead has its fair share of hurdles in terms of regulatory compliance. Appropriate amendments would be required in GST law to enable voluntary adoption of e-invoicing for B2C transaction and acceptance of digital invoices on a device (mobile/tablet) at interceptions/check-posts to fast track the paperless adoption in the economy. By transitioning to paperless invoicing, the delivery partners and the ecosystem can avoid printing in triplicate (for recipient, transporter and supplier).

Government authorities at the check-posts can verify the invoices through the QR code of e-invoice in the devices held by drivers. Interestingly, countries such as Canada, Singapore, Brazil, Australia and Malaysia have already taken a lead in this respect.

In 2021, Brazil merged several tax and transport documents and instituted the

Electronic Transport Document (DT-e), a single freight digital document under a unified national paperless platform. Malaysian, Canadian as well as European laws have made printing of invoices optional. Paperless invoicing is indeed the need of the hour in this rapidly digitising world. And it is an opportune time for India to make the shift.

The principle of digital invoicing is completely aligned with the government's Digital India Programme, which has created a robust digital infrastructure in the last nine years. It fits seamlessly and can further help in expanding India's digital technology capabilities and the digital economy. While digital invoices will reduce the transactions costs for MSMEs, it will also enable easier access to financial credit due to presence of chronological trail of documents.

Digital invoicing can also hugely contribute to India's National Action Plan on Climate Change (NAPCC), especially its flagship National Mission for a Green India (GIM), and thereby achieve the Sustainable Development Goals by 2030. It is an idea whose time has come.

Chanda is Director of Trade, Investment and Innovation, UNESCAP, and Somareddy is VP, Emerging Markets, Seller Experience and Global Trade, Amazon (US and India)

Toy sector requires a PLI-plus approach

As the market is highly segmented, the needs of various manufacturers must be recognised and supply chains strengthened

Ramaa Arun Kumar

It is heartening to know that a performance-linked incentive (PLI) scheme for toys is on the anvil as indicated by the recent Budget. However, before the approval is made for the PLI, policymakers should note the complex nature of this industry.

The toy sector has an extremely segmented market, driven by the varied nature of the toys produced as well as the longevity of the product for the end-user. Therefore, the requirements of different segments vary in terms of production process, raw materials, employment intensity and skills, to name a few. In terms of the end-use itself, there are many categories of toys — electronic and non-electronic; modern and traditional; plastic and non-plastic; education and non-educational toys; age group-wise, etc. Although reduction in cost of production is a common objective for any entrepreneur, access to cheaper and domestically manufactured raw materials to make quality toys at competitive prices remains unaddressed.

For crucial ingredients like electronic parts, certain grades of plastics, plastic parts and fabrics, India is still dependent

on China and Asean countries. Indian toy-makers are still importing moulding, fabric quality testing and cutting, sewing and embroidery machines. If the crucial raw materials and machinery for toy making are aligned with the proposed PLI scheme, the supply chain can be strengthened in the future. And Indian toy manufacturers could be put on a higher pedestal in the global market.

SEGMENTED MARKET

The Indian toy market is highly segmented. One category of manufacturers caters only to the domestic market, producing niche products influenced by Indian ethics and values, for which raw materials are sourced locally. These manufacturers are characterised by very small scale, limited investments and high precision hand-craft. The other extreme are manufacturers producing solely for exports, which involve big investments, bigger scales of production, but are very few in numbers in India. The third category is a set of small and medium enterprises catering to both domestic and global markets.

The first and third categories account for about 90 per cent of the entire gamut of the toy sector in India. In an on-going study on the toy sector by the Institute for Studies in Industrial Development, it



NO CHILD'S PLAY. Toy manufacturing

was noted that a very small share of big firms in India are able to contribute a large share to the total manufacturing GVA vis-a-vis the MSME firms that are predominant in toy manufacturing.

However, there are many common concerns across the sector that policymakers need to consider. First is the missing pool of skilled manpower available for the industry. The requirements of skill vary from the precision of hand-made toys to skilled cutting and tailoring needs. The nature of this industry has changed over the last few decades which entails a gamut of new skills that are still lacking in India.

Second, appropriate systems are not in place to provide an ecosystem for manufacturing good quality toys. Each

type of toy has a specific testing procedure which could be costly for small manufacturers to own and use on an individual basis.

Aligned with this is the need for a network of institutions that could provide research and design support to the industry. To cater to the needs of growing minds, inputs from design and technology institutes should be available.

Finally, the toy cluster development schemes should set up a "plug-n-play" system that goes a long way in reducing production costs, rather than allotting land alone. The government must ensure that land allotment under toy clusters translate into manufacturing hubs with higher scales of production.

A PLI scheme for toy sector should recognise the needs of all segments of the industry and include all stages of production to strengthen supply chains. A sector which is predominated by MSMEs should be accorded a different treatment by policymakers. If the intention of the government is to unleash the growth potential of the toy sector, the approach towards toy manufacturing should be PLI-plus in nature.

The writer is Assistant Professor, Institute for Studies in Industrial Development

LETTERS TO EDITOR Send your letters by email to bleditor@thehindu.co.in or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

Autonomy of RBI

This refers to 'Dealing with govt control over central banks' (April 1). It is crucial to consider the words of James Freeman Clarke, "A politician thinks of the next election; a statesman thinks of the next generation." In this context, replacing "statesman" with "RBI" would be fitting. It prompts reflection on whether the RBI possesses the necessary autonomy to formulate monetary policies geared towards the long-term stability of the economy. Fiscal and monetary policies function as the two wheels of an economy, with the government primarily responsible for fiscal policies. Collaboration between the

government and the RBI is essential to ensure growth and control inflation. However, over time, there has been increasing reliance by the Central Government on the RBI, whether for borrowing needs or financial support. Even in managing borrowing costs, the Central Government often looks to the RBI to adjust short- and long-term interest rates. A pertinent question arises: do these actions compromise the independence of regulatory institutions like the RBI?

Srinivasan Velamur
Chennai

Different objectives

The scope, objectives and the ambit of both the RBI and the government are different. While the former

focuses more on long term financial stability through manoeuvring of the interest rates periodically and in designing various measures in channelling the funds flow between banks and the borrowers, the latter is more concerned about political gains on introduction of few measures routed through the former. With the Centre aiming to push India to reach the coveted position of third largest economy, it is time that required strength is built in lifting the administration of the RBI to greater heights.

RV Baskaran
Chennai

Election tourism

Apropos 'A pitch for election tourism' (April 1), indeed this will

help foreigners know about the various aspects of parliamentary election held in India. Right from filing nomination till the end of the election, foreigners could observe various campaigning strategies by the candidates and how they reach the people with their party's manifestos. Also, election tourism could include visits to historical places of prominence.

NR Nagarajan
Sivakasi, TN

Rainwater harvesting

The acute drinking water crisis in Bengaluru, highlighted by a shortage of about 2000 million litres per day, underscores the urgency of adopting sustainable water management

practices like rainwater harvesting (RWH). Despite mandates like the BWSSB Amendment Bill 2021, RWH adoption remains low. Offering tax incentives for RWH systems could incentivise citizens, aligning with calls for greater awareness of RWH's long-term benefits. Emulating Odisha's subsidy model could further bolster adoption rates statewide, conserving groundwater and enhancing environmental sustainability. With concerted efforts, Bengaluru can mitigate its water crisis by RWH and can contribute to sustainable water management, ensuring a more resilient future.

Vijaykumar HK
Raichur, Karnataka

Water use revolution

Farming now ought to be about conserving water

PVS Suryakumar

India has achieved considerable success in managing water in recent years. Irrigated area has increased from 47 per cent to 55 per cent in the last six years in our net cropped area of 140 mh. But sustainability is becoming a concern, as population is likely to increase to about 165 crore by 2047 (from 140 crore), raising requirement of food and water. There is also the uncertainty of climate change to deal with.

India has about 3 per cent of the world's landmass, 4 per cent of water resources and 18 per cent of humanity. It receives about 4,000 billion cubic meters of precipitation. With the onset of climate change, number of rainy days are reducing and rain intensity is increasing. Land bereft of vegetation cannot hold and absorb the running rain water. Therefore, a good portion of precipitation runs off to the ocean taking along with it valuable top soil, a *sine-qua-non* for agriculture.

Civilisations developed along flowing rivers and open wells of yesteryears provided drinking water and protective irrigation. That changed as technology developed and populations grew. A key ingredient of our Green Revolution and the resultant food security is 'irrigation water' from medium/major irrigation projects.

Now, these projects are on the wane because of their capital expenditure and operational expenditure requirements, water use inefficiency, issues of water equity, water charges that do not cover O&M costs, salinisation, soil degradation and other environmental issues. Urban habitations, and growing industry too have been demanding water from these projects.

Agriculture, industry and domestic users consume about 84 per cent, 12 per cent and 4 per cent of our water resources, respectively. Our societal thinking on water use, is built on the idea of copious flood irrigation. Green Revolution furthered it, thanks to canal (flood) irrigation from irrigation projects.

Hence, whenever farmers see and get more water, they switch to flood irrigation and water intensive crops. On the demand side, the cultivation of fruit and vegetables outside of their seasons too has added to water demand. Free power plays spoilsport, notwithstanding the fact that micro irrigation is picking up.

As agriculture and urban agglomerations grew, our public



WATER TABLE. India is a top groundwater extractor MUSTAFAH KK

policy tilted towards tapping ground water aquifers. About 65 per cent of our crop irrigation and 85 per cent of drinking water comes from ground water aquifers. Now, only one-third of our blocks are considered as 'safe' for ground water extraction. China, India, the US are the top ground water extractors.

FORA 'WATER-PROOF' INDIA

How do we 'water-proof' our country?

First, frugality must be the mantra in every aspect of water — technology, irrigation design, delivery and usage.

Second, prioritise decentralised planning and execution.

Third, usage of technology like SCADA in our canal-based irrigation and importantly reducing SCADA costs through domestic research is a must.

Fourth, 'rice and wheat thinking' must change. Farmers and consumers must adapt crops which suit local environment.

Fifth, while millets are celebrated as environmentally friendly, their consumption is by the elite and poor, that too in some geographies.

Sixth, watershed development delivered results in isolated patches, but as groundwater improved, so did its excessive use. Agroecology embedded on watersheds is the way forward.

Seventh, technology at all water discharge point(s) has to change, making it efficient. We can learn from our LED Lighting transformation.

Eighth, sustained campaigns to ensure communities rewrite their "water thinking" is a must.

Ninth, an empowered mission can bring about this paradigm shift in ideation, coordination and delivery.

Tenth, every religion reveres water and policy must tap into that.

The writer is former Deputy Managing Director, Nabard. Views are personal

Need to revisit funds 'cap' system

MARKET CAPS. SEBI's October 2017 circular on cap-based categorisation needs a revisit. Categorisation shouldn't be rigid



RACHANA BAID

From notable surges to sharp plunges, small- and mid-cap stocks have attracted a lot of attention. The spectrum of discussion ranges from investors who entered at elevated valuations to those pondering whether it signifies a bubble or merely a temporary froth, from increased flows in tune of ₹64,000 crore in 2023 in mid- and small-cap funds to temporary suspension of fresh flows by a few mutual fund houses, from regulatory nudges to stress testing results of small cap funds.

An understanding of the relationship between the company size, return potential, and risk is crucial for investment decision making. Generally, market capitalisation corresponds to a company's stage in its life cycle. Larger companies are seen as more mature, have more diversified business structures, more stable business performance and revenue streams. While mid- and small-cap companies have greater room for expansion to realise their full potential.

Historical analysis reveals that large-cap stocks have lower risks and usually grow slowly relative to small and mid-cap stocks. A widely quoted research by Banz (1981) explains that firm size is a proxy for its risk. Smaller firms tend to have high risk but also have high potential growth, and hence small-cap stocks are expected to generate higher returns than large-market-cap stocks.

Of course, there are notable exceptions to this generalization, more so in current times. There are companies that have achieved dizzying height in terms of market valuations due to intense short-term investor interest.

MF industry has called for expanding the large-cap range from top-100 companies to top-125 companies, mid-cap from 126th to 276th and companies from 277th onwards as small-caps



NEW APPROACH. The percentile method of classifying companies' market cap is a dynamic method that is gaining ground BLOOMBERG

Though such companies are counted in the large-cap universe, they tend to have share-price volatility and earnings profiles more typical of small companies than large-cap ones.

Similarly, there are small size companies with share-price and earnings profiles more typical of large-cap firms.

How should we put numbers to market capitalisation categories?

ALTERNATIVE APPROACHES

Index providers, broking firms, investment advisors etc., have proprietary guidelines for categorising companies by market capitalisation. SEBI has defined large-cap, mid-cap and small-cap companies through a circular in October 2017. The Association of Mutual Funds of India (AMFI) is stipulated to prepare the list of stocks in accordance of the circular for the mutual funds.

AMFI classifies stocks as large, mid and small caps every six months. Large cap companies are the top 100 companies in terms of full market capitalisation. Companies ranking from 101 to 250, fall under the mid cap segment and companies ranking from 251 onwards are small cap companies.

This categorisation is done in order to ensure uniformity in respect of the investment universe for equity mutual fund schemes. The total market capitalisation, as per the AMFI list, was

₹14,106,663.11 crore when the list was first prepared in December 2017. It reached ₹32,180,276.21 as per the latest available list as on December 2023.

Advances in equity markets have led to an increase in the market capitalisation of each of these groups of stocks, but the number of the stocks in each of these categories has remained the same. Due to rising market capitalisation, the company ranked 100th in the large-cap category has a market capitalisation of ₹67,017 crore in December 2023 as against ₹29,304 crore in December 2017.

In December 2023, a company with a market capitalisation of ₹29,304 crore is below the median size of the mid-cap companies which was ₹34,826 crore. Mutual fund industry has represented to the market regulator to expand the large-cap range from top-100 companies to top 125 companies, mid-cap from 126th to 276th and companies from 277th onwards as small-caps.

Before the SEBI circular, the categorisation of companies was left to the judgment of market participants. The market convention was to define companies with market capitalisation of ₹20,000 crore or more as large cap, companies with market caps above ₹5,000 crore but less than ₹20,000 crore mid-cap, and companies with market cap of less than ₹5,000 crore as small cap. Many stock brokers continue to categorise stocks in this manner.

As per these ranges in December 2017, 131 companies formed part of large cap universe, 231 companies had qualified to be in mid-cap category, whereas in December 2023, 268 companies had crossed the threshold of ₹20,000 crore and 345 companies are in the range of ₹20,000-5,000 crore.

PERCENTILE METHOD

Another convention followed by a few index providers globally is to define categories on the basis of percentile of market capitalisation.

For example, stocks which are part of the top 70 per cent of cumulative total market cap may be considered as large cap stocks, stocks in the next 15 per cent range (between 70 and 85 per cent) of cumulative total market cap as mid cap stocks.

With this method 132 companies will form part of large cap universe, with the lowest market cap of ₹48,709.89 crore.

The advantage of this method is that it is relative to the size of overall market and dynamic in nature. Time has come to revisit the definitions of these categories. The cap-categories should evolve with markets and provide meaningful insights into a company's risk-return profile within the broad market context.

The writer is Professor & Dean (Academics), School for Securities Education, National Institute of Securities Markets . Views are personal

thehindubusinessline.

TWENTY YEARS AGO TODAY.

April 2, 2004

BSNL cuts ISD, STD rates by 15-25 pc

The first day of the new fiscal year has brought good news for 41.3 million landline and mobile subscribers of Bharat Sanchar Nigam Ltd. The telecom major has announced a 15- 25 per cent cut in both ISD and inter-circle STD tariffs effective April 10. Domestic bandwidth prices from non-commercial users have also been slashed by 60 per cent.

Sensex scores 150 on first day of new fiscal

Strong third quarter growth and perhaps the feel-good factor of a first-ever Test match victory in Pakistan helped lift investor sentiment in the stock market today. Institutional investors began the first day of the new fiscal year by helping boost the BSE Sensex and the NSE Nifty by 2.7 per cent each.

SEBI yet to decide on loss in ONGC trading

SEBI is yet to find a solution to compensate the loss suffered by ONGC shareholders who on Monday sold shares in excess of what they were allotted. According to sources, SEBI and the stock exchanges met on Thursday to sort out various issues relating to the allotment process and to find out where the problem lay in the allotment of shares by MCS, the share registrar for the ONGC public issue.

RBI likely to hold rates; bond markets may cheer

Paritosh Kashyap

The Reserve Bank of India is expected to retain the benchmark repo rates at 6.5 per cent in its April 2024 review and policy stance of "withdrawal of accommodation" amidst robust growth combined with CPI continuing to be higher than the stated target of 4 per cent.

Stable economic activity, as can be evidenced from FY24E GDP growth of 7.6 per cent, gives RBI more room to focus on inflation for now. Inflation is expected to move lower from 5.4 per cent in FY24E to 4.5 per cent in FY25E, thus pushing the rate cut expectations to H2FY25.

Liquidity management seems spot on: Another pivotal factor is improved liquidity in the system in the last three months attributable to higher government spending, RBI infusing ₹1.16-lakh crore through three variable rate repo (VRR) auctions in March and RBI's decision to take delivery of USD/INR buy-sell swap. This has helped reduce the overnight rates from a peak of 6.9 per cent to 6.55-6.7 per

cent range. This bodes well for short term CP/CD rates, thus being a positive for corporates looking to borrow short term in form of CPs.

Cheer for bond markets: G-Sec gross borrowing of ₹7.5 trillion i.e. 53 per cent of the gross borrowing of ₹14.1 trillion against street expectations of 58-60 per cent — the lowest H1 borrowing since FY19 amidst expected large FPI inflows on back of inclusion in JP Morgan GBI-EM index — is expected to take Gsec yields lower.

This is expected to be very positive even for the good quality corporates looking to tap bond markets in the 1-5 year tenor bucket.

Comfortable external balance dynamics: CAD/GDP remained steady at 1.2 per cent in Q3FY24 with a widening goods trade deficit offset by strong services and remittances flows. Capital account balance improved with higher banking capital, FPI, and FDI flows. Rupee is expected to continue to remain strong, compared to other EM currencies given the comfortable external balance (FY25E CAD/GDP of 1.1 per cent), however upside risks can



RATE MOVES. Status quo likely JISTOCKPHOTO

come from: (a) any repricing of FOMC's rate cycle; (b) oil price increases owing to geopolitical tensions; (c) CNY devaluation and (d) BoJ actions.

Robust bank credit growth combined with record bond issuances: Incremental bank credit growth touched nearly ₹26.5 trillion in 9M FY24, much higher than ₹17.2 trillion expansion in 9MFY23. Going forward, bank credit is expected to moderate towards select sectors amidst regulatory measures i.e. increased risk weights on loans to consumer credit & NBFCs.

In addition, these measures can

potentially add to the cost of funding from banks, thereby making capital markets an attractive borrowing avenue.

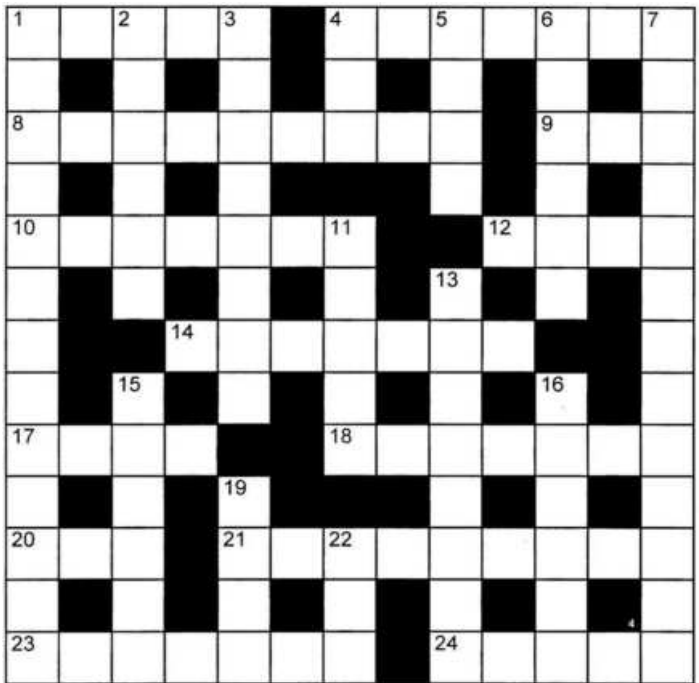
We expect increase in private corporate bond issuances as the well rated corporates will refinance some of their maturing loans from bond market. Sector wise, we expect growth in bond issuances from infrastructure, manufacturing & real estate sectors due to consolidation by strong sponsor groups in these sectors.

While policy imperative at the current juncture is expected to continue to focus on inflation target of 4 per cent on a durable basis, we may see a downward shift in the yield curve in the near term, and it may start to steepen as and when we move closer to the rate cuts.

However, the current scenario is expected to bode well for corporate bond yields, also simultaneously constraining banks' ability to raise lending rates.

The writer is the President & Head Wholesale Banking, Kotak Mahindra Bank. Views expressed are personal

BL TWO-WAY CROSSWORD 2408



EASY

ACROSS

01. Ancient prophetess (5)
04. Sicilian city (7)
08. Longing for things past (9)
09. Drinking vessel (3)
10. Piece for publication (7)
12. Omen (4)
14. Naval vessel (3-4)
17. Cotton holder (4)
18. Pentecost (7)
20. Charged particle (3)
21. Shift rhythm to the off-beat (9)
23. Ladies' man (7)
24. Puppets (5)

DOWN

01. Churchgoing time (6,7)
02. Surrounds with hostile intentions (6)
03. Mutual savings scheme (4-4)
04. Wooden pin (3)
05. Jump (4)
06. Stay (6)
07. Street music-makers (5-8)
11. Joint (5)
13. Various in kind, many in number (8)
15. Heart of nut (6)
16. Attack (6)
19. Continent (4)
22. Open fabric (3)

NOT SO EASY

ACROSS

01. She prophesied by getting in half the silver (5)
04. In Sicily, is even less healthy-coloured to army doctor (7)
08. Longing for time past makes it as a long change (9)
09. Something to drink from? Go for one in the street! (3)
10. The thing is, you may read it in the newspaper (7)
12. A portent is given back to heartless marksman (4)
14. Suitable conveyance to the Isle of Lewis? (3-4)
17. Part of the film will look staggering (4)
18. Form of whist, a French version, at Pentecost (7)
20. A particle left on abandoning tearful head (3)
21. Spy at once changes to shift the beat (9)
23. Note everything worker finishes is attentive to ladies (7)
24. No real people could be sold around fifty (5)

DOWN

01. Rest of day of rest follows it (6,7)
02. French and, with Elizabeth about, surrounds one with hostility (6)
03. Iron perhaps given for a time: you put into it to get out (4-4)
04. A drink one might hang one's hat on (3)
05. Where salmon get up every fourth year? (4)
06. You'll find me up in the wet weather, so I stay behind (6)
07. Terrible groan – Millers were playing in the street (5-8)
11. After end of binge, shatter bowl (having raised it?) (5)
13. Isle, provided it's ancient – of which there are many (8)
15. The heart of the matter where nut is concerned (6)
16. Like to put to sea to attack one (6)
19. Like to get first-class come-uppance in the Orient (4)
22. As opposed to gross fish-catcher (3)

SOLUTION: BL TWO-WAY CROSSWORD2407

ACROSS 2. Ached 5. Sift 7. Hive 8. Lollipop 9. Back-room 11. Ends 12. Photographers 15. Pays 17. After all 19. Pressure 21. Fate 22. Swan 23. Loser

DOWN 1. Epitaph 2. Are 3. Hallo 4. Dilemma 5. Ski 6. Flood 10. Kites 11. Ether 13. Gradual 14. Related 16. Arrow 18. Trees 20. Son 21. For

Next phase for RBI

Central bank should be empowered further

Speaking at a programme marking 90 years of the Reserve Bank of India (RBI) on Monday, Prime Minister Narendra Modi rightly noted that the institution played a pivotal role in advancing the nation's growth trajectory. Financial stability is a necessary condition for economic growth and development in the long run. As the RBI commemorates this significant milestone, it presents an opportunity for the institution to not only reflect on its past achievements but also to chart a course for the future. This is vital because of the changing nature of macroeconomic and regulatory challenges. The Indian central bank, to be fair, has evolved with time in all its functions over the decades. Despite occasional differences, the government has provided legal and institutional support to the RBI in its journey. This is not to suggest that India has a perfect system, but developments over the years have been in the positive direction.

One of the most significant developments in recent years has been the amendment to the RBI Act to make it an inflation-targeting central bank. Despite opposition from various sections, the government agreed to the idea of strengthening the monetary policy framework, which has made monetary policy operations more transparent and helped improve investor confidence. In the context of some recent confusion, on its part, the RBI has done well to reiterate that it will adhere to the legally mandated inflation target. Further, one of the reasons for improving macroeconomic stability is the RBI's deft management of the external sector. It used opportunities to accumulate large foreign exchange reserves, which has helped reduce currency volatility.

While the RBI has done reasonably well in terms of macroeconomic management, particularly in recent years, there is scope for improvement in banking regulation and supervision. It is worth celebrating that non-performing assets (NPAs) in the banking system have come down and the system is in its best position in over a decade, but excesses in the banking system were also built in both pre- and post-financial crisis periods under the RBI's watch. Although it is correct that the RBI has limited powers in terms of regulating public-sector banks, which must be addressed through necessary legal changes, at least two recent episodes — YES Bank and Infrastructure Leasing & Financial Services Ltd — pointed to the need for improving oversight mechanisms. There are also concerns regarding transparency in dealing with regulated entities. The regulator, for instance, could have been more forthcoming in providing information in the case of Paytm Payments Bank. In fact, dealing with such entities could be a big challenge in the coming years.

The RBI has done well to facilitate the adoption of technology, which has made India a world leader in payment solutions, but it will need to be prepared to deal with unintended consequences of using technology by new-age fintech firms in a way that doesn't stifle innovation. The RBI is also a pioneer in experimenting with the central bank digital currency though it remains to be seen to what extent it is adopted. Looking ahead, although the RBI is not formally an independent central bank, the government should allow it to function autonomously and respect its institutional position. To make its functioning more effective, the government should consider necessary legal changes to empower it in banking regulation. It is also important for the government to run low fiscal deficits to avoid the risk of potential fiscal dominance of monetary policy.

A question of propriety

Timing of enforcement action must be questioned

Delhi Chief Minister Arvind Kejriwal has been remanded in judicial custody till April 15 by a special court in connection with an alleged money-laundering case related to a now scrapped Delhi liquor licensing policy case after his remand with the Enforcement Directorate (ED) ended. Mr Kejriwal, the first sitting chief minister to be put behind bars, was arrested by the ED on March 22 under the stringent and controversial Prevention of Money Laundering Act (PMLA), where bail is difficult to obtain. The ED had sought 15-day judicial custody from the special court to interrogate him, citing "non-cooperation" by Mr Kejriwal. Whatever the merits of the case, two issues concerning best practices in a democratic polity demand attention from the institutions entrusted with safeguarding them — the Election Commission (EC) and the Supreme Court.

The first is the propriety of Mr Kejriwal's arrest by an enforcement arm of the government just weeks before parliamentary elections are due. More so, when the alleged infraction concerns a case that dates back two years. As with the ED case against the CPI(M) in Kerala and the recent income-tax notice to the Congress, which also dates back several years, the action against Mr Kejriwal surely merited intervention by the EC because of the timing. On Monday, the income-tax (I-T) department assured the Supreme Court, hearing an appeal by the Congress against the I-T demand, that it would not take any coercive steps to recover its demand of ₹3,500 crore before the elections. Though this offers the national party some relief, it does not address the core question of the timing of the I-T department's move.

No less pertinent is the Supreme Court's promise to review its earlier judgment on the PMLA, which has been hanging fire for some months. The original judgment of July 27, 2022, by a three-judge Bench had generated considerable controversy because it conferred on the ED virtually unchecked powers to arrest, summon, and raid individuals while depriving an accused of his or her basic rights. The judgment upheld several conditions for bail which are virtually impossible to meet, apart from transgressing settled law. The first is for the individual to prove he is not guilty of money laundering, an inversion of the legal principle of a defendant being innocent until proven guilty. The second is for the accused to prove that he is unlikely to commit an offence when out on bail. This apart, the accused may not get a basic copy of the Enforcement Case Information Report outlining the ED's case against him.

Last year, the Supreme Court constituted a three-judge Special Bench to hear review petitions filed against the judgment and hearings were scheduled to begin in October 2023. That Bench was dissolved, first because the Union government sought more time to prepare, and, second, because one of the judges on it was retiring within a month, which begs the question why he was selected in the first place. Since then, however, the progress has been snail-paced. Though a replacement for the retired judge was found, the reconstituted Special Bench in March posted the date for reconsidering the judgment to July 2024, citing, among other things, a heavy caseload. Such delays do not bode well for the future of Indian democracy.



Dollar is more than a currency

Despite predictions of a tough year, the greenback is overpowering challengers. There's more to this supremacy than mere interest rates

There's just no getting past the supremacy of the dollar, much as skeptics of American influence wish for it or lonely yen bulls cry for relief. The greenback has been frequently tipped to retreat, only for it to blow away everything in front of it.

This resilience might not last, but as long as it does, it reminds a world once in thrall to China's ascent that the US is the essential economic force. Just ask all the central bankers quizzed as much, if not more, about the Federal Reserve's intentions as their own. Sovereignty can be relative.

Events billed as heralding a pull-back have barely made a dent: Japan's decision to end eight years of negative interest rates fizzled in markets; the country's finance minister has resorted to jawboning the yen stronger, and traders are handicapping the prospects of intervention by Tokyo. Even projections of rate cuts by the Fed aren't doing it. Reductions are likely to be synchronous among the biggest authorities, preventing

any major currency from outshining the dollar. This year was meant to be one in which the dollar fell, but a key index of its support is off to a strong start.

That's the short term. Markets fluctuate and currencies, like stock and bond markets, have good years and times when things don't turn out so stellar. But the buoyancy of the past quarter — and last couple of years — is built on something more than rate differentials.

The longer story of dollar firepower is one of a currency beating back challenge after challenge every few years. In the late 1990s, the coming euro was supposed to rival the dollar. A couple of years later, the current-account deficit became the totem of all that was wrong.

Then came the subprime collapse and quantitative easing, followed by the would-be rise of the Chinese yuan. The worry du jour: The aggressive use of sanctions, which critics said would lead to a global de-dollarisation. It's as though the rest of the world scouts for a saviour every few years. Assertions that the dollar will be



DANIEL MOSS

Understanding the microplastics threat

The history of synthetic plastics can be traced back to the middle of the 19th century. As with any invention, the discovery of synthetic plastics started as a quest to find a solution to some problems — in this case, the reduced availability of tortoise shells, and elephant ivory, used predominantly for making combs, billiard balls, piano keys, etc, in the 19th century. Demand for piano keys, billiard balls, and combs was going up in Europe even while getting hold of elephant tusks and tortoise shells was becoming more difficult as their population dwindled.

A chemist named Alexander Parkes is credited with having created the first real synthetic plastic — Parkesine — in 1862, which quickly became a cheap substitute for tortoise shells and ivory in some products.

Belgian chemist Leo Baekeland created Bakelite, the first all-purpose fully synthetic plastic in 1907. After that, development was rapid as big corporations in the US and the UK such as BASF, Du Pont, Imperial Chemical Industries, and Dow Chemicals poured money into research, product development, and marketing. World War II would see plastics coming into their own — being used in everything from parachutes to radar cabling to wheels of vehicles and aircraft. Post WW II, the civilian use of plastics would explode. Nylon, Rayon, Polystyrene, PET, and Teflon would find uses in everything from clothing to food packaging.

Plastic usage would boom for decades before scientists, policymakers, and citizens would wake up to the unpleasant fact that what made plastics so useful was also the reason they were polluting the earth — plastics were indestructible. They did not decompose, disintegrate, or degrade for decades or centuries. Discarded plastics simply accumulate in landfills and oceans, becoming an environmental disaster.

Knowing there is a problem and finding a solution

for it are two different things. Though the dangers that discarded plastics pose for Earth are now well established, no satisfactory solution has been found. The quest for solutions has simply not received the kind of support or resources it should have. There are more interesting areas to research, even in biochemistry and microbiology. From time to time, announcements of bacteria that consume and break down plastics have been made but few have led to large-scale plants. Other methods such as photo-oxidation have also not been able to scale up.

Policies, meanwhile, have typically focused on reducing the use of plastics — though they have not been very successful in most countries, given that alternatives to synthetic plastics are not easily available or cheap.

Over the past two decades, a fresh worry has cropped up — the ubiquity of micro and nano-plastics. While plastics take decades to degrade, they do break into pieces and release tiny plastic pieces, often too small to detect with the naked eye. Over the past decade, researchers have discovered to their horror that micro and nanoplastics are everywhere — in the soil, in oceans and rivers, in marine and land lifeforms, and, increasingly, in human organs, from the blood vessels to the respiratory system, the liver and even the placenta.

How dangerous are microplastics to humans? Research on this is only beginning to take place now. Initial studies point to long-term dangers but their precise nature and the quantification will take time to establish. There is some evidence that plastics can give rise to inflammation in the body — with all the attendant issues that come with it. There is conjecture that chemicals of nanoplastics in various body organs would lead to all sorts of problems, including cancer. Other studies have shown that



PROSAIC VIEW

PROSENJIT DATTA

In Charan Singh, R Venkataraman, Pranab Mukherjee, V P Singh, Rajiv Gandhi, ND Tiwari, S B Chavan, Madhu Dandavate, Yashwant Sinha, Manmohan Singh, and P Chidambaram, India has had some fascinating personalities as finance ministers, grappling with their own partymen, a Reserve Bank of India that was purportedly independent but

then not, or for that matter prime ministers who were sometimes supportive, sometimes not so. The volume does justice to each of them, and then some more.

The author is able to cover many of these stories to great effect and share some fascinating insights into the process of policymaking in the highest quarters. A huge takeaway for this reviewer is that if you look hard enough many major actions and reforms that occurred later were made possible due to actions that may have been considered

undone are overblown, according to a recent paper by Steven B Kamin, a former head of the Fed's international finance division, and Mark Sobel, who served as deputy assistant secretary of the Treasury.

Kamin and Sobel write that dollar dominance is embedded in the global economic system in ways that are difficult to change. Even if it was to decline relative to another currency, the buck will remain first among equals. And the potential loss of access to US markets and the American banking industry would mean sanctions still matter greatly. The currency remains a vital geopolitical asset both to Washington, and its allies.

The duo argue that whether or not the dollar stays top of the heap is the wrong question to ask. Better to inquire whether the factors that have supported such a place at the commanding heights will be sustained. They are confident it will, but add a chilling caveat: The biggest risk to the dollar may be the US itself.

"Dollar dominance is not a means in and of itself," Kamin and Sobel wrote in the paper for the American Enterprise Institute. "It is instead a critical reminder of the need to run sound policies, behave responsibly at home, and maintain the world's trust." (The two expanded on the subject in the *Macro Musings* podcast last month.)

The dollar is also a strategic gift, often underappreciated in geopolitical discussions, which tend to focus on the South China Sea or Donald Trump's threats against treaty partners. Nor is the US-led economic order, with the greenback at its core, wholly a product of victory in World War II.

Born in 1913, the Fed was an important behind-the-scenes player in the Great War. As President Woodrow Wilson was trying to broker peace between the Allied and Central powers in 1916, the Fed fretted that American banks were too invested in the prospects of a triumph by Britain and France, something by no means certain. The central bank warned US lenders against over-exposure, a step that sent European markets into a tailspin, wrote Philip Zelikow in *The Road Less Traveled: The Secret Turning point of the Great War, 1916-1917*. Allied powers realised they would soon struggle to finance the war.

Wilson hoped that by squeezing them, he could bring about a resolution. His efforts foundered after Germany resumed unrestricted submarine warfare in the Atlantic, and the US joined the conflict. The Fed reversed its stance and aid began flowing again — generously. Just as well: Britain's cash reserves were perilously close to depletion. The baton of monetary leadership was passed.

Let's hear it for the greenback, more useful than an aircraft carrier, and with greater life expectancy. If there is a historic break with its rule, it's unlikely to be something as obvious as a turn in the cycle of contemporary borrowing costs. It may be something more subtle, though clear in hindsight. For now, consider keeping those prognostications about the eclipse of the dollar in the barracks.

The writer is a Bloomberg Opinion columnist © Bloomberg

The long road to liberalisation



BOOK REVIEW

LAVEESH BHANDARI

The second volume of the "India's Finance Ministers" series with a subtitle "Stumbling into Reforms (1977-1998)" undoubtedly matches, I would say even surpasses, the first. The time period was perhaps the most exciting in post-independent India's economic history. A new generation, with arguably much greater economic aspirations than those involved in the independence movement were taking over, the Congress had been damaged, and by now it was quite evident that the public sector would not be able to deliver on the promise of economic growth.

The return of Indira Gandhi and the subsequent takeover by Rajiv Gandhi saw one of the periods of highest economic growth initially, but these and associated investments were powered by dollops of debt. Loose policies contributed to the distress that eventually birthed the reforms in 1991. And then the excitement of the reforms and post-reform years followed.

But let me start from the beginning of this period. H M Patel (finance minister from 1977 to 1979) had many years earlier deftly handled the partition-related division of assets. Though later exonerated, the Jagmohan Mundhra scandal had impacted his reputation. He later joined the Swatantra Party which merged with the Janata Party. With active support from Morarji Desai he brought in I G Patel to the Reserve Bank of India, retained Manmohan Singh in the finance ministry, attempted to change the five-year plans to annual rollover plans which also looked at

implementation issues and not merely allocation of resources. He tried to increase the savings rate by attempting to discourage "ostentatious" consumption, announced India's first demonetisation of high-value currency, and tried to sell gold reserves to reduce its price, among other not so great measures. But despite what must have been a fairly difficult time in a government with many independent power centres, he managed in 1977-78 to present a Budget of ₹15,500 crore and a deficit of only ₹72 crore, which increased to ₹414 crore the next year on account of cyclone- and flood-related damages across India.

Though an important member of the Swatantra Party, his actions do not always show up as those of an economic liberal. Among other acts we would term as quite market-unfriendly, he increased the list of industries under small scale to 500 from 180, the highest bracket for income tax to 69 per cent (including cess) at the margin and created a negative list

of sectors where no foreign collaborations would be permitted.

Who, then, was H M Patel? A liberal managing the politics in a government with many power centres? Or an efficient administrator driven by conventional wisdom of the times? Unfortunately, the author is unable to answer that question. But what is clear is that limits on private industry were not just the product of the Nehruvian era. It is also clear that historical personalities are not so easy to classify as socialist or liberal, right of centre or left. But did those involved in the more recent demonetisation learn from the experience of the Janata Party's in the late seventies?

H M Patel's story is one among many. There were 11 finance ministers between him and 1998. Each of them had a unique personality, yielding stories rich in texture, not easily classifiable the way simplistic media projections do these days.



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minor or even irrelevant many years earlier. However, there should have been more on the dealings with Opposition parties, and an investigation into what the finance ministers were oriented towards as individuals, where their inherent preferences lay, what they grappled with, within and not just without.

But all told, the second volume of the Finance Minister Trilogy gets a double thumbs up from this reviewer. The author is also able to provide us with a deep insight into some of the most important actions taken many years ago, and he does so without any judgement or verdict. The style is extremely dispassionate, simply reporting what happened and as it happened. And that makes it very useful for all, whichever side of the political-ideological spectrum the reader may be. A must read for all students of modern economic history, for libraries, and for policy wonks who may want to learn from the failures and successes of the past.

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OPINION

The
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{ OUR TAKE }

It’s a battle of narratives

Rallies at Delhi and Meerut defined the contours of the fight for Mandate 2024

The well-attended rally of the INDIA bloc in Delhi on Sunday gave a hint of what is likely to be the basic thrust of the Opposition campaign. The Ramlila Maidan function saw attendance from at least a dozen parties, including the Aam Aadmi Party, the Congress, the Trinamool Congress (TMC), Jharkhand Mukti Morcha, Dravida Munnetra Kazhagam, Shiv Sena-UBT, and various Communist parties, which alleged the Opposition has been denied a level-playing field. They demanded that the Election Commission of India intervene and stop central agencies from alleged targeting of Opposition leaders and the “financial strangulation” of Opposition parties. They also demanded the release of former Jharkhand CM Hemant Soren and Delhi CM Arvind Kejriwal, as well as a probe monitored by the Supreme Court into the BJP’s use of election funds. The pitch was that democracy was under threat from the ruling party, which was using State institutions to choke the Opposition. Besides major Opposition leaders, Kejriwal’s wife, Sunita, and Hemant Soren’s wife, Kalpana, addressed the crowd. If optics mattered, the Loktantra Bachao Rally was a success.

However, politics is more than optics. The issues highlighted by the Opposition are central to democracy and merit a conversation, surely. But does the INDIA bloc now have time on its hands, or the organisation and public trust to successfully amplify its claims on public corruption and institutional capture by the ruling party? The internal contradictions within the bloc persist and continue to impact seat negotiations. The bloc is yet to have a coordination mechanism in place to hold joint campaigns and prepare a common programme. For instance, just as her party representative at the Delhi rally affirmed that the TMC “was, is and will be a part of INDIA bloc”, Mamata Banerjee declared that the Congress-Left alliance in West Bengal was working for the BJP. The chances of the Ramlila Maidan rally becoming another one-off spectacle are very high, unless, of course, the INDIA constituents become more sensitive to the bloc’s larger goals. At a BJP rally in Meerut on Sunday, Prime Minister Narendra Modi made it clear that he will take the Opposition head-on in its claims. He has sought to make a compelling narrative that the Opposition has come together to protect its “corrupt dynasts”. Which of these narratives will catch the imagination of the electorate is anybody’s guess, but the contours of the fight for Mandate 2024 became clear on Sunday.

Katchatheevu politics is a slippery slope

Fifty years ago, Delhi and Colombo signed a bilateral agreement whereby India effectively gave up its claims on Katchatheevu island in the Palk Strait. The idea was that ceding a barren island with no water source to a neighbour — a fallout of demarcating the maritime boundary between the two — was good for neighbourly relations. This deal has now come up for scrutiny in the general elections with none other than the Prime Minister of India framing it as a loss of Indian territory. The foreign minister too has weighed in, adding substance to an agenda that has been marginal to electoral politics in Tamil Nadu. This has ominous implications and a self-life beyond the immediate context of the Indian election. India-Sri Lanka relations have had their share of tensions though Katchatheevu had ceased to be a bone of contention in 1974. It is a settled issue and it should remain so. The island is used for fishermen to rest their boats and dry their gear; Indian fishermen also participate in the annual festival at the small church built on this sandy speck. Territorial rights regarding the island come up in conversation when Indian fishermen are apprehended by the Sri Lankan navy for transgressing into their waters. The latter has little to do with Katchatheevu and needs to be debated on the complex canvas of crowding of vessels in a small patch of sea, concerns about overfishing and coordinated management for sustainable fishing practices. Ties between Delhi and Colombo have been improving since the end of the ethnic war in Sri Lanka. Delhi is invested in Colombo and both countries have been jointly exploring avenues in trade, energy and transport sectors. Leaders should show maturity not to stoke old fires and singe ties with a friendly nation in the quest for electoral dividends. Remember, Beijing is waiting in the shadows to anchor its interests in a strategic location in the Indian Ocean.

Unemployment and demographic dividend

The unemployment problem in India is becoming centred around educated youth, a longer-term trend evident for some decades

India remains poised to take advantage of its demographic dividend with strong improvements in education levels, which are a key determinant of accessing better quality jobs. At the same time, youths’ aspirations are evolving, which need to be matched with the type of employment available in the labour market. These are among the key findings of the “India Employment Report 2024: Youth education, employment and skills” by the Institute for Human Development (IHD) and International Labour Organization (ILO), which examine the challenge of youth employment in the context of the emerging economic, labour market, educational, and skills scenarios in India, and the changes over the past two decades. It is primarily based on data from the National Sample Surveys and the Periodic Labour Force Surveys. With a large proportion of the working-age population, India is expected to be in the potential demographic dividend zone for at least another decade. Although the youth population, at 27% of the total population in 2021, is expected to decline to 23% by 2036, around seven to eight million youths are added to the labour force each year. Youth participation in the labour market is on a declining trend, mainly due to greater participation in education. Edu-

cation levels have improved among the youth, and this is indeed a welcome development as education is a key determinant of accessing better jobs. With higher levels of education, youths are much more likely to be employed in formal and regular salaried jobs and tend to more actively engage in the high productivity sectors, primarily the tertiary sector, such as business, telecom, finance and information technology, compared to the less educated. The latter are more likely to be employed in the primary (agriculture) and secondary sectors (manufacturing and construction). Youth with technical degrees and graduate diplomas are involved more in the tertiary sector. While the report points out that although access to education had increased significantly between 2000 and 2023, differences persist across socioeconomic classes, with implications for access to better quality jobs. The rate of employment diversification, access to regular jobs and shift towards medium/high-skill jobs were higher among the youth, though the shift towards skilled jobs did not fully meet the growing demand for such jobs. Technological change and digitalisation are having a profound impact on the demand for skills and certain types of employment. Young people are also better represented in the gig economy, although this has led to new challenges in terms of job quality and security. Overall, the youth unemployment rate declined after 2017-18 dropping to

12.4% in 2021-22 and further to 10% in 2022-23. The rates of unemployment rose with levels of education, and since more and more youth were accessing education, the percentage of unemployed youth with secondary and above education among the total unemployed has increased from 54.2% in 1999-00 to 65.7% in 2021-22. It is evident that the nature of the unemployment problem becoming centred around educated youth. It should be noted that this is a longer-term trend evident for some decades, reflecting the rising level of education amongst youth. Beyond a narrow view of the unemployed, there is a large proportion of youth, particularly young women, “not in employment, education or training (NEET)”, which has also fallen since 2018-19 but remains significantly higher for young women (48.4% versus 9.8% for young men). As highlighted in the report, it is important to distinguish the two main types of NEET categories, those unemployed and those out of the labour force, for both analytical and policy purposes. The second group, young people out of the labour force, is a much larger majority group and dominated by females (accounting for 95% of this group). While focusing on the challenges of youth employment, the report also highlights broader trends in the Indian labour market, which indicate improvements in outcomes along with persisting and new challenges, including those generated by the Covid-19 pandemic. The labour force participation rate,



Alakh N Sharma



Ravi Srivastava



Youth participation in the labour market is on a declining trend, mainly due to greater participation in education HT ARCHIVE

especially for women, and the unemployment rate registered improvement post-2019. The share of agriculture in employment increased from 42.4% in 2019 to 46.4% in 2021, as agriculture and self-employment emerged as the employer of last resort during the pandemic. However, this reversal of structural transformation appears to have slowed down between 2022 and 2023. Concomitantly, employment in the manufacturing sector is now increasing. The significance of the manufacturing sector becomes evident when considering that most of the additional employment generated in this sector was regular and self-employment types, with much higher earnings and productivity compared to construction, agriculture and some services, like trade. The Make in India and Production Linked Incentive schemes can play a critical role in making India a manufacturing hub, thus inserting the country into global value chains and fostering industrial growth, which will support the creation of jobs for young people. With rapid technological change, there are many opportunities for young people. However, harnessing these opportunities requires rapid uptake of new skills. The skills landscape in India has also

undergone a transformation with the impetus of filling supply-demand gaps and skill mismatches. The Indian skills training scenario has changed significantly over the past 25 years with the setting up of a national skills mission and formulation of two national skills policies to guide skills development. To increase the proportion of youth with technical skills, the next-generation skills and apprenticeship ecosystem needs to be based on a stronger partnership with the private sector. To realise the demographic dividend that India stands ready to seize, five key policy areas, which apply more generally and specifically for youth in India, must remain the focus: One, promoting job creation/making production and growth more employment-intensive; two, improving employment quality; three, addressing labour market inequalities; four, strengthening skills and active labour market policies; and five, bridging the knowledge deficits in the labour market patterns and youth employment.

Alakh N Sharma and Ravi Srivastava are with the Institute for Human Development, Delhi, and team leaders of the India Employment Report 2024. The views expressed are personal

A restatement of the basic law on obscenity

In mid-March, the Supreme Court (SC) handed down a judgment quashing criminal legal proceedings that had been initiated against the makers of the web-series, *College Romance*, under the provisions of the Information Technology Act. The criminal complaint had been initially registered in 2019 by an individual, on the purported basis that in an episode of the web-series, characters were depicted engaging in profanities and vulgar language. Despite the police filing a report stating that no case had been made out, the magistrate directed the registration of an FIR against the makers of the series. After unsuccessful attempts before the trial courts, the series makers eventually approached the Delhi high court (HC), asking that the criminal proceedings be quashed. They argued that — as the name suggested — *College Romance* was a light-hearted take on the trials and tribulations in the lives of contemporary college-going students in urban India. The language used was nothing more than a reflection of how such students (sometimes) talk and had to be understood in its context. It was neither “obscene” within the meaning of the law, nor “sexually explicit.”



The Supreme Court has incrementally liberalised the law of obscenity, in the context of the right to freedom of speech and expression ANI

therefore, it was important to preserve “linguistic morality”. The Supreme Court found that the high court’s reasoning was flawed on every count. In particular, it is important to note that the law on obscenity in India has evolved over the last few decades. In the 1960s, while upholding a ban on the famous book, *Lady Chatterley’s Lover*, the SC adopted the Victorian-era “Hicklin test”, which asked whether a particular piece of art had the tendency of corrupting the morals, or depraving the person into whose hands it might fall. Importantly, the Hicklin test was predicated on taking the point of view of precisely that constituency most open to “moral corruption” (whatever that meant). Strikingly, the apex court adopted this century-old test at the precise moment that England, the country of its birth, was moving away from it! In the intervening years, however, the Supreme Court has incrementally liberalised the law of obscenity, in the context of the right to freedom of speech and expression. It has clarified that the correct test is not that of causing depravity or moral corruption, but whether the piece of art in question is “lascivious”, or appeals solely to “prurient interest”. One may ask what, particularly, is so wrong with appealing to prurient interest that the criminal law has to step in, but at the very least, this test (which is drawn from US jurisprudence) is more protective of free speech than the depravity/corruption test. The SC has also held it is the perspective of the “reasonable, strong-minded person” that must be applied to determine the effect that the piece of art has on people.

Applying these tests, it was straightforward for the Supreme Court to find that the high court had committed serious errors in its analysis. As the Supreme Court noted, the high court had asked the “wrong question,” and had therefore arrived at the “wrong answer.” The question was not whether, indeed, the language used in the web-series was commonly used by the contemporary youth, or whether the language was so profane that it could not be heard aloud in open court; the question, rather, was whether the series, taken as a whole, was solely intended to appeal to prurient interest. On this, as the Supreme Court correctly noted, “while a person may find vulgar and expletive-filled language to be distasteful, unpalatable, uncivil, and improper, that by itself is not sufficient to be ‘obscene.’” Specifically, as the show was “a light-hearted show on the college lives of young students, it is clear that the use of these terms is not related to sex and does not have any sexual connotation.” The high court’s judgment was, therefore, set aside. While, at one level, the Supreme Court’s judgment is a restatement of the basic law on obscenity, it is also important that the law be restated by the Court from time to time, to prevent the frivolous weaponisation of the obscenity law in cases like this.

Gautam Bhatia is a Delhi-based advocate. The views expressed are personal

{ KIREN RIJJU } UNION MINISTER OF EARTH SCIENCES

We are anticipated to experience extreme weather conditions in the coming months, which also coincides with the general elections... This makes it absolutely necessary for India to prepare in advance

Onus is on the ECI to build trust in elections

The announcement of national polls by the Chief Election Commissioner (CEC) in the company of two freshly appointed commissioners, and the apex court declining a stay on their appointments, should help quieten down the whispers around the resignation of a sitting commissioner. Significantly, the new appointments were made by a collegium for the first time following the enactment of the Chief Election Commissioner and Other Election Commissioners (Appointment, Conditions of Service and Term of Office) Bill, 2023. Under the Bill, their actions in office are protected. The level of the search committee for their selection has been raised, and their prevailing ranks secured after apprehensions surfaced that their conduct could be compromised otherwise. The merit of the law has been debated through the prism of stakeholders, especially of political parties, and dissent could linger. With the model code having kicked in, one needs to reckon that in India’s mature democracy, the integrity of the election process does not begin and end with one official. Perceptions regarding the three-member Election Commission of India (ECI) and its modest team of officials in Delhi are at times exaggerated. No doubt they lead nationally, but the apparatus to deliver spotlessly correct elections periodically is much larger. As elections commence, one will see lakhs of government employees drawn from both central and state governments converging under the direct control of ECI. The conduct of these officials remains under constant scrutiny with several examples of errant officers being taken to task. Poll officials are like Caesar’s wife; they must be above suspicion. The fact that key personnel are career civil servants, bound by rules, helps the cause. A staggering 15 million staff may get engaged in the 2024 polls. Each of the over 700 districts of the country has a District Election Officer and each of the 543 Lok Sabha constituencies has a returning officer, with defined roles under the Representation of the People Act. Their fair and efficient conduct has been crucial in the acceptance of election results by both winners and losers each time. Over 2,000 observers are appointed by ECI to monitor the campaign process, election expenditure, poll day events and post-poll verification. Observers serve as the eyes and ears of the commission on the ground. An ingrained system of checks and balances and of oversight

has been the bedrock of India’s election management, refurbished by technology. Those who man the million-plus polling stations with customised designations such as presiding officer and polling officer are often schoolteachers or junior officials drawn from a plethora of departments. These staffers receive intense training in laws and procedures, use of voting equipment like the Electronic Voting Machines (EVM) and Voter Verifiable Paper Audit Trail (VVPAT) and get turbo-charged for non-partisan discharge of duty. Their deployment is thrice randomised to ensure neutrality. Lakhs of central and state police forces stand guard against any assault on the due process of polls. Trust in the election machinery is no small anchor of the country’s electoral system. Election officials in other parts of the world have not enjoyed this unblemished credibility. The recent disputed national election recently in Pakistan is just one example. When pathological aspects of the Indian elections are counted, it is the role of black money, criminals in politics and, of late, corruption in the media and messages that are loudly spoken of. The disclosure of donors and recipients in electoral bonds, forced by the apex court, should help bring a layer of transparency in campaign finance that constitutes an essential nerve of electoral integrity. The exact *quid pro quo* will emerge from details and analysis. Rigorous security management and disclosure of candidate antecedents combined with the switch from ballot box to EVM have reduced criminal influence. But there is still a distance to cover on both fronts. The conduct or rather misconduct in the recent Chandigarh mayor election, though outside ECI’s jurisdiction, was a jarring note. The Supreme Court’s order overturning the result, and its scathing observations on the poll official’s action serve as a timely alert. Such a fiasco can provide ammunition to conspiracy theories to vilify the usually legitimate contests. ECI’s commitment to deliver free, fair and transparent elections is based on an assessed confidence to keep its massive workforce immune from the Chandigarh infection. This confidence is not born with one arrival, nor does it die with one departure.

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Gautam Bhatia