Telangana Today
FOR LOCAL TO GLOBAL NEWS

"When we talk about threats to our democracy, it's not just about positions and content. It's also about people. If these people are no longer safe, then our democracy is no longer safe either

URSULA VON DER LEYEN
European Commission president

He (Modi) is saying all sorts of things from we are going to steal people's buffaloes, to taking away their jewels. Frankly, if it wasn't the PM saying this, coming from such a dignified post, we would laugh

PRIYANKA GANDHI VADRA
Congress leader

This year I complete 56 years of being elected to Assembly... This soul is wandering around Maharashtra for rescuing the common people from those who are worried about this soul"

SHARAD PAWAR
NCP (SP) chief

Campus unrest

It may well be the 'Arab Spring' moment of America. In what has turned out to be a spontaneous mass upsurge, hundreds of students have been protesting on university campuses across the country against the ongoing Israel's war in Gaza. The scale and intensity of the demonstrations are reminiscent of the campus unrest of the Vietnam War era and more recently the 'Never Again' campaign in 2018 spearheaded by students seeking gun control laws. The ongoing pro-Palestine demonstrations in over 120 universities and colleges across the US represent collective social outrage over the humanitarian crisis in Gaza following relentless military strikes by Israel. The demonstrators have been demanding that the US should halt all forms of support to Tel Aviv, including an end to US military assistance to Israel, university divestment from arms suppliers and other companies profiting from the war, a permanent ceasefire in Gaza, and amnesty for students and faculty members who have been disciplined or fired for protesting. The protests reflect that young Americans are more likely to oppose Israel's actions than the older ones. A survey in March found that 55% of Americans disapproved of the Israeli military action in Gaza, with 63% of them in the age group of 18-34. While the protestors are well within their right to freedom of expression, the campaign appears to be crossing the limits at some places with incendiary slogans being raised targeting Jews. Some irate anti-Israeli demonstrators vandalised a World War I memorial and torched an American flag at Central Park in New York.

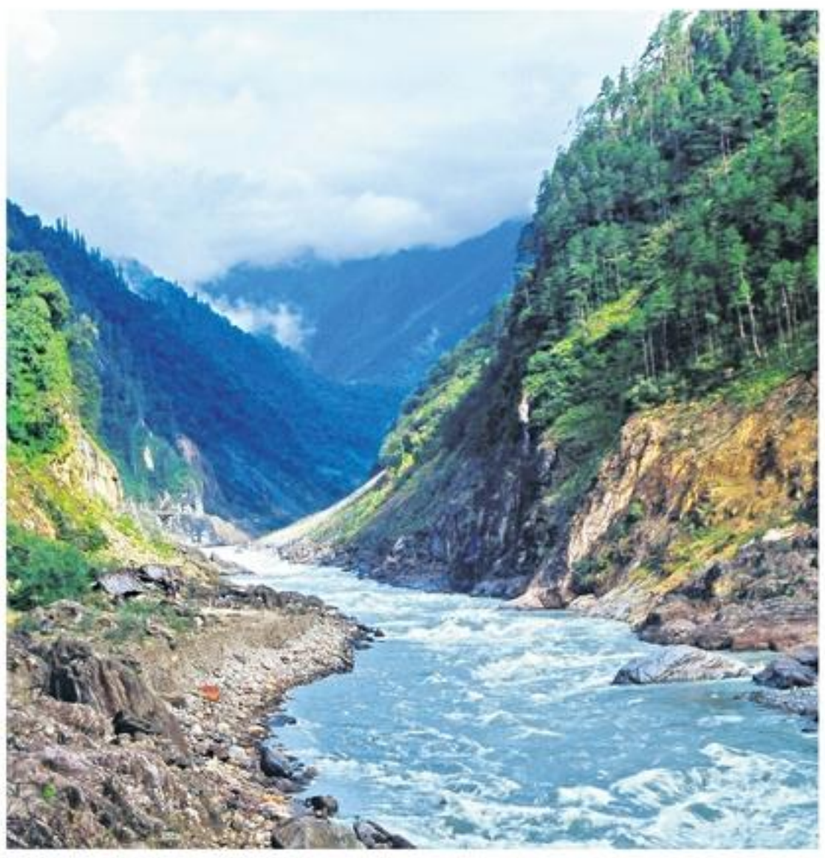
> The mass protests by students across US universities driven by a just cause should not be reduced to hate campaign

The mass protests driven by a just cause should not be reduced to a hate campaign. Already, some Jewish students have called the protesters anti-Semitic and expressed concern about their safety. An aggressive crackdown by administrators and the police in the form of arrests, suspensions and class cancellations has only complicated the situation. Even prestigious universities like Harvard, Columbia and Indiana have floundered in dealing with the protests and have hastily called in the police to handle the situation. Though the US boasts its rich traditions of free speech and expression, its track record in handling mass protests has not been very encouraging. The administration and the police have a tendency to overreact. American students have a long history of rallying behind social and political causes. They were at the forefront of the anti-segregation movement in the 1950s and 1960s; they protested Free Speech limitations in Berkeley in 1964, thereafter the Vietnam War, apartheid in South Africa and gun violence in their own country. The Biden Administration, which is largely seen as a firm supporter of Israel, has failed to handle the situation with sensitivity and maturity. Under pressure from the left wing of the Democrats, Biden has backed students' right to protest, "but not the right to cause chaos and violence".

Borders and water tensions

The growing supply-demand gap in water availability can rapidly escalate into a contentious issue among riparian countries

NEERAJ SINGH MANHAS



The India-China standoff at the Line of Actual Control (LAC) in Eastern Ladakh has entered its fourth winter. Meanwhile, bilateral relations have remained in an "abnormal state" since the 2020 Galwan clashes. Bringing back normalcy could be a long and complex process, as issues of divergence between the two countries go beyond the disputed border due to water disputes which have been a topic of significant contention for a prolonged period.

Water resources are commonly perceived as a communal asset that ought to be utilised for the collective good. However, in actuality, the growing supply-demand gap in water availability has the potential to rapidly escalate into a contentious issue among the riparian countries. The exacerbation of tensions over water resources in India and China can be attributed to their intricate political relations and persistent border conflicts.

Dams Galore

The construction of dams and hydropower projects by China on the Brahmaputra River (Yarlung Zangbo) has generated apprehension in India regarding the possible ramifications on water flow downstream. Over 87,000 dams have been built across China, including in Tibet — a significant number of these dams are situated on India-shared international waterways.

India is reviving its 12 hydropower projects, which are expected to generate 11,517 megawatts of energy along the border and cost around $15.3 billion. On the Chinese side, a 'super dam' is under construction on Tibet's Yarlung Tsangpo. The Indian government has made allegations against China for insufficient sharing of hydrological data about the upstream region of transboundary rivers, thereby aggravating the tensions between the two nations.

Riparian Relations

The contested LAC, which is nearly 3,440 km long, and its shifting nature as a result of rivers, lakes and snowcaps have led to confrontations at various spots. India and China's riparian ties and their border conflict cannot be delinked, the fact that their close geographic proximity and overlapping territories often affect both these issues. The shared geographical backdrop of the disputed border regions and the rivers that originate from those areas provide the link between the two, and this is where the connection can be found.

Many people in these border areas are dependent on agriculture and pastoralism for their livelihoods. The fragile ecosystems of the Himalayas are particularly vulnerable to such pressures, which leads to long-term changes in water availability and quality for downstream states. In the context of riparian relations, the upper riparian states always assert that they have the 'absolute territorial sovereignty' to use rivers for their own purposes without consulting the lower riparian states. This can be seen in the case of the Nile River basin, Mekong River basin and Indus River basin. The lower riparian states, on the other hand, uphold the idea of 'absolute territorial integrity' of rivers, while highlighting that the acts of the upper riparian states should not hurt the flow of water farther downstream.

Water Laws

It is important to note that China was one of the three nations that did not accept the United Nations Convention on the Law of the Non-Navigational Uses of International Watercourses in 1997. China's reasons for not accepting the UN Convention are complex and multifaceted. This indicates that China does not wish to be bound by international accords on the distribution of water resources. Also, China does not have any formal water-sharing arrangements with the countries in its immediate vicinity. Instead, China tends to perceive water as a strategic resource and a tool for use in the formation of its policies regarding the surrounding regions.

China is in a position to exercise control and leverage over the water resources it commands as a result of its "fortunate position" as a nation located in an upper riparian region. The lower riparian states can also have a command over a relatively less powerful upper riparian nation. This can be a powerful deterrent, as the upper riparian states will be reluctant to do anything that could jeopardise their water supply.

> China is in a position to exercise control over water resources owing to its "fortunate position" since it is located in the upper riparian region

India is located in a middle riparian location, which makes it more reliant on the headwaters of rivers like the Brahmaputra, Indus and Sutlej, all of which are fed by the Tibetan plateau. Because of this dependence, India is at a greater risk of experiencing water scarcity. The rivers and their resources are more difficult to manage as a result of this territorial dispute. The Indus and the Sutlej flow on the western side, while the Brahmaputra flows on the eastern side. Chinese hydrologists, however, claim that the Brahmaputra has a sufficient supply of water and would not have a substantial impact on India.

Furthermore, India's concerns continue to centre on the release of floodwater during the monsoon season rather than a lack of available water. However, most rivers become fatter after they are joined by tributaries and fed by precipitation in the plains, according to data. This is because the tributaries add more water to the river, and the precipitation in the plains also adds to the river's flow.

Working Together

The potential for cooperation between India and China on the Brahmaputra River must primarily focus on reducing the severity of floods and investigating the possibility of jointly producing hydroelectric power. It is important to have hydrological data that is accurate and collected consistently for efficient transboundary water arrangements.

The importance of India and China working together to improve the channels for sharing data and generating data is mentioned in the Memorandum of Understanding signed in 2002 and renewed in 2008, 2013 and 2018. Similarly, an MoU on the Sutlej River was signed in 2004 and updated in 2010 and 2015. Under these MoUs, China shares real-time data with India on water levels, discharge and rainfall from hydrological stations along the two rivers during the flood season (June-October). India uses this data to better manage its water supplies and reduce the risk of flooding. Though both MoUs expired in 2023, China continues to provide data on Sutlej. The two countries are now in the process of renewing their MoUs.

It is necessary to make diplomatic efforts, engage in constructive discourse and have the political will to find solutions that are mutually acceptable to resolve water and border problems. International mediation, implementation of confidence-building measures and drafting of agreements are essential to successfully resolve conflicts. Both countries must handle concerns linked to water in a transparent manner to restore confidence and ease tensions.

(The author is Special Advisor, South Asia, at Parley Policy Initiative, Republic of Korea. Views are personal)

Letters to the Editor

Climate change

The average earth temperature has increased by 2°C and as a result, we are all experiencing scorchingly summers. Deforestation and indiscriminate cutting of trees have led to a decrease in green cover. All of these factors are responsible for the climate change that we are witnessing today. This climate change is a manmade crisis and in future too, we should be ready to face more intense heat waves. Unless we take sustainable measures to limit global warming, the reality of climate change is here to stay.

PARIMALA G TADAS,
Hyderabad

Breathing fire

This refers to the edit 'Dragon on the prowl'. The expansionist attitude of China has led to problems with all its neighbours, including India. India has more cause to be worried. Time and again the government has reiterated that no Indian territory has been infiltrated by China. Ground reports suggest otherwise. There is much secrecy in what are the intentions of the Dragon. We can only speculate. The government does a lot of talking against Pakistan. The 'red eyes' treatment is absent when dealing with China. If smaller nations like Vietnam are ready to stand up to Chinese bullying, what stops India from doing the same?

ANTHONY HENRIQUES,
Mumbai

Write to us at letters@telanganatoday.com

Cartoon Today

India in the hotspot

■ The Guardian

How ice-cream saved farmers

The parched villages of Gangapur in the desert state of Rajasthan have a new season in their calendar...Ice-cream has become a lifeline for villagers as decades of water scarcity have ruined farm yields and livelihoods.

■ The Japan Times

Is BJP heading for a stunning loss?

Complacent pundits had long ago concluded that Prime Minister Modi and his BJP would win comfortably. But two phases in to the seven-phase election, the situation no longer looks quite that simple.

■ France 24

India's animated video wars cause stir

Barely a day after it was released, an animated video posted on the official account of PM Modi's ruling BJP was taken down from Instagram. It was removed after many users flagged it over hate speech concerns.

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The Statesman
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Friends, now foes

The state of Odisha emerges as a battleground where alliances dissolve, friendships sour, and ambitions clash with unwavering determination. The recent face-off between Prime Minister Narendra Modi and Odisha chief minister Naveen Patnaik, once described as allies, underscores the volatile nature of political dynamics in the region. The transformation from camaraderie to confrontation between the two reflects a larger narrative of shifting loyalties and opportunistic manoeuvres. Their exchange of barbs and challenges signals the onset of a no-holds-barred electoral duel, where past alliances are relegated to mere footnotes in the pursuit of power. Berhampur, the epicentre of this political storm, witnesses a clash of turncoats as erstwhile loyalists defect to rival camps in a bid to secure electoral fortunes. Such defections not only highlight the fluidity of political allegiances but also expose the underbelly of opportunism that pervades the electoral landscape. At the heart of this electoral tug-of-war lies the quest for dominance in Odisha, a state that has been ruled with considerable success by Mr Patnaik.

Mr Modi's fervent appeal for a "decisive change" is made to a populace that is beginning to wonder if its ageing leader still has it in him to rule the state, while Mr Patnaik's sharp retort reflects a determination to remain in power. Amid the fervour of electoral rhetoric and strategic manoeuvring, it is imperative to recognise the pivotal role of the electorate in shaping the course of Odisha's political landscape. The voters, often portrayed as mere spectators in the political theatre, wield the power to chart the trajectory of their state's destiny. Their discerning judgement, informed by lived experiences and aspirations for a better tomorrow, will ultimately determine the outcome of this electoral saga. As Odisha braces itself for the impending four phase ~ phases four to seven of the general election ~ electoral showdown starting May 13, it is the voices of its citizens that will resonate the loudest.

The ideological fault lines that once demarcated political boundaries are now blurred, as pragmatism supersedes principle in the quest for electoral supremacy. The BJP's aggressive foray into Odisha, buoyed by past electoral gains and bolstered by strategic alliances, poses a formidable challenge to the entrenched dominance of the BJD. Yet, amid the cacophony of political rhetoric and power plays, the concerns of the common citizen remain a glaring reality. Issues such as healthcare access and the implementation of welfare schemes serve as litmus tests for political efficacy, exposing the chasm between promises made and realities faced.

The BJP's criticism of the BJD government's reluctance to adopt central schemes like Ayushman Bharat reflects a broader debate on the balance of power between the Centre and the states, while the BJD's steadfast commitment to its own welfare initiatives underscores a defiance of central hegemony in matters of governance. The battle for Odisha transcends mere electoral arithmetic. It embodies a clash of visions, a contest of ideologies, and a struggle for the soul of a state yearning for progress and prosperity.

Nuclear Escalation

In a world already on edge due to geopolitical tensions, the recent announcement by Russia regarding tactical nuclear weapon drills is nothing short of alarming. The spectre of nuclear confrontation, long relegated to the annals of history, has once again reared its ugly head, reminding us all of the precariousness of our global situation. The pretext for these drills, according to Russia, lies in what they perceive as threats from Western powers, particularly France, Britain, and the United States. This comes amid the on-going conflict in Ukraine, where Russia's invasion has sparked international condemnation and a surge of support for the embattled nation from the West. However, the decision to incorporate nuclear scenarios into military exercises represents a dangerous escalation, one that risks plunging us into a new era of nuclear brinkmanship. While it is tempting to dismiss Russia's actions as mere sabre-rattling, we cannot afford to underestimate the gravity of the situation.

The use of tactical nuclear weapons, even in a simulated scenario, sends a chilling message to the world: that the threshold for nuclear warfare may be lower than it imagined. In a world already grappling with existential threats such as climate change and pandemics, the addition of nuclear brinkmanship to the mix is nothing short of reckless. The world community must respond with a unified voice against this escalation. Diplomatic channels must be kept open, and dialogue between all parties involved must be prioritised. Now more than ever, the need is for cool heads and steady hands at the helm, individuals committed to de-escalating tensions.

Moreover, we must use this moment as an opportunity to reassess our collective approach to nuclear deterrence. The Cold War doctrine of mutually assured destruction may have kept the peace for decades, but in today's interconnected world, where rogue actors and non-state actors pose new threats, we need a more nuanced and multilateral approach to nuclear disarmament. Ultimately, the events unfolding before us serve as a stark reminder of the fragility of the world order. We cannot afford to be complacent or naive about the risks we face. Now is the time for vigilance, for diplomacy, and for a renewed commitment to peace. The alternative is too grim to contemplate. As we navigate these turbulent waters, let us not lose sight of our common humanity.

It is incumbent upon all of us, as global citizens, to work towards a future where the threat of nuclear annihilation is but a distant memory. Leaders on both sides must exercise restraint and prioritise dialogue over brinkmanship. The stakes could not be higher, and the consequences of failure are too dire to contemplate. As citizens of this fragile planet, we must demand accountability from leaders and insist on a path towards de-escalation and peace. The time for action is now, before it's too late.

Chemical threats

International law has prohibited the use of chemical weapons under The Hague Convention. The Organization of Prohibition of Chemical Weapons, based at the Hague, works relentlessly towards disposal of chemical weapons, but a lot still needs to be done. As of 2021, 98.39 per cent of the world's declared chemicals weapons stockpiles have been destroyed. But there still exist a substantial number of countries with declared stockpiles of CW

The United States has vehemently accused Russia of using chemical weapons recently against Ukraine in violation of the existing global ban. In point of fact, the US State department reiterates categorically that Russia has used chloropicrin, an extremely poisonous gas in the war. The State department also emphasized that the US would impose sanctions on three state entities linked to Russia's chemical and biological weapons programmes and four companies that support these illegal activities.

Russia on the other hand, denied the allegations as odious and unsubstantiated, stating that the nation remains committed to its obligations under international law.

Ukraine however said that for the last several weeks Russian forces have used chloropicrin and other tear gases continuously in violation of international law, and sought its condemnation in the strongest terms.

It bears recall that the decision taken by the US to dispose of its last chemical weapon stockpile some time back is commendable. Stockpiling of chemical weapons (CW) and its disposal is a major threat to this planet. Chemical weapons including blister agents like chloropicrin, phosgene, nerve agents sarin, VX, soman etc, blood agents cyanogens chloride, hydrogen cyanide and biological weapons are handled by many belligerent countries of the world.

International law has prohibited the use of chemical weapons under The Hague Convention. The Organization of Prohibition of Chemical Weapons (OPCW), based in the Hague, works relentlessly towards disposal of chemical weapons of the country possessing the same, but a lot still needs to be done. As of 2021, 98.39 per cent of the world's declared chemicals weapons stockpiles have been destroyed.

But there still exist a substantial number of countries with declared stockpiles of CW. Non-signatory nations with suspected stockpiles of CW include Israel and North Korea. Disposal and mass destruction of chemical weapons is absolutely imperative to save our planet.

Chemical weapons are one part of the story of the hazards faced by mankind. The international conference on waste management and recycling concluded in Sofia, Bulgaria a few years back with particular focus on chemical waste disposal and recycling technology transfer. Chemical waste disposal and its sustainable management assume alarming proportions in India. The huge chemical pollution in Ganga river for decades is a matter of grave concern. Waste discharge from a large number of factories, including pharmaceuticals, chemicals, paper, leather, sugar and cotton, incredibly aggravated the situation. It is extremely unfortunate that the sacred river is being used as a substitute for a drain.

PARTHASARATHI CHAKRABORTY
The writer, a former Reader in Chemistry, Presidency College, Kolkata, was associated with UGF and UNICEF

Almost all developing countries are confronting chemical waste disposal problems formidably, including storage of chemical weapons. A large legacy of abandoned hazardous sites, unregulated waste dumping and a low priority given to environmental issues are part of the history of our world.

Owing to more sensitive general public and health concerns, all countries must take the chemical waste disposal issues very seriously and develop more cogent ideas for underground disposal, considering its technical barriers, legal basis, waste characterization and conditioning.

This includes assessment of isolation of chemical waste safely from the environment and the development of sophisticated eco-friendly technologies.

Even waste chemicals of the laboratories of schools, colleges, universities, research institutions and hospitals have to be handled very carefully and need to be disposed of with great care.

In formal educational institutions little or no education and training is imparted about chemical safety.

There are different ways to achieve disposal, especially for chemical waste from pharmaceutical factories and processing plants. They encompass incineration, chemical waste recycling, and chemical neutralization and land disposal.

Landfills are considered to be safe, because they are deep in the ground and non-biodegradable. Adequate measures should be taken to ensure recycling and safety of chemical waste. The waste should not be allowed to contaminate oceans, rivers and ambient air. Although millions of chemical compounds are known, only a small number have been tested as far as their toxicity is concerned. Chemical hazards may occur during the storage of ingredients, transportation, manufacture, handling, experimentation or even during the disposal of waste products. Toxic chemicals may be present in gaseous state, liquids, solid or dust. The chemicals often find their entry into the body of human beings during breathing, swallowing or when in contact with the skin. Inhalation or breathing process is perhaps the most common route through which toxic chemical substances enter our body and mix with the blood stream. Some corrosive chemical ingredients may be responsible for acute skin disease or prolonged exposure to certain carcinogenic chemicals may lead to cancer.

Bhopal city in India experienced the worst disaster in the world resulting from the leakage of a highly toxic chemical gas, methyl isocyanate commonly known as MIC.

MIC is an ingredient necessary for the preparation of pesticides. The massive tragic incident caused thousands to die, while several thousand became blind. Methyl isocyanate is a colourless liquid, which is used extensively in the preparation of polyurethane foams, and in the production of plastics and some pesticides.

Occupational health hazards are not necessarily confined within the four walls of factories.

It has been reported that occupational chemical hazards can often lead to abortion, low fertility or even impotence. Some chemicals are responsible for birth defects in newborn babies.

Prolonged exposure to lead, mercury, organic lead compound and radiation from x-rays, carbon monoxide, chloroprene used in the manufacture of rubber, cadmium, chromates, fiberglass, silica, pesticides etc. can cause occupational hazards to workers of chemical and pharmaceutical industries. The chemical substances and their toxic effects are usually perceived. The nature of nuclear waste produced in nuclear power plants are different in nature and may raise specific problems of disposal. Their toxic effects on living organisms are imperceptible; slowly but steadily they pollute the environment if no precautionary measures are adopted right from the beginning.

Eco-friendly, regulated chemical and radioactive waste disposal is imperative with the use of sophisticated technology.

As the mechanism of handling, storing and management of radioactive wastes are extremely intricate, it transpires that setting up of underground laboratories for carrying out measurement, experiments and grading of radioactive wastes is indispensable.

Chemical weapons should be banned. We should try to keep our earth free from chemical, radioactive and other pollution and maintain ecological balance to provide a decent sustainable habitat not only for future generations of humans but also for all living creatures.

A MEMBER OF THE ANN ASIA NEWS NETWORK

ASIAN VOICES

Healthy relationship is foundation of peace

Viet Nam News reporter Khánh Duong speaks to Nguyen Vân Anh, director of the Centre for Studies and Applied Sciences in Gender, Family, Women and Adolescent (CSAGA) on the sidelines of an ASEAN dialogue on Women, Peace and Security regional plan of action in Jakarta, Indonesia late last month.

I am excited to know that Viet Nam is among 107 first countries in the world to approve the National Action Plan on WPS. WPS National Action Plan's approval by a peaceful country currently without wars like Viet Nam has made our important contributions to the regional and global action plans.

It will act as a navigation for the region and the world regarding women in peace and security. It has been believed that women must be positioned behind men, stay at home, in the kitchen for cooking. Women can't stay at the frontline to take on major national and regional tasks. Those stereotypes have been existing for thousands of years and it is extremely difficult to change them. In fact, everyone can see that women's ability is as good as men. The problem is that they do not have favourable conditions. Those stereotypes have left women behind. Female leaders have to face more stereotypes than male leaders. They must complete domestic chores, be good wives and daughters-in-law.

I think we have to change those stereotypes through communication to empower women. Viet Nam has paid due attention to female participation in peacekeeping force and in fact we have a relatively high proportion of female peacekeepers. As I observed, the female troop's quality is not inferior to men's. Vietnamese female peacekeepers are proud of their position. That's their strength. I think the most emerging problem of Viet Nam now is gender-based violence and inequality.

Viet Nam News

We must promote women leadership so that women have the same opportunities as men, even more because they have to take on the duty of giving birth, breastfeeding and child raising. The biggest difficulty is to create favourable conditions for them and encourage them. At first we need to start from educating girls or promoting women's supportive policies. For example, a woman who has a baby to care but has to travel far for a meeting.

Do we have policy to create conditions for them to take care of the child, bring her/him along on the business trip or have a babysitter so that women can engage in social work without thinking over domestic tasks.

Someone has said the human race is like a bird with two wings, and if one wing is broken, no one can fly. We need both men and women's participation. I'd love to say that a healthy relationship is the basic foundation of peace. Talking about gender equality, we must get men involved. Women's efforts alone are not enough. In general, men's gender equality movements in the world are not as strong as women's. Men seem to stay out of the box as everything is favourable to them. Men must end violence in various forms on women, from sexual harassment to inequal treatment.

When men are aware that that is their benefit, they will get involved. In an unharmonised family where violence exists, the atmosphere is of course not good, affecting the young generation and the family's economics. When we look wider at the situation of a nation and the world, if women are respected, do not suffer from violence and are encouraged to live with their aspirations, men will also feel the sharing.

LETTERS TO THE EDITOR editor@thestatesman.com

Water crisis

SIR, The grave situation of water scarcity in the country is indicated by the fact that water reservoirs have reported an average storage of only 28 per cent of their capacity in the beginning of May.

It is likely to worsen in the coming days as the rainy season is a month or two away depending on the region of the country.

So, what is required or possible in these circumstances is to conserve and stretch the available water resources till rains start filling them by efficient and judicious use. Thereafter, in order to ensure adequate water availability throughout the year many challenges need to be addressed on priority. Traditional agricultural practices followed in India consume significant amounts of water; we need to change them.

We must revive traditional waterbodies such as lakes and ponds affected by rapid urbanisation and unplanned large scale construction activities. We must stop polluting rivers and natural water bodies by letting in untreated sewage and waste waters, carry out regular desilting operations of water bodies to store more rain water and control excessive ground water extraction beyond its natural recharging capacity. More importantly, we must construct a network of reservoirs all over the country for storing large quantities of rain water that flows into oceans; over 70 per cent of India's rivers drain into the Bay of Bengal.

Yours, etc., Dr O Prasada Rao,
Hyderabad, 6 May.

MANIPUR IN CRISIS

SIR, It is going to be about a year that Manipur has been in turmoil with no sign of peace in sight for the people of the unfortunate state. Law and order has gone for a toss with random killings continuing along with snatching of arms from para-military personnel and attacks on police stations. Even on election day there were some polling booths where people were not allowed to vote and the EVMs along with their equipment and furniture was damaged. There is news of people having lost confidence in the official police and security arrangements and organising themselves into vigilante forces to look after the security of their villages and their families. This clearly shows that there is no functional government of any kind in Manipur. While the rest of the nation involves itself in the jamboree of the Lok Sabha elections, the people of Manipur continue to live in dread and fear.

Yours, etc., S Kamat, Mysore, 7 May.

CONGRESS IN UP

SIR, This refers to your editorial, "To Rae Bareli", published today. The Gandhis have ended weeks of suspense and chosen Rae Bareli over Amethi for Rahul Gandhi.

There is no doubt Rae Bareli is a safer seat than Amethi in the current electoral context.

The Gandhis not contesting from either of these seats would have sent a bad political message and would have shattered the confidence of Congress workers.

In the eventuality of Rahul Gandhi winning both Wayanad and Rae Bareli, he will have to leave either of the two.

It would be better if he retains Wayanad to concentrate on the 2026 Kerala assembly elections and leaves Rae Bareli for his sister Priyanka Vadra to contest in a by-poll. By adopting this strategy, the Gandhis would be able to revive the Congress in Uttar Pradesh.

Yours, etc., Bal Govind,
Noida, 6 May.

WATER TABLE

SIR, Crop diversification in the paddy growing states of Punjab, Haryana and UP, is badly needed failing which we are going to face an acute shortage of fresh water due to continuing depletion of the water table.

Farmers have always shown reluctance towards shifting to alternate crops, inspite of it being well known that the water table is depleting day by day in these states. The big farmers have to take the first step in this highly needed initiative as they can afford to experiment by sowing alternative crops.

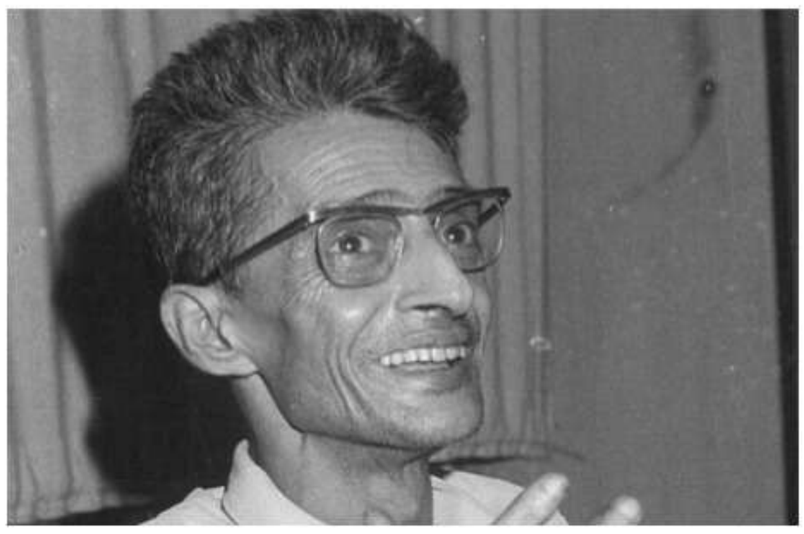
So, they must take the lead in adopting crops other than paddy to show the way to others.

The agriculture departments of the state governments along with other experts should use their resources to guide farmers in adopting alternative crops giving them all the details of produce, saleability and commercial viability of alternate crops so that they are confident of not incurring any losses.

Yours, etc., Sanjay Chopra,
Mohali, 6 May.

Campus protests and the Naxal movement

BASAB DASGUPTA



All the anti-Israel protests, demonstrations, violent activities, school closures and disruptions of academic lives going on in campuses of prestigious US universities bring back memories of the infamous Naxalbari movement that I experienced during my college life in the late 1960s.

The purpose of my essay is not to give a political analysis of causes and possible solutions to these crises, which are fundamentally different, but to offer a personal account of how the Naxalbari uprising affected my life and infer possible consequences of the present turmoil based on that experience.

I attended the Presidency College (PC), now Presidency University, in Kolkata for my undergraduate education. At that time, it was arguably one of the best if not the best undergraduate college in India. It was ironic that, during our third year, it became the breeding ground of the Naxalite movement.

The uprising started with an armed movement by rural peasants against landlords in the northern part of West Bengal. The architect of the movement behind the scenes was a group belonging to CPI-Marxist (later officially established as the CPI-Marxist Leninist group) led by Charu Mazumdar (*photo*), Kanu Sanyal and others, who were inspired by Mao Zedong's ideology with a grand plan of an armed revolution against the wealthy elite class.

I do not remember how it became a students' movement except that some Naxal leaders, including Ashim Chatterjee (aka "Kaka") were students at PC. PC was completely shut down with gates locked for almost four months with no classes, no exams, no access to lab or library and no graduation or any other ceremony. Many US campuses have recently cancelled classes for the sake of safety of students and gone to remote teaching.

We did not have the luxury of a remote learning option using Zoom, but some professors secretly held classes in private residences. I do not know how beneficial the Naxal movement was and to whom, but it certainly affected me.

Basically, I lost one year of the prime phase of my life, both from an academic as well as social point of view. I could have graduated a year earlier, perhaps married a year earlier or not married at all and studied some other subjects for a year. In quantitative terms, I lost one year's salary.

However, the most damaging impact on me was disenchantment with not only student life but daily life in Kolkata since the movement spread beyond colleges. It seemed that there was no value in education and no hope for the future. I can honestly say that I did not come to the US for higher education; I came here to flee all the despair I felt. Some of my classmates went to universities outside Kolkata for their post-graduate schooling for the same reason. In any event, that was the beginning of the decline in the prestige and reputation of the PC.

I do not know how my life would have progressed had it not been for all these disturbances. I do know if I would have made my parents happy if I stayed in India, taken good care of them during their final years of life and helped them live a more peaceful life. At the very least, I could have been at their deathbed and performed their last rituals following the rigor described in scriptures.

On the positive side, it made me much more aware of politics. I realized that what I saw starting out as a conflict of ideologies in the college union election between the Students' Federation, an arm of the Communist party and the right leaning Presidency College Students' Organization was really a microcosm of the greater battle between capitalism and communism, people who owned land and people who farmed land, evolution and revolution, freedom to dream and a forced ideology of equality. I became aware of the plight, poverty, exploitation and lack of political power of the farmers.

The similarity between the Naxal movement and the current anti-Israel protests by students sympathetic to Palestine and Gaza is that in both cases the events have nothing to do with students' education and careers. If the intentions were to raise awareness of the general student body of what is going on in other parts of the world outside their comfort zone, a couple of days of demonstrations would have been sufficient.

Just like the Naxal movement, there seems to be a more profound hidden agenda of a power group which is to provoke and influence young minds at best schools to make them participate in their causes, perhaps resulting in a jihad. These students are easy targets; people are most compassionate in their youth and anxious to do something for the good of mankind. Typically, they are inexperienced in worldly affairs and ignorant of history and politics. In both cases, it was not the student bodies themselves but outsiders who created the crisis.

Protests and demonstrations had always been around on college campuses. What made the Naxal movement different was the implicit threat of violence and the long duration over a widespread area covering multiple states. The present anti-Israel movements are showing some of the same signs.

Some of the aftermaths are predictable. Future students will shy away from applying to universities like Columbia, Harvard and UCLA, especially since they are not cheap. It is already happening with the admission process for the 2024-25 academic year. Some of these prestigious campuses will become breeding grounds for a radical segment whose intentions might be ideologically appealing but far from being realistic as far as practical implementation is concerned and will eventually end in a sad, unproductive way. The personal lives of many students will irrevocably change in terms of their professional aspirations, personal relationships and even patriotic feelings.

Yes, these movements will make American college students, who are typically preoccupied with dating, drinking beer, sporting events and spring breaks as their extracurricular activities, much more aware of the harsh realities of people in Gaza, history of Israel, Holocaust and global politics.

Unlike the Naxal movement, the present movement may also lead to a more fundamental positive change in the higher education system in the US. I always felt that the Ivy league and similarly ranked universities exist and function because of their reputation and history. They charge enormous amounts of tuition fees and deliver little. Students at these schools excel in their studies because they are smart to begin with and the competitive spirit with fellow students who are all smart (since the schools admit only smart students) forces them to do well.

Students graduating from these schools succeed professionally because of the name recognition of their schools and subsequent acceptance/mentoring by others who also graduated from similar schools and hold important positions in various sectors.

They also feel a sense of entitlement just because they have spent big money on their education: that they have the right to get better jobs, live in better neighbourhoods and have a good life. This mindset encourages geographical segregation and classification in social strata. If the big-name universities lose their glamour because of the current unrest and smart students get dispersed across other universities, eventually there could be some equity in education and subsequent collective living whether anyone learns anything about Gaza or not.

(The writer, a physicist who worked in academia and industry, is a Bengali settled in America.)

Will a 'lattice-like architecture' work?

WANG SON-TAEK

Rahm Emanuel, the US ambassador to Japan, introduced the concept of "lattice-like architecture," which can be a new US alliance management system in the Indo-Pacific region, replacing the current "hub-and-spokes" system. Emanuel explained that the new system will help allies in the Indo-Pacific area work together and increase collective deterrence to counter China's coercive and aggressive behaviour. The concept metaphorically describes several small-size cooperation groups, including the Korea-US-Japan trilateral cooperation, the US-Japan-Philippines trilateral cooperation, the AUKUS with Japan, and the Quad.

Though Ambassador Emanuel stressed the positive aspects of the concept, it should be carefully reviewed as it might cause problems in the future. It is also necessary to analyse the idea from the perspective of Korea, where alliance with the United States is the backbone of security.

Firstly, we need to see whether the term "lattice-like architecture" is appropriate for this situation. There should be patterns of triangles, squares, or diamonds among the allies of the US. However, the reality is that there are many mini-lateral cooperation groups that differ only in their third or fourth member, while the United States and Japan exist as constants. This is not a lattice-like structure but an extended form of the "hub-and-spokes" system.

In international politics, a lattice-type architecture may refer to a structure in which elements participating in a repeating pattern are interconnected in equal relationships. It does not require a separate central hub or axes. The concept might be attractive to general members, but it is not lucrative for a hegemon like the US.

Second, the US government needs to worry about whether other countries in the Indo-Pacific region will respond favourably to the new arrangement, in which Japan is a constant member if not a forward axis. As a country that waged war in the past, Japan has not sincerely apologized to the countries it victimized and has shown an acceptable attitude toward preventing the recurrence of similar incidents. It is not easy to predict that there will be a positive future for a multinational cooperation institution initiated by such a country.

In the case of South Korea, there is still strong negative sentiment toward Japan, so a structure under Japanese command is unlikely to be welcomed. Third, it is crucial to examine whether the US anticipation that the new lattice-like structure will help keep or isolate China is accurate. The fact that the two camps antagonized each other during the Cold War originated from a rational response to changing times. However, after the Cold War ended and the US-led unipolar system was established, the possibility of the resurrection of the Cold War was almost zero.

Many people perceive China as a hostile country that replaced the Soviet Union. However, China has benefited the most from the international order under the United States since the end of the Cold War. If the latticework is used as a means to isolate China, countries in the Indo-Pacific region will suffer from being forced to choose between the United States and China, and the future prospects of the new system will be dim.

If the United States adopts the latticework structure as a new alliance management system, efforts should be made to resolve some of the above-mentioned problems. First, we must create a structure that matches the name "lattice." It is necessary to allow and facilitate the creation of a trilateral or quadrilateral collaboration without the United States. Trilateral collaboration between Korea, China and Japan is one example.

Would a regional collaboration without the United States benefit the United States? Yes, it will, because the allies and friends of the US, including Korea, Australia, New Zealand and Singapore, will talk with China based on the principles of liberalism and democracy, which secures US leadership as a hegemon. Such collaboration could help correct China's attitude, maintain US hegemony over the long term, and ensure peace and prosperity in the global community.

Second, if Japan should play an essential role as an agent of the US in managing the alliance, it should take measures to earn the trust of its neighbours. For Japanese officials and politicians to pay tribute at the Yasukuni shrine is a severe provocation, peeving people in neighbouring countries. Japan's unreasonable claim of sovereignty over neighbouring territories and concealing its description of imperialist atrocities in its textbooks indicate that it does not want to distance itself from its imperialist legacies.

These things should be stemmed. Japan should recognize the human rights abuses of its imperialist era, such as military sexual slavery and forced labour, and take measures to prevent the recurrence of such crimes. Japan will never achieve the legitimacy to become a forward axis for a lattice-like architecture as long as it tries to evade these issues.

Finally, trying to get China to change its attitude is anachronistic. We need to find a new way to adapt to the current situation. The answer is an engagement, not containment. China is a fundamentally different country from the Soviet Union in that it adopted some aspects of capitalism. China's political authoritarian leadership is a problem, but it is up to the Chinese people to change that. China's national development will likely stagnate within a few years unless it escapes from authoritarianism at this stage of its national development. It would be better to assess whether China's economic structure is faithful to the principles of the market economy and capitalism, rather than pursue a containment policy.

So, if the label of "core partner" is modified and the direction of this new approach is shifted a little bit, the lattice-like architecture can become a new alliance management system beneficial for everybody in the Indo-Pacific region.

The Korea Herald/ANN.

CROSSWORD

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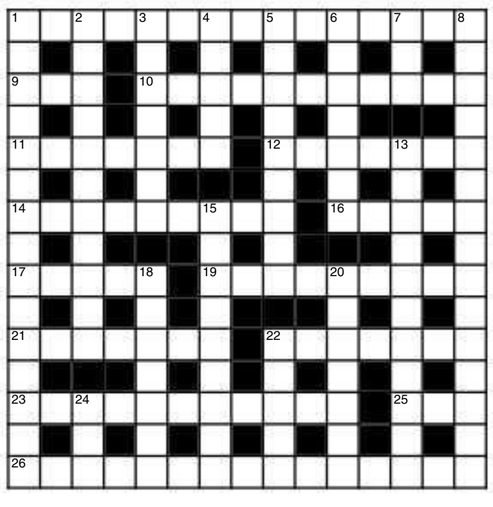
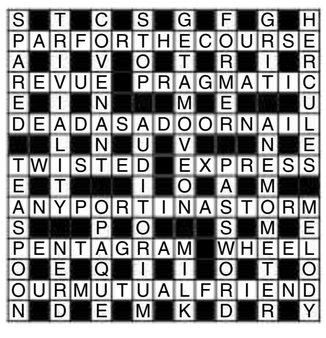


YESTERDAY'S SOLUTION



ACROSS

1 Potential national anthem encapsulating the folly in conflict (4,2,3,6)
9 Awful toys unwrapped in December (3)
10 Bloody Duke, repelled in rebellion, apprehended (5,6)
11 Grand centrepiece missing from garden shop (7)
12 Nimrod`s too old for love and laying it on thick (7)
14/16 Blood carrier somehow contains drainage, one in drops (9,5)
17/19 In moments that pass too briefly, news of Spartacus? (5-3-6)
21 Diminutive Sergeant-Major coming to barracks (2,5)
22 Recalled from Hotel to organise minor branch (7)
23 Restricting sodium, scribbled a blue line which cannot be removed (11)
25 Just five letters and a digit (3)
26 Now trading has ceased prematurely, rebrand as Lily Grey & Co (5-7,3)

DOWN

1 Hotel gym`s opening: the girl we brought up has to work out to maintain it? (9,6)
2 Add up boxes circulating top-notch features (6,5)
3 "Frisky nature" describes a spring newborn (7)
4 Certainly on one`s own this time (5)
5 Listened in fearful awe, prepared to bury head (9)
6 Roman general who`s keeping people enthralled in the auditorium? (7)
7 Press put out fake news? (3)
8 Yet more playing on it, one sharing out cuts (8,7)
13 Having flipped, turtle did as cricket did? (11)
15 Wimbledon`s finalist – not No.1 – lived frustrated with lawn game (4,5)
18 In service, floater and stinger leading a double life (7)
20 Self-esteem given a boost being received by a god of the highest order (7)
22 Something you might find puzzling on public transport (5)
24 This port is warm and dry, did you say? (3)

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

100 YEARS AGO

OCCASIONAL NOTE

FAMOUS people ARE slowly coming by their own. Only the other day it was discovered that they live longer than ordinary people, and now another burrower in the literary dust-heaps claims that they write a better "hand" than the rest of us. This is a serious blow to those who have hitherto consoled themselves with the belief that their illegible hieroglyphics are a sign of dormant genius. According to a writer in the Sunday Times, most famous writers of the past wrote a beautiful hand, and most living celebrities write legibly, Samuel Rogers, Maria Edgeworth, Sydney Smith, and George Eliot would all have taken first prizes at any seminary. Fox, Scott, Byron, and others come into the "highly commended'' class. Disraeli, Talleyrand, and Madame de Stael head the exceptions. The list omits two supremely bad writers whose names will long resound through the oorridors of time- Napoleon Bonaparte and William Shakespeare, Napoleon hated writing and, after he was in a position to employ an amanuensis, only once wrote a holograph, namely, a letter to his father- in-law the Austrian Emperor. It might be pleaded therefore that he was generally out of practice, but the same excuse would hardly apply to Shakespeare, if we may be allowed to assume that that human enigma ever wrote his own works or signed his own name.

NEWS ITEMS

ANTI-CHOLERA APPEAL

TO THE EDITOR OF "THE STATESMAN"

SIR,-As there has been an outbreak of cholera in several thanas of this district, I venture to approach several humane societies for help through the medium of your valuable journal, so that we may be able to put a stop to the progress of the disease, which I am afraid has already assumed alarming dimensions. The recent experiments have proved that the inoculation of anti-cholera vaccine is one of the sure tests for stopping the progress and eradicating the disease. I therefore most fervently appeal to generous qualified medical men and students to render their voluntary aid in the shape of doing cholera, inoculation in the villages of our district. I shall certainly see that these generous volunteers are not put to any inconvenience when out of town on this duty who are willing to help us. I hope and trust that my appeal will not go in vain. Any communication of help will be thankfully received--Yours, etc.

VERNACULAR DEPARTMENT

The Vernacular Department has in its, membership about 160 Bengali and Tamil-speaking women. Bible classes are conducted in four nurses' hostels and in four other centres. Social Work is done under the direction of the Indian Nurses' Guild in two centres, and at the Y. W. C. A. Institute.

These are some of the things the Y. W. C. A. does for the womer of Calcutta. The Association strives for unity and friendliness among those of widely differing views. Called in one country the "Green Leaf Association" with all it implies of youth and promise, it is in many other countries the "House of Friendship," and these are the two outstanding thoughts behind all its activities. The Y.W.C.A. may be very ambitious but it hopes great things from its members and ex-pects to get them. The Y. W. C. A. stands for the time Of ideals, personal, social and national for Training, that all the great possibilities of youth may be developed and guided in the wisest way; for Service, which every girl shall learn to give gladly and freely to the world in which she lives.

"TOM PINCH" AND OTHERS

In that interval we should learn something of the possibilities of the, at present, much-canvassed Derby favourite, Tom Pinch, who, I understand, is to take his chance in the Craven Stakes next week. I told you in my letter last week that Tom Pinch had suffered somewhat from the hardness of the ground on which he had been galloping, and had had to be eased in his training. It naturally did not take long for the actual facts to be exaggerated, and as a result his price for the Derby has lengthened from sevens to tens, though he still retains the position of favourite in company with Bright Knight and Donzelon. He has not been absent from morning work during the past week, but his gallops have not been in any sense strenuous. That Tom Pinch has been heavily backed for the Derby by people who are not in the habit of throwing away their money is quite certain, and it must surely be something of a record for a colt who has never yet run a race to be installed as favourite for the Derby. It is to be assumed that the colt must have greatly impressed his t season when Beresford was one of his stable companions.

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pinion 06

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PAPER WITH PASSION

The name game

Celebrities and influencers are equally liable for misleading endorsements, says the SC

In a landmark ruling, the Supreme Court has declared that celebrities and influencers are equally liable if they endorse misleading advertisements. Hearing a petition filed by the Indian Medical Association against Patanjali's advertisements, the Bench of Justices Hima Kohli and Ahsanuddin Amanullah has come down heavily on the influencers and celebrities who feature in such adverts. In the age of social media, celebrities and influencers wield considerable influence, with millions of followers taking their word as gospel truth. In many instances, the endorsements are misleading or false, leading to consumer detriment and eroding trust in advertising. The Supreme Court's ruling represents a crucial step towards ensuring transparency and accountability in advertising practices. With millions of impressionable individuals looking up to them, these personalities possess a moral obligation to exercise due diligence while endorsing products or services. The failure to do so jeopardises consumer trust. Furthermore, the court emphasised the need for stricter regulations and enforcement mechanisms to deter deceptive advertising practices. While existing laws and guidelines provide some level of protection to consumers, they often fall short in holding celebrities and influencers accountable for their actions. The apex court's ruling sends out a clear message that no individual, regardless of their fame or influence, is allowed to mislead public for personal gains.

The ramifications of the Supreme Court's decision are far-reaching for celebrities and influencers alike. Moving forward, these individuals must exercise greater caution and diligence when entering into endorsement agreements. They are obligated to ensure that the products or services they endorse are truthful, substantiated and in compliance with advertising regulations. This heightened accountability serves as a powerful deterrent against unethical marketing practices and underscores the importance of transparency and authenticity in influencer partnerships. Of late, many film stars promote chewing pan masala under the guise of a mouth freshener. Other celebrities have promoted online gaming sites which are actually gambling sites smartly packaged as gaming sites. However, it is just the beginning and there is a long way to go before such advertising endorsements can be curbed. There have to be clear and concise guidelines (the existing ones are not enough) to stop surrogate ads. Moreover, to be fair to celebrities, they often do not know what they are promoting. Hollywood star Pierce Brosnan once featured in a chewing tobacco ad which he later said he was told was a mouth freshener. He can be given a long rope for not understanding the difference but Indian celebrities are supposed to know such underhand tactics. As celebrities and influencers navigate this evolving guideline, they must prioritise integrity and ethical conduct to maintain the trust and loyalty of their audience. This would be good for their reputation as well as for the society.

PICTALK

A child bathes his dog in a waterbody on a hot summer day, in Jammu PTI

Tasks for new regime in turbulent times

KS **TOMAR**

As the nation braces for a new Government, all eyes are on the horizon of challenges awaiting the new administration

Keeping in view the confidence of Prime Minister, Narender Modi, Union Home Minister, Amit Shah and the BJP to cross a magic figure of "Chaar Sau Paar" nothing is certain in politics but a new regime will take shape in New Delhi after the results of general elections on June 4.

In this backdrop none can deny that the new regime is poised to confront hordes of new challenges which include giving top priority to advancements in emerging technologies, adapting to shifting geopolitical equations, the rapid rise of Artificial Intelligence (AI) and formulating a long-term strategy to counter China's expansionist policies and security threats in the region. These challenges are pivotal for India's aspirations to join the League of developed nations in the future.

Experts say that Indian PM, Narender Modi's push for digital technologies which proved a boon during Covid19 crisis for the delivery of services besides emphasising renewable energy, a mission mode to put India back on the map of semiconductors production, setting a new target in space arena and formulation of a strategy to accelerate India's capabilities in AI has helped India to position itself to give a fillip to innovate and catch up with the US and China which have been trying to master the technological revolution to be relevant in future.

Foreign policy experts highlight India's growing concerns over China's increasing influence in the region, particularly its impact on security along the Line of Control (LOC). Consequently, the new administration must focus on devising a strategic plan, possibly in collaboration with the United States, to address these concerns. China's recent tactics involve enticing India's neighbours with debt policies and offering substantial loans for projects like the ambitious Belt and Road Initiative (BRI) and defence-related ventures. For instance, China signed a "military assistance" deal with the Maldives, providing non-lethal weapons and free training to Maldivian security forces, a significant departure from the earlier training provided by India and the United States.

Ahead lies the crucial task for New Delhi to formulate an ambitious and practical long-term plan to counter China's advancements in "new productive forces," a term coined by President Xi Jinping. This involves focusing on economic development through innovation in advanced sectors. China's aim to surpass the United States in the production of advanced science and technologies poses challenges for India as well. Therefore, India must intensify its efforts to support the United States in its global technology coalitions with allies like Japan, Australia and India, along with the CHIP Alliance, while fostering deep bilateral partnerships in emerging critical technologies.

China's expanding ties in the region are evident and India needs to tread cautiously to counter its influence, as seen in the case of Nepal. The recent political shift in Nepal towards a communist Government ideologically aligned with China is concerning, especially considering China's "Debt Trap" strategy. Pakistan serves as a stark example, with China extending a massive debt of $23 billion, a substantial portion of which is tied to the Belt and Road Initiative. Pakistan's mounting debt to China, totalling $67.2 billion from 2000 to 2021, underscores the risks associated with this debt dependency. Despite facing economic collapse, Pakistan remains indebted to China, highlighting the potential peril of falling into a debt trap.

> AHEAD LIES THE CRUCIAL TASK FOR NEW DELHI TO FORMULATE AN AMBITIOUS AND PRACTICAL LONG-TERM PLAN TO COUNTER CHINA'S ADVANCEMENTS

Experts suggest that the incoming Government in Delhi may find solace in the recent normalisation of ties with Sri Lanka. A severe economic crisis in Sri Lanka had pushed it perilously close to the edge, but India stepped in with a $4 billion economic assistance package and humanitarian aid, surpassing even the IMF's 48-month special package to stabilise the country. This move showcased India's commitment beyond traditional diplomacy and responded to the dire needs of its neighbour. It's noteworthy that China, previously involved, withdrew its support, while India's intervention has been perceived positively, reflecting a shift in Sri Lanka's outlook. Interestingly, former president, Mahinda Rajapaksa had blamed India for interfering in the Sri Lanka elections which led to his ouster in 2015. The trend continued when Gotabaya Rajapaksa, president cancelled the East Container Terminal ECT) agreement in the Colombo airport in violation of a 2019 project contract signed amongst three partners including Japan, India and Sri Lanka. Now Sri Lanka's speaker, Mehinda Yapa Abeywardera thanked India for saving his country from the 'blood path' hence China stands exposed in the eyes of the people of this country.

India's relations with Bangladesh remain strong, exemplified by Prime Minister Narendra Modi's efforts. During a joint event on November 23, 2023, Modi referred to India as Bangladesh's largest development partner, emphasising mutual benefits..

One of the notable features of election campaigning by all parties, unlike developed nations, is the lack of debates, discussions and narratives to enlighten the people about the relevance and significance of foreign policy. The manifestoes may dwell upon foreign relations and future strategy but no effort is made to emphasise its importance in achieving the goal of joining the elite club of developed nations. India's independent stand to import crude oil from Russia, despite economic sanctions by the United States and allies owing to the Ukraine war, has demonstrated to the world that such decisions are primarily governed by keeping national interest supreme. India's strategic approach towards Maldives and Nepal needs to be flexible and innovative to counter China's growing influence effectively.

(The writer is a journalist and political analyst, views are personal)

Insights into India's growing heart health crisis

NAVEEN **BHAMRI**

Aortic stenosis with a high mortality rate is a significant cardiovascular concern. Non-surgical aortic valve replacement emerges as a game-changer

Aortic stenosis stands as one of India's most prevalent valvular heart diseases, trailing only hypertension and coronary artery disease. Its prevalence surges with age, affecting roughly one in ten individuals aged 75 or older. The condition, characterised by a narrowing of the aortic valve opening, often manifests with symptoms such as chest pain, fatigue and shortness of breath, impacting the quality of life for affected individuals.

The primary causes include degenerative valve disease, congenital bicuspid aortic valve disease and rheumatic heart disease, the latter being the leading global cause of aortic stenosis (AS), particularly among children and young adults.

Despite an initially asymptomatic phase that may last for several decades, the prognosis dramatically changes once symptoms develop. Without timely intervention, such as aortic valve replacement, the average survival rate dwindles to a mere 2-3 years, elevating the risk of sudden death.

The early symptoms of aortic stenosis are frequently overlooked or misattributed to other causes. Nevertheless, recognising the significance of symptoms and promptly seeking medical attention is critical in mitigating the progression of the disease. For individuals diagnosed with aortic stenosis, heart valve replacement surgery often becomes a necessary course of action. This surgical intervention aims to repair or replace faulty heart valves, restoring proper blood flow and alleviating symptoms. According to a report by GlobalData, approximately 69,592 heart valve surgeries are conducted each year in India.

The heart's proper function relies on valves, ensuring blood flows in one direction. When valves malfunction, surgery becomes necessary to repair or replace them. This may involve fixing leaflets that don't open wide enough or don't close tightly, ensuring blood flows properly through the heart chambers and arteries. Replacement valves can be sourced from animals, human tissue, or synthetic materials.

TAVI & TAVR for AS

Transcatheter Aortic Valve Implantation/Replacement (TAVI/TAVR) is a groundbreaking alternative procedure to open heart surgeries. TAVI/TAVR is a minimally invasive procedure that involves inserting a new valve inside the damaged aortic valve, often without removing the old valve entirely. The procedure itself involves inserting a catheter through an artery in the groin, which is then guided to the heart.

The number of patients afflicted with blocked arteries and co-morbidities like hypertension, diabetes and chronic kidney disease is increasing day after day. The ideal solution for such patients is TAVI procedure, as it offers significant benefits over traditional treatments. However, only a small percentage end up opting for it. Addressing aortic stenosis early, especially in patients with multiple co-morbidities, is crucial for improving outcomes and enhancing quality of life.

TAVI Therapy Helps

Mrs. Patel, a 78-year-old woman, was struggling with severe degenerative aortic stenosis. Mrs. Patel's condition, made it hard for blood to flow through her heart properly.

This caused her heart to work harder, leading to symptoms like chest pain and feeling breathless. Her doctor suggested a treatment called TAVI (Transcatheter Aortic Valve Implantation), a less invasive procedure where a new valve is placed inside the damaged one. The deployment of the valve was successful, with Mrs. Patel responding positively to the procedure. Remarkably, within just three days, Mrs. Patel was discharged from the hospital. Subsequent assessments revealed no signs of valve issues or blockages in her heart. Her journey underscores the remarkable impact of interventions like TAVI in restoring health and well-being.

(The writer is Senior Director and Head of Interventional Cardiology at Max Super Speciality Hospital, Delhi; views are personal)

LETTERS TO THE EDITOR

POLL BATTLE CONTINUES

Madam — Apropos the news article, "Poll battle enters crucial Phase III," published on May 7, this is my response. The upcoming third phase of Lok Sabha elections is poised to be a crucial battleground, with political heavyweights from both ruling and opposition parties vying for victory. The BJP, having secured a significant number of seats in the 2019 elections, faces the challenge of maintaining its dominance, especially in key States like Gujarat, Karnataka, Bihar and Madhya Pradesh. With over 1,300 candidates, including a notable presence of women, contesting across 12 States and Union Territories, the electoral landscape reflects a diverse array of voices. The extensive deployment of security forces underscores the significance of ensuring a free and fair electoral process.

Of particular interest are the contests in constituencies like Guna in Madhya Pradesh, where Union Minister Jyotiraditya Scindia seeks to reclaim lost ground and Baramati in Maharashtra, where dynastic politics adds an intriguing dimension to the electoral dynamics. As voter turnout fluctuates amidst challenging weather conditions, the outcome of this phase remains uncertain, with implications for the broader political landscape. It's a testament to the vibrancy of Indian democracy and the diverse aspirations of its citizens.

Anika Patel | *Kolkata*

CORAL CRISIS

Madam — Apropos the news article, "Marine heatwave scorches pristine coral reefs of Lakshadweep," published on May 7, this is my response. As someone who reads the news daily, the plight of Lakshadweep's vibrant corals strikes a chord. It's disheartening to witness the gradual decline of such natural wonders due to prolonged marine heatwaves. Beyond the aesthetic loss, the ecosystem repercussions are immense. The warnings from scientists about coral bleaching and its cascading effects on marine life sound alarms for the delicate balance of nature. Moreover, the socioeconomic impact on coastal communities underscores the urgent need for action.

The Government's attention to Lakshadweep's marine ecosystems is crucial, especially considering the region's ecological and economic significance. The initiatives by CMFRI to study and develop resilience-based strategies offer hope amidst the crisis. However, collective efforts are imperative to mitigate the escalating threats and safeguard these invaluable treasures for future generations. The news serves as a reminder of our responsibility to preserve and protect our natural heritage in the face of environmental challenges.

Aaradhya Sharma | *Mumbai*

EMPOWERING WOMEN

Madam — Apropos the news article, "CHHAYA: A contraceptive beyond family planning," published on May 6, this is my response. The recent approval of Centchroman, a non-hormonal contraceptive pill, signifies a significant stride in bolstering women's reproductive health rights. Branded as "Chhaya" in public health facilities and "SAHELI" in the market, this pill offers a hormone-free alternative, expanding choices for family planning. Its versatility is commendable, catering to women regardless of age, marital status, or childbirth history. Notably, its compatibility with breastfeeding ensures maternal health without compromising lactation.

Centchroman's introduction aligns with India's commitment to reproductive rights and gender equality. By providing a safe and accessible contraceptive, the Government empowers women to make informed decisions, underscoring family planning as a human right crucial for social and economic development. However, dissemination of information remains pivotal. Comprehensive education on contraception can dispel misconceptions, enabling women to navigate their reproductive health confidently. In essence, Centchroman heralds a new era of inclusivity and empowerment, promising a future where women have agency over their bodies and futures.

Kabir Malhotra | *Bengaluru*

More allegations against Kejriwal

Apropos the news article, "LG recommends NIA probe against Kejriwal," published on May 7, this is my response. The recent recommendation for an NIA probe against Arvind Kejriwal by Delhi's Lieutenant Governor raises serious concerns. The accusation of receiving funding from extremist groups is alarming and demands a thorough investigation. However, the timing, just before the Supreme Court's bail consideration and the political backdrop surrounding it raise questions of motive and agenda. The intertwined narratives of terrorism, politics and justice in this case create a complex scenario. On one hand, there's the gravity of allegations involving a banned terrorist organisation; on the other, there are claims of political conspiracy and manipulation.

As a reader, navigating through these intricate details leaves one perplexed and sceptical. The need for transparency and impartiality in the investigation is paramount to uphold the integrity of the democratic process and ensure justice prevails. However, amidst the political fervour surrounding elections, separating truth from propaganda becomes increasingly challenging.

Vihaan Singh | *Ahmedabad*

Send your feedback to:
letterstopioneer@gmail.com

FIRST COLUMN

PROFOUND INFLUENCE OF HABITS

Habits sculpt our lives by fostering discipline and perseverance

SAKSHI **SETHI**

In the words of F.M Alexander, 'People don't decide their futures. They decide their habits and their habits decide their futures.'From the moment we wake up to the moment we retire to bed, habits silently guide individual behaviours, often without even realising it. They can either propel us towards success or lead us down a path of mediocrity or failure.Habits have a profound impact on an individual's personal development and well-being. They are the fabric of daily existence, weaving through routines and decisions and ultimately, shaping the course of an individual's life. By establishing a consistent routine, an individual creates a framework within which they can operate efficiently and effectively.

The individual becomes disciplined and learns self-control and perseverance… the qualities that are essential for achieving long-term goals and overcoming obstacles. Habits play a crucial role in the social sphere, shaping relationships and interactions with others. They are the invisible architects of every individual's life, decisions and ultimately, destiny. Shared habits, such as participating in team sports or volunteering in the community, foster a sense of camaraderie and belonging. Whether consciously or unconsciously, it is the habits that dictate what an individual eats, how the free time is to be spent and even which people to surround with. By understanding and intentionally cultivating positive habits, one can steer oneself towards choices that align with their goals and values.Undoubtedly, habits are the silent architects of one's actions, often operating beneath the conscious awareness yet exerting a profound influence on thoughts.

By establishing a consistent routine, one can create a framework within which they can operate efficiently and effectively. Habits indeed hold far more significance in everyone's life than one can often realise. From the moment an individual wakes up until they retire to bed, habits silently guide behaviours, often influencing outcomes far more than one can acknowledge.One of the most powerful aspects of habits is their ability to create momentum. Once a habit is established, it becomes easier to maintain and even expand upon. This momentum propels the individual to move forward, making it easier to achieve their goals and aspirations. By starting with small, achievable habits and gradually building upon them, one can harness this momentum to make positive changes in their life.

There is no denying the fact that good habits lie behind many of the positive changes while conversely, negative habits, such as procrastination, excessive screen time and unhealthy habits, hinder progress and undermine an individual's potential. Human connection is fundamental to happiness and fulfilment and this shows how habits play a crucial role in shaping one's daily experiences, behaviours and outcomes across various domains of life. It is the habits that contribute to a sense of belonging, support networks and emotional fulfilment. They encompass a wide range of actions, from simple everyday tasks to complex behaviours and thus play a significant role in shaping lives. They are not mere trivialities but powerful forces that permeate every aspect of our lives. By intentionally cultivating positive habits and breaking free from detrimental ones, one can create a life that is aligned with our values, goals and aspirations. Whether they are positive or negative, habits are and will always be an integral part of one's life. They form a crucial part of the everyday conceptual scheme used to explain normal human activity. Remember, an individual only becomes what they think they can. One cannot change the habits one does daily. The secret of an individual's success is found in their daily routine as rightly said there are no overnight transformations.

(The writer is an educator; views are personal)

Rationalise regulations for e-commerce

UTTAM **GUPTA**

When the Government expects foreign companies to do almost everything that a retailer does, how can it deny these firms the right to sell?

Way back in 2019, Delhi Vyapar Mahasangh (DVM) an organisation of retail traders in the national capital had lodged a complaint with the Competition Commission of India (CCI) alleging anti-competitive behaviour by Amazon Seller Services (ASS) and Flipkart Internet Private Limited (FIPL).

The CCI is an authority established under the Competition Act, of 2002. The Act prohibits anti-competitive agreements and abuse of dominant position by enterprises and regulates mergers, amalgamations acquisitions etc to ensure that there is no adverse effect on competition. Amazon and Flipkart are global giants operating e-commerce marketplaces in India through their subsidiaries, the ASS and the FIPL.

DVM argued that ASS and FIPL had entered into exclusive sales agreements with smartphone makers to sell certain phones through a small number of preferred sellers. It also alleged that they had given preferential treatment to certain sellers by giving them higher search rankings and offering to pay for part of the discount that such sellers would offer during key sales periods such as Flipkart's Big Billion Days and Amazon's Prime Day.

On January 13, 2020, the CCI initiated an investigation under Section 26(1) of the Competition Act, 2002. Prima facie, the CCI agreed with DVM's contention and ordered a probe by the Director General (DG) - Investigation. ASS and FIPL approached the Karnataka High Court (KHC) with a plea to quash the CCI order. The KHC refused to quash it. The duo challenged the order in the Supreme Court (SC). In August 2021, the SC too dismissed their applications and ordered that "the CCI - DG will complete the probe.

Now, the CCI-DG has come up with its findings.

The investigation has charged Amazon and Flipkart with violation of antitrust laws. Leveraging their substantial financial resources, they have indulged in 'predatory pricing' and forged exclusive partnerships with selective sellers. Predatory pricing is the illegal business practice of setting prices extremely low albeit by offering heavy discounts to consumers in an attempt to eliminate the competition and establish a monopoly. This has resulted in the shutdown of thousands of small and medium enterprises (SMEs).

It has specifically targeted Amazon for certain practices, especially with Cloudtail India Pvt Ltd (a firm set up by a JV namely Prione Business Services (PBS) established by Amazon, in collaboration with an Indian entity owned by Narayan Murthy of Infosys) a "preferred" seller on Amazon's marketplace and other in-house sellers. Similarly, Flipkart has been investigated for its links to platform sellers, which contravenes new e-commerce regulations.

What has led to the violations?

This can't be attributed solely to the use of financial muscle by these companies as alluded to by the CCI - DG. This has a lot to do with the rules introduced in early 2016, through which the Government allowed 100 per cent foreign direct investment (FDI) under the so-called e-commerce marketplace model.

> THE GOVERNMENT IS ALSO WORKING ON A COMPREHENSIVE POLICY ON FDI IN E-COMMERCE. IF IT GOES AHEAD WITH SUCH A POLICY, IT WILL BE TANTAMOUNT TO A RETROSPECTIVE CHANGE OF POLICY AND SEND A WRONG SIGNAL TO FOREIGN INVESTORS

The marketplace is a platform where vendors sell their products directly to consumers even as its owner (read: Amazon/Flipkart) merely acts as a facilitator by providing services such as booking orders, raising invoices, arranging delivery, accepting rejections etc. She can't hold inventory or undertake direct selling. The policy intent was abundantly clear. The foreign investor in the marketplace wasn't supposed to invest in the inventory model.

However, the intent wasn't reflected in the Press Note (PN) issued by the Department for Promotion of Industry and Internal Trade (DPIIT) in the Ministry of Commerce and Industries. While drafting the fine print, a clever bureaucrat blurred the demarcation between the marketplace where 100 per cent FDI was allowed and the inventory model where it wasn't. The PN (2016) prescribed two conditions. First, the foreign entity owning marketplace cannot permit more than 25 per cent of total sales on the marketplace from one vendor or its group companies. Two, it cannot directly or indirectly influence the sale price.

In the absence of specifying who that vendor should be, it made way for a company linked to the owner of the marketplace to get in. The latter could set up four companies (call them subsidiaries or JVs) and control 25 per cent of each of the total sales on the platform. Contrary to the policy intent, which prohibited foreign investors from direct selling, the fine print did just the opposite.

Having allowed its entities to control almost all of the sales made on the marketplace, it would be naïve to expect that an anti-competition situation won't emerge. With such rules in place, it was a foregone conclusion that Amazon et al would have exclusive partnerships with selective sellers who - acting in concert with the former - would indulge in predatory pricing and give heavy discounts leading to the annihilation of thousands of SMEs. Following a complaint from the SMEs, on December 26, 2018, the DPIIT clarified that "the owner of the marketplace or its subsidiary or its joint venture (JV) with an Indian company can't have ownership of the seller." Further, "a seller on the platform can't source more than 25 percent of its inventory from a firm connected with the latter."

Foreign investors can circumvent the first rider by having less than 50 per cent shareholding in the seller firm and arguing that they have no control (majority) over the latter. The marketplace owner can also sell his 'own' product - albeit through its wholesale arm - on the platform. All that the wholesale arm needs to ensure is to restrict supplies to the seller within the 25 per cent threshold.

The clarification/modification in the conditions through December 26, 2018, hasn't helped much in improving the situation.

A few sellers, some of them still maintaining connection with the marketplace owner continue to dominate the e-commerce platform. For instance, only three dozen firms out of the 400,000 sellers on the ASS platform account for 67 per cent of sales on it. Meanwhile, in 2020, the Department of Consumer Affairs (DCA), in the Ministry of Consumer Affairs, Food and Public Distribution, issued the Consumer Protection (e-commerce) Rules, under Section 101 of the Consumer Protection Act, 2019. The rules bar affiliated entities from selling on e-commerce platforms, restrict 'flash sales,' and disallow sellers from using the name or brand associated with the marketplace e-commerce entities for the promotion of goods. In 2021, DCA made amendments to restrict business-to-business, or B2B, sales in e-commerce and a provision to prevent an 'abuse of dominant position' by e-commerce firms.

The Government is also working on a comprehensive policy on FDI in e-commerce that will give primacy to the above rules. If it goes ahead with such a policy, it will be tantamount to a retrospective change of policy and send a wrong signal to foreign investors.

The present mess owes it to the very idea of the marketplace which is flawed. When, the Government expects foreign companies to do almost everything that a retailer does viz. booking orders, raising the invoices, arranging the delivery, accepting rejections and so on, how can the former deny the latter right to sell?

The way forward is to shun this idea; instead, allow 100 per cent FDI in retail. The bureaucrats had already done it but in a 'subtle' way. The Government should make it obvious and straightforward. Moreover, 100 per cent FDI should be permitted to all retailers, online or offline, big or small for a level playing field.

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

Empowering rural women through the 'Umeed' scheme

Despite its success in empowering many women, this scheme's benefits are still not fully accessible to all in the region

In remote villages of Jammu and Kashmir, a silent revolution is underway as these regions are witnessing women coming out of their houses to explore the avenues of self-employment through the 'Umeed Scheme' - Jammu and Kashmir State Rural Livelihood Mission (JKRLM). This transformative initiative aims to reach out to 66% of the rural population across the erstwhile 125 blocks, linking them to sustainable livelihood opportunities and nurturing them till they come out of poverty and enjoy a decent quality of life.

MANIMA **AKHTAR**

In December last year, Mission Director JKRLM, Indu Kanwal Chib, while sharing the JKRLM Vision 2024-30 informed that JKRLM has successfully federated 725,000 women and formed 87,000 self-help groups (SHGs) across the Union Territory of J&K. These SHGs are working in various areas such as livelihood, financial inclusion, gender and social inclusion and other related fields. However, certain rural pockets remain unaware of this significant scheme, lacking comprehensive knowledge to capitalise on its benefits. One such area is Baila village in Mandi Tehsil of the border district Poonch, which is located approximately 230 kilometres from Jammu city. Although the scheme has been operational in the nearby Mandi tehsil since 2016, its reach in Baila village remains limited. When asked about the 'Umeed Scheme', the response from the women of this remote village was a unanimous lack of awareness. When they were informed about the benefits of the scheme, they expressed eagerness to understand its workings, underscoring its importance for including women in the workforce and towards their economic freedom.

In this context, Matina Akhtar, an 18-year-old resident of Baila, shared her perspective: "Despite living just two kilometres away from Mandi, we remain unaware of this scheme. There is this wide gap between secluded corners of our country and the development schemes. This gap leaves us, women from remote areas, bereft of its advantages. We only learn about it when the scheme is on the verge of closure. Our remoteness is the reason why we haven't received any information about this scheme. How are we supposed to engage with it if we're in the dark?"

"When I needed funds for my grocery store, I was short on cash. So, I resorted to selling some wood from my house to procure materials. Had I known about this scheme earlier, I wouldn't have sold those timbers," lamented 37-year-old Farida Akhtar from the same village.

When asked "If they have awareness about any scheme?" resident Zareena Akhtar, aged 23, responded that within their community, the only scheme recognised is the Anganwadi Scheme (ICDS), highlighting a significant gap in knowledge and accessibility to Governmental initiatives beyond this singular program.

There is also a lot of fear among the people of the village as well - both women and men. They have the fear of failure - what if they will not succeed in their endeavour? Salma Akhtar, 19, from Baila, confirms the notion. She expressed fears about potential repercussions and uncertainties associated with loan acquisition under the scheme.

There is a need to dispel the apprehensions lingering in the hearts of these women and endeavour to convey to them that this scheme is not a threat, but rather a boon. They need to be assured that this initiative can usher positive transformations into their lives. They must be made aware that this scheme is tailored specifically for women and designed to work towards their financial freedom.

According to Naima Akhtar, the Cluster Head of the Umeed Scheme in Mandi Tehsil, the Government has allocated decent funding under this scheme for women to benefit from it. "I urge other women who may be unaware of this scheme to join us. Numerous individuals, both men and women, in the Mandi Loren area have secured rewarding opportunities through this Scheme. They are sustaining their households without needing to engage in manual labor.

Regrettably, the women of Baila remain oblivious to this exceptional program. Meanwhile, women from other regions are harnessing its benefits, propelling themselves up the ladder of progress. They are not only achieving financial independence but also cultivating self-reliance. This brings hope for a transformative change in the lives of the women of Baila."

(The author is grassroots writer from Poonch, J&K; views are personal. Charkha Features)

Opinion

THURSDAY, MAY 9, 2024

EXPANDING RAILWAYS

Union railways minister Ashwini Vaisnaw

"Last year, the Railways added 5,200 km of new tracks which is equivalent to the entire network of Switzerland. This year we are adding 5,500 kms. From 4 km per day in 2014, we are now adding about 15 km per day of the new tracks

Take lenders on board

RBI's move on project finance is well-intended but the stiff provisions may have unintended consequences

THE RESERVE BANK of India's (RBI) draft guidelines to tighten rules for infrastructure loans, especially the requirement of setting aside 5% of the loan amount for projects (0.4% now) as a provision in the construction phase, seem to be a part of the regulator's eagerness to be one step ahead of the curve as a measure of prudence. In many ways, the RBI's concerns on project financing by banks are valid and may even strengthen the balance sheet of lenders and create counter-cyclical buffers. After all, not so long ago, Indian lenders saw a surge in bad loans as several infrastructure-related borrowings turned sour after the global financial crisis in 2008. Long delays in implementing projects and exuberant revenue projections led to large defaults and made lenders averse to the infrastructure sector.

Things have, of course, improved significantly since then with infrastructure non-performing assets (NPAs) coming down substantially. The formation of the National Company Law Tribunal (NCLT), along with more participation from asset reconstruction companies, have led to improvement in recoveries and resolutions. Supporters of the RBI move say banks' gross NPA ratio has fallen to a decadal low of 3.9% as of March 2023 and 3.2% as of September 2023, showing a remarkable improvement in asset quality, according to the RBI's Trend and Progress of Banking report. In addition, both the finance minister and the RBI governor have been talking about the 'twin balance sheet advantage', which makes it an ideal situation to implement tougher guidelines.

But therein lies the catch. The RBI move has also raised questions whether the regulator is being ultra-conservative in its approach. Analysts have been quick to red-flag the proposals with some terming it 'draconian'. Besides the over 10 times increase in provisioning, what seems to have unnerved the lenders is the proposal to implement it on a retrospective basis. The main grouse of lenders is that there will be an adverse impact in their tier-1 capital or core capital due to the locking up of capital. One brokerage house has estimated that the impact of 5% standard asset provisioning will result in banks making an additional provision of 0.5-3% of net worth and a hit of 7-30 basis points on common equity tier-1 capital. Infrastructure-focused non-banking finance companies like REC, PFC, and Ireda can see potential hit of 200-300 bps to their capital ratio.

India's infrastructure sector is poised for strong growth, with planned investments amounting to $1.4 trillion by 2025. The government's ambitious National Infrastructure Pipeline programme outlines the injection of massive capital into various sub-sectors, including energy, roads, railways, and urban development. Finance minister Nirmala Sitharaman allocated ₹11.11 trillion towards capital expenditure for FY25, up 17% from the revised capex estimate of ₹9.5 trillion for FY24. Such huge expenditure does require massive funding from lenders. In such circumstances, the RBI's draft guidelines may force more lenders to shy away from infrastructure lending — a policy that many private sector lenders have diligently followed over the years. No wonder, banks are batting for lower provisions to the tune of 1% or 2%. In addition, there will be a pushback on other proposals such as putting a cap on the number of lenders and restrictions on moratorium period. The RBI should take the concerns of lenders on board and soften the provisioning burden so that the move does not have unintended consequences such as reluctance to lend for under-construction projects.

Shoemakers look to Olympics for a runaway success

A LOT IS riding on this Summer's Olympic Games in Paris for global sportswear brands that desperately need a catalyst to boost sales. And there are early hints from major Asian suppliers that leaders like Nike Inc. and Adidas AG, which get most of their revenue from shoes, may already be enjoying a rebound.

Pou Chen Corp., which makes shoes for those two names along with Converse, Puma and Skechers, has traditionally served as a good leading indicator of the sports-footwear industry's fortunes. For example, Adidas' shipments of shoes dropped 26% last year, similar in scale to the 20% decline at the Taiwanese contract manufacturer. More recently, Nike, whose fiscal year ends on May 31, eked out 0.1% growth in footwear revenue for the three months to Feb. 29; Pou Chen's slide in sales narrowed to 3% in the December quarter, the strongest performance in a year.

A new lineup of models timed for the Paris games, which commence July 26, could spur consumers. Brands use the global event to highlight star athletes on their promotional rosters, with the tacit message that if you, too, want to be an Olympian then they have the footwear to get you there.

Tightly connecting sportswear to actual sports is a much-need retro marketing move. In recent years, critics have complained that these companies ventured too far into casual and leisure, straying from their core missions. Nike veered from its roots as a maker of cutting-edge footwear for serious athletes, the Wall Street Journal reported, citing current and former employees. The company's revenue and profit growth stagnated as a result, and its stock tanked.

TIM CULPAN

Bloomberg

"We must sharpen our focus on sport," Nike CEO John Donahoe told investors in March. In the world of athletic shoes, that means utilising materials technology to boost performance in areas including speed, weight and stability. These also happen to be the products customers are willing to pay a premium for as they seek to break a marathon personal best or outrun rivals on the popular sports-focused social-media app Strava.

It looks like 2024 will be a lot more profitable, even if actual unit sales don't rebound sharply. A return to brand makers' roots will help not only reinvigorate their image, but boost margins. The industry is looking to reverse a strategy employed during the pandemic when it cut prices to clear stock and refrained from coming up with cutting-edge new products to lure consumers.

Both Nike and Adidas have noted that an ability to increase the average selling price of footwear, and stronger demand at the higher end — where shoes sell for more than $100 — is a key contributor to this year's expected upturn. What they're betting on is not so much to move more pairs, but to ensure those that are bought are more expensive.

That's already been seen at Pou Chen. Its Hong Kong-listed affiliate Yue Yuen Industrial (Holdings) Ltd., the group's shoe-making arm, posted a 5% drop in revenue for the March quarter, in US dollar terms, but forecast that net income for the period would be as much as double a year earlier. That's "driven by the gradual recovery of the global footwear industry, leading to an improved capacity utilisation rate and better production efficiency," it said. Smaller rival Feng Tay Enterprise Co. reported a 6.5% rise in revenue, in Taiwan dollar terms, in the first three months of the year, though a strengthening greenback likely contributed to that gain. Yue Yuen managed to increase both the average price for the shoes it sells to marquee clients, and fatter margins in 2023. It now charges 30% more per pair than it did in 2018.

Because big names like Nike and Adidas are not chasing cheaper shoes, and aren't seeking to merely squeeze suppliers on price, manufacturers are also able to focus on higher-margin offerings.

Like the Olympic motto, the industry is betting the sports-shoe market this year will be faster, higher, stronger.

REAL POLITICS

KEY TO ADDING MORE SEATS LIES IN ITS PERFORMANCE IN NON-CENTRAL/NORTH INDIAN STATES

Beyond BJP strongholds

BADRI NARAYAN

Director, G B Pant Social Science Institute, Allahabad. *Views are personal*

MUCH OF THE analysis of the 2024 parliamentary election in mainstream print and electronic media is centred on Central and North India. The discourse on the eastern, western, and southern parts are relatively marginal. In analysing the prospects of the Bharatiya Janata Party (BJP), too, the focus tends to be on Central and North India. This column looks at the party's prospects in states beyond North and Central India such as Odisha, West Bengal, Tamil Nadu, and Kerala. It is pertinent because the BJP reached its highest tally in the last parliamentary election in 2019. Now, the key to adding more seats lies in its performance in other states and repeating its results in North/Central India.

An interesting pattern in many eastern and south Indian states is that they have non-BJP governments led mostly by regional parties such as the Biju Janata Dal (BJD) in Odissa, the Trinamul Congress in West Bengal, and the Dravida Munnetra Kazhagam in Tamil Nadu. In Kerala, the Communist Party of India (Marxist) is at the helm. So, these states have two sets of beneficiaries — one group benefitting from the policies, welfares schemes, and development initiatives of the Prime Minister Narendra Modi-led National Democratic Alliance government, and the other benefitting from welfare schemes implemented by the respective state governments. Both groups overlap each other, but the general election is evolving as a contest between two sets of claims and counterclaims around development narratives. The PM Modi-led development politics may have to contest with the chief ministers' own versions in their respective states. These states have emerged as a zone of competition between the images of the PM and CM. Naveen Patnaik in Odisha, Mamata Banerjee in West Bengal, and MK Stalin in Tamil Nadu are not only the chief ministers but also popular leaders and star campaigners of their parties.

This year, many analysts view Odisha as a state of electoral possibilities for the BJP. This perception is borne of three reasons. First, PM Modi's image is very powerful in Odisha. We find many people in the state adjusting to two popular leaderships, that of Modi and Patnaik, and repose faith in the BJP at the Centre and the BJD in Odisha. However, various anti-incumbency narratives against the state government may hurt the BJD's prospects in winning seats, as simultaneous Assembly polls are taking place. So, Modi's image is one of the main components of the BJP's electoral capital, which is giving an edge to the party in various parliamentary seats. Secondly, Modi and the state BJP have made this election about protecting Odia identity. The issue is being raised by influential state leaders like Dharmendra Pradhan. It is gaining momentum because of the way VK Pandian, a former IAS officer, became prominent in the BJD. Pandian, who is not from Odisha and is a close aide of Patnaik, is labelled an "outsider" by political opponents. Secondly, in Odisha and West Bengal, Odia and Bengali are cultural identities that matter a lot for nearly all sections. A leader like Pradhan, in his tenure as education minister, has worked to strengthen Odia culture and pride in the last few years and cautioned against a growing non-Odia influence in BJD politics as a threat to local culture, too. Thirdly, the development gaps in poverty alleviation, agricultural empowerment, livelihood, migration, and exploiting the rich mineral resources of the state have allowed the BJP to raise these issues. Pradhan and other BJP leaders are articulating voices of disillusionment effectively in this election.

> The PM Modi-led development politics may have to contest with the chief ministers' own versions. These states have emerged as a zone of competition between the images of the PM and CM

In West Bengal, Mamata Banerjee is working to retain her vote base combining Muslim community, which is around 27% of the population, and middle-class support. On the other hand, the BJP sees an opportunity due to three reasons. First, it has been trying to mobilise the Hindu Bengali against Banerjee's "Muslim appeasement" politics. Secondly, it is trying to mobilise marginal and subaltern Hindu Bengali communities with development and identity-based promises. Thirdly, the BJP is proposing Modi's development politics as an alternative for the future of Bengal as it aspires to improve its performance in the last parliamentary election.

Tamil Nadu has continued to be a difficult battleground for the BJP because of its political traditions influenced by anti-Hindi and anti-Brahmin movements. Stalin is trying to revive these memories to check the BJP's growth in the state. In conversations with political observers, one gets the impression that the BJP will fare better this year. According to them, the party's vote percentage may grow and it may even win a few seats. If it does happen, it will because of two reasons. The party now has influential leaders at the state level like K Annamalai, besides a prominent face like Tamilisai Soundararajan who wields influence in a few pockets. Secondly, Modi's popularity is growing. In rural Tamil Nadu, one can find people appreciating his social welfare schemes such as free ration, pensions, and direct benefit transfer schemes. Modi and the BJP have organised events such as the Kashi Tamil Sangamam and Saurashtra Tamil Sangamam in North and Western India to shift perception about the party among a section of Tamils. How it benefits from its alliance with the Pattali Makkal Katchi also remains a question.

In Kerala, the Rashtriya Swayamsevak Sangh has prepared the ground for Hindutva politics. It may lead to an increase in the BJP's vote percentage. But we have to wait and see if the growing visibility in Kerala will translate into seats.

How the efforts of the BJP — its issues, agendas, and campaigns — are going to result in seats and add to the tally in North and Central India remains to be seen.

Leading powers

BIBEK DEBROY

Chairman, EAC-PM

GDP may be a recent metric. But the notion of gradation of states, according to the power calculus, has existed for thousands of years

IN 2022, ASHLEY J Tellis, C Raja Mohan, and I edited a collection of essays titled "Grasping Greatness, Making India a Leading Power". The book was meant to be published in 2019, but Covid-19 delayed matters. This collection complemented an earlier collection ("Getting India Back on Track", 2014). The title was taken from an earlier essay by Tellis. Notice the use of the expression "leading power", as opposed to something like "great power". Further down the continuum, we might have something like "superpower". Such expressions are not always precisely defined and a country's appellation isn't cast in stone. A leading power moves on to become a great power and graduates to superpower status. But the reverse, a decline and fall over time, also happens. How does one define these expressions? They can be defined in terms of formal leadership in institutions that deliver global public goods (IBRD, IMF, WTO, and the UN Security Council), which need to adjust to altered realities and can't be cast in stone either. Since power flows out of the barrel of the economic gun, they can also be defined in terms of aggregate GDP (for such purposes, official exchange rates make more sense than purchasing power parity), present and extrapolated for the future. For instance, no one can wish away India's robust GDP growth rate and future potential. Fifth-largest now, the third-largest status isn't that far off. The gold and the silver are some distance away.

GDP may be a recent metric. Before Simon Kuznets, we didn't have a standardised template for measuring it. However, the notion of gradation of states, according to the power calculus, has existed for thousands of years. Take the word '*rajya*', meaning kingdom. (I am not using the word in the sense of province or state.) But we also have a word '*samrajya*', meaning empire, and clearly, *samrajya* is greater than *rajya*. We have an expression, '*maharajya*', too. Is that greater or smaller than *samrajya*? The respective titles of the individual heading the geographical entity are *rajan*, *samraj*, and *maharajan*. In addition, there is the notion of a *chakravartin* or universal emperor, one whose chariot's wheel (*chakra*) travelled unimpeded everywhere, right up to the shores of the ocean. Most people have heard of *rajasuya*, *vajapeya*, and *ashvamedha* sacrifices, though a *vajapeya* sacrifice may not be that familiar. A *rajasuya* sacrifice is a royal sacrifice, performed by a universal monarch, when he is consecrated and instated as emperor, having conquered all other kings and made them tributaries. Among others, Harishchandra and Yudhishthir performed *rajasuya* sacrifices. *Ashvamedha* is a horse sacrifice, where a horse is let loose and eventually sacrificed. Yudhishthir performed *ashvamedha* and this sacrifice is also a voyage of conquest.

> Take the word '*rajya*', meaning kingdom. But we also have a word '*samrajya*', meaning empire, and clearly, *samrajya* is greater than *rajya*

Which is the greater sacrifice, *rajasuya* or *ashvamedha*, not to forget *vajapeya*? Which sacrifice makes the king, and therefore the kingdom, a greater one? The answer depends a bit on the text, and I think the only text where the answer is unambiguously given is *Shatapatha Brahmana*. I will skip the details about the rites for each sacrifice. However, according to this text, *rajasuya* is the lowest of the three and having performed it, a king becomes a universal emperor or sovereign. The *vajapeya* sacrifice is higher. I used the word emperor or sovereign, but *rajasuya* still makes the individual a king. *Vajapeya* makes the individual samraj. To cite chapter and verse, this is clearly stated in *Shatapatha Brahmana* 9.3.4.8. First, one becomes a king. Thereafter, one becomes an emperor. Therefore, *vajapeya* must be performed after *rajasuya*, never the other way around. This takes one to *ashvamedha*, the highest of the three. A king not satisfied with *rajya* or *samrajya* moves on to *ashvamedha*. And one could certainly perform multiple *ashvamedha* sacrifices, as Brahma did at the Dashashvamedha Ghat in Varanasi. But this doesn't quite grade countries or economies. If the ruler is graded, the country is indirectly graded. However, we have nothing tangible and measurable.

A direct gradation of countries and rulers, tangible and measurable, exists in *Shukra Niti*, attributed to Shukracharya. It is there right in the first chapter, on the duties of princes. The relevant verses are 365-374. The measurement wasn't through GDP, but annual revenue of the kingdom. A *karsha* is a gold coin. Those weren't the days of fiat currency, but de facto, of gold and silver standards. The gold in a *karsha* coin weighed roughly 10 grams. (Jewellers still use another such weight, known as *ratti*, and 96 *rattis* were one karsha.) A *samanta*'s (often a feudatory vassal) domain had annual revenue of 1-3 lakh *karshas*. A *mandalika*'s territory (ruler of small country or province known as *mandala*) had 3-10 lakh *karshas*. A *rajan*'s kingdom had 10-20 lakh. A *maharajan*'s kingdom had 20-50 lakh. A *swarat*'s empire had 50 lakh-1 crore. A *samrat* had 1-10 crore. A *virat* had 10-50 crore. Finally, a *sarvabhouma* (universal emperor) had annual revenue of more than 50 crore *karshas*. Some of these titles may seem unfamiliar today. But we did have a taxonomy and gradation based on the kingdom's annual revenue. Some might argue the kingdom's revenue is a better indicator of power than something like GDP. In any event, GDP didn't exist then. Plus, there was the supplementary ranking based on the type of sacrifice. We did think about leading powers.

LETTERS TO THE EDITOR

ssForests ablaze

The furious fires swallowing Uttarakhand's forests have again highlighted the chronic problem in India. The recent spike, prompting the government to call the army, shows the seriousness of the situation, with 31 incidents occurring within a span of 24 hours last week. It's shocking to know that a majority of these blazes are attributed to human negligence, with the root causes extending beyond environmental factors. There is a need for strict law enforcement and legal action against offenders. Moreover, the Forest Survey of India's alarming data on forest fires poses a grim picture, with Odisha being the worst-hit state. The link between climate change, soaring temperatures, and the surge in forest fires calls for urgent attention from policymakers and environmentalists. As Uttarakhand faces yet another fiery season, the onus lies on both the government and civil society to prioritise forest conservation and be proactive against ecological degradation. Every individual also needs to be vigilant, responsible and work for the cause of environmental sustainability.

—Sanjay Chopra, Mohali

Gaza crisis continues

Apropos of "Uncertain ceasefire" (FE, May 8), it is indeed an unfortunate turn of events that despite Hamas agreeing to a ceasefire proposed by Qatar and Egypt, Israel still went ahead with its attack on Rafah. A lot of bloodshed has happened and it is high time that better sense prevailed over Israel. Some sort of trade-off should happen from both sides, otherwise it would only worsen Gaza's humanitarian catastrophe.

—Bal Govind, Noida

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DECCAN Chronicle

9 MAY 2024

BJP must face Haryana vote: A taste of its own medicine?

With three MLAs belonging to the Haryana Legislative Assembly defecting to the Congress camp, the state government led by BJP's Nayab Singh Saini finds itself reduced to a minority. It now has 43 MLAs in an 88-seat House and is two short of an absolute majority.

It is only proper, therefore, that it takes early steps to prove its majority on the floor of the House and assert its legitimacy before proceeding with matters of governance in the state.

Ironically, there won't be many who will beat their chests at the fact that the party that has been conducting Operation Lotus to topple elected governments in state after state is now getting a taste of its own medicine. Although it is perhaps several years since a BJP government is threatened by defections, it cannot afford to ignore the crisis altogether either, especially since its former ally, the Jannayak Janta Party with 10 MLAs, has declared that it will vote against the government in the Assembly.

Haryana is due to have an Assembly election later this year. The BJP came to power for the first time in the state in 2014, winning 47 seats in a 90-member Assembly. Until then the political stage here had been shared by the Congress and various offshoots of the party once headed by Choudhary Devi Lal.

Does this gesture by the Independents have more to it than meets the eye? It is a question that the BJP must seriously ask itself. Lofty talk during campaign is not unusual but it must keep its ear to the ground.

The BJP could not muster the numbers in the elections in 2019 but managed to hold on to power with the support of the JJP, led by Dushyant Chautala, the great-grandson of Devi Lal.

Recently, the party effected a leadership change in the state. It replaced Manohar Lal Khattar who was its face since 2014 with Mr Saini.

It was part of the election management strategy of the BJP which calculated that the anti-incumbency feelings against the Khattar leadership could be neutralised by a largely unknown new face. Such a strategy has been seen to work in several other states.

It is not yet clear if the Saini government will sail through a confidence vote in the Assembly but the fact remains that the three Independents have chosen to break free from NDA. Which is headed by BJP that claims it will return to power in the Centre winning more than 400 of the Lok Sabha's 543 seats.

Does this gesture by the Independents have more to it than meets the eye? It is a question that the BJP must ask itself seriously.

Grandstanding during election campaigns is not unusual but the Haryana development must cause the party to keep its ear to the ground. For, realpolitik can take you only so far; it's the will of the people that actually does the job.

Pitroda lands Cong in soup

Poll time is the open season when motormouths rattle off speeches the moment a microphone is sighted. Sam Pitroda, Overseas Congress chairman who is often described as a Congress leader's mentor, is a specimen case who finds a lot to comment on and it is up to the audience to decide whether to laugh or cry at his verbal outpourings.

Even a standup comedian, bereft of ideas on how to invoke laughter, may have hesitated to use the lines that Mr Pitroda did to classify Indians with a distinctly racial overtone — "Where people in the East look like Chinese, people in the West look like Arabs, people in the North look like, maybe White, and people in South look like Africans."

The pity is, such excesses of a loose tongue by a person in politics and public life only invites pointed criticism from political rivals while injecting greater divisiveness into an already vitiated poll atmosphere

Mr Pitroda's description of India's diversity is without foundation. Indians are rather proud of their Indianness, regardless of what the colour of their skin is, and even a school student would know pigmentation is genetically typed by what climatic conditions their ancestors may have lived in and mingled with upon migrating.

The beauty of the rainbow lies in its multiple hues. The unity and diversity of the modern world is reflected in its multiculturalism, and India, with its spatial spread and multiple ethnicities has been as good an example of it as any. To reduce such a cultural melting pot of a nation to racist definitions as Mr Pitroda did should, therefore, invite scorn and ridicule.

It is not known how Mr Pitroda would define himself after a look in the mirror. But his maverick views belittling the 1984 anti-Sikh riots and his borrowed idea on inheritance tax had landed him in controversies earlier.

The pity is, such excesses of a loose tongue by a person in politics and, by extension, in public life only invites pointed criticism from political rivals while injecting greater divisiveness into an already vitiated poll atmosphere that fully reflects the polarised times we live in when partisan politics is breeding all kinds of negative thinking.

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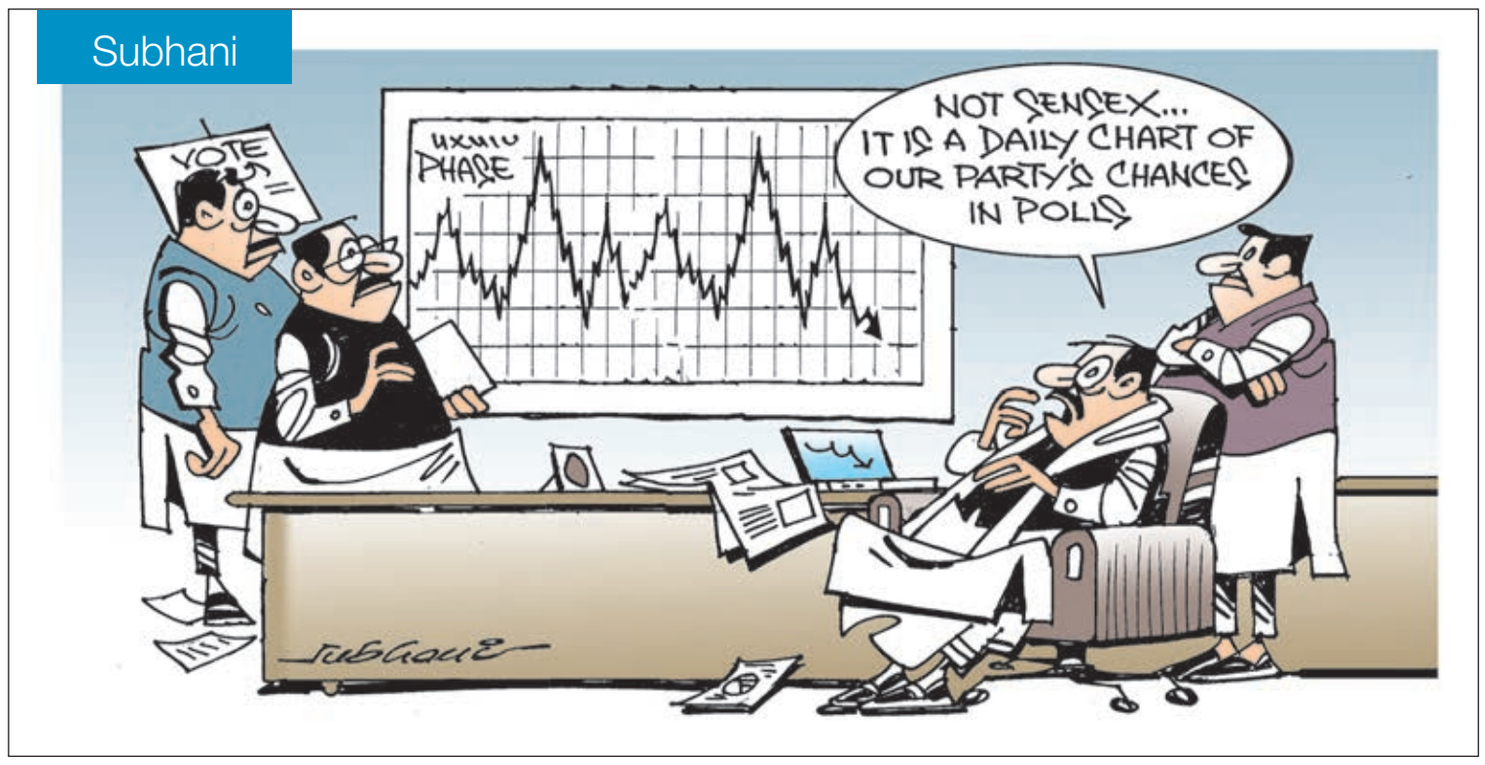

Amid global stir, why are Indians so quiet on Gaza?

Sunanda K. Datta-Ray

Reflections

When the Angry Young Men of British literature — John Braine, John Wain, Alan Sillitoe, Kingsley Amis and others — were rampaging in the 1950s and 1960s, the highly successful W. Somerset Maugham remarked cynically that an additional thousand pounds a year would dissolve their anger. Actually, it wasn't money alone that defused their protest but the opportunities created by the social revolution of the welfare state.

One looks in vain for a similar transformation in India. Young India doesn't have the money which is mainly in the hands of billionaires who fund political parties through anonymous electoral bonds and snap up major airports.

At the same time, the obsession with caste suggests that a social revolution is almost as remote today as it was when temple entry agitated South Indian reformers. That leaves civil society at the mercy of India's one great certitude — an unchanging religious hierarchy that draws millions of voters. Additionally, the Hindutva project, its instrument for long-term social and political control, is useful in marginalising unwanted minorities.

Other concerns have been swept under the carpet. The upsurge sweeping through American university campuses where thousands of pro-Palestine protesters were arrested is a harsh reminder of the sudden silence of the torchbearers of India's revolution to usher in a brave new world. That's why it seemed like a flicker of future hope when students of the Jawaharlal Nehru University, once notorious as the "red fort", forced the authorities to cancel an invitation to Eric Garcetti, the American ambassador to India, to talk about US-India ties. "We are protesting against the US support for the genocide in Gaza committed by Israel", explained the JNU students' union president, Dhananjay.

It was a pity to miss out on Washington's exposition of an important relationship, but the US ambassador's presence would have been another propaganda event in an India that recently added insult to injury by abstaining when the United Nations Human Rights Council urged countries to "cease the sale, transfer and diversion of arms, munitions and other military equipment to Israel."

Time was when young urban middle class India was in the forefront of every protest movement against injustice. The "city of processions" — Jawaharlal Nehru's nickname for Kolkata — lived up to its reputation with massive rallies chanting "*Amar naam, tomar naam, Vietnam, Vietnam*" (My name, your name, Vietnam is everyone's name), as evocative a slogan as John F. Kennedy's "*Ich bin ein Berliner!*"

Now, it's not Kolkata alone but India as a whole that seems to have abandoned idealism for avarice. A profusion of start-ups and dot-com millionaires herald the revival of the grab-as-grab-can 19th century free market under the label of "neo-liberalism". Elderly British friends, veterans of the old Labour movement, ask me in wonder whatever happened to the liberal socialism they associated with Jawaharlal Nehru, Jayaprakash Narayan and V.K. Krishna Menon. They find the NDA's market economics as un-Indian as "Howdy! Modi!" spectaculars.

Showmanship isn't Indian. Neither is the pretence that "Vande Bharat" is more than just a marketing gimmick to repackage old merchandise.

"There aren't any good, brave causes left", Jimmy, the embittered anti-hero of Osborne's *Look Back in Anger*, lamented. Russia's ravaging of Ukraine has not touched Indian hearts and souls like the Vietnam war did. One reason could be that even those who surreptitiously yearn for an American "green card" dare not publicly champion the US military-industrial machine. Another is that race and colour being the ultimate realities, Indians object more strongly to Europeans brutalising an Asian nation and killing 882,000 Vietnamese. Russians and Ukrainians are indistinguishable from each other to most Indians.

Why has Ukraine not touched Indian hearts? For one, even those who surreptitiously yearn for an American 'green card' dare not publicly champion the US military-industrial machine. Also, race and colour are the ultimate realities...

Indian men are not afraid to die so that wives and children at home can survive. More than 147,000 of the casualties in the two world wars (excluding the three million killed in the 1943 Bengal Famine) were Indian. Now, the NDA government is pushing jobless young Indians into the trenches of West Asia through a pact with Israel's Prime Minister, Benjamin Netanyahu.

Of course they are not forced to go. But 1.3 crore Indians would not have migrated if home had not been so bleak. About a lakh give up their Indian citizenship every year because of inadequate employment opportunities in India.

A few might aspire to be Rishi Sunak or Sundar Pichai. Most sell their assets and raise funds to join the deadly queues trying to smuggle into the United States or drown in the Mediterranean seeking a foothold in Europe. Those who can do neither must shut their eyes to the surrounding misery, stuff their ears to cries for food, and block their consciences to appeals for help. Pressures will intensify with America's economic slowdown, China's reduced consumption and the construction crisis in Canada.

Meanwhile, Israel has virtually obliterated the Gaza Strip and continues to massively destroy life, property and the supporting economy. Not content with the havoc already wrought, Mr Netanyahu vows to invade Rafah to massacre more Palestinian men, women and children and further devastate the civic infrastructure even if Hamas sues for peace. The stark truth is that the Cairo and Qatari middlemen who are trying to bring about a ceasefire need not bother. Needing a ceaseless war against the Palestinians for his own political survival, Mr Netanyahu will not desist. President Joe Biden has again promised that the US will support him all the way.

It's shaming that while London, Berlin and Paris seethed with anger, Delhi and Kolkata remained placid. Of course, it can be argued that India's necessary relationship with the US should not be sacrificed at the altar of West Asian wars. Israel's side of the quarrel also deserves a hearing, especially after Hamas's abominable conduct on October 7. The world's most populous country, which never tires of repeating that it will soon boast the world's third largest economy, may be said to have a certain responsibility to exercise such weight as it has for the benefit of the global community. But New Delhi's ambition seems to be prestige more than action — joining the high table of the United Nations rather than exercising its influence to benefit mankind.

That is power politics, the game for which the land of the Buddha and the Mahatma supposedly had no appetite. Perhaps Maugham was right after all, not just about literature's Angry Young Men but Angry Old Nations as well. The JNU's is the small voice of morality amidst so many serving their own ends.

The writer is a senior journalist, columnist and author

LETTERS

PRESS FREEDOM DECLINING

Press freedom has been on a constant downward slide in the world's largest democracy. Many observers describe a decline in the quality of freedom of expression in India ever since the BJP came to power in 2014. India's score in the World Press Freedom Index fell over the last year from 36.62 to 31.28 as reported by Reporters Without Borders (RSF for Reporters sans Frontiers). Under the Modi government, journalists, especially from smaller media outlets, have constantly been facing harassment and threats. But every attack on the fundamental right of freedom of speech and expression only adds to the strength of the Fourth Estate in our country.

R.Sivakumar
Chennai

HISTORIC INDIAN ELECTIONS

It is truly the greatest show on Earth, an ode to a diverse and democratic ethos, where 900 million plus are eligible to vote and playing their small part in directing their ancient civilization into the future. Its challenges are immense, more so probably than anywhere else, particularly in development and fending off terrorism -- but considering these challenges and our neighbours, it is even more astounding that the most diverse nation on Earth, with hundreds of languages, all religions and cultures, is not only surviving, but thriving. India ticked all the boxes right and the greatest Indian election in history.

C.K.Subramaniam
Chennai

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Dilip Cherian

Dilli Ka Babu

As secys retire, some stop-gap solutions amid talent shortage

In the wake of S.K.G. Rahate's retirement, the temporary assignment of senior AGMUT cadre IAS officer Raj Kumar Goyal as secretary, justice, underscores the Modi Sarkar's struggle to maintain a robust talent pool. Of course, this could be due to the government's preoccupation with the Lok Sabha elections currently underway, but it highlights the challenges faced in finding suitable successors for key positions.

While Mr Goyal's appointment may be a stopgap solution, it also raises questions about the long-term sustainability of such arrangements. The reason, many observers have pointed out, is talent deficit. Major reforms such as lateral entry and 360-degree appraisals have been introduced, and now the Prime Minister is giving a fresh push to lateral entry, with a focus on filling top government positions by selecting subject matter specialists and posting them in departments for which they are best suited. It is essential to address the systemic factors contributing to talent shortage in the bureaucracy.

Interestingly, there are hints that the government is keen to change crucial aspects of judicial management after the elections when it forms the next government. While little has been revealed or said, quietly and definitively, Mr Narendra Modi hopes to continue to change the rules of babudom.

IPS OFFICER VINDICATED AGAINST BOGUS FIRS

Justice is finally knocking on the door for Chhattisgarh IPS officer Gurjinder Pal Singh. After getting slapped with three FIRs in 2021 because he didn't play ball with the big shots in the state government, Mr Singh is now getting the green light to hop back into action. The Central Administrative Tribunal (CAT) has just ordered his reinstatement within four weeks.

Back in 2021, Mr Singh found himself in hot water, suspended from duty, staring at three FIRs — one for corruption, one for sedition and one for extortion! But here's the kicker: Mr Singh was doing his job, leading the charge on an SIT to sniff out allegations against former Chhattisgarh chief minister Raman Singh in a multi-crore public distribution system (PDS) scam. When he couldn't find the "smoking gun", the state government fired back vindictively with bogus FIRs. It turns out that the case against Mr Singh, including serious charges like sedition and extortion, was orchestrated by the state Anti-Corruption Branch (ACB).

The CAT order stated that there was substance in Mr Singh's plea that two kilograms of gold and seditious material had been planted by the investigating officer illegally to frame Mr Singh in a criminal case. Hopefully, Mr Singh can now put his nightmarish experience behind him and get the justice he deserves. And all this for daring to ruffle some feathers.

A CLASH OF TITANS

In the latest twist of the drama surrounding the Vadra-DLF land deal in Haryana, senior IAS officer Sanjeev Verma has escalated tensions by writing to state chief secretary T.V.S.N. Prasad, calling for disciplinary and criminal action against noted whistleblower and colleague Ashok Khemka. Known for his fearless stance against corruption, Mr Khemka had recently questioned the sluggish pace of the investigation into the controversial land deal.

At the heart of the matter is Mr Khemka's unwavering commitment to transparency and justice in his handling of the Vadra-DLF land deal back in 2012. His decision to cancel the mutation of a high-profile land transaction set off a chain of events that continue to reverberate within the state's political and babu circles. Several setbacks in his quest have only strengthened his determination to see the matter through to the end.

Interestingly, both Mr Verma and Mr Khemka, have their own history of conflict, notably over alleged irregularities in recruitment at the state Warehousing Corporation. Their ongoing feud underscores the entrenched power struggles in Haryana's babudom and mirrors the political rivalries playing out in the state. Interestingly, Mr Khemka is one of few IAS officers who has managed to rub all political dispensations the wrong way, with his adherence to transparency and accountability. If he has so many foes, surely, he must be doing something right!

Love them, hate them ignore them at national peril, is the babu guarantee and Dilip's belief. Share significant babu escapades dilipcherian@hotmail.com.

A powder keg situation in Middle East

It's another despairing case of 'So near yet so far' in respect of Middle East peace. Israeli retaliatory actions against the October 7 Hamas attack proved immensely disproportionate. At least 34,000 Palestinians were killed and many were wounded. Widespread destruction and famine conditions forced the people to flee to Rafah which itself is under siege now. The hapless thousands have nowhere to go. Anti-Israel protests are raging in many countries, including those Arab countries, such as Egypt, Jordan, which have peace treaty with Israel.

Hopes of peace that were stirred following Hamas' acceptance of a ceasefire worked out by US, Egypt, and Qatar were dashed in no time with Israelis saying a firm no. Thus, as a temporary truce for ceasefire hangs in balance, Israeli tanks have rolled into Rafah, marking a huge escalation of Gaza conflict. Entire Gaza is already in dire humanitarian straits. Governments in the region and elsewhere are distressed by Israel PM Netanyahu's obdurate stance on mounting the offensive. He also shut crossings, just as the recent one at Karem Shalom, to block the flow of aid into Gaza.

UN chief António Guterres is crying hoarse over a full invasion of Rafah, a southern city where most Palestinians inside Gaza are huddled together. Instead, a planned military operation would not so much consternation and anguish and distress. Netanyahu is so pathetic, he is not heeding pleas by even strong allies like the US and western friends. Guterres rightly warns: "Even the best friends of Israel are clear: An assault on Rafah would be a strategic mistake, a political calamity, and a humanitarian nightmare."

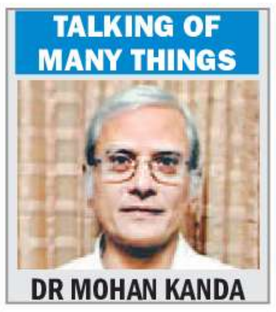
It was only on Monday after laborious and intense efforts by peace brokers that Hamas agreed to the terms for a temporary ceasefire proposal, which if accepted by Israel, would have paved way for the release of about 30 of the Israelis hostages by Hamas in return for a pause on Rafah invasion. The world is aghast for months after so much intense diplomatic activity, there is no ceasefire, no release of hostages, no commencement of relief and rehabilitation for the displaced masses.

With the opportunity window for peace to Israelis themselves closing, in wake of Hamas and Hezbollah bracing to pound Israeli borders, it is time Netanyahu showed some political courage to secure a peace deal that he cannot afford to miss. Every peace monger so wishes Netanyahu would heed calls by allies and friendly Arabs to call off Rafah offensive, just as the then Israel PM Shamir reined in his fiery temper and refrained from retaliation against Iraq's missile attacks, thus avoiding a confrontation with Arab nations in January 1991. But, Netanyahu heads an unruly coalition of ultra-nationalists and far-right religious figures who are baying for blood. His political survival depends on them and rambunctious colleagues in his Likud party. It is sad he views worldwide opposition to his war on Gaza simply as 'a terrible volcano of anti-Semitism.' Thereby, he is risking not only a bigger confrontation with Hezbollah from Lebanon, but also puts at stake global maritime trade as Iran's other proxy Houthis attack ships in Red Sea.

In an election year, with a war-weary rival in Trump and many Democrats against any escalation, it is surprising why Joe Biden, unlike his predecessors, is so deferential towards Netanyahu. Instead of drawing red lines, he has offered unconditional US aid to Israel. Handling Netanyahu with kid gloves also puts US at risk of alienating the Saudis and the Emiratis who in rapprochement talks with Iran.

WHEN TO PLAY AND WHEN TO QUIT

TALKING OF MANY THINGS



DR MOHAN KANDA

We continue, this week, the discussion which we began last week, about gambling.

One formal definition of gambling is that it is the betting, or staking, of something of value, while being aware of the risk and in the hope of gain.

As we noted last week, to be born at all is a matter of chance. A very very remote, and slim, chance. The life that follows is a series of events, each of which can easily go the other way, giving rise to the expression "the way the cookie crumbles", meaning that that is the way life is, and that one must accept it and carry on.

All forms of gambling, invariably, call for a combination of strategy, and chance. Some of them, which are conducted on a very large scale, such as lotteries and horse racing, are organised by commercial and professional organisations, to ensure efficiency and transparency. So widespread is the activity that, according to one estimate, the total amount of money involved, in the world, is a whopping $10 trillion per year. That is, if one excludes the part which is illegal.

While state-licensed lotteries are popular in most countries, organised football or soccer also command an equal following, especially in Europe and South America.

Stock markets may also be considered as a form of gambling, although they involve more skill and knowledge, on the part of the players, than other forms. So is the case with insurance, where paying the premium on one's life insurance is, in effect, a bet, that one will die. An expectation, if you will, within a specified time. Strangely enough, that is regarded as winning as, in the case of premature death, the sum insured is paid to the nominee; and survival, as a loss, as the premium is kept by the insurance company! These two arrangements, clearly, are beneficial to society.

In almost every form of gambling, the probability of not winning, or the ratio of the unfavourable possibilities to the favourable ones is called the odds. The probability of a tossed coin landing on its head, for instance, is ½ and the odds are 1 to 1, which are called even.

Now a days, more scientific methods of forecasting are available, such as advanced statistical techniques. However, such statistical models need scientific data and large samples and are confined, so far, to laboratories.

The possibility of winning, coupled with the excitement associated with betting, often leads to the adoption, especially by some professional gamblers, of questionable tactics. As a measure of neutralising the impact of such tactics, some standard precautions are taken, such as the cutting of a deck of cards before a game begins, in order to guard against the possibility of the deck having been loaded, or arranged, in a manner favourable to the dealer. The ability to maintain an inscrutable facial expression, and a body language that gives no indication, either of pleasure or disappointment, is essential for a successful professional gambler. In poker, probably the most popular or games which involve an element of gambling, such a gift, also known as 'table presence', is called keeping a 'poker face'. That is particularly important, when the player concerned is 'bluffing', or attempting to make, the other participants in the game, form a false impression about the cards he/she is holding.

PART-II

The ability to maintain an inscrutable facial expression, and a body language that gives no indication, either of pleasure or disappointment, is essential for a successful professional gambler. In poker, probably the most popular or games which involve an element of gambling, such a gift, also known as 'table presence', is called keeping a 'poker face'. That is particularly important, when the player concerned is 'bluffing', or attempting to make, the other participants in the game, form a false impression about the cards he/she is holding

Apart from the occasional fling I have had with gambling in congenial company, while at home, I have had many interesting experiences even while travelling abroad.

There was this time, for instance, when I was working as the Joint Secretary in the Ministry of Agriculture of the government of India, I had gone to Kathmandu, to attend meetings of a Joint Working Group on Agriculture, Usha my wife, accompanied me. And how can a visit to that enchanting place be complete without a visit to the casino!? Usha and I duly succumbed to the temptation. Luckily, we escaped without our purses being seriously dented!

While on a visit to Hong Kong, where my daughter, my son-in-law and their children stay, we visited Macau a Special Administrative Region of China, and known as the Las Vegas of Asia. The hotel in which we stayed had a sprawling casino, full of all sorts of complicated games, such as Roulette and Baccarat. The rush of blood and raised pulse, which go with gambling in such an ambience, were really worth experiencing. Once again, the damage was minimal.

Easily the most exciting, as well as amusing, experience I had was during the visit to Las Vegas when I had accompanied Vice President Hidayatullah while on a visit to America. The visit to the gambling capital of the world was by way of a relaxing diversion to an otherwise busy schedule. Both of us had a go at the slot machines and other games, in a casino. While departing, we found slot machines in the VIP lounge at the airport. Quite literally, both the Vice President, and I, had to be dragged away from the machines, when the aircraft was just about to take off!

I recall another innocent, but very enjoyable, experience again from the time when I was the Secretary to Vice President Hidayatullah. The Vice President's Personal Physician, the Private Secretary, the Personal Security Officer and were a part of the entourage in trips within the country, for which we invariably travelled in an aircraft which belonged to the VIP Squadron of the India Air Force. The place was fully equipped, with a drawing room for the Vice President and luxurious seating arrangements for the rest of us. And the food was excellent too. As we had usually done the homework required for the forthcoming engagements, we had plenty of time to relax, with a friendly, but serious, game of cards. By turns, one of us would undertake the task of maintaining a running account, from game to game, and settle accounts on returning to Delhi. The stakes were extremely modest and no one ever lost, or won, more than a few hundred rupees in a trip.

Gambling, its nature as a weakness or an addiction, as well as the underhand practises which some professionals resort to, have been favourite subjects for cartoonists, writers, and movie makers. The popular comic strip 'Andy Capp' is an extremely entertaining example. Gambling has also figured as a theme in the plots of many novels, such as 'Gold Finger' and 'Casino Royale', by the popular author Ian Fleming, both of which also subsequently were made into very successful motion pictures. A similar movie in Hindi, 'Gambler', was also a runaway hit in India.

Humor associated with gambling often stems from the paradoxes and ironies intrinsic to the activity. Gambling jokes expose the inherent risk and unpredictability of betting or even the occasional absurdity of the gamblers' logic.

"When a wise guy was asked "How do you make a small fortune from gambling"?, the reply was "Start with a large fortune"!

(The writer was formerly Chief Secretary, Government of Andhra Pradesh)

War games stirring up troubled waters

The Philippines – emboldened by US – squares up to Beijing at sea

FRED H LAWSON

US Marines joined Filipino counterparts on May 5, 2024, for a mock battle at a telling location: a small, remote territory just 100 miles off the southern tip of the contested island of Taiwan.

The aim is to display a united front against China, which Washington and Manila perceive as a threat to the region. Balikatan is Tagalog for "shoulder to shoulder."

Joint Philippines-U.S. naval drills have become an annual event. But as an expert in international relations, I believe this year's drills mark an inflection point in the regional politics of the South China Sea.

For the first time, warships taking part in the exercise ventured outside the 12-mile boundary that demarcates the territorial waters of the Philippines. This extends military operations into the gray area where the Philippines' exclusive economic zone rubs up against the territory claimed by China and designated by its "nine-dash line."

Also for the first time, the U.S. deployed an advanced mobile launcher for medium-range ballistic and cruise missiles of a type that had been banned under the now-defunct Intermediate-Range Nuclear Forces Treaty. In addition, the Philippine navy is showing off its newest acquisition, a South Korean-built missile frigate.

The South China Sea has long been the source of maritime disputes between China, which claims the vast majority of its waters, and nations including Vietnam, the Philippines, Malaysia and Indonesia. In addition, heightened tensions over the status of Taiwan – a territory that the Biden administration has pledged to defend militarily in the event of a Chinese invasion – have made the South China Sea even more strategically important.

Containment at sea

The US is increasingly intent on building up regional alliances as part of a strategy to contain China. It has also

become more vocal in condemning challenges to the Philippines from China. US carefully avoided promising to protect the far-flung islands, atolls and reefs claimed by Manila for seven decades following the signing of the Mutual Defense Treaty with the Philippines in 1951. Only in March 2019 did then-Secretary of State Mike Pompeo assert that the treaty covers all of the geographical area over which the Philippines asserts sovereignty.

Rocking the boat

In January 2024, the Philippines broke with its adherence to a prohibition on erecting structures on disputed territory, which was part of the 2002 Declaration on the Conduct of Parties in the South China Sea, by installing electronic surveillance equipment on Thitu Island, which sits beyond Scarborough Shoal in the heart of a cluster of disputed formations. This was followed by announced plans to put water desalination plants on Thitu, Nanshan Island and Second Thomas Shoal, making it possible to maintain permanent garrisons on these isolated outposts.

Manila has continued to assert its maritime rights by announcing that armed forces would escort exploration and mining activities in the exclusive economic zone.

A more assertive Philipp 140ines may end up contributing to the US strategy to deter Beijing from extending its presence in the South China Sea and launching what many in Washington fear: an invasion of Taiwan. But it is possible that heightened truculence on the part of the Philippines will goad Beijing into being more aggressive, diminishing the prospects for regional stability.

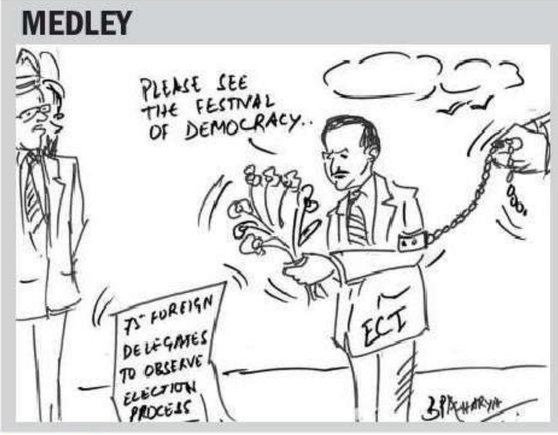
As the Philippines-U.S. alignment has strengthened, Beijing has boosted the number of warships it deploys in the South China Sea and escalated maritime operations around Thitu Island, Second Thomas Shoal and Iroquois Reef – all of which the Philippines considers its sovereign territory. Washington has taken no public steps to dampen tensions between Manila and Beijing. Rather, Secretary of State Antony Blinken expressed full-throated support for "our ironclad defense commitments" during a mid-March 2024 stopover in Manila.

The danger is that as the Philippines grows more assured by US support, it may grow reckless in dealing with China. Rather than deterring China from further expansion, the deepening Philippines-US alignment and associated Filipino assertiveness may only ramp up Beijing's apprehensiveness over its continued access to the South China Sea – through which virtually all of its energy imports and most of its exports flow.

And there is little reason to expect that Washington will be able to prevent an emboldened Manila from continuing down the path of confronting China in the South China Sea. To Beijing, the prospect of an emboldened Philippines forging active strategic partnerships with Australia, Japan, South Korea, Vietnam and – most troublesome of all – Taiwan makes the situation all the more perilous.

(https://theconversation.com; Writer is Professor of Government Emeritus, Northeastern University, Boston)

MEDLEY



LETTERS

"Reservation" a milch cow for politicians

THE primary goal of Dr Ambedkar, the architect of Indian constitution, was to ensure equal representation and opportunities for historically marginalised and socially suppressed people belonging to Scheduled Castes (SC) and Scheduled Tribes (ST) by providing reservations in educational institutions and government jobs. About 7 decades passed and 2 to 3 generations of SC & ST communities enjoyed the benefits of reservation and many of them, now, are economically much better off than the forward castes. There is also no social discrimination of these people as they are appointed as priests in temples, learn Vedas, go wherever they want and freely mingle with society in all occasions. Now, Rahul Gandhi wants caste-based census and 50% cap on them to be removed. Politicians are using 'Reservation' issue as election strategy to come to power or get re-elected, thereby dividing the country on caste lines and fermenting hatred among people. .

Dr O Prasada Rao, Hyderabad

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LONG standing, ever debatable and questionable issue is well exposed with aptness in the editorial "Why not a white paper for time-bound end to reservation?" (08-05-2024). Initially, the framers of the constitution allowed only 10 years time for uplifting the so-called socially, educationally downtrodden communities which mainly covered SCs/STs. Extension of this period endlessly till date unfolds the total failure of governments to shape this tribe on a par with others. Rich in this tribe is also availing this constitutional provision. Provide free education and other frugal necessities freely, but not in employment and promotions. Govt knows but quite helpless. Be courageous. Do away with reservation after current period is over. Write it on white paper right now. Get guts.

N Padmavathi, Hyderabad

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Against the backdrop of fiery campaign by opposition over reservations to Muslims, the editorial highlighs that reservations cannot be permanant because it not only puts the constitutional provision of equality under strain but also perpetuate backwardness. Over the years, with more castes demanding quotas, a great deal of uncertainty has been introduced into the constitutional law on reservation with various states resorting to constitutionally impermissible quotas and procedures have only worsened the situation. With opposition raising reservation to Muslims separately even when constitution clearly spells out that reservation cannot be based on religion, the moot point is how long can the reservation be continued before putting a stop to it. In the given situation, a white paper is a good indicator with necessary empirical evidence to help the marginalised sections of society while putting at rest the dubious claims of reservations for Muslims and some upper castes.

K R Srinivasan, Secunderabad

Worst humanitarian crisis looms on Gaza

NO sooner had Hamas agreed to a truce deal proposed by Egypt and Qatar, Israel attacked Rafah crossing, making Israel Hamas war still worsening. The attack will further leave Gaza in a major humanitarian crisis. Despite the world expressing its displeasure over Israel's continuance of dirty war that took away 35,000 civilian lives in Gaza, it continues to cross all ethical limits to be observed in such fights. The famine-like conditions in northern part of Gaza and scarcity of food and essential drugs will become unimaginably worse with the latest developments there. America has been playing dual role thereby asking Israel to stop the war on one hand, and supporting them in logistics on other hand. Now it's time the world leaders convince Israel to stop the war immediately and avert the occurrence of worst humanitarian crisis in modern times.

Dr DVG Sankara Rao, Vizianagaram

thehansreader@gmail.com

BENGALURU ONLINE

CM hits out at BJP over appointment to temple festival panel

BENGALURU: Karnataka Chief Minister Siddaramaiah on Wednesday accused the state BJP of leveling a "false allegation" that the Congress government was trying to usurp the power of the Hindus by appointing a member of the Muslim community to the 'Brahmarathotsava' (car festival) committee of a temple in Hoskote near here. He alleged that the BJP that was "caught lying" deleted its false allegation made on social media soon after the government uncovered the truth. "Not only did I present the fact that Muslim community members were made members of this Brahmarathotsava committee even during the BJP government, I also demanded that the BJP delete its statement on social media and apologise to the people of the state," Siddaramaiah said in a post on 'X'. "...the shameless BJP has deleted its post on social media, but has not apologised to the people of the state," he said. The Chief Minister in another post hit out at BJP for targeting Congress government for making a person from the Muslim community as a member of the Brahmarathotsava committee of the Avimukteswara Swamy temple in Hoskote, pointing out that when the saffron party's government was in power in the state too, members of the Muslim community were part of the committee in 2020 and 2022.

Read more at https://epaper.thehansindia.com

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The Tribune
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Vaccine withdrawal

AstraZeneca can't evade responsibility

UK-based pharmaceutical major AstraZeneca has initiated global withdrawal of its Covid-19 vaccine, which was sold and administered as Covishield in India and Vaxzevria in Europe, amid a furore over its admission of a rare side effect, thrombosis with thrombocytopenia syndrome (TTS), which can cause blood clots and a low blood platelet count. Citing commercial reasons, the firm has attributed its decision to a 'surplus of available updated vaccines'. AstraZeneca has claimed that the vaccine withdrawal is not linked to the court case it is facing and that the timing is just a coincidence. However, the move is being seen as a damage-control exercise reeking of desperation.

The company's legal troubles are not going to end anytime soon as TTS has been linked to at least 81 deaths in the UK as well as hundreds of serious injuries. Seeking damages, more than 50 purported victims and their relatives have moved the High Court of Justice in London. In India, the Supreme Court has agreed to hear a petition pertaining to the AstraZeneca vaccine, which was manufactured here by the Pune-based Serum Institute of India. The petitioner has sought that an expert panel be set up to investigate the side effect in question and that the government must provide compensation in cases where individuals died or became disabled after being inoculated.

It is not enough for AstraZeneca to assert that patient safety is its highest priority. Vaxzevria and Covishield undoubtedly played a major role in saving millions of lives and controlling the global pandemic, but the health problems caused by TTS cannot be overlooked. A thorough probe is the need of the hour. The regulatory authorities, which apparently failed to maintain stringent standards to ensure safe use of the vaccine, must also be brought to book. At stake is the people's trust in vaccine safety in general, besides the accountability and credibility of vaccine makers.

Air India mess

Protests by disgruntled crew hit operations

THE Air India Express, a subsidiary of the Tata Group, is facing turbulence, with over 90 international and domestic flights cancelled or delayed due to a sudden shortage of staff caused by cabin crew going on 'sick leave' in protest against management policies. The Civil Aviation Ministry seeking a report from the airline underscores the seriousness of the matter. With passengers left in the lurch and chaos reigning at airports, swift action is required to address the grievances of the crew hit by changes in human resources policies and the alleged mismanagement within the airline. These disruptions have coincided with the onset of the merger of Air India Express with AIX Connect.

The unrest comes on the heels of last month's scale-down of operations by Vistara, the Tata group's other carrier, after a number of pilots called in sick, purportedly to voice concerns over a new pay structure and the impending merger with Air India. The airline had to drop 25-30 flights per day, leading to airfares on key routes soaring by nearly 25 per cent.

These developments are symptomatic of the challenges facing India's aviation sector, which is grappling with capacity constraints and heightened demand for flights. With major carriers like IndiGo and Go First contending with grounded aircraft and supply chain issues, the industry is under pressure to meet the needs of travellers. These challenges necessitate comprehensive solutions that prioritise both employee welfare and passenger experience. As Air India Express works to resolve its problems, the industry must strike a balance between addressing the current disruptions and implementing long-term strategies for sustainable growth. In a landscape fraught with uncertainty, collaboration between airlines, regulatory authorities and stakeholders is essential for charting a course towards stability and resilience.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, MAY 9, 1924

Lahore's farewell to the Governor

FOR obvious reasons, very little interest attaches to the farewell address presented by the Lahore Municipal Committee on Monday last to His Excellency the Governor of Punjab. Neither the address nor His Excellency's reply to it contains any reference to the cause that led the Hindus to abstain from participation in the last Municipal Elections, although this matter has been agitating the minds of the Hindus of Lahore during the last year and a half. Possibly, both parties were anxious to avoid making a reference to anything that would have created the impression that the address was given by a body not fully representative of the people and therefore not claiming to give true expression to the people's feelings with regard to the retiring Governor's administration. After expressing the usual regret at the departure of His Excellency and paying a tribute to his administrative capacity and width of experience, and above all, his "unfailing tact and sympathy", the address goes on to refer to the happy coincidence of the approximation of the Lahore Municipal Committee to a self-governing institution by the introduction of an elected president and the reduction of the nominated element to a minimum with His Excellency's term of office. Opinions, have, however, always differed as to the nature of the aforesaid coincidence because we firmly believe that it is this coincidence that has made it necessary for the most advanced and influential section of the citizens of Lahore to abstain from participating in the administration of its municipal affairs. Again, it is this very coincidence that has reduced to a minimum the control over Lahore municipal finances by a class that contributes the maximum to the funds of the town.

Peace elusive without unanimity

Proposed summit in Switzerland will be a non-starter if Russia remains absent

ABHIJIT BHATTACHARYYA
AUTHOR AND COLUMNIST

TRAGEDY: The Russia-Ukraine conflict owes its origin to factors for which neither nation is solely responsible. REUTERS

WORLD history of the past 400 years shows that geographically large nations have been relatively benign or far less aggressive compared to countries with smaller territories. The latter have demonstrated a peculiar penchant for worldwide expansion — conquering, killing, plundering and profiting while redrawing maps and dividing weak nations.

Take today's 10 biggest nations in terms of area — Russia, Canada, the US, China, Brazil, Australia, India, Argentina, Kazakhstan and Algeria. They are no match for nine particular countries/empires — Portugal, Spain, Britain, France, Italy, Germany, Denmark, Belgium and the Netherlands — when it comes to overseas aggression and transcontinental imperial conquests.

Barring the post-1945 hostile posturing of the US and the post-1949 Chinese belligerence, the 'big 10' have largely avoided any activity aimed at intercontinental usurpation. Today's Russia-Ukraine conflict, however, is an aberration; it is an exception to the rule owing to a combination of factors for which neither Russia nor Ukraine is solely responsible. Till 1991, both were part of the Soviet Union and never did their rulers resort to a ruthless assault on territories abroad. The Soviet invasion of Afghanistan in 1979 was an aberration as well.

Among the other constituents of the 'big 10', Australia and Canada were British dominions, whereas Argentina and Brazil were under Spanish and Portuguese empires for hundreds of years. Algeria came out of French clutches after being vanquished in the 19th century. India was partitioned by the British, while the 1991 breakup of the USSR led to the birth of landlocked Kazakhstan and other nations.

Contextually, one understands how and why the West felt the need for an overarching umbrella to launch a collective attack like that on Yugoslavia in 1999, and on Iraq and Afghanistan in the beginning of this century. Now, it is the bloc of nations under the North Atlantic Treaty Organisation and the European Union that is keen to prolong the Russia-Ukraine conflict at the behest of warmongers.

In the midst of the war in eastern Europe comes the proposal to hold the Ukraine peace summit at Burgenstock, Switzerland, in June. On the face of it, this is good news, yet Russia's reported absence/non-participation makes the summit a potential non-starter because no peace move can fructify without the presence of all belligerents on the high table. Russia's exclusion would only result in a stillborn agenda.

> No doubt Russia committed a blunder with its invasion of Ukraine in 2022. However, no war of this magnitude begins without grave provocation over a considerable period.

Germany, Europe's most populous and second largest country, is a key member of the anti-Russia front of the West. Berlin needs to recall its own humiliation at the Treaty of Versailles in June 1919, when the German delegation was threatened that war would be resumed in five days if the draft treaty was not signed instantly. German signatories were not even allowed to sit with the Anglo-French delegates at the negotiating table. Germany must also not forget its bifurcation after World War II. Having been among the worst sufferers of 20th-century wars, Germany must put its foot down to abort any peace summit without Russia's participation and not provoke Moscow into causing mutually assured destruction. Of late, political stalwarts of the West have virtually stooped to the level of foul-mouthed street urchins while castigating their opponents.

Let's face it: it would be well-nigh impossible to expect the success of a peace summit on the Russia-Ukraine war without a redrawing of the map. That's the crux, as a change of the boundary is the inevitable end result of a long-drawn conflict. One can foresee prolonged haggling and wrangling over the lingering dispute. What will be the possible shape and size of post-war Ukraine? Who will get what? Which nation could be the surprise beneficiary and which the unexpected loser?

Following the trend and pattern of Western conflicts, the partition or reparcelling of terrain is a historical inevitability. Russia aside, at least five adjacent countries (Romania, Lithuania, Bulgaria, Poland and Turkey) and the crowded Israel of the Levant could be eyeing additional 'living space' (Lebensraum) from Ukraine in the aftermath of a peace conference. It's because war, peace and partition are part of a cyclical process of Europe's past and present and there is nothing to show that the future would be any different. The formula has been consistently followed both within and outside Europe. From the Third Partition of Poland (1795) and the Congress of Berlin (1878) to the upheaval in Germany, Czechoslovakia, Yugoslavia, India, Korea, Sudan and Vietnam, all are testimony to the historical formula.

No doubt Russia committed a blunder with its invasion of Ukraine in February 2022. However, no war of this magnitude begins without grave provocation over a considerable period of time. The West has inherently been anti-Russia. Unsurprisingly, the feeling is mutual because Russia hasn't forgotten that when it was in the throes of a civil war in 1919, a coalition of Western and Eastern forces consisting of the US, Britain, France, Italy, Romania, Czechoslovakia, Canada and Japan had invaded the newly born Soviet Union through the Siberian port of Vladivostok in a bid to break its vast landmass into pieces. Russians say that they never invaded the US, Britain, France, Italy, Canada or Japan because their land extends from the border of Vilnius to Vladivostok. Hence, Russia was neither a transoceanic nor a transcontinental imperial power. Moscow has a point.

As far as West Asia is concerned, the ongoing Israel-Hamas conflict, too, is unlikely to reverse the cartographical pattern in view of the West's diplomatic and economic interests in the resource-rich region. But here again, there are powerful groups that want the war to continue. In this tragic scenario, peace would be a distant dream in the absence of unanimity. Hope the West and the warring nations come to their senses.

THOUGHT FOR THE DAY

> Wars have never hurt anybody except the people who die. — Salvador Dali

Stem the rot in the exam system

CHETANA VAISHNAVI

DECADES ago, I was sitting on the front bench during an exam in Class V when I saw a classmate copying from a textbook. I stood up and alerted the teacher: 'Miss... Uday is cheating.' She simply ignored me. I went back to my seat but couldn't concentrate on the question paper. Boldly, I again apprised the teacher, who was sitting on a chair, of my classmate's illegal means to pass the exam. There might have been several Udays in the class, copying from textbooks, but I was unaware of them. My second pleading made the teacher assert without rising from her chair: 'Uday, please don't copy!'

Recently, the CBSE suggested an open-book exam for English, mathematics and science for Classes IX and X, and for English, mathematics and biology for Classes XI and XII in selected schools on a trial basis. If copying is permitted in such important exams, won't it make things too easy for the students?

Exams evaluate one's knowledge. In the race to acquire more marks, knowledge is often the first casualty. A topper is not a person with high marks but one who is successful in life. When parents put pressure on children, some of them adopt unfair means to get good marks. Even though the quality of education is worsening, the marks obtained by students are rising exponentially. Learning is more important than marks. Some teachers help students cheat so as to improve their school's performance. Cheating in exams is nothing but academic dishonesty. The Vyapam scam pertained to exams for the selection of medical students and state government employees in Madhya Pradesh. It operated successfully for two decades before being unearthed in 2013. The exams were taken by lakhs of students each year, many of whom were paid proxies of undeserving aspirants. Other tricks used by the fraudsters included copying and tampering with answer sheets. The scam also led to several 'unnatural' deaths of persons involved in it.

Last year, mass copying in the Class XII physics exam was detected in a Pune school; nine teachers were booked. Earlier this year, the Class XII biology and mathematics papers of the Uttar Pradesh board exams were reportedly leaked on WhatsApp. Rampant cheating was witnessed in Nuh during the Haryana board exams. People brazenly scaled walls to pass on answer chits to students.

Strict rules and regulations are a must to prevent cheating in exams. The Public Examination (Prevention of Unfair Means) Act, 2024, includes provisions for stringent penalties, hefty fines and imprisonment for people involved in using unfair means. This law has been enacted to bring greater transparency, fairness and credibility to the public examination system. Hope it will help curb the menace of copying.

LETTERS TO THE EDITOR

Prajwal unfit for public office

Refer to the editorial 'Sexual abuse case'; the allegations of sexual harassment against Janata Dal (Secular) MP Prajwal Revanna, who is the grandson of former Prime Minister HD Deve Gowda, are shocking. If the claims about him sexually abusing women and video-graphing these acts are true, it reflects his lack of decency. It is unlikely that his family members knew nothing about his involvement in immoral activities. As a representative of the people, he seems to have gained more power to oppress women. It is telling that his father is under arrest on the charges of molestation and abduction. Such leaders are unfit to hold public office. The latest revelation should make all those voters who treated them as their leaders hang their heads in shame.

AG RAJMOHAN, ANANTAPUR (AP)

Bring perpetrators to book

Apropos of the editorial 'Sexual abuse case'; it is shameful that atrocities against women are continuing unabated in the country. It is equally disturbing that politicians are reportedly involved in cases of kidnapping, molestation or sexual harassment. This is a poor reflection on the way women are treated in Indian society. Citizens expect their representatives to lead by example. But since political leaders wield much influence, they sometimes abuse that power to commit atrocities against women. Because of social stigma and fear, the victims often don't come forward to report the matter. The perpetrators need to be dealt with sternly, and the victims must get justice.

RAVI SHARMA, DHARIWAL

Israel must stop now

Refer to the article 'Students lead struggle for reinvention of democracy'; it is inspiring to see American youth take an unequivocal stand to end the Gaza war. The killing of women and children has sadly been normalised. The civilians stuck in Gaza have become sitting ducks for the attackers, and that is what US university students are protesting. Further, the fact that the US is still supplying military aid to Israel instead of dousing the fire of war speaks volumes about its priorities. Israel's initial response to the October 7 attack by Hamas terrorists was legitimate, but it must stop now.

BM SINGH, BY MAIL

Palestinian lives at stake

The war between Israel and Hamas is intensifying. The Israeli attacks on Rafah will leave Gaza in an even bigger humanitarian crisis. While the world repeatedly expresses its displeasure over Israel's onslaught on Palestinian civilians, it continues to bomb women and children. The famine-like conditions in parts of Gaza and the scarcity of food and essential drugs will become unimaginably worse with the latest developments. On the one hand, America has asked Israel to stop the war, but on the other hand, it continues to send military aid to the country. It is high time that world leaders came together and persuaded Tel Aviv to stop the conflict.

DVG SANKARA RAO, VIZIANAGARAM (AP)

India is not xenophobic

US President Joe Biden recently called India and some other countries xenophobic. His bracketing of India and Japan with Russia and China is bizarre. His comment that the countries are xenophobic is ill-timed. Biden is right to say that America's economic strength is in being open to immigrants. The US is still the most-sought-after destination for immigrants looking for a better life. However, India's journey has been very different. Though it didn't have the economic strength to be a magnet for immigrants, it has still taken in millions of refugees.

PL SINGH, BY MAIL

A welcome move

Refer to 'Jyoti Malhotra appointed first woman Editor-in-Chief'; The Tribune Trust deserves kudos for selecting a female journalist as its next Editor-in-Chief. Readers of *The Tribune*, north India's premier newspaper, have high hopes from her. In this day and age, women are surpassing men in every field. Women have been making a name for themselves in areas that were earlier seen as male bastions. The appointment of Malhotra is a welcome move. As an experienced professional, she will hopefully live up to the expectations of the readers, just like her predecessors.

KL NOATAY, BY MAIL

Letters to the Editor, typed in double space, should not exceed the 200-word limit.
These should be cogently written and can be sent by **e-mail to: Letters@tribunemail.com**

The enduring lesson of strategic restraint

LT GEN JS CHEEMA (RETD)
FORMER DEPUTY CHIEF OF THE ARMY STAFF

IN 1999, Pakistan's Kargil intrusions challenged India's territorial integrity. Emboldened by its nuclear tests conducted the year before, Pakistan aimed to internationalise Kashmir as a nuclear flashpoint, assuming that its newly acquired capability would deter India from a full-scale military response, forcing early mediation and allowing it to keep the intruded territory across the Line of Control (LoC). To resolve the unprecedented crisis, India categorically rebutted any diplomatic efforts proposed by Pakistan until the intruders were completely evicted. A long period of diplomatic parleys would have afforded adequate time for the Pakistani intruders to consolidate their positions and indulge in excessive nuclear rhetoric to pressure India to accept the new alignment. Accordingly, the Cabinet Committee on Security instructed the armed forces on May 18, 1999, to clear the intrusions employing air power offensively but laying down a term of reference not to cross the LoC.

India's declaratory self-imposed caveat of not crossing the LoC, reflecting its policy of 'strategic restraint', was aimed at garnering international acceptance of a responsible nation avoiding escalation and prioritising peace. This could also help lift sanctions imposed by the global community after it had conducted nuclear tests in 1998, though this stance left many questioning the policy. Not surprisingly, it created a paradox, wherein India wanted to evict the intruders from its territory but was not ready to enter Pakistan-occupied Kashmir (PoK), which was under Pakistan's illegal control since 1948. It was tantamount to accepting the LoC as the international border and abdicating its claim to PoK. This limitation bolstered Pakistan's belief that India feared escalation because of the former's nuclear capability. The restriction also caused tremendous consternation among the Army and the Indian Air Force (IAF), as it involved frontal attacks along the expected approaches, causing larger Army casualties and curtailing the radius of the circuit of IAF combat aircraft. On being explained the adverse implications for the conduct of military operations, as the contingency might arise to cross the LoC, the National Security Adviser diluted the restriction, stating publicly that not crossing the LoC holds good today, but not sure what would happen tomorrow. The damage was, however, done, with Pakistan perceiving it as a meek military response.

Pakistan raised the spectre of a nuclear confrontation, with its Prime Minister, Nawaz Sharif, declaring its newfound confidence in countering an Indian attack on equal terms. Days later, Pakistan issued an official warning of retaliation, implicitly with its nuclear weapons. These threats were primarily aimed at the international community, especially the US and other Western nations, to pressure them to restrain India's military push. However, New Delhi dismissed these threats, well aware of Islamabad's limited nuclear capability — possessing only a few undeveloped nuclear weapons with restricted delivery systems sans a proper command structure for using them. Lt Gen Prakash Menon, former Military Adviser to the National Security Council Secretariat, aptly remarked: "It was with a non-existent capability around which Pakistan wove its paradigm of a nuclear umbrella, to prevent escalation as well as leverage the nuclear flashpoint card internationally."

IMPACT: The Kargil conflict marked a strategic shift in the international perception of India, whose measured response was viewed positively. FILE PHOTO

> Powerful nations employing disproportionate force to achieve tactical objectives need to introspect.

The international community, initially swayed by Pakistan's rhetoric, saw through it as India presented concrete evidence of the Pakistani army's involvement in the intrusions. The shift in the narrative compelled Pakistan to tone down its rhetoric. Reacting to Islamabad's threats of more incursions, New Delhi hinted at military action across the border. The Army's success in recapturing the intruded heights reflected the hollowness of Pakistan's nuclear rhetoric. India carefully calibrated strategic troops posturing close to the border and relocating naval assets to the Arabian Sea to create a strategic asymmetry along the entire Indo-Pak front to achieve escalation dominance, should there be a need for war. While the Western media overplayed the nuclear threat, Pakistan's attempt to link its actions to a potential nuclear flashpoint failed. Instead, it came under intense international pressure to withdraw.

As the Indian military operations gathered momentum, Pakistan sought an exit strategy. Its Prime Minister visited Washington in July 1999 to meet then US President Bill Clinton, who categorically rejected Pakistan's repeated pleas for direct US intervention in the J&K dispute and called again for withdrawal. Pakistan eventually agreed, and the Indian Army accepted a phased withdrawal on its terms and conditions. The Pakistani army withdrew by July 17, barring three areas, which were cleared by the Indian Army by July 25. On July 26, the Indian Army declared the successful conclusion of the Kargil War.

The Kargil conflict marked a strategic shift in the international perception of India, whose measured response, exercise of strategic restraint and prioritisation of regional stability over escalation were viewed positively. The US unequivocally favoured India, with its Congress recommending the suspension of loans from international financial institutions to Pakistan until it withdrew its troops. The G8 countries and the European Union adopted a similar stance. Russia was more supportive, while Pakistan's trusted ally, China, maintained a neutral stand. Most of the other countries showed even-handedness, asking for restraint, while Saudi Arabia and Iran sought UN intervention. The saga of the unparalleled courage and bravery of Indian soldiers was superbly supplemented by politico-diplomatic initiatives bolstering India's international standing as a responsible country. Pakistan was humiliated not only on the Kargil battlefield, but also globally.

The Kargil conflict highlighted the contrasting perspectives of India and Pakistan. India conceptualised a limited conventional war as an option below the nuclear threshold. Pakistan, however, believed that its newly acquired nuclear capability had deterred a stronger Indian response, emboldening it to continue using terrorism as an instrument of state policy, as evidenced by the terrorist attacks on Parliament in December 2001 and the Mumbai terror attack in November 2008. Whether an all-out war in 1999 could have prevented major terror attacks originating in Pakistan remains debatable.

The strategy of restraint can be a powerful tool of a strong nation and not a sign of weakness, as it underscores a country's confidence in its long-term strategic approach. In today's world, this lesson seems more relevant than ever before. Powerful nations employing disproportionate force to achieve tactical objectives need to introspect. The object of war, as per Carl von Clausewitz, is not victory but to establish enduring peace. But unfortunately, that has rarely happened, as testified by the numerous ongoing confrontations.

Right to apprenticeship should be a priority in India

SANTOSH MEHROTRA
RESEARCH FELLOW, IZA INSTITUTE OF LABOUR ECONOMICS, GERMANY

IN its manifesto for the 2024 elections, the Congress announced a right to apprenticeship (RA) for all post-secondary certificate/degree/diploma holders. It guarantees all under-25-year-olds the right to apprenticeship with firms where the youth can get training and work together, based on the duality principle of the Germanic skilling model (involving schooling and simultaneous work experience). India has always had a supply-driven vocational skilling ecosystem, where youth are getting educated but not 'skilled' in a true sense, where there is very little employer connect and no requirement for internship or apprenticeship. This calls for a scrutiny of the performance of the government's skill development initiatives in India and why reforms like an RA are a step in the right direction.

Vocational education and training (VET) has been neglected in India for over half a century until the 2000s (just as school education had remained neglected in India's planning strategy) — the costs of which we continue to pay today. In 1991, when India's economic reforms began, literacy was 51 per cent — or half of India's population was illiterate, mostly concentrated in the agriculture sector. Although school education received a new-found emphasis in public spending in the 1990s, VET still continued to be neglected (although that was not the case for technical higher education). The 11th Five-Year Plan (2007-12) was the first Plan that had a chapter on skill development.

The result is that India's manufacturing and services workforce still has very low levels of education. Worse, the National Sample Survey Office's Employment-Unemployment Survey (2011-12) says 2.2 per cent of the workforce had received formal VET. Periodic Labour Force Survey (PLFS) data shows that the percentage of formally vocationally trained individuals decreased from 2.2 per cent (10.43 million) in 2011-12 to 2 per cent (9.14 million) in 2017-18, but in five years, rose to 3.7 per cent (21.05 million) in 2022-23. So, who have been added as 'vocationally trained'?

PLFS 2017-18 shows that 22 per cent of total vocationally trained undertook less than six-month courses, and that share has now risen to 37 per cent. More worryingly, in 2017, 29 per cent individuals used to take two-year or longer courses, now reduced to 14.29 per cent. The VET duration of Skill India Mission courses is very short (in some cases, only 10 days).

NECESSARY: What India's youth need urgently is a pathway to work opportunities. PTI

Since 1961, India has had the Apprentices Act, which requires all registered firms to accept apprentices for at least one year or more. Ten years ago, about 250,000 apprentices existed in registered non-farm enterprises. In August 2016, the government of India launched the National Apprenticeship Promotion Scheme (NAPS), worth Rs 10,000 crore. Though the objective was to train 50 lakh apprentices by 2020, only 20 lakh could be trained by 2022. Out of the envisioned Rs 10,000 crore, only around Rs 650 crore was disbursed to states between 2017 and 2022. NAPS-2 was launched in 2023; no figures for the same are currently available.

> Skill policies and schemes need a big overhaul on the lines of Swiss and Germanic models, in which the youth and the industry take centre stage.

An International Labour Organisation study in 2022 concluded that the amendments to the 1961 Act have contributed to an increase in the number of apprentices in India. In a workforce of 570 million in 2022-23 (PLFS), the apprentices were just over a half million, a rise from 2.5 lakh 10 years ago. Clearly, the amendments have not worked wonders. This is not surprising, given that practically the entire private corporate sector has largely ignored the apprenticeship schemes. Only central and state public enterprises have tended to fulfil their obligations. MSMEs still continue to ignore the scheme. The result: Germany, with a 46-million workforce, has at least 6 million apprentices; India has, by contrast, half a million. The difference arises from the industry/employer involvement in pre-employment training — which makes India's approach supply-driven, but successful VET programmes around the globe have been demand-driven.

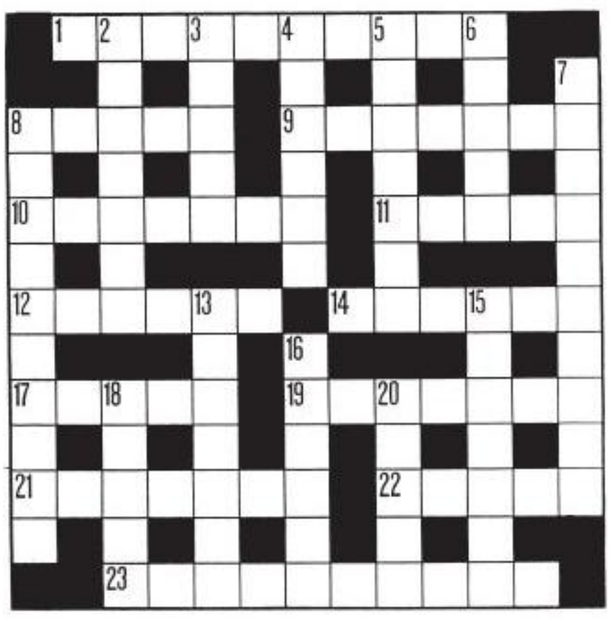
What India's youth need urgently, as 6 million or more join the labour force each year, and over 100 million wait in the wings as NEETs (Not in Education, Employment or Training), is a pathway to work from their education, whether the education is of a general academic nature or vocational or technical. This requires that the Central Government think seriously and urgently about involving employers/industry in the skilling process.

The urgency arises from the following facts: The India Skills Report 2021 argues that nearly half of India's graduates are unemployable. Open unemployment was barely 2.1 per cent in 2012 and had already nearly tripled to 6.1 per cent in 2018, the highest rate in 45 years of India's labour force surveys. The number of unemployed was one crore in 2012; it tripled to three crore by 2018. The youth unemployment rates went through the roof for those with middle school (Class VIII) education, rising from 4.5 per cent to 13.7 per cent; those with secondary education (Class X) from 5.9 per cent to 14.4 per cent; and with higher secondary (Class XII) education from 10.8 per cent to 23.8 per cent. Educated unemployment worsened sharply. For graduates, the unemployment rate rose from 19.2 per cent to 35.8 per cent; and for postgraduates from 21.3 per cent to 36.2 per cent (2022-23).

In the light of educated unemployment, a lack of takers of skill programmes, low-quality training and abysmal placement rate, there is an urgent need for a comprehensive overhaul of the skill ecosystem. India, suffering from unemployment among the highly educated, in the future is moving towards the problem of skill underutilisation and overeducation (or 'degree mania'). Mere rhetoric and inflated government statistics will no longer suffice. It is imperative that the government prioritises quality over quantity, ensuring that every individual emerges from these programmes truly equipped to contribute meaningfully to the workforce. Anything less would be a disservice to the aspirations of millions seeking a better future through skill development.

Skill policies and schemes have failed; they need a big overhaul on the lines of Swiss and Germanic skill models, in which the youth and the industry take centre stage. A Right to Apprenticeship for every youth should be an urgent priority.

QUICK CROSSWORD



ACROSS
1 Without preparation (3,3,4)
8 Persistently harassed (5)
9 The largest ape (7)
10 Put at risk (7)
11 Second planet from the sun (5)
12 Thick soup (6)
14 Grasp tightly (6)
17 Sequence (5)
19 Print and distribute (7)
21 Expand (7)
22 Half-hearted (5)
23 On top of everything else (2,3,2,3)

DOWN
2 One who bothers about trivia (7)
3 Private teacher (5)
4 Swallow up completely (6)
5 Disentangle (7)
6 A criminal (5)
7 Take up a cash collection (4,3,3)
8 Show a profit (2,2,6)
13 Relating to a class (7)
15 Of little consequence (7)
16 Maintenance (6)
18 Apportion (5)
20 To suit (5)

YESTERDAY'S SOLUTION

Across: 1 Gratis, 4 Sketch, 9 Dead Sea, 10 Drawn, 11 Wedge, 12 Dossier, 13 Cutting edge, 18 Infidel, 20 Perch, 22 Frown, 23 Vis-a-vis, 24 Rather, 25 Adonis.

Down: 1 Go down, 2 Award, 3 Inspect, 5 Kudos, 6 Tearing, 7 Hungry, 8 Hand in glove, 14 Up-front, 15 Exposed, 16 Differ, 17 Thesis, 19 Dense, 21 Riven.

SU DO KU

2	6		8		4			
3				7	5			
	7	5						
	9				3	4		
	4						7	
		3	2				9	
						7	2	
			9	1				8
			3		6		4	9

V. HARD

YESTERDAY'S SOLUTION

4	2	5	1	6	7	8	3	9
7	9	1	3	4	8	2	5	6
6	3	8	9	2	5	1	7	4
8	6	2	5	7	1	4	9	3
3	7	4	6	8	9	5	1	2
5	1	9	2	3	4	6	8	7
2	5	6	8	9	3	7	4	1
9	8	7	4	1	6	3	2	5
1	4	3	7	5	2	9	6	8

CALENDAR

MAY 9TH 2024, THURSDAY

- Shaka Samvat 1946
- Vaishakh Shaka 19
- Vaishakh Parvishte 27
- Hijari 1445
- Shukla Paksha Tithi 1, up to 6.22 am
- Shukla Paksha Tithi 2, up to 4.18 am
- Sobhana Yoga up to 2.41 pm
- Kritika Nakshatra up to 11.56 am
- Moon in Taurus sign

FORECAST

SUNSET: THURSDAY 19:05 HRS
SUNRISE: FRIDAY 05:32 HRS

CITY	MAX	MIN
Chandigarh	37	27
New Delhi	39	26
Amritsar	40	24
Bathinda	40	25
Jalandhar	40	24
Ludhiana	40	24
Bhiwani	41	27
Hisar	42	25
Sirsa	41	27
Dharamsala	32	21
Manali	25	08
Shimla	25	16
Srinagar	29	11
Jammu	40	22
Kargil	23	11
Leh	21	06
Dehradun	34	25
Mussoorie	25	15

TEMPERATURE IN °C

OUR VIEW

ISTOCKPHOTO

Lower financial savings aren't a cause for alarm

A sharp drop in India's net household financial savings largely reflects post-covid trends that include a credit boom and physical asset upswell. A reversal will be welcome, though

With Indian savings a key source of funds for the economy, a drop in the sums that households have been setting aside has evoked concern. This could mean a smaller pool of money available for the economy's use. It may also suggest that home budgets have been stretched. A closer look at the latest official data, however, reveals why a wider lens is needed to grasp what's going on. But first, the number that made people sit up. Net household savings have fallen to a five-year low of ₹14.2 trillion in 2022-23 from a peak of ₹23.3 trillion in 2020-21. That's a drop of more than ₹9 trillion, or almost 40%, in a brief period. Since household savings make up more than half of India's gross savings, such a dip could imply less resources for banks to lend and fuel economic growth. The overall savings of Indian homes, including non-financial, shrank as a proportion of GDP in 2022-23 from its covid swell of 2020-21, when this reading went above its post-1991 average. While more savings would certainly serve us better, the recent drop in net financial savings, the number that has caught attention, can by and large be explained by covid constraints followed by a boom in both credit offtake and home-buying that traced India's recovery from the covid year's shock.

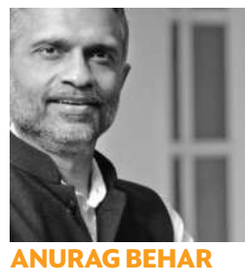
Indeed, as 'net' here means net of loans, we should also look at the latter. The net figure, it turns out, dropped so low because household liabilities rose steeply—to ₹15.6 trillion in 2022-23 from ₹7.4 trillion two years earlier. This is consistent with a surge in retail lending reported by lenders. Alongside, 'savings in physical assets' grew by an impressive ₹13.4 trillion over that period to ₹34.8 trillion. Broadly, then, the main story has been of loans taken and property acquired once we exited the pandemic and emerged from the GDP crater of 2020-21. Of course, some of the extra debt that homes took on was for consumption. But so long as the bulk of bank advances went into physical assets that retain and rise in market value (such as real estate), we could assume that enlarged credit was prudently deployed for the most part. Net savings in decline for big-ticket buys are not a reason for worry. Unless asset deflation were to somehow ensue, it means people's holdings have enlarged. Another observed aspect of India's recovery was a massive turn by households towards equity and other paper assets. Explosive growth was seen in demat accounts and multitudes of new investors got signed up by mutual funds (MFs). According to official data, household MF investments almost trebled to ₹1.79 trillion in 2022-23 from ₹64,084 crore in 2020-21; in debentures, they nearly doubled to ₹2.06 trillion. Since these, together with directly bought shares, are also recorded as part of our financial savings by the official reckoner, perhaps the net figure for 2022-23 should have been brighter. But then again, since the market value of such holdings tends to vary frequently and vastly, the numbers on record may understate what households actually have at their disposal. Also, more savings mobilized by capital markets is good for the economy.

It's a welcome sign that risk aversion *vis-a-vis* equity investments has been fading away. Since many investors are new to stock markets and have seen bull runs but no bear phases, however, regulators must keep a vigil on froth. Bank balances have been slow to recover, as the net savings fall suggests, but a flight to safety set off by stock-market volatility won't help.

MY VIEW | OTHER SPHERE

Leadership determines whether institutions flout or value norms

Public vigilance may be the only safeguard against institutions that subvert foundational ideals



ANURAG BEHAR
is CEO of Azim Premji Foundation.

Pre-school to Masters, I studied in nine institutions. Two of these were run by religious trusts. There was not the slightest effort in either institution to influence our religious beliefs. Nevertheless, my experience in the two was vastly different.

Education of students was clearly the purpose of one of these institutions. Everything reflected it—the behaviour of its teachers, the way its timetable was organized, the buildings and physical space, and more. In the other institution, almost each one of these things reflected a different underlying assumption. That the institution was in the service of God and the education of students was only an instrument for that. While we were completely kept out of it, the religious duties and rituals of its staff took precedence in the timetable and its physical spaces, including decorations, were infused with the same spirit. The most sharply felt difference, and yet the subtlest, was the behaviour of teachers. Most of them were good teachers, but seemed distanced from students, who were seen perhaps as subjects in an exercise of serving God. We felt it in their black-and-white notions of right and wrong, as well as bounded empathy for students, which would in extreme cases manifest in an unstated sentiment: 'You and your problems can't stand between us and our work for God.'

The punishment regimes were distinct too. In the former, it was reformist, but harsh and vindictive in the latter. As though the student who had 'fallen out of line' was wilfully acting against their divinely aimed efforts.

I have also seen similarly differing approaches to institutional functioning that can be attributed to different belief systems in hospitals run by religious institutions. The experience of patients in these institutions, however, does not differ as much. This is perhaps because while a student's transgressions can be construed as an obstacle to the spirit of service to God in an educational setting, in a hospital, no such attribution of motives can be done for illnesses.

Maybe I am being too harsh on one of my *alma maters* and oversimplifying matters to highlight my basic point—that institutions function based on certain foundational norms or beliefs, which are embedded in the very being of the place. Most often, these are not even articulated, yet influence the institution. It was a nuanced difference in foundational norms that made all the difference between the two institutions.

All our institutions and institutional systems operate with such norms. We take them as given. Some of them are so seemingly obvious that it becomes very difficult to frame them clearly, and instances of their violation often leave us stumped and inarticulate.

On a winter afternoon, we sat at a tea stall. Across the road was the spanking new building of an educational institution that we had come to visit unannounced. It was locked. There was no reason for that, as it was a normal work day. A few groups of students were also at the stall. They had no clue that we were visitors to their institution. We started chatting and the students told us that the principal and 10 faculty members were in cahoots and did pretty much nothing but take their salary home. The institution was always shut. New buildings were built because there was money to be made from construction contracts. No complaints were entertained by anyone because the principal was close to some local politicians. And the place was so far from even the district headquarters that if an officer were to come visiting, the forewarned principal would open the institution to present a charade of normalcy. The principal also ensured that the student body was irreconcilably divided on caste lines, with his own caste group getting a free pass, including in exams, which suggested a wide conspiracy of corruption.

Gross violations of foundational norms for educational institutions, or for that matter any institution, are not uncommon in our country. In this case, the basic norm is that the institution has an educational and social purpose, and its people must act for these purposes. Digressions from this norm do take place in most institutions because of human frailties or wilful misconduct, but within a range. That range departs from the foundational norm, but the norm is not erased. Complete subversion of the most foundational of norms amounts to hijacking the institution for altogether different purposes, and this is possible only when the leadership systematically attempts it.

Leadership makes all the difference. In the case of the two education institutions I went to, the nuanced difference between their foundational norms was maintained by and manifest in their leadership. It was remarkable how that seemingly slight difference, through the commitment of leadership, was so evident in every aspect of how they worked. At another end, the locked institution I visited was an exhibit of leadership subverting the most foundational of norms. Such systematic and wilful subversion by leaders happens all too often in our institutions—not only in the education sector but elsewhere too. In the messy reality of our country, there are few safeguards against this phenomenon—other than courageous public vigilance.

10 YEARS AGO

mint
No Modi wave, but a Fragile Five rally in equity markets
In EC-BJP face-off, Modi plays the victim

JUST A THOUGHT

> Values are like fingerprints, nobody's are the same, but you leave them all over everything you do.
>
> **ELVIS PRESLEY**

GUEST VIEW

Do hybrid bonds actually offer depositors protection?

ANIL GUPTA

is senior vice president and co-group head, Financial Sector Ratings, ICRA.

During the last few years, there have been a few instances of the write-down of debt capital instruments issued by banks in the Indian market—such as the Tier 1 bonds of Yes Bank in March 2020 and Tier 2 bonds of Lakshmi Vilas Bank in November 2020 after being declared non-viable by the Reserve Bank of India (RBI). Similarly, there have been precedents of the complete write-off of these instruments globally, the most recent being the Tier 1 bonds of Credit Suisse following its takeover by UBS.

Bondholders of Yes Bank's Tier 1 instruments challenged the write-down and moved the judiciary on the matter. As they received a favourable judgement from the High Court of Bombay in January 2023, the bank, RBI and the government decided to move the Supreme Court of India against the order.

The matter remains *sub-judice* at present. The April 2024 order of the High Court of Madras has also directed RBI to take a fresh decision on the write-down of the Tier 2 bonds of Lakshmi Vilas Bank.

The financial strength of a bank in terms of safety is seen in how well capitalized it is. A rising capital adequacy ratio, for example, means a bigger capital base as a proportion of its risky assets (or loans). The bigger this cushion is, the more easily it can absorb losses. Sound banks tend to have more capital than required by regulation. It need not all be equity. RBI rules let banks issue debt instruments to fill capital cushions.

After the global financial crisis in 2008, the onus of bailing out failed banks in the West fell on governments. To address this, the Basel Committee of the Bank for International Settlements (BIS) notified new debt capital instruments. These instruments, namely Basel 3 Tier 1 and Basel 3 Tier 2 bonds, have a complete write-down feature to bail out a troubled bank if it is declared non-viable by the central bank that exercises jurisdiction over it.

These bonds are also known as 'hybrid bonds' as they have the features of debt as well as equity capital. Consider the risk of write-offs. In an event of stress, these bonds bear the brunt of value destruction even before the bank's equity holders are called upon to take a loss, as per the terms of their issuance. This can lead to great losses borne by bondholders. In the Indian banking system, such debt capital instruments surpassed ₹4 trillion on 31 March 2024 (a fifth of the system's net worth of over ₹21 trillion), with Tier 1 bonds accounting for around 30% of total outstanding debt capital instruments.

Over the last decade, the covenants for coupon payments on Tier 1 bonds have undergone a change to ease the ability of banks to service them. This has also improved investor appetite for these bonds, which can be serviced only through the profits or accumulated profits of banks. As some banks suffered huge losses during India's last phase of asset quality stress (from 2015-16 to 2019-20), many banks, including public sector lenders, came close to skipping coupon payments on these bonds.

The issue needs to be settled. At stake is their ability to absorb losses and act as capital cushions for lenders

Nevertheless, with large capital infusions from the government, several public sector banks were able to service these bonds. Hence, while these bonds always had a write-down feature, the onus of bailing out these banks fell on the government. Subsequently, prior government approval was made a prerequisite for public sector banks to issue such Tier 1 bonds from January 2018 onwards.

These debt capital instruments usually promise higher yields on account of the greater risk of holding them. However, the attractiveness of their yield premium over safer bonds is debatable, given recent instances of such instruments being written down, or in the backdrop of the extraordinary financial support extended by the government even to the weakest public sector lenders.

The Supreme Court's judgement on Yes Bank's Tier 1 bonds will be under watch, as it will set a precedent for the fate of these debt instruments in future bank resolution cases. It could also offer clarity on the bank regulator's jurisdiction over such matters. Clarity on these issues will be crucial not only for the regulator in performing its role, but also for investors in general of failed banks, as they would be better able to assess the liabilities they may need to take over while proposing a resolution.

In case the decision goes against such a write-down, it would give rise to the question of whether these hybrid bonds are good enough for inclusion in the capital count for compliance with Basel 3 guidelines. Another question would be whether these bonds offer depositors protection in the event of a bank's failure. If these bonds cannot absorb losses, they are merely another form of borrowing, which means their inclusion in capital-ratio calculations will need to be reconsidered.

Despite these ambiguities, the regulatory stance of keeping the depositor's interest paramount has ensured that people's faith in the Indian banking system remains high. Going forward, perhaps it would be prudent if all stakeholders—including issuers, investors and the sector's regulator—reach a consensus on the risks involved in the use of such hybrid bonds before letting them be counted as part of the capital stock of banks for regulatory requirements.

If not, we many need to consider further restrictions on the use of such instruments by lenders.

GUEST VIEW

Democracy: What TikTok failed to understand about America

TikTok's aggressive tactic of getting users to protest a US law only worsened the anxiety over this platform's political sway

NANCY QIAN
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AFP

TikTok has become one of the world's biggest stories in business and geopolitics. US President Joe Biden recently signed a law that will ban the massively popular app in nine months if its Chinese owner, ByteDance, does not sell it to a non-Chinese entity.

TikTok, for its part, has called the law "political theatre," and it is probably right: there is always some theatrics in politics, and bashing China is currently one of the most popular shows in town. Almost no other issue can unite the two major parties. But, given the arrogance TikTok exhibited in the weeks and months leading up to the US bill's passage, the company's leadership clearly has a fundamental misunderstanding of America and Americans.

Compared to policymakers in other countries, US lawmakers are usually reluctant to regulate business, and many had previously opposed a forced sale of TikTok for fear that it could create perceptions of corruption, reduce business and investor confidence in the US and undermine free speech. Most agree that when regulation does happen, it should clear the relatively high bar of serving the public interest.

Until a month ago, the main public-interest concern in America was data privacy. Questions such as who can access user data and whether that data can be put to malign uses are pertinent to all large social-media platforms. Over the past decade, the US Congress has held many hearings on the issue, often targeting large US companies such as Meta and Google. But these concerns are amplified in TikTok's case, because many US lawmakers assume that the Chinese government can force TikTok to hand over its American users' data. Under laws China enacted in 2017 and 2021, all Chinese organizations are required to assist the government's intelligence-gathering and counter-espionage work, if asked.

TikTok promised that it would store Americans' data on servers outside China. That did not satisfy US lawmakers and security officials, who continued to worry about 'backdoors,' an issue that contributed to the US Federal Trade Commission's decision two years ago to ban telecom equipment made by Huawei.

Still, at one point, there was hope for a workable solution whereby US regulators would conduct detailed examinations of the company's technology. Since data privacy is an industry-wide concern, TikTok could have played the issue to its advantage, such as by investing in data safeguards and supporting independent research of its own platform. It could have met US lawmakers halfway, and approached the issue proactively, transparently and in the spirit of collaboration. By doing so, Bytedance and TikTok could have been a positive force for change in the US technology industry. Instead, TikTok adopted an aggressive stance, hired expensive lobbyists, and, in a catastrophic misstep, even mobilized its (predominantly young) American users to call their representatives in Congress on its behalf. Pop-up messages urged users to, "Let Congress know what TikTok means to you and tell them to vote NO." Some congressional offices received more than 1,000 calls in the space of a day.

On the surface, this may have seemed like a savvy strategy, given Uber's earlier success in mobilizing its users to lobby against legislation it opposed. But TikTok overlooked a crucial difference: Uber is an American company. By intervening in the US political process, TikTok made the situation much worse for itself, highlighting a second major threat that its critics say it could pose to the public interest.

Over the past decade, ordinary Americans and lawmakers have grown increasingly concerned about social media's undue influence on users' beliefs, behaviours and voting decisions, and on how hostile foreign actors can exploit the major platforms for their own purposes. This risk strikes at the heart of American democracy, and it is not just hypothetical. We already know that Russia and other governments regularly try to interfere in US and European elections.

Given this context, TikTok's mobilization of its users wasn't just an annoyance to elected officials' staffers; it was an alarm bell. Many of those who responded to the call seemed not even to know what they were protesting. A foreign-owned company had brazenly demonstrated just how easy it is to manipulate platform users to serve its own interests, confirming that it knew all along how much political influence it could exert in the US. Suddenly, and understandably, the focus in the US shifted from Russian voter manipulation to Chinese voter manipulation.

Perhaps nothing could have saved TikTok from the forced-sale legislation enacted by America, given the current geopolitical climate. We will never know what could have been. But it is clear that the company's aggressive strategy backfired. TikTok launched what many saw as an attack on American democracy, and ended up ensuring the majorities that were needed to push the bill through Congress.

TikTok's future in America is now uncertain. Before it weighs its next moves, the company should fire its lobbyists and consultants, who should have advised it to be more respectful of Americans' legitimate concerns about data privacy and threats to democracy. And all other non-US firms should learn from TikTok's recent missteps on what not to do.

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MINT CURATOR

Does Vietnam risk becoming yet another Chinese province?

Supply-chain diversifiers should track Vietnamese political trends

SHULI REN
is a Bloomberg Opinion columnist covering Asian markets.

Northern Vietnam seems to be developing Chinese characteristics ISTOCKPHOTO

Vietnam's anti-corruption drive, which the ruling Communist Party chief Nguyen Phu Trong likened to a "blazing furnace," is running hot. This year alone, two of the four pillars of power, including the chairman of the parliament and the country's president, left their posts amid graft allegations. Last month, Truong My Lan, a real estate tycoon and Vietnam's richest woman, was sentenced to death for her role in a $12 billion fraud case that involved Saigon Commercial Bank, one of its largest lenders. Eighty-five others were sentenced on charges ranging from bribery to abuse of power.

There are now concerns among investors that Vietnam, perfectly positioned to gain from the US-China rivalry, is not all that politically stable. With Hanoi's power vacuum getting bigger, it's unclear who will have the top job. Trong, at the age of 80, is widely expected to step down at the next Party Congress in January 2026.

What's clear, however, is that this anti-graft campaign is moving prosperity closer to the Chinese border, while leaving Ho Chi Minh City, until recently the country's commercial centre, in the dust. At this rate, only northern Vietnam may live up to its full potential—at the expense of the south.

As global manufacturers diversify their supply chains, money has been going to the northern region around the capital city of Hanoi and the eastern port of Haiphong. Quang Ninh, the northeast coastal province where the tourist hotspot of Halong Bay is located, was the largest recipient of foreign direct investments last year. Swedish auto-safety systems maker Autoliv is planning a $160 million factory there, as is Taiwan-headquartered auto supplier Boltun, just to name a few.

At issue in Vietnam is infrastructure, which smartphone and electric vehicle manufacturers need for their mega factories. Vietnam, shaped as a long and curvy letter S, still relies on roads that can be narrow, congested and bumpy for most freight traffic. It ranked 43rd in the World Bank's latest Logistics Performance Index, down from 39th in 2018 when the US-China trade war began.

Trong's anti-graft campaign has an unfortunate side effect—public procurements for infrastructure projects have stalled. Officials are too scared to make any decisions for fear of inciting scandal and punishment. In the first four months of this year, the government disbursed only 15% of what it had planned for public investments. To foreigners, the most glaring and disappointing example is Ho Chi Minh City's much-anticipated first metro line, which began construction in 2012 and was originally scheduled for completion in 2018. It is still not open yet.

This has made Quang Ninh all the more attractive. Perhaps reflecting the top politician's own bias—Trong grew up in Hanoi—the government has spent more on infrastructure near the capital. A new deep-sea port at Haiphong and Expressway 04, which connects to Hanoi, began operations in 2018. The opening of Expressway 06 in 2022, which links Haiphong to the city of Mong Cai near the Chinese border, gave the area a significant tailwind, too.

Quang Ninh's geographical advantage is in full display especially if the new factories need essential stuff, such as electricity. With all the foreign manufacturers pouring in, power demand has been soaring. But almost no decisions on energy infrastructure have been taken since the anti-corruption campaign started in 2017, noted Gavekal Research. A year ago, amid shortages exacerbated by scorching heat, Vietnam struck a deal to import electricity from China's neighbouring Guangxi province. This kind of emergency solution to avert production halts would not be possible if a factory was built in the south. Vietnam has been a net energy importer since 2015.

Lan's death sentence has created some unease among businesspeople. A Saigon native and ethnic Chinese, she owned extensive property portfolios in the city. Her husband, Hong Kong property tycoon Eric Chu, went on a fire sale last year when Lan was arrested. Her companies were among the first major privately owned businesses that landed in the government's crosshairs, showing Hanoi was willing to take the campaign beyond its ranks. Having gone through crackdowns of their own, Chinese entrepreneurs looking to enter Vietnam, for one, prefer to be aligned with the interests of the political elite, which does not appear to be in the south.

In many developing nations, a little bit of corruption can grease the wheels of commerce, and a lack of it could stall progress. Hanoi may want 'bamboo diplomacy' and more friends than foes, as Vietnam becomes more dependent on China. But its internal politics seems to be turning the northern part of the country into a *de-facto* Chinese province.

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GUEST VIEW

Trash it right: We must transform waste management

ABHISHEK SHARMA & WILMA RODRIGUES

are, respectively, assistant vice president at Sambodhi Research, and founder and chief executive officer of Saahas Zero Waste.

Heard of the Trash Isles? It's a 'country' with over 100,000 citizens, with Judi Dench as its queen and Dwayne 'The Rock' Johnson as defence minister. This floating mass of trash clumped together and polluting the Pacific Ocean was declared an imagined country by an awareness campaign to focus attention on the 'no man's land' that gets polluted by everyone's waste but is taken care of by no one. Today, it is the world's 26th smallest 'country' by population, with all its 'citizens' (people who have signed up to clean up the mess) pledging to reduce consumption of single-use plastic.

This is one of many examples that exist in a sea of creative solutions driven by the need for environmental action. Whether it is oceanic clean-ups or using flowers from temples for making incense sticks, the idea is to make zero-waste economies the norm.

Over the past few years, waste management has seen a paradigm shift in terms of policies and perspectives. How we manage our waste at individual and organizational levels shows a seismic change in perspective: waste is no longer something to discard instantly, but a reservoir of resources, given all the materials to be recovered for reuse.

How are current policies different from traditional waste management practices?

India's current policy framework aims to eliminate landfills or have less than 10% of waste going into these. This forms the basis of 'zero waste' policies that are part of the Solid Waste Management Rules in India. To achieve this end result, we will need to introduce a holistic system that begins with the collection of segregated waste, followed closely by further sorting into multiple categories, the aggregation of each category, and finally its dispatch to various recyclers. If this process is followed meticulously across the country, we will have a system calibrated for maximum resource recovery, with 95% of the waste sent for processing and just 5% put into a landfill.

Contrast this with the current dismal situation. A report by The Energy and Resource Institute (TERI) states that India generates over 62 million tonnes of waste in a year. Of this, only 43 million tonnes of total waste generated gets collected, 12 million tonnes is treated before disposal and the rest is simply discarded in waste yards.

If we delve deeper into the kind of waste produced, we find that the 62 million tonnes of waste includes 7.9 million tonnes of hazardous waste, 5.6 million tonnes of plastic waste, 1.5 million tonnes of e-waste and 170,000 tonnes of biomedical waste, among other categories in need of proper facilities with trained personnel for adequate treatment.

The responsibility for institutionalizing waste management in India lies not just with bodies of governance, but, importantly, with waste generators: i.e. citizens and businesses.

The last 150 years have seen informal workers in the waste management sector, commonly known as *kabaadiwalas*, creating and following best practices such as sorting and segregating waste, trading it at various levels and even recycling plastic and paper. However, this model is not sustainable because their insufficient income limits their ability to scale up and adopt the modern structure, systems and technology needed for the task. Additionally, there is rampant exploitation of informal sector workers; their working conditions are often hazardous, especially in the context of toxic waste. So, how do we achieve a model that equates waste management with maximum resource recovery? How do we create a circular economy that keeps waste reduction at its core?

A business model exists that could help meet disposal aims on which we have made little progress

A sustainable waste management system needs appropriate infrastructure in the form of collection and sorting centres and material recovery facilities, apart from wet waste processing and dry waste recycling facilities. Beyond that, it needs very detailed processes to operate the facilities, manage logistics and capture data. It also needs technology to track and trace waste and ultimately ensure the recycling of all that can be recycled.

Our aims would be best met by adopting a business model focused on the environmental as well as social impact of waste management, one that can achieve a balance of 'people, planet and profits.' With proper practices and systems in place, the model should also integrate the informal sector and provide a roadmap for transformation.

Such a business model could rely on a twin revenue system: a service fee that users are charged plus revenues from waste sales. These two revenue streams could cover the operational costs of an enterprise in the waste sector. Compare this with the current operations of informal *kabaadiwala* aggregators (now known as '*swachhata* warriors') who struggle to meet operational costs as they are dependent on a single steam of revenue: selling the waste.

If the ecosystem emphasizes revenue generation, not only will India's informal waste collectors be compensated better, impacting their life positively, but what all is salvaged from the country's garbage would improve too, as the system's accountability to principles will make burning less likely.

All these efforts, whether at a business or collective level, are necessary for us to make a much-needed breakthrough on waste. Processes that lacked holistic approaches are now backed by a dedicated effort to make them sustainable and impactful. Change is needed and must be made to happen. And we must support the individuals and businesses in this sector. How we deal with our waste says a lot about us.

A thought for today

I often quote myself.
It adds spice to my conversation

GEORGE BERNARD SHAW

Behind The Seats

Vote shares are a good way to read poll politics. But the ways they matter can vary wildly

A first-past-the-post electoral system never fully captures keen contests on the ground. Because victory, seat by seat, is what matters, what's often ignored is that larger parties form coalitions on the strength of smaller parties' vote shares, a metric that reflects a party's strength, regardless of seats won.

All about presence | BJP yesterday claimed it will win 5 seats and pull 20% votes in Kerala, from its 2019 tally of 13% vote share and zero wins. So, on a 7 percentage-point increase, BJP says it'll swing a 5-seat haul. June 4 will show what's what, but how does the math play out?

No set threshold | Conversion of votes to seats is where political parties – and poll pundits – sweat it out. What share guarantees a win? A conversion formula is elusive. In Rajasthan assembly elections, Congress and BJP have won the state on vote share differences of as little as 1 percentage point. When chemistry is not a factor – read Modi waves of 2014 and 2019 – in a multi-party contest, even a 20% vote share can bring victory. Normally a lead of about 9 percentage points in a nearly bipolar contest leads to a sweep. But there are no hard and fast rules.

Averages half the story | Reading vote shares demands careful parsing. State averages can mislead. Take Dec 2014's J&K assembly poll. BJP had the largest vote share – 23%, slightly over PDP's 22.7%, NC's 20.8% and Congress's 18%. BJP votes were in Jammu region. A closer reading showed BJP had 2.2% votes in Kashmir's seats, 22% in Ladakh, but an impressive 48% in the 25 Jammu seats.

Making it add up | In multipolar contests, even slight shifts can cause upheavals. For instance, before the Modi tides, four-cornered contests in UP meant minor changes in vote shares could translate into huge shifts in seats. In state elections in 2007, for instance, BSP won about 30% votes, SP 26%, BJP 17% and Congress 8.5%. In 2012, SP raised its tally by barely 3 percentage points, but its seats went from 97 to 224. BSP's vote share (2012) was about 4.5 percentage points lower than in 2007 – seats crashed from 206 to 80. It is this unpredictability that drives parties to form alliances. A large vote share scattered across constituencies does not make a winner.

AGAIN & AGAIN

Air India's business decisions are its prerogative. But another pilot strike shows poor management

India's aviation sector is in a strange place. Airfares are soaring and profitability is high, but passengers are increasingly frustrated. Yesterday, it was the turn of Air India Express to be confronted by irate passengers. Over 80 flights were cancelled after cabin crew went on mass sick leave, a euphemism for industrial action.

Merger blues | AI Express is part of the Tata group's aviation business. It's the second time since April that an airline in the group inconvenienced passengers because of internal turmoil. The Tata group is in the midst of merging different airlines in its portfolio. That's a business decision, and it's the group's prerogative. However, when the fallout of the decision affects passengers, it reflects poorly on the way the process is being managed.

No slack available | India's aviation market is today characterised by tightness. The post-Covid recovery in passenger traffic is being serviced by fewer aircraft than the phase before the outbreak of the pandemic. One result of this situation is a sharp increase in airfares. In addition, the tight market means that mass cancellations like that of AI Express flights result in great hardship for passengers. AI Express operates on international routes in addition to domestic ones. The mass cancellation has had a particularly harsh impact on passengers booked to fly overseas.

Duopoly overhang | Close to 90% of the domestic aviation market in the Jan-Mar quarter was serviced by IndiGo and the Tata group's airlines. It's a market close to being a duopoly, which means that there's not enough competition. One result of it is that airfares, which are high, are expected to stay that way for a while. Globally, the aviation industry is also experiencing supply constraints because of production problems among companies.

Aviation regulator DGCA needs to nudge airlines to ensure their internal problems don't cost passengers more.

Hat tricks

Indian election times are turban-ulent times

Bachi Karkaria

Neta rhymes with pheta, no? That's why all those addressing election rallies resemble bridegrooms – or bearers. Both looks are valid. One will arrive to baarat-grade band-baaja; the rest will have to remain wait-ers. Having thrown their hat in the ring, our leader-cadre dons traditional headgear in this five-yearly doff to people power. The variety makes for impressive optics, but 'apt-ics' are trickier since every region proudly boasts its own pheta-pagri-patka-safaa.

In Maharashtra, the billed speaker must switch from Kolhapuri to Puneri to intriguing Peshwai. Add the pheta sported by bike-borne battalions of Maratha women in navvari saris who varrroom through the streets on May 1, state formation day. It's even more challenging in Rajasthan where there are as many turban-tying types as those claiming sun-moon ancestry. Udaipur's newish super deluxe hotel spent months getting the authentic Mewari pagdis for restaurant staff. One wrong twist would result in faces akin to the lal-maas.

erratica

So, do star campaigners too include sartorial aides in their entourage to avoid the electoral equivalent of wardrobe malfunction? Moreover, what ultimately happens to that array of headgear? Is it restyled for the next foray? Auctioned to buy more laddoos for overworked party workers? Or, will a future Nationalist Gallery showcase a permanent collection of those once worn by our netas?

For the present, these past months have displayed more than the full 2.278 yards of the traditional 82-inch turban. Some wearers look the fable's crow in borrowed plumes, but some have the swag blag to carry it off. Bharatiya janata gets more bang for its heat-stroke when the party leader also looks like a Wow when promising a future of ditto dazzle.

Forget pomp and pageantry. Even simplest headgear gets elevated to metaphor. In politics, loser types are the ones who meekly accept the cap believing that it fits. Winners are those who make rivals wear a topi.

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Alec Smart said: "Revanna, straying governors, wrestling's 'Sharam' Singh's seat bestowed on proxy son, judges who think consent is irrelevant in marital sex...What we NOW have is a National Omission for Women."

What Bengal Thinks Today

BJP's campaign in the state seems to have stumbled. CAA hasn't worked for the party. TMC, Congress & CPM are now rivals, not enemies

Shikha Mukerjee

Bengal is crucial for BJP. Retaining the windfall 18 Lok Sabha seats the party won in 2019, out of a total of 42 in the state, is important for any path to a third term. But the party's campaign in the state has kept floundering. So much so that, with three phases of Bengal's seven-phase election completed, BJP finds itself at a point from where salvaging the narrative is difficult.

BJP's CAA rules have misfired | Especially when the underlying issue is the Centre's treatment of the people in the state, one misstep is all it takes to make fidgety voters jump the political fence. And this is precisely what CAA seems to have accomplished.

The rushed notification of rules under CAA was meant to be a BJP masterstroke. Instead, it will likely end up being a disadvantage. And its impact on voter choice will be spread across anything up to 20 Lok Sabha constituencies.

As has the 'redistribution' blame game | A similar fallout can be seen with how BJP's campaign swerved sharply from Viksit Bharat by 2047 to stoking majoritarian paranoia. This took place in the form of an attack that branded all opposition parties as pursuing hidden agendas. BJP has gone to town with how, allegedly, all these parties have been promising more minority appeasement. This includes, per BJP, redistributing wealth, cancelling reservations for Dalits and Tribals and rerouting these to Muslims.

POLLITICS
Special Series on Elections

This attack, as it played out in Bengal, clubbed Congress, Trinamool Congress and CPM-led Left all together. And that isn't working out well for BJP. For the only thing that this attack has ensured is that those who were hitherto enemies have become friends, united in the common cause of fending off BJP in Bengal.

Its opponents are now 'united' | Especially from phase three of the election, as more and more constituencies in south Bengal prepare to vote, there are signs that a significant shift is underway. The results of this movement will unfold over time. But what is already clear is that for all the parties BJP has clubbed together – Congress, Trinamool Congress and CPM-led Left – the principal enemy in 2024 is now BJP.

The confusion and ambivalence of past elections is over. Trinamool is a rival, not the enemy it was earlier, both in the 2021 state assembly and in the 2019 Lok Sabha elections. Let's underline this. Congress, CPM and Trinamool Congress are all on the same side. The common enemy is BJP, an "outsider" as Mamata Banerjee and Left have branded it.

It appears that BJP's backroom strategists did not read the 2021 state assembly election results correctly. Winning 77 seats out of 294 was a message that the Hindutva spin intrinsic to the Sangh Parivar's manual in north India does not work in Bengal.

Consider the many BJP stumbles besides the CAA rules. Centre has not been releasing payments for MGNREGA and PMAY, citing irregularities. Then, there are central agency raids. The sexual harassment allegation against governor CV Ananda Bose is also seeing heated exchanges between BJP and the governing party. All in all, the politically experienced Bengali voter has enough reasons to reconsider past preferences.

2019 was different | Looking back, the 2019 election result turned BJP from a small party into the principal opposition. In that election, CPM was reduced to zero while Congress retained its bastions of Baharampur and Maldaha Dakshin. That was when a Modi wave had swept through the country and gathered such momentum that voters in Bengal believed a new strong force had risen. Votes from CPM shifted in droves to BJP. From 29.9% in 2014, Left's vote share dropped to 7.5%. Conversely, BJP's zoomed to 40% from 17% in 2014.

Murshidabad tells a tale | This time, CPM is confident that voters are returning to its fold in urban and rural areas. By standing for election from Murshidabad, state party boss and politburo member Mohammad Salim has gambled on three things in his constituency. One, a transfer of votes from Congress to CPM. Two, sweeping up anti-incumbency votes both from Trinamool (in the wake of the teachers' recruitment scam, Sandeshkhali etc) and BJP (perceived failures on jobs and inflation). Three, the absence of a pro-BJP wave.

What INDIA got serendipitously right | The faceless opposition loosely sheltered by the unwieldy INDIA banner has not bothered with a common manifesto. But this could end up proving a smart, organic strategy that holds good as much in Bengal as it does in Maharashtra, Bihar and perhaps to an extent in Uttar Pradesh. Up against BJP, the game is to consolidate votes and simplify the choice for voters.

The assertion of the politics of the middle, with the Right and the Left as bookends, is a correction of an imbalance. If the collective opposition and its apparently shambolic tactics can nudge BJP even a little way out of its occupation of the middle ground, this would also be a major breakthrough. In Bengal, a Lok Sabha win and a jump in vote share would be the first strong confirmation of a revival of CPM, and therefore the restoration of the missing Left bookend.

The writer is a senior journalist

Bengal votes on May 13 (8 seats) in the fourth of its 7-phase polls

Is The Danger As Spicy As Headlines Suggest?

Ethylene oxide (EtO) in packaged spice seems terrible. But science has a more nuanced view: EtO inhalation is bad, small residues in food not so much

Nandita.Sengupta@timesgroup.com

When Hong Kong and Singapore suspended the sale of a few packaged spices and spice blends exported from India a fortnight ago over the presence of 'carcinogenic residue' ethylene oxide, or EtO, it triggered a chain reaction. Australia and then US started testing spices from India.

In the dock were India's largest spice manufacturers, and only pan-India spice retailers, MDH and Everest. MDH denied it used EtO at any point in its production process.

What's the permissible limit of EtO? | EtO is the season's flavour – at the heart of global trade battles. This is because there are no international standards set for EtO's presence in foods or spices. Countries often have their own policies. Since 2020, many food recalls over EtO prompted Indonesia, Kenya, Mexico, New Zealand and Peru last year to propose that FAO-WHO's global food coding body, Codex, evaluate EtO residue in foods and spices, towards setting a global standard.

What's the regulatory position in India? | One part of India's food safety rules deals with 'contaminants, toxins and residues' – a long list of residues, heavy metals, and naturally-existing toxins, each of which has a maximum residue limit or MRL. This is tested against items classed under various food types – milk and dairy, cereal, pulses, veggies and fruits, fish, seafood, meats etc. In the domestic market, spices, barring chillies, don't feature in these long lists of foods and no MRLs are fixed for residues.

Does India have testing facilities? | India's agri labs have a certain renown. Agri certification body APEDA and FSSAI's network of food labs are very well-equipped to analyse regulated food contaminants and toxins – pesticide residues, heavy metals etc, says ICAR scientist Kaushik Banerjee.

As research continues, in 2022 following EU red flags, FSSAI had said till India sets its own MRLs for residue in spices, testing for EtO would be set at 0.01mg/kg, the standard in Japan and some other countries. An April 8 circular overruled this, making the standard for the time being 0.1mg/kg.

Why is EtO used? | EtO's a basic chemical, a petrochem product, a building block to make plastics, medicines, detergents, adhesives etc. Used in industrial applications for decades, its role in sterilising medical equipment has been noteworthy. The gas slips into nooks and crannies of devices to zap lurking micro-organisms, which are a source of infection.

Similarly, EtO has been used to fumigate spices, at one time seen as the go-to chemical to preserve spices and herbs, in reducing bacterial/microbial loads. EtO has proven ability to eliminate disease-causing microorganisms, such as salmonella.

Is EtO carcinogenic? | Consider this. On April 18, US EPA finalised new standards for cancer-causing chemicals. The regulation included EtO, which a study had found to be the "single biggest contributor to excess industrial cancer risk from *air pollutants* nationwide".

Here's the thing. S Chandrasekaran, professor of organic chemistry at IISc, says EtO "as an inhalant is more serious...in factories/establishments where large-scale use of EtO for fumigation is done, or in places where EtO is used as a raw material for conversion to other useful chemicals". But the key point he makes is that, "presence of EtO as residue in spices is usually very small, and less likely to harm than as an *inhalant*."

In short, word on EtO *residue* being carcinogenic is inconclusive, globally, while EtO as an inhalant has an established carcinogenic link.

How much EtO is too much? | EU prohibits any use of EtO in food imports. In US and Canada, MRLs for EtO are 7mg/kg on various fresh products. EtO MRL for walnuts is 50mg/kg. South Korea and Japan have a limit of 0.01mg/kg. Singapore allows EtO only in whole spices, up to 50mg/kg.

In India, research is at the stage of identifying analysis methods to correctly estimate undesirable residues – only then can crop-specific MRLs be fixed. It's work-in-progress. Banerjee says that while the capacity of Indian labs to analyse pesticide residues, mycotoxins and heavy metals is satisfactory, research on other contaminants and toxins is limited.

A big gap in research is the lack of validated analytical methods, regulatory limits, and also poor standards of 'label claims' of pesticides. A label claim is the statement on ingredients, process, and function claims, regulated by govt agencies to ensure that they're truthful.

Everest and MDH will be inspected for flouting export norms, but the bottomline, according to scientists, is that the science so far does not indicate a strong carcinogenic link regarding exposure to EtO through food. "A daily consumption of 0.037 micrograms of EtO per kg of body weight is considered of minimal concern," says Banerjee. Let's stick to science.

Calvin & Hobbes

Sacred*space*

In politics we presume that everyone who knows how to get votes knows how to administer a city or a state. When we are ill...we do not ask for the handsomest physician, or the most eloquent one.

Plato

Cultivating Contentment As Conscious Practice

Gurudev Sri Sri Ravi Shankar

The Divine has granted you all the little pleasures of the world, but the highest of them all – eternal bliss – can be had only by going to the Divine.

It is difficult to get into bliss. It dawns in you after many lifetimes, and once you are in it, it is even more difficult to get out of it. We seek bliss, divine union with the Source all our lives, but the world keeps getting in the way. There are so many inexplicable, incomprehensible ways of not coming home; a zillion distractions keep you from moving towards that goal.

We keep our minds alive through cravings and aversions – through should and should not. The mind must die for bliss to dawn. The abode of all the devas or divinities is bliss. Only in this physical body can you comprehend and uphold bliss.

Seeing our life and the universe as one unit of energy removes us from the mind's chatter and brings us closer to our true nature. What does it mean to see everything as a unit of energy? Like the rainbow, whatever colour is there, it is still light. It doesn't matter whether it's blue, green, yellow, orange, or violet. In the same way, all different emotions are also part of one light, one energy.

Vedant, the highest knowledge, is about letting go and letting be. What are you 'letting go' of? The small mind. Due to ignorance, all the mental gymnastics that you go through becomes negative energy. We call them negative feelings because they restrict you. But still, it's energy. The same energy becomes positive with wisdom. Energy with wisdom is bliss.

THE SPEAKING TREE
BLISSTECH

That one field of consciousness from where everything has come, in which everything is, and which is everything, is called Brahmn. That's what the Brahma Sutra or Vedant is all about. The Brahmn is all around us. It's always there. This energy is wisdom and knowledge; when practised, it manifests as bliss. With ignorance, the same energy manifests as sadness, anger, rage, and jealousy.

When you dislike someone or something, it only stiffens your heart and this hardness takes long to soften again, trapping you away from true joy. Nothing in the material world can bring lasting contentment. Seeking contentment in the material world only leads to discontentment, and negativity. This negativity eventually peaks, and like a full cloud, it bursts and returns to the divinity. You cannot escape God whether you take the longer route of negativity or the instant approach of positivity, faith, and contentment.

Secondly, when you know there is someone to guide you, to take care of you, then also your smile does not vanish. Thirdly, when you see that you are here to give, to contribute that also gives you strength to move through those moments when you cannot smile.

Lastly, know that bliss is a conscious practice. Practising bliss is like maintaining hygiene. You can't say cleanliness will happen all by itself. You need to brush your teeth, take a shower, and keep things clean. Similarly, contentment and happiness also need to be practised. But if we've conditioned our mind to be miserable, we remain in that energy only. It's the same energy, and we must decondition it and make our energy radiate bliss and happiness.

When we can't hurt our enemies, we hurt our friends — John le Carré

INDIAN EXPRESS IS NOT AN INDUSTRY. IT IS A MISSION.
— Ramnath Goenka

PROTECT THE VICTIMS BRAVING PRESSURE IN KARNATAKA VIDEO CASE

THE depraved acts of men with a sense of entitlement are now a matter of public scandal and political opportunism. Whatever allegedly happened in Hassan MP Prajwal Revanna's official quarters and residence, the brouhaha over the whistleblower and the distribution of the videos is entirely misplaced. Rather, the public and the state machinery should focus on where the accused MP is and when he will surrender. It is shameful that a Lok Sabha member is evading the law with impunity.

The video clips have changed the political dynamics in the state and could impact electoral fortunes. Until such time that the investigation gathers pace and the MP and his father H D Revanna are questioned by the Special Investigation Team, the parties are busy playing blame games. The BJP is blaming the Congress for the sordid drama, its timing, and for allowing Prajwal to leave the country; the Congress is taking the moral high ground and accusing the BJP, especially the prime minister and home minister, of supporting the candidate despite knowledge of his shenanigans. Both parties claim the other is complicit, and will benefit from the sex, lies and unravelling videotapes. The JDS is doing its best to salvage its reputation and that of patriarch H D Deve Gowda. JDS leader H D Kumaraswamy is blaming Deputy Chief Minister D K Shivakumar and demanding his resignation in the hope of deflecting attention. He has already denounced the SIT as a "puppet" of Congress leaders.

With this slugfest in the background, many of the exploited women are coming forward to file complaints against the Revanna men. They should be lauded for their bravery in taking on the might of a political family, besides dealing with the trauma of facing societal stigma. It is reassuring that the women are under the SIT's protection, but they and their families cannot lie low forever. Most of the women, being from the lower strata of society, may not be able to handle their me-too moment when the legal proceedings begin. Instead of politicking, the ruling and opposition party leaders should unequivocally condemn the transgressions, stand by the women and ensure they get justice. With technology available to track the digital trail of the videos' origin, investigators should swiftly bring the perpetrators to book and ensure the case does not get further entangled in power politics.

BJP IS NO LONGER AN OUTSIDER IN KERALA

THE time after voting is when every political party comes up with claims regarding the number of seats they are going to win. Everyone is at their optimistic best, at least in public. The UDF, which had won all but one seat in 2019, is projecting a victory of a similar magnitude. The LDF seems confident it will not have to face the humiliation of 2019, when it saved face with a lone seat. While the two leading fronts are busy deciphering the turnout, there is one thing on which they quietly agree—that the BJP has become a political force to reckon with in the state.

This was an election in Kerala that the BJP contested with a seriousness not seen earlier. The party put up a strong fight in five constituencies and may influence the outcome in many others. In 2019, too, the BJP had a strong campaign in the backdrop of the Sabarimala agitation, but the entry of Rahul Gandhi into the state's political terrain as a candidate from Wayanad tilted the anti-LDF votes in favour of the UDF. But 2024 offers a different picture. Few see the chances of the Congress emerging as a big winner this time. The Gandhi factor has considerably waned. With most voters already anticipating a third term for Narendra Modi, the odds against the BJP are considerably lesser this time. Another factor that may have worked in favour of the BJP is the palpable antagonism between the two leading fronts, which ensured that there was no tactical vote transfer against the BJP this time.

It is still too early to say whether the BJP will win a seat this time, but it can be stated that the party's vote share will likely increase. An important factor is that the BJP is no longer seen as an outsider in the state after the son and daughter of two former chief ministers, Anil Antony and Padmaja Venuopal, joined the party. If the BJP's central leadership can provide for a credible leadership in the state unit and the party gains votes beyond its pocket strongholds, then Kerala will no longer be an insurmountable terrain for it. If that happens, the state's political story will change forever.

QUICK TAKE

HELPING IT OVER AI BUMP

LEADERS of some of the biggest tech firms in India and abroad—TCS, HCL and Nvidia—have warned about AI drastically reducing coding and call centre jobs in the near future. TCS chief K Krithivasan said the crunch could come "within a year". This will be a hard hit on IT services, one of the biggest job creators in India's formal sector. By one estimate, more than 16 million workers will need upskilling by 2027 to avert the avalanche. This will be a massive task for private companies especially when their market seems weak. The government needs to treat the industry as a strategic one and lay out a roadmap.

Washington is telling Delhi indirectly that it cannot simply let slide an attempt to murder someone on its soil. India should heed the message and think creatively

SOUR NOTES IN THE LOVEFEST WITH AMERICA

K P NAYAR
Strategic Analyst

SOURAV ROY

AN assassination plot on American soil reveals a darker side of Modi's India,' an exhaustive report claimed to be 'exclusive' by *The Washington Post* and published on April 29, is noteworthy for more reasons than merely its contents. This has been completely lost sight of in India—in the government's response to the report, in the praise of the story by opponents of the BJP-led government and in opinionated criticism of the newspaper, which is a reliable window on Washington's affairs.

Pronouncedly, a day after the publication of the article, the *Post's* Editorial Board thus described in its front-page opinion, about the attempted assassination of United States citizen and Sikh activist Gurpatwant Singh Pannun on American soil: "A murder plot that cannot be ignored: India must come clean at last." Opinions on their front pages by well-regarded US newspapers are not written every day. The *Post's* Editorial Board has expressed itself on India in its almost sesquicentennial history on rare occasions. The Pokhran II nuclear tests in 1998 was one such. The April 30 front-page opinion on the assassination plot against Pannun is also noteworthy for reasons which go beyond the views that the editorial conveyed.

Noteworthy is the key word. Not praiseworthy. *The Post's* revelations and opinions must be set against the three deferrals of US National Security Adviser Jake Sullivan's visit to India in the last five months. The Joe Biden administration is clearly putting the brakes on high-level visits to India by its top officials. Such hints began last October, when President Biden decided to sit on an invitation to be the chief guest at the Republic Day parade on January 26, 2024. After Indian diplomats repeatedly badgered the president's top aides, it was finally conveyed to India as late as December that Biden had opted to turn down the invitation.

Graciously, French President Emmanuel Macron agreed to be a substitute to Biden and salvage the January 26 celebrations, although the Élysée Palace was approached only in the second week of December. The White House is making obvious such distancing from India in opaque, but unmistakable messages, which are meant to make official New Delhi sit up and think.

In stark contrast, highest-level policymakers from Washington are trooping into Beijing one after another, making a mockery of what Biden's aides are telling the Modi government: that it seeks to work with India on reining in China.

This trend is not confined to the US administration. On April 16, the government hastily notified in the Gazette of India 100 percent foreign investment in some categories in the space sector and approval through the automatic route. These had been decided by the Union Cabinet in February, but subsequently put on the backburner. The haste was because space entrepreneur Elon Musk, among the richest persons in the world, made known his plans to visit India on April 21 and meet Modi. On the cards was a $3-billion investment announcement by Musk's companies during his visit. In New Delhi, invitations were sent out for some of Musk's events. Then, abruptly, on the eve of his departure from the US, Musk announced the cancellation of his trip, citing "very heavy Tesla obligations".

A week later, Musk turned up in China and met Premier Li Qiang instead of the Indian leader. It is well known that America's corporate honchos take the advice of the US government on matters of their overseas involvement. Especially when their activities have a security dimension, such as Musk's forays into the space business.

In 2020, Jeff Bezos, another of the world's richest men, owner of *The Washington Post* and Amazon, was in India. Not only was his request for a meeting with Modi turned down, no Union minister or top bureaucrat gave him an appointment. "*The Washington Post* editorial policy is highly biased and agenda-driven," said the BJP foreign affairs department in-charge, Vijay Chauthaiwale, at that time about India's ill-considered snub to Bezos. To make matters worse, Amazon came under the lens of Indian government agencies. It is time the powers that be in New Delhi shed such arrogance or be prepared to face a US backlash for their thoughtless actions.

The Post will justifiably deny any suggestion that its writings in the Pannun case were approved by the US government. The newspaper, it was clear however, was elaborately briefed by the Biden administration on the contents of its two articles. They contain details that only the most secretive agencies of the US government have access to. When the US Principal Deputy National Security Advisor Jon Finer was in India last December, India tried to wriggle out of its Pannun quandary. Finer was told that Vikram Yadav, the intelligence officer whom the US considers to be at the centre of the plot against the Khalistan propagandist, was no longer with the spy agency, the Research and Analysis Wing (RAW), and had been reverted to his parent organisation. Within hours, the White House issued a readout that "Finer acknowledged...the importance of holding accountable anyone found responsible".

The US is trying its utmost not to damage its relations with India, carefully nurtured by both countries since President Bill Clinton's historic visit in 2000. That is why US state department spokespersons have repeatedly declined after *The Post's* articles to go into details of this episode. Washington officially gave the heads-up to India that *The Post* was working on a story on the Pannun plot. The Biden administration is privately telling its Indian counterpart that it cannot let go of a plot hatched on its soil against one of its citizens.

The newspaper articles are meant to publicly convince India to do more, so that the conundrum can be put behind by the time post-poll governments take charge in New Delhi and in Washington. In meeting this imperative, India must go beyond recycling its old gripe that the Anglo-Saxon world is soft on terrorism directed against countries outside the Western alliance. Their double standards on terrorism will not change. India must, therefore, invent a more creative approach to this problem.

(Views are personal)
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CAN HIGHER RESERVATIONS HELP TACKLE INEQUITIES IN SOCIETY?

SUMANTH C RAMAN
Political analyst, television anchor and author of *Sick Business: The Truth Behind Healthcare in India*

A central theme of the elections this year has been the caste census and the removal of the 50 percent cap that figures prominently in the Congress manifesto. Rahul Gandhi has been speaking about it at almost every campaign meeting and the BJP has not been able to effectively articulate its stand. Is a caste census necessary and should the cap on reservations be lifted?

The 2011 census says 16.6 percent of India's population are SCs and 8.6 percent STs. The data on OBCs is sketchy, with the government admitting to "errors" in data collection in the 2011 census. The Mandal Commission gave the percentage of OBCs at 52 percent, which declined to 41 percent in a 2006 NSSO survey. This is also contentious as between the 1980s and 2006, an additional 1,500 or so castes were added to the OBC list and such a significant decline was not believed to be feasible.

It is essential to know the caste-wise population to know if the benefits of reservation are reaching beneficiaries in an equitable manner. The reluctance to release data is not specific to the BJP. The Congress, too, carried out a survey in Karnataka in 2015 and did not release the data until February this year, after Rahul Gandhi started hinting at a caste census.

Any talk of higher quotas invariably involves the Tamil Nadu model, the only state to have 69 percent reservation. Though around 93 percent of Tamil Nadu comes under the reserved categories, the fact that it ranks consistently among the top states in most socio-economic, health and education indices is often touted as proof that more reservation could be the answer to persisting inequities.

The Dravidian movement that emerged during the early 20th century was one of powerful landholding classes against the then dominant Brahmin community that occupied most positions of power. Former CM M G Ramachandran felt reservation should be on economic criterions. Faced with strong backlash, he backtracked and went to the other extreme by increasing the 27 percent reservation for backward classes to 50 percent. Together with SC/ST reservations, the total went up to 69 percent. J Jayalalithaa got protection for this under the Ninth Schedule of the Constitution. This has continued despite the Supreme Court verdict in the *Indira Sawhney* case that capped reservations at 50 percent.

More than reservation, it is welfarism that has catapulted Tamil Nadu to its current position. The midday meal scheme for children was pioneered in the days of late CM K Kamaraj and expanded by MGR. Children studying in government schools get free uniforms, books, footwear, cycles, laptops and don't pay fees. Healthcare at government hospitals is

EXPRESS

> The TN model features in all talks on higher reservations. But it's a combination of welfare schemes that put TN on a higher trajectory. MGR raised reservations and expanded the midday meal scheme. Yet, decades of such policies haven't made the model perfect, especially for Dalits

largely free. The state has the most engineering colleges and among the highest number of medical colleges in the country. The share of school finishers who go to college is the highest. The present government has added a breakfast scheme for school children, free bus travel for women within cities, and a scheme where over 1 crore women get ₹1,000 a month.

Combined with rapid industrialisation, the welfare measures have moved the state to a higher trajectory. Continuity of policies has also helped. Since 1967, the state has been ruled either by the DMK or AIADMK, both coming from a common ideological base.

But to say Tamil Nadu has a perfect system would be far from the truth. Multiple backward class commissions pointed out how a large chunk of reservation benefits have been cornered by a handful of powerful communities. They have recommended removing some dominant communities from the purview of reservation, but these castes now constitute significant vote banks and no political party dares implement these recommendations.

Dalits remain significantly oppressed, not too different from in many other states. Even today, there are separate burial grounds for Dalits, they are not allowed into some temples, honour killings occur when dominant-caste children marry Dalits, and parties hesitate to let them contest from general constituencies.

Thus the argument that more reservation would automatically lead to dramatic benefits is not borne out by evidence. But there is strong evidence that welfarism leads to better overall development.

The need for a caste census, though, remains. The reason for several parties dragging their feet is the fear of opening a Pandora's box. What if the census showed that some backward communities were not backward at all? Vote banks would be at risk. Across India, we have seen dominant castes like the Marathas, Jats and Gujjars clamouring for and in many cases getting a share of the pie. How would they react if reservations were withdrawn?

Rahul Gandhi stirred the pot with his "*Jitni abadi utna haq*" slogan that roughly translates as rights in proportion to population. This is a dangerous proposition even for his party—if the logic was extended to the delimitation exercise due in 2026, the Congress, which is largely a party of southern India today, would be wiped out. The southern states already feel they do not get their fair share from the Centre and the delimitation exercise threatens to take away their existing weightage in parliamentary representation.

Though reservation was always part of the manifestos of parties at every election, this time a lot of the talk is around the Congress game plan. Right now, no one knows for sure. Maybe not even the Congress.

(Views are personal)

MAILBAG

WRITE TO: letters@newindianexpress.com

Reservation caps

Ref: *Why the Sangh supports reservation* (May 8). The column emphasises that *samarasata* mindset is more important than mere equality slogans. The need for reservations will continue indefinitely as long as it applies to later generations of a family that has already become affluent. Unless there are restrictions on such eligibility, large sections will continue to be deprived despite a reckless increase in quotas.
R Kasthurirangan, Bengaluru

Anglo-Indian anguish

Why were reservations for Anglo-Indians removed on a blatant lie that there were less than 40 of them in India? There are over 4-5 lakh Anglo-Indians in the country. We now have nobody to speak for our community. We have been betrayed by the party that lauds the great Sardar Patel, who had fixed reservations for Anglo-Indians.
Philip R J Fowler, email

Anachronistic practice

Ref: *For an Akshaya Tritiya without child marriages* (May 8).Akshaya Tritiya has been a part of the calendar since time immemorial. But now the vileness of child marriage is perpetuated in the name of an auspicious day. At a time when normal marriages are on slippery ground in the name of living together, why should this ugliness continue in society?
Sanath Kumar T S, Thrissur

Gaza peace

The bloodshed in Gaza remains brushed aside on global agendas even after more than 200 days of war. It serves as a sobering reminder of how incapable humanity is of upholding the most fundamental ideals of justice and compassion. Global leaders should put collective efforts to combat it, ensuring the safety of the people.
Mahammed Irfan Uppingady, Mangaluru

Women candidates

Politicians of different hues had for long been advocating for women's reservation in parliament and recently passed a bill for it. So one wonders why parties advocating such reservation are not fielding women candidates for at least a third of the seats they are fighting for at these elections.
T Hanuman Chowdary, Hyderabad

Campus reputation

Most parents do not want their children to pursue professional courses in Kerala due to the politicisation of campuses, recurrent strikes, delayed examinations, and now Students' Federation of India hooliganism. One hopes this is regulated soon and Kerala's reputation does not suffer further.
Sajit Nambudiripad, Ottapalam

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OPINION

The Hindustan Times
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{ OUR TAKE }

Limits of aunt, nephew politics

Mayawati's search for a political heir within her family has not helped the BSP's growth

Six months after she anointed her nephew Akash Anand as her successor, Bahujan Samaj Party (BSP) Mayawati on Tuesday declared that she was divesting him of the post of national coordinator in the "larger interest of the party and the movement". He also ceases to be her political successor, at least until he attains "full maturity", as per the BSP supremo's post on X. Anand had been the face of the BSP campaign in the first two phases, and his speeches were noted for the sharp attacks on the BJP and the Samajwadi Party (SP). On April 26, he was booked for allegedly using objectionable language during a campaign in Sitapur, Uttar Pradesh. Mayawati, reportedly, felt that these speeches strayed from the rules and policies set by the party.

Mayawati is known for such whimsical responses. But the pertinent question is its impact on the fortunes of the party and the movement. Kanshi Ram, the founder of BSP, had kept his extended family away from the party and hand-picked Mayawati, no relative of his, as his successor for her leadership skills. This worked for the party as it won office in Uttar Pradesh, a state where Dalits constitute ~21% of the population, on its own strength in 2007. However, she failed to nurture the BSP as a party of the larger *bahujan samaj* and many of BSP's founding leaders, who represented a galaxy of OBC, minority and Dalit communities, parted ways with her, ostensibly because of her leadership style. The BSP is today a pale shadow of the pan-Indian Dalit outfit it was once, even if Mayawati remains the tallest Dalit leader in the country.

Clearly, her choice to ignore BSP's movement character and consolidate leadership within her family has worked against its growth. This, unfortunately, is the trajectory followed by many political parties, including those that arose from ideologically powerful mobilisations. This includes the DMK which grew out of the self-respect and Dravidian movements in Tamil Nadu, and the SP in UP, which claims the legacy of the Lohiaite socialist tradition and Mandal politics. These parties ossified in office and turned into family fiefs: Of course, the ideological inheritance, even in their diluted and compromised state, continues to lend credibility to their political claims.

In the BSP's case, though, its decline has also been expedited by the rise of new Dalit voices, an outcome of the party's retreat from agitational politics, and the overtures made by mainstream political parties keen on expanding their social base. The party's vote share has been falling, and now it stares at the prospect of being reduced to a vote *katwa* (vote cutter) or spoiler in UP, its erstwhile stronghold.

Breather for TMC in teaching jobs scandal

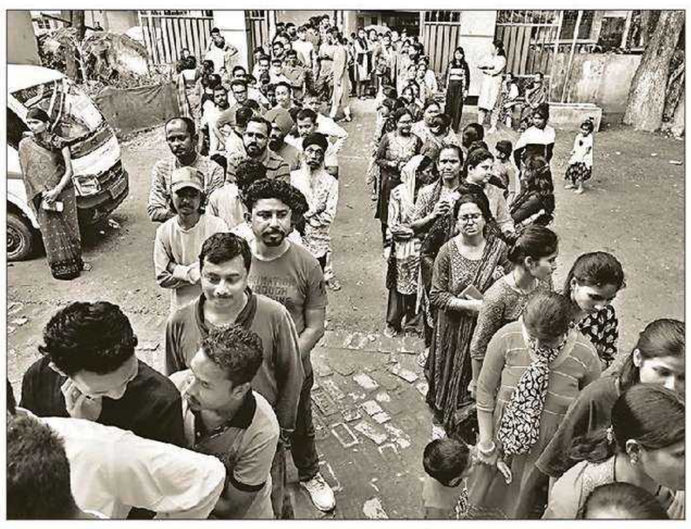
The Supreme Court's decision to temporarily suspend a Calcutta high court verdict that scrapped nearly 25,000 teaching jobs has both immediate and long-term fallouts.

In the near term, the decision will give some respite to the Trinamool Congress (TMC) government which has been under fire for the grassroots corruption of its leaders. Allegations of large-scale irregularities in the state Staff Selection Commission (SSC) examination had the potential to hurt chief minister Mamata Banerjee more than any other charge because it was a bread-and-butter issue close to the common person in a state where government jobs are still held in high regard. This is why the Bharatiya Janata Party (BJP) invested extra energy to target the TMC in this case — unlike in other cases, corruption here was not only affecting the high and mighty but also ordinary people. To that extent, the TMC will breathe easy that the final decision on the case will come in July, well after the general elections are over.

Beyond the politics, though, the long-term implications of this case are dire. When seen alongside the bursts of anger around regular exam paper leaks in north India, it underlines the soaring aspirations of India's youth and a singular failure of the political class to address them. In the world's most populous country, corruption — whether it be in recruiting teachers or leaking question papers — continues to gnaw at the future of millions of young men and women, for whom the prospect of a government job is the only lever out of a life of destitution. Resolving this conundrum will need more than legal diktats. It will need political will.

Opportunity costs of election-time freebies

The Centre must lead on the freebie issue, and start a conversation on its fiscal implications



The question is why are people voting for freebies. Because it is in the nature of poverty that the poor tend to prioritise the short term over the long AFP

Freebies are in full flow this election season. Arguably, Prime Minister (PM) Narendra Modi's enormous popularity owes to the significant expansion of welfare schemes on his watch rather than any big initiatives to help the poor improve their livelihoods on a sustainable basis. The Congress, on its part, is hoping to script its comeback at the national level by upscaling the "guarantees" that fetched it electoral success in Karnataka and Telangana. Regional parties which have historically been at the forefront of handouts are vying with each other to woo voters with freebies. And no one is asking any questions about where the money for all this will come from. There is a strong case for restraint.

For sure, in a poor society where millions struggle for daily livelihood, the government needs to provide some safety nets to the most vulnerable. But this spending has to be within limits, especially as these transfer payments are financed by borrowing. Whether it is a household, a corporation or the government, ideally a loan should repay itself by generating a future income stream. On the other hand, borrowing money just to redistribute it as handouts can be fiscally perilous.

Freebies have an opportunity cost. The money spent on them could be spent on roads, education and health which would aid growth and welfare on a more sustainable basis than would mere handouts. As Mao Zedong said, "Give a man a fish, and you feed him for a day. Teach him to fish, and you feed him for a lifetime."

The question then is why are people voting for freebies. Because it is in the very nature of poverty that the poor tend to prioritise the short term over the long, especially when confidence that politicians will deliver better services is low.

Duvvuri Subbarao

Even as the Centre and states have gone overboard on freebies, the fiscal constraint is arguably much greater for states. The Centre has enjoyed larger budgetary resources consequent on economic growth which has made it possible for it to expand welfare schemes without seeming profligate. States have not had similar buoyancy and cannot, therefore, afford to spend on handouts without seriously jeopardising their debt sustainability. It's at the state level, therefore, that restraints are more urgent.

There is an argument that this concern is being exaggerated. After all, if you look at the analysis of state budgets by the Reserve Bank of India (RBI) or any think-tank, the inference you will draw is that state public finances are in good health and that they are, in fact, conforming to the Fiscal Responsibility and Budget Management (FRBM) targets.

This is misleading. State governments are able to hide their borrowing from FRBM tracking by borrowing on the books of their public enterprises, in some cases offering future revenue as collateral.

But what of the checks and balances that are supposed to govern democracy? Regrettably, they have eroded in the case of freebies.

The first line of defence has to be the legislature, in particular the Opposition. But no Opposition party dare oppose any freebie for fear of losing the vote bank at the receiving end of the freebie. If anything, the Opposition will taunt the government into giving away even more so as to get credit for the enhancement.

In theory, the Comptroller and Auditor General audit, which can legitimately comment on the debt sustainability of a state, can be a check. However, in practice, audits have failed to bite because they come with a lag when political interest has moved on to other issues. Moreover, our bureaucrats have mastered the art of turning audit paras into "files", which run their course and die a quiet death.

As states pile on debt year after year, interest payments are guzzling up an increasing share of their revenues leaving that much less for other discretionary expenditures. In theory, the market can check profligacy by pricing the loans of states based on their debt sustainability. Thus states like Karnataka and Maharashtra with stronger fiscal positions will command a lower interest rate than more indebted states. This signalling mechanism is lost, however, in our system because the market assumes that all state loans are guaranteed by the Centre, never mind that there is, in fact, no such guarantee.

There has been a suggestion that the Election Commission (EC) should step in to rein in freebies. The nature and extent of the EC's authority in this regard is not clear. One view is it can mandate political parties to necessarily indicate the fiscal implications of the freebies they are offering. No matter the powers of the EC, it's not advisable for it to get into this business. It should not be distracted from its core business of conducting free and fair elections. In any case, it should not get into what is quintessentially a political issue at a time when its political neutrality is being questioned.

There was a time not long ago when the Centre dominated the fiscal space and state-level public finances didn't matter much. That is no longer the case.

Today, states collectively borrow as much as the Centre, and put together they spend more than the Centre. Our debt sustainability and macroeconomic stability are, therefore, as much a function of the Centre's fiscal position as that of the states collectively. It's not enough that the Centre becomes fiscally responsible; it has to carry the states along too.

One of the first tasks for the Centre in that leadership role is to evolve a political consensus on capping the spending on freebies. There are reports that the PM has tasked the bureaucracy to come up with a hundred-day plan of action for the new government. Let's hope a "discussion paper" on freebies will figure in that action plan and will be taken up on priority no matter which party comes into office post-election.

Duvvuri Subbarao is a former governor of the Reserve Bank of India. The views expressed are personal

A self-harming stance on digital trade tariffs

India was at loggerheads with the developed nations and China at the World Trade Organization's (WTO's) 13th Ministerial Conference (MC-13) in Abu Dhabi earlier this year. India's resistance to extending the moratorium on tariffs for digital trade was one point of divergence. This stance is counterproductive, and likely to hurt India's most promising sector.

During MC-2 (1998), a moratorium on tariffs for electronic transmission was introduced, and this has nurtured the burgeoning digital trade sector. To illustrate, when a United States (US) based chip design house transfers files electronically to its large team in India for the next level of design, there are no tariffs applicable. When the Indian team transfers the updated design files to a foundry in Taiwan for manufacturing the chip, Taiwan imposes no tariffs on the Indian company. This enabled the chip design to flow seamlessly across borders without additional costs.

Sridhar Krishna

Pranay Kotasthane

Today, a plethora of services can be delivered digitally, transcending borders. At MC-13, India's posture was at odds with digital trade stalwarts like the US and the European Union member states. They, for once, were aligned with China in seeking an extension of the moratorium and even suggesting this tariff-free trade in digital services be made permanent. It would not be wrong to say that India was virtually isolated in its opposition among the large digital powers.

India's opposition to free trade in digital services is not completely new. In 2020, India introduced the "equalisation levy" targeting e-commerce giants like Amazon and Facebook. While this move aimed to ensure fair taxation, it also underscores the complexities of taxing digital transactions across borders.

A stated reason for India's opposition is that the developed countries and China dominate the export of digital services and the poorer countries are net importers. The stance is puzzling given India is not a net importer of such services. In fact, it is the fourth largest exporter (at $257 billion), and its digital exports grew at 17% last year — faster than Germany's and even China's. Opposing the extension of the moratorium on tariffs thus doesn't seem logical.

With the distinction between goods and services fast diminishing, India sought clarity on what falls within the scope of digital trade and wanted the option to impose tariffs if necessary. It was not comfortable with extending the moratorium without clarity on what constitutes electronic transmission and what does not. Again, this makes sense only if India were a net importer of digital services. On the other hand, its exports have benefited from the rise of trade in digital services. Worrying about whether 3D printing is electronic transmission — something it raised at the conference — is meaningless.

India also claims that it is losing critical customs revenue and needs to protect domestic players from unfair competition. By exempting electronic transmissions from duties, it foregoes potential revenue. Behind the rhetoric, there is unconvincing data. The worst-case estimate of losses in terms of customs tariffs foregone because of the moratorium is around $1.5 billion, according to South Centre, an intergovernmental organisation of developing countries. This certainly pales before the country's digital exports which are ~166 times that number. A 2023 paper by OECD Trade and Agriculture Directorate researchers demonstrates that lifting the moratorium was not in anyone's interest and especially not in the interest of low-income countries. The paper shows that the potential fiscal revenue implications of not lifting the moratorium are on average 1.09% of total customs revenue or 0.2% of total government revenue for lower middle-income countries like India.

Some reports conjecture that it is a negotiation tactic. Was India using this as a stick to combat the EU's Carbon Border Adjustment Mechanism (CBAM)? If this is more than just a negotiation tactic, India will need to rethink its position. The developed nations support a permanent moratorium claiming it ensures a predictable environment for digital trade. India is already a significant player in digital services and has the potential to grow further. Protectionist tariffs will not help make its domestic industry competitive. On the other hand, these will reduce incentives for building globally competitive businesses and drive up the cost of digital services for Indian consumers. It will increase friction in the trade of digital services and the diplomatic impact of raising tariff barriers will far outweigh the insignificant increase in revenue from customs duties.

More importantly, this move hobbles India's attempts to integrate itself into global supply chains. Recently, a global consortium of semiconductor players petitioned the government to not impose tariffs on data transfer. Chip design is a collaborative effort between teams located in different countries, and taxation will lead to inefficiencies in the supply chain. This move is at odds with India's ambitions to play a key role in the semiconductor supply chain.

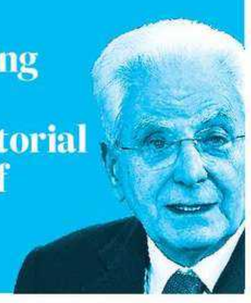
At MC-13, India did finally support the extension of the moratorium on customs duties for electronic transmissions for two more years, but with the understanding that it would expire thereafter. It would do well to remember that every tariff decision shapes its economic destiny. The path forward lies in informed policies, data-driven assessments and well-reasoned geopolitics. India's current stance does not hold up to these tests.

INDIA'S OPPOSITION TO FREE TRADE IN DIGITAL SERVICES IS NOT NEW. IN 2020, IT INTRODUCED THE EQUALISATION LEVY TARGETING AMAZON ET AL

Sridhar Krishna is senior scholar, Takshashila Institution, and Pranay Kotasthane is deputy director, Takshashila Institution. The views expressed are personal

{ SERGIO MATTARELLA } ITALIAN PRESIDENT

No state equipped with a menacing nuclear arsenal can think of violating... the sovereignty, territorial integrity, and independence of another country



The EU matters, so does its partnership with India

Europe Day, celebrated on May 9, marks the anniversary of the historic Schuman Declaration of 1950 that laid the political foundations of what is now the European Union (EU).

Since then, the EU has developed into a Union of 27 sovereign States and a unique political project of peace and prosperity. Its collective strength is manifested in many ways: Its single market, an area of free movement of goods, services, capital and people has brought concrete benefits to European businesses and consumers. The EU has become the largest trading block in the world with free trade agreements (FTAs) signed with over 40 partners and the main provider and destination of foreign direct investment (FDI). It has also been a major source of global standards, promoting a rule-based and human-centric development of technology as with its General Data Protection Regulation or its recent AI Act. As the main source of official development assistance and global climate financing (contributing over 30% of global climate finance), the EU has supported the multilateral agenda, promoting cooperative solutions to the most pressing global issues.

Hervé Delphin

The EU is going through a challenging yet transformational moment. Peace and security in Europe and beyond are once again under threat. Confronted with Russia's imperialist authoritarian revisionism, security and defence have become an existential priority for the EU. We will continue to support Ukraine as long as needed to counter Russian aggression. The EU has recently adopted ambitious plans for strengthening the European defence industry.

The EU is committed to stability and security in the Indo-Pacific region in recognition of the increasingly interconnected economic and security theatres. The EU maritime operations ASPIDES and ATALANTA are examples of effective engagement aimed at preserving the security of merchant vessels in the Red Sea and Gulf of Aden areas.

While committed to preserving the openness of its economy and society, the EU has adapted to the "weaponisation of everything", which increasingly characterises geopolitical rivalry. It has strengthened its economic security by promoting its own industry in sectors such as semiconductors, artificial intelligence, and net-zero technologies; by protecting its own market through measures such as anti-coercion and FDI screening legislation; and by partnering to build resilient supply chains, such as critical raw materials or by completing comprehensive FTAs. It has also taken steps to protect its own democracy against foreign interference and manipulation of information as there is growing evidence of foreign destabilisation operations against the EU member states and institutions. This matters even more as 400 million European citizens are called to vote in next month's European Parliament elections.

Strengthening a cooperative rule-based order and partnerships with other democracies is central to the EU's strategic agenda in this pivotal moment. India, in this respect, has emerged as an incredibly important strategic partner for the EU over the recent years. The relaunching of FTA negotiations and the setting up of a Trade and Technology Council in 2022 were the clearest signs of the EU's commitment to invest in this relationship. India matters to the EU as much as we believe the EU matters to India, as a natural and preferred partner. There are now about 50 EU-India bilateral thematic institutional dialogues. But there is space for developing our strategic partnership further.

Our respective businesses stand to benefit from deeper economic and trade ties, which already generate millions of jobs in India. Our cooperation in green and high-tech can turn into a win-win strategy, fostering green transition, building resilient supply chains and reducing over-dependencies on other markets. The pool of talent and knowledge from European and Indian skilled workers stands to benefit from greater mobility, as evidenced by the new Schengen visa rules for Indian travellers and with Indian students and researchers topping the list of EU Erasmus Mundus and Marie Curie exchange programmes. The EU and India have a shared interest in developing connectivity infrastructures in the sub-region and beyond supported by the EU Global Gateway or initiatives such as India Middle East Europe Economic Corridor, to deepen security and defence cooperation and act as bridge-builders of global solutions to development and climate challenges.

As the current EU-India strategic roadmap 2025 will soon come to term, the perspective of the next EU-India Summit should be used to take our partnership to a new level. Mutual respect and management of our differences, renewed trust in each other and mutual commitment to our shared values and principles will be the best guides for this relationship.

Hervé Delphin is ambassador of the European Union to India. The views expressed are personal

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Transforming manufacturing

Dependence on PLI should be contained

Intending to formulate a production-linked incentive (PLI) scheme for electronics-component manufacturing, the Ministry of Electronics and Information Technology, as reported by this newspaper, has asked various stakeholders to share information related to India's disabilities against competing countries, export potential, major buyers of components and sub-assemblies, and foreign and domestic firms planning to set up manufacturing plants in the country. The government aims to increase capacity, enhance cost-effectiveness, and create a component ecosystem worth $75 billion over the next five years. Past evidence, however, begs the question of whether PLI can help transform India's manufacturing ecosystem.

Amid increased US-China tensions, India aims to become part of the China-plus-One strategy of large multinational corporations. In this context, PLI, essentially a production-subsidy scheme, seeks to expand domestic production capacities in different sectors. While the PLI scheme is the closest India has to an industrial policy, evidence so far suggests that its success is limited. Except for the PLI scheme for manufacturing mobile phones in India, multinationals seem reluctant to establish a significant manufacturing base in the country. Even in the case of iPhones being manufactured in India, which has done reasonably well, most of the components are being produced elsewhere. Notably, two of Apple's vendors, Wistron and Pegatron, have withdrawn from India.

Overall investment remains far from what was initially expected in other sectors where PLI schemes were launched, including high-efficiency solar photovoltaic modules, automobiles, and textiles, which were expected to gain scale. Unfortunately, India's industrial strategy, instead of being harnessed to generate productive employment and boost export potential, is tilting towards import substitution. The PLI scheme shortlists firms and provides subsidies of 4-6 per cent, based on conditions like investment and production. It can be argued that PLI-induced investment has been unable to create the scale of employment needed, especially in low-skill manufacturing. PLI for textiles is a case in point. Textile is a labour-intensive sector with a tremendous scope for job creation. However, the growth of investment in this sector remains slower than anticipated. As 16th Finance Commission Chairman Arvind Panagariya also noted recently, PLI is not a tool for overall industrialisation. It can expand export potential and bring in benefits perhaps in a few sectors and should not be used to subsidise every industry.

The idea of import substitution and creating a few national champions has also led to increased tariff protection, an impediment for firms aiming to be part of global value chains. Integrating with global value chains is critical for industrial production and exports. Since inception, expenditure on the PLI scheme has been a fraction of the planned outlay. Also, in principle, it interferes with market functioning and increases bureaucratic control. Therefore, before including new sectors in the PLI scheme, the government would do well to study how the scheme has worked thus far. Giving large firms production subsidies and tariff protection will not be enough to push industrial production and exports in the long run. What India needs are deeper reforms. Strong and resilient infrastructure, which has improved significantly in recent years, a reliable trade policy with low tariff rates, a skilled and employable workforce, and an investor-friendly business environment remain the key to industrial development.

Regulating the regulators

Govt must strengthen accountability

Contamination in packaged spices, eye drops, and children's cough syrups; misinformation in advertisements for an Ayurvedic medicine; revelations of high sugar content in baby food; and the mislabelling of sugared food products as "health drinks". These issues that have serially hit the headlines over the past year point to the serious weaknesses in consumer-facing regulatory institutions in India. It has taken court appeals, exposes by influencers and non-government organisations, and embarrassing complaints from global regulatory bodies to highlight these weaknesses. The upshot in most cases has been to haul up the companies concerned with restrictions without raising questions of how the plethora of state and central regulators allowed the transgressions in the first place.

The recent complaints from Hong Kong and Singapore of high levels of a banned pesticide in products of two products of popular spice mixes are a case in point. It took the Food Safety and Standards Authority of India almost a month to make some sort of response by asking states to collect different brands of spices for testing. Unasked in this imbroglio, which could seriously impact booming spice exports, is how such contaminants, which are also banned in the domestic market, escaped the attention of the food safety regulator in the first place. Last year, following reports that children in the Gambia and Uzbekistan died after taking Indian-made cough syrups and consumers in the US developed eye infections or blindness after using Indian-made eye drops, the government issued showcause notices to 70 companies and asked 18 to shut shop. Such retrospective vigilance, taken to safeguard India's reputation as "pharmacy to the world", leaves unanswered the question of how to enhance the efficacy of drug regulators to ensure such incidents do not occur.

There is certainly scope for a thorough reorganisation, given the regulation load imposed by the presence of over 10,000 pharma-manufacturing units in India. The urgency to do so can be seen from the frequency with which the US Food and Drug Administration highlights the failure of Indian drugs to conform to US standards, a serious problem, given that the US is the Indian pharma industry's largest overseas market. More recently, following strongly-worded Supreme Court strictures against Patanjali's misleading advertisements, the Uttarakhand government saw fit to suspend 14 of the company's product licences, which begs the question of the basis on which these were given. Again, the case had its origins in a complaint by the Indian Medical Association against Patanjali's advertisements that claimed to cure a range of illnesses better than allopathic drugs.

But where super-vigilant regulators in developed overseas markets can be relied on to spot transgressions in Indian products, the domestic consumer has little recourse to redress mechanisms in the face of regulatory failure. Consumer courts have been around since 1988. Though initially praised for their efficiency, these too have gone the way of the wider judicial system with backlogs clogging the system. Verdicts that are supposed to be delivered in three months can take up to five years, with the process of filing a case taking a fair chunk of the time. Last month, the government directed all consumer courts to start hearing cases online in an effort to streamline and fast-track procedures. Demanding greater efficiency and accountability from consumer-facing regulators should be the next step.

ILLUSTRATION: AJAY MOHANTY

Getting India's growth priority right

To catch up with peers, not only in size but also in per capita income, India must focus on health and education

JANAK RAJ

Historically, economic growth or income alone was considered the primary measure of human development. Over the years, however, health and education gradually emerged as key elements of human development, alongside income. A major thrust to the broader concept of human development was provided in 1990 when the United Nations Development Programme began to release country-wise data on the human development index (HDI) as a summary measure of a nation's average achievements in three key dimensions of human development: Income, health and education.

It is significant that research in the global context clearly establishes that income and non-income components of human development (health and education) are inextricably linked and mutually reinforcing. A country cannot sustain economic growth in the long-run without adequate support from human development, and vice versa.

A recent study titled "Inter-linkages between Economic Growth and Human Development in India — A State Level Analysis", co-authored by this columnist with Vrinda Gupta and Aakanksha Shrawan, empirically found a strong two-way relationship between economic growth and human development in India. The bi-directional causality between human development and economic growth was also established, i.e., human development causes economic growth, and vice versa.

The above-referred study also found that secondary-level education leads to increased economic activity in the agriculture and manufacturing sectors, while higher education drives economic activity in the services sector. The impact of higher education enrolment on services was four times larger than that of secondary education on agriculture and manufacturing. Primary education was not found to impact economic activity, suggesting the critical importance of at least secondary-level quality education for developing cognitive skills. It is the development of cognitive skills of an individual rather than mere school enrolment or attainment that is positively related to economic growth.

Recent cross-country studies also support that investing in secondary education yields a significantly higher economic growth, much more than the impact that can be achieved solely through primary education. In other words, for primary education to substantially contribute to economic growth, it is important to supplement it with widespread provision of secondary education. Notably, the UN Sustainable Development Goals now include specific targets for primary and secondary education, in contrast to the Millennium Development Goals, which solely emphasised universal primary education.

Another recent related study titled "Economic Growth and Human Development in India — Are States Converging?" by the same authors, found that economically weaker and low human development states in India were not catching up or converging with economically well-off states. However, club convergence was occurring in the sense that when different states were divided into separate categories based on the different levels of economic growth and human development, economically weaker states were found catching up with economically well-off states with similar levels of human development.

A clear message emerging from the two studies referenced above is that for economically disadvantaged states within India to catch up with more prosperous states, and for India to catch up with its peer and developed economies not only in terms of size but also in per capita income, it is imperative to place human development at the centre of economic policymaking.

Historically, policymakers in India have prioritised economic growth with a relative neglect of health and education. Public spending on health in India at 1 per cent of gross domestic product (GDP) has remained broadly unchanged in the last 30 years and it is nowhere close to the target of 2.5 per cent set out for 2025 in the National Health Policy, 2017. India's public health spending pales in comparison with health spending of 3-5 per cent of GDP by its peers (5.3 per cent by Russia, 4.5 per cent by Brazil, 3.6 per cent by Thailand, and 2.9 per cent by China).

Likewise, India's public spending on education at 4.6 per cent of GDP remains far below the target of 6 per cent, which was first articulated in the National Policy on Education, 1968, and reiterated in all subsequent education policies, including the one in 2020. It is to be noted that the target of 6 per cent was set to be achieved almost three decades ago in 1986.

Low public health allocation has been forcing households to spend on healthcare and education from their own pockets. A study suggests that out-of-pocket expenditure (OOPE) on healthcare pushed 55 million people in India into poverty in 2011–12. OOPE on health in India, constituting 50 per cent of total health expenditure, is one of the highest in the world. High OOPE can force households to adopt harmful coping mechanisms, such as liquidation of productive assets and borrowings, resulting in impoverishment.

Low public spending on education has been one of the key factors for a large proportion of children in the country still not being able to attain school education beyond the elementary level. India must significantly increase its public spending on health and education and ensure effective targeting to reduce people's out-of-pocket expenses.

No doubt, economic growth indirectly also contributes to human development by giving individuals and the government a greater command of resources to spend on health and education, among other things. However, the pace of such contribution is extremely slow, with India's HDI score improving by only 0.20 (to 0.64 from 0.44 out of a value of one) over the last 30 years. Despite being one of the fastest-growing economies in the world during the last several years, India lags its peers in key health and education indicators, let alone advanced economies. India cannot rely only on the trickle-down effect of economic growth on human development. It needs to prioritise human development by taking direct, specific, and affirmative policy measures. It is only then that India can realise its full economic growth potential.

The writer is a senior fellow at the Centre for Social and Economic Progress, and a former executive director, Reserve Bank of India. The views are personal

We're back to *bijli, sadak, paani*

SWOT

KANIKA DATTA

Ahead of elections, fierce debates have broken out in resident welfare associations (RWAs) in the country's most famous high-tech Millennium City that somehow manages to thrive on the most low-tech quality of civic infrastructure. The argument is to vote or not to vote given the deteriorating state of Gurugram; to do your duty as a citizen or to expect elected officials to do theirs. Undoubtedly, the city, which started from pretty minimal standards of civic amenities in the first place, has hit a new low: Garbage going nowhere, roads that make village lanes look like Formula 1 tracks, noxious overflowing sewers, water shortages despite a fortuitous rise in the water table ... you get the drift.

But the real culprit has a tenuous connection with the Member of Parliament who gets elected to represent the Gurugram constituency in the Lok Sabha. Instead it's an institutional failure that is causing the ructions. Elections to the Municipal Corporation of Gurugram, a body that has never been renowned for efficiency, have been delayed for the past year and a half. With no one really in charge, energetic RWAs have resorted to organising noisy *dharnas* at MCG House to galvanise its bureaucrats into addressing their problems. These protests, complete with slogan shouting and placard waving, are certainly cathartic; they even yield well-meaning responses but these are too incremental to make an appreciable difference.

To be sure, the fact that such local issues are looming so large in a Parliamentary election is a symptom of the lack of substantive new issues in this current seven-phase, 44-day election campaign, the second longest in independent India's history. The *acche din* of "development" appears to have lost momentum, and redistributive justice embedded in *nyay* is an improvisation of the *garibi hatao* theme, which has had its day. Ironically, the current discourse among Gurugram RWAs takes us back to a slogan that may have prevailed in that close parliamentary election of 2004: *Bijli, sadak, paani*. The fact is that rapid urbanisation in the post-liberalisation era has altered the dynamics of middle-class urban voter demands. Where it was once politically correct to support politicians who vowed to eliminate poverty, the focus now is on maximising wealth and comfort, and that includes a standard of civic amenities. They want, if not Indian Shining, at least moderately liveable urban environments.

But the RWAs' well-intentioned no-vote campaign may be misplaced. The fact that most of India's emerging cities are models of poor governance has less to do with who is elected to Parliament than with the structures of municipal governance and autonomy. Most municipal corporations are broke. Their revenue-raising abilities are limited to property tax, water tax, and toll tax, which urbanites often take delight in evading (even as they expect western standard utilities). But even these sources of funds are limited. According to a study by the Reserve Bank of India, local taxes account for just about a third of a municipal body's revenues. The rest comes from fund transfers for the Centre and states. Some 70 per cent of these resources get eaten up in salaries, pensions and administrative costs. When you have no money nor the means of raising larger sums, the ability to deliver services is non-existent. Add in unchecked and blatant petty corruption, especially lucrative in the growing privatisation of contracts for the provision of urban infrastructure, and the scope for accountability vanishes.

This creates a vicious circle of underfinancing and poor quality infrastructure. But as history tells us, poorly managed cities are political time bombs. With 40 per cent of India's population heading to the cities by 2036, according to the World Bank, the stresses on urban infrastructure will multiply manifold. The Bank reckons India's urban local bodies will need to invest $15 billion a year for the next 15 years for cities to come up to speed. Where will such humongous sums come from? The obvious way out of the financing conundrum is to tap the markets through municipal bonds, an instrument that is strongly recommended for middle-class investors for its relative safety and decent returns. But given poor governance mechanisms in municipal corporations, cities that have issued them have, predictably, found few takers.

Given this, Gurugram's hard-working RWAs would do better to lobby — even hold *dharnas* — for early municipal elections. That's where the circle of accountability begins. Enforcing service delivery by elected officials would be a good starting point for establishing the sort of efficiency and incorruptibility that could encourage investors to put their money in the municipal bond market. Meanwhile, it may be worth lining up at the hustings, which may be a good idea for those who have a view about the future of India.

BITs in pieces

BOOK REVIEW

DAMMU RAVI

Countries sign Bilateral Investment Treaties (BITs) to attract foreign investments to enhance manufacturing, generate jobs, and seek new technologies for sustained economic activity. A surfeit of BITs since the 1990s, about 3,000 worldwide, was a consequence of the embrace of the "Washington Consensus" that advocated liberalisation. That bonhomie seems to be over now with BITs facing a backlash largely owing to the contentious "Investor State Dispute Settlement" (ISDS) that empowers a foreign investor to directly bring claims and seek compensation against the state through arbitration. Prabhash Ranjan, an expert on international investment law, puts in perspective in his new book the controversy surrounding ISDS, dispassionately covering competing narratives.

Dr Ranjan quotes a study from the United Nations Conference on Trade and Development to dispel the popular notion that ISDS claims cause huge financial burdens on the host country. According to the study, 1,257 publicly known ISDS claims have been initiated so far, an average of 35 annually. Only in 13 cases did the compensation awarded exceed $1 billion; in 178 cases, it was less than $100 million; and in more than half of all cases, the damages were less than $16 million on average. Hard to explain, however, is the fact that the maximum ISDS claims were made against developing countries that, with meagre financial wherewithal and deficient expertise in trade law, invariably end up in losing battles, sacrificing scarce resources meant to address livelihood issues.

The book offers an insightful account of how India handled its 28 disputes arising out of about 80 BITs/free trade agreements investment chapters concluded between 1994 and 2010. Dr Ranjan draws our attention to some high-profile ISDS claims that India lost and candidly places the blame on a combination of the slackness of our judicial system, abuse of public power and poor governance. For instance, the claim of White Industries, an Australian mining company, was the result of the Indian judiciary's failure to get its act together for almost nine years. The Devas-Antrix case arose following India's decision to abruptly cancel the contract, advancing a cocktail of reasons ranging from social objectives, national security, criminal offences, and so on. Retroactively amending the Arbitration and Conciliation Act, 1996, the primary law governing arbitration, which sought to delink ISDS, prompted Devas to initiate a second BIT arbitration.

In the two retroactive tax cases involving Vodafone and Cairn Energy, India's executive overreach against judicial decisions, by amending the income-tax law retroactively, compelled them to resort to international arbitration. The belated rectification of this error in 2021 did not prevent the damage already done to India's reputation. The Nissan case is a grim reminder of state luring investors by offering tax incentives and then going back on those promises without any policy justification.

Rattled by these ISDS claims, India sought to decouple investment from international trade. It terminated all BITs that were more than 10 years old; introduced a model BIT in 2015 that accords primacy to local remedies on disputes prior to international arbitration. The author reasons that the gaps in the regulatory framework should be plugged instead of blocking a useful route for foreign investment.

INDIA AND INVESTOR-STATE DISPUTE SETTLEMENT: Affronting Sovereignty or Indicting Capriciousness
Author: Prabhash Ranjan
Publisher: Routledge
Pages: 182
Price: ₹13,650

The unequivocal support for ISDS stems from Dr Ranjan's belief that, given that not all sovereign actions are in genuine public interest, ISDS is needed to protect investors against the state's excesses. He stretches this logic to set out protection provisions in the rule book to serve everyone well. This assertion, however, overlooks the dangers of treaty shopping, reckless disinvestment, flight of capital and investors' proclivity for profit-making, factors that often disregard the development imperatives of host countries. The tribunals' generous interpretation of BITs clauses such as most-favoured nation, national treatment, protection, pre-establishment, standstill, ratchet, and so on often weigh heavily against developing countries' compulsions to make or amend laws to accommodate changing socio-economic dynamics.

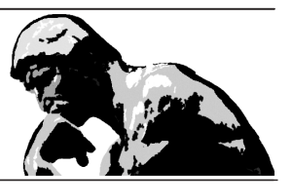
Around the world of late, ISDS has become politically toxic even in the capital-exporting developed world. Increasing two-way investment flows make ISDS seem like a double-edged sword even for developed countries. For example, India's cumulative outward foreign direct investment since 2000 is about $300 billion, approximately one-third of the total inward FDIs for the same period. These developments are forcing nations to explore fresh options. One such effort underway is the reform of ISDS under the United Nations Commission on International Trade Law (UNCITRAL), in which India is actively engaged. State-to-State Dispute Settlement (SSDS), providing for diplomatic interventions and potential tradeoffs is another. The EU is advocating bilateral investment courts with scope for mediation before arbitration. India is also making a concerted effort to make India a hub for international arbitration by setting up the India International Arbitration Centre and Permanent Court of Arbitration.

This scholarly book serves as a useful guide for the judiciary, the legal fraternity, policy, industry, and academia to educate and avoid mistakes. Dr Ranjan alludes to a definitive link between investments flows and protection provisions in BITs, particularly for greenfield projects. His book calls for developing a body of expertise at the policy level that looks at investments as a composite whole of economic activity to drive Viksit Bharat@ 2047.

The reviewer is a serving Indian Foreign Service Officer

THOUGHT FOR THE DAY: It is during our darkest moments that we must focus to see the light.

— ARISTOTLE ONASSIS



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No light at the end of tunnel in Gaza

The celebrations in Gaza over the reported ceasefire deal with Israel for an indeterminate period were clearly premature. These had erupted after Hamas initially dragging its feet accepted it. The proscribed terrorist group was still not ready to free all the 100-plus hostages in its custody since the barbaric October 7 attack on Israel, but 30-odd were to be released, presumably including the bodies of some of them who died in captivity. Aware that Prime Minister Benjamin Netanyahu was under tremendous pressure from the friends and relatives of the hostages, Hamas was playing psychological games. Its objective was to get the Israel Defence Forces halt operations and thus take the pressure off on its remaining cadres purportedly hidden in the underground maze of tunnels. On the other hand, Netanyahu and the hard-line orthodox elements in his government were determined to "decimate Hamas by all means" so that it can no longer conceive repeating the October 7th-like atrocity again. The top leadership of Hamas along with four divisions of the terrorist outfit were allegedly holed up in the tunnels under Rafah. With nearly over 30,000 dead already in the IDF operations in Gaza, the assault on Rafah to neutralise the Hamas leadership and its fighters could further cause a humanitarian crisis. A certain amount of collateral damage in such situations cannot be avoided, but the global mood is increasingly turning anti-Israel due to the failure of the US and other western nations, which aid Israel with arms and funds, to influence Netanyahu to call off the Gaza operations.

Hamas, on its part, does not help matters by dictating its own terms for a ceasefire. The protests that have spread over the US and European campuses too are essentially one-sided, virtually ignoring Hamas' provocations while putting the Israeli leadership in the dock. However, when it comes to matters of survival Israel leadership has always chosen security over public relations. Anyone in its place would understand what a besieged mentality can lead to. Security paranoia causes avoidable suffering for even the peace-loving Palestinians who have nothing to do with the terrorist outfit. It is time too that the protesters widened their gaze to take note of the heinous wars in which lakhs of Muslims have died fighting fellow Muslims in Syria and Yemen, to name only two of the trouble spots in West Asia.

That petrodollars are liberally funding the protests, as reported in a section of the western media itself, ought to make the sober elements in the western academic world to have a relook at the anti-Israel bonfires on the US and European campuses. Has it not occurred to anyone abusing Israel that if Hamas frees all the surviving hostages still in its custody, and hands over the remains of those who died while under its care, Israel will find it well-nigh impossible to continue its operations in Rafah? Why, in a way, one could well say that the timing of the student protests is suspect, meant to put pressure on Israel so that it calls off its clearing off operations in Rafah which shelters the top leadership of Hamas along with tens of hundreds of its fighters? Hamas too may reckon that US President Biden will pressure Netanyahu strongly to cease fire lest he lost the liberal-left vote in the coming presidential poll. Given that Biden's most likely challenger, Donald Trump, has expressed himself more strongly in endorsing Israel's anti-Hamas operations the centrist-liberal-left voter may be caught in a quandary of its own making. Neither side in the ongoing conflagration in Gaza is blameless, though historically the petrodollar-rich West Asian autocracies can be held guilty of leaving the Palestinians to their own devices. These are the nowhere- people whom no Islamic nation is willing to embrace. Since a two-State solution is not in sight in the near future, periodic breakout of hostilities interspersed with bouts of uneasy peace seem inevitable. But before that, Israel seems bent on finishing the unfinished agenda of wiping out the present leadership of Hamas. That another Hamas with or without another name will come up until a permanent solution is found too is not in doubt. The world is at a loss to reconcile the seemingly irreconcilable.

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INDIA 75 YEARS AGO
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LABOUR HAS PLAYED ITS PART

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RED HOOLIGANISM IN BOMBAY

Police Assaulted By Demonstrators

WEST GERMAN STATE COMES INTO BEING

CONGRESS ALONE CAN CONSOLIDATE FREEDOM

RED HOOLIGANISM IN BOMBAY

Bombay, Sunday. Three demonstrators and seven police were injured when an unruly procession of Communists came into a clash with the city police at Delisle Road this evening.

Himalayas burning because of three deadly sins

Insight

Bhavdeep Kang

The Himalayas, once synonymous with snow, spiritualism and Lord Shiva, now bring to mind floods, fires, landslides and earthquakes. The Devbhumi of Uttarakhand, the 'land of the gods' where saints meditated in the mountain fastness, now seems to be the object of divine wrath. All thanks to three deadly environmental sins.

Forest fires raging in the hills are the latest in a series of 'natural' disasters in Uttarakhand, and have been attributed to 'heatwave conditions', 'low precipitation' and 'climate change'. The ugly reality is that these disasters are anything but natural. They are a direct consequence of human hyper-activity in a fragile ecological zone.

Deforestation is the first of the three deadly sins. Environmentalist Peter Smetachek once compared the primary forests of the Himalayas to Shiva's dreadlocks, which caught precious water and released it slowly in the form of rivers and streams. The hydrological metaphor of Shiva's matted hair trapping the Ganga waters, absorbing their destructive force and then letting them flow gently to the earth, is particularly apt in the context of Uttarakhand.

Any denizen of the state will tell you that an oak forest is a water catchment. The banj (oak) improves the moisture level of the soil and is a natural air-conditioner that lowers atmospheric temperatures, thereby attracting rainfall. Where there is oak, there are streams. Conversely, when oak forests are cut, the streams dry up.

Destruction of oaks and their displacement by the famously flammable chir pine is seen as a leading cause of forest fires. One study found that between 1991-2017, oak forests decreased by 29% and pine forests increased by 74%. Without Shiva's matted locks to break the force of water cascading from the heavens, water is lost as runoff instead of sinking into the soil and recharging springs. According to Global Forest Watch, Uttarakhand lost 27 kilo hectares (kha) worth of tree cover between 2001-2023 with Nainital district alone losing 11 kha.

Today, most oak trees look like telephone poles, with their leafy branches hacked away by village women to serve as fuel and fodder. The decimation of oak forests by timber mafias and developers has led to unsustainable pressure on oaks by local communities.

Forest fires have led to further loss of biodiversity. Little action is taken, even as foresters acknowledge that more than 90% of fires are manmade. In 2016, when massive fires raged across the Kumaon hills, an investigation was ordered into the role of the timber mafia in setting fires (so that charred trees could be logged). Nothing came of it.

In addition, invasive species have displaced native vegetation. In the last few years, 'kala baans', known as the 'Mexican devil', has proliferated. Unpalatable and possibly toxic to herbivores, it will drive native plants into extinction, experts warn. With the state failing to act against the weed, locals have taken to setting it on fire — at the risk of sparking forest fires!

The second deadly sin is overconstruction. Hill towns have become denser and larger. Multi-storeyed structures have crept up the slopes to the crests of hills, thanks to improved road accessibility. Not all roads are government-built. Private landowners also run their JCBs on the fragile slopes, with or without environmental clearance.

The peace and quiet of the hills, where saints set up their ashrams, has been irretrievably shattered and the purity of the environment contaminated

Developers have chopped down entire forests to create mini-townships on the slopes of the Shivaliks. Realtors offer wooded land to outsiders for constructing holiday homes, assuring them that clearing the land of trees will not be a problem. The cutting of hills and forests for new housing, tourism- and infrastructure-related projects has destabilised slopes. Denuded of green cover, they have become prone to landslides.

Open fires are a daily occurrence in inhabitated areas. Where leaf litter was once used as fertiliser, it is now burnt along with trash. Plumes of smoke from the backyards of resorts are visible to all, except the authorities. In the dry season, when even a casually discarded cigarette or bidi can set a forest ablaze, no action is taken against open fires.

A major cause of overconstruction is the progressive dilution of land laws that restrict non-residents from buying land. Public protests and demands for a tough new land law elicited promises from the state government, but little progress. Under public pressure, the purchase of land by non-residents has been temporarily banned as of January 1, 2024.

Overtourism is the third deadly sin. Some five crore tourists are estimated to have visited Uttarakhand in 2022. Temple tourism is thriving but ironically, spiritual seekers leave devastation in their wake. Massive traffic jams on hill roads leading to tourist towns are now a common feature, as are shoals of plastic waste on the surface of water bodies and tourist spots marked with ugly heaps of garbage. They are gathered and burnt.

Tourism has also led to overextraction of water. Permission for tubewells is easily obtained by hotels. Villages are starved of water, but hotels fill up swimming pools with abandon. The traditional naulas — stone-lined basins fed by underground streams — have dried up or disappeared. Mindless construction has also resulted in aquifers drying up, and blocked natural water channels, leading to flooding during the rains.

Noise pollution is an inevitable fallout of the increasing traffic. Heavy trucks laden with construction materials rattle noisily through the hills blowing their air horns (technically banned) and tourists play music full blast. The impact on the avian wildlife of Kumaon, which attracts birders across the world, is not counted.

The peace and quiet of the hills, where saints set up their ashrams, has been irretrievably shattered and the purity of the environment contaminated. As Uttarakhand continues to burn, perhaps the best way to propitiate the gods would be to show a healthy respect for the Himalayas.

Bhavdeep Kang is a senior journalist with 35 years of experience in working with major newspapers and magazines. She is now an independent writer and author

Why the young American vote won't impact Biden

Wide Angle

Sachin Kalbag

Several leading American universities at present are under siege by two things: 1) Students, and 2) The shortsightedness of their managements, who have abdicated administrative responsibilities and handed them over to law enforcement. Following nationwide protests against the Israeli military offensive in Gaza that has left nearly 35,000 Palestinians dead, universities around the US allowed the police to take action against their students. In some cases, like Columbia University in New York, administrations have cancelled graduation ceremonies, locked up hostels and dorm rooms, and cancelled all classes, leaving thousands of students in the lurch.

These intense student protests led to an obvious question — has President Joe Biden lost the youth vote? It is a legitimate question, because young voters in America have traditionally been voting for the Democratic Party (to which Biden belongs). But not only is Biden not listening to the students, he has doubled down on Washington's support to Tel Aviv by pushing for more dollars in aid.

On March 29, the Biden administration authorised the transfer of billions of dollars' worth of bombs and fighter jets to Israel. Of the $3.8 billion in military aid given to Israel this year, half a billion was for Israel's missile defence. Washington has announced that it will replenish Israel's ammunition used in the recent war against Hamas.

In April, Biden signed a $95bn security package which included around $17bn in military aid for Israel and just $1bn in humanitarian aid for Gaza.

Recently, The New Yorker magazine quoted Aaron David Miller, a former State Department official, as saying, "Do I think that Joe Biden has the same depth of feeling and empathy for the Palestinians of Gaza as he does for the Israelis? No, he doesn't."

Not surprising then, that one of the epithets to have emerged in the middle of all this is "Genocide Joe."

Biden has a two-body problem for this November's election. One, he has to retain the White House not just for the Democrats but to retain the overall sanity of America and the rest of the world. Two, he has to wrest back the House of Representatives from the Republicans who have thrown spanner after spanner in Biden's path this term to get even the most basic of legislations passed. And, have threatened impeachment proceedings against him.

The option to Biden is Donald Trump, the only presidential candidate in American history to have asked a porn star to spank him with a magazine and to have participated in a gold tournament part-sponsored by a leading porn film company (if you are really interested, the company's name is Wicked Pictures). Trump's first term — like his 2024 presidential campaign — was characterised by bigotry, hatred, lies, misdirected policies, antagonising allies and befriending arch enemies, and generally making America the laughing stock. America needs Biden not because Biden is a great President, but to keep Trump and the ensuing chaos out.

Voting patterns in America are more complex than the mainstream media would have us believe. The 'uncommitted' voters have been highlighted only because of the war in Gaza

Which brings us to the question we asked at the beginning: How much does the youth vote matter to Biden, and will it change the course of history? Potentially, it can. But in reality, it may not. Historically, America has been a low-voting country. Rarely does its presidential election voting percentage cross 60%. In the last 10 elections, Americans have broken the 60% barrier just once, in the 2020 election when Biden won comprehensively. In fact, the last time Americans crossed 60% in a presidential poll was 1968 — 56 years ago.

The youth demographic (this includes young Jews, a contextually important sub-group) is worse. In the 18-24 age group, the voting percentage in the last seven elections is around 39%. It is abysmally low. The age groups that turn up the most to vote in the US are 45-64 and 65-plus. Both groups record over 65% in any election, and in the last where Biden won, 72% of those eligible in the 65-plus age group turned up to vote.

According to the Jerusalem Center for Public Affairs, Biden's support for Israel is not necessarily increasing his votes among the Jewish population. His constituency, it would therefore seem, is not secular to the extent that they are willing to support him over domestic issues rather than foreign policy concerns.

Prof Steven Windmueller of Hebrew Union College-Jewish Institute of Religion, Los Angeles writes: "Historically, most American Jewish voters have been aligned with the Democratic Party. In the 2020 presidential campaign, Joe Biden received about 68% of the Jewish vote, while Donald Trump secured 28%. The overall national vote four years ago broke 51% to 49% in favor of President Biden… A more recent Siena College-NY Times study noted the following: Trump's support among Jews in New York is…slipping, decreasing from 53 percent in a February poll by Siena College to 38 percent in a survey conducted between April 15 and 17, 2024."

Evidently, voting patterns in America are more complex than what the mainstream media would have us believe. The "uncommitted" voters have been highlighted only because of the war in Gaza, but they may not amount to much. The youth vote may not impact Biden much because they despise Trump more, and Biden becomes a fait accompli — if they turn up, that is.

What we are left with, therefore, are the same experienced voters (45 and above) as the 2016 and 2020 elections. Biden knows this. It is for this reason perhaps that he is not making any strong statements about law enforcement excesses in campuses.

We are exactly six months away from one of the most consequential American elections of this century. But neither candidate seems to be currently super active on the campaign trail — President Biden is bogged down by serious administrative issues and former President Trump has to be in court every day in New York.

But if all the surrounding noise is muted, it would seem the election is actually business as usual.

Sachin Kalbag, Senior Fellow at The Takshashila Institution, is a former Washington correspondent and editor of Indian newspapers. Email: sachin@takshashila.org.in. Twitter: @SachinKalbag

Resolving confusion and finding balance

— Rajyogi Brahmakumar Nikunj ji

GUIDING LIGHT

If we look at the present-day world situation, we would find that everyone is pretty confused. One cause of this confusion arises from the wide gap between principles or precepts professed and the practical acts performed. And hence, at this moment, most of the powerful leaders of the world seem to be confused as to whether they should follow the path of peace and harmony or get their country into a war-like situation.

Because they are confused, some of them make a show of their military power by sending military forces to the borders of some countries and then do not take any strong military action, for they think that such a step would be against the principles of democracy or would tarnish their image.

Another cause of confusion generally arises from man's two opposite kinds of desires or motives. One sometimes has noble thoughts in the mind and desires to rise morally and spiritually higher. But then such circumstances suddenly come up that require worldly solutions or drastic and gross steps. One, therefore, finds oneself in a fix as to what to do?

The pull of either of these — the nobler and the baser motives — is strong and so too are man's mutually contradictory desires to rise higher and to come out successful by taking the earthly course. These mutually contradictory desires and motives make him feel ambivalent and confused.

One also finds that there are various kinds of pressures acting on the individual. One has also built up some prejudices in one's mind. All these make a man's vision blurred, his mind clouded, his intellect indecisive and his mental state confused. So, in short, we can say that presently people are in a state of confusion worse confounded.

There is no such theory given by any man that has at its core the potential that can serve all fields of knowledge and can thus eliminate confusion of man and enlighten him truly and totally.

However, not many of us know about the fact that such a treasure of wisdom is given by the infallible and all-perfect Supreme Almighty only once in a Cycle of Time when the whole world is to be transformed into a happy and healthy world. And such a time is only 'NOW'. So, it can be said that the time for world transformation is now, when all sorts of confusion can be removed.

The writer is a spiritual educator and popular columnist for publications across India, Nepal and the UK. He can be contacted at nikunjji@gmail.com / www.brahmakumaris.com

LETTERS TO THE EDITOR

Election confusion

This refers to the edit 'Rewind rhetoric marks campaign' (May 7); a thinking voter may well be forgiven his inclination of not getting involved in the voting process after listening to the speeches made by the politicians across the entire spectrum. Many of their statements are cringe worthy and reflects the state our politics has come to. There is no roadmap for the future only a dull repetition of past performances. In this scenario,, citizens can hardly show any enthusiasm towards an election where one part has long voted and candidates are yet to be finalised in another part. For a nation aiming for one nation, one election; one election should not be divided into so many parts as to seem like different elections!

Anthony Henriques

Economic temperance

Historically, economic progress has been intertwined with socio-political degradation in many countries ('A polling majority for growth', May 6). India could be no exception. The unfettered capitalism practised by the US brought it massive wealth, but it created powerful vested interests that weakened regulations and concentrate wealth in a few hands. There is economic turmoil in several countries of Europe, and UK. Welfare states are undergoing an economic squeeze. So far we have managed to keep ourselves grounded in reality, which has prevented us from falling victim to the global downturn. India has long followed economic temperance. Today we stand better placed, with a young workforce and an organised banking system, although the levels of fiscal deficit, national debt and unemployment are still far from comfortable.

R Narayanan

Democracy involves voter and voted

This is apropos of the column 'The right to be heard' by Ritesh Aswaney (May 4). The writer has focused upon the voter's responsibility to vote in an election which is no doubt a democratic exercise of seminal importance. However, equally important is the responsibility of those voted to power to behave in a democratic manner and thus requite the trust placed in them by the voters. It is lamentable that political parties in India — Left, Right and Centre — have failed miserably to do their bit after coming to power. The common man has to face a government that in effect plays the role of a "maai-baap" sarkar. While it is relatively easy to nudge and prod voters to vote (and over 60% of them do vote), it is next to impossible to ensure that those voted to power discharge their duties honestly and transparently without favouring any party or group. The last ten years of this regime has, sadly enough, failed to address those very issues for which the previous regime was voted out of power. Family glorification has been substituted with individual glorification. And most importantly, the corrupt are being given a red carpet welcome. It is evident that we have failed democracy by limiting its scope to the few weeks of voting during which percentages are the be-all and end-all. There's much much more to democracy than just elections. The sooner we wake up to this fact, the better.

Avinash Godboley, Dewas

Dear reader,
We are eager to know your opinions, comments and suggestions. Write to editor.indore@fpj.co.in Using snail mail? Send your letters to Free Press, Free Press House, 3/54, Press Complex, AB Road, Indore 452008

MIKA'S MATRIX

SAIBABA & SWAMI SAMARTH
MESSAGE FOR THE DAY

A day to go within, help others, financial transactions and speed.

We are extremely happy with all the soul-searching that you have done. Remember all the good that you do is acknowledged by us and doesn't go waste.

You will receive that important message or parcel that you have been waiting for. We loved the way you did charity.

Tip for the day: Donate any grain to needy.

Lots of divine miracles your way, Sheetal Sapan Mhatre.

Hills are Alive with The Sound of FMCG

Signals real incomes are starting to catch up

Rural market is delivering some cheer to the FMCG industry, with growth outpacing the urban segment from January to March. The outlook has improved with prediction of a normal monsoon and pricing power of producers. Languishing rural consumption has pulled back the FMCG pack even as benchmark stock indices scaled new peaks, and brokerages are changing their outlook for the sector for a catch-up rally. The industry has faced a squeeze on demand and a spike in input costs, which has worked to the advantage of big players. An uptick in rural demand and benign commodity prices should substantiate investor optimism about the sector. There is corroborating evidence in motorcycle sales that the rural buyer is back in the market, although sales of small cars are yet to regain their pre-Covid momentum.

From a macro perspective, revival of rural consumption was the missing piece in India's remarkable recovery from the pandemic and energy shock. Credit-fed consumption by higher-income groups is beginning to slow, and the revival in the countryside is expected to power the economy until private investment takes off. One reason for lackadaisical private investment was lopsided consumption that wasn't moving the needle on capacity utilisation. The situation may have changed if shampoo sales in villages were any indication.

Sustained growth of rural consumption is a testament to India's policy decisions during economic crises at the start of the decade. RBI has adopted a cautious approach to inflation control, while GoI has forged ahead with ambitious capex. Expectation of a higher growth multiplier through this monetary and fiscal policy combination is now being realised. The alternative approach of boosting consumption through income support may have yielded quicker results. But it would have complicated inflation control. Overcoming a significant hurdle, resurgence of rural consumption signals that real incomes are starting to catch up with the initial profit-led economic growth.

Adventures of Jinping in Europe

That Xi Jinping's visit to Serbia coincided with the 25th anniversary of US bombs falling on the Chinese embassy in Belgrade, in which three Chinese nationals were killed, during Nato bombing of Yugoslavia on May 7, 1999, is no coincidence. It serves as a reminder of both the past and possible future.

In France, where Xi first stepped on European soil after five years, Emmanuel Macron's call for 'strategic autonomy' from the US must have been music to Xi's ears. Speaking in the context of French support for European Commission's anti-dumping investigations into imports of Chinese EVs, solar panels and medical equipment, Macron aired the need for greater reciprocity for trade with China. Xi's trip to France, Serbia and pro-Beijing Hungary comes at a time of European vulnerability, both economic and existential, with Putin's Russia in full growl that European leaders hope Xi to temper.

For Beijing, it is also about placing a speed bump, if not a barrier, on the road that connects Europe to the US. This partly explains Xi's assurance of not imposing levies till anti-dumping investigations into French brandy imports are completed. But China also needs Europe. The latter plays a big role for not only China making a green transition key to its economic growth, but also, in the light of a US tech transfer crunch, it serves as a conduit for Beijing's bid to pivot from the world's factory to the world's innovation lab. In the face of another possible transition in the US — of White House occupancy — Donald Trump's views on Nato are well known. Which makes it understandable that Europe's leaders have started hedging their bets. In this fissuring landscape, it could make eminent sense for New Delhi to up its engagement with 'old' Europe.

JUST IN JEST

Did a lottery for post-voting voters draw out more voters to vote in Bhopal?

Participating in the 'Other' Lucky Draw

You know that enthusiasm is on the low side when it has to be stoked by what marketers call 'incentives'. On Tuesday, as Bhopal's voters lined up, there was reportedly significant interest in participating in a 'lucky draw'. By this, we don't mean participating in the luckiest draw of them all — parliamentary elections — but a less complicated one, also organised by EC. But did the imaginative 'bribe' actually have gotten more voters to come and press the EVM button than if EC hadn't thought up of the lottery? Apparently, none of the voters who participated in the lucky draw said that they wouldn't have voted if there was no lucky dip for those showing the (inked) finger to the folks manning the lottery booth. But, then, would you *really* expect a voter to claim that he or she didn't come all the way to press a button as part of his or her 'duty as a citizen', but came simply in the hope of getting a post-vote freebie?

It's more likely, though, that those who planned to vote anyway, participated in the lottery — rather than the lottery drawing out registered voters who would have otherwise sang bhajans in the shade of their homes. Proof of the pudding? 64.3% voter turnout in Bhopal, lower than the last time people came out to vote. But, then, without the 'incentive', maybe there would have been more Soorma Bhopalis who wouldn't have bothered.

If private investment and consumption are the next growth engines, will lower interest rates help?

World Wide Tangled Web

Abheek Barua & Sakshi Gupta

US inflation has exceeded forecasters' expectations consistently over the last three months. Data last month showed that Q1 2024 inflation averaged 3.4% compared to 1.8% in the previous quarter. The central bank's target is 2%. This has shifted the chatter around US monetary policy from how many times the Fed would cut rates in 2024 to whether it will cut rates at all this year. Just a few months ago, the market believed that five or more rate cuts were due.

This revision in expectations has had ripple effects in all financial markets. The dollar has remained strong. High yields on dollar bonds encourages money to flow from all over to the US, propping the dollar and pushing down emerging market currencies. US government yields, a gauge of how tight money is in the economy, have risen sharply, pulling yields up elsewhere. The US 10-year bond yield has moved up by more than a quarter of a percentage point since March 2024.

The disproportionate influence of US monetary policy actions on global finance complicates the task ahead for most Asian central banks. The question then is: does RBI need to move in lockstep? Or can it afford to cut rates before the Fed?

As with economic issues, there are no pat answers. However, the minutes of the last monetary policy committee (MPC) released in April may help fashion the debate. MPC comprises of a group of six experts — three from RBI and three from outside — that meets every two months to decide the course of interest rates.

Friendly neighbourhood Central Bankerman

The central bank's internal members put up a strong defence for retaining a tight monetary policy. Headline inflation might be moving down to the long-term target of 4%, but given the risks lurking in a volatile geopolitical scenario, and uncertain weather patterns, there could be a reversal. The bottomline is that it's perhaps too early to quit the inflation fight and whittle away the gains of the last couple of years.

Besides, growth appears to be strong and doesn't need a leg-up from lower cost of money. What is left unsaid is that the risk of rupee depreciation and its correlate imported inflation runs high, if RBI cuts before the Fed.

External member Jayanth Varma provides an interesting counter in a recent Indian Express interview. His advice is to ask a simple counterfactual question. How close are we to the level of GDP, or the output the economy would have produced, if Covid had not happened? What would it take to get back to this path?

India's real GDP grew at an average rate of 6.6% over the last decade, excluding the pandemic years. Using this as a 'trend' or 'potential' growth rate to arrive at a hypothetical scenario, India's real GDP level would have increased by 29% cumulatively over the last four years if the pandemic had not struck. The actual output level rose only by 19% during this period.

Much of this was due to the massive contraction in 2020-21 of 5.8%. Since then, despite a commendable recovery with an average GDP growth rate of 8.1% post-Covid (2021-22 to 2023-24), disparity between actual GDP levels and pre-Covid trend levels continues to persist. Simply put, we estimate that GDP in level terms is still 8% below the trend level India would have seen had the pandemic not happened. We call this the 'Covid gap' (CG).

What about an economy like the US that cushioned the shock with massive doses of fiscal support? Predictably, deviation from its pre-pandemic trajectory was much less severe. For instance, as of 2023, US GDP levels are 1.6% lower than what they would have been in a pandemic-free world.

One can then argue that while current growth rates should certainly give RBI some comfort, they distract from the bigger challenge of moving up to the levels consistent with the pre-Covid trend. More bluntly, the US can afford to fret over getting down to its inflation target of 2% because it has much less to catch up to. India's growth challenge runs deeper because of its higher CG, making a case for RBI to lower interest rates even if it means tolerating higher-than-target inflation and letting the rupee slip.

RBI's not alone in this. For many other Asian economies, domestic economic conditions warrant a cut in interest rates, but fears of currency depreciation could hold their central banks back. Thailand's CG at end-2023 is estimated to be around 14%, and Indonesia's 9%. Thus, we have a new Asian trilemma that involves the conflicting objectives of managing growth, inflation and exchange rate.

To resolve this, a few questions need to be answered. Would India's strong fundamentals and inclusion of its bonds in a global index be enough to prevent a rout in the rupee market if RBI were to cut rates before the Fed? How sensitive is headline inflation to some monetary easing, given that risks of escalation stem from 'supply shocks'?

If private investment and consumption are to lead the next phase of growth, how much would lower interest rates help? Oh, what a tangled web we weave.

Barua is chief economist, and Gupta is principal economist, HDFC Bank

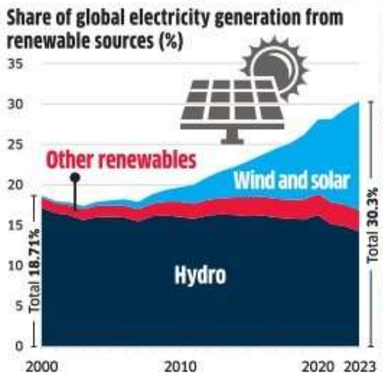
ChatGPT SHAIRI OF THE DAY

There once was a man named Pitroda,
Whose Trump-like words were so far outta!
With each faux pas,
Flak moved away from RaGa,
Everyone fell for it, including the media!
•••

Solar Power: India No. 3

The share of global electricity from renewables rose to a record 30% last year as the growth of wind and solar power continue to far exceed that of fossil fuels, according to a report from energy think-tank Ember. The report also said India overtook Japan to become the world's third-largest solar power generator last year...

Share of global electricity generation from renewable sources (%)



Global rankings of solar electricity generation (TWh)

Top 10	2023
China	584.15
US	238.12
India	113.41
Japan	110.14
Germany	61.56
Brazil	51.72
Australia	46.91
Spain	45.08
Italy	31.01
S Korea	29.37

Source: Ember's Global Electricity Review 2024, Bloomberg, ANI

Bell Curves ■ R Prasad

Be warned; we employ conservative methods to defend liberalism.

SANJEEV RAJ JAIN

Vietnam in Palestine

Ateesh Tankha

A spectre is haunting America — the spectre of Palestine. A few powers that be have entered into an uneasy alliance to exorcise it: Republicans and Democrats; tycoons and professionals; public figures and masked thugs aided or ignored by the police. The shame of it all is that it has happened before.

Two things result from this:

❶ The idea of a free Palestine is conceived as a threat by the few.

❷ The few have made it their mission to impress upon the many that only their perspective carries with it the burden of proof, the blessing of history and the benefit of reason. Those with a contrary view — opposed to the conflict on humanitarian grounds, or outraged by its excesses — are reviled as terrorist sympathisers, even antisemites. Though many who are unwilling to countenance this immoderate war are themselves Jewish, or those whose historical, social and intellectual backgrounds preclude this form of prejudice.

It's no coincidence that the current conflict bears many similarities to the war in Vietnam. Beset by the red spectre, the US willingly ploughed over $170 bn into support for South Vietnam between 1963 and 1973. By comparison, it has just approved a $17 bn aid package for Israel. Taken together with the incremental $4 bn-odd annual disbursement it receives, Israel's belligerence seems to have met with resounding approval.

The Vietnam War resulted in the loss of some 2 mn Vietnamese lives, for the loss of 58,000 American soldiers. At the time, Life magazine estimated that it cost $400,000 to kill one Viet Cong soldier, a figure that included 75 bombs and 400 artillery shells, to say nothing of the copious use of napalm and Agent Orange. Naturally, civilian casualties were cheaper and more plentiful.

In comparison, Gaza has already witnessed more than 34,000 deaths, 72% of which included women and children. Over 600 Israeli soldiers have died. No one can agree on how many Hamas fighters have been killed.

Resistance to the war in Vietnam also provoked a reactionary backlash that included surveillance of anti-war protesters by the National Guard and FBI, and showdowns between protesters and policemen, the most violent being that at Kent State University, in which four protesters were killed. While the police force seems less lethal today, if no less repugnant, social media has become a far more effective panopticon for targeted threats and enforcing punishment: employment separation, job offer withdrawal, student visa cancellation and loss of liberty.

For all that, there were no identified villains in Vietnam, whose swift removal could have resulted in a premature peace. Instead, after the 1968 Tet offensive, the US stepped up their bombing raids of military and industrial zones in the North, forcing their adversaries to the negotiating table.

On the other hand, Benjamin Netanyahu — aided by his right-wing cabal — continues to fan the flames of war after reducing 70% of Gaza City to rubble, in the belief that the longer he can prolong the conflict, the longer he is likely to stay in power.

This is clearly evinced by his equivocal stance to Hamas' acceptance of a permanent ceasefire in exchange for hostages. He has decided to send a delegation to Cairo to discuss peace terms, and simultaneously bomb and reduce Rafah to ashes, if necessary, despite Joe Biden's explicit injunction not to do so.

America (read: Biden) has two choices:

❶ It may choose to overlook Netanyahu's transgressions, and let him proceed with his bloody-minded agenda. This may secure it some applause from the more bellicose factions at home — especially with elections round the corner — while eroding its shrinking global trust deficit further.

❷ It could do the right thing and join with other nations in not only forcing a permanent ceasefire but also guaranteeing a time-bound plan for a two-nation solution, providing the ethical imperative to neutralise the need for Hamas forever.

One trusts that the people of Israel, heartily sick of Netanyahu's shenanigans, will use this opportunity to rid themselves of his presence.

Five decades ago, America's capitulation in Vietnam was seen by many as a blow to its prestige. And, yet, as a result, it was able to slough off years of delusion and deceit. This may not be an American war. But it has become an American problem. As such, the current conflict also allows the US to redeem itself. For, the only thing it has to lose is its sense of shame for not having acted sooner. It has the world's approval to win.

And, then, perhaps history will not repeat itself again.

Hey, hey, there's no LBJ, but there's a different war, Joe, to stop today

STEP UP TO THE PLATE

Orfali Bros Bistro

Dubai

The next time you're in Dubai — if you're not already in Dubai — you just *have* to get yourself a place at Orfali Bros Bistro at Jumeirah. Run by the eponymous three brothers — head chef Mohammad and pâtissiers Wassim and Omar — OBB is international chic, West Asian classic.

Enter its open restaurant space, dominated by the 2-storey kitchens overlooking diners, and you'll realise that OBB is about tasting both sumptuous food and space. You can start with what the menu has as 'Ooh La La' — foie gras, hazelnut, quince vinegar and hazelnut miso.

Once you get appetised, don't even try to resist the miso tahini salmon salad, populated dexterously with calamansi (Philippine lime), yuzu (another citrus fruit) and spicy herbs. There's also 'shish barak a la gyoza' — wagyu beef dumplings — your ticket to taste buds heaven.

For the vegetarian gastronome, you have fabulous pides — 'Turkish pizza' — including the tongue-smacking burnt leeks and truffle variety. And don't you dare leave — or appreciatively belch — before you've tried either the karaz (cherry in Arabic), a dark chocolate cake ecstasy with chocolate mousse, sour cherry and almond and choc shortbread. OBB is the word in Dubai.

THE SPEAKING TREE

Mystical Devotion

PRITHWIS DATTA

Rabindranath Tagore was a follower of Brahmo Samaj, the monotheistic reformist movement of Hinduism established by Raja Ram Mohan Roy during the Bengal renaissance of the 19th century. Tagore's poetry is full of powerful mystical imagery, and this is mostly true in the body of work that he categorised under the title Puja. In these poems, most often of two to three stanzas, he bares his soul before the Almighty and charts his course on the choppy seas of this world. He stands before us, undisturbed in the deep inner peace of his soul, in his eternal quest for the Absolute.

Two of his Puja songs illustrate the point. In his poem, the Fiery Philosophers' Stone, he beseeches the Almighty to touch his soul with the magic stone, to sanctify it, with the blessing of fire. 'O Lord, hold me aloft, and set me alight as the lamp in your temple. And let that flame light my song always,' he says.

In another poem, the poet says, O Lord, that night when my door broke down in the thunderstorm, I did not know that You had come to my abode; All went dark, the lamp got blown out; but toward Whom did I raise my hands to the heavens, O Lord. In the darkness I lay, as if in a trance; how was I to know that the tempest was your victory ensign. And, when I opened my eyes in the morning, what did I see, but that You were standing; on the vast emptiness that fills my breast.

Chat Room

When Freedom Means Fiefdom

Apropos 'Not-Too-Swachh a Bharat?' by Swaminathan S Anklesaria Aiyar (May 8), the course followed by political parties since Independence has been one of steady sociopolitical divergence, when it should have been one of convergence and a common purpose, the very attributes with which freedom was wrested. The first decade-plus saw debates on social equity and growth. But the next four were spent on the differentiation of identity on every possible parameter, and apportioning rights and privileges thereof. In the past two decades, this has further degenerated into finding fault with others and claiming exclusive right to wisdom. A retrograde political class has left the electorate, once less read and politically agnostic but has since acquired education, wisdom and maturity, highly disillusioned.

R NARAYANAN
Navi Mumbai

Copious Amounts Of Helpful Copies

This refers to 'The Imitation Game' by Mukta Lad (Brand Equity, May 8-14). In our class-ridden society, brands are the new 'Varna' egregiously tagged on to the rich, famous and elite groups. This class that acts classy has created space for brands to turn avant-garde. Fakers of such brands, nonetheless, seem to be trying to shrink the new Varna by imitation. They are rendering a great social service by giving delight and satisfaction to those who are raring to be on par in Ghalibian fancy. Rolex is difficult to be spotted on the wrists in a dystopia, but the Chinese fakery factories are serving the purpose of tacitly denting Varna through quintessential consumerism.

SULTAN AKHTAR PATEL
By email

Know Self, Know God

Apropos 'Experience Divine Bliss' by Brahma Kumari Asha (Speaking Tree, May 8), one who incessantly acquires and distributes this imperishable wealth of knowledge of Self will, in the course of time, become Brahmn himself/herself. God has a master plan. Each devotee has to play his/her part with a bubbling missionary zeal. God is one with innumerable forms.

BELLUR S DATTATRI
Bengaluru

Letters to the editor may be addressed to
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Transforming manufacturing

Dependence on PLI should be contained

Intending to formulate a production-linked incentive (PLI) scheme for electronics-component manufacturing, the Ministry of Electronics and Information Technology, as reported by this newspaper, has asked various stakeholders to share information related to India's disabilities against competing countries, export potential, major buyers of components and sub-assemblies, and foreign and domestic firms planning to set up manufacturing plants in the country. The government aims to increase capacity, enhance cost-effectiveness, and create a component ecosystem worth $75 billion over the next five years. Past evidence, however, begs the question of whether PLI can help transform India's manufacturing ecosystem.

Amid increased US-China tensions, India aims to become part of the China-plus-One strategy of large multinational corporations. In this context, PLI, essentially a production-subsidy scheme, seeks to expand domestic production capacities in different sectors. While the PLI scheme is the closest India has to an industrial policy, evidence so far suggests that its success is limited. Except for the PLI scheme for manufacturing mobile phones in India, multinationals seem reluctant to establish a significant manufacturing base in the country. Even in the case of iPhones being manufactured in India, which has done reasonably well, most of the components are being produced elsewhere. Notably, two of Apple's vendors, Wistron and Pegatron, have withdrawn from India.

Overall investment remains far from what was initially expected in other sectors where PLI schemes were launched, including high-efficiency solar photovoltaic modules, automobiles, and textiles, which were expected to gain scale. Unfortunately, India's industrial strategy, instead of being harnessed to generate productive employment and boost export potential, is tilting towards import substitution. The PLI scheme shortlists firms and provides subsidies of 4-6 per cent, based on conditions like investment and production. It can be argued that PLI-induced investment has been unable to create the scale of employment needed, especially in low-skill manufacturing. PLI for textiles is a case in point. Textile is a labour-intensive sector with a tremendous scope for job creation. However, the growth of investment in this sector remains slower than anticipated. As 16th Finance Commission Chairman Arvind Panagariya also noted recently, PLI is not a tool for overall industrialisation. It can expand export potential and bring in benefits perhaps in a few sectors and should not be used to subsidise every industry.

The idea of import substitution and creating a few national champions has also led to increased tariff protection, an impediment for firms aiming to be part of global value chains. Integrating with global value chains is critical for industrial production and exports. Since inception, expenditure on the PLI scheme has been a fraction of the planned outlay. Also, in principle, it interferes with market functioning and increases bureaucratic control. Therefore, before including new sectors in the PLI scheme, the government would do well to study how the scheme has worked thus far. Giving large firms production subsidies and tariff protection will not be enough to push industrial production and exports in the long run. What India needs are deeper reforms. Strong and resilient infrastructure, which has improved significantly in recent years, a reliable trade policy with low tariff rates, a skilled and employable workforce, and an investor-friendly business environment remain the key to industrial development.

Regulating the regulators

Govt must strengthen accountability

Contamination in packaged spices, eye drops, and children's cough syrups; misinformation in advertisements for an Ayurvedic medicine; revelations of high sugar content in baby food; and the mislabelling of sugared food products as "health drinks". These issues that have serially hit the headlines over the past year point to the serious weaknesses in consumer-facing regulatory institutions in India. It has taken court appeals, exposes by influencers and non-government organisations, and embarrassing complaints from global regulatory bodies to highlight these weaknesses. The upshot in most cases has been to haul up the companies concerned with restrictions without raising questions of how the plethora of state and central regulators allowed the transgressions in the first place.

The recent complaints from Hong Kong and Singapore of high levels of a banned pesticide in products of two products of popular spice mixes are a case in point. It took the Food Safety and Standards Authority of India almost a month to make some sort of response by asking states to collect different brands of spices for testing. Unasked in this imbroglio, which could seriously impact booming spice exports, is how such contaminants, which are also banned in the domestic market, escaped the attention of the food safety regulator in the first place. Last year, following reports that children in the Gambia and Uzbekistan died after taking Indian-made cough syrups and consumers in the US developed eye infections or blindness after using Indian-made eye drops, the government issued showcause notices to 70 companies and asked 18 to shut shop. Such retrospective vigilance, taken to safeguard India's reputation as "pharmacy to the world", leaves unanswered the question of how to enhance the efficacy of drug regulators to ensure such incidents do not occur.

There is certainly scope for a thorough reorganisation, given the regulation load imposed by the presence of over 10,000 pharma-manufacturing units in India. The urgency to do so can be seen from the frequency with which the US Food and Drug Administration highlights the failure of Indian drugs to conform to US standards, a serious problem, given that the US is the Indian pharma industry's largest overseas market. More recently, following strongly-worded Supreme Court strictures against Patanjali's misleading advertisements, the Uttarakhand government saw fit to suspend 14 of the company's product licences, which begs the question of the basis on which these were given. Again, the case had its origins in a complaint by the Indian Medical Association against Patanjali's advertisements that claimed to cure a range of illnesses better than allopathic drugs.

But where super-vigilant regulators in developed overseas markets can be relied on to spot transgressions in Indian products, the domestic consumer has little recourse to redress mechanisms in the face of regulatory failure. Consumer courts have been around since 1988. Though initially praised for their efficiency, these too have gone the way of the wider judicial system with backlogs clogging the system. Verdicts that are supposed to be delivered in three months can take up to five years, with the process of filing a case taking a fair chunk of the time. Last month, the government directed all consumer courts to start hearing cases online in an effort to streamline and fast-track procedures. Demanding greater efficiency and accountability from consumer-facing regulators should be the next step.

ILLUSTRATION: AJAY MOHANTY

Getting India's growth priority right

To catch up with peers, not only in size but also in per capita income, India must focus on health and education

Historically, economic growth or income alone was considered the primary measure of human development. Over the years, however, health and education gradually emerged as key elements of human development, alongside income. A major thrust to the broader concept of human development was provided in 1990 when the United Nations Development Programme began to release country-wise data on the human development index (HDI) as a summary measure of a nation's average achievements in three key dimensions of human development: Income, health and education.

JANAK RAJ

It is significant that research in the global context clearly establishes that income and non-income components of human development (health and education) are inextricably linked and mutually reinforcing. A country cannot sustain economic growth in the long-run without adequate support from human development, and vice versa.

A recent study titled "Inter-linkages between Economic Growth and Human Development in India — A State Level Analysis", co-authored by this columnist with Vrinda Gupta and Aakanksha Shrawan, empirically found a strong two-way relationship between economic growth and human development in India. The bi-directional causality between human development and economic growth was also established, i.e., human development causes economic growth, and vice versa.

The above-referred study also found that secondary-level education leads to increased economic activity in the agriculture and manufacturing sectors, while higher education drives economic activity in the services sector. The impact of higher education enrolment on services was four times larger than that of secondary education on agriculture and manufacturing. Primary education was not found to impact economic activity, suggesting the critical importance of at least secondary-level quality education for developing cognitive skills. It is the development of cognitive skills of an individual rather than mere school enrolment or attainment that is positively related to economic growth.

Recent cross-country studies also support that investing in secondary education yields a significantly higher economic growth, much more than the impact that can be achieved solely through primary education. In other words, for primary education to substantially contribute to economic growth, it is important to supplement it with widespread provision of secondary education. Notably, the UN Sustainable Development Goals now include specific targets for primary and secondary education, in contrast to the Millennium Development Goals, which solely emphasised universal primary education.

Another recent related study titled "Economic Growth and Human Development in India — Are States Converging?" by the same authors, found that economically weaker and low human development states in India were not catching up or converging with economically well-off states. However, club convergence was occurring in the sense that when different states were divided into separate categories based on the different levels of economic growth and human development, economically weaker states were found catching up with economically well-off states with similar levels of human development.

A clear message emerging from the two studies referenced above is that for economically disadvantaged states within India to catch up with more prosperous states, and for India to catch up with its peer and developed economies not only in terms of size but also in per capita income, it is imperative to place human development at the centre of economic policymaking.

Historically, policymakers in India have prioritised economic growth with a relative neglect of health and education. Public spending on health in India at 1 per cent of gross domestic product (GDP) has remained broadly unchanged in the last 30 years and it is nowhere close to the target of 2.5 per cent set out for 2025 in the National Health Policy, 2017. India's public health spending pales in comparison with health spending of 3-5 per cent of GDP by its peers (5.3 per cent by Russia, 4.5 per cent by Brazil, 3.6 per cent by Thailand, and 2.9 per cent by China).

Likewise, India's public spending on education at 4.6 per cent of GDP remains far below the target of 6 per cent, which was first articulated in the National Policy on Education, 1968, and reiterated in all subsequent education policies, including the one in 2020. It is to be noted that the target of 6 per cent was set to be achieved almost three decades ago in 1986.

Low public health allocation has been forcing households to spend on healthcare and education from their own pockets. A study suggests that out-of-pocket expenditure (OOPE) on healthcare pushed 55 million people in India into poverty in 2011–12. OOPE on health in India, constituting 50 per cent of total health expenditure, is one of the highest in the world. High OOPE can force households to adopt harmful coping mechanisms, such as liquidation of productive assets and borrowings, resulting in impoverishment.

Low public spending on education has been one of the key factors for a large proportion of children in the country still not being able to attain school education beyond the elementary level. India must significantly increase its public spending on health and education and ensure effective targeting to reduce people's out-of-pocket expenses.

No doubt, economic growth indirectly also contributes to human development by giving individuals and the government a greater command of resources to spend on health and education, among other things. However, the pace of such contribution is extremely slow, with India's HDI score improving by only 0.20 (to 0.64 from 0.44 out of a value of one) over the last 30 years. Despite being one of the fastest-growing economies in the world during the last several years, India lags its peers in key health and education indicators, let alone advanced economies. India cannot rely only on the trickle-down effect of economic growth on human development. It needs to prioritise human development by taking direct, specific, and affirmative policy measures. It is only then that India can realise its full economic growth potential.

The writer is a senior fellow at the Centre for Social and Economic Progress, and a former executive director, Reserve Bank of India. The views are personal

We're back to *bijli, sadak, paani*

Ahead of elections, fierce debates have broken out in resident welfare associations (RWAs) in the country's most famous high-tech Millennium City that somehow manages to thrive on the most low-tech quality of civic infrastructure. The argument is to vote or not to vote given the deteriorating state of Gurugram; to do your duty as a citizen or to expect elected officials to do theirs. Undoubtedly, the city, which started from pretty minimal standards of civic amenities in the first place, has hit a new low: Garbage going nowhere, roads that make village lanes look like Formula 1 tracks, noxious overflowing sewers, water shortages despite a fortuitous rise in the water table ... you get the drift.

SWOT

KANIKA DATTA

But the real culprit has a tenuous connection with the Member of Parliament who gets elected to represent the Gurugram constituency in the Lok Sabha. Instead it's an institutional failure that is causing the ructions. Elections to the Municipal Corporation of Gurugram, a body that has never been renowned for efficiency, have been delayed for the past year and a half. With no one really in charge, energetic RWAs have resorted to organising noisy *dharnas* at MCG House to galvanise its bureaucrats into addressing their problems. These protests, complete with slogan shouting and placard waving, are certainly cathartic; they even yield well-meaning responses but these are too incremental to make an appreciable difference.

To be sure, the fact that such local issues are looming so large in a Parliamentary election is a symptom of the lack of substantive new issues in this current seven-phase, 44-day election campaign, the second longest in independent India's history. The *acche din* of "development" appears to have lost momentum, and redistributive justice embedded in *nyay* is an improvisation of the *garibi hatao* theme, which has had its day. Ironically, the current discourse among Gurugram RWAs takes us back to a slogan that may have prevailed in that close parliamentary election of 2004: *Bijli, sadak, paani*. The fact is that rapid urbanisation in the post-liberalisation era has altered the dynamics of middle-class urban voter demands. Where it was once politically correct to support politicians who vowed to eliminate poverty, the focus now is on maximising wealth and comfort, and that includes a standard of civic amenities. They want, if not Indian Shining, at least moderately liveable urban environments.

But the RWAs' well-intentioned no-vote campaign may be misplaced. The fact that most of India's emerging cities are models of poor governance has less to do with who is elected to Parliament than with the structures of municipal governance and autonomy. Most municipal corporations are broke. Their revenue-raising abilities are limited to property tax, water tax, and toll tax, which urbanites often take delight in evading (even as they expect western standard utilities). But even these sources of funds are limited. According to a study by the Reserve Bank of India, local taxes account for just about a third of a municipal body's revenues. The rest comes from fund transfers for the Centre and states. Some 70 per cent of these resources get eaten up in salaries, pensions and administrative costs. When you have no money nor the means of raising larger sums, the ability to deliver services is non-existent. Add in unchecked and blatant petty corruption, especially lucrative in the growing privatisation of contracts for the provision of urban infrastructure, and the scope for accountability vanishes.

This creates a vicious circle of underfinancing and poor quality infrastructure. But as history tells us, poorly managed cities are political time bombs. With 40 per cent of India's population heading to the cities by 2036, according to the World Bank, the stresses on urban infrastructure will multiply manifold. The Bank reckons India's urban local bodies will need to invest $15 billion a year for the next 15 years for cities to come up to speed. Where will such humongous sums come from? The obvious way out of the financing conundrum is to tap the markets through municipal bonds, an instrument that is strongly recommended for middle-class investors for its relative safety and decent returns. But given poor governance mechanisms in municipal corporations, cities that have issued them have, predictably, found few takers.

Given this, Gurugram's hard-working RWAs would do better to lobby — even hold *dharnas* — for early municipal elections. That's where the circle of accountability begins. Enforcing service delivery by elected officials would be a good starting point for establishing the sort of efficiency and incorruptibility that could encourage investors to put their money in the municipal bond market. Meanwhile, it may be worth lining up at the hustings, which may be a good idea for those who have a view about the future of India.

BITs in pieces

BOOK REVIEW

DAMMU RAVI

Countries sign Bilateral Investment Treaties (BITs) to attract foreign investments to enhance manufacturing, generate jobs, and seek new technologies for sustained economic activity. A surfeit of BITs since the 1990s, about 3,000 worldwide, was a consequence of the embrace of the "Washington Consensus" that advocated liberalisation. That bonhomie seems to be over now with BITs facing a backlash largely owing to the contentious "Investor State Dispute Settlement" (ISDS) that empowers a foreign investor to directly bring claims and seek compensation against the state through arbitration. Prabhash Ranjan, an expert on international investment law, puts in perspective in his new book the controversy surrounding ISDS, dispassionately covering competing narratives.

Dr Ranjan quotes a study from the United Nations Conference on Trade and Development to dispel the popular notion that ISDS claims cause huge financial burdens on the host country. According to the study, 1,257 publicly known ISDS claims have been initiated so far, an average of 35 annually. Only in 13 cases did the compensation awarded exceed $1 billion; in 178 cases, it was less than $100 million; and in more than half of all cases, the damages were less than $16 million on average. Hard to explain, however, is the fact that the maximum ISDS claims were made against developing countries that, with meagre financial wherewithal and deficient expertise in trade law, invariably end up in losing battles, sacrificing scarce resources meant to address livelihood issues.

The book offers an insightful account of how India handled its 28 disputes arising out of about 80 BITs/free trade agreements investment chapters concluded between 1994 and 2010. Dr Ranjan draws our attention to some high-profile ISDS claims that India lost and candidly places the blame on a combination of the slackness of our judicial system, abuse of public power and poor governance. For instance, the claim of White Industries, an Australian mining company, was the result of the Indian judiciary's failure to get its act together for almost nine years. The Devas-Antrix case arose following India's decision to abruptly cancel the contract, advancing a cocktail of reasons ranging from social objectives, national security, criminal offences, and so on. Retroactively amending the Arbitration and Conciliation Act, 1996, the primary law governing arbitration, which sought to delink ISDS, prompted Devas to initiate a second BIT arbitration.

In the two retroactive tax cases involving Vodafone and Cairn Energy, India's executive overreach against judicial decisions, by amending the income-tax law retroactively, compelled them to resort to international arbitration. The belated rectification of this error in 2021 did not prevent the damage already done to India's reputation. The Nissan case is a grim reminder of state luring investors by offering tax incentives and then going back on those promises without any policy justification.

Rattled by these ISDS claims, India sought to decouple investment from international trade. It terminated all BITs that were more than 10 years old; introduced a model BIT in 2015 that accords primacy to local remedies on disputes prior to international arbitration. The author reasons that the gaps in the regulatory framework should be plugged instead of blocking a useful route for foreign investment.

INDIA AND INVESTOR-STATE DISPUTE SETTLEMENT: Affronting Sovereignty or Indicting Capriciousness
Author: Prabhash Ranjan
Publisher: Routledge
Pages: 182
Price: ₹13,650

The unequivocal support for ISDS stems from Dr Ranjan's belief that, given that not all sovereign actions are in genuine public interest, ISDS is needed to protect investors against the state's excesses. He stretches this logic to set out protection provisions in the rule book to serve everyone well. This assertion, however, overlooks the dangers of treaty shopping, reckless disinvestment, flight of capital and investors' proclivity for profit-making, factors that often disregard the development imperatives of host countries. The tribunals' generous interpretation of BITs clauses such as most-favoured nation, national treatment, protection, pre-establishment, standstill, ratchet, and so on often weigh heavily against developing countries' compulsions to make or amend laws to accommodate changing socio-economic dynamics.

Around the world of late, ISDS has become politically toxic even in the capital-exporting developed world. Increasing two-way investment flows make ISDS seem like a double-edged sword even for developed countries. For example, India's cumulative outward foreign direct investment since 2000 is about $300 billion, approximately one-third of the total inward FDIs for the same period. These developments are forcing nations to explore fresh options. One such effort underway is the reform of ISDS under the United Nations Commission on International Trade Law (UNCITRAL), in which India is actively engaged. State-to-State Dispute Settlement (SSDS), providing for diplomatic interventions and potential tradeoffs is another. The EU is advocating bilateral investment courts with scope for mediation before arbitration. India is also making a concerted effort to make India a hub for international arbitration by setting up the India International Arbitration Centre and Permanent Court of Arbitration.

This scholarly book serves as a useful guide for the judiciary, the legal fraternity, policy, industry, and academia to educate and avoid mistakes. Dr Ranjan alludes to a definitive link between investments flows and protection provisions in BITs, particularly for greenfield projects. His book calls for developing a body of expertise at the policy level that looks at investments as a composite whole of economic activity to drive Viksit Bharat@ 2047.

The reviewer is a serving Indian Foreign Service Officer

THE EDITORIAL PAGE

WORDLY WISE

THE DIRECTION IN WHICH EDUCATION STARTS A MAN WILL DETERMINE HIS FUTURE LIFE.

— PLATO

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

CONGRESS PLUS, MINUS

Sharad Pawar has said that many regional parties could merge with Congress. There are several what-ifs to that

THE 2014 GENERAL election marked a decisive shift. The BJP became the central pole of Indian politics and the Congress was reduced to its lowest ever number in the Lok Sabha. However, the erosion of what political scientist Rajni Kothari called the "Congress System" has a much longer history, marked by ebbs and flows. Broadly, after the Nehruvian consensus began fading in the 1960s, a gradual deepening of federalism and assertion by marginalised sections of society led to social groups leaving the Congress "umbrella", many with political parties to represent them. Does the current political scenario augur a reversal of this trend? NCP founder and former Congress veteran Sharad Pawar seems to think so. Earlier this week, he told this newspaper that "In the next couple of years, several regional parties will associate more closely with the Congress. Or they may look at the option of merging with the Congress if they believe that is the best for their party."

Large swathes of India's political landscape can indeed trace their roots to the Congress. Parties formed by leaders who left after Indira Gandhi took over and many that were firmed up after the Mandal moment have to varying degrees of associations with the Congress. Several of these leaders were either rebels or left due to ideological differences. Then there are parties — notably the NCP, Trinamool Congress and YSR Congress — that can broadly be seen as regional offshoots of the Congress. In Sharad Pawar's analysis, the 2024 elections and the run-up to them have been a watershed moment, not least because of a large section of the Opposition coming together in the INDIA formation. But the path from alliance to anschluss — if it leads there at all — is neither smooth nor without detours and roadblocks.

"I don't see any difference between the Congress and us... Ideologically, we belong to the Gandhi, Nehru line of thinking." Sharad Pawar may be right about this consonance in the broadest sense, and as a veteran who has left the Congress, rejoined and left again, is best placed to make such a judgement. However, the fate of INDIA and any possible "mergers" will be determined by a variety of factors, not least the political picture on June 4. For some regional players, the BJP's relative dominance may well require standing together — the logic behind INDIA — and even joining up. For the latter to make any strategic and organisational sense, though, the Congress must do well electorally — if it is further diminished, it is unlikely to be a political centre of gravity. As important, if not more, are regional compulsions. Mamata Banerjee's actions on the national stage, for example, will be determined by the political situation in West Bengal: Competition between the Left, Congress and TMC has meant that there is no seat-sharing arrangement in the state. And alliance partners like the CPM and DMK are unlikely to ever join the Congress for ideological reasons. On the other hand, for some actors like Sharad Pawar, his erstwhile party wracked by splits and dissension, going back to the fold may make sense. At any rate, given the fluidity of political circumstances, the veteran's thought experiment may well give other parties much to ponder.

IT'S ABOUT TRUST

In SC verdict in West Bengal teacher recruitment case, state must heed larger message. Remove systemic defects

ON TUESDAY, A three-judge bench of the Supreme Court gave relief to the school teachers and non-teaching staff whose appointments were cancelled by a Calcutta High Court order of April. The HC's decision had cited irregularities in the West Bengal School Service Commission's procedures. The apex court's order does not exonerate the SSC. It rightly said that it would be unfair to set aside all the appointments because the tainted and untainted ones have not yet been segregated. In a stinging criticism of the SSC and the West Bengal government, the Chief Justice of India-led bench described their conduct as a "systemic fraud". The CBI will continue its investigation and the school staff appointed in breach of due procedures will have to refund the salaries. Meanwhile, the West Bengal government would do well to heed the SC's larger message: "Ultimately what happens is that today public jobs are so scarce and so valued, today, that if the faith of the community in public employment goes then nothing remains."

In 2014, the SSC announced a state-level selection test would be used to recruit teachers for West Bengal's state-run schools. The process which began two years later invited criticism and petitions were filed in the Calcutta High Court alleging that the mark sheets were not evaluated properly. The HC ordered an investigation by the CBI, which opened a can of worms. The SSC, reportedly, told the agency that it had destroyed the OMR answer sheets — answers to multiple choice questions in these sheets are scanned by computers, and not manually evaluated, making the process foolproof — after a year. The ED is conducting a separate investigation. The ongoing saga has also revealed the lack of transparency and accountability that dogs the SSC's recruitment process. Last month, a Calcutta HC bench constituted on the directions of the Supreme Court annulled the appointments.

The teacher recruitment issue is among the talking points in the campaign in West Bengal for the Lok Sabha elections. The BJP has alleged that numerous deserving candidates were denied jobs. West Bengal's ruling party, the TMC, has charged the BJP of mounting a drive to rob people of their jobs. It reveals the deficits of the state, where social and economic mobility often rests on getting a government job. According to the Unified Digital Information of School Education, West Bengal's government schools provide employment to more than 4,74,000 teachers. While the state government must course correct on teacher recruitment, it — and the Centre — must work closely to ameliorate the conditions that breed such scams.

OFF COLOUR

Sam Pitroda's crude parallels to explain diversity show how, for some Indians, self-worth is skin deep

NO ONE CAN accuse Sam Pitroda of choosing his words too carefully. After giving the 2024 Lok Sabha campaign one of its main talking points with his comments on inheritance tax, the former Indian Overseas Congress chairman has once again kicked off a row that his party is scrambling to distance itself from and which has cost him his position. With the intention of celebrating Indian diversity, Pitroda said in an interview, "People in the East look Chinese, people in the West look like Arab, people in the North like, maybe, White and people in the South look like African." Surely, Pitroda, a longtime US resident, should know the connotations of such descriptors and their links to prejudice.

The fact that there is something truly unique and wonderful about how India, despite all its differences, holds together needs more nuanced articulation. But is it really surprising that, coming from a nation which still props up a skin-lightening industry worth several thousand crores, Pitroda's instinct, in explaining Indian diversity, was to latch onto differences in colour and facial features? If anything, this instinct is merely an extension of the still widely-held belief in India that the hue of one's skin is not just a matter of melanin count, that it says something about the value of the flesh and blood underneath.

There is, in fact, a rich irony in the outrage over Pitroda's words, given that much of the ire is directed at the comparison of south Indians to "Africans". This strand of condemnation is based on the assumption that to be compared to Africans is somehow undesirable — given the history of racism against people of African origin. A post script: Some decrying Pitroda's comments have called out the African parallel, not the "White" one. When it comes to prejudice, perhaps Pitroda and some of his critics are painted in the same hue.

From home to workplace

An agenda for the next government to increase women's participation in Viksit Bharat's labour force

FARZANA AFRIDI

A NEW GOVERNMENT will soon be taking up the challenge of making India viksit by 2047. With women lagging behind on several parameters of well-being in the country today, empowering them economically lies at the heart of the challenge we face in transforming India into a developed country. What key policies can the new government adopt to propel us towards gender parity in socio-economic outcomes?

First, India's overall employment rate has historically been around 50 per cent of the working-age population — much lower than in China (almost 70 per cent) or even our neighbour, Bangladesh (about 55 per cent), according to ILO and World Bank estimates. Bringing more working-age population into the productive workforce is critical to achieving a high GDP growth rate. Amongst the main reasons for the significantly lower labour force participation (LFP) rate in India, is women's low LFP (currently around 25 per cent). Increasing women's LFP to 50 per cent of labour force will bring India closer to 8 per cent GDP growth rates and a five-trillion dollar economy by 2030, according to World Bank estimates.

At the core of expanding the LFP rates of the currently low-skilled, low-educated women, is expanding our manufacturing capacity, which shrank from 17 per cent of GDP to about 13 per cent in the last decade. The Production Linked Investment (PLI) scheme aims at achieving this objective but is currently more focused on the less labour-intensive sectors. Increasing production capacity in labour-intensive sectors such as readymade garments, footwear, and other light manufacturing, where women form a large proportion of workers, and bringing them under the ambit of the PLI scheme, would address some of the cost disadvantages that India suffers from in creating jobs in these sectors due to labour regulations and constraints around land acquisition.

Second, a key marker of a developed country is a dominant formal sector. Concerns regarding India's slow transition from low- to high-productivity activity, and the pressing need for "good jobs" abound. The underlying challenge is to provide high-quality, relevant and affordable skilling to the masses, and women in particular. While about 25 per cent of India's employed are engaged in salaried (mostly formal sector) work, this proportion is 55 per cent and 40 per cent in China and Bangladesh, respectively. The ongoing structural transformation away from agriculture, and the informal character of the labour market, has affected women disproportionately in the past few decades — the fall in rural women's labour force participation accompanies a high proportion of women working in the informal sector (almost 90 per cent).

> As India urbanises at a rapid pace, we need cities that welcome, accommodate and enable women's mobility. Research suggests that younger married women, with young children, are not only less likely to diversify their labour to the non-farm sector, but are also less likely to migrate from the villages relative to men (with the same characteristics) when faced with adverse shocks. Physical mobility of women who reside in urban neighbourhoods is restricted although it is critical for accessing education and work opportunities.

Although several policy initiatives are being undertaken to improve the skilling ecosystem in India, they currently lack focus on redressing stark gender imbalances. Improving physical access, easing financial support and improving employer matches after skill training are some of the key areas that require interventions. Industrial Training Institutes (ITI) offer the most affordable and dense network of skilling programs across the country, but only about 7 per cent of those who enrol in ITIs are women. There is tremendous scope to raise the number of training institutes that cater exclusively to women from the current 17 per cent (of ITIs), in both traditional and non-traditional skills. Distance to vocational centres and credit constraints are barriers to women's access to skilling.

Under the recently proposed National Apprenticeship Promotion Scheme, stipend support to 47 lakh youth has been promised — yet families may be reluctant to devote limited resources to the vocational training of women as they may not foresee good returns on such an investment. Besides credit access and scholarship programmes aimed specifically at women trainees, government training institutes can consider fee payments in installments or offer subsidised loans. Additionally, potential employers can enable up-skilling through performance-based incentives and zero-interest loans and salary deductions in small installments over time, post training completion. Evidence also suggests that women have worse employment outcomes even if they are skill-trained, relative to men. Career counselling, job placement cells embedded in training institutes and harnessing alumni networks to activate women "role models" and mentors for female trainees, may be effective tools to redress this gender imbalance.

Third, as India urbanises at a rapid pace, we need cities that welcome, accommodate and enable women's mobility. Research suggests that younger married women, with young children, are not only less likely to diversify their labour to the non-farm sector, but are also less likely to migrate from the villages relative to men (with the same characteristics) when faced with adverse shocks. Physical mobility of women who reside in urban neighbourhoods is restricted although it is critical for accessing education and work opportunities. Urgent policy focus is required for planning urban infrastructure, transportation and public safety with a gender lens. With rapid demographic shifts and population ageing, a high-quality, subsidised urban care infrastructure will not only release women from care work but also create new jobs for them in this sector.

While these policies can strengthen the forces that pull women into public spaces, what measures must be adopted to push women out of their homes and the drudgery of domestic work? Public policy that furthers India's energy transition can also incentivise households to adopt clean technology that reduces women's time at home. Women in rural areas spend the same amount of time cooking as they would if they were engaged in part-time work: About 20 hours per week. Much of this cooking uses inefficient, polluting fuels (e.g. firewood), which require significant amounts of time to collect and cook with, besides adversely affecting women's health and productivity. The PMUY programme is laudable in facilitating a seismic shift towards adoption of LPG, yet regular usage of LPG is only about 25 per cent of its potential. There is much that India can adopt from the Biden administration's transformative Inflation Reduction Act — cash rebates to consumers at the point of purchase of clean technology along with production incentives that create new jobs in the clean energy sector.

As history has shown, women are empowered when they step out of their homes and enter market work only when their education levels rise and "good" jobs appear. Improving the value of investments in women's human capital, and at a low cost, is our best bet for engendering gender parity and creating a "developed" society.

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IN THE NAME OF DEMOCRACY

Entrenched as a practice in India, its values are on shakier ground

M H ILIAS

IN GOOD FAITH

ACCORDING TO ITALIAN political philosopher Giorgio Agamben, democracy is both a means of constituting the body politic and a technique of governing. As a technique of governance, democracy has been a source of legitimacy for governments to exercise power and control or govern the "population" since the French Revolution. In societies, on the other hand, it is a natural sentiment, an essential value. Freedom to dissent, demand justice, recognise differences and respect the rights of others are driving forces of democracy in the first sense. The "majoritarian consensus" determines the character and content of democracy in the second sense.

In practice, democracy as a principle seldom overpowers the notion of democracy as an administrative practice. It is no different in India. Questions about the state of democracy come up only around crises of procedures like those related to elections or institutions like Parliament. Few seriously examine what values should mark democracy in a country like India where pluralism, diversity and tolerance are necessary for society to survive.

The idea of democracy was introduced and nurtured during the national movement. Despite its upper-caste and middle-class content, the values and principles of democracy became entrenched in politics and thereby in the political imagination of the people in subtle ways. Even those opposed to Gandhi, Ambedkar and socialists converged on the notion and importance of tolerance and dissent.

> Gandhi did not favour the constitutionalisation of democracy which, according to him, has to be preserved in society as an essential value. He did not want to privilege and legalise democracy as a part of constitutional morality over a traditional, social morality. In his view, it was not a part of our natural sentiment.

Due to the structural inequalities of Indian society, B R Ambedkar considered democracy a value that the Constitution must protect and guarantee. Gandhi did not favour the constitutionalisation of democracy which, according to him, has to be preserved in society as an essential value. He did not want to privilege and legalise democracy as a part of constitutional morality over a traditional, social morality. In his view, it was not a part of our natural sentiment. Rather, it was artificially cultivated or externally imposed — which is in contrast to the "real" democratic tradition in India that flourished through religious co-existence.

In the early years after Independence, the Indian state maintained some commitment to justice and fundamental rights but tolerance of dissent remained an incomplete project. The state's position as "guardian of democracy" resulted in many unpleasant episodes, including the proclamation of Emergency by Indira Gandhi in 1975. What makes the present situation different from previous experiences is that the clout of certain kinds of organisations is no longer seen as abnormal. This happened during the Emergency as well – Sanjay Gandhi's hold on the government is well-known. But the current regime has legitimised the sway of organisations like the RSS through popular means. The conditions of a working democracy may be the same for seven decades, but the principles and values have the potential to be altered.

Our politics increasingly seems unmoored from certain human values that are often considered essential for democracy. Thus, another way of imagining a democracy that is engaged with the human being and a concern for everyday life is challenging in our situation.

Alain Badiou describes democracy as the dominant "emblem" in a political society. One can express displeasure over the functioning of political society, denounce the structure or any aspects of it, or criticise political parties that are a part of it. You will always be pardoned as long as you do it in the name of democracy. This observation becomes more pertinent in the Indian context, especially when everyone, including those who are against democracy, engages in discussions on forms of democracy, when concern over the very content and values of democracy struggle to capture popular imagination.

The writer is professor, School of Gandhian Thought and Development Studies, Mahatma Gandhi University, Kerala

MAY 9, 1984, FORTY YEARS AGO

INDIAN EXPRESS

SEVEN TERRORISTS HELD

A GANG OF seven terrorists was arrested by the police in Punjab after an exchange of fire near Ludhiana, and some arms and ammunition were seized from the truck in which they were travelling. Terrorists in the Amritsar district claimed the life of one man and injured some others while four post offices were burnt down in Mohali.

UP'S URDU ORDINANCE

THE STATE GOVERNMENT has allowed the controversial UP Official Languages (Amendment) Ordinance, which provided for the use of Urdu as a second language for some specific purposes, to lapse. The ordinance was declared *ultra vires* of the Constitution by a Lucknow bench of the Allahabad High Court and the state government has appealed before the Supreme Court.

INDIA'S NUCLEAR POWER

DEFENCE MINISTER R Venkataraman assured Rajya Sabha members that adequate measures had been taken against any "misadventure" of nuclear warfare by Pakistan. Venkataraman said he proceeded on the assumption that Pakistan had nuclear capability. He could not take any risk. On the border, there was a concentration of Pakistani troops with multiple firings across the border.

BOYCOTT OF OLYMPICS

THE SOVIET UNION said it would not take part in the Los Angeles Olympic Games because of the behaviour of organisers and the US Government. "The National Olympic Committee of the USSR is compelled to declare that participation of Soviet sportsmen in the games of the 23rd Olympiad in Los Angeles is impossible." The statement followed weeks of complaints from Moscow that the US was violating the Olympic charter and discriminating against the Soviet Union.

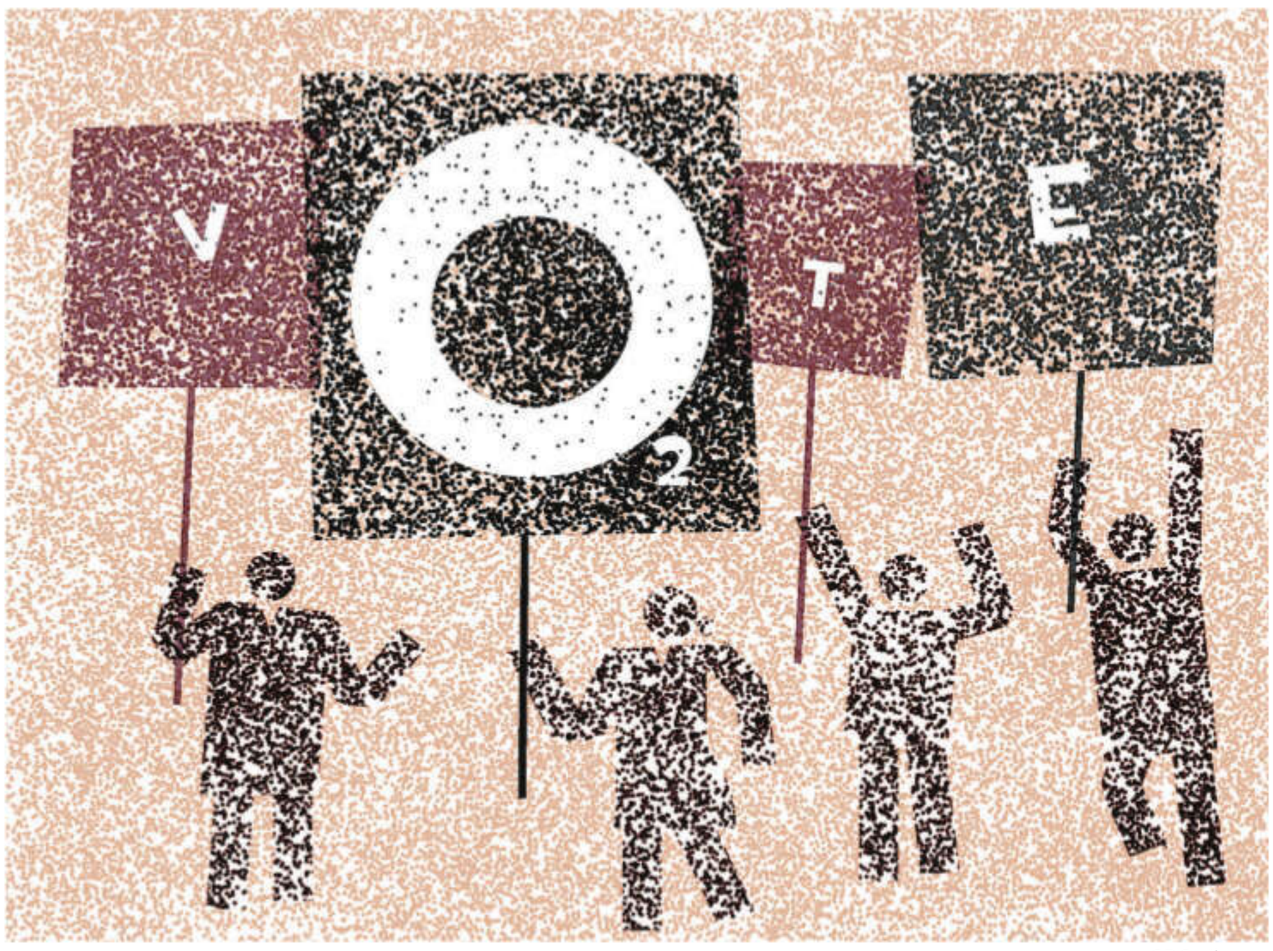
WHAT THE OTHERS SAY

"There is hence a need to sensitise people about disability, sexuality and gender diversity through awareness campaigns and educational programmes. Time has also come to prepare a standard for building toilets in public places across the country through programmes and policies." — THE KATHMANDU POST

Roti, kapda, makaan, good air

Despite mention in manifestos, pollution hasn't become a campaign issue. It is a reflection of low traction at grassroots level

ABHIJIT CHATTERJEE



C R Sasikumar

IT IS HEARTENING that environmental, climate change, and air pollution issues have featured in the 2024 Lok Sabha manifestos of most top political parties. But is it among the top priorities or guarantees for parties or candidates? This brings us to another question: Will we ever witness actual improvement in air quality without it becoming a people's movement or a political issue?

Manifestos have long been shaped by what people truly want — and, in turn, the issues that would turn into votes. The *roti-kapda-makaan* from a few decades ago became *bijli-paani-sadak*, which in the recent past turned to job opportunities and anti-corruption. Whatever the issues may be — local, regional, or national — they are mostly rooted in one thing: A sustainable society for a sustainable nation.

But air quality has not made it to the list of people's priorities, and, by extension, to the top-priority lists of parties. At least, not yet. Inadequate information and poor efforts by the local government bodies in disseminating knowledge on the effects of air pollution, among others, have made air pollution the most incurious and unconcerned issue in our country. This could have serious repercussions in years to come.

To most people, poor air quality has become an "obvious environmental status". A section of the intellectuals see it as a manifestation of a growing, developing nation. They believe that economic progress cannot be compromised, no matter the quality of air we breathe or the environment we leave for the next generation. Even this line of thinking shows that air pollution should be taken more seriously than it is right now. According to a 2019 study, the yearly deaths attributable to air pollution translate to an economic loss of Rs 2.7 lakh crore, that is, around 1.36 per cent of the country's GDP. Another recent survey has revealed that the Indian GDP would have been 4.5 per cent higher if air pollution had grown 50 per cent slower each year.

To give more context, American economist and Nobel Prize recipient Simon Smith Kuznets made a graphical representation in 1971 of the relationship between economic development and environmental degradation. He showed that as economic development proceeds, environmental degradation keeps increasing and reaches a maximum. After a "level" of economic development (per capita income), economic growth leads to environmental improvement.

Here, one may argue that by following Kuznets, state and central governments are heading in the right direction and taking the right approach. A day will come when further economic development and associated activities will not harm our environment; rather, they will help improve it, as people may perceive. But the issue is, how do we identify this "level" or threshold of economic development? How far would we have to go? And most importantly, how late is too late?

For air pollution to become a mainstream issue, it has to become a political agenda. For it to become a political agenda, it has to find its place in page-one news and prime-time discussions regularly. But for that to happen, people will have to truly start caring about air pollution and the danger it poses to our lives and the lives of those who will inhabit this planet after us.

It is a strenuous task, but not an impossible one. What it needs is public awareness in its true sense. It is the job of academicians, scientific communities, experts, scholars, and bureaucrats alongside local governmental bodies to make common Indians realise that clean air is also a fundamental right like clean water, health, food, shelter, etc.

Since it's launch in 2019, the government has released over Rs 1,000 crore for the effective implementation of the National Clean Air Programme (NCAP) — a commendable step in achieving better air quality. Even with its loopholes, NCAP still has ample scope for ameliorating air quality.

One of the most effective ways would be to recognise that, in addition to core research and scientific activities, a significant portion of the fund should be allocated for on-ground activities aimed at pollution reduction. These activities should further be rooted in the air pollution programme having a federal structure, where policies and strategies need to be decentralised and diffused into microenvironments through district and local bodies.

Second, every ward under the municipalities or municipal corporations and every village under the blocks should be thoroughly scrutinised by the respective local bodies to find out the pollution source in the vicinity as well as the scope for air quality improvement. This information should then be disseminated to the people who are residents of the area. They should be made to understand the importance of identifying micro-level hotspots, which is of utmost importance in order to mitigate macro-level pollution.

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Third, there should be specific plans to identify open areas favourable for the ventilation of air — and hence the pollutants — open water bodies, green cover for every ward in a city, and all of them should immediately be marked as green zones and restored. These measures will ensure that air pollution, as an issue, directly connects to every single individual in these microenvironments.

Regular outreach or public awareness programmes should be conducted at the municipality or block level, and facilitated by local experts, academicians, and teachers. These initiatives must aim to disseminate knowledge about environmental pollution and provide guidance on both actions to take and actions to avoid.

The demand for clean air needs to be spread to far-flung corners of the country through mass movements. If prolonged power cuts, disruptions in water supply, unpaved and damaged roadways can unite us to protest and remonstrate against local governmental bodies and before the political leaders seeking votes, then why not for clean air?

The writer is a professor at the Department of Chemical Sciences, Bose Institute (Dept. of Science and Technology, Govt. of India), Kolkata

The hierarchy of power

'From sarvabhouma' to GDP, measures of influence and global ascendancy have often relied on economic and military strength

BIBEK DEBROY

IN 2022, ASHLEY J Tellis, C Raja Mohan and I edited a collection of essays titled *Grasping Greatness, Making India a Leading Power*. The book was meant to be done in 2019, but Covid delayed matters. This collection complemented an earlier one — *Getting India Back on Track* (2014). The title was taken from an older essay by Ashley. Notice the use of the expression "leading power", as opposed to something like "great power". Further down the continuum, we might have something like "super power". Such expressions are not always precisely defined and a country's appellation isn't cast in stone. A leading power moves on to become a great power and graduates to super-power status. But the reverse, of a decline and fall over time, also happens. How does one define these expressions? They can be defined in terms of formal leadership in institutions that deliver global public goods (IBRD, IMF, WTO, Security Council), which adjust to altered realities and can't be cast in stone either.

Since power flows out of the barrel of the economic gun, they can also be defined in terms of aggregate GDP (for such purposes, official exchange rates make more sense than purchasing-power parity), present and extrapolated for the future. For instance, no one can wish away India's robust GDP growth rate and future potential. Fifth-largest economy now, the third-largest status isn't that far off. The gold and the silver are some distance away.

GDP may be a recent metric. Before Simon Kuznets, we didn't have a standardised template for measuring it. However, the notion of gradation of States, according to the power calculus, existed for thousands of years. Take the word *rajya*, meaning kingdom (I am not using the word in the sense of province or state). But we also have a word *samrajya*, meaning empire and clearly, samrajya is greater than rajya. We have an expression *maharajya* too. Is that greater or smaller than a samrajya? The respective titles of the individual heading these geographical entities are *rajan*, *samraj* and *maharajan*. In addition, there is the notion of a *chakravartin* or universal emperor, one whose chariot wheels (*chakra*) travelled unimpeded everywhere, right up to the shores of the ocean.

Most people have heard of *rajasuya*, *vajapeya* and *ashvamedha* sacrifices, though a vajapeya sacrifice may not be that familiar. A rajasuya sacrifice is a royal sacrifice, performed by a universal monarch when he is consecrated and instated as emperor, having conquered all other kings and made them tributaries (vassals?). Among others, Harishchandra and Yudhishthira performed rajasuya sacrifices. Ashvamedha is a horse sacrifice, where a horse is let loose and eventually sacrificed. Yudhishthira performed ashvamedha and this sacrifice is also a voyage of conquest.

Which is the greater sacrifice — rajasuya or ashvamedha, not to forget vajapeya? Which sacrifice makes the king, and therefore the kingdom, a greater one. The answer depends a bit on the text and I think the only text where the answer is unambiguously given is *Shatapatha Brahmana*. I will skip the details about the rites for each sacrifice. However, according to this text, rajasuya is the lowest of the three and having performed it, a king becomes a universal emperor or sovereign. The vajapeya sacrifice is higher. I used the word emperor or sovereign, but rajasuya still makes the individual a king. Vajapeya makes the individual a samraj. To cite chapter and verse, this is clearly stated in Shatapatha Brahmana 9.3.4.8. First, one becomes a king. Thereafter, one becomes an emperor. Therefore, vajapeya must be performed after rajasuya, never the other way around. This takes one to ashvamedha, the highest of the three. A king not satisfied with rajya or samrajya moves on to ashvamedha. One could perform multiple ashvamedha sacrifices, as Brahma did in Varanasi's Dashashwamedh ghat.

But this doesn't quite grade countries or economies. If the ruler is graded, the country is indirectly graded. However, we have nothing tangible and measurable. A direct gradation of countries and rulers, tangible and measurable, exists in *Shukra Niti*, attributed to Shukracharya. It is there right in the first chapter, on the duties of princes. The relevant verses are 365 to 374. The measurement wasn't through GDP, but the annual revenue of the kingdom. A *karsha* is a gold coin. Those weren't the days of fiat currency, but de facto, of gold and silver standards. The gold in a karsha coin weighed roughly 10 gram (Jewellers still use another such weight, known as *ratti*. Ninety-six rattis were one karsha). A *samanta*'s (often a feudatory vassal) domain had an annual revenue of one lakh to three lakh karshas. A *mandalika*'s territory (ruler of a small country or province, known as *mandala*) had three lakhs to 1 million karshas. A rajan's kingdom had 1 million to 2 million. A maharajan's kingdom had 2 million to 5 million. A *swarat*'s empire had 5 million to 10 million. A *samrat* had 10 million to 100 million. A *virat* had 100 million to 500 million.

Finally, a *sarvabhouma* (universal emperor) had annual revenue of more than 500 million karshas. Some of these titles may seem unfamiliar today. But we did have a taxonomy and gradation based on the kingdom's annual revenue. Some might argue that the kingdom's revenue is a better indicator of power than something like the GDP. In any event, the GDP didn't exist then. Plus, there was the supplementary ranking through types of sacrifice. We did think about leading powers.

The writer is chairman, Economic Advisory Council to the PM. Views are personal

Not a blacklisting method

Wilful defaulter framework was not intended to taint borrowers

PRATIK DATTA

THE BOMBAY HIGH Court recently quashed a provision of a central government office memorandum that enabled public sector banks to request issuance of look out circulars (LoCs) against wilful defaulters. In *Viraj Chetan Shah v Union of India*, the court held that this provision violated the fundamental right to life (Article 21) as well as the fundamental right to equality (Article 14). The government is reportedly contemplating a statutory basis for PSBs to initiate LoCs. While that may resolve an immediate legal problem, policymakers should take this opportunity to revisit the very concept of "wilful defaulter".

The wilful defaulter concept is unique to the Indian financial sector. Commercial lenders like banks and NBFCs have legal powers to classify certain defaulted borrowers as wilful defaulters. Once designated as such, serious penal consequences follow.

The wilful defaulter designation is akin to blacklisting a borrower, its promoters and directors from credit and equity markets. The RBI prohibits its regulated lenders from extending additional facilities as well as any credit facility for floating new ventures to a wilful defaulter. Similarly, SEBI prohibits a company from launching an Initial Public Offer (IPO) if such company or any of its promoters or directors is a wilful defaulter. SEBI also prohibits a listed company from issuing equity shares, convertible as well as non-convertible securities, if any of its promoters or directors is classified as a wilful defaulter. A wilful defaulter is also prohibited from submitting a resolution plan under the Insolvency and Bankruptcy Code, 2016. These implications make it critical that appropriate procedural safeguards are in place while designating a person as a wilful defaulter.

Recently, the Bombay High Court in *Milind Patel v Union Bank of India* added to the evolving jurisprudence on this subject. It held that a lender must follow natural justice and allow a borrower access to all relevant investigation material before designating him as a "wilful defaulter". The court imported the jurisprudence on the law of inspection from securities law as laid down by the Supreme Court in *T. Takano v SEBI*. This convergence in regulatory jurisprudence is indeed welcome.

Yet, it is hard to overlook the fundamental difference between a SEBI enforcement proceeding and a wilful defaulter designation proceeding. While the former is carried out by a statutory regulator which is expected to comply with natural justice and has the institutional capacity to do so, the wilful defaulter designation under RBI regulations is done by commercial lenders themselves.

This regulatory construct is legally problematic. A lender is a party to the credit contract and may not be an impartial arbiter in a wilful defaulter designation proceeding. For instance, the default could be the result of poor credit appraisal by the lender itself. A lender may, therefore, have strong incentives to push the blame for default onto the borrower by classifying it as a wilful defaulter. Such a wilful default classification does not affect the lender's provisioning obligations either. Therefore, by making the lender the sole judge of wilful default, the regulations compromise a cardinal principle of natural justice — *nemo judex in causa sua*, that is, no one can be a judge of his own cause.

This peculiar institutional arrangement is the outcome of a multi-layered process of institutional change over time. The first layer of institutional design was initiated by the Central Vigilance Commission in 1998. It instructed RBI to collect information on wilful defaults of Rs 25 lakh and above, and disseminate the same to reporting banks and financial institutions. The RBI issued a scheme in February 1999 mandating banks and financial institutions to report quarterly details of wilful defaults which had occurred or were detected after March 31, 1999. Since this scheme involved only information sharing, there was no pressing need for procedural safeguards while designating a wilful defaulter.

The second layer of institutional design was initiated by the Parliamentary Standing Committee on Finance in December 2000. It recommended blacklisting of wilful defaulters from institutional finance as well as equity markets but did not suggest any commensurate procedural safeguards. The RBI circular on wilful default in 2002 introduced these penal measures for the first time. RBI kept on updating these through circulars, primarily on account of judicial intervention. Procedural safeguards, however, did not receive their fair share of regulatory attention till the Supreme Court decision in *Jah Developers* in 2019. In September 2023, RBI released a draft master direction on the treatment of wilful defaulters and large defaulters proposing to update the procedural safeguards.

It is important to recognise here that the basic institutional arrangement of commercial lenders designating wilful defaulters was originally intended for information sharing among banks and financial institutions. It was not intended for blacklisting borrowers from financial markets. Yet, this arrangement continues unquestioned when the ultimate purpose of the wilful defaulter designation has changed from information sharing to blacklisting.

The Bombay High Court decision in *Milind Patel* is a timely reminder that the current institutional arrangement for wilful defaulter designation is deeply problematic. While the court has provided a working solution by mandating commercial banks to follow natural justice principles, the larger question for policymakers is whether the wilful defaulter concept itself has outlived its utility.

In 2002, it probably made sense when India did not have a modern corporate insolvency law. In 2024, when a company defaults, financial creditors like banks and NBFCs can simply trigger the Insolvency and Bankruptcy Code and take over the company's business irrespective of whether such default is wilful or not. In this contemporary institutional setting, is there any practical utility in continuing with the convoluted wilful defaulter framework to blacklist borrowers, their promoters and directors from financial markets and issue LoCs against these individuals?

The writer is Associate Director (Research), Shardul Amarchand Mangaldas & Co. Views are personal

LETTERS TO THE EDITOR

COST OF NEGLIGENCE

THIS REFERS TO the editorial, 'Blaze in hills' (IE, May 8). The raging fires engulfing Uttarakhand's forests have again turned the spotlight on the problem of forest fires in India. They devour precious green cover posing a grave threat to human settlements, wildlife and the fragile ecosystem. It is disheartening to note that a significant number of these are attributable to human error. The need for stringent enforcement of laws cannot be overstated. Moreover, the Forest Survey of India's alarming data on forest fires paints a grim picture, with Odisha emerging as the worst-hit state. The correlation among climate change-induced droughts, soaring temperatures and the spike in forest fires demands urgent attention from policymakers.

Khokan Das, *Kolkata*

NOT OUR JOB

THIS REFERS TO the article, 'Sugar and spice, not all nice' (IE, May 8). Our supermarket shelves are overflowing with hundreds of varieties of spices. However, consumers neither have the time nor the access to information to ascertain the quality of the products they buy. The onus is on the FSSAI, which ought to have carried out stringent safety checks. One wonders if FSSAI and/or other such institutions have the wherewithal to carry out quality checks. Looking to allay concerns over adulteration and contamination through surveillance, testing and enforcement, the FSSAI can play a bigger role in promoting food safety and building consumer confidence in our food industry.

S S Paul, *Nadia*

STRIKE A BALANCE

THIS REFERS TO the article, 'Playing the field' (IE, May 8). There is no permanent enemy or friend in international relations, only national interests remain a priority. In this context, the writer has correctly highlighted the opportunities as well as challenges that middle powers like Europe and India face while securing their strategic autonomy in the superpower game. Active engagements of India with like-minded countries have produced better opportunities in recent years such as the grand success of G20, a balanced approach to the Ukraine crisis etc. Yet, solving the "China puzzle" will be the nation's biggest challenge in the coming years

Jagmohan Chaudhary, *New Delhi*

THIS REFERS TO the article, 'Playing the field' (IE, May 8). While China is closing the gap with the US economically, the latter is still politically and militarily too far ahead. Alliances with like-minded nations in Europe, Asia and the Middle East give genuine heft to American leadership. While China has influential economic relationships with most of the world, these do not translate into real political power. Xi's latest tour to Europe is an attempt to close this gap. India too can balance its relationships with the USA and China by cultivating a robust European vector.

Shubhada H, *via email*

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If there are questions of current or contemporary relevance that you would like explained, please write to **explained@indianexpress.com**

Do marriages need to be registered? What happens if they aren't?

APURVA VISHWANATH
NEW DELHI, MAY 8

THE SUPREME Court last week ruled that a Hindu couple who had appeared before it had "never acquired the status of husband and wife", as they had registered their marriage under the Hindu Marriage Act, 1955 (HMA) before performing wedding rituals. The SC ruled that the couple, who had filed divorce cases, need not get a divorce because they were never married in the first place.

The apex court's observations spotlight various issues on the registration and solemnization of a marriage, and its necessity.

What is a solemnized marriage?

Solemnizing a marriage refers to the performance of an official marriage ceremony, with appropriate rituals.

In India, marriage is largely governed by a gamut of personal laws, and the Special Marriage Act, 1954 (SMA). Though codified through statute, these personal laws are essentially practices ordained by religion, with each religion having its own set of 'requirements' for a marriage — a marriage is 'valid' when these requirements are met.

For instance, for Hindus and Christians, marriage is a sacrament, or a religious bond. Rituals such as *kanyadaan* and *saptapadi* (*saat phere*) solemnize a Hindu marriage. Section 7 of the HMA codifies these requirements, and names *saptapadi* as an essential ritual.

For Christians, a ceremony in church based on local customs is regarded as a valid marriage. For example, for some Tamil Christians, this involves tying of a *thaali* — a chain with a cross on the pendant in church.

Under Muslim law, however, marriage is a contractual obligation. A valid marriage requires the consent of both parties, in writing, and in the presence of witnesses. In practice, this entails both parties giving vocal consent, and signing a *nikahnama* (an Islamic marriage contract) in the presence of witnesses and a *qazi*.

And what are registered marriages?

The registration of a marriage after it is solemnised as per rituals is different from a 'registered' marriage.

Terms like 'court marriage' or 'registered marriage' refer to a non-religious or civil marriage under the SMA, which is a secular law. A marriage performed under this law is essentially a solemnization in 'court' (a registrar's office) without any rituals.

However, marriages under personal laws (such as HMA) become valid only after the performance of rituals prescribed by religion. A marriage without any rituals is only valid under the SMA.

Section 8 of the HMA gives power to the state to register marriages solemnised as per the requirements of Section 7. Similarly, the Indian Christian Marriage Act, 1872, provides the procedure for the solemnization of Christian marriages and their registration.

For Muslims, a *nikahnama* issued by a *qazi* outlines the terms of the marriage. Although not a public registration under a statute, this registration form is widely adopted. Apart from this, several states have their own laws for the registration of Muslim marriages and divorce.

EXPLAINED LAW

What if a marriage is not registered?

Although there is a central legislation on marriage registrations — the Births, Deaths and Marriages Registration Act, 1886 — it does not have a robust application to marriage, unlike the effort to record births and deaths. States have their own laws, and in some states like Karnataka and Delhi, registration of a marriage is mandatory.

A certificate of marriage registration is useful for various official purposes where the spouses need to declare that they are married — for instance, applying for a spousal visa or joint medical insurance. However, not registering a marriage cannot be the sole ground to declare it invalid — since registering a marriage itself does not make it valid.

When the validity of a marriage is contested, then a marriage certificate alone is not enough to prove the marriage. An exception to this is a certificate under the SMA which is "conclusive" proof of marriage. Section 13(2) of the SMA states that "on a certificate being entered in the Marriage Certificate Book by the Marriage Officer, the Certificate shall be deemed to be conclusive evidence of the fact that a marriage under this Act has been solemnized and that all formalities respecting the signatures of witnesses have been complied with".

In Muslim and Christian marriages too, registration takes place almost immediately after solemnization, which makes for more reliable evidence. This is unlike a Hindu wedding, where the priest performing the ceremony does not routinely certify the marriage.

However, in law, there exists a general presumption of marriage when a man and woman have cohabited continuously, even if there is no direct evidence of marriage. Section 114 of the Indian Evidence Act states that "the Court may presume the existence of any fact which it thinks likely to have happened, regard being had to the common course of natural events, human conduct and public and private business, in their relation to the facts of the particular case."

A 'valid' marriage as per rituals might be key in determining who is a rightful spouse when there are claims by multiple cohabiting partners. These aspects become crucial in bigamy trials and inheritance suits. In a bigamy case, a man has to prove that one of his marriages is not valid to not be charged for marrying twice. In an inheritance case, the validity of a marriage is questioned to disinherit a spouse. Evidence of a valid marriage can be proof of performing a valid marriage as per rituals (through photos, witnesses etc); and proof of long cohabitation as spouses through acceptance by family, friends or even children. A marriage certificate has corroborative value in these cases, but cannot be counted as evidence in itself.

EXPLAINED GLOBAL

WHY VIETNAM WANTS US TO CHANGE ITS 'NON-MARKET ECONOMY' STATUS

ALIND CHAUHAN
NEW DELHI, MAY 8

VIETNAM HAS been pushing the Biden administration to change its "non-market economy" classification to "market economy" to avoid high taxes imposed by the United States on the goods imported from the Southeast Asian country.

Communist Vietnam has been on Washington's list of non-market economies for more than two decades — a list which comprises 12 countries, including Russia and China.

The US Department of Commerce is currently reviewing Vietnam's status. The review is set to end by late July.

What are 'non-market economies'?

The US designates a country as a non-market economy based on several factors. These are: if the country's currency is convertible; if wage rates are determined by free bargaining between labour and management; if joint ventures or other foreign investment are allowed; whether the means of production are owned by the state; and if the state controls the allocation of resources and price and output decisions. Other factors like human rights are also considered.

The 'non-market economy' label allows the US to impose 'anti-dumping' duties on goods imported from designated countries. In international trade, dumping refers to when a country's export prices are intentionally set below domestic prices, thereby inflicting harm to industries in the importing country. Anti-dumping duties compensate for the difference between the imported goods' export price and their normal value.

The level of anti-dumping duties is determined by relying on a third country — say, Bangladesh in Vietnam's case — which is a classified as a 'market' economy. The US would then assess the value of a product to be imported from Vietnam based on what it is worth in Bangladesh — and then assume that this is the supposed production cost to a Vietnamese company.

Assembly line at a garment factory in Ho Chi Minh City. *The NYT*

Why does Vietnam want the 'market economy' status?

Vietnam has argued that it has recently implemented economic reforms which should get its name off the non-market economies list.

The country does meet a number of criteria for the status to be changed. For instance, Vietnam allows foreign investment, and wages are determined by free negotiations between workers and management, according to a report by the Center for Strategic and International Studies (CSIS), a Washington-based think tank.

The change in status will help Vietnam get rid of the anti-dumping duties, making its products more competitive in the US market.

What are the challenges?

US steelmakers and the American Shrimp Processors' Association have asked the Biden administration to not change Vietnam's status, citing the country's restrictions on land ownership, its weak labour laws, and lower shrimp duties.

Also, eight US senators and 31 members of the House of Representatives have claimed that the change in Vietnam's status "would aid Chinese state firms that have invested heavily in Vietnam, by letting them more easily circumvent US tariffs on their goods," according to a report by *Reuters*.

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EXPLAINED FOREIGN POLICY & DIPLOMACY

The India-Nepal border issue

The Prachanda cabinet's decision to put a map showing areas in India as part of its territory on a new currency note has drawn a strong reaction from New Delhi, and is seen as provocative by many in Nepal. What is the history of this disagreement, and of the efforts at its resolution?

YUBARAJ GHIMIRE

NEPAL'S CABINET last week decided to put a map on its Rs 100 currency note showing certain areas administered by India in Uttarakhand as part of its territory, provoking External Affairs Minister S Jaishankar to say that such "unilateral measures" by Kathmandu would not change the reality on the ground.

The territorial dispute is about a 372-sq-km area that includes Limpiadhura, Lipulekh, and Kalapani at the India-Nepal-China trijunction in Uttarakhand's Pithoragarh district. Nepal has claimed for long that these areas belong to it both historically and evidently.

The map was adopted by consensus in Nepal's Parliament four years ago. The Prime Ministers of India and Nepal have agreed to have the boundary issue examined and settled through diplomatic channels. Following the Nepal cabinet's decision, Jaishankar said on May 4 that "discussions about our boundary matters [are ongoing] through an established platform", but it would appear that Kathmandu is not happy with the pace and urgency of that process.

Unlike in 2020, when the new map was adopted, the May 2 decision to put it on the currency note has met with scepticism and criticism in Nepal.

Genesis of the issue

The Treaty of Sugauli at the end of the Anglo-Nepalese War of 1814-16 resulted in Nepal losing a chunk of territory to the East India Company. Article 5 of the treaty took away the jurisdiction of Nepal's rulers over the land to the east of the Kali River.

Buddhi Narayan Shrestha, an expert on boundaries, said that maps issued by the British Surveyor General of India in 1819, 1821, 1827, and 1856 showed the Kali River as originating in Limpiadhura. The next map, published in 1879, used the name of the river in the local language: "Kuti Yangti".

The map that was published in 1920-21 retained the name Kuti Yangti — but it identified a different "Kali". This new Kali was

shown as a stream originating from a temple site, and joining the main stream about a kilometre downstream. However, the last map issued by the British before they left India in 1947 showed the initial position of the Kali River originating in Limpiadhura, Shrestha said.

According to Shrestha, villages in this area — Gunji, Nabhi, Kuti, and Kalapani, also known as Tulsi Nyurang and Nabhidang — were covered by the Nepal government census until 1962, and the people paid land revenue to the government in Kathmandu. However, the situation changed after the war between India and China that year.

Bishwabandhu Thapa, a former Home Minister of Nepal who is now 93, said India's Prime Minister Jawaharlal Nehru approached King Mahendra of Nepal asking for permission to use Kalapani, which was strategically located close to the trijunction, as a base for the Indian Army.

Dr Bhekh Bahadur Thapa, who served as Nepal's Foreign Minister in 2005-06 and as Ambassador to India during 1997-2003, said that even though Indian officials claimed in bilateral talks later that King Mahendra gifted the area to India, the issue was never resolved.

India-Nepal talks

Several prominent personalities who have officially represented Nepal in bilateral talks claimed that Prime Minister I K Gujral (April 1997-March 1998) had promised to give up these areas if Nepal was able to produce evidence for its claim.

In July 2000, Prime Minister Atal Bihari Vajpayee assured the visiting Nepal PM G P

Nepal's Prime Minister Pushpa Kamal Dahal Prachanda with Prime Minister Narendra Modi. *Prem Nath Pandey*

Koirala that India had no interest in even an inch of Nepali territory — however, the mechanism led by the two foreign secretaries did not make progress.

The visit of Prime Minister Narendra Modi to Nepal in 2014 gave rise to hopes of a resolution of all contentious issues. He and his Nepali counterpart, Sushil Prasad Koirala, agreed to set up a boundary working group for speedy settlement of the border issue in Kalapani and Susta, a 145-sq-km area that had fallen on the Indian side after the River Gandak changed course.

After returning from India on June 3 last year, Nepal's Prime Minister Pushpa Kamal Dahal Prachanda claimed that Modi had assured him that the border issue would be sorted out at the earliest; however, there was no mention of this in the official statement at the end of the official visit.

Frictions in bilateral ties

The goodwill of the 2005-14 period when India mediated the transition of the Hindu Kingdom into a secular federal republic, evaporated in 2015 after the Maoists rejected outright the suggestion of New Delhi, conveyed through then Foreign Secretary Jaishankar, that Nepal's new constitution should be delayed until the concerns of the Terai parties were addressed.

The 134-day blockade of Nepal that began in September 2015 created significant distrust against India, and K P Sharma Oli, who took over as Prime Minister that October, quickly moved to sign a trade and transit agreement with China in order to create a fall-back source for the supply of essential goods.

In February 2018, Oli, chairman of the Communist Party of Nepal (Unified Marxist Leninist), returned as Prime Minister with a massive mandate in the first election held under the new constitution. In 2020, he took the lead to build the consensus in Parliament for Nepal's new map that formally included the 372 sq km in Uttarakhand, and pledged to bring it back.

India decried Nepal's "cartographic aggression" as unacceptable, but said the issue would have to be sorted out through diplomatic channels, on the basis of evidence. It is noteworthy that the cabinet decision on printing the new Rs 100 notes has come less than two months after Oli's party joined the ruling coalition in Nepal.

While the manifesto of Oli's CPN (UML) promised to bring these areas into Nepal, successive governments in Kathmandu have over the years taken up issues of "border encroachment" with both India and China, Rajeshwar Acharya, Nepal's former Ambassador to China, said.

2024 different from 2020

Unlike 2020, when the new map was adopted by Parliament, there is no visible consensus on putting the map on the currency note. The UML and Prachanda's CPN (Maoist Centre) are together in the ruling coalition, but the Nepali Congress, the main opposition and largest party in Parliament, is yet to make a statement on this issue.

Chiranjivee Nepal, economic advisor to President Ram Chandra Poudel and a former Governor of Rashtra Bank, Nepal's central bank, has described the cabinet decision as "unwise" and "provocative". Many others, too, believe the issue should be settled through dialogue without actions that may invite extreme steps by India. However, based on a preliminary assessment, the government appears hopeful that with better road connectivity with China, the hardships of Nepalis in the event of a 2015-like blockade will be far less.

Nepal sorted out its boundary issues with China in the early 1960s through bilateral meetings of the boundary commission. Nepal's former Prime Minister Kirtinidhi Bista had once quoted his Chinese counterpart Chou En-lai as saying that border issues, if left unresolved, turn into problems for the future generations that are difficult to address.

Despite the in-principle agreement on resolution through appropriate platforms based on evidence, India and Nepal have not fixed a timeframe or called a meeting for the purpose.

Baroda Dynamite Case, in which George Fernandes was sent to Tihar jail

SHYAMLAL YADAV
NEW DELHI, MAY 8

THE SUPREME Court on Tuesday heard arguments on granting interim bail to Delhi Chief Minister Arvind Kejriwal, to enable him to campaign in the ongoing Lok Sabha election. During the hearing, the SC, in passing, recalled how George Fernandes had once contested an election from jail, and won by a huge margin.

EXPLAINED HISTORY

George's triumph from Tihar

George was a firebrand trade union leader, who won his first Lok Sabha election from the Bombay (South) constituency in 1967, defeating Congress stalwart S K Patil on a Samyukta Socialist Party ticket. In 1974, he led India's biggest ever railway strike.

When Emergency was declared on June 25, 1975, he went underground. George was eventually arrested in Calcutta (Kolkata) on June 10, 1976, sent to Delhi's Tihar jail, and charged in the Baroda Dynamite Case.

After the Emergency was lifted in 1977, George contested from the Muzaffarpur seat in Bihar on a Janata Party ticket, while still in prison. Hundreds of his friends and followers, including trade unionists from Bombay, students and Lohiaite teachers from Delhi University, and young supporters from all over India fanned out in his constituency to campaign for him.

Out of the 5.12 lakh votes polled, George got 3.96 lakh (more than 78%), while Congress candidate Nitishwer Prasad Singh got only a little more than 12%. George went on to become a minister in Morarji Desai's government, and was first given charge of Communications, and then of Industry.

Baroda Dynamite Case

In 1976, George and two dozen others —

George Fernandes greeting his supporters at Delhi's Tis Hazari court on March 22, 1977. *R K Sharma/Archive*

including then Rajya Sabha member Viren J Shah, the Bombay socialist leader G G Parikh, then reporter of *The Indian Express* in Ahmedabad Kirit Bhat, and then reporter of *The Times of India* in Baroda K Vikram Rao — were booked for waging war against the state.

According to the charge sheet, police found 836 sticks of dynamite and fuse wires from the premises of a private transporter in Vadodara on March 8-9, 1976. The CBI took over the investigation on March 23. Two cases were registered by Delhi Police, which too, claimed to have recovered explosives, and three cases were registered by Bombay Police in connection with an explosion at a railway bridge in that city. All these cases too, were transferred to the CBI, and together constituted the Baroda Dynamite Case.

CBI filed a charge sheet on September 23, 1976. George was accused of procuring large quantities of dynamite and accessories with the objective of overawing the government by blowing up road and rail bridges, disrupting communications, and creating conditions of anarchy. The trial was held at the court of the Chief Metropolitan Magistrate in Tis Hazari in Delhi.

Efforts to withdraw the case began immediately after the Janata Party government took oath on March 24, 1977. Co-accused K Vikram Rao, one of George's co-accused, told *The Indian Express* on Wednesday: "We were released on March 22 (1977), the day the results of the Rae Bareli Lok Sabha seat was declared (and Indira Gandhi was defeated)."

On March 26, an application for withdrawal of the case was moved in the court of Chief Metropolitan Magistrate M Shamim, which said, "in public interest and changed circumstances, the Central Government has desired to withdraw from the prosecution of all the accused". The magistrate agreed to allow the withdrawal of the case.

However, two criminal revision petitions were filed in Delhi High Court against this order in 1977. Both were dismissed by the High Court.

Subsequently, a Special Leave Petition was filed in the Supreme Court against the High Court order. On May 3, 1980, the top court dismissed the petition, along with similar other petitions.

Active in politics till 2010

George went on to represent Muzaffarpur in Lok Sabha on Janata Dal tickets in 1989 and 1991, and Nalanda, also in Bihar, on Samata Party tickets in 1996, 1998, and 1999. George was the convener of the Atal Bihari Vajpayee-led National Democratic Alliance (NDA), and Defence Minister in Prime Minister Vajpayee's government from 1999 to 2004.

In 2004, he returned to Muzaffarpur on a Janata Dal (United) ticket and won. After being denied the party's nomination in 2009, George contested as an Independent and lost. However, JD(U) chief Nitish Kumar, sent him to Rajya Sabha the very same year, where he served for a year. He passed away at the age of 88 on January 29, 2019.

Irrational Israel

Netanyahu is prioritising his political future over his country's interests

When Hamas announced on Monday evening its acceptance of a ceasefire proposal mediated by Qatar and Egypt, jubilant crowds in Rafah, the besieged town in Gaza's south where over 1.4 million people have taken refuge, took to the streets in the hope that a feared Israeli invasion would be averted. But their reprieve was short-lived as Israel immediately said the proposal "doesn't meet its core demands". Israel had already announced the evacuation of over 1,00,000 people from Rafah. A day after Hamas accepted the proposal, the Benjamin Netanyahu government sent tanks to Rafah and seized the Gaza side of the strip's border crossing with Egypt. Now, Israel is practically controlling all entry points to Gaza, and most of them remain shut. To call Gaza's existing situation a disaster would be an understatement. The Israeli Defence Forces (IDF) have killed over 34,000 Palestinians since October 7. Over 77,000 Palestinians have been wounded and nearly the entire Gaza has been displaced. Its northern and central parts are already uninhabitable. The UN says there is a "full blown famine in northern" Gaza, while a hunger crisis has spread across the enclave. Hundreds of thousands of people forced out of their homes in the north and centre, where IDF soldiers have been deployed, are now living in temporary shelters in Rafah. And the Israelis are again asking them to evacuate.

When Israel came under a gruesome attack on October 7, the world expressed its solidarity with the Jewish nation. But the way Israel has conducted its war on Gaza ever since is not different from what Hamas did to the Israelis. Mr. Netanyahu's government unleashed a collective punishment on the entire population of Gaza, with support from powerful allies in the West. But despite the disproportionate use of force against the Palestinians, Israel's military performance is a far cry from what it was known for decades ago. Israel has neither managed to defeat Hamas nor get the hostages released. If Mr. Netanyahu goes ahead with the plan to invade Rafah, he would be making a terrible mistake. If the war comes to an end, he might face challenges to his political career. But if the war goes on forever with more killings of Palestinians, the state of Israel, already isolated and facing a genocide case at the UN's top court, would be weakened further internationally. The only practical way out of this humanitarian and political calamity and moral abyss is a quick negotiated ceasefire that would see the release of all hostages and an IDF withdrawal. Even Hamas, undoubtedly a ruthless terrorist organisation that would not baulk at inflicting suffering on the very people it claims to represent, has shown a willingness to sign a deal. The question is whether Mr. Netanyahu is ready or not.

A sob story

Restrictive revocation of onion export ban sends wrong signals to farmers

Nearly six months after the Centre prohibited onion exports citing runaway prices and supply concerns, it put them back in the 'free' category last Saturday, with the caveat of a minimum export price of $550 a tonne, and a 40% levy on top. This marked the second significant policy change on onion exports over a span of 10 days. On April 25, 2,000 tonnes of white onion exports were permitted, if certified by the Gujarat Horticulture Commissioner. Coming days before Gujarat's Lok Sabha vote this Tuesday, the move triggered an outcry about preferential treatment from the neighbouring State's farmers. In a press release, the Centre explained that "purely export oriented" white onions entail higher production costs, and nearly one lakh tonne of onion exports had also been allowed that would help Maharashtra, the country's largest onion producer. This did not cut much ice – only a few thousand tonnes of onions had actually been shipped under that export window.

It is no surprise that this conditional freeing up of exports comes just before Maharashtra's onion farming hubs vote on May 20. Justifying the move, the Centre pointed to *mandi* prices stabilising at ₹15 a kilo since April, a fresh assessment that supplies are, in fact, adequate, and an assertion that the politically charged vegetable is perishable. State BJP leaders proclaimed this will ensure farmers get better prices and income. It is unclear if that will fructify – the floor price plus export duty formulation means exports are viable only at or over an estimated ₹64 a kilo. International onion prices have been easing after Egypt and Pakistan recently lifted their export curbs, much before India. With the latest norms expected to last at least till the next government takes charge, onion farmers will effectively face export curbs for almost a year, starting from last August when a 40% export duty was levied. Straddling the 'consumer versus farmer' dilemma is tricky, but some longer term context can guide policymaking towards a nuanced rather than a knee-jerk approach. Before food inflation spiked in the second half of 2023, onion prices had been falling for as many as 21 months till May. They rose about 30% through 2023-24, but from a 21% decline in the previous year. A Centre for Civil Society study reckoned that the average farmer lost 21% of annual income due to onion export bans between January 2015 and March 2020. If anything, the current streak of curbs after nearly two years of falling prices, does not send out a positive sowing signal for farmers. And that is neither good for curbing inflation nor meeting India's aspirations to be the world's food supplier.

A chance to settle a constitutional clash

Suhrith Parthasarathy

is an advocate practising at the Madras High Court

Two questions of seminal importance are at stake in *Property Owners Association vs State of Maharashtra*, in which hearings recently concluded before a nine-judge Bench of the Supreme Court of India. First, what does the term "material resources of the community" used in Article 39(b) of the Constitution denote? Second, are laws made in furtherance of the goal stipulated in Article 39(b) – that is, legislation aimed at securing ownership of resources and distributing them to best subserve the common good – immunised from challenges premised on the fundamental rights to equality and freedom?

The second of these questions brings to sharp focus a clash between Part III of the Constitution, which delineates fundamental rights, and Part IV, which enumerates a set of "Directive Principles of State Policy" (DPSP). The Constitution expressly makes fundamental rights enforceable, while DPSPs are regarded as goals that the state is expected to work towards. The tension between these parts has simmered through India's history, reaching boiling point in the 1970s when the Constitution was routinely amended, primarily to make certain kinds of legislation exempt from judicial review.

The Supreme Court has from time to time attempted to clarify where the law stands, starting with the verdict of its 13-judge Bench in *Kesavananda Bharati vs State of Kerala* (1973). But the conflict has never really gone away. The uneasy relationship between the two parts has now reared its head again. How the Bench in *Property Owners* answers the reference made to it will have a deep bearing on the Constitution's future course.

At its inception, the Constitution's bare text was clear enough. Article 13 declared that any law made in breach of a fundamental right would be void. Article 37, on the other hand, declared that DPSPs will not be "enforceable in any court". Yet, it said that its precepts would be treated as fundamental in the country's governance and the State would be obliged to apply them in making laws.

The Court in some of its earliest judgments described the hierarchy. Part III, wrote Chief Justice S.R. Das, in *Mohd. Hanif Quareshi vs State of Bihar* (1958), cannot be reduced to "a mere rope of sand". He said, "the State should certainly implement the directive principles, but it must do so in such a way that its laws do not take away or abridge the fundamental rights".

The introduction of Article 31C

This balance came unstuck when the Constitution was amended in 1971. Through the 25th amendment, Parliament, in a bid to place some of its laws beyond judicial review, introduced a new provision, Article 31C. This provision stipulated that a law giving effect to clauses (b) and (c) of Article 39 – which respectively entreated the state to make legislation towards securing the material resources of the community and towards implementing an economic system that does not result in concentration of wealth – could not be declared void on the ground that it violated the rights conferred by Articles 14 or 19. This meant that the laws so made were exempt from any challenge on grounds that they contravened the right to equality under Article 14 or one of the other of the bundle of freedoms contained in Article 19, including the rights to freedom of expression, and to profession, business, and trade.

> The top court has a chance, in Property Owners Association vs State of Maharashtra, to resolve the clash between fundamental rights and Directive Principles of State Policy

Consider the consequences: Parliament might believe that the printing press is a material resource of the community. It might then proceed to nationalise the media. The measure, it might say, is made with a view to securing the common good under Article 39(b). As an upshot of the 25th amendment, this law could neither be challenged on the ground that it did not subserve the common good nor could it be found void on the ground that it infringed our right to free speech.

Kesavananda alleviated some of these potentially drastic results. Through a narrow majority of seven to six, with Justice H.R. Khanna's controlling opinion tipping the balance, the Court found that an amendment which offended the Constitution's basic structure would be void. Justice Khanna further found that the 25th amendment partially fell afoul of this theory. He held that to the extent that it forbade any examination on whether a law made was in furtherance of Articles 39(b) and (c) it transgressed the principle of judicial review. But he upheld the amendment insofar as it protected such laws from challenges grounded on Articles 14 and 19. Oddly though, the six judges who otherwise formed part of the minority, by holding that Parliament had unlimited power to amend the Constitution, did not engage in any independent analysis on the 25th amendment. This meant that while a majority found a part of Article 31C void, *Kesavananda* offers no clear verdict on whether the amendment –insofar as it exempts certain laws from fundamental rights challenges – otherwise breaches the Constitution's basic features.

More changes

Despite this, in 1976, through the 42nd amendment, Parliament made further changes to Article 31C. These were even more far-reaching. They stipulated that a law made in furtherance of any DPSP – and not merely a law made in furtherance of Articles 39(b) and (c) – would enjoy safe harbour.

In *Minerva Mills vs Union of India* (1980), a five-judge Bench declared the amendment unconstitutional. The Court found that while DPSPs provided the ends of governance, fundamental rights constituted the means to such ends. Articles 14, 19 and 21, wrote Chief Justice Y.V. Chandrachud stood between the "heaven of freedom into which Tagore wanted his country to awake and the abyss of unrestricted power". This amendment, he added, "removed two sides of that golden triangle".

But what is the precise consequence of this ruling? Does Article 31C now go back to its original form, as contained in the 25th amendment, sans the portions that were struck down by the majority in *Kesavananda*? Or is it in a state of suspended reality, where its validity remains in the balance?

The issue is complicated by another judgment delivered by Justice Y.V. Chandrachud, on behalf of a five-judge Bench in *Waman Rao vs Union of India*. Here, somewhat at odds with his own opinion in *Minerva Mills*, he held that the unamended Article 31C was valid, because it was impossible to conceive how a law made in furtherance of Articles 39(b) and (c) could at all infringe the rights under Articles 14 and 19. This finding is clearly incorrect. As we saw, a law made to purportedly subserve the common good – for example, a nationalising of the printing press – can have grave consequences on our liberty.

In *Property Owners*, the Court will decide on the validity of a law that allows a State government board to acquire complete control over dilapidated buildings, if done with the consent of at least 70% of residents. To resolve this, it will examine whether the law furthers Article 39(b) under which it is purportedly made. But even assuming it answers this in the affirmative, the question still remains: can the statute also be tested on the touchstone of Articles 14 and 19?

An opportunity

Regardless of the judgments in *Waman Rao* and *Sanjeev Coke vs Bharat Coking Coal* (1982), which followed it, to date there is no conclusive analysis from the Supreme Court on Article 31C, in the form introduced by the 25th amendment, and its adherence to the Constitution's basic structure. This has meant that fundamental rights and DPSPs have been in perennial conflict. The Court has a chance in *Property Owners* to resolve this clash and, in the process, provide a fillip to the Constitution's most cherished guarantees.

The era of the politics of performance

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India's vibrant democracy thrives on the idea that elected representatives embody the people's mandate. So, 795 MPs, approximately 4,123 Members of the Legislative Assemblies and and 31.8 lakh elected representatives in the local government, together formulate policies and ensure their implementation at the levels of the central and State government, raise the issues of the people in Parliament, Assembly, and Councils, and work on issues of importance as part of committees.

At least 75% of Lok Sabha members and nearly 64% of MLAs are graduates. And considering their central role in policy-making and delivering public services, we often forget to ask a key question: what makes an elected representative competent? While educational qualifications provide critical skills, effective governance requires a spectrum of qualities in the form of behavioural, functional, and domain-based competencies.

The competencies that are needed

Behavioural skills are at the heart of political competency, enabling politicians to engage effectively with various stakeholders. Representatives must excel in communication, verbal and writing, and public engagement. Effective leadership and negotiation skills are vital in uniting diverse teams behind a shared vision and managing different stakeholders. For example, the success of the Swachh Bharat Abhiyan was influenced by the involvement of women panchayati raj leaders, who promoted behavioural change at the grassroots.

Second, functional competencies. Beyond being people-oriented, representatives must deeply understand the rules and processes underpinning legislation and policy implementation. This includes understanding their interventions in Parliament and State Assemblies, such as asking questions, initiating discussions, raising important policy matters, monitoring and evaluating policy implementation, providing suggestions, and ensuring efficient allocation of Union and State Budgets. Representatives must also be competent in translating citizen grievances and communicating those policy gaps to decision-makers. This will ensure that the voices of citizens are plugged into policy-making processes.

> Competency needs to be one of the central pillars of political discourse

In 2022, a Member of Parliament raised a matter in Zero Hour about unregulated advertising and promotion of tobacco use on OTT platforms, which prompted the Ministry of Health to mandate anti-tobacco warnings on such content. Similarly, a Private Member's Bill introduced in 2014 advocating for transgender rights led to the formation of the Transgender Persons (Protection of Rights) Act, 2019. So, legislative advocacy can influence policy changes.

Domain-based competencies are crucial for elected officials, and tailored to meet the specific needs of their constituencies and manage their unique portfolios effectively. For example, a deep understanding of health-care policy would encompass public health management, health-care laws, insurance systems, and global health trends.

Insights into infrastructure and urban planning are also fundamental, where understanding effective urban planning, transportation systems, public works, and sustainable infrastructure development are critical. Apart from these domains, awareness of the latest technological advancements and their implications on public services and economic growth are essential, ensuring that policy decisions are forward-thinking and inclusive of technological progress.

Further, the Digital Personal Data Protection Act, the National Health Policy, the Mental Healthcare Act, and Prevention of Cruelty to Animals Rules are recent examples of individuals shaping policies through domain expertise and commitment.

As we advocate a competency-based approach, we must be careful about the competency trap, where an excessive focus on specific skills might suppress the innovation and creativity needed to solve complex problems. Instead, we should foster an environment that promotes critical thinking and problem-solving skills alongside technical expertise.

Promoting collaboration between representatives with diverse backgrounds and expertise will ensure a multi-disciplinary approach to tackling complex challenges. Imagine a team with expertise in rural development, economics, engineering, public health, and social justice working to design and implement better policies.

Institutionalising the vision

To effectively institutionalise this vision, it is crucial to align these competencies with their specific roles, incorporating the Karmayogi Competency Model from Mission Karmayogi. This process involves identifying existing skill gaps and evolving training needs through consultation with elected officials, citizens, and domain experts. The resulting needs analysis should inform a comprehensive capacity-building plan that includes orientation and induction programmes, online resources, workshops, peer learning opportunities, and mentorship programmes. Regular impact assessments, conducted annually, are essential.

To facilitate this continuous learning, we can leverage existing resources from central and State training institutions such as Parliamentary Research and Training Institute for Democracies, National and State Institutes of Rural Development and Panchayati Raj, as well as the Integrated Government Online Training platform and civil society organisations such as PRS Legislative Research, Participatory Research in Asia, Rambhau Mhalgi Prabodhini. It is also essential to ensure that every elected representative from the local level onwards has access to necessary information and research support through dedicated research wings.

Ultimately, the success of competency-based politics also relies on a shift in public perception. Citizens need to demand more from their elected representatives, holding them accountable not just for their promises but also for their ability to deliver on those promises. We are reminded that the measure of a politician's success is not just in the victories they achieve but in the vision they embody, the integrity they uphold, and the impact they have on society. As we move towards a Viksit Bharat, let us make competency a central pillar of political discourse, where effective leadership is not an exception but an expectation.

LETTERS TO THE EDITOR

No voice

It is shameful that the United Nations has miserably failed in trying to stop ongoing wars (Page 1, "Israeli forces send tanks to Rafah, seize crossing", May 8). The name of the organisation seems to be far removed from common consciousness. It is in times such as these when the effectiveness of such institutions is tested.

Balagopal Gopinath,
Keerikkad, Alappuzha, Kerala

The international community (including Israel's allies) must pressure Tel Aviv not to endanger the lives of innocent civilians. The U.S. must coordinate its words and actions.

Bhargava Reddy,
Prakasam, Andhra Pradesh

Living will

The living will proposal has a purpose (Editorial page, May 8), but my perspective stems from the standpoint of a son who recently lost his father after a painful ordeal in the ICU. During that period, the medical professionals advised us to consider moving him to palliative care. However, we were determined to exhaust every avenue of treatment. Opting for palliative care was equal to abandoning him and prioritising financial concerns over his life. Seeing him in the ICU was heart-wrenching, yet the mere thought of relinquishing hope prematurely was unimaginable to us. While I acknowledge the importance of individual autonomy in end-of-life treatments, I cannot disregard the instincts of families to pursue what they perceive is best.

Allan Joshua E.,
Coimbatore

Giving primacy to human development

M. Suresh Babu

is Director, Madras Institute of Development Studies. Views are personal

The promise of development has emerged as a rallying point for political parties for the elections. Taking stock of the achievements of the past few years, as portrayed in the Human Development Report, underscores the task ahead and the need for a clear strategy for embarking on a long journey.

A poor ranking on HDI

Two recent reports reveal some important facets of India's development. First, the Human Development Report 2023-24, published by the United Nations Development Programme, takes a comparative perspective and maps the achievements in the area of human development. Second, a paper published by the World Inequality Lab in March 2024 provides long-term trends in income and wealth inequality in India between 1922 and 2023. These reports do not reveal very encouraging trends on both fronts and can be used for future course corrections. More importantly, the evidence published is a significant guidepost for the forthcoming government, if it is to advance human capabilities and enhance the welfare of citizens, which are agendas of the major parties.

India ranked 134 out of 193 countries in the UN Human Development Index (HDI) in 2022, which was an improvement compared to 2021, when it ranked 135 out of 192 countries. This one point increase can be attributed to a marginal increase in HDI value to 0.644 in 2022 from 0.633 in 2021. This places India is in the medium human development category. Between 1990 and 2022, India witnessed an increase in HDI value by 48.4%, that is, from 0.434 in 1990 to 0.644 in 2022.

However, even though India moved up a rank compared to 2021, it still fell behind Bhutan, Bangladesh, Sri Lanka, and China. The medium human development category of countries includes Myanmar, Ghana, Kenya, Congo and Angola. The index on which India registered an improvement is the Gender Inequality Index. In 2022, India was ranked 108 out of 193 countries, while in 2021, it ranked 122 out of 191 countries. However, India also has one of the largest gender gaps in its labour force participation rate as there exists a 47.8% difference between women (28.3%) and men (76.1%).

The Report raises concerns on rising inequality and its implications for advancing human development. Inequality between countries at the upper and lower ends of the HDI started to increase each year since 2020. This divergence is compounded by substantial economic concentration, as almost 40% of the global trade in goods is concentrated in three or fewer countries. Further, in 2021, the market capitalisation of each of the three largest technology companies surpassed the GDP of more than 90% of countries that year. The ramification of increased inequality is discussed in the Report, which states, "The share of people reporting having very high control over their lives is low and relatively equal for the bottom 50 percent of the population, but rises with income for deciles 6 and above. Thus, income inequalities, which often intersect and are associated with other inequalities in human development, shape agency." That is, agency increases as income grows for the bottom 50% of the distribution.

When adjusted for inequality, India's loss in HDI is 31.1%, which is higher than that of Sri Lanka, Bangladesh, Nepal and Pakistan.

Widening inequality

The World Inequality Lab study shows that the bottom 50% were getting only 15% of India's national income in 2022-23. According to the study, "The top 1% earn on average 5.3 million, 23 times the average Indian (INR 0.23 million). Average incomes for the bottom 50% and the middle 40% stood at INR 71,000 (0.3 times national average) and INR 1,65,000 (0.7 times national average) respectively. At the very top of the distribution, the richest 10,000 individuals (of 920 million Indian adults) earn on average INR 480 million (2,069 times the average Indian)". This stark income inequality in India has important implications on the aggregate demand and consumption and on human welfare. The real growth rate of incomes at each percentile of the income distribution shows that growth for the top decile has been significantly higher than the rest of the population. Within the top 10%, growth rates rise with rank indicating that those at the very top benefited much more than the others. Interestingly, during 2014-2022, the incomes of the middle 40% of the income distribution seem to have grown slower than the bottom 50%. This skewed income distribution and growth of incomes of the higher percentiles indicate a forthcoming possibility of the reduction in the size of the 'middle class'. When growth gets very concentrated at the top, the pace of economic polarisation accelerates eventually resulting in the emergence of two classes, the haves and have-nots.

Household debt levels in India reached a record high of 40% of GDP by December 2023, and the net financial savings plunged to 5.2% of the GDP, according to a recent report. A breakup of household debt shows that unsecured personal loans have experienced the most rapid growth, followed by secured debt, agricultural loans, and business loans. Annual borrowings of households surged to 5.8% of GDP in 2022-23, the second-highest level in independent India. Given low levels of human development, high levels of inequality, low savings and high debt, it is time to think about an alternate growth strategy which accords primacy to human development and convert it as a route to accelerate growth. This needs political will and thinking beyond short-term electoral gains. As a first step towards this, the narrative of development needs to be recast.

> Given low levels of human development, high levels of inequality, low savings, and high debt, it is time to think about an alternate growth strategy which accords primacy to human development

Powerless in a sweltering summer

The heat has laid bare the chinks in Kerala's power system

STATE OF PLAY

Tiki Rajwi

The unusually warm summer this year has left Kerala with no alternative but to confront a problem that it has been ignoring for the past few decades. Some districts are battling heatwaves, which has laid bare the chinks in the State's power system.

It is well known that Kerala depends on electricity imports for much of its daily electricity requirement. It has become routine practice for the Kerala State Electricity Board (KSEB), the State-run power utility, to stave off power restrictions during summer by making advance power purchase deals and entering into swap arrangements with power generators and utilities elsewhere in the country.

However, this year, KSEB projections were upended after temperatures drove up electricity usage to an unprecedented degree. On several days, the year-on-year increase has been in the range of 15 to 20 million units (mu). Electricity consumption rose by 12.79% and 15.62% in March and April, respectively, compared to the same months in 2023. The demand has especially surged in the late evening hours thanks to greater dependence on air-conditioners and the practice of charging e-vehicles during that time. The spike in peak power demand (evening hours) in April on a year-on-year basis was 12.38%. Meeting this demand has proven to be an uphill task.

Amid all this, people stormed the KSEB section offices following power outages. All this has not made things easy for the CPI(M)-led Left Democratic Front government. A public-sector behemoth with more than 30,000 staff, the KSEB has been accused of being apathetic to complaints and of resorting to unofficial load shedding.

In early May, the Kerala government recommended self-regulation and ruled out the imposition of State-wide power curbs and cyclical load shedding. It directed industries and commercial establishments to keep usage at a minimum between 10 p.m. and midnight. It advised domestic consumers, who constitute the majority of the 1.37 crore-strong KSEB consumers, to conserve electricity and shift high-end electricity use to off-peak hours.

Officially sanctioned power curbs are a sensitive issue in Kerala, where they have been practically non-existent in recent memory. Shortages are hastily made up through power purchases, often at a great cost, which is then quietly passed on to the consumers through fuel surcharges on bi-monthly bills.

Internal power generation, which is largely hydropower, accounts for 30% of the requirement at the best of times. In summer, the situation is far worse. For instance, of the May 3 consumption of 115.94 mu, internally produced electricity contributed a mere 22.75 mu. Net imports accounted for a stunning 93.19 mu. Once a power-surplus State, Kerala is now heavily dependent on power allocations and purchases to meet the burgeoning demand. The internal installed capacity of 3678.96 megawatts (MW) is woefully inadequate in terms of self-sufficiency.

Throughout the present crisis, two particularly bad decisions were made. In 2023, the Kerala State Electricity Regulatory Commission decided to scrap a set of long-term power purchase deals totalling 465 MW citing deviations from central norms. The upshot of it was that Kerala stood to lose extremely cheap supply at a time when substitute electricity was expensive in the market. After a controversy erupted over this, the government hastily ordered the restoration of the contracts. However, the companies involved are yet to restart supply.

Second, the Power Department decided to spend the lion's share of the ₹10,475.03 crore centrally assisted Revamped Distribution Sector Scheme on smart meters rather than on network improvement. Both decisions drew flak from the influential Left power sector unions. All this points to the need for sensible and balanced decision-making, which has so far kept power-deficient Kerala out of real trouble. There are indications that the present crisis has prodded the KSEB, which has plans drawn up for power generation and supply for the long-term, to reassess options and priorities.

Negative headlines on the power situation do not bode well for the LDF government's aggressive pitch to project Kerala as an investment-friendly destination. On the political front, power curbs are likely to be a weapon in the hands of the Opposition as Kerala goes to local body elections in 2025 and Assembly polls in 2026.

Debt owed by South Asian nations to China hits record levels

Pakistan's total external debt stocks owed to China has surged from $7.6 billion in 2016 to $26.5 billion in 2022

DATA POINT

Vignesh Radhakrishnan & Rachita Rabboni

Debt owed by various countries, especially in South Asia and Africa, to China has multiplied in recent years. China is either the sole or the major lender for the majority of these countries. In other words, these nations owe a large share of their external debt only to China.

Chart 1 shows the external debt stocks owed by select countries to China in $ billion. Only the top 20 countries that owe the most debt to China in absolute terms in 2022 are depicted. External debt stock is the debt owed by a country to non-residents repayable in currency, goods, or services. It is the sum of all public, publicly guaranteed, and private non-guaranteed long-term debt, and short term debts.

As can be seen from the chart, the debt owed by South Asian, African, and South American countries to China increased significantly post the 2010s. According to the World Bank's latest International Debt Report 2023, this was due to China's 'Going Global Strategy', which was initiated in 1999 to improve Chinese investment and lending abroad. By the end of 2022, low-and-middle-income countries owed China a total of $180 billion. In comparison, the low-and-middle-income countries' total debt owed to the International Bank for Reconstruction and Development, a global development cooperative owned by 189 nations, was just a little higher at $223 billion.

Interestingly, China has given a big chunk of its new loans in recent years to neighbouring countries, while its loans to African and South American economies have fallen. As seen in Chart 1, Pakistan's total external debt stocks owed to China rapidly surged from $7.6 billion in 2016 to $26.5 billion in 2022. In the same period, Sri Lanka's total debt owed to China almost doubled from $4.6 billion to $8.8 billion. Bangladesh's increased from $0.97 billion to $6 billion. Maldives' increased from $0.3 billion to $1.2 billion. Nepal's increased from $0.07 billion to $0.26 billion. Most of the debts owed to China are in the form of loans for infrastructure projects.

However, in recent years, China has cut back its overall lending due to two factors. According to the World Bank debt report, this is because China's own economic position is not strong. And some of the countries it lent to are defaulting on their payments because the investments funded by China have not been financially successful.

After months of food and fuel shortage, Sri Lanka defaulted on foreign debt in 2022. According to a Reuters story, Sri Lanka's interest payments will form nearly 54% of the country's revenue this year, whereas Pakistan's share is even higher at around 57%. Bangladesh's interest payments will be 31.5% of its revenue. And most of these nations owe a large share of bilateral debt to China.

Chart 2 shows the percentage share of bilateral external debt owed by select countries as of 2022 to China and other nations. The list includes all the countries listed in Chart 1 and also other South Asian countries which don't owe debt or owe little debt to China. Pakistan owes over 72% of its external bilateral debt to China. For Maldives, the figure is 68%; Sri Lanka's is 57%, Nepal's is 27%, and Bangladesh's is 24%. Countries other than those in South Asia also owe a majority of their bilateral debt to China, with Japan, Germany and France being a distant second.

Notably, China too, during high levels of economic expansion in the 1990s and 2000s, increasingly accumulated foreign debt from countries such as Japan, Germany and France **(Chart 3)**. But its external debt stocks have rapidly fallen in recent years due to repayments.

Who owes what to China

The data for the charts were sourced from the World Bank's International Debt Statistics (IDS)

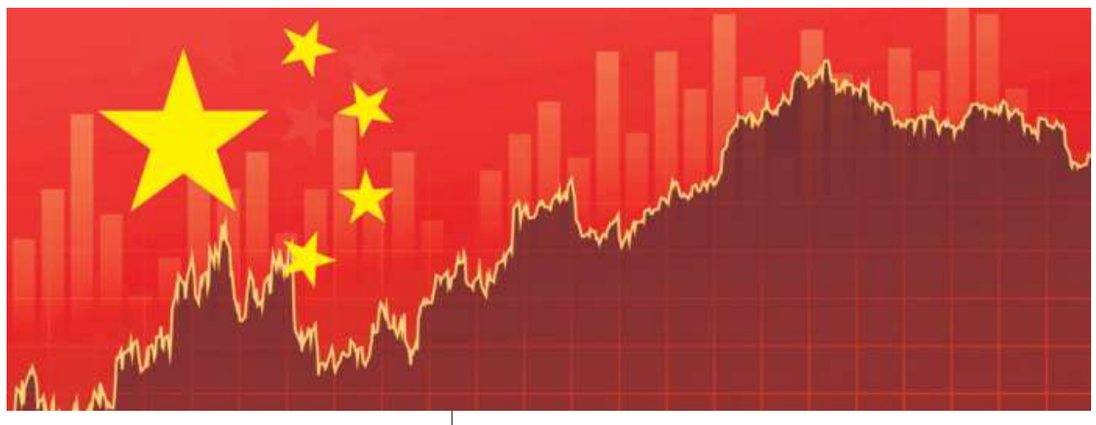


Chart 1: The chart shows the external debt stocks owed by select countries to China in $ billion

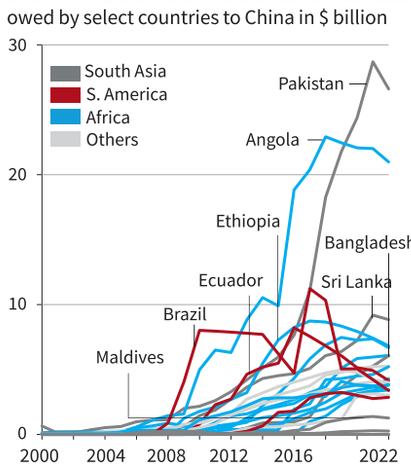


Chart 3: The chart shows the external debt stocks owed by China to select countries in $ billion

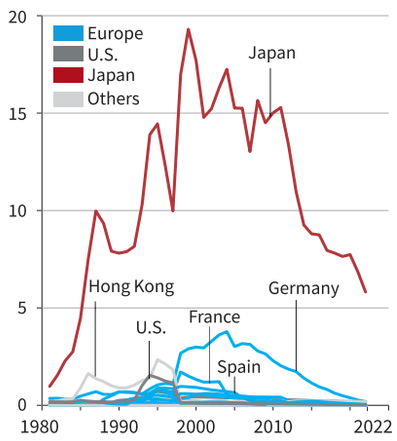
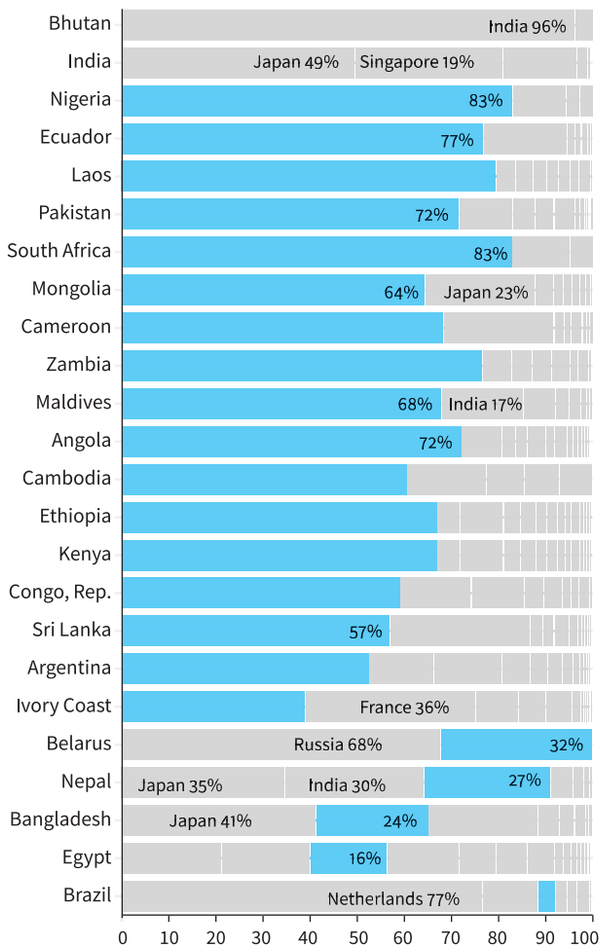


Chart 2: % share of bilateral external debt owed by select countries as of 2022 to China and other nations



FROM THE ARCHIVES

The Hindu.

FIFTY YEARS AGO MAY 9, 1974

Conflicting claims by Govt., unions on train movement

New Delhi, May 8: The first day of the Railway strike presented a rather confusing picture with conflicting reports pouring in from all over the country about the nature and extent of the dislocation caused by the work stoppage in various regions. Though it is too early to assess the impact of the strike, the Railway Ministry continued to assert that both passenger and goods services were being maintained in an attenuated form, while the Action Committee described the railwaymen's response to the strike call as something "unprecedented in the annals of railway trade union movement." Since the Government had drastically cut down the Railway services, it was difficult to test the veracity of the official claims that the "generally poor" response of the railwaymen had already proved that by and large the strike was a big flop except in some isolated pockets dominated by the CPM-controlled unions. But it was conceded by the Government that in the big metropolitan areas of Calcutta, Bombay and Madras, the Railway strike had more or less paralysed normal life. There were reports of widespread dislocation of passenger services in some of the Railway zones, but the basic goods train transporting coal, oil and other essential commodities were being operated by skeleton staff with heavy armed escorts.

A HUNDRED YEARS AGO MAY 9, 1924

Industrial disputes in India

Simla, May 8: An interesting report is published containing statistics of industrial disputes in British India for the months of January, February and March. Bombay records one cotton mill's strike in which 164,461 men were involved and eleven other strikes, out of which seven were unsuccessful, three were successful and one partially successful. In the case of the cotton mills strike the dispute arose over the payment of bonus and only in one case there was a grievance against leave and hours of work. Bengal records the highest number of strikes, namely 18, although in comparison with Bombay, a less number of men were involved, namely 25, 668. Six disputes arose over pay, two strikes were successful, two were partially successful, while twelve were unsuccessful. In Madras there was only one strike in which two hundred men were involved. The strike was unsuccessful.

Text&Context

THE HINDU

NEWS IN NUMBERS

Average tracks laid down by Railways per day in the last decade

7.41 kms. The tracks include new line construction, doubling, tripling and gauge conversion of existing lines, as per a response from the Ministry of Railways for an application under the RTI Act. PTI

The increase in the average cost of a vegetarian thali

8 percent. Soaring prices of onions and tomatoes increased the average cost of a vegetarian thali in April to ₹27.4 per plate from ₹25.4 in the year-ago period, according to Crisil Market Intelligence and Analysis report. PTI

India contributes to UN counter-terrorism trust fund

0.5 $ million.The fund is aimed at building capacities of member states from eastern and southern Africa to combat critical issues of financing terrorism and preventing the movement of terrorists. PTI

The increase in domestic automobile retail sales

27 percent. Passenger vehicle retail sales in India rose year-on-year to 22 lakh units in April as all segments, including passenger vehicles, witnessed growth, Federation of Automobile Dealers Associations said. PTI

The amount India received in remittance in 2022

111.2 $ billion. India became the first country to reach and surpass the $100 billion remittance mark, as per the World Migration Report 2024. PTI

COMPILED BY THE HINDU DATA TEAM

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The delay in Nagaland civic body polls

Why were the urban local body elections of Nagaland stalled for 20 years? Why is the clause requiring 33% reservation to women such a big issue in the northeastern State? Why has the Eastern Nagaland People's Organisation said that it would not participate in the elections?

EXPLAINER

Rahul Karmakar

The story so far:

On April 30, Nagaland's State Election Commissioner T.J. Longkumer notified the schedule of elections to the State's Urban Local Bodies (ULBs) across three municipal councils – Dimapur, Kohima, and Mokokchung – and 36 town councils. The notification came four days after the Neiphiu Rio-led State Cabinet paved the way for holding civic polls stalled for 20 years because of opposition to the reservation of 33% of the wards reserved for women. The ULB polls are scheduled on June 26.

Why are civic polls in focus?

Until the recent notification, Nagaland has been the only State where 33% of the seats or wards in the ULBs have not been reserved for women as mandated by clause IV of the 74th Amendment to the Constitution of India because of opposition from the Naga hohos (traditional apex tribal bodies) who argued that such a quota would violate the special provisions granted by Article 371A of the Constitution to Nagaland. The first and only civic body election in Nagaland was held in 2004 without any reservation of seats for women. The State government amended the 2001 Municipal Act in 2006 to include 33% reservation for women in line with the 74th Amendment. This triggered widespread opposition forcing the government to indefinitely postpone the ULB polls in 2009. Efforts to hold the elections in March 2012 met with strong protests and in September 2012, the State Assembly passed a resolution to exempt Nagaland from Article 243T of the Constitution which is related to the reservation for women. This resolution was revoked in November 2016 and elections to the civic bodies with 33% reservation were notified a month later.

Long overdue polls: A deserted polling station during the first phase of Lok Sabha elections, as the ENPO has decided to abstain from the elections, in Shamator, Nagaland, Friday on April 19. PTI

The notification led to widespread mayhem in which two people were killed in large-scale violence and arson. This made the government declare the process to conduct election null and void in February 2017. In a special session in November 2023, the Assembly unanimously passed an amended Municipal Bill that retained the 33% quota to pave the way for the ULB polls.

How were the hurdles handled?

Two issues had been stalling the civic polls for 20 years in Nagaland, which had its first women MLAs 60 years after attaining statehood in 1963.

One was the women's reservation for the post of chairperson in the municipal bodies and the other was the taxation on immovable properties. The Nagaland Municipal Act of 2023 did away with the reservation for the chairperson's post and taxation on immovable property while retaining eight types of taxes, fees, and tolls. Former Chief Minister T.R. Zeliang, whose government was a casualty of the civic poll-related unrest in 2017, said during the special Assembly session in 2023 that the 33% reservation was broadly accepted after a series of consultations with the stakeholders and appealed to the women "not to let the issue of reservation for the post of chairperson be a bottleneck in the successful conduct of the ULB polls". The tribal bodies were initially opposed to reservation as Naga women have traditionally not been part of the decision-making bodies while pointing out Article 371A insulates the religious and social practices of the Nagas from any Act of Parliament apart from the customary law and procedure and ownership and transfer of land and its resources.

How was the reservation of seats worked out?

According to the April 30 notification, the ULB polls will be conducted under the Nagaland Municipal Act of 2023. It said the filing of nomination will be held from June 7-11, while the scrutiny of nominations will be held on June 13, and the last date of withdrawal of candidature will be June 20. The results will be announced on June 29, three days after the day of polling. Four days before the notification, the Cabinet approved the wards reserved for women. Accordingly, eight out of 23 wards in Dimapur, the State's commercial hub, six out of 19 wards in Kohima, the State's capital, and six out of 18 wards in Mokokchung were reserved for women. It was also decided that the reservation of the wards would be rotated.

Is there still any opposition?

The apex tribal bodies and village chiefs are said to have, by and large, accepted the provisions of the amended Municipal Act. However, the Eastern Nagaland People's Organisation (ENPO) representing the tribes inhabiting six eastern districts of the State, has affirmed its decision not to participate in the ULB polls. The organisation said the decision has nothing to do with the reservation of seats for women but is in continuation of its resolution not to participate in any Central or State election in protest against New Delhi's failure to create the autonomous Frontier Nagaland Territory. All 4,00,632 voters in these six districts shunned the Lok Sabha polls on April 19 and the June 26 ULB polls are likely to draw a blank too.

THE GIST

- On April 30, Nagaland's State Election Commissioner T.J. Longkumer notified the schedule of elections to the State's Urban Local Bodies (ULBs) across three municipal councils and 36 town councils.
- Until the recent notification, Nagaland has been the only State where 33% of the seats or wards in the ULBs have not been reserved for women.
- The tribal bodies were initially opposed to reservation as Naga women have traditionally not been part of the decision-making bodies while pointing out Article 371A insulates the religious and social practices of the Nagas from any Act of Parliament.

The socio-ecological effects of LPG price hikes

What are the schemes launched by the Government of India to increase the uptake of LPG connections?

Priyanka Das

The story so far:

Data from the 2014-2015 ACCESS survey, conducted by the Council on Energy, Environment and Water, found LPG's cost to be the foremost barrier to its adoption and continued use in rural poor households. Thus, 750 million Indians primarily use solid cooking fuels – wood, dung, agricultural residues, coal, and charcoal – every day. Solid cooking fuels are associated with innumerable health hazards and socio-economic and environmental impacts.

Has the govt. pushed LPG use?

The Indian government has often placed a premium on the cooking fuels in rural households transitioning to LPG. The Rajiv Gandhi Gramin LPG Vitrak scheme was launched in 2009 to increase LPG distribution in remote areas; nearly 45 million new LPG connections were thus established between 2010 and 2013. Direct benefit transfers for LPG under the 'PAHAL' scheme were initiated in 2015. In 2016, direct home-refill deliveries were implemented and the 'Give it Up' program enrolled around 10 million LPG consumers to voluntarily discontinue subsidies and transfer their accounts to below-poverty-line households. The Pradhan Mantri Ujjwala Yojana (PMUY) followed, to install LPG connections in 80 million below-poverty-line households by 2020. The scheme also provides a subsidy of ₹200 for every 14.2-kg cylinder, which increased to ₹300 in October 2023.

Fast forward to 2022: of the 54 countries whose LPG prices were available, those in India were reportedly the highest, around ₹300/litre.

In 2023, a study done by the author and Amir Kumar Chhetri showed how local communities of the Jalpaiguri district in West Bengal depend on the forests for fuelwood. The landscape has highly degraded forest remnants in a mosaic of tea estates, human settlements, and agricultural land, thanks to a history of forest conversion and fragmentation. Based on 40 focal group discussions in tea-estate labour colonies and in forest and revenue villages, the study found that residents in the area depend mainly on forests for fuelwood, for both household consumption and to sell. Roughly half of the 214 local shops in 10 markets used fuelwood; the shop-workers reported the cost of a commercial cylinder, ₹1,900, to be exorbitant. Around 38.5% of Jalpaiguri's population is below the poverty line and most of them work in tea estates with a daily wage of ₹250. Against this backdrop, the persistent use of fuelwood as cooking fuel is unsurprising.

What are suitable alternatives?

While the act of collecting fuelwood gives the people cooking fuel, it also degrades the forest and forces people to risk adverse encounters with wild animals. Due to various government schemes, most households in Jalpaiguri have LPG connections but few refill the cylinder even twice a year. On introduction of the PMUY scheme, many households quickly switched to LPG from fuelwood, and reported that their cooking activities became fast and smokeless, they could forgo the need to rise early and the time and effort spent in collecting fuelwood. But the hike in the price of LPG rendered these advantages short-lived.

Devising locally acceptable, suitable, and sustainable alternatives to fuelwood is important to secure the forests, wildlife and locals' livelihoods. Work is ongoing with the West Bengal Forest Department and Joint Forest Management Committees to help four villages acquire saplings of high fuelwood value on the conditions that they will be native species, prohibited from logging, unpalatable to elephants and will be maintained by locals. Alternatives like efficient cooking stoves, optimised shade tree density in tea plantations, and multi-stakeholder meetings for resource governance are also in the works.

What next?

Our findings suggest that the LPG price rise, especially over the last decade, could cause socio-ecological crises in places where there are no viable alternatives to fuelwood and socio-economic deprivation is common. Future governments must focus on making, and keeping, LPG affordable. At the same time, they also need to endeavour to free solid cooking fuels from socio-ecological endangerment, like, say, with a national policy on introducing smokeless cooking stoves that consume less fuelwood.

Priyanka Das is a fellow at the Coexistence Consortium.

THE GIST

- Data from the 2014-2015 ACCESS survey, conducted by the Council on Energy, Environment and Water, found LPG's cost to be the foremost barrier to its adoption and continued use in rural poor households.
- Of the 54 countries whose LPG prices were available, those in India were reportedly the highest, around ₹300/litre.
- Devising locally acceptable, suitable, and sustainable alternatives to fuelwood is important to secure the forests, the flora and fauna, and locals' livelihoods

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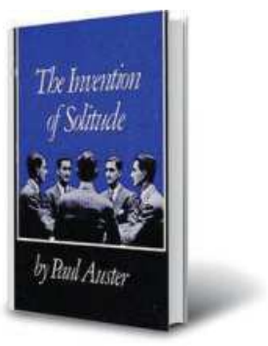

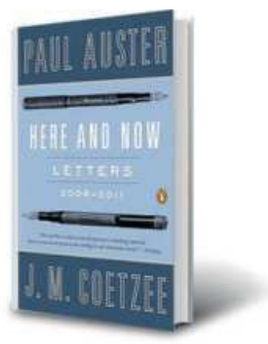

Prolific life: U.S. writer and film director Paul Auster. AFP

Why Paul Auster's reflections on loss and death is about life

The American writer of ideas, who passed away on April 30, leaves behind a rich legacy of work, including 18 novels. The universal themes he explores in his books —love, life, death, chance, memory — make him a writer of the world, not just of New York, his adopted home

Sudipta Datta

After Salman Rushdie was repeatedly stabbed with a knife at a book event in Chautauqua, New York in August 2022, writers came out on the steps of New York Library and read from his works. Among them were Paul Auster, who had adopted New York, particularly Brooklyn, and chronicled it like none other in his novels, and his writer wife Siri Hustvedt. But soon after, they faced a personal crisis – Auster, a smoker, had been diagnosed with lung cancer. He lost that battle on April 30, 2024, passing away of complications at age 77.

When Rushdie recovered – he lost an eye, and the use of one arm – he had visited Auster, as he writes in his recent memoir, *Knife*, and was happy to find him in good spirits. He had a chance to beat the cancer, Auster told Rushdie, and said he hoped to do better than Vaclav Havel, "also a heavy smoker, [who] ended up with only half of one lung after surgery, but kept going pretty well on that."

Many characters in Auster's novels are over-marked by death, but by contemplating on life's only certainty, he also tells readers how to live – and cope.

Metaphor of loss

Auster, a brilliant writer of ideas, shot to fame in 1982 with his early memoir, *The Invention of Solitude*, about his difficult relationship with his father, who passed away suddenly. "One day there is life," it begins. Another day, his father, in the best of health, not even old, with no history of illness, let out a sigh, slumped down in his chair, "and it is death." As Auster ponders over "the irreducible fact of our own mortality," he understands that "life stops. And it can stop at any moment," but with it comes the realisation that he can do something to ensure his father's life does not vanish with his death. He looks back at their relationship – "even before his death, he was absent"; "his capacity for evasion was almost limitless" – and understands that it is impossible to enter another's solitude. "If it is true that we can ever come to know another human being, even to a small degree, it is only to the extent that he is willing to make himself known."

The New York Trilogy, which contains three novellas, *City of Glass, Ghosts* and *The Locked Room*, published in a single volume in 1987, made him famous, but many more astonishing works were to follow, including *The Music of Chance*, *Timbuktu*, *The Brooklyn Follies*, *The Book of Illusions*, *4 3 2 1*, shortlisted for the Booker Prize in 2017, and his last, *Baumgartner*, published last October.

In *City of Glass*, Quinn, a writer of mystery novels, who has suffered terrible personal loss, is mistaken for a detective, named, what else, Paul Auster, and is tasked with solving a case. His novels are filled with such irreverent coincidences, rich literary references, Kierkegaard et al – the epigraphs are a story by themselves – and wordplay. In *Baumgartner*, the protagonist is delighted to reveal that he has heard of a book titled, *Waters of the World*, written by Sarah Dry!

Frailty, strength

In several of his novels, Auster tells stories about people grappling with devastating loss: In *City of Glass*, Quinn is 35 years old, and grieving the loss of his wife and son – "He no longer wished to be dead. At the same time, it cannot be said that he is happy to be alive." All he knew was that motion was of the essence: "the act of putting one foot in front of the other and allowing himself to follow the drift of his own body."

In *The Brooklyn Follies* (2005), set against the contested American election of 2000, Auster tells the story of an uncle and nephew, Nathan and Tom, and through it maps contemporary America too with its follies and desperate dreams. Nathan's lung cancer is in remission, and there's reason for "guarded optimism" despite the fact that he is "looking for a quiet place to die." When someone recommends Brooklyn, he decides to "scope out the terrain." Tom is hiding away from his career as a teacher and also from life; and in Brooklyn, uncle and nephew find a new life, and reasons to go on living.

Auster, in his 60s, and J.M. Coetzee, older to him by seven years, began corresponding with each other, collected in *Here and Now* (2013), discussing among other things, the art and craft of writing, sport – Auster was a lifelong baseball fan – films (Auster dabbled in writing screenplays and was even on the Prize jury at Cannes), and the Israel-Palestine conflict. Coetzee offers the word – 'schrecklich' – for the "ugly, hard, heartless" way Israel clamped down on Gaza. The letter is dated April 17, 2010. Auster responds that given how "tangled" the situation has always been between the two sides, he can't help having "tangled thoughts", and wishes Amos Oz's words would be heeded: "Make peace, not love."

Auster leaves behind a rich legacy of work, including 18 novels and memoirs. He preferred to write longhand, and typed his manuscripts on an Olympia typewriter, surrounded by books. One can imagine him mulling over the idea of his last novel. Seymour (Sy), an academic at Princeton, has lost his wife to a freak surfing accident years ago; will he be able to get over his grief, and take a second chance at life? Reading Auster is to accept life belongs ultimately to death, but that telling stories makes it somewhat bearable.

THE DAILY QUIZ

Please send in your answers to dailyquiz@thehindu.co.in

May 8 was celebrated as Rabindranath Tagore Jayanthi. How well do you know the Bengali polymath, known as the 'Bard of Bengal'?

Radhika Santhanam

QUESTION 1
This poet from Ireland was Tagore's biggest promoter in the English-speaking world. He once said, "Tagore does not know English. No Indian knows English." Like Tagore, he won the Nobel Prize in Literature. He was described by Samuel Beckett as "pompous and posturing." Name this poet, who was closely associated with Geetanjali.

QUESTION 2
In 2021, there was outrage in India over the renovation of a memorial that was the site of one of the bloodiest incidents in the 1900s. Name this incident, which Tagore cited as the reason for returning his knighthood.

QUESTION 3
This Nobel Laureate who is known for his contributions to welfare economics was named by Tagore. Who is he?

QUESTION 4
This place was recognised as a World Heritage Site last year. Name this site, which began as an ashram and contains a university.

QUESTION 5
This magazine, founded by Bankim Chandra Chattopadhyay, published several of Tagore's poems, including Amar Sonar Bangla, which became the national anthem of Bangladesh. Name this magazine, which Tagore later edited.

QUESTION 6
This film made by Satyajit Ray starring Soumitra Chatterjee was in competition for the Palme d'Or at the Cannes Film Festival. It is based on Tagore's novel of the same name. Name it.

Visual question:
This is a portrait of Tagore. Name the artist.

Questions and Answers to the previous day's daily quiz: 1. This British biologist and natural historian was born on May 8 in 1926. **Ans: David Attenborough**
2. This is the final studio album of the Beatles. **Ans: Let It Be**
3. On May 8, 1945, this happened. **Ans: A formal acceptance by the Allies of World War II of Germany's unconditional surrender of its armed forces**
4. The WHO officially eradicated this infectious disease on May 8, 1980. **Ans: Smallpox**
5. This carbonated drink was introduced in 1886. **Ans: Coca-Cola**
6. World Red Cross Day is known as this. **Ans: Red Crescent Day; it is the birth anniversary of Henry Dunant, founder of International Committee of the Red Cross**
Visual: Identify this painting. **Ans: 'when will you marry?' by Paul Gauguin**
Early Birds: ViswanadhaRao Batchu| Prashant Nain| Rajmohan. V| Akshay Kumar Khanna| Varghese Joseph

FROM THE ARCHIVES

Know your English

K. Subrahmanian

"Devil's advocate (A. Pradhan, Bombay)"

"A devil's advocate is not one who tries to tell you that a bad thing is really good. He/she is one who gives the negative side of a case for the sake of argument. The expression is derived from the custom in the Roman Catholic Church which appoints an *advocates diaboli* to argue the case against a person proposed for canonisation. The idea is to know all about the person. Both sides of the case are presented before a decision is taken. So a devil's advocate is 'one who tests a proposition by arguing against it.' Canonise' means 'officially' declare someone to be a saint."

"Send about his business. (K. Lakshmi, Ramagundam)"

" 'To send someone about his business' means 'to dismiss with or without force.' When you do not want someone to interfere in your affairs, you ask him to mind his business. Later you may tell others that you sent him about his business. One of the recent meanings of 'send' is 'affect emotionally, put into ecstasy.'

This kind of music sends me.

The very name of Rama sends him.

One of the meanings of 'send up' is to 'satirise or ridicule, especially by mimicking.'

These plays send up politicians and Ministers.

'Send-up' is noun. It means 'a satire or parody.'

It was a hilarious send-up about society.

'Send up' and 'send-up' are colloquial expressions."

"Rustle up a meal. (A.R. Kale, Nagpur)"

" 'Rustle' has several meanings. 'Rustle up' means 'to produce quickly when needed.'

Please wait. I'll rustle up a meal for you.

I managed to rustle up some volunteers to distribute the invitations to the meeting.

'Rustle up' is a colloquial idiom."

"Arrivisti (S. K. Kumar, Warangal)"

"It is a French term used in English to mean 'an ambitious or ruthlessly self-seeking person.' The 'a' is pronounced like the 'a' in 'sat,' the second and third 'i's like the 'ea' in 'seat,' the final 'i' is silent. The stress is on the third syllable. It is a formal word."

"Pig It (K. L Saxena, Lucknow)"

" 'Pig it' or 'pig together' means 'to live in squalor, to live in a disorderly, untidy, filthy fashion.'

It is an idiom. *There are ten in a room and they pig it.*"

"Caught and bowled."

"The emphasis is not on the sequence of events but the way a batsman gets out, because the action of 'bowling' is always there whether one gets out or not. So it is appropriate to indicate first how a batsman got out – caught, stumped, lbw, etc. Secondly, when the bowler himself catches the ball, it is not necessary to repeat his name twice and it is customary to say 'caught and bowled'." (D.K.S. Moorthy, Madras).

It is like 'forget and forgive' and not the other way. The stress is on the importance of action and not on the sequence of action."

Published in The Hindu on November 26, 1991.

Word of the day

Pigeonhole:
a small compartment; treat or classify according to a mental stereotype

Synonyms: stamp, stereotype, cubbyhole

Usage: *At this company, we try not to pigeonhole people.*

Pronunciation: bit.ly/pigeonholepro

International Phonetic Alphabet: /pɪdʒɪnhoʊl/

For feedback and suggestions for Text & Context, please write to **letters@thehindu.co.in** with the subject 'Text & Context'

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THURSDAY - MAY 9 - 2024

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Borrower beware

RBI must penalise lenders cheating small borrowers

For a long time, loan products in India have not been as well-regulated as saving and investment products. With financial liabilities of Indian households expanding faster than assets and digital lenders wooing customers who are new to credit, this anomaly was crying out for correction. The Reserve Bank of India's (RBI) recent initiatives to hold regulated entities accountable for fair practices when dealing with retail and MSME (Micro, Small and Medium Enterprises) borrowers, are therefore welcome.

In a recent circular directed at banks, NBFCs and micro finance institutions, RBI has flagged unfair lending practices it unearthed during recent inspections. The circular details some shocking practices. Some lenders were found to be charging interest to their borrowers from the date of sanction of the loan or the execution of loan agreement, rather than the date of actual disbursement of the money. In other cases, lenders were found to be charging interest on the full loan outstanding for the entire month, though the borrower had made partial repayments early in the month. In yet others, lenders collected loan instalments from customers in advance, but failed to give credit while charging interest on outstanding loan amounts. RBI has said that in such cases, it has advised the lender to refund the excess charges to borrowers. It has also asked all regulated entities to review their practices, to take corrective action.

Such malpractices thrive because borrowers are unaware of the fineprint when they sign on loan agreements. The proliferation of app-based digital lenders who offer instant loans to desperate borrowers at the click of a button, has aggravated the problem. To address this, RBI had also ushered in a new requirement recently that all lenders share a standardised 'Key Facts Statement' (KFS) with their borrowers. The KFS is required to detail terms and conditions such as the total cost of the loan including processing and other fees, whether the loan is on fixed or floating rates, periodicity of rate resets, additional fees, penalties in case of delays in repayment and prepayment and so on.

It is heartening that RBI is subjecting the customer-facing practices of lenders to more scrutiny. In the past, RBI's supervisory actions were focused mainly on detecting stress in borrower segments, warding off systemic risk and monitoring lenders' adherence to prudential accounting and governance norms. But having detected instances of lenders blatantly short-changing customers, its follow-up action of merely asking them to refund excess charges, appears too mild. To really deter lenders, the RBI needs to name and shame regulated entities guilty of such sharp practices. It must also levy monetary penalties, as it has been doing for banks guilty of other regulatory infractions. RBI must insist that borrowers receive updates on their loan balances, interest rates and changes in the terms and conditions on an ongoing basis, and not just at the time of loan origination.

POCKET

RAVIKANTH

Household savings haven't fallen

NUMBERS GAME. Household savings have merely moved from financial to physical assets, with an increase over time

NILANJAN GHOSH
ARYA ROY BARDHAN

Media has been reporting on the decline in net financial assets of Indian households! It does not end there – this decline has also been interpreted as an indication of households' financial distress. Both are far from reality.

According to media reports (May 7), net financial household savings declined sharply by ₹9-lakh crore to ₹14.16-lakh crore in three years to 2022-23 (and 17 per cent below FY22), on the basis of National Accounts Statistics data, a five-year low. This is bound to raise a few eyebrows, if the data is not understood and interpreted correctly. In sum, there has been a shift from financial to physical savings, with an overall increase in gross savings. While it was the net financial savings which went down by ₹9 lakh crore in three years, the aggregate household saving (net of debt) has gone up by ₹4 lakh crore during the same period owing to a significant rise in physical assets (Fig 3).

STICKING TO THE NUMBERS

According to the RBI data, the flow of net financial assets in 2022-23 was 5.1 per cent of GDP (5.25 per cent of the revised GDP estimates), down from 11.5 per cent in 2020-21 and 7.2 per cent in 2021-22.

The decline was driven by both a 0.2 percentage point reduction in net financial assets and a 2.0 percentage point rise in net financial liabilities of households. Despite the steep rise in liabilities, they stood at only 5.8 per cent of GDP during the year.

However, a conceptual error occurred while juxtaposing the cumulated stock of household debt of 37.6 per cent as of March 2023 with the additional net flow of financial assets in the financial year. A stock figure cumulated over years cannot be compared to one-year flow data! Rather, the debt numbers are dwarfed in front of the cumulated financial asset numbers that stand at a staggering 103.1 per cent of the GDP.

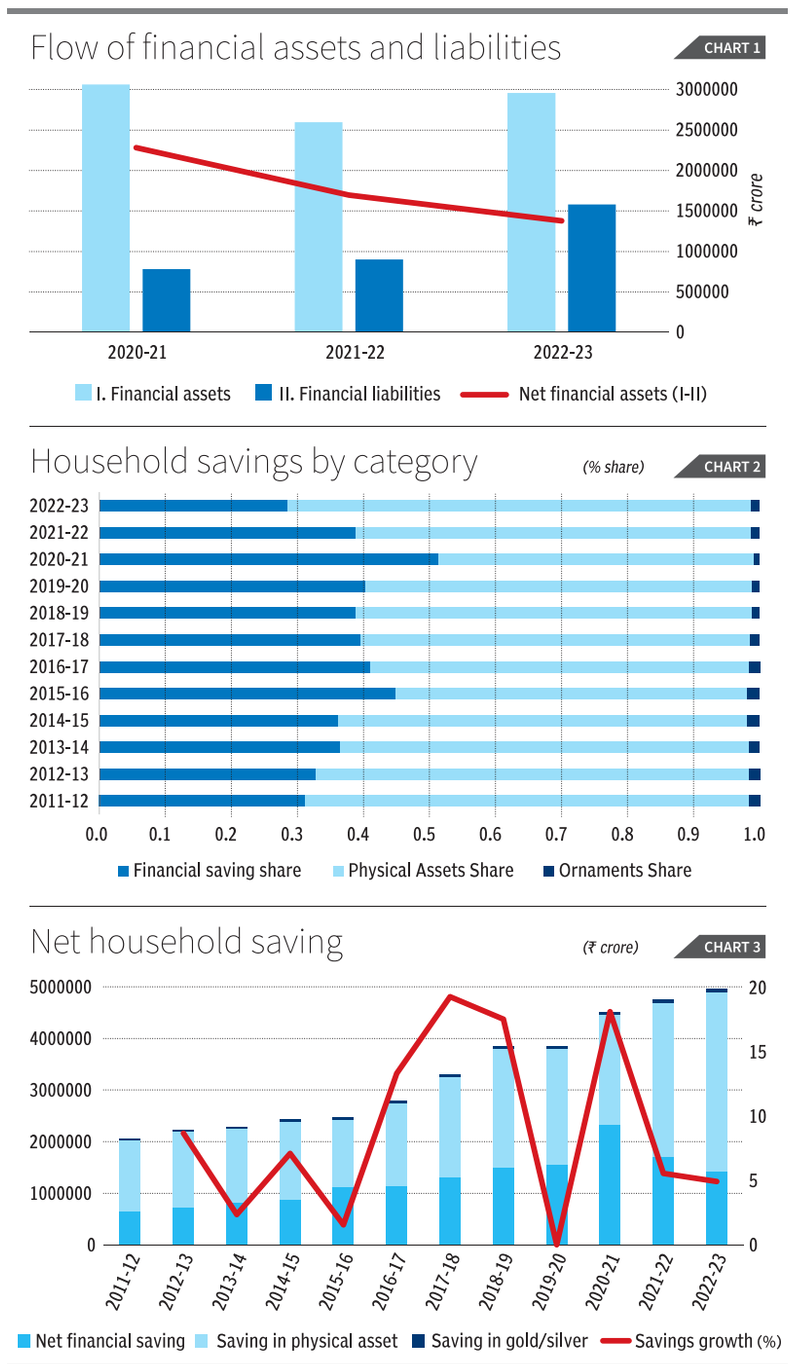
In absolute terms, a year-on-year comparison shows an increase in both financial assets and liabilities, but a steeper rise in liabilities. This would have been concerning if it implied that aggregate household savings had slowed down, posing a threat to economic growth.

However, is not the case for two major reasons.

First, households continue to be the powerhouse behind fixed capital formation, commanding over 60 per cent of gross national savings, according to recent NSO figures. The apparent disconnect between financial savings and overall savings is clarified once we examine the various savings avenues — ranging from financial instruments to physical assets, and even gold and silver ornaments. This variety suggests that a decrease in financial savings doesn't necessarily signal a drop in total savings; it could instead indicate a shift in household preferences, risk tolerance, and confidence in the country's economic future.

Secondly, while the Private Final Consumption Expenditure (PFCE) growth rate has slowed to 6.7 per cent (FY23, real terms), below the GDP growth rate, this moderation in consumption likely translates into increased savings amid rising national income.

The principles of national income accounting assure us that gross savings remain robust, potentially setting the stage for a higher domestic savings rate and a move toward investment-driven growth.



Source: MOSPI data

Despite households maintaining their status as key contributors to domestic savings and showing growth in absolute terms, their proportion of total savings has seen a gradual decrease. This shift is partly due to stronger financial positions of non-financial corporations and healthier public finances post-pandemic. Yet, the lingering question is the direction of household financial flows.

Where is the household spending?

When investment-friendly conditions foster wealth accumulation, consumption typically slows, a trend that redistributes wealth — such a phenomenon is partly evident in the Indian economy. The propensity to consume declines with increasing incomes and wealth.

Concurrently, the aspirational Indian household is increasingly investing in real estate, as evidenced by the growing share of physical assets in household savings for 2022-23 (Fig. 2). In fact, gross household savings saw a notable increase of 4.65 per cent from FY21 to FY22. This doesn't mean the money has left the household sphere; rather, it's simply shifting from one pocket to another!

This dynamic is echoed in the substantial role households play in gross capital formation, financing over 40 per cent of domestic investments, predominantly in real estate such as homes, buildings, and other structures. This desire to secure a personal roof is driving a significant surge of savings into the market, but it's also ballooning household debt as families stretch financially to embrace the real estate boom.

This is where the latest MOSPI estimates are also being grossly misinterpreted, causing widespread confusion in the media. The claim that 'net financial savings' have gone down is not just inaccurate but a testament to how blatantly statistics are misused to sway public opinion.

To further simplify the conundrum,

The aspirational Indian household is increasingly investing in real estate, signifying the major role it is playing in gross capital formation

net household savings can be expressed as the sum of net financial savings, physical savings and bullion savings (Fig. 3). The MOSPI data shows a clear growing trend in net household savings even after adjusting for their debt.

While orthodox neo-Keynesian and neoclassical macroeconomic theories might relate a slowdown in savings growth as a precursor to GDP growth slowdown, this needs to be looked at as a structural inflexion point towards higher domestic savings in the context of a more diversified savings portfolio.

The entire problem lies with the nomenclature and definition of savings, investment and consumption. Household savings directed towards real estate of any form (residences and dwellings) are accounted as investment, and not private consumption.

That is why one might note a departure in the consumption-driven growth phenomenon in the last quarter, where consumption growth has comparatively slowed down, despite a high GDP growth and better growth performances of gross capital formation.

Apart from real estate, the sustained surge in bullion markets, coupled with an increase in savings through ornaments, suggests that Indian households favour tangible assets over financial ones, which carry a higher risk premium. This trend reflects the changing consumer preference over time and in the economic future.

Ghosh is Director and Bardhan is Research Assistant at the Observer Research Foundation

Developing a pulses value chain in Bihar

Creating a pulses market and raising its consumption is crucial for Bihar, which is lagging in nutritional indices

Mohit Sharma

Despite institutional efforts, integration of agriculture and nutritional development has not taken place in Bihar.

This raises serious questions about the increasing rate of malnutrition and deficiency of iron, zinc and related micronutrients. Modern agriculture demands a significant push for a nutrition-based diet and diversification of crop-based farming.

A State wise index on nutrition awareness for 2023 indicates that Bihar ranks at the bottom. It ranks high in the country for number of stunted children under the age of 5. In terms of number of overweight women and children, it ranks second after Jharkhand.

Bihar is among the top five States with highest percentage of women children who suffer from anaemia. Among various dimensions, pulses, milk and egg serve as excellent source of protein and their availability and consumption must be understood.

The intakes of protein and calories in Bihar (per capita, per day) are higher than the national average. However, during 2004-05 to 2011-12, the per capita calorie consumption decreased from 2,096 kcal to 2,010 kcal, and it is now below the necessary 2,155 kcal per person per day.

Nutritionally speaking, Bihar's per capita consumption of other foods derived from animals falls below the minimum levels advised by the ICMR. Compared to the recommended 180 eggs per person per year, there are just 25 eggs available per capita per year as on 2021.

OUTLOOK ON PULSES

According to the Economic Survey (2021-22), total pulses production in Bihar is under four lakh tonnes, and is stagnating or even declining. Bihar's total pulses consumption requirement is 9.75 lakh tonnes.

PULSES PUSH. Nutritional imperative

BLOOMBERG

The major procurement agency, NAFED had shut its operations in Bihar for procurement of pulses for the last decade. Last year, it had set a target of procuring about 43,000 MT for use in Integrated Child Development Programme (ICDP) and midday meal schemes.

Inefficient marketing system and poor procurement framework have always been the obstacles in Bihar.

For paving the way towards nutrition rich Bihar, pulses have an important role to play. At a block level, clusters must be developed with installation of dal mill facilities while maintaining economies of scale with robust base line surveys. Efforts must be made to attract the start-ups/entrepreneurs/FPOs/FPCs to form such nutritional chains for development of innovative products which can find their way into the outlets of secondary cities to metro cities and subsequent export markets.

A devoted price portal must be developed to grab real time price fluctuations especially for such innovative products while facilitating e-trading across States.

Such models can ensure sustainable livelihoods for the growers and at the same time address nutritional deficiency.

The writer is a faculty member at Dr. Rajendra Prasad Central Agricultural University (RPCAU), Pusa, Samastipur. Views expressed are personal

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.

Reel vs real life

With reference to the news report "Can reel Hero Pawan Kalyan be a real one by winning the mandate" (May 8), in Andhra Pradesh and Telangana,film heroes are seen as demi gods. The film heroes have many fan clubs, which promote promoting their films and their political careers.

People also often identify their film heroes with the roles they portray in the movies.

Moreover, his elder brother Chiranjeevi's support will be an additional bonanza for him. Finally, being part of the NDA will give him an edge. However, only time can can tell whether Pawan Kalyan can transfer his popularity into votes.

Veena Shenoy
Thane

Board moves

With reference to the article 'Independence in boards', since the new norms have been in place for 10 years, there is a demand for the directors' replacement.

Independent directors have an onerous responsibility of safeguarding the interests of the shareholders. They also play a crucial role in resolving the deadlock in boardrooms.

Hence companies must focus on quality over quantity and women IDs must also be encouraged as they have proved their mettle.

Bal Govind
Noida

Times of conflict

This refers to 'In a cauldron of war' (May 8). The ongoing conflicts in Middle East and Russia-Ukraine are creating tensions in the neighbourhood. Thousands of innocent children, aged people are killed and many are forced to seek asylum. The result is defence expenditure has risen exponentially. The UN is unable to bring an end to these wars. The G7 and G20 groupings must find an amicable solution to end these wars.

RV Baskaran
Chennai

More regulation needed

This refers to 'Unsung heroes of the capital market' (May, 8). Indeed, the QRTAs are doing valuable work to support mutual fund investors through excellent record keeping and providing reports. In fact, most retail investors do not maintain any records themselves and depend wholly on the QRTAs and the AMCs. The writer has rightly pointed out the need for greater regulatory supervision of QRTAs.

There is too much at stake. Depending solely on the QRTA's Board is not enough given several recent experiences of poor governance in companies at the board level.

V Vijaykumar
Pune

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Family settlement

Guideposts to fix disputes in family businesses

Radhika Gaggar
Shaishavi Kadakia

Family businesses in India have been hugely successful and are the foundation of the Indian economy. However, while their shared values and purpose and inherently long-term horizon enables dynastic growth, the unique overlay of complex personal dynamics over a commercial focus may often result in conflicts. Unless resolved effectively, such disputes could fracture family harmony and destroy the business.

A family settlement or arrangement aims at resolving such disputes or preventing future ones by setting clear rules of engagement and realigning ownership and control of business and personal assets. As family disputes may evoke deep rooted and historical tensions, navigating successful settlements requires a nuanced approach which balances personal (emotional and interpersonal issues) and technical (legal and taxation issues) elements. Here are five key learnings and strategies that can facilitate settlements for various Indian families:

Communication is key: Open dialogue should be encouraged so that latent issues and the asks and aspirations of the members, particularly younger or female members — who are often culturally not encouraged to speak freely — can be understood and addressed.

An effective strategy may be to establish ground rules for meetings such as timed conversations, interruption-free discourse, and enforced time-outs when discussions get heated. If the relationship is severely damaged, or conversations are emotionally charged, then discussions may be supervised by a neutral trusted advisor or mediator. Momentum should be retained in discussions, for which meetings may be pre-scheduled so that the chances of no-shows are limited.

Facilitative approach: The longer that disputes remain unresolved, family members may start transitioning from a facilitative to an increasingly adversarial stance. This is usually counterproductive as the key to resolution is to adopt a give-and-take approach, without compromising on core objectives. Each stakeholder should be encouraged to identify non-negotiable items so that other demands can be dropped or resolved to achieve a more equitable distribution.

LITIGATION. Best avoided

Choosing advisors wisely: Family disputes have two distinguishing elements: (a) the complex emotional dynamics at play; and (b) although there is a potential dispute, the endeavour to facilitate a resolution in a non-adversarial manner. Therefore, when choosing legal advisors in particular, family members should seek trusted advisors who are experienced and skilled in dealing with family disputes. If the dispute is already before the courts or in arbitration, then consider engaging non-litigation advisors as well to advise on legal complexities.

Other specialist advisors should also be consulted as relevant — valuers, mediators, family business experts, etc.

Navigating legal complexity: A robust settlement must factor in the applicable legal framework spanning corporate laws, securities laws (especially if listed companies are involved), competition laws, real estate laws (where immovable property is involved), regulatory laws (RBI, SEBI, IRDAI), foreign exchange laws (if some family members or businesses are overseas) and, in particular, taxation laws. Moreover, the family settlement should not bypass corporate governance practices in underlying companies.

Alongside these matters, contractual issues of brand and intellectual property usage, non-compete obligations and transitional services would also need to be addressed.

One size does not fit all: No two families or businesses are alike. While there is comfort in following others, a solution devised for one family may not achieve the objectives of another family. A successful settlement must be tailored to the nature of the family business, the family structure and dynamics, historical practices, future vision and legal considerations. As each family is unique, so too are the contours of each settlement.

Gaggar and Kadakia are partners at Cyril Amarchand Mangaldas

A manifesto for water use

WAY AHEAD. Politicians promise grandiose projects for parched regions, whereas decentralised solutions are needed

MUSTAFAH KK

KJ JOY

Come election time, candidates of every political hue promise water to the people. Such promises reverberate through the constituencies, especially the drought prone ones as also the cities.

Water scarcity is everywhere — rural as well as urban. Maharashtra reports that almost all of its reservoirs are getting empty. The Sangli and Satara district administration issued prohibitory orders to stop water theft as the water crisis in these two districts deepens. Twenty-seven blocks in Maharashtra are witnessing a groundwater drought — deficiency in groundwater levels and availability — says Groundwater Survey and Development Agency (GSDA) report for the month of March. Bengaluru's water crisis is a subject of discussion everywhere. After the elections everybody, including those who get elected on the promise, forget about it. Till the next elections.

SUPPLY SIDE OPTIONS

Election promises are always about supply side options. They are all about ways of getting more and more water to the area — whether it is for agriculture in the rural areas or drinking water to the cities. Substantive issues in the water sector like sustainable use, equitable access and participatory governance never become part of the election agenda. The imagination is about getting water from longer distances, sometimes hundreds of kilometres. Or getting water from centralised, mega projects. Today, even to provide decentralised and dispersed needs, for example domestic water needs that would require 5-6 per cent of available water, the governments build centralised water grids and huge water infrastructures.

The gigantic Mission Bhagiratha with a financial outlay of ₹42,853 crore, initiated by the previous Government of Telangana to provide drinking water to the State, is an example of this. At the national level there is the 'Jal Jeevan Mission' to provide safe and adequate drinking water through individual household tap connections to all households in rural India by 2024 with the attractive slogan '*har ghar jal*' (water in every house). There is cynicism creeping in about this very ambitious infrastructure project. Will it bring taps but no water?

'HYDRAULIC MISSION' PROBLEMS

The imagination of the political class is about large water infrastructure, often called the hydraulic mission mode. It emerged as a distinctive approach to water towards the end of the 19th century in the West. It got fully developed as a system in the 20th century. Large dams, power generation and huge transmission networks and large-scale water resource development are the outcomes of this approach. Interlinking of rivers (ILR) takes the hydraulic mission approach to newer heights. It is worth noting that the West, where the hydraulic mission mode originated, has long given it up for more ecologically sustainable options.

ALTERNATIVE WATER AGENDA

The Vikalp Sangam manifesto sets a radically different agenda for water. It says that water policies and programmes should have the following sequential water use prioritisation: water for life (drinking, washing, sanitation, livestock, wildlife), ecosystem needs and functions, livelihoods (including food production), adaptation to changes (climate, land use, livelihoods, etc), and industrial/infrastructural use.

There is a need to disaggregate water use taking place under the rubric of domestic water between lifeline and luxury uses in the urban areas. There is a need to curb luxury and wasteful uses. There are no curbs presently on water from the rural areas and from agriculture getting re-allocated to the cities.

> **There is a need to disaggregate water use taking place under the** rubric of domestic water between lifeline and luxury uses in the urban areas.

This is happening everywhere in India. Maharashtra has been in the lead. The Prayas Resources and Livelihoods Group study report (2013) shows diversion of agriculture water to non-irrigation purposes, especially to meet urban domestic water needs, between 2003 and 2010 was to the tune of about 2000 Mm3 (million cubic meter) from 51 dams. This seems to have reduced the irrigation potential by about 323,300 ha. More water entering cities does not guarantee water to the urban poor. They continue to depend on informal water markets and tankers. Interestingly, there is no articulation coming up from our cities saying that the cites can do with much less water.

There is tremendous scope to reduce water footprint. Take the case of thermal power plants in the country. They take up the highest proportion of industrial water used. Indian thermal power plants are one of the most inefficient when it comes to water used per unit power produced. It has been estimated that by converting all thermal power plants from once-through open-loop to closed-cycle cooling systems using recycled water, about 65,000 million litres per day of fresh water can be saved.

WATER CONSERVATION

Agriculture accounts for 80-85 per cent of total water use. Within agriculture, rice, wheat and sugarcane account for the bulk of water use. There are many promising agronomical practices that are being promoted especially by civil society organisations across the country around these crops that can result in large water savings. System of Rice Intensification (SRI) in the case of Rice and Sustainable Sugar Initiative (SSI) are examples of these.

In India the gap between Irrigation Potential Created (IPC) and Irrigation Potential Utilised (IPU) has been increasing mainly since the Sixth Five Year Plan period (1980-85). NITI Aayog estimates the gap presently to be about 24 million hectares. Amongst other reasons, one important reason is the absence of water distribution system; and even if the system is there it is in a state of perpetual disrepair. Bridging this gap can ensure water to large rainfed areas without going for new dams.

The emphasis should be on soft options. It means prioritisation of decentralised harvesting and governance over mega-projects and centralised governance, with appropriate combinations of traditional and modern knowledge. This requires support for regeneration, restoration, and de-polluting of wetlands and water sources and the regeneration and conservation of their catchments. Are politicians listening?

The writer is part of SOPPECOM, Vikalp Sangam and Forum for Policy Dialogue on Water Conflicts in India

Financial literacy must begin at school

Milind Kumar Sharma
Sharad Sharma

In today's era, the necessity for widespread financial literacy in India has never been more evident. Shockingly, recent studies reveal that only 27 per cent of the country's population is financially literate, with an even bleaker picture in rural areas and among women. Many individuals lack familiarity with essential financial concepts such as budgeting, saving, and investing, leaving them vulnerable to misleading advertisements, fraudulent schemes, and uninformed investment choices. This results in high debt levels, insufficient retirement savings, and inadequate insurance coverage.

This problem spans across socio-economic strata, including high-earning individuals and earning women, who often rely on others to handle personal finances and investments.

In India, traditional business and personal finance knowledge, often passed down through generations, has long been valued as source of wisdom and guidance. However, in today's rapidly changing world, the effectiveness of this traditional knowledge is increasingly called into question. Further, in many cases, this age-old wisdom has been limited to specific demographics such as tightly-knit business communities. Whereas, other sections of society, despite making strides in prosperity, may not have access to such age-old wisdom. As a result, individuals are flocking towards social media influencers, who are disseminating misleading financial advice without adequate transparency or consideration for the audience's financial literacy.

ROOT OF THE PROBLEM

As the battle against the menace of influencers remains ongoing, there is also an urgent need to address the root of the problem. We need to start at the schools. In India's education system, financial literacy is currently integrated into the mathematics curriculum, primarily focusing on mathematical aspects of financial concepts. This approach has limitations, as it may not adequately cover topics such as financial planning, budgeting, and understanding financial products or understanding the psychological and behavioural aspects of managing money — the importance of saving and investing or the dangers of debt.

VITAL. Financial education for youngsters

In developed countries like Australia, Germany and the US, financial literacy is a cornerstone of education, well-integrated into subjects like social studies and economics.

India's evolving financial landscape underscores the importance of enhancing financial literacy. With 50 crore individuals brought into the formal banking system through Jan Dhan accounts, of which 55.5 per cent Jan Dhan account-holders are women and 67 per cent of such accounts are opened in rural and semi urban areas, prioritising financial literacy, particularly at the high school level, becomes crucial. Amid the news of rising household debt in India, by making financial literacy compulsory and implementing standardised curriculum guidelines, India can empower future generations to make informed financial decisions and contribute to economic development.

To incorporate financial literacy into school education in India, there is a need for concerted efforts from policymakers, educators, and relevant stakeholders. This includes developing standardised curriculum guidelines, providing training and support for teachers, and leveraging technology to deliver interactive and engaging learning materials.

Milind is Professor at MBM University, Jodhpur; Sharad is Senior Associate Director at KPMG, Gurgaon. Views are personal

thehindu businessline.

TWENTY YEARS AGO TODAY.

May 9, 2004

TRAI for taking mobile phones out of 1/6 scheme

The Telecom Regulatory Authority of India has asked the Government to remove mobile phones from the '1/6 scheme,' which makes it mandatory for all mobile subscribers to file income-tax returns. TRAI feels that if mobile phone subscribers are exempted from filing their returns, it will give a further impetus to the sector, which has already logged a 160 per cent growth in the last one year.

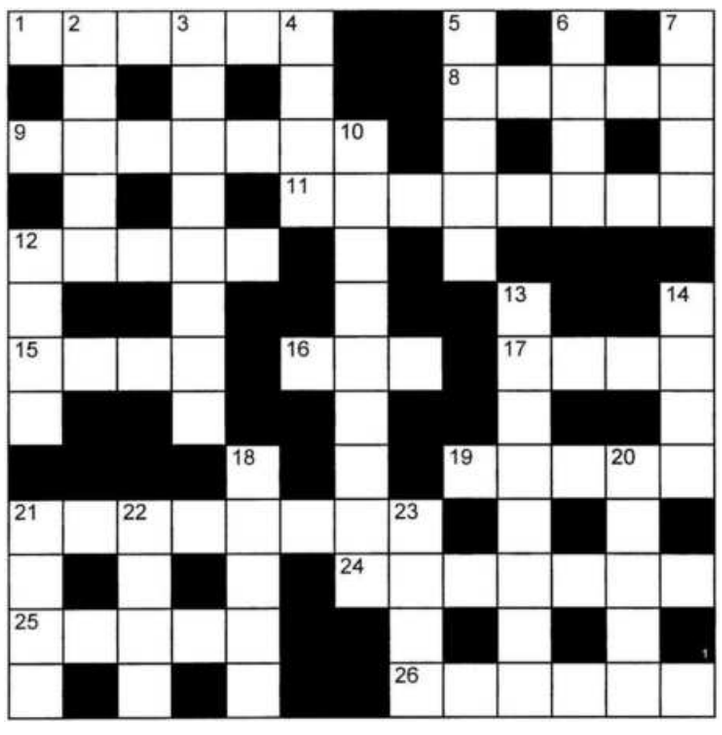
Phone subscriber base reaches 78 m

The country's telephone subscriber base has touched 78 million by the end of April 2004 — a month when 1.65 million new users were added. The total number of subscribers (both fixed and mobile), stood at 55.12 million in April 2003, which translates into a 41 per cent year-on-year increase, according to figures released by the Telecom Regulatory Authority of India (TRAI.

ICICI Bank still not a member of Credit Information Bureau

While foreign banks like Citibank, Standard Chartered Bank and HSBC are now eager to share customer data with the newly launched Credit Information Bureau of India Ltd (CIBIL), ICICI Bank, the largest retail lender in the country, is yet to become a member of India's first credit information bureau.

BL TWO-WAY CROSSWORD 2435



EASY

ACROSS
1. Has confidence in (6)
8. Come to hear of (5)
9. Strictly moral (7)
11. Horse youngster (8)
12. Is at the top of (5)
15. Domesticated (4)
16. Attempt (3)
17. Host (4)
19. Two times (5)
21. Exaggerated praise (8)
24. Of clay (7)
25. Put one off (5)
26. Tends (6)

DOWN
2. Cosmetic red (5)
3. Conman (8)
4. Kill (4)
5. Watchful (5)
6. African Republic (4)
7. Drawback (4)
10. At no time in the future (9)
12. Detest (4)
13. Liquid from the main (3-5)
14. Cow-house (4)
18. Tale (5)
20. Mediterranean island (5)
21. Lose colour (4)
22. Stake put up at poker (4)
23. Show tiredness (4)

NOT SO EASY

ACROSS
1. Financial arrangements cause corrosion in a backstreet (6)
8. Receive information of a tragic king going North (5)
9. With back-up, train form that's very moral (7)
11. Twelve months on the heather for such a young horse (8)
12. One side of the coin for those in charge of schools (5)
15. No excitement, thanks to the writer? (4)
16. Attempt to ring out the right-wing (3)
17. A lot of men marry right away in confusion (4)
19. Once and again mis-cite the West's inclusion (5)
21. Letter with arms less elevated responsible for toadyism? (8)
24. The listener is, at that time, of clay (7)
25. With set purpose no longer mined, put one off (5)
26. Girls who tend to run back to egghead in craft (6)

DOWN
2. Colouring makes scoundrel switch internally (5)
3. Victory led astray in Southern Region: he cheats! (8)
4. For argument's sake, about fifty cause death (4)
5. Siren's call is for beer: heartless rot! (5)
6. One to strike up in Africa as a Republic (4)
7. Hidden obstacle makes horse follow Squadron-Leader (4)
10. Always less – but not again! (9)
12. Serious dislike he shows at the centre (4)
13. In the main, it's wet (3-5)
14. Where the cows are, be about to get your contents out (4)
18. Gold, found in a really messy dwelling? A likely tale! (5)
20. Peter came back to reveal a place where islanders dwell (5)
21. To lose strength could have been potentially unhearing (4)
22. Stake cannot be every other one (4)
23. Gave up West in old-fashioned negative: what a bore! (4)

SOLUTION: BL TWO-WAY CROSSWORD 2434

ACROSS 1. Demolishing 8. Dominion 9. Ache 10. Prays 13. Thou 16. Iron 17. Bomb 18. Hiss 20. Staff 24. Nova 25. Minimise 26. Luggage-rack

DOWN 2. Elms 3. Owner 4. Irony 5. Inapt 6. Admonishing 7. Refurbishes 11. Alias 12. Sepia 14. Hook 15. Loss 19. Slang 21. Thing 22. Flier 23. Disc

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Transforming manufacturing

Dependence on PLI should be contained

Intending to formulate a production-linked incentive (PLI) scheme for electronics-component manufacturing, the Ministry of Electronics and Information Technology, as reported by this newspaper, has asked various stakeholders to share information related to India's disabilities against competing countries, export potential, major buyers of components and sub-assemblies, and foreign and domestic firms planning to set up manufacturing plants in the country. The government aims to increase capacity, enhance cost-effectiveness, and create a component ecosystem worth $75 billion over the next five years. Past evidence, however, begs the question of whether PLI can help transform India's manufacturing ecosystem.

Amid increased US-China tensions, India aims to become part of the China-plus-One strategy of large multinational corporations. In this context, PLI, essentially a production-subsidy scheme, seeks to expand domestic production capacities in different sectors. While the PLI scheme is the closest India has to an industrial policy, evidence so far suggests that its success is limited. Except for the PLI scheme for manufacturing mobile phones in India, multinationals seem reluctant to establish a significant manufacturing base in the country. Even in the case of iPhones being manufactured in India, which has done reasonably well, most of the components are being produced elsewhere. Notably, two of Apple's vendors, Wistron and Pegatron, have withdrawn from India.

Overall investment remains far from what was initially expected in other sectors where PLI schemes were launched, including high-efficiency solar photovoltaic modules, automobiles, and textiles, which were expected to gain scale. Unfortunately, India's industrial strategy, instead of being harnessed to generate productive employment and boost export potential, is tilting towards import substitution. The PLI scheme shortlists firms and provides subsidies of 4-6 per cent, based on conditions like investment and production. It can be argued that PLI-induced investment has been unable to create the scale of employment needed, especially in low-skill manufacturing. PLI for textiles is a case in point. Textile is a labour-intensive sector with a tremendous scope for job creation. However, the growth of investment in this sector remains slower than anticipated. As 16th Finance Commission Chairman Arvind Panagariya also noted recently, PLI is not a tool for overall industrialisation. It can expand export potential and bring in benefits perhaps in a few sectors and should not be used to subsidise every industry.

The idea of import substitution and creating a few national champions has also led to increased tariff protection, an impediment for firms aiming to be part of global value chains. Integrating with global value chains is critical for industrial production and exports. Since inception, expenditure on the PLI scheme has been a fraction of the planned outlay. Also, in principle, it interferes with market functioning and increases bureaucratic control. Therefore, before including new sectors in the PLI scheme, the government would do well to study how the scheme has worked thus far. Giving large firms production subsidies and tariff protection will not be enough to push industrial production and exports in the long run. What India needs are deeper reforms. Strong and resilient infrastructure, which has improved significantly in recent years, a reliable trade policy with low tariff rates, a skilled and employable workforce, and an investor-friendly business environment remain the key to industrial development.

Regulating the regulators

Govt must strengthen accountability

Contamination in packaged spices, eye drops, and children's cough syrups; misinformation in advertisements for an Ayurvedic medicine; revelations of high sugar content in baby food; and the mislabelling of sugared food products as "health drinks". These issues that have serially hit the headlines over the past year point to the serious weaknesses in consumer-facing regulatory institutions in India. It has taken court appeals, exposes by influencers and non-government organisations, and embarrassing complaints from global regulatory bodies to highlight these weaknesses. The upshot in most cases has been to haul up the companies concerned with restrictions without raising questions of how the plethora of state and central regulators allowed the transgressions in the first place.

The recent complaints from Hong Kong and Singapore of high levels of a banned pesticide in products of two products of popular spice mixes are a case in point. It took the Food Safety and Standards Authority of India almost a month to make some sort of response by asking states to collect different brands of spices for testing. Unasked in this imbroglio, which could seriously impact booming spice exports, is how such contaminants, which are also banned in the domestic market, escaped the attention of the food safety regulator in the first place. Last year, following reports that children in the Gambia and Uzbekistan died after taking Indian-made cough syrups and consumers in the US developed eye infections or blindness after using Indian-made eye drops, the government issued showcause notices to 70 companies and asked 18 to shut shop. Such retrospective vigilance, taken to safeguard India's reputation as "pharmacy to the world", leaves unanswered the question of how to enhance the efficacy of drug regulators to ensure such incidents do not occur.

There is certainly scope for a thorough reorganisation, given the regulation load imposed by the presence of over 10,000 pharma-manufacturing units in India. The urgency to do so can be seen from the frequency with which the US Food and Drug Administration highlights the failure of Indian drugs to conform to US standards, a serious problem, given that the US is the Indian pharma industry's largest overseas market. More recently, following strongly-worded Supreme Court strictures against Patanjali's misleading advertisements, the Uttarakhand government saw fit to suspend 14 of the company's product licences, which begs the question of the basis on which these were given. Again, the case had its origins in a complaint by the Indian Medical Association against Patanjali's advertisements that claimed to cure a range of illnesses better than allopathic drugs.

But where super-vigilant regulators in developed overseas markets can be relied on to spot transgressions in Indian products, the domestic consumer has little recourse to redress mechanisms in the face of regulatory failure. Consumer courts have been around since 1988. Though initially praised for their efficiency, these too have gone the way of the wider judicial system with backlogs clogging the system. Verdicts that are supposed to be delivered in three months can take up to five years, with the process of filing a case taking a fair chunk of the time. Last month, the government directed all consumer courts to start hearing cases online in an effort to streamline and fast-track procedures. Demanding greater efficiency and accountability from consumer-facing regulators should be the next step.

ILLUSTRATION: AJAY MOHANTY

Getting India's growth priority right

To catch up with peers, not only in size but also in per capita income, India must focus on health and education

JANAK RAJ

Historically, economic growth or income alone was considered the primary measure of human development. Over the years, however, health and education gradually emerged as key elements of human development, alongside income. A major thrust to the broader concept of human development was provided in 1990 when the United Nations Development Programme began to release country-wise data on the human development index (HDI) as a summary measure of a nation's average achievements in three key dimensions of human development: Income, health and education.

It is significant that research in the global context clearly establishes that income and non-income components of human development (health and education) are inextricably linked and mutually reinforcing. A country cannot sustain economic growth in the long-run without adequate support from human development, and vice versa.

A recent study titled "Inter-linkages between Economic Growth and Human Development in India — A State Level Analysis", co-authored by this columnist with Vrinda Gupta and Aakanksha Shrawan, empirically found a strong two-way relationship between economic growth and human development in India. The bi-directional causality between human development and economic growth was also established, i.e., human development causes economic growth, and vice versa.

The above-referred study also found that secondary-level education leads to increased economic activity in the agriculture and manufacturing sectors, while higher education drives economic activity in the services sector. The impact of higher education enrolment on services was four times larger than that of secondary education on agriculture and manufacturing. Primary education was not found to impact economic activity, suggesting the critical importance of at least secondary-level quality education for developing cognitive skills. It is the development of cognitive skills of an individual rather than mere school enrolment or attainment that is positively related to economic growth.

Recent cross-country studies also support that investing in secondary education yields a significantly higher economic growth, much more than the impact that can be achieved solely through primary education. In other words, for primary education to substantially contribute to economic growth, it is important to supplement it with widespread provision of secondary education. Notably, the UN Sustainable Development Goals now include specific targets for primary and secondary education, in contrast to the Millennium Development Goals, which solely emphasised universal primary education.

Another recent related study titled "Economic Growth and Human Development in India — Are States Converging?" by the same authors, found that economically weaker and low human development states in India were not catching up or converging with economically well-off states. However, club convergence was occurring in the sense that when different states were divided into separate categories based on the different levels of economic growth and human development, economically weaker states were found catching up with economically well-off states with similar levels of human development.

A clear message emerging from the two studies referenced above is that for economically disadvantaged states within India to catch up with more prosperous states, and for India to catch up with its peer and developed economies not only in terms of size but also in per capita income, it is imperative to place human development at the centre of economic policymaking.

Historically, policymakers in India have prioritised economic growth with a relative neglect of health and education. Public spending on health in India at 1 per cent of gross domestic product (GDP) has remained broadly unchanged in the last 30 years and it is nowhere close to the target of 2.5 per cent set out for 2025 in the National Health Policy, 2017. India's public health spending pales in comparison with health spending of 3-5 per cent of GDP by its peers (5.3 per cent by Russia, 4.5 per cent by Brazil, 3.6 per cent by Thailand, and 2.9 per cent by China).

Likewise, India's public spending on education at 4.6 per cent of GDP remains far below the target of 6 per cent, which was first articulated in the National Policy on Education, 1968, and reiterated in all subsequent education policies, including the one in 2020. It is to be noted that the target of 6 per cent was set to be achieved almost three decades ago in 1986.

Low public health allocation has been forcing households to spend on healthcare and education from their own pockets. A study suggests that out-of-pocket expenditure (OOPE) on healthcare pushed 55 million people in India into poverty in 2011–12. OOPE on health in India, constituting 50 per cent of total health expenditure, is one of the highest in the world. High OOPE can force households to adopt harmful coping mechanisms, such as liquidation of productive assets and borrowings, resulting in impoverishment.

Low public spending on education has been one of the key factors for a large proportion of children in the country still not being able to attain school education beyond the elementary level. India must significantly increase its public spending on health and education and ensure effective targeting to reduce people's out-of-pocket expenses.

No doubt, economic growth indirectly also contributes to human development by giving individuals and the government a greater command of resources to spend on health and education, among other things. However, the pace of such contribution is extremely slow, with India's HDI score improving by only 0.20 (to 0.64 from 0.44 out of a value of one) over the last 30 years. Despite being one of the fastest-growing economies in the world during the last several years, India lags its peers in key health and education indicators, let alone advanced economies. India cannot rely only on the trickle-down effect of economic growth on human development. It needs to prioritise human development by taking direct, specific, and affirmative policy measures. It is only then that India can realise its full economic growth potential.

The writer is a senior fellow at the Centre for Social and Economic Progress, and a former executive director, Reserve Bank of India. The views are personal

We're back to *bijli, sadak, paani*

SWOT

KANIKA DATTA

Ahead of elections, fierce debates have broken out in resident welfare associations (RWAs) in the country's most famous high-tech Millennium City that somehow manages to thrive on the most low-tech quality of civic infrastructure. The argument is to vote or not to vote given the deteriorating state of Gurugram; to do your duty as a citizen or to expect elected officials to do theirs. Undoubtedly, the city, which started from pretty minimal standards of civic amenities in the first place, has hit a new low: Garbage going nowhere, roads that make village lanes look like Formula 1 tracks, noxious overflowing sewers, water shortages despite a fortuitous rise in the water table ... you get the drift.

But the real culprit has a tenuous connection with the Member of Parliament who gets elected to represent the Gurugram constituency in the Lok Sabha. Instead it's an institutional failure that is causing the ructions. Elections to the Municipal Corporation of Gurugram, a body that has never been renowned for efficiency, have been delayed for the past year and a half. With no one really in charge, energetic RWAs have resorted to organising noisy *dharnas* at MCG House to galvanise its bureaucrats into addressing their problems. These protests, complete with slogan shouting and placard waving, are certainly cathartic; they even yield well-meaning responses but these are too incremental to make an appreciable difference.

To be sure, the fact that such local issues are looming so large in a Parliamentary election is a symptom of the lack of substantive new issues in this current seven-phase, 44-day election campaign, the second longest in independent India's history. The *acche din* of "development" appears to have lost momentum, and redistributive justice embedded in *nyay* is an improvisation of the *garibi hatao* theme, which has had its day. Ironically, the current discourse among Gurugram RWAs takes us back to a slogan that may have prevailed in that close parliamentary election of 2004: *Bijli, sadak, paani*. The fact is that rapid urbanisation in the post-liberalisation era has altered the dynamics of middle-class urban voter demands. Where it was once politically correct to support politicians who vowed to eliminate poverty, the focus now is on maximising wealth and comfort, and that includes a standard of civic amenities. They want, if not Indian Shining, at least moderately liveable urban environments.

But the RWAs' well-intentioned no-vote campaign may be misplaced. The fact that most of India's emerging cities are models of poor governance has less to do with who is elected to Parliament than with the structures of municipal governance and autonomy. Most municipal corporations are broke. Their revenue-raising abilities are limited to property tax, water tax, and toll tax, which urbanites often take delight in evading (even as they expect western standard utilities). But even these sources of funds are limited. According to a study by the Reserve Bank of India, local taxes account for just about a third of a municipal body's revenues. The rest comes from fund transfers for the Centre and states. Some 70 per cent of these resources get eaten up in salaries, pensions and administrative costs. When you have no money nor the means of raising larger sums, the ability to deliver services is non-existent. Add in unchecked and blatant petty corruption, especially lucrative in the growing privatisation of contracts for the provision of urban infrastructure, and the scope for accountability vanishes.

This creates a vicious circle of underfinancing and poor quality infrastructure. But as history tells us, poorly managed cities are political time bombs. With 40 per cent of India's population heading to the cities by 2036, according to the World Bank, the stresses on urban infrastructure will multiply manifold. The Bank reckons India's urban local bodies will need to invest $15 billion a year for the next 15 years for cities to come up to speed. Where will such humongous sums come from? The obvious way out of the financing conundrum is to tap the markets through municipal bonds, an instrument that is strongly recommended for middle-class investors for its relative safety and decent returns. But given poor governance mechanisms in municipal corporations, cities that have issued them have, predictably, found few takers.

Given this, Gurugram's hard-working RWAs would do better to lobby — even hold *dharnas* — for early municipal elections. That's where the circle of accountability begins. Enforcing service delivery by elected officials would be a good starting point for establishing the sort of efficiency and incorruptibility that could encourage investors to put their money in the municipal bond market. Meanwhile, it may be worth lining up at the hustings, which may be a good idea for those who have a view about the future of India.

BITs in pieces

BOOK REVIEW

DAMMU RAVI

Countries sign Bilateral Investment Treaties (BITs) to attract foreign investments to enhance manufacturing, generate jobs, and seek new technologies for sustained economic activity. A surfeit of BITs since the 1990s, about 3,000 worldwide, was a consequence of the embrace of the "Washington Consensus" that advocated liberalisation. That bonhomie seems to be over now with BITs facing a backlash largely owing to the contentious "Investor State Dispute Settlement" (ISDS) that empowers a foreign investor to directly bring claims and seek compensation against the state through arbitration. Prabhash Ranjan, an expert on international investment law, puts in perspective in his new book the controversy surrounding ISDS, dispassionately covering competing narratives.

Dr Ranjan quotes a study from the United Nations Conference on Trade and Development to dispel the popular notion that ISDS claims cause huge financial burdens on the host country. According to the study, 1,257 publicly known ISDS claims have been initiated so far, an average of 35 annually. Only in 13 cases did the compensation awarded exceed $1 billion; in 178 cases, it was less than $100 million; and in more than half of all cases, the damages were less than $16 million on average. Hard to explain, however, is the fact that the maximum ISDS claims were made against developing countries that, with meagre financial wherewithal and deficient expertise in trade law, invariably end up in losing battles, sacrificing scarce resources meant to address livelihood issues.

The book offers an insightful account of how India handled its 28 disputes arising out of about 80 BITs/free trade agreements investment chapters concluded between 1994 and 2010. Dr Ranjan draws our attention to some high-profile ISDS claims that India lost and candidly places the blame on a combination of the slackness of our judicial system, abuse of public power and poor governance. For instance, the claim of White Industries, an Australian mining company, was the result of the Indian judiciary's failure to get its act together for almost nine years. The Devas-Antrix case arose following India's decision to abruptly cancel the contract, advancing a cocktail of reasons ranging from social objectives, national security, criminal offences, and so on. Retroactively amending the Arbitration and Conciliation Act, 1996, the primary law governing arbitration, which sought to delink ISDS, prompted Devas to initiate a second BIT arbitration.

In the two retroactive tax cases involving Vodafone and Cairn Energy, India's executive overreach against judicial decisions, by amending the income-tax law retroactively, compelled them to resort to international arbitration. The belated rectification of this error in 2021 did not prevent the damage already done to India's reputation. The Nissan case is a grim reminder of state luring investors by offering tax incentives and then going back on those promises without any policy justification.

Rattled by these ISDS claims, India sought to decouple investment from international trade. It terminated all BITs that were more than 10 years old; introduced a model BIT in 2015 that accords primacy to local remedies on disputes prior to international arbitration. The author reasons that the gaps in the regulatory framework should be plugged instead of blocking a useful route for foreign investment.

INDIA AND INVESTOR-STATE DISPUTE SETTLEMENT: Affronting Sovereignty or Indicting Capriciousness
Author: Prabhash Ranjan
Publisher: Routledge
Pages: 182
Price: ₹13,650

The unequivocal support for ISDS stems from Dr Ranjan's belief that, given that not all sovereign actions are in genuine public interest, ISDS is needed to protect investors against the state's excesses. He stretches this logic to set out protection provisions in the rule book to serve everyone well. This assertion, however, overlooks the dangers of treaty shopping, reckless disinvestment, flight of capital and investors' proclivity for profit-making, factors that often disregard the development imperatives of host countries. The tribunals' generous interpretation of BITs clauses such as most-favoured nation, national treatment, protection, pre-establishment, standstill, ratchet, and so on often weigh heavily against developing countries' compulsions to make or amend laws to accommodate changing socio-economic dynamics.

Around the world of late, ISDS has become politically toxic even in the capital-exporting developed world. Increasing two-way investment flows make ISDS seem like a double-edged sword even for developed countries. For example, India's cumulative outward foreign direct investment since 2000 is about $300 billion, approximately one-third of the total inward FDIs for the same period. These developments are forcing nations to explore fresh options. One such effort underway is the reform of ISDS under the United Nations Commission on International Trade Law (UNCITRAL), in which India is actively engaged. State-to-State Dispute Settlement (SSDS), providing for diplomatic interventions and potential tradeoffs is another. The EU is advocating bilateral investment courts with scope for mediation before arbitration. India is also making a concerted effort to make India a hub for international arbitration by setting up the India International Arbitration Centre and Permanent Court of Arbitration.

This scholarly book serves as a useful guide for the judiciary, the legal fraternity, policy, industry, and academia to educate and avoid mistakes. Dr Ranjan alludes to a definitive link between investments flows and protection provisions in BITs, particularly for greenfield projects. His book calls for developing a body of expertise at the policy level that looks at investments as a composite whole of economic activity to drive Viksit Bharat@ 2047.

The reviewer is a serving Indian Foreign Service Officer

The Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

Limits of aunt, nephew politics

Mayawati's search for a political heir within her family has not helped the BSP's growth

Six months after she anointed her nephew Akash Anand as her successor, Bahujan Samaj Party (BSP) Mayawati on Tuesday declared that she was divesting him of the post of national coordinator in the "larger interest of the party and the movement". He also ceases to be her political successor, at least until he attains "full maturity", as per the BSP supremo's post on X. Anand had been the face of the BSP campaign in the first two phases, and his speeches were noted for the sharp attacks on the BJP and the Samajwadi Party (SP). On April 26, he was booked for allegedly using objectionable language during a campaign in Sitapur, Uttar Pradesh. Mayawati, reportedly, felt that these speeches strayed from the rules and policies set by the party.

Mayawati is known for such whimsical responses. But the pertinent question is its impact on the fortunes of the party and the movement. Kanshi Ram, the founder of BSP, had kept his extended family away from the party and hand-picked Mayawati, no relative of his, as his successor for her leadership skills. This worked for the party as it won office in Uttar Pradesh, a state where Dalits constitute ~21% of the population, on its own strength in 2007. However, she failed to nurture the BSP as a party of the larger *bahujan samaj* and many of BSP's founding leaders, who represented a galaxy of OBC, minority and Dalit communities, parted ways with her, ostensibly because of her leadership style. The BSP is today a pale shadow of the pan-Indian Dalit outfit it was once, even if Mayawati remains the tallest Dalit leader in the country.

Clearly, her choice to ignore BSP's movement character and consolidate leadership within her family has worked against its growth. This, unfortunately, is the trajectory followed by many political parties, including those that arose from ideologically powerful mobilisations. This includes the DMK which grew out of the self-respect and Dravidian movements in Tamil Nadu, and the SP in UP, which claims the legacy of the Lohiaite socialist tradition and Mandal politics. These parties ossified in office and turned into family fiefs: Of course, the ideological inheritance, even in their diluted and compromised state, continues to lend credibility to their political claims.

In the BSP's case, though, its decline has also been expedited by the rise of new Dalit voices, an outcome of the party's retreat from agitational politics, and the overtures made by mainstream political parties keen on expanding their social base. The party's vote share has been falling, and now it stares at the prospect of being reduced to a vote *katwa* (vote cutter) or spoiler in UP, its erstwhile stronghold.

Breather for TMC in teaching jobs scandal

The Supreme Court's decision to temporarily suspend a Calcutta high court verdict that scrapped nearly 25,000 teaching jobs has both immediate and long-term fallouts.

In the near term, the decision will give some respite to the Trinamool Congress (TMC) government which has been under fire for the grassroots corruption of its leaders. Allegations of large-scale irregularities in the state Staff Selection Commission (SSC) examination had the potential to hurt chief minister Mamata Banerjee more than any other charge because it was a bread-and-butter issue close to the common person in a state where government jobs are still held in high regard. This is why the Bharatiya Janata Party (BJP) invested extra energy to target the TMC in this case — unlike in other cases, corruption here was not only affecting the high and mighty but also ordinary people. To that extent, the TMC will breathe easy that the final decision on the case will come in July, well after the general elections are over.

Beyond the politics, though, the long-term implications of this case are dire. When seen alongside the bursts of anger around regular exam paper leaks in north India, it underlines the soaring aspirations of India's youth and a singular failure of the political class to address them. In the world's most populous country, corruption — whether it be in recruiting teachers or leaking question papers — continues to gnaw at the future of millions of young men and women, for whom the prospect of a government job is the only lever out of a life of destitution. Resolving this conundrum will need more than legal diktats. It will need political will.

Opportunity costs of election-time freebies

The Centre must lead on the freebie issue, and start a conversation on its fiscal implications

The question is why are people voting for freebies. Because it is in the nature of poverty that the poor tend to prioritise the short term over the long AFP

Freebies are in full flow this election season. Arguably, Prime Minister (PM) Narendra Modi's enormous popularity owes to the significant expansion of welfare schemes on his watch rather than any big initiatives to help the poor improve their livelihoods on a sustainable basis. The Congress, on its part, is hoping to script its comeback at the national level by upscaling the "guarantees" that fetched it electoral success in Karnataka and Telangana. Regional parties which have historically been at the forefront of handouts are vying with each other to woo voters with freebies. And no one is asking any questions about where the money for all this will come from. There is a strong case for restraint.

For sure, in a poor society where millions struggle for daily livelihood, the government needs to provide some safety nets to the most vulnerable. But this spending has to be within limits, especially as these transfer payments are financed by borrowing. Whether it is a household, a corporation or the government, ideally a loan should repay itself by generating a future income stream. On the other hand, borrowing money just to redistribute it as handouts can be fiscally perilous.

Freebies have an opportunity cost. The money spent on them could be spent on roads, education and health which would aid growth and welfare on a more sustainable basis than would mere handouts. As Mao Zedong said, "Give a man a fish, and you feed him for a day. Teach him to fish, and you feed him for a lifetime."

The question then is why are people voting for freebies. Because it is in the very nature of poverty that the poor tend to prioritise the short term over the long, especially when confidence that politicians will deliver better services is low.

Duvvuri Subbarao

Even as the Centre and states have gone overboard on freebies, the fiscal constraint is arguably much greater for states. The Centre has enjoyed larger budgetary resources consequent on economic growth which has made it possible for it to expand welfare schemes without seeming profligate. States have not had similar buoyancy and cannot, therefore, afford to spend on handouts without seriously jeopardising their debt sustainability. It's at the state level, therefore, that restraints are more urgent.

There is an argument that this concern is being exaggerated. After all, if you look at the analysis of state budgets by the Reserve Bank of India (RBI) or any think-tank, the inference you will draw is that state public finances are in good health and that they are, in fact, conforming to the Fiscal Responsibility and Budget Management (FRBM) targets.

This is misleading. State governments are able to hide their borrowing from FRBM tracking by borrowing on the books of their public enterprises, in some cases offering future revenue as collateral.

But what of the checks and balances that are supposed to govern democracy? Regrettably, they have eroded in the case of freebies.

The first line of defence has to be the legislature, in particular the Opposition. But no Opposition party dare oppose any freebie for fear of losing the vote bank at the receiving end of the freebie. If anything, the Opposition will taunt the government into giving away even more so as to get credit for the enhancement.

In theory, the Comptroller and Auditor General audit, which can legitimately comment on the debt sustainability of a state, can be a check. However, in practice, audits have failed to bite because they come with a lag when political interest has moved on to other issues. Moreover, our bureaucrats have mastered the art of turning audit paras into "files", which run their course and die a quiet death.

As states pile on debt year after year, interest payments are guzzling up an increasing share of their revenues leaving that much less for other discretionary expenditures. In theory, the market can check profligacy by pricing the loans of states based on their debt sustainability. Thus states like Karnataka and Maharashtra with stronger fiscal positions will command a lower interest rate than more indebted states. This signalling mechanism is lost, however, in our system because the market assumes that all state loans are guaranteed by the Centre, never mind that there is, in fact, no such guarantee.

There has been a suggestion that the Election Commission (EC) should step in to rein in freebies. The nature and extent of the EC's authority in this regard is not clear. One view is it can mandate political parties to necessarily indicate the fiscal implications of the freebies they are offering. No matter the powers of the EC, it's not advisable for it to get into this business. It should not be distracted from its core business of conducting free and fair elections. In any case, it should not get into what is quintessentially a political issue at a time when its political neutrality is being questioned.

There was a time not long ago when the Centre dominated the fiscal space and state-level public finances didn't matter much. That is no longer the case.

Today, states collectively borrow as much as the Centre, and put together they spend more than the Centre. Our debt sustainability and macroeconomic stability are, therefore, as much a function of the Centre's fiscal position as that of the states collectively. It's not enough that the Centre becomes fiscally responsible; it has to carry the states along too.

One of the first tasks for the Centre in that leadership role is to evolve a political consensus on capping the spending on freebies. There are reports that the PM has tasked the bureaucracy to come up with a hundred-day plan of action for the new government. Let's hope a "discussion paper" on freebies will figure in that action plan and will be taken up on priority no matter which party comes into office post-election.

Duvvuri Subbarao is a former governor of the Reserve Bank of India. The views expressed are personal

A self-harming stance on digital trade tariffs

India was at loggerheads with the developed nations and China at the World Trade Organization's (WTO's) 13th Ministerial Conference (MC-13) in Abu Dhabi earlier this year. India's resistance to extending the moratorium on tariffs for digital trade was one point of divergence. This stance is counterproductive, and likely to hurt India's most promising sector.

During MC-2 (1998), a moratorium on tariffs for electronic transmission was introduced, and this has nurtured the burgeoning digital trade sector. To illustrate, when a United States (US) based chip design house transfers files electronically to its large team in India for the next level of design, there are no tariffs applicable. When the Indian team transfers the updated design files to a foundry in Taiwan for manufacturing the chip, Taiwan imposes no tariffs on the Indian company. This enabled the chip design to flow seamlessly across borders without additional costs.

Sridhar Krishna

Pranay Kotasthane

Today, a plethora of services can be delivered digitally, transcending borders. At MC-13, India's posture was at odds with digital trade stalwarts like the US and the European Union member states. They, for once, were aligned with China in seeking an extension of the moratorium and even suggesting this tariff-free trade in digital services be made permanent. It would not be wrong to say that India was virtually isolated in its opposition among the large digital powers.

India's opposition to free trade in digital services is not completely new. In 2020, India introduced the "equalisation levy" targeting e-commerce giants like Amazon and Facebook. While this move aimed to ensure fair taxation, it also underscores the complexities of taxing digital transactions across borders.

A stated reason for India's opposition is that the developed countries and China dominate the export of digital services and the poorer countries are net importers. The stance is puzzling given India is not a net importer of such services. In fact, it is the fourth largest exporter (at $257 billion), and its digital exports grew at 17% last year — faster than Germany's and even China's. Opposing the extension of the moratorium on tariffs thus doesn't seem logical.

With the distinction between goods and services fast diminishing, India sought clarity on what falls within the scope of digital trade and wanted the option to impose tariffs if necessary. It was not comfortable with extending the moratorium without clarity on what constitutes electronic transmission and what does not. Again, this makes sense only if India were a net importer of digital services. On the other hand, its exports have benefited from the rise of trade in digital services. Worrying about whether 3D printing is electronic transmission — something it raised at the conference — is meaningless.

India also claims that it is losing critical customs revenue and needs to protect domestic players from unfair competition. By exempting electronic transmissions from duties, it foregoes potential revenue. Behind the rhetoric, there is unconvincing data. The worst-case estimate of losses in terms of customs tariffs foregone because of the moratorium is around $1.5 billion, according to South Centre, an intergovernmental organisation of developing countries. This certainly pales before the country's digital exports which are ~166 times that number. A 2023 paper by OECD Trade and Agriculture Directorate researchers demonstrates that lifting the moratorium was not in anyone's interest and especially not in the interest of low-income countries. The paper shows that the potential fiscal revenue implications of not lifting the moratorium are on average 1.09% of total customs revenue or 0.2% of total government revenue for lower middle-income countries like India.

Some reports conjecture that it is a negotiation tactic. Was India using this as a stick to combat the EU's Carbon Border Adjustment Mechanism (CBAM)? If this is more than just a negotiation tactic, India will need to rethink its position. The developed nations support a permanent moratorium claiming it ensures a predictable environment for digital trade. India is already a significant player in digital services and has the potential to grow further. Protectionist tariffs will not help make its domestic industry competitive. On the other hand, these will reduce incentives for building globally competitive businesses and drive up the cost of digital services for Indian consumers. It will increase friction in the trade of digital services and the diplomatic impact of raising tariff barriers will far outweigh the insignificant increase in revenue from customs duties.

More importantly, this move hobbles India's attempts to integrate itself into global supply chains. Recently, a global consortium of semiconductor players petitioned the government to not impose tariffs on data transfer. Chip design is a collaborative effort between teams located in different countries, and taxation will lead to inefficiencies in the supply chain. This move is at odds with India's ambitions to play a key role in the semiconductor supply chain.

At MC-13, India did finally support the extension of the moratorium on customs duties for electronic transmissions for two more years, but with the understanding that it would expire thereafter. It would do well to remember that every tariff decision shapes its economic destiny. The path forward lies in informed policies, data-driven assessments and well-reasoned geopolitics. India's current stance does not hold up to these tests.

INDIA'S OPPOSITION TO FREE TRADE IN DIGITAL SERVICES IS NOT NEW. IN 2020, IT INTRODUCED THE EQUALISATION LEVY TARGETING AMAZON ET AL

Sridhar Krishna is senior scholar, Takshashila Institution, and Pranay Kotasthane is deputy director, Takshashila Institution. The views expressed are personal

{ SERGIO MATTARELLA } ITALIAN PRESIDENT

No state equipped with a menacing nuclear arsenal can think of violating... the sovereignty, territorial integrity, and independence of another country

The EU matters, so does its partnership with India

Europe Day, celebrated on May 9, marks the anniversary of the historic Schuman Declaration of 1950 that laid the political foundations of what is now the European Union (EU).

Since then, the EU has developed into a Union of 27 sovereign States and a unique political project of peace and prosperity. Its collective strength is manifested in many ways: Its single market, an area of free movement of goods, services, capital and people has brought concrete benefits to European businesses and consumers. The EU has become the largest trading block in the world with free trade agreements (FTAs) signed with over 40 partners and the main provider and destination of foreign direct investment (FDI). It has also been a major source of global standards, promoting a rule-based and human-centric development of technology as with its General Data Protection Regulation or its recent AI Act. As the main source of official development assistance and global climate financing (contributing over 30% of global climate finance), the EU has supported the multilateral agenda, promoting cooperative solutions to the most pressing global issues.

Hervé Delphin

The EU is going through a challenging yet transformational moment. Peace and security in Europe and beyond are once again under threat. Confronted with Russia's imperialist authoritarian revisionism, security and defence have become an existential priority for the EU. We will continue to support Ukraine as long as needed to counter Russian aggression. The EU has recently adopted ambitious plans for strengthening the European defence industry.

The EU is committed to stability and security in the Indo-Pacific region in recognition of the increasingly interconnected economic and security theatres. The EU maritime operations ASPIDES and ATALANTA are examples of effective engagement aimed at preserving the security of merchant vessels in the Red Sea and Gulf of Aden areas.

While committed to preserving the openness of its economy and society, the EU has adapted to the "weaponisation of everything", which increasingly characterises geopolitical rivalry. It has strengthened its economic security by promoting its own industry in sectors such as semiconductors, artificial intelligence, and net-zero technologies; by protecting its own market through measures such as anti-coercion and FDI screening legislation; and by partnering to build resilient supply chains, such as critical raw materials or by completing comprehensive FTAs. It has also taken steps to protect its own democracy against foreign interference and manipulation of information as there is growing evidence of foreign destabilisation operations against the EU member states and institutions. This matters even more as 400 million European citizens are called to vote in next month's European Parliament elections.

Strengthening a cooperative rule-based order and partnerships with other democracies is central to the EU's strategic agenda in this pivotal moment. India, in this respect, has emerged as an incredibly important strategic partner for the EU over the recent years. The relaunching of FTA negotiations and the setting up of a Trade and Technology Council in 2022 were the clearest signs of the EU's commitment to invest in this relationship. India matters to the EU as much as we believe the EU matters to India, as a natural and preferred partner. There are now about 50 EU-India bilateral thematic institutional dialogues. But there is space for developing our strategic partnership further.

Our respective businesses stand to benefit from deeper economic and trade ties, which already generate millions of jobs in India. Our cooperation in green and high-tech can turn into a win-win strategy, fostering green transition, building resilient supply chains and reducing over-dependencies on other markets. The pool of talent and knowledge from European and Indian skilled workers stands to benefit from greater mobility, as evidenced by the new Schengen visa rules for Indian travellers and with Indian students and researchers topping the list of EU Erasmus Mundus and Marie Curie exchange programmes. The EU and India have a shared interest in developing connectivity infrastructures in the sub-region and beyond supported by the EU Global Gateway or initiatives such as India Middle East Europe Economic Corridor, to deepen security and defence cooperation and act as bridge-builders of global solutions to development and climate challenges.

As the current EU-India strategic roadmap 2025 will soon come to term, the perspective of the next EU-India Summit should be used to take our partnership to a new level. Mutual respect and management of our differences, renewed trust in each other and mutual commitment to our shared values and principles will be the best guides for this relationship.

Hervé Delphin is ambassador of the European Union to India. The views expressed are personal

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THE EDITORIAL PAGE

WORDLY WISE

THE DIRECTION IN WHICH EDUCATION STARTS A MAN WILL DETERMINE HIS FUTURE LIFE.

— PLATO

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

CONGRESS PLUS, MINUS

Sharad Pawar has said that many regional parties could merge with Congress. There are several what-ifs to that

THE 2014 GENERAL election marked a decisive shift. The BJP became the central pole of Indian politics and the Congress was reduced to its lowest ever number in the Lok Sabha. However, the erosion of what political scientist Rajni Kothari called the "Congress System" has a much longer history, marked by ebbs and flows. Broadly, after the Nehruvian consensus began fading in the 1960s, a gradual deepening of federalism and assertion by marginalised sections of society led to social groups leaving the Congress "umbrella", many with political parties to represent them. Does the current political scenario augur a reversal of this trend? NCP founder and former Congress veteran Sharad Pawar seems to think so. Earlier this week, he told this newspaper that "In the next couple of years, several regional parties will associate more closely with the Congress. Or they may look at the option of merging with the Congress if they believe that is the best for their party."

Large swathes of India's political landscape can indeed trace their roots to the Congress. Parties formed by leaders who left after Indira Gandhi took over and many that were firmed up after the Mandal moment have to varying degrees of associations with the Congress. Several of these leaders were either rebels or left due to ideological differences. Then there are parties — notably the NCP, Trinamool Congress and YSR Congress — that can broadly be seen as regional offshoots of the Congress. In Sharad Pawar's analysis, the 2024 elections and the run-up to them have been a watershed moment, not least because of a large section of the Opposition coming together in the INDIA formation. But the path from alliance to anschluss — if it leads there at all — is neither smooth nor without detours and roadblocks.

"I don't see any difference between the Congress and us... Ideologically, we belong to the Gandhi, Nehru line of thinking." Sharad Pawar may be right about this consonance in the broadest sense, and as a veteran who has left the Congress, rejoined and left again, is best placed to make such a judgement. However, the fate of INDIA and any possible "mergers" will be determined by a variety of factors, not least the political picture on June 4. For some regional players, the BJP's relative dominance may well require standing together — the logic behind INDIA — and even joining up. For the latter to make any strategic and organisational sense, though, the Congress must do well electorally — if it is further diminished, it is unlikely to be a political centre of gravity. As important, if not more, are regional compulsions. Mamata Banerjee's actions on the national stage, for example, will be determined by the political situation in West Bengal: Competition between the Left, Congress and TMC has meant that there is no seat-sharing arrangement in the state. And alliance partners like the CPM and DMK are unlikely to ever join the Congress for ideological reasons. On the other hand, for some actors like Sharad Pawar, his erstwhile party wracked by splits and dissension, going back to the fold may make sense. At any rate, given the fluidity of political circumstances, the veteran's thought experiment may well give other parties much to ponder.

IT'S ABOUT TRUST

In SC verdict in West Bengal teacher recruitment case, state must heed larger message. Remove systemic defects

ON TUESDAY, A three-judge bench of the Supreme Court gave relief to the school teachers and non-teaching staff whose appointments were cancelled by a Calcutta High Court order of April. The HC's decision had cited irregularities in the West Bengal School Service Commission's procedures. The apex court's order does not exonerate the SSC. It rightly said that it would be unfair to set aside all the appointments because the tainted and untainted ones have not yet been segregated. In a stinging criticism of the SSC and the West Bengal government, the Chief Justice of India-led bench described their conduct as a "systemic fraud". The CBI will continue its investigation and the school staff appointed in breach of due procedures will have to refund the salaries. Meanwhile, the West Bengal government would do well to heed the SC's larger message: "Ultimately what happens is that today public jobs are so scarce and so valued, today, that if the faith of the community in public employment goes then nothing remains."

In 2014, the SSC announced a state-level selection test would be used to recruit teachers for West Bengal's state-run schools. The process which began two years later invited criticism and petitions were filed in the Calcutta High Court alleging that the mark sheets were not evaluated properly. The HC ordered an investigation by the CBI, which opened a can of worms. The SSC, reportedly, told the agency that it had destroyed the OMR answer sheets — answers to multiple choice questions in these sheets are scanned by computers, and not manually evaluated, making the process foolproof — after a year. The ED is conducting a separate investigation. The ongoing saga has also revealed the lack of transparency and accountability that dogs the SSC's recruitment process. Last month, a Calcutta HC bench constituted on the directions of the Supreme Court annulled the appointments.

The teacher recruitment issue is among the talking points in the campaign in West Bengal for the Lok Sabha elections. The BJP has alleged that numerous deserving candidates were denied jobs. West Bengal's ruling party, the TMC, has charged the BJP of mounting a drive to rob people of their jobs. It reveals the deficits of the state, where social and economic mobility often rests on getting a government job. According to the Unified Digital Information of School Education, West Bengal's government schools provide employment to more than 4,74,000 teachers. While the state government must course correct on teacher recruitment, it — and the Centre — must work closely to ameliorate the conditions that breed such scams.

OFF COLOUR

Sam Pitroda's crude parallels to explain diversity show how, for some Indians, self-worth is skin deep

NO ONE CAN accuse Sam Pitroda of choosing his words too carefully. After giving the 2024 Lok Sabha campaign one of its main talking points with his comments on inheritance tax, the former Indian Overseas Congress chairman has once again kicked off a row that his party is scrambling to distance itself from and which has cost him his position. With the intention of celebrating Indian diversity, Pitroda said in an interview, "People in the East look Chinese, people in the West look like Arab, people in the North like, maybe, White and people in the South look like African." Surely, Pitroda, a longtime US resident, should know the connotations of such descriptors and their links to prejudice.

The fact that there is something truly unique and wonderful about how India, despite all its differences, holds together needs more nuanced articulation. But is it really surprising that, coming from a nation which still props up a skin-lightening industry worth several thousand crores, Pitroda's instinct, in explaining Indian diversity, was to latch onto differences in colour and facial features? If anything, this instinct is merely an extension of the still widely-held belief in India that the hue of one's skin is not just a matter of melanin count, that it says something about the value of the flesh and blood underneath.

There is, in fact, a rich irony in the outrage over Pitroda's words, given that much of the ire is directed at the comparison of south Indians to "Africans". This strand of condemnation is based on the assumption that to be compared to Africans is somehow undesirable — given the history of racism against people of African origin. A post script: Some decrying Pitroda's comments have called out the African parallel, not the "White" one. When it comes to prejudice, perhaps Pitroda and some of his critics are painted in the same hue.

From home to workplace

An agenda for the next government to increase women's participation in Viksit Bharat's labour force

FARZANA AFRIDI

A NEW GOVERNMENT will soon be taking up the challenge of making India viksit by 2047. With women lagging behind on several parameters of well-being in the country today, empowering them economically lies at the heart of the challenge we face in transforming India into a developed country. What key policies can the new government adopt to propel us towards gender parity in socio-economic outcomes?

First, India's overall employment rate has historically been around 50 per cent of the working-age population — much lower than in China (almost 70 per cent) or even our neighbour, Bangladesh (about 55 per cent), according to ILO and World Bank estimates. Bringing more working-age population into the productive workforce is critical to achieving a high GDP growth rate. Amongst the main reasons for the significantly lower labour force participation (LFP) rate in India, is women's low LFP (currently around 25 per cent). Increasing women's LFP to 50 per cent of labour force will bring India closer to 8 per cent GDP growth rates and a five-trillion dollar economy by 2030, according to World Bank estimates.

At the core of expanding the LFP rates of the currently low-skilled, low-educated women, is expanding our manufacturing capacity, which shrank from 17 per cent of GDP to about 13 per cent in the last decade. The Production Linked Investment (PLI) scheme aims at achieving this objective but is currently more focused on the less labour-intensive sectors. Increasing production capacity in labour-intensive sectors such as readymade garments, footwear, and other light manufacturing, where women form a large proportion of workers, and bringing them under the ambit of the PLI scheme, would address some of the cost disadvantages that India suffers from in creating jobs in these sectors due to labour regulations and constraints around land acquisition.

Second, a key marker of a developed country is a dominant formal sector. Concerns regarding India's slow transition from low- to high-productivity activity, and the pressing need for "good jobs" abound. The underlying challenge is to provide high-quality, relevant and affordable skilling to the masses, and women in particular. While about 25 per cent of India's employed are engaged in salaried (mostly formal sector) work, this proportion is 55 per cent and 40 per cent in China and Bangladesh, respectively. The ongoing structural transformation away from agriculture, and the informal character of the labour market, has affected women disproportionately in the past few decades — the fall in rural women's labour force participation accompanies a high proportion of women working in the informal sector (almost 90 per cent).

> As India urbanises at a rapid pace, we need cities that welcome, accommodate and enable women's mobility. Research suggests that younger married women, with young children, are not only less likely to diversify their labour to the non-farm sector, but are also less likely to migrate from the villages relative to men (with the same characteristics) when faced with adverse shocks. Physical mobility of women who reside in urban neighbourhoods is restricted although it is critical for accessing education and work opportunities.

Although several policy initiatives are being undertaken to improve the skilling ecosystem in India, they currently lack focus on redressing stark gender imbalances. Improving physical access, easing financial support and improving employer matches after skill training are some of the key areas that require interventions. Industrial Training Institutes (ITI) offer the most affordable and dense network of skilling programs across the country, but only about 7 per cent of those who enrol in ITIs are women. There is tremendous scope to raise the number of training institutes that cater exclusively to women from the current 17 per cent (of ITIs), in both traditional and non-traditional skills. Distance to vocational centres and credit constraints are barriers to women's access to skilling.

Under the recently proposed National Apprenticeship Promotion Scheme, stipend support to 47 lakh youth has been promised — yet families may be reluctant to devote limited resources to the vocational training of women as they may not foresee good returns on such an investment. Besides credit access and scholarship programmes aimed specifically at women trainees, government training institutes can consider fee payments in installments or offer subsidised loans. Additionally, potential employers can enable up-skilling through performance-based incentives and zero-interest loans and salary deductions in small installments over time, post training completion. Evidence also suggests that women have worse employment outcomes even if they are skill-trained, relative to men. Career counselling, job placement cells embedded in training institutes and harnessing alumni networks to activate women "role models" and mentors for female trainees, may be effective tools to redress this gender imbalance.

Third, as India urbanises at a rapid pace, we need cities that welcome, accommodate and enable women's mobility. Research suggests that younger married women, with young children, are not only less likely to diversify their labour to the non-farm sector, but are also less likely to migrate from the villages relative to men (with the same characteristics) when faced with adverse shocks. Physical mobility of women who reside in urban neighbourhoods is restricted although it is critical for accessing education and work opportunities. Urgent policy focus is required for planning urban infrastructure, transportation and public safety with a gender lens. With rapid demographic shifts and population ageing, a high-quality, subsidised urban care infrastructure will not only release women from care work but also create new jobs for them in this sector.

While these policies can strengthen the forces that pull women into public spaces, what measures must be adopted to push women out of their homes and the drudgery of domestic work? Public policy that furthers India's energy transition can also incentivise households to adopt clean technology that reduces women's time at home. Women in rural areas spend the same amount of time cooking as they would if they were engaged in part-time work: About 20 hours per week. Much of this cooking uses inefficient, polluting fuels (e.g. firewood), which require significant amounts of time to collect and cook with, besides adversely affecting women's health and productivity. The PMUY programme is laudable in facilitating a seismic shift towards adoption of LPG, yet regular usage of LPG is only about 25 per cent of its potential. There is much that India can adopt from the Biden administration's transformative Inflation Reduction Act — cash rebates to consumers at the point of purchase of clean technology along with production incentives that create new jobs in the clean energy sector.

As history has shown, women are empowered when they step out of their homes and enter market work only when their education levels rise and "good" jobs appear. Improving the value of investments in women's human capital, and at a low cost, is our best bet for engendering gender parity and creating a "developed" society.

The writer is professor of Economics at the Indian Statistical Institute (Delhi) and visiting professor at the Munk School of Global Affair and Public Policy, University of Toronto

IN THE NAME OF DEMOCRACY

Entrenched as a practice in India, its values are on shakier ground

M H ILIAS

IN GOOD FAITH

ACCORDING TO ITALIAN political philosopher Giorgio Agamben, democracy is both a means of constituting the body politic and a technique of governing. As a technique of governance, democracy has been a source of legitimacy for governments to exercise power and control or govern the "population" since the French Revolution. In societies, on the other hand, it is a natural sentiment, an essential value. Freedom to dissent, demand justice, recognise differences and respect the rights of others are driving forces of democracy in the first sense. The "majoritarian consensus" determines the character and content of democracy in the second sense.

In practice, democracy as a principle seldom overpowers the notion of democracy as an administrative practice. It is no different in India. Questions about the state of democracy come up only around crises of procedures like those related to elections or institutions like Parliament. Few seriously examine what values should mark democracy in a country like India where pluralism, diversity and tolerance are necessary for society to survive.

The idea of democracy was introduced and nurtured during the national movement. Despite its upper-caste and middle-class content, the values and principles of democracy became entrenched in politics and thereby in the political imagination of the people in subtle ways. Even those opposed to Gandhi, Ambedkar and socialists converged on the notion and importance of tolerance and dissent.

> Gandhi did not favour the constitutionalisation of democracy which, according to him, has to be preserved in society as an essential value. He did not want to privilege and legalise democracy as a part of constitutional morality over a traditional, social morality. In his view, it was not a part of our natural sentiment.

Due to the structural inequalities of Indian society, B R Ambedkar considered democracy a value that the Constitution must protect and guarantee. Gandhi did not favour the constitutionalisation of democracy which, according to him, has to be preserved in society as an essential value. He did not want to privilege and legalise democracy as a part of constitutional morality over a traditional, social morality. In his view, it was not a part of our natural sentiment. Rather, it was artificially cultivated or externally imposed — which is in contrast to the "real" democratic tradition in India that flourished through religious co-existence.

In the early years after Independence, the Indian state maintained some commitment to justice and fundamental rights but tolerance of dissent remained an incomplete project. The state's position as "guardian of democracy" resulted in many unpleasant episodes, including the proclamation of Emergency by Indira Gandhi in 1975. What makes the present situation different from previous experiences is that the clout of certain kinds of organisations is no longer seen as abnormal. This happened during the Emergency as well – Sanjay Gandhi's hold on the government is well-known. But the current regime has legitimised the sway of organisations like the RSS through popular means. The conditions of a working democracy may be the same for seven decades, but the principles and values have the potential to be altered.

Our politics increasingly seems unmoored from certain human values that are often considered essential for democracy. Thus, another way of imagining a democracy that is engaged with the human being and a concern for everyday life is challenging in our situation.

Alain Badiou describes democracy as the dominant "emblem" in a political society. One can express displeasure over the functioning of political society, denounce the structure or any aspects of it, or criticise political parties that are a part of it. You will always be pardoned as long as you do it in the name of democracy. This observation becomes more pertinent in the Indian context, especially when everyone, including those who are against democracy, engages in discussions on forms of democracy, when concern over the very content and values of democracy struggle to capture popular imagination.

The writer is professor, School of Gandhian Thought and Development Studies, Mahatma Gandhi University, Kerala

MAY 9, 1984, FORTY YEARS AGO

INDIAN EXPRESS

SEVEN TERRORISTS HELD

A GANG OF seven terrorists was arrested by the police in Punjab after an exchange of fire near Ludhiana, and some arms and ammunition were seized from the truck in which they were travelling. Terrorists in the Amritsar district claimed the life of one man and injured some others while four post offices were burnt down in Mohali.

UP'S URDU ORDINANCE

THE STATE GOVERNMENT has allowed the controversial UP Official Languages (Amendment) Ordinance, which provided for the use of Urdu as a second language for some specific purposes, to lapse. The ordinance was declared *ultra vires* of the Constitution by a Lucknow bench of the Allahabad High Court and the state government has appealed before the Supreme Court.

INDIA'S NUCLEAR POWER

DEFENCE MINISTER R Venkataraman assured Rajya Sabha members that adequate measures had been taken against any "misadventure" of nuclear warfare by Pakistan. Venkataraman said he proceeded on the assumption that Pakistan had nuclear capability. He could not take any risk. On the border, there was a concentration of Pakistani troops with multiple firings across the border.

BOYCOTT OF OLYMPICS

THE SOVIET UNION said it would not take part in the Los Angeles Olympic Games because of the behaviour of organisers and the US Government. "The National Olympic Committee of the USSR is compelled to declare that participation of Soviet sportsmen in the games of the 23rd Olympiad in Los Angeles is impossible." The statement followed weeks of complaints from Moscow that the US was violating the Olympic charter and discriminating against the Soviet Union.

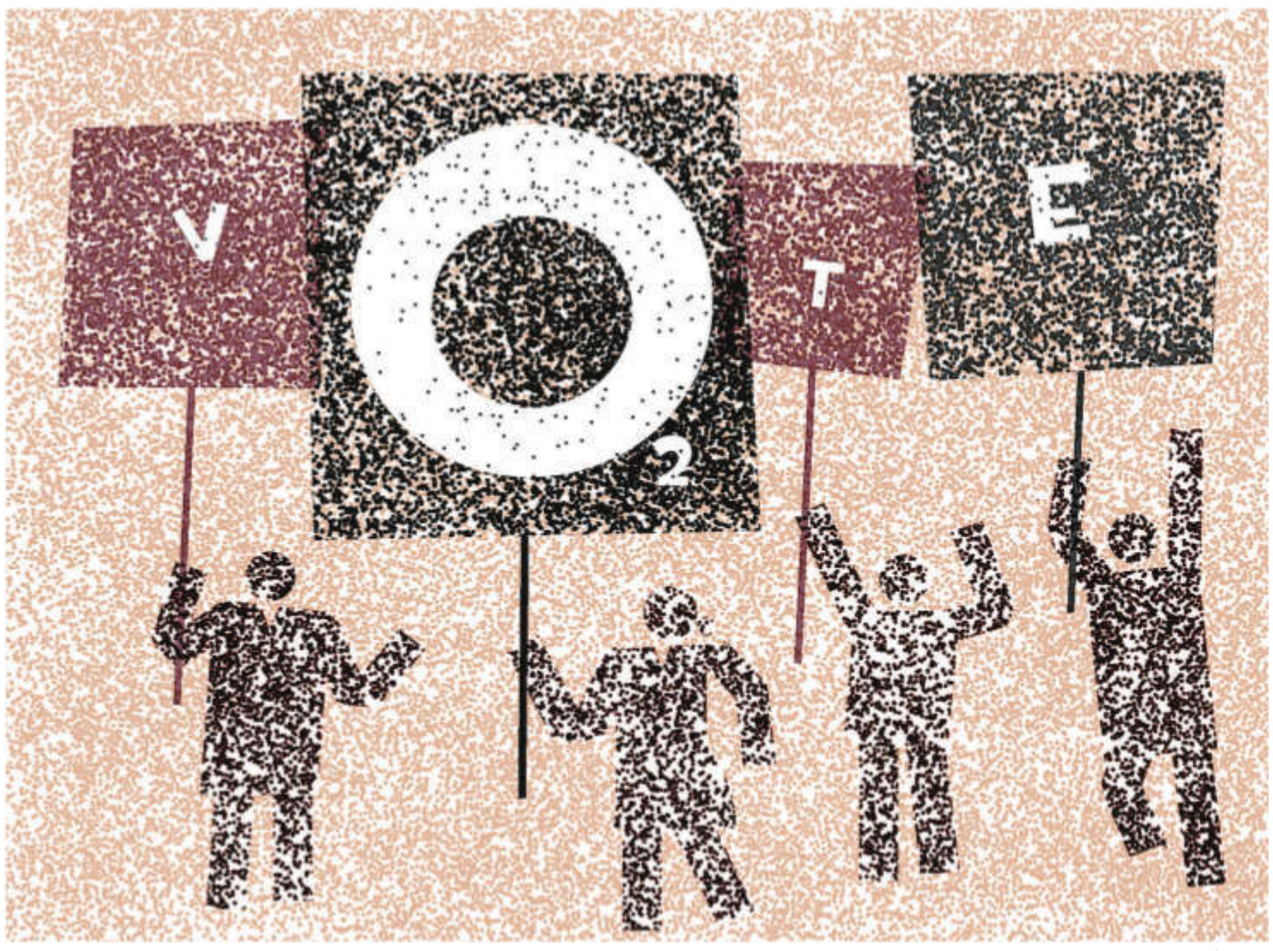
WHAT THE OTHERS SAY

"There is hence a need to sensitise people about disability, sexuality and gender diversity through awareness campaigns and educational programmes. Time has also come to prepare a standard for building toilets in public places across the country through programmes and policies." — THE KATHMANDU POST

Roti, kapda, makaan, good air

Despite mention in manifestos, pollution hasn't become a campaign issue. It is a reflection of low traction at grassroots level

ABHIJIT CHATTERJEE



C R Sasikumar

IT IS HEARTENING that environmental, climate change, and air pollution issues have featured in the 2024 Lok Sabha manifestos of most top political parties. But is it among the top priorities or guarantees for parties or candidates? This brings us to another question: Will we ever witness actual improvement in air quality without it becoming a people's movement or a political issue?

Manifestos have long been shaped by what people truly want — and, in turn, the issues that would turn into votes. The *roti-kapda-makaan* from a few decades ago became *bijli-paani-sadak*, which in the recent past turned to job opportunities and anti-corruption. Whatever the issues may be — local, regional, or national — they are mostly rooted in one thing: A sustainable society for a sustainable nation.

But air quality has not made it to the list of people's priorities, and, by extension, to the top-priority lists of parties. At least, not yet. Inadequate information and poor efforts by the local government bodies in disseminating knowledge on the effects of air pollution, among others, have made air pollution the most incurious and unconcerned issue in our country. This could have serious repercussions in years to come.

To most people, poor air quality has become an "obvious environmental status". A section of the intellectuals see it as a manifestation of a growing, developing nation. They believe that economic progress cannot be compromised, no matter the quality of air we breathe or the environment we leave for the next generation. Even this line of thinking shows that air pollution should be taken more seriously than it is right now. According to a 2019 study, the yearly deaths attributable to air pollution translate to an economic loss of Rs 2.7 lakh crore, that is, around 1.36 per cent of the country's GDP. Another recent survey has revealed that the Indian GDP would have been 4.5 per cent higher if air pollution had grown 50 per cent slower each year.

To give more context, American economist and Nobel Prize recipient Simon Smith Kuznets made a graphical representation in 1971 of the relationship between economic development and environmental degradation. He showed that as economic development proceeds, environmental degradation keeps increasing and reaches a maximum. After a "level" of economic development (per capita income), economic growth leads to environmental improvement.

Here, one may argue that by following Kuznets, state and central governments are heading in the right direction and taking the right approach. A day will come when further economic development and associated activities will not harm our environment; rather, they will help improve it, as people may perceive. But the issue is, how do we identify this "level" or threshold of economic development? How far would we have to go? And most importantly, how late is too late?

For air pollution to become a mainstream issue, it has to become a political agenda. For it to become a political agenda, it has to find its place in page-one news and prime-time discussions regularly. But for that to happen, people will have to truly start caring about air pollution and the danger it poses to our lives and the lives of those who will inhabit this planet after us.

It is a strenuous task, but not an impossible one. What it needs is public awareness in its true sense. It is the job of academicians, scientific communities, experts, scholars, and bureaucrats alongside local governmental bodies to make common Indians realise that clean air is also a fundamental right like clean water, health, food, shelter, etc.

Since it's launch in 2019, the government has released over Rs 1,000 crore for the effective implementation of the National Clean Air Programme (NCAP) — a commendable step in achieving better air quality. Even with its loopholes, NCAP still has ample scope for ameliorating air quality.

One of the most effective ways would be to recognise that, in addition to core research and scientific activities, a significant portion of the fund should be allocated for on-ground activities aimed at pollution reduction. These activities should further be rooted in the air pollution programme having a federal structure, where policies and strategies need to be decentralised and diffused into microenvironments through district and local bodies.

Second, every ward under the municipalities or municipal corporations and every village under the blocks should be thoroughly scrutinised by the respective local bodies to find out the pollution source in the vicinity as well as the scope for air quality improvement. This information should then be disseminated to the people who are residents of the area. They should be made to understand the importance of identifying micro-level hotspots, which is of utmost importance in order to mitigate macro-level pollution.

> For air pollution to become a mainstream issue, it has to become a political agenda. For it to become a political agenda, it has to find its place in page-one news and prime-time discussions regularly. But for that to happen, people will have to truly start caring about air pollution and the danger it poses to our lives and the lives of those who will inhabit this planet after us.

Third, there should be specific plans to identify open areas favourable for the ventilation of air — and hence the pollutants — open water bodies, green cover for every ward in a city, and all of them should immediately be marked as green zones and restored. These measures will ensure that air pollution, as an issue, directly connects to every single individual in these microenvironments.

Regular outreach or public awareness programmes should be conducted at the municipality or block level, and facilitated by local experts, academicians, and teachers. These initiatives must aim to disseminate knowledge about environmental pollution and provide guidance on both actions to take and actions to avoid.

The demand for clean air needs to be spread to far-flung corners of the country through mass movements. If prolonged power cuts, disruptions in water supply, unpaved and damaged roadways can unite us to protest and remonstrate against local governmental bodies and before the political leaders seeking votes, then why not for clean air?

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The hierarchy of power

'From sarvabhouma' to GDP, measures of influence and global ascendancy have often relied on economic and military strength

BIBEK DEBROY

IN 2022, ASHLEY J Tellis, C Raja Mohan and I edited a collection of essays titled *Grasping Greatness, Making India a Leading Power*. The book was meant to be done in 2019, but Covid delayed matters. This collection complemented an earlier one — *Getting India Back on Track* (2014). The title was taken from an older essay by Ashley. Notice the use of the expression "leading power", as opposed to something like "great power". Further down the continuum, we might have something like "super power". Such expressions are not always precisely defined and a country's appellation isn't cast in stone. A leading power moves on to become a great power and graduates to super-power status. But the reverse, of a decline and fall over time, also happens. How does one define these expressions? They can be defined in terms of formal leadership in institutions that deliver global public goods (IBRD, IMF, WTO, Security Council), which adjust to altered realities and can't be cast in stone either.

Since power flows out of the barrel of the economic gun, they can also be defined in terms of aggregate GDP (for such purposes, official exchange rates make more sense than purchasing-power parity), present and extrapolated for the future. For instance, no one can wish away India's robust GDP growth rate and future potential. Fifth-largest economy now, the third-largest status isn't that far off. The gold and the silver are some distance away.

GDP may be a recent metric. Before Simon Kuznets, we didn't have a standardised template for measuring it. However, the notion of gradation of States, according to the power calculus, existed for thousands of years. Take the word *rajya*, meaning kingdom (I am not using the word in the sense of province or state). But we also have a word *samrajya*, meaning empire and clearly, samrajya is greater than rajya. We have an expression *maharajya* too. Is that greater or smaller than a samrajya? The respective titles of the individual heading these geographical entities are *rajan*, *samraj* and *maharajan*. In addition, there is the notion of a *chakravartin* or universal emperor, one whose chariot wheels (*chakra*) travelled unimpeded everywhere, right up to the shores of the ocean.

Most people have heard of *rajasuya*, *vajapeya* and *ashvamedha* sacrifices, though a vajapeya sacrifice may not be that familiar. A rajasuya sacrifice is a royal sacrifice, performed by a universal monarch when he is consecrated and instated as emperor, having conquered all other kings and made them tributaries (vassals?). Among others, Harishchandra and Yudhishthira performed rajasuya sacrifices. Ashvamedha is a horse sacrifice, where a horse is let loose and eventually sacrificed. Yudhishthira performed ashvamedha and this sacrifice is also a voyage of conquest.

Which is the greater sacrifice — rajasuya or ashvamedha, not to forget vajapeya? Which sacrifice makes the king, and therefore the kingdom, a greater one. The answer depends a bit on the text and I think the only text where the answer is unambiguously given is *Shatapatha Brahmana*. I will skip the details about the rites for each sacrifice. However, according to this text, rajasuya is the lowest of the three and having performed it, a king becomes a universal emperor or sovereign. The vajapeya sacrifice is higher. I used the word emperor or sovereign, but rajasuya still makes the individual a king. Vajapeya makes the individual a samraj. To cite chapter and verse, this is clearly stated in Shatapatha Brahmana 9.3.4.8. First, one becomes a king. Thereafter, one becomes an emperor. Therefore, vajapeya must be performed after rajasuya, never the other way around. This takes one to ashvamedha, the highest of the three. A king not satisfied with rajya or samrajya moves on to ashvamedha. One could perform multiple ashvamedha sacrifices, as Brahma did in Varanasi's Dashashwamedh ghat.

But this doesn't quite grade countries or economies. If the ruler is graded, the country is indirectly graded. However, we have nothing tangible and measurable. A direct gradation of countries and rulers, tangible and measurable, exists in *Shukra Niti*, attributed to Shukracharya. It is there right in the first chapter, on the duties of princes. The relevant verses are 365 to 374. The measurement wasn't through GDP, but the annual revenue of the kingdom. A *karsha* is a gold coin. Those weren't the days of fiat currency, but de facto, of gold and silver standards. The gold in a karsha coin weighed roughly 10 gram (Jewellers still use another such weight, known as *ratti*. Ninety-six rattis were one karsha). A *samanta*'s (often a feudatory vassal) domain had an annual revenue of one lakh to three lakh karshas. A *mandalika*'s territory (ruler of a small country or province, known as *mandala*) had three lakhs to 1 million karshas. A rajan's kingdom had 1 million to 2 million. A maharajan's kingdom had 2 million to 5 million. A *swarat*'s empire had 5 million to 10 million. A *samrat* had 10 million to 100 million. A *virat* had 100 million to 500 million.

Finally, a *sarvabhouma* (universal emperor) had annual revenue of more than 500 million karshas. Some of these titles may seem unfamiliar today. But we did have a taxonomy and gradation based on the kingdom's annual revenue. Some might argue that the kingdom's revenue is a better indicator of power than something like the GDP. In any event, the GDP didn't exist then. Plus, there was the supplementary ranking through types of sacrifice. We did think about leading powers.

The writer is chairman, Economic Advisory Council to the PM. Views are personal

Not a blacklisting method

Wilful defaulter framework was not intended to taint borrowers

PRATIK DATTA

THE BOMBAY HIGH Court recently quashed a provision of a central government office memorandum that enabled public sector banks to request issuance of look out circulars (LoCs) against wilful defaulters. In *Viraj Chetan Shah v Union of India*, the court held that this provision violated the fundamental right to life (Article 21) as well as the fundamental right to equality (Article 14). The government is reportedly contemplating a statutory basis for PSBs to initiate LoCs. While that may resolve an immediate legal problem, policymakers should take this opportunity to revisit the very concept of "wilful defaulter".

The wilful defaulter concept is unique to the Indian financial sector. Commercial lenders like banks and NBFCs have legal powers to classify certain defaulted borrowers as wilful defaulters. Once designated as such, serious penal consequences follow.

The wilful defaulter designation is akin to blacklisting a borrower, its promoters and directors from credit and equity markets. The RBI prohibits its regulated lenders from extending additional facilities as well as any credit facility for floating new ventures to a wilful defaulter. Similarly, SEBI prohibits a company from launching an Initial Public Offer (IPO) if such company or any of its promoters or directors is a wilful defaulter. SEBI also prohibits a listed company from issuing equity shares, convertible as well as non-convertible securities, if any of its promoters or directors is classified as a wilful defaulter. A wilful defaulter is also prohibited from submitting a resolution plan under the Insolvency and Bankruptcy Code, 2016. These implications make it critical that appropriate procedural safeguards are in place while designating a person as a wilful defaulter.

Recently, the Bombay High Court in *Milind Patel v Union Bank of India* added to the evolving jurisprudence on this subject. It held that a lender must follow natural justice and allow a borrower access to all relevant investigation material before designating him as a "wilful defaulter". The court imported the jurisprudence on the law of inspection from securities law as laid down by the Supreme Court in *T. Takano v SEBI*. This convergence in regulatory jurisprudence is indeed welcome.

Yet, it is hard to overlook the fundamental difference between a SEBI enforcement proceeding and a wilful defaulter designation proceeding. While the former is carried out by a statutory regulator which is expected to comply with natural justice and has the institutional capacity to do so, the wilful defaulter designation under RBI regulations is done by commercial lenders themselves.

This regulatory construct is legally problematic. A lender is a party to the credit contract and may not be an impartial arbiter in a wilful defaulter designation proceeding. For instance, the default could be the result of poor credit appraisal by the lender itself. A lender may, therefore, have strong incentives to push the blame for default onto the borrower by classifying it as a wilful defaulter. Such a wilful default classification does not affect the lender's provisioning obligations either. Therefore, by making the lender the sole judge of wilful default, the regulations compromise a cardinal principle of natural justice — *nemo judex in causa sua*, that is, no one can be a judge of his own cause.

This peculiar institutional arrangement is the outcome of a multi-layered process of institutional change over time. The first layer of institutional design was initiated by the Central Vigilance Commission in 1998. It instructed RBI to collect information on wilful defaults of Rs 25 lakh and above, and disseminate the same to reporting banks and financial institutions. The RBI issued a scheme in February 1999 mandating banks and financial institutions to report quarterly details of wilful defaults which had occurred or were detected after March 31, 1999. Since this scheme involved only information sharing, there was no pressing need for procedural safeguards while designating a wilful defaulter.

The second layer of institutional design was initiated by the Parliamentary Standing Committee on Finance in December 2000. It recommended blacklisting of wilful defaulters from institutional finance as well as equity markets but did not suggest any commensurate procedural safeguards. The RBI circular on wilful default in 2002 introduced these penal measures for the first time. RBI kept on updating these through circulars, primarily on account of judicial intervention. Procedural safeguards, however, did not receive their fair share of regulatory attention till the Supreme Court decision in *Jah Developers* in 2019. In September 2023, RBI released a draft master direction on the treatment of wilful defaulters and large defaulters proposing to update the procedural safeguards.

It is important to recognise here that the basic institutional arrangement of commercial lenders designating wilful defaulters was originally intended for information sharing among banks and financial institutions. It was not intended for blacklisting borrowers from financial markets. Yet, this arrangement continues unquestioned when the ultimate purpose of the wilful defaulter designation has changed from information sharing to blacklisting.

The Bombay High Court decision in *Milind Patel* is a timely reminder that the current institutional arrangement for wilful defaulter designation is deeply problematic. While the court has provided a working solution by mandating commercial banks to follow natural justice principles, the larger question for policymakers is whether the wilful defaulter concept itself has outlived its utility.

In 2002, it probably made sense when India did not have a modern corporate insolvency law. In 2024, when a company defaults, financial creditors like banks and NBFCs can simply trigger the Insolvency and Bankruptcy Code and take over the company's business irrespective of whether such default is wilful or not. In this contemporary institutional setting, is there any practical utility in continuing with the convoluted wilful defaulter framework to blacklist borrowers, their promoters and directors from financial markets and issue LoCs against these individuals?

The writer is Associate Director (Research), Shardul Amarchand Mangaldas & Co. Views are personal

LETTERS TO THE EDITOR

COST OF NEGLIGENCE

THIS REFERS TO the editorial, 'Blaze in hills' (IE, May 8). The raging fires engulfing Uttarakhand's forests have again turned the spotlight on the problem of forest fires in India. They devour precious green cover posing a grave threat to human settlements, wildlife and the fragile ecosystem. It is disheartening to note that a significant number of these are attributable to human error. The need for stringent enforcement of laws cannot be overstated. Moreover, the Forest Survey of India's alarming data on forest fires paints a grim picture, with Odisha emerging as the worst-hit state. The correlation among climate change-induced droughts, soaring temperatures and the spike in forest fires demands urgent attention from policymakers.

Khokan Das, *Kolkata*

NOT OUR JOB

THIS REFERS TO the article, 'Sugar and spice, not all nice' (IE, May 8). Our supermarket shelves are overflowing with hundreds of varieties of spices. However, consumers neither have the time nor the access to information to ascertain the quality of the products they buy. The onus is on the FSSAI, which ought to have carried out stringent safety checks. One wonders if FSSAI and/or other such institutions have the wherewithal to carry out quality checks. Looking to allay concerns over adulteration and contamination through surveillance, testing and enforcement, the FSSAI can play a bigger role in promoting food safety and building consumer confidence in our food industry.

S S Paul, *Nadia*

STRIKE A BALANCE

THIS REFERS TO the article, 'Playing the field' (IE, May 8). There is no permanent enemy or friend in international relations, only national interests remain a priority. In this context, the writer has correctly highlighted the opportunities as well as challenges that middle powers like Europe and India face while securing their strategic autonomy in the superpower game. Active engagements of India with like-minded countries have produced better opportunities in recent years such as the grand success of G20, a balanced approach to the Ukraine crisis etc. Yet, solving the "China puzzle" will be the nation's biggest challenge in the coming years

Jagmohan Chaudhary, *New Delhi*

THIS REFERS TO the article, 'Playing the field' (IE, May 8). While China is closing the gap with the US economically, the latter is still politically and militarily too far ahead. Alliances with like-minded nations in Europe, Asia and the Middle East give genuine heft to American leadership. While China has influential economic relationships with most of the world, these do not translate into real political power. Xi's latest tour to Europe is an attempt to close this gap. India too can balance its relationships with the USA and China by cultivating a robust European vector.

Shubhada H, *via email*

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If there are questions of current or contemporary relevance that you would like explained, please write to **explained@indianexpress.com**

Do marriages need to be registered? What happens if they aren't?

APURVA VISHWANATH
NEW DELHI, MAY 8

THE SUPREME Court last week ruled that a Hindu couple who had appeared before it had "never acquired the status of husband and wife", as they had registered their marriage under the Hindu Marriage Act, 1955 (HMA) before performing wedding rituals. The SC ruled that the couple, who had filed divorce cases, need not get a divorce because they were never married in the first place.

The apex court's observations spotlight various issues on the registration and solemnization of a marriage, and its necessity.

What is a solemnized marriage?

Solemnizing a marriage refers to the performance of an official marriage ceremony, with appropriate rituals.

In India, marriage is largely governed by a gamut of personal laws, and the Special Marriage Act, 1954 (SMA). Though codified through statute, these personal laws are essentially practices ordained by religion, with each religion having its own set of 'requirements' for a marriage — a marriage is 'valid' when these requirements are met.

For instance, for Hindus and Christians, marriage is a sacrament, or a religious bond. Rituals such as *kanyadaan* and *saptapadi* (*saat phere*) solemnize a Hindu marriage. Section 7 of the HMA codifies these requirements, and names *saptapadi* as an essential ritual.

For Christians, a ceremony in church based on local customs is regarded as a valid marriage. For example, for some Tamil Christians, this involves tying of a *thaali* — a chain with a cross on the pendant in church.

Under Muslim law, however, marriage is a contractual obligation. A valid marriage requires the consent of both parties, in writing, and in the presence of witnesses. In practice, this entails both parties giving vocal consent, and signing a *nikahnama* (an Islamic marriage contract) in the presence of witnesses and a *qazi*.

And what are registered marriages?

The registration of a marriage after it is solemnised as per rituals is different from a 'registered' marriage.

Terms like 'court marriage' or 'registered marriage' refer to a non-religious or civil marriage under the SMA, which is a secular law. A marriage performed under this law is essentially a solemnization in 'court' (a registrar's office) without any rituals.

However, marriages under personal laws (such as HMA) become valid only after the performance of rituals prescribed by religion. A marriage without any rituals is only valid under the SMA.

Section 8 of the HMA gives power to the state to register marriages solemnised as per the requirements of Section 7. Similarly, the Indian Christian Marriage Act, 1872, provides the procedure for the solemnization of Christian marriages and their registration.

For Muslims, a *nikahnama* issued by a *qazi* outlines the terms of the marriage. Although not a public registration under a statute, this registration form is widely adopted. Apart from this, several states have their own laws for the registration of Muslim marriages and divorce.

EXPLAINED LAW

What if a marriage is not registered?

Although there is a central legislation on marriage registrations — the Births, Deaths and Marriages Registration Act, 1886 — it does not have a robust application to marriage, unlike the effort to record births and deaths. States have their own laws, and in some states like Karnataka and Delhi, registration of a marriage is mandatory.

A certificate of marriage registration is useful for various official purposes where the spouses need to declare that they are married — for instance, applying for a spousal visa or joint medical insurance. However, not registering a marriage cannot be the sole ground to declare it invalid — since registering a marriage itself does not make it valid.

When the validity of a marriage is contested, then a marriage certificate alone is not enough to prove the marriage. An exception to this is a certificate under the SMA which is "conclusive" proof of marriage. Section 13(2) of the SMA states that "on a certificate being entered in the Marriage Certificate Book by the Marriage Officer, the Certificate shall be deemed to be conclusive evidence of the fact that a marriage under this Act has been solemnized and that all formalities respecting the signatures of witnesses have been complied with".

In Muslim and Christian marriages too, registration takes place almost immediately after solemnization, which makes for more reliable evidence. This is unlike a Hindu wedding, where the priest performing the ceremony does not routinely certify the marriage.

However, in law, there exists a general presumption of marriage when a man and woman have cohabited continuously, even if there is no direct evidence of marriage. Section 114 of the Indian Evidence Act states that "the Court may presume the existence of any fact which it thinks likely to have happened, regard being had to the common course of natural events, human conduct and public and private business, in their relation to the facts of the particular case."

A 'valid' marriage as per rituals might be key in determining who is a rightful spouse when there are claims by multiple cohabiting partners. These aspects become crucial in bigamy trials and inheritance suits. In a bigamy case, a man has to prove that one of his marriages is not valid to not be charged for marrying twice. In an inheritance case, the validity of a marriage is questioned to disinherit a spouse. Evidence of a valid marriage can be proof of performing a valid marriage as per rituals (through photos, witnesses etc); and proof of long cohabitation as spouses through acceptance by family, friends or even children. A marriage certificate has corroborative value in these cases, but cannot be counted as evidence in itself.

EXPLAINED GLOBAL

WHY VIETNAM WANTS US TO CHANGE ITS 'NON-MARKET ECONOMY' STATUS

ALIND CHAUHAN
NEW DELHI, MAY 8

VIETNAM HAS been pushing the Biden administration to change its "non-market economy" classification to "market economy" to avoid high taxes imposed by the United States on the goods imported from the Southeast Asian country.

Communist Vietnam has been on Washington's list of non-market economies for more than two decades — a list which comprises 12 countries, including Russia and China.

The US Department of Commerce is currently reviewing Vietnam's status. The review is set to end by late July.

What are 'non-market economies'?

The US designates a country as a non-market economy based on several factors. These are: if the country's currency is convertible; if wage rates are determined by free bargaining between labour and management; if joint ventures or other foreign investment are allowed; whether the means of production are owned by the state; and if the state controls the allocation of resources and price and output decisions. Other factors like human rights are also considered.

The 'non-market economy' label allows the US to impose 'anti-dumping' duties on goods imported from designated countries. In international trade, dumping refers to when a country's export prices are intentionally set below domestic prices, thereby inflicting harm to industries in the importing country. Anti-dumping duties compensate for the difference between the imported goods' export price and their normal value.

The level of anti-dumping duties is determined by relying on a third country — say, Bangladesh in Vietnam's case — which is a classified as a 'market' economy. The US would then assess the value of a product to be imported from Vietnam based on what it is worth in Bangladesh — and then assume that this is the supposed production cost to a Vietnamese company.

Assembly line at a garment factory in Ho Chi Minh City. *The NYT*

Why does Vietnam want the 'market economy' status?

Vietnam has argued that it has recently implemented economic reforms which should get its name off the non-market economies list.

The country does meet a number of criteria for the status to be changed. For instance, Vietnam allows foreign investment, and wages are determined by free negotiations between workers and management, according to a report by the Center for Strategic and International Studies (CSIS), a Washington-based think tank.

The change in status will help Vietnam get rid of the anti-dumping duties, making its products more competitive in the US market.

What are the challenges?

US steelmakers and the American Shrimp Processors' Association have asked the Biden administration to not change Vietnam's status, citing the country's restrictions on land ownership, its weak labour laws, and lower shrimp duties.

Also, eight US senators and 31 members of the House of Representatives have claimed that the change in Vietnam's status "would aid Chinese state firms that have invested heavily in Vietnam, by letting them more easily circumvent US tariffs on their goods," according to a report by *Reuters*.

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EXPLAINED FOREIGN POLICY & DIPLOMACY

The India-Nepal border issue

The Prachanda cabinet's decision to put a map showing areas in India as part of its territory on a new currency note has drawn a strong reaction from New Delhi, and is seen as provocative by many in Nepal. What is the history of this disagreement, and of the efforts at its resolution?

YUBARAJ GHIMIRE

NEPAL'S CABINET last week decided to put a map on its Rs 100 currency note showing certain areas administered by India in Uttarakhand as part of its territory, provoking External Affairs Minister S Jaishankar to say that such "unilateral measures" by Kathmandu would not change the reality on the ground.

The territorial dispute is about a 372-sq-km area that includes Limpiadhura, Lipulekh, and Kalapani at the India-Nepal-China trijunction in Uttarakhand's Pithoragarh district. Nepal has claimed for long that these areas belong to it both historically and evidently.

The map was adopted by consensus in Nepal's Parliament four years ago. The Prime Ministers of India and Nepal have agreed to have the boundary issue examined and settled through diplomatic channels. Following the Nepal cabinet's decision, Jaishankar said on May 4 that "discussions about our boundary matters [are ongoing] through an established platform", but it would appear that Kathmandu is not happy with the pace and urgency of that process.

Unlike in 2020, when the new map was adopted, the May 2 decision to put it on the currency note has met with scepticism and criticism in Nepal.

Genesis of the issue

The Treaty of Sugauli at the end of the Anglo-Nepalese War of 1814-16 resulted in Nepal losing a chunk of territory to the East India Company. Article 5 of the treaty took away the jurisdiction of Nepal's rulers over the land to the east of the Kali River.

Buddhi Narayan Shrestha, an expert on boundaries, said that maps issued by the British Surveyor General of India in 1819, 1821, 1827, and 1856 showed the Kali River as originating in Limpiadhura. The next map, published in 1879, used the name of the river in the local language: "Kuti Yangti".

The map that was published in 1920-21 retained the name Kuti Yangti — but it identified a different "Kali". This new Kali was

shown as a stream originating from a temple site, and joining the main stream about a kilometre downstream. However, the last map issued by the British before they left India in 1947 showed the initial position of the Kali River originating in Limpiadhura, Shrestha said.

According to Shrestha, villages in this area — Gunji, Nabhi, Kuti, and Kalapani, also known as Tulsi Nyurang and Nabhidang — were covered by the Nepal government census until 1962, and the people paid land revenue to the government in Kathmandu. However, the situation changed after the war between India and China that year.

Bishwabandhu Thapa, a former Home Minister of Nepal who is now 93, said India's Prime Minister Jawaharlal Nehru approached King Mahendra of Nepal asking for permission to use Kalapani, which was strategically located close to the trijunction, as a base for the Indian Army.

Dr Bhekh Bahadur Thapa, who served as Nepal's Foreign Minister in 2005-06 and as Ambassador to India during 1997-2003, said that even though Indian officials claimed in bilateral talks later that King Mahendra gifted the area to India, the issue was never resolved.

India-Nepal talks

Several prominent personalities who have officially represented Nepal in bilateral talks claimed that Prime Minister I K Gujral (April 1997-March 1998) had promised to give up these areas if Nepal was able to produce evidence for its claim.

In July 2000, Prime Minister Atal Bihari Vajpayee assured the visiting Nepal PM G P

Nepal's Prime Minister Pushpa Kamal Dahal Prachanda with Prime Minister Narendra Modi. *Prem Nath Pandey*

Koirala that India had no interest in even an inch of Nepali territory — however, the mechanism led by the two foreign secretaries did not make progress.

The visit of Prime Minister Narendra Modi to Nepal in 2014 gave rise to hopes of a resolution of all contentious issues. He and his Nepali counterpart, Sushil Prasad Koirala, agreed to set up a boundary working group for speedy settlement of the border issue in Kalapani and Susta, a 145-sq-km area that had fallen on the Indian side after the River Gandak changed course.

After returning from India on June 3 last year, Nepal's Prime Minister Pushpa Kamal Dahal Prachanda claimed that Modi had assured him that the border issue would be sorted out at the earliest; however, there was no mention of this in the official statement at the end of the official visit.

Frictions in bilateral ties

The goodwill of the 2005-14 period when India mediated the transition of the Hindu Kingdom into a secular federal republic, evaporated in 2015 after the Maoists rejected outright the suggestion of New Delhi, conveyed through then Foreign Secretary Jaishankar, that Nepal's new constitution should be delayed until the concerns of the Terai parties were addressed.

The 134-day blockade of Nepal that began in September 2015 created significant distrust against India, and K P Sharma Oli, who took over as Prime Minister that October, quickly moved to sign a trade and transit agreement with China in order to create a fall-back source for the supply of essential goods.

In February 2018, Oli, chairman of the Communist Party of Nepal (Unified Marxist Leninist), returned as Prime Minister with a massive mandate in the first election held under the new constitution. In 2020, he took the lead to build the consensus in Parliament for Nepal's new map that formally included the 372 sq km in Uttarakhand, and pledged to bring it back.

India decried Nepal's "cartographic aggression" as unacceptable, but said the issue would have to be sorted out through diplomatic channels, on the basis of evidence. It is noteworthy that the cabinet decision on printing the new Rs 100 notes has come less than two months after Oli's party joined the ruling coalition in Nepal.

While the manifesto of Oli's CPN (UML) promised to bring these areas into Nepal, successive governments in Kathmandu have over the years taken up issues of "border encroachment" with both India and China, Rajeshwar Acharya, Nepal's former Ambassador to China, said.

2024 different from 2020

Unlike 2020, when the new map was adopted by Parliament, there is no visible consensus on putting the map on the currency note. The UML and Prachanda's CPN (Maoist Centre) are together in the ruling coalition, but the Nepali Congress, the main opposition and largest party in Parliament, is yet to make a statement on this issue.

Chiranjivee Nepal, economic advisor to President Ram Chandra Poudel and a former Governor of Rashtra Bank, Nepal's central bank, has described the cabinet decision as "unwise" and "provocative". Many others, too, believe the issue should be settled through dialogue without actions that may invite extreme steps by India. However, based on a preliminary assessment, the government appears hopeful that with better road connectivity with China, the hardships of Nepalis in the event of a 2015-like blockade will be far less.

Nepal sorted out its boundary issues with China in the early 1960s through bilateral meetings of the boundary commission. Nepal's former Prime Minister Kirtinidhi Bista had once quoted his Chinese counterpart Chou En-lai as saying that border issues, if left unresolved, turn into problems for the future generations that are difficult to address.

Despite the in-principle agreement on resolution through appropriate platforms based on evidence, India and Nepal have not fixed a timeframe or called a meeting for the purpose.

Baroda Dynamite Case, in which George Fernandes was sent to Tihar jail

SHYAMLAL YADAV
NEW DELHI, MAY 8

THE SUPREME Court on Tuesday heard arguments on granting interim bail to Delhi Chief Minister Arvind Kejriwal, to enable him to campaign in the ongoing Lok Sabha election. During the hearing, the SC, in passing, recalled how George Fernandes had once contested an election from jail, and won by a huge margin.

EXPLAINED HISTORY

George's triumph from Tihar

George was a firebrand trade union leader, who won his first Lok Sabha election from the Bombay (South) constituency in 1967, defeating Congress stalwart S K Patil on a Samyukta Socialist Party ticket. In 1974, he led India's biggest ever railway strike.

When Emergency was declared on June 25, 1975, he went underground. George was eventually arrested in Calcutta (Kolkata) on June 10, 1976, sent to Delhi's Tihar jail, and charged in the Baroda Dynamite Case.

After the Emergency was lifted in 1977, George contested from the Muzaffarpur seat in Bihar on a Janata Party ticket, while still in prison. Hundreds of his friends and followers, including trade unionists from Bombay, students and Lohiaite teachers from Delhi University, and young supporters from all over India fanned out in his constituency to campaign for him.

Out of the 5.12 lakh votes polled, George got 3.96 lakh (more than 78%), while Congress candidate Nitishwer Prasad Singh got only a little more than 12%. George went on to become a minister in Morarji Desai's government, and was first given charge of Communications, and then of Industry.

Baroda Dynamite Case

In 1976, George and two dozen others —

George Fernandes greeting his supporters at Delhi's Tis Hazari court on March 22, 1977. *R K Sharma/Archive*

including then Rajya Sabha member Viren J Shah, the Bombay socialist leader G G Parikh, then reporter of *The Indian Express* in Ahmedabad Kirit Bhat, and then reporter of *The Times of India* in Baroda K Vikram Rao — were booked for waging war against the state.

According to the charge sheet, police found 836 sticks of dynamite and fuse wires from the premises of a private transporter in Vadodara on March 8-9, 1976. The CBI took over the investigation on March 23. Two cases were registered by Delhi Police, which too, claimed to have recovered explosives, and three cases were registered by Bombay Police in connection with an explosion at a railway bridge in that city. All these cases too, were transferred to the CBI, and together constituted the Baroda Dynamite Case.

CBI filed a charge sheet on September 23, 1976. George was accused of procuring large quantities of dynamite and accessories with the objective of overawing the government by blowing up road and rail bridges, disrupting communications, and creating conditions of anarchy. The trial was held at the court of the Chief Metropolitan Magistrate in Tis Hazari in Delhi.

Efforts to withdraw the case began immediately after the Janata Party government took oath on March 24, 1977. Co-accused K Vikram Rao, one of George's co-accused, told *The Indian Express* on Wednesday: "We were released on March 22 (1977), the day the results of the Rae Bareli Lok Sabha seat was declared (and Indira Gandhi was defeated)."

On March 26, an application for withdrawal of the case was moved in the court of Chief Metropolitan Magistrate M Shamim, which said, "in public interest and changed circumstances, the Central Government has desired to withdraw from the prosecution of all the accused". The magistrate agreed to allow the withdrawal of the case.

However, two criminal revision petitions were filed in Delhi High Court against this order in 1977. Both were dismissed by the High Court.

Subsequently, a Special Leave Petition was filed in the Supreme Court against the High Court order. On May 3, 1980, the top court dismissed the petition, along with similar other petitions.

Active in politics till 2010

George went on to represent Muzaffarpur in Lok Sabha on Janata Dal tickets in 1989 and 1991, and Nalanda, also in Bihar, on Samata Party tickets in 1996, 1998, and 1999. George was the convener of the Atal Bihari Vajpayee-led National Democratic Alliance (NDA), and Defence Minister in Prime Minister Vajpayee's government from 1999 to 2004.

In 2004, he returned to Muzaffarpur on a Janata Dal (United) ticket and won. After being denied the party's nomination in 2009, George contested as an Independent and lost. However, JD(U) chief Nitish Kumar, sent him to Rajya Sabha the very same year, where he served for a year. He passed away at the age of 88 on January 29, 2019.

EDITORIAL

When we can't hurt our enemies, we hurt our friends — John le Carré

INDIAN EXPRESS IS NOT AN INDUSTRY. IT IS A MISSION.
— **Ramnath Goenka**

PROTECT THE VICTIMS BRAVING PRESSURE IN KARNATAKA VIDEO CASE

THE depraved acts of men with a sense of entitlement are now a matter of public scandal and political opportunism. Whatever allegedly happened in Hassan MP Prajwal Revanna's official quarters and residence, the brouhaha over the whistleblower and the distribution of the videos is entirely misplaced. Rather, the public and the state machinery should focus on where the accused MP is and when he will surrender. It is shameful that a Lok Sabha member is evading the law with impunity.

The video clips have changed the political dynamics in the state and could impact electoral fortunes. Until such time that the investigation gathers pace and the MP and his father H D Revanna are questioned by the Special Investigation Team, the parties are busy playing blame games. The BJP is blaming the Congress for the sordid drama, its timing, and for allowing Prajwal to leave the country; the Congress is taking the moral high ground and accusing the BJP, especially the prime minister and home minister, of supporting the candidate despite knowledge of his shenanigans. Both parties claim the other is complicit, and will benefit from the sex, lies and unravelling videotapes. The JDS is doing its best to salvage its reputation and that of patriarch H D Deve Gowda. JDS leader H D Kumaraswamy is blaming Deputy Chief Minister D K Shivakumar and demanding his resignation in the hope of deflecting attention. He has already denounced the SIT as a "puppet" of Congress leaders.

With this slugfest in the background, many of the exploited women are coming forward to file complaints against the Revanna men. They should be lauded for their bravery in taking on the might of a political family, besides dealing with the trauma of facing societal stigma. It is reassuring that the women are under the SIT's protection, but they and their families cannot lie low forever. Most of the women, being from the lower strata of society, may not be able to handle their me-too moment when the legal proceedings begin. Instead of politicking, the ruling and opposition party leaders should unequivocally condemn the transgressions, stand by the women and ensure they get justice. With technology available to track the digital trail of the videos' origin, investigators should swiftly bring the perpetrators to book and ensure the case does not get further entangled in power politics.

BJP IS NO LONGER AN OUTSIDER IN KERALA

THE time after voting is when every political party comes up with claims regarding the number of seats they are going to win. Everyone is at their optimistic best, at least in public. The UDF, which had won all but one seat in 2019, is projecting a victory of a similar magnitude. The LDF seems confident it will not have to face the humiliation of 2019, when it saved face with a lone seat. While the two leading fronts are busy deciphering the turnout, there is one thing on which they quietly agree—that the BJP has become a political force to reckon with in the state.

This was an election in Kerala that the BJP contested with a seriousness not seen earlier. The party put up a strong fight in five constituencies and may influence the outcome in many others. In 2019, too, the BJP had a strong campaign in the backdrop of the Sabarimala agitation, but the entry of Rahul Gandhi into the state's political terrain as a candidate from Wayanad tilted the anti-LDF votes in favour of the UDF. But 2024 offers a different picture. Few see the chances of the Congress emerging as a big winner this time. The Gandhi factor has considerably waned. With most voters already anticipating a third term for Narendra Modi, the odds against the BJP are considerably lesser this time. Another factor that may have worked in favour of the BJP is the palpable antagonism between the two leading fronts, which ensured that there was no tactical vote transfer against the BJP this time.

It is still too early to say whether the BJP will win a seat this time, but it can be stated that the party's vote share will likely increase. An important factor is that the BJP is no longer seen as an outsider in the state after the son and daughter of two former chief ministers, Anil Antony and Padmaja Venuopal, joined the party. If the BJP's central leadership can provide for a credible leadership in the state unit and the party gains votes beyond its pocket strongholds, then Kerala will no longer be an insurmountable terrain for it. If that happens, the state's political story will change forever.

QUICK TAKE

HELPING IT OVER AI BUMP

LEADERS of some of the biggest tech firms in India and abroad—TCS, HCL and Nvidia—have warned about AI drastically reducing coding and call centre jobs in the near future. TCS chief K Krithivasan said the crunch could come "within a year". This will be a hard hit on IT services, one of the biggest job creators in India's formal sector. By one estimate, more than 16 million workers will need upskilling by 2027 to avert the avalanche. This will be a massive task for private companies especially when their market seems weak. The government needs to treat the industry as a strategic one and lay out a roadmap.

Washington is telling Delhi indirectly that it cannot simply let slide an attempt to murder someone on its soil. India should heed the message and think creatively

SOUR NOTES IN THE LOVEFEST WITH AMERICA

K P NAYAR Strategic Analyst

SOURAV ROY

AN assassination plot on American soil reveals a darker side of Modi's India,' an exhaustive report claimed to be 'exclusive' by *The Washington Post* and published on April 29, is noteworthy for more reasons than merely its contents. This has been completely lost sight of in India—in the government's response to the report, in the praise of the story by opponents of the BJP-led government and in opinionated criticism of the newspaper, which is a reliable window on Washington's affairs.

Pronouncedly, a day after the publication of the article, the *Post's* Editorial Board thus described in its front-page opinion, about the attempted assassination of United States citizen and Sikh activist Gurpatwant Singh Pannun on American soil: "A murder plot that cannot be ignored: India must come clean at last." Opinions on their front pages by well-regarded US newspapers are not written every day. The *Post's* Editorial Board has expressed itself on India in its almost sesquicentennial history on rare occasions. The Pokhran II nuclear tests in 1998 was one such. The April 30 front-page opinion on the assassination plot against Pannun is also noteworthy for reasons which go beyond the views that the editorial conveyed.

Noteworthy is the key word. Not praiseworthy. *The Post's* revelations and opinions must be set against the three deferrals of US National Security Adviser Jake Sullivan's visit to India in the last five months. The Joe Biden administration is clearly putting the brakes on high-level visits to India by its top officials. Such hints began last October, when President Biden decided to sit on an invitation to be the chief guest at the Republic Day parade on January 26, 2024. After Indian diplomats repeatedly badgered the president's top aides, it was finally conveyed to India as late as December that Biden had opted to turn down the invitation.

Graciously, French President Emmanuel Macron agreed to be a substitute to Biden and salvage the January 26 celebrations, although the Élysée Palace was approached only in the second week of December. The White House is making obvious such distancing from India in opaque, but unmistakable messages, which are meant to make official New Delhi sit up and think.

In stark contrast, highest-level policymakers from Washington are trooping into Beijing one after another, making a mockery of what Biden's aides are telling the Modi government: that it seeks to work with India on reining in China.

This trend is not confined to the US administration. On April 16, the government hastily notified in the Gazette of India 100 percent foreign investment in some categories in the space sector and approval through the automatic route. These had been decided by the Union Cabinet in February, but subsequently put on the backburner. The haste was because space entrepreneur Elon Musk, among the richest persons in the world, made known his plans to visit India on April 21 and meet Modi. On the cards was a $3-billion investment announcement by Musk's companies during his visit. In New Delhi, invitations were sent out for some of Musk's events. Then, abruptly, on the eve of his departure from the US, Musk announced the cancellation of his trip, citing "very heavy Tesla obligations".

A week later, Musk turned up in China and met Premier Li Qiang instead of the Indian leader. It is well known that America's corporate honchos take the advice of the US government on matters of their overseas involvement. Especially when their activities have a security dimension, such as Musk's forays into the space business.

In 2020, Jeff Bezos, another of the world's richest men, owner of *The Washington Post* and Amazon, was in India. Not only was his request for a meeting with Modi turned down, no Union minister or top bureaucrat gave him an appointment. "*The Washington Post* editorial policy is highly biased and agenda-driven," said the BJP foreign affairs department in-charge, Vijay Chauthaiwale, at that time about India's ill-considered snub to Bezos. To make matters worse, Amazon came under the lens of Indian government agencies. It is time the powers that be in New Delhi shed such arrogance or be prepared to face a US backlash for their thoughtless actions.

The Post will justifiably deny any suggestion that its writings in the Pannun case were approved by the US government. The newspaper, it was clear however, was elaborately briefed by the Biden administration on the contents of its two articles. They contain details that only the most secretive agencies of the US government have access to. When the US Principal Deputy National Security Advisor Jon Finer was in India last December, India tried to wriggle out of its Pannun quandary. Finer was told that Vikram Yadav, the intelligence officer whom the US considers to be at the centre of the plot against the Khalistan propagandist, was no longer with the spy agency, the Research and Analysis Wing (RAW), and had been reverted to his parent organisation. Within hours, the White House issued a readout that "Finer acknowledged...the importance of holding accountable anyone found responsible".

The US is trying its utmost not to damage its relations with India, carefully nurtured by both countries since President Bill Clinton's historic visit in 2000. That is why US state department spokespersons have repeatedly declined after *The Post's* articles to go into details of this episode. Washington officially gave the heads-up to India that *The Post* was working on a story on the Pannun plot. The Biden administration is privately telling its Indian counterpart that it cannot let go of a plot hatched on its soil against one of its citizens.

The newspaper articles are meant to publicly convince India to do more, so that the conundrum can be put behind by the time post-poll governments take charge in New Delhi and in Washington. In meeting this imperative, India must go beyond recycling its old gripe that the Anglo-Saxon world is soft on terrorism directed against countries outside the Western alliance. Their double standards on terrorism will not change. India must, therefore, invent a more creative approach to this problem.

(Views are personal)
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CAN HIGHER RESERVATIONS HELP TACKLE INEQUITIES IN SOCIETY?

SUMANTH C RAMAN Political analyst, television anchor and author of *Sick Business: The Truth Behind Healthcare in India*

A central theme of the elections this year has been the caste census and the removal of the 50 percent cap that figures prominently in the Congress manifesto. Rahul Gandhi has been speaking about it at almost every campaign meeting and the BJP has not been able to effectively articulate its stand. Is a caste census necessary and should the cap on reservations be lifted?

The 2011 census says 16.6 percent of India's population are SCs and 8.6 percent STs. The data on OBCs is sketchy, with the government admitting to "errors" in data collection in the 2011 census. The Mandal Commission gave the percentage of OBCs at 52 percent, which declined to 41 percent in a 2006 NSSO survey. This is also contentious as between the 1980s and 2006, an additional 1,500 or so castes were added to the OBC list and such a significant decline was not believed to be feasible.

It is essential to know the caste-wise population to know if the benefits of reservation are reaching beneficiaries in an equitable manner. The reluctance to release data is not specific to the BJP. The Congress, too, carried out a survey in Karnataka in 2015 and did not release the data until February this year, after Rahul Gandhi started hinting at a caste census.

Any talk of higher quotas invariably involves the Tamil Nadu model, the only state to have 69 percent reservation. Though around 93 percent of Tamil Nadu comes under the reserved categories, the fact that it ranks consistently among the top states in most socio-economic, health and education indices is often touted as proof that more reservation could be the answer to persisting inequities.

The Dravidian movement that emerged during the early 20th century was one of powerful landholding classes against the then dominant Brahmin community that occupied most positions of power. Former CM M G Ramachandran felt reservation should be on economic criterions. Faced with strong backlash, he backtracked and went to the other extreme by increasing the 27 percent reservation for backward classes to 50 percent. Together with SC/ST reservations, the total went up to 69 percent. J Jayalalithaa got protection for this under the Ninth Schedule of the Constitution. This has continued despite the Supreme Court verdict in the *Indira Sawhney* case that capped reservations at 50 percent.

More than reservation, it is welfarism that has catapulted Tamil Nadu to its current position. The midday meal scheme for children was pioneered in the days of late CM K Kamaraj and expanded by MGR. Children studying in government schools get free uniforms, books, footwear, cycles, laptops and don't pay fees. Healthcare at government hospitals is

EXPRESS

> The TN model features in all talks on higher reservations. But it's a combination of welfare schemes that put TN on a higher trajectory. MGR raised reservations and expanded the midday meal scheme. Yet, decades of such policies haven't made the model perfect, especially for Dalits

largely free. The state has the most engineering colleges and among the highest number of medical colleges in the country. The share of school finishers who go to college is the highest. The present government has added a breakfast scheme for school children, free bus travel for women within cities, and a scheme where over 1 crore women get ₹1,000 a month.

Combined with rapid industrialisation, the welfare measures have moved the state to a higher trajectory. Continuity of policies has also helped. Since 1967, the state has been ruled either by the DMK or AIADMK, both coming from a common ideological base.

But to say Tamil Nadu has a perfect system would be far from the truth. Multiple backward class commissions pointed out how a large chunk of reservation benefits have been cornered by a handful of powerful communities. They have recommended removing some dominant communities from the purview of reservation, but these castes now constitute significant vote banks and no political party dares implement these recommendations.

Dalits remain significantly oppressed, not too different from in many other states. Even today, there are separate burial grounds for Dalits, they are not allowed into some temples, honour killings occur when dominant-caste children marry Dalits, and parties hesitate to let them contest from general constituencies.

Thus the argument that more reservation would automatically lead to dramatic benefits is not borne out by evidence. But there is strong evidence that welfarism leads to better overall development.

The need for a caste census, though, remains. The reason for several parties dragging their feet is the fear of opening a Pandora's box. What if the census showed that some backward communities were not backward at all? Vote banks would be at risk. Across India, we have seen dominant castes like the Marathas, Jats and Gujjars clamouring for and in many cases getting a share of the pie. How would they react if reservations were withdrawn?

Rahul Gandhi stirred the pot with his "*Jitni abadi utna haq*" slogan that roughly translates as rights in proportion to population. This is a dangerous proposition even for his party—if the logic was extended to the delimitation exercise due in 2026, the Congress, which is largely a party of southern India today, would be wiped out. The southern states already feel they do not get their fair share from the Centre and the delimitation exercise threatens to take away their existing weightage in parliamentary representation.

Though reservation was always part of the manifestos of parties at every election, this time a lot of the talk is around the Congress game plan. Right now, no one knows for sure. Maybe not even the Congress.

(Views are personal)

MAILBAG

WRITE TO: letters@newindianexpress.com

Reservation caps

Ref: *Why the Sangh supports reservation* (May 8). The column emphasises that *samarasata* mindset is more important than mere equality slogans. The need for reservations will continue indefinitely as long as it applies to later generations of a family that has already become affluent. Unless there are restrictions on such eligibility, large sections will continue to be deprived despite a reckless increase in quotas.
R Kasthurirangan, Bengaluru

Anglo-Indian anguish

Why were reservations for Anglo-Indians removed on a blatant lie that there were less than 40 of them in India? There are over 4-5 lakh Anglo-Indians in the country. We now have nobody to speak for our community. We have been betrayed by the party that lauds the great Sardar Patel, who had fixed reservations for Anglo-Indians.
Philip R J Fowler, email

Anachronistic practice

Ref: *For an Akshaya Tritiya without child marriages* (May 8).Akshaya Tritiya has been a part of the calendar since time immemorial. But now the vileness of child marriage is perpetuated in the name of an auspicious day. At a time when normal marriages are on slippery ground in the name of living together, why should this ugliness continue in society?
Sanath Kumar T S, Thrissur

Gaza peace

The bloodshed in Gaza remains brushed aside on global agendas even after more than 200 days of war. It serves as a sobering reminder of how incapable humanity is of upholding the most fundamental ideals of justice and compassion. Global leaders should put collective efforts to combat it, ensuring the safety of the people.
Mahammed Irfan Uppingady, Mangaluru

Women candidates

Politicians of different hues had for long been advocating for women's reservation in parliament and recently passed a bill for it. So one wonders why parties advocating such reservation are not fielding women candidates for at least a third of the seats they are fighting for at these elections.
T Hanuman Chowdary, Hyderabad

Campus reputation

Most parents do not want their children to pursue professional courses in Kerala due to the politicisation of campuses, recurrent strikes, delayed examinations, and now Students' Federation of India hooliganism. One hopes this is regulated soon and Kerala's reputation does not suffer further.
Sajit Nambudiripad, Ottapalam

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