

Editorial



Surprise spike

October's inflation pace surpasses expectations, dashing rate cut hopes

India's consumer prices have gained fresh momentum over September and October, rendering the tangible softening in inflation to a pace below the official median target of 4% in the two months preceding them, a fleeting reprieve. From 3.65% in August, retail price rise had hit a nine-month high of 5.5% in September. To be clear, the Reserve Bank of India (RBI)'s Monetary Policy Committee (MPC), in its October review, had termed the inflation moderation as slow and uneven, and anticipated a reversal in September. A sharp surge in vegetable prices, particularly tomato, from the onset of the festive-packed month of October, and an uptick in edible oil prices after nearly two years of decline, had stoked anticipation that the inflation may end up a tad higher than September. However, the Consumer Price Index for October beat all economists' projections by a wide margin, to rise 6.2%, the highest since August 2023 when it was up 6.8%.

Food prices remained the key bugbear as they have been through most high inflation periods this year. However, the uptick was alarming at 10.9%, the highest since last July, with urban consumers facing a sharper 11.1% uptick. Within the food basket, vegetable prices boomed 42.2%, the highest surge in almost five years, led by tomato prices that more than doubled year-on-year. Global edible oil price spikes also weighed in along with pricier fruits. The Finance Ministry, in its economic review late last month, had highlighted that the current bout of inflation is driven by a few food items and is not feeding into other items of consumption. Core inflation (excluding food and energy) has been well under the headline inflation rate and continued to be comfortable, and sufficient food grain buffers with a healthy *khurif* harvest, it said, would alleviate price pressures. These assumptions may need a rethink. The Governor of the RBI, Shaktikanta Das, had noted that core inflation had bottomed out, and is beginning to show – personal care and effects' prices were up 11% in October. Even if food prices cool with fresh crop arrivals in coming months, other components of the price gauge are heating up. A durable decline in inflation that the MPC is waiting for to nullify interest rate cuts is now a poor prospect while hopes of a December rate cut are out of the window. That this coincides with a period of slackening growth momentum and notably waning demand in urban India bodes ill for private investments. Policymakers at the Centre must acknowledge the interlinked challenge of inflation and consumption, so that an attempt can be made to fix what they can with the fiscal tools at their disposal – be it tax cuts, or better food management.

Manipur's misery

The Centre must take the initiative in resolving the crisis

Ten armed militants were killed in an encounter with the Central Reserve Police Force (CRPF) and the police on November 11 in Manipur's Jiribam district, as ethnic conflict continues to pulverise the State. Officials said the deaths took place in retaliatory firing after the militia attacked security personnel and internally displaced people sheltered in the vicinity. Women, children and the elderly have been facing the brunt of the violence that began in May 2023. More than 250 people have been killed and 60,000 displaced since the conflict between Meitei and Kuki-Zo communities began. Three women and three children, including an eight-month-old infant, were allegedly abducted and two elderly persons were burnt to death on Monday in Jiribam. The victims were among the 13 Meitei people who were already displaced from their homes in June. Two of the 10 weapons found at the encounter site had been looted from the police, an indication of the serious governance crisis in the State. The Kuki Students' Organisation has called for 'non-cooperation' with the CRPF, claiming that the militia men were on a security patrol.

The Bharatiya Janata Party State government led by Chief Minister N. Biren Singh has been unable to quell the violence or reassure the Kuki communities that consider him to be partisan. That leaves the entire responsibility of managing the conflict on the shoulders of the Centre. In October, the Ministry of Home Affairs organised a meeting with political representatives of both the Kuki and Meitei communities but no meaningful progress towards peace could be achieved. Kuki outfits are demanding the creation of a Union Territory with legislature which will require a division of Manipur. Ethnic relations in India's northeast are extremely complex, and violence, once it erupts, can continue for a long spell. Kuki representatives continue to express hope in intervention by the Centre to resolve the conflict and that is an opportunity which the Centre must vigorously utilise. Central police forces and the Indian Army are also largely trusted by the Kuki, notwithstanding the incident involving the CRPF this week. In a porous border region populated by numerous armed militia groups, policing alone cannot restore peace and order. A lasting end to the violence can be brought about only through a political arrangement of accommodation and the coexistence of communities. Only the Centre has the resources and the capacity to attempt that. The fresh surge in violence is a setback, but the Centre must step up its efforts to ward off the Meitei and the Kuki communities towards peace.

The perfect cocktail of layered discrimination

Delimitation, the biggest elephant in the room called the Indian Union, is about to take centre stage. Statesmen such as Indira Gandhi and Atal Bihari Vajpayee appreciated the explosive potential of delimitation and kicked the can down the road, as it were, to be handled by a future generation. Here we are as that future generation. Do we kick the can further down the road? Do we detonate it? Or do we defuse it? We, the people of India, are at a historical crossroad. Will India remain a federal union? Or will it become an ethno-linguistic majoritarian mega state with minority ethno-linguistic minorities?

Federalism is part of the inalienable basic structure of the Constitution of India. The Indian Union is a federal union. States are the federating units. Most States find their basis in language and many States of the Indian Union are continuations of ethno-linguistic homelands that have existed for centuries or even millennia. This is precisely why the Supreme Court of India has termed States as political units and not arbitrary administrative units.

Indian unity was forged in the anti-imperialist struggle against British imperialism and that unity continues in independent India through a delicate balance of power distribution between federating units and ongoing dialogue between diverse peoples of the Indian subcontinent.

What is delimitation? Article 82 of the Indian Constitution requires that the number of Lok Sabha seats per State is recalculated after each Census by the Delimitation Commission, in accordance with the population. Delimitation last happened based on the 1971 census, when in 1976, the Indira Gandhi government suspended the delimitation process for 25 years, until 2001. It was further suspended for another 25 years by the A.B. Vajpayee government, and would lapse by 2026, unless another amendment is introduced. The freezing of delimitation was done in order not to disintegrate States that were effective in population control. However, the Narendra Modi government has given hints about undertaking fresh delimitation before the elections in 2029.

Delimitation as a threat

Total Fertility Rate (TFR) is a demographic indicator that estimates the average number of children a woman gives birth to during her reproductive years. Even today, TFR of non-Hindi States such as Kerala, Tamil Nadu and West Bengal is in the 1.6-1.8 range, below the replacement level of 2.1. The TFR of Hindi heartland States such as Bihar, Chhattisgarh, Madhya Pradesh, Rajasthan and Uttar Pradesh, at about 3.5, is well above the replacement level. This has been true for many decades and thus by now, a recalibration via delimitation will mean a radical decrease in the proportion of non-Hindi State seats in the Lok Sabha. For example, if



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a spokesperson of the Dravida Munnetra Kazhagam (DMK) party and the Deputy Secretary of the party's IT wing



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delimitation takes place, the proportion of seats in Parliament for the southern States would be reduced from 25% to 17% and the number of seats from Hindi heartland States where the Bharatiya Janata Party (BJP) has electoral dominance would increase from 40% to 60%.

States such as Karnataka, Maharashtra and Tamil Nadu already receive only about 30% of the total funds that contribute as direct taxes, while Bihar and Uttar Pradesh receive between 250% and 350% of their overall contribution. The decision of 16th Finance Commission to include the 2011 Census instead of the 1971 Census to devolve funds to States will be even more discriminatory to developed States. It is cause for worry that continuation of the same pattern would profoundly exacerbate the already existing bias against the non-Hindi States.

Fostering discrimination

India was conceived as a permanent, multi-ethnic, multi-lingual federal union, and not as a mono ethno-linguistic majoritarianism territory. The difference with states such as China and Russia is that they are only federal in name, the population being made of a ethno-linguistic group with a majority of upwards of 80% and several other small minority nationalities. In India's case, however, there never was a majority ethno-linguistic group. India is a federation of various ethno-linguistic stakeholders, none of whom is a majority in India. But the major ones among them form the basis of various linguistic States, where they are super majority. But with long-term differences of TFR among States, and thereby, ethno-linguistic groups, this long-settled pattern faces the threat of being unsettled. Since 1947, the population proportion of Bengali, Kannada, Malayalam, Marathi, Odia, Punjabi, Tamil and Telugu have all decreased while the population proportion of one language, Hindi, has massively increased, from 36% to nearly 43%; 43% is not too far away from the majority.

The ratio of Lok Sabha seats allocated to a State to the total number of Lok Sabha seats represents the Stakeholders Index of a State in matters of the Union. Delimitation will reward the non-performers of population control policies that will effectively dominate and determine the policy of the Union. The performers will have a declining say and will be reduced to being mere revenue contributors. The proportion of GDP and revenue from non-Hindi States is much greater than their population percentage while the proportion of GDP and revenue from Hindi States is lesser than their population percentage.

Post delimitation, States such as Bihar and Madhya Pradesh, where the BJP is dominant, will have their Stakeholders Index nearly double, whereas States such as Kerala and Tamil Nadu where the BJP has one to zero seats will see it being reduced by 30%-40%. Such a situation would skew Indian democracy in favour of the

Hindi States, with other regions risking a loss of electoral dominance. Without electoral dominance and representation in the Union, this would further alienate the non-Hindi states.

Thus, the implementation of delimitation will create the perfect cocktail of layered discrimination. Non-Hindi States that have implemented population control measures successfully will lose a say in Union affairs. Non-Hindi States that contribute a majority of GDP, resources, revenue and taxes will lose say in how their monies are used. The 'unsuccessful' will create policies for the 'successful' with money from the 'successful'. No taxation without representation was the cry in the Boston Tea Party. In a similar vein, delimitation will further shrink the representation of States that produce taxes. This is a very risky and dangerous path to pursue. There is no place for any system in India where some States increasingly look like owners of an imperial centre while others mimic colonies. Therefore, it is necessary to balance two competing constitutional values: formal equality in voting and federalism.

Possible solutions

There can be many solutions. First, just follow what Mrs Gandhi and A.B. Vajpayee did and extend the freeze by another 25 years and defer to a future generation.

Second, permanently freeze delimitation as far as the India-wide redistribution of seats across States is concerned.

Third, go through with delimitation as envisaged. But supplement it with a long-due new grand federal compact such that the Concurrent List is abolished in favour of an expanded State list, all residual powers vested to the States and large-scale transfer of subjects are made from the Union list to the State list, keeping external defence, external affairs and currency in Delhi's hands. This would balance delimitation with decentralisation, softening the majoritarian blow inherent in delimitation.

Fourth, preserve the present seat proportion between States in the Lok Sabha but increase the number of seats in each State to partially offset the representational deficit of population explosion States.

India is a unique experiment. It is not an ethnic-linguistic majoritarian empire like Russia or China. It is not a mono-linguistic nation state such as Bangladesh and Thailand. India is like Africa or Europe, a tapestry of languages, ethnicities, cultures, civilisations and faiths, but with a crucial difference. It is bound in an inseparable political Union born in the crucible of anti-imperialist struggle with one, unified voice when speaking to others. India is the grandest experiment of plurality in modern human history. Majoritarianism and partisanship cannot be allowed to undo it and threaten its unity. History will not forgive us.

The CKM syndrome as the price of modernity

Cardiovascular Kidney Metabolic (CKM) syndrome, an alarming, intricate interplay of lifestyle and the influence of globalisation on health, is fast becoming a silent, global killer. It begins insidiously, often marked by a gradual rise in body weight and waist circumference that soon escalates into obesity, setting off a chain reaction in the body. Major organs such as the heart, the kidneys, liver and blood vessels bear the brunt, leaving those affected vulnerable to a startling risk – premature death.

In Tamil Nadu, a State known for its strong public health framework, the markers of well-being, i.e., life expectancy, infant and maternal mortality, and deaths from infectious diseases, fare better than the national average. Yet, even here, a troubling transition is underway. The Global Burden of Disease (GBD) report starkly illuminates the mounting burden of non-communicable diseases (NCDs), which account for 69% of premature deaths and 68% of years lost to disability.

According to the 2020 Tamil Nadu STEPS survey (the World Health Organization's step wise approach for NCD surveillance), 28.5% of participants were overweight. Further, 11.4% had obesity, 33.9% had hypertension and 17.6% had diabetes. This epidemic echoes the findings of the National Family Health Survey (2019-21), which places India's diabetes prevalence at 16.1% and obesity at a staggering 40.3%. Compounded by low awareness and poor glycemic control, especially among poorer communities, the result is an alarming public health crisis. In addition, hypertension – affecting 24% of men and 21% of women – remains inadequately managed, with less than one-fourth achieving target blood pressure control.

A new paradigm is essential. Without a shift in approach, the impact of the CKM syndrome on middle-aged individuals and on the economy at large will only deepen.

Health economics, the cost of CKM
Tamil Nadu's health expenditures tell a sobering story. Nearly ₹1,200 crore is spent annually on



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insurance premiums under the Chief Minister's Comprehensive Health Insurance Scheme (CMCHIS), covering 1.4 crore families. Topping the list of claims are coronary angioplasty and dialysis, which are both stark outcomes of the CKM syndrome. Meanwhile, the private sector has seen insurance premiums soar, tracking the rise in NCD cases over the past decade. While the aim of the UN's Sustainable Development Goals is also to reduce NCD deaths by one-third by 2030, the current trends of rising obesity, diabetes, and hypertension rates threaten not only those goals but also the health budget and the economy as a whole.

Need for integrated clinics

The American Heart Association recently laid emphasis on the importance of integrated care for CKM calling for a shift from segmented care to unified, simultaneous management of risk factors. Rather than isolating diabetes, hypertension, heart disease, and kidney disease, the association argues that health professionals should view them as symptoms of a broader metabolic condition.

Today's management models miss key opportunities for optimal, holistic risk assessment. Patients with multiple affected organs may see separate specialists for each issue, leading to fragmented care, drug interactions, repeated visits, and, ultimately, a loss in wages and productivity. An integrated clinic could address these issues, with a multidisciplinary team of a diabetologist, cardiologist, nephrologist, dietitian and physiotherapist working together. Public health teaching hospitals could make this a reality, acting as centres for training medical students and expanding the model to secondary- and primary-care levels.

Tamil Nadu's health efforts begin early. For pregnant mothers, the State's Muthu Lakshmi Reddy scheme provides direct cash transfers and nutrition kits, a step toward addressing low birth weight (a known precursor to future diabetes, hypertension, and kidney disease). Could the inclusion of protein-rich foods such as two eggs a

day for mothers from the fourth month of pregnancy, further improve outcomes? For the next generation – preschool through secondary schoolchildren – regular weight and obesity screenings could identify high-risk individuals early.

Since the 1960s, rice, which is a high glycemic food, has been widely accessible through the Public Distribution System (PDS), transforming the nutrition landscape. But this staple, while sustaining the population, has also contributed to obesity. In response, partial replacement of rice in the PDS with millets is essential.

In addition, replacement of common salt with low sodium salt can be considered as a pilot project as there is enough evidence for reduction of hypertension with low sodium salt in clinical trials. But there must be caution in people with heart or kidney ailments and where common salt is preferred.

Globalisation and CKM

The lifestyle of today, which is marked by long work hours and night shifts, has been called "the gift of globalisation", for better or worse. As Alex Soojung Kim Pang writes in his book *Rest*, the global economy demands that we ignore our need for rest, idolising workaholicism and dismissing rest as a weakness. In reality, rest is essential for productivity and creativity. Long working hours and frequent night shifts lead to brain fatigue and reduced secretion of happy hormones, often counterbalanced by eating super-palatable foods which are rich in salt, sugar and butter. Our physiology, however, tells a different story. Extended work hours disrupt hormone levels, with cortisol (the "stress hormone") driving unhealthy carbohydrate and lipid metabolism. The result is obesity.

Regulation of work hours and shifts, many argue, is as essential a public health measure as any medical intervention. In the end, the goal is simple. Not only does an economy grow, but there is also a society that lives longer, healthier and happier. We must pause and ponder over this today, which is also World Diabetes Day (November 14).

LETTERS TO THE EDITOR

Healthier living
Lifestyle management (Editorial page, November 13) is of utmost significance for the prevention and the control of Type 2 diabetes and cardiovascular diseases. A healthy diet in

conjunction with proper physical activities not only helps improve the quality of life but also cuts down on pharma purchases. Spreading awareness about healthy living and a healthy diet is important, especially

in remote parts of the country. Perhaps non-governmental organisations can hold camps demonstrating healthy ways of cooking, making diets nutritious and ensuring greater senior

citizen participation in physical activity.
Dr. Prabha Sharma,
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Food prices
The trinity of Indian kitchens – the tomato,

onion and potato – is progressively becoming unaffordable due to food inflation. There are recipes that can be made with local vegetables but which have fallen out of favour – *alu buharas* and *shakaranda*

come to one's mind or be replaced by those saturated with tomatoes and potatoes. Perhaps this is an opportunity to innovate instead of despair.
Nagarajamani M.V.,
Hyderabad

The impact of PMUY in Jammu and Kashmir

The International Energy Agency says about 681 million people in India rely on solid fuels for cooking. This poses serious health and environmental concerns. The Pradhan Mantri Ujjwala Yojana (PMUY) aims to promote the adoption of clean fuel by providing subsidised LPG connections to poor households. So far, the government has provided 10.3 crore LPG connections under this scheme. We studied the impact of the scheme in Jammu and Kashmir.



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traditional cooking methods, as well as the problem of affordability, which limits exclusive reliance on LPG.

The average number of LPG cylinders consumed per household in the last six months is 3.56, which indicates moderate usage. In Kulgam, the PMUY beneficiary households reported a higher adoption rate (3.54 cylinders) than eligible non-PMUY consumer households (3.21). In Rajouri, the adoption rate among PMUY beneficiary households is lower than general consumer households. The reliance on solid fuels such as firewood, with an average consumption of 226 kilograms per household in six months, reflects the dual-use cooking system.

One of the primary objectives of PMUY is to alleviate the health burden on women by reducing their exposure to indoor smoke from traditional cooking fuels. The survey revealed significant health benefits for women in households that adopted LPG under the PMUY, in Kulgam. Among BPL households, the incidence of respiratory problems, such as coughing, chest infections, and headaches, showed a marked reduction. Non-PMUY beneficiary BPL households reported a 24% incidence of coughing during the one-month period immediately preceding the data collection, while PMUY beneficiaries saw a drop to 21%. The reduction is even more significant in AAY households, where non-beneficiaries reported a 13% incidence of coughing, but beneficiaries saw it drop to 10%. Similar trends were observed for headaches and chest infections.

Households with additional appliances such as rice cookers, and educated members, also experienced better health outcomes. For instance, PMUY beneficiaries with rice cookers reported a reduced incidence of coughing (20%) compared to non-beneficiaries. Households where the main cook had secondary or above education saw

the incidence of chest infections drop to 4% among BPL households.

Barriers to exclusive LPG usage

However, certain barriers continue to hinder exclusive reliance on clean cooking fuel. The first is the lack of awareness about the health benefits of LPG. In the survey, 47% of the households were unaware of the health risks associated with solid fuel use. This is compounded by the fact that 64% of the households do not own a TV, and 33% of households reported that the female members responsible for cooking do not possess a mobile phone. These gaps in communication highlight the need for targeted awareness campaigns.

The second barrier is financial. The cost of refilling LPG cylinders remains a burden for many households. This often leads to fuel stacking, where households resort to cheaper but more harmful solid fuels. Fuel stacking remains prevalent in 85% of the households, underscoring the need for more comprehensive financial support to make LPG refills more affordable.

The study highlights the importance of awareness and access to modern appliances in promoting clean fuels. Households with greater awareness of health benefits of LPG reported higher LPG consumption (3.73 cylinders on average) and lower firewood consumption (216 kg) compared to those without such awareness. Also, households that did not perceive a taste difference between food cooked on LPG and traditional fuels were more likely to rely solely on LPG, with an average consumption of 4.27 cylinders. The availability of rice cookers correlates with a higher LPG usage (3.59 cylinders) as compared to households without these appliances.

Expanding the network of LPG distribution points in rural areas and extending financial support for refills could further increase clean fuel adoption.

Making promises but no plans

The Congress government is busy implementing programmes without thought

STATE OF PLAY

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The Congress rode to power in Telangana in December 2023 on the back of six guarantees and numerous other promises. Eleven months later, a few of the guarantees have been partially implemented, while some are still in the process of being implemented. However, there is a wide gap between planning and implementation, and two examples illustrate this.

The first is the ongoing socioeconomic survey, which is part of the promise of conducting a caste survey. Many people have complained of a shortage of enumeration forms. Social activists claim that only Telugu and English forms are being used in the multilingual State. A similar exercise for collecting data about all the citizens in the State was conducted by the previous Telangana Kshatras Samithi government on August 19, 2004. At the time, the State was virtually shut down, and 4,00,00 government employees were deployed to collect details of citizens. However, the data disappeared into a black hole. A decade later, citizens are wary of sharing their economic and financial information once again.

Their concerns are not unfounded. In a sworn affidavit to the Telangana High Court in 2022, the government had stated that it had cancelled 18.6 lakh ration cards since 2014, citing "bogus" or "duplicate" cardholders as the reason. However, social activists argued that these deletions, which deprived many families of cheaper food grains, were based on flawed linkages in



the Aadhaar database. In April 2022, the Supreme Court slammed the State and ordered it to conduct a verification programme for all the ration cardholders. This has not yet been carried out.

Now, the people are unwilling to share their data with data collectors in many parts of the State. They say that they had already shared data under a programme called the Praja Palana for new ration cards.

Another significant project of the State government, aimed at realising the Musi River, has run into policy troubles. The 50-kilometre stretch of the Musi River in Hyderabad presents numerous challenges. Waste and industrial effluents are dumped into the river, sewage is discharged into the river, and there are numerous encroachments for the creation of parking bays and warehouses. In addition, there are slums in many areas.

Instead of addressing the systemic issues of pollution and large-scale encroachments, the government has focused on one slum located along the river. About 165 families were relocated from one area of the river to two-bedroom homes about two kilometres from the site. However, the relocation did little to gain the trust of the people or assuage their concerns.

On October 2, 2024, the district collector announced a ₹25,000 displacement allo-

wance. But two days prior to this, the residents had already been relocated to their new dwellings. It was evident that there was no strategy in place.

A large-scale project such as this needed a proper rehabilitation policy in place, apart from a detailed project report, a solid plan for financing, and confidence-building measures. Instead, the government put up its plans on social media, showing the riverfront being transformed into a glass, chrome, and grassy waterfront with a string of bridges running across the river. Recently, the buffer zone of the river was increased from 30 metres to 50 metres on the advice of the Irrigation Department, which made more people wary of the project.

The cost of the project is another point of contention. A ballpark figure of ₹1,50,000 crore was floated. Chief Minister A. Revanth Reddy announced that it would be built entirely in the private-public partnership (PPP) model and the State would not incur any expense on it. But civil rights activists say the PPP model is exclusionary in nature. The area around the river is densely populated and some of the neighborhoods are poor. The area lacks parks and leisure spaces. They argue that a riverfront project built under a PPP model would be a ticketed affair, gentrifying the space and excluding the very people who live there.

It is time the Congress government gets its act together. Telangana needs socioeconomic survey data for examining its reservation policy. It also needs the Musi Riverfront Development Plan to rejuvenate the river. But the government must ensure that it has plans and policies in place before executing these and other promises.

Municipal corporations' tax revenue share rise in recent years

Corporations in the southern States — Karnataka, Telangana, and Tamil Nadu — are on top of the list in terms of own tax revenue generation

DATA POINT

The Hindu Data Team

In FY24, municipal corporations in India are estimated to generate 50% of their revenue from their own taxes, fees, and user charges. A further 25% comes from revenue grants provided by the Central and State governments. The remaining portion comprises rental income, compensations, and investment income, according to a recent Reserve Bank of India (RBI) report.

The Report on Municipal Finances shows significant improvement since the first edition released two years ago. The latest report examines the fiscal position of 232 municipal corporations from 2019-20 to 2023-24 (Budget Estimates or BE), focusing on the theme 'Own Sources of Revenue Generation in Municipal Corporations: Opportunities and Challenges'. The scope of the report has been expanded to include more municipal corporations. It is further enriched by findings from a primary survey on property taxes.

Charts 1 and 2 compare the revenue sources of municipal corporations — own tax, non-tax, and transfers, from the Centre/States — over two periods: the short term (FY24 compared to the year just before the pandemic) and the long term (FY24 compared to the year just before the implementation of GST). Transfers include revenue grants from the Finance Commission, State Finance Commission, State and Central government. In some cases, it may also include reimbursement for expenses and contribution towards schemes.

Short term: Chart 1 displays the components of revenue receipts for all municipal corporations in FY24 (BE) and FY20 (the year before the pandemic). As shown, the ability of municipal corporations to raise their own revenue through taxes, fees, and charges has improved in FY24

compared to FY20. Their dependence on Central and State government grants has decreased.

During this period, the share of revenue from own taxes increased from 27.3% to 30%, fees and user charges rose from 18.7% to 20.2%, while the share of revenue grants, contributions, and subsidies declined from 27.9% to 24.9%.

The share of compensations and rental incomes stayed the same (13% and 6% of the revenue receipts, respectively). Interest earned on loans and income from investments formed 1-2% of the overall revenue in both periods.

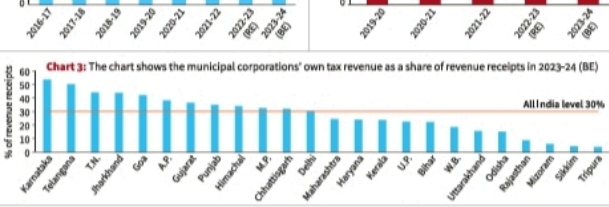
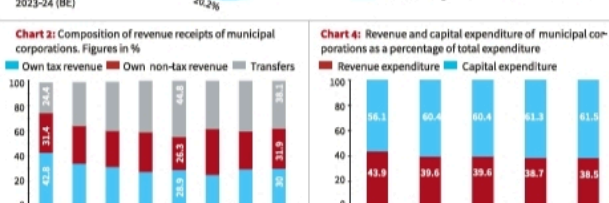
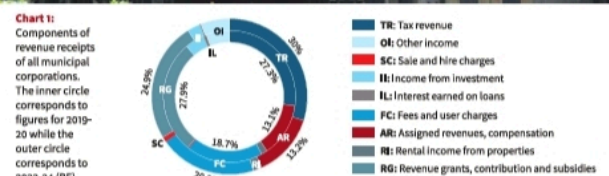
Long term: Chart 2 displays the components of revenue receipts for all municipal corporations between FY17 (the year before GST implementation) and FY24 (BE). Overall, in the post-GST period (from FY18 onwards), own tax revenue as a share of total revenue has declined for municipal corporations. Conversely, the share of transfers from Central and State governments has increased. In FY17, 43% of municipal corporations' revenue receipts came from their own tax revenue compared to only 30% in FY24. So, while there has been a short-term improvement in the revenue-raising capabilities of municipal corporations, the long-term decline in this potential has been substantial.

In FY24, own tax revenue which includes property tax, water tax, electricity tax, education tax, and other local taxes was highest in Karnataka (53.8%), followed by Telangana (50.3%), Tamil Nadu (44.3%), and Jharkhand (44.0%). Among major States, Rajasthan, Odisha, and Uttarakhand had the lowest ratios. Chart 3 shows the State-wise split.

The quality of municipal corporations' expenditure is improving. The share of revenue expenditure in their total expenditure has declined from 43.9% in 2019-20 to 38.5% in 2023-24 (BE), with a corresponding increase in capital expenditure from 56.1% to 61.5% (Chart 4).

Income and expenditure statement

Charts were sourced from the Reserve Bank of India's 'Report on Municipal Finances'



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO FROM THE NOVEMBER 13, 1974 ISSUE AS THERE WAS NO ISSUE ON NOVEMBER 14, 1974

Tamil Nadu omnibus tax increase held valid

New Delhi, Nov. 12: The Supreme Court has upheld the constitutional validity of the enhancement of Motor Vehicles Tax on "omnibuses" imposed by a Tamil Nadu Government notification dated September 20, 1971 from Rs. 30 per seat per quarter to Rs. 100 per seat per quarter.

Mr. Justice Mathew, who delivered the judgement of the Bench dismissing a batch of writ petitions filed by certain affected omnibus operators in Tamil Nadu, also held that the distinction made between "contract carriages" and "stage carriages" in the matter of levy of Motor Vehicles Tax did not offend Article 14 of the Constitution (dealing with equality before law, etc.).

The Bench which included the Chief Justice Mr. Justice Ray and Mr. Justice Aguirre held that the distinction made between "contract carriages" and "stage carriages" in the matter of levy of Motor Vehicles Tax did not offend Article 14 of the Constitution (dealing with equality before law, etc.).

The Court said that, as the Tamil Nadu Motor Vehicles Taxation Act, had authorised the Government to levy the tax, the question of motive with which the tax was imposed "is immaterial." "There can be no plea of a colourable exercise of power to tax if the Government had power to impose the tax and the fact that the imposition of the tax was for the purpose of eliminating competition would not detract from its validity."

A HUNDRED YEARS AGO NOVEMBER 14, 1924

Wilts' centenary

The 2nd Battalion of the Wiltshire Regiment (the Infantry garrisoning Bangalore) observed their centenary this morning by trooping the colour. An unusually large gathering turned up to watch the picturesque parade on the occasion. Those present include Mr. W.P. Barton, the Hon'ble the British Resident in Mysore and Mrs. W.P. Barton. The ceremony was gone through with great elan and after receiving the salute, the Area Commander complimented the Battalion on their fine turn out, steadiness and general bearing.

Text & Context

THE HINDU

NEWS IN NUMBERS

Indian tourist arrivals to Singapore hit a milestone

1 million. Indian visitor arrivals to Singapore surged past the one million mark in October, two months earlier than in 2023, marking a strong recovery in its tourism sector. Singapore's appeal to Indians travellers has been bolstered by strong connectivity and its diverse range of experiences. **PH**

India-South Africa trade surpasses pre-pandemic figures

19 In \$ billion. In 2024, India and South Africa celebrate the 30th anniversary of their diplomatic relations, marking three decades of deep-rooted historical ties. This year has also seen a significant achievement — bilateral trade between the two nations has surpassed pre-pandemic figures. **PH**

Chief parliamentary secretaries' appointment quashed

6 The Himachal Pradesh High Court quashed the appointment of six chief parliamentary secretaries (CPSs) and declared the law under which the appointments were made as void. A division Bench of the High Court directed that all privileges of these CPSs be withdrawn with immediate effect. **PH**

The number of cybertrucks recalled by Tesla in the U.S.

2,431 Tesla said it was recalling 2,431 cybertruck electric pickup trucks in the U.S. as loss of drive power could increase the risk of a crash, in its sixth such move this year. Last month, the EV maker said it would recall more than 27,000 cybertrucks in the U.S. **REUTERS**

Development banks' new financing pledge at COP29

120 In \$ billion. COP29 negotiators welcomed a pledge by major development banks to lift funding to poor and middle-income countries struggling with global warming as an early boost to the two-week summit. **REUTERS**
COMPILED BY THE HINDU DATA TEAM

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Why is there discontent in Maharashtra?

Despite the Maratha community's political dominance, significant sections of the population face economic challenges due to agricultural distress and lack of employment. This has led to calls for reservation which in turn has caused anxiety within OBC and SC groups

FULL CONTEXT

Sarthak Bagchi
Vignesh Karthik K.R.
Susmit Panzade
Pradip Kapase
Sumeet Gurli

In Maharashtra, the extensive network of cooperatives, particularly in the banking, sugar, and dairy sectors, has been instrumental in forging strong patronage linkages that have reinforced the Maratha community's dominant hold on State power. These cooperatives serve not only as economic entities but also as vital socio-political institutions that facilitate control over resources, employment, and local governance.

By controlling such cooperatives, Maratha politicians can extend patronage to farmers, workers, and local businesses, thereby securing loyalty and support. The cooperative model works well for both the farmers and the rural elite. Being part of a cooperative meant the farmer was assured of a minimum price for the procurement of his crop and had a guaranteed market at the time of sowing. Thus, he could borrow with ease, and the banks were also assured of repayments in good time. Moreover, cooperatives have provided a platform for Maratha leaders to ascend to significant political positions.

However, this patronage system has marginalised other communities by concentrating economic and political power within the Maratha elite. This concentration has led to disparities in resource allocation and access to opportunities for non-Maratha groups, reinforcing social hierarchy. It has also allowed Maratha leaders to negotiate and form alliances that favour their interests, often at the expense of broader inclusive development. The cooperative model has not only played an important role in continuing the long dominance of Congress in the State but has also been used by other political parties to expand their electoral base, either by setting up their own cooperatives, or by co-opting and incorporating existing cooperative leaders into their party fold, facilitating rampant party switching between such cooperative doyens.

Reservations and dynasty politics
Despite the Maratha community's political dominance, significant sections of the population face economic challenges due to agricultural distress and lack of employment. This economic hardship has led to increased unemployment and financial instability within the community, fuelling discontent and a sense of marginalisation.

The demand for reservations in education and government employment has become a central issue for the Marathas. Feeling excluded from the benefits afforded to Scheduled Castes (SCs), Scheduled Tribes (STs), and Other Backward Classes (OBCs), Maratha youth have organised large-scale protests and agitations seeking inclusion in the reservation system. In 2016, the State witnessed several huge demonstrations known as Maratha 'mook morchas'. Although these 'mook morchas' claimed to be apolitical in nature, with political parties kept out and managed only by social organisations, the impact of these marches was felt in the political realm with leaders like Manoj Jarange-Patil emerging to advocate for Maratha reservations. This demand for reservation is expected to have adverse effects for the Bharatiya Janata Party (BJP) in the region.



Fragmented arena: Congress leader Rahul Gandhi being felicitated during the release of Mahavikas Aghadi (MVA) guarantees for the Maharashtra Assembly elections, in Mumbai on November 6. **AP**

Factionalism and infighting within the Maratha community have also emerged as significant aspects of its politics. Internal divisions based on sub-regional loyalties, personal rivalries, and differing political affiliations have fragmented the community's unified political stance. This fragmentation weakens the collective bargaining power of the Marathas and complicates efforts to address common issues. Dynasty politics is another concern, with political leadership often concentrated within a few influential families. The perception that political power is inherited rather than earned contributed to the feeling of disillusionment among younger and less privileged Marathas.

The present elections in Maharashtra has one of the highest orders of nepotism ever played in the State. For example, in Nandurbar district, there are four constituencies, all reserved for STs. Dynasty politics reigns supreme in this belt, with all power alternating between two families at the central and State level. The Padavi and Gavit families have their members contesting from all four seats, with some of the remaining members of the family contesting on independent tickets. This is a long-term failure on behalf of the State and democracy at large. In most of the reserved constituencies, politics has failed to develop a new, decentralised class of leadership. Most of the communities, irrespective of their strength in the State population, have not had political representation in the past six to seven decades. For example, Lingayats, a numerically small caste like Malis, who have been actively assertive in recent years have not had significant representatives from the community.

The BJP's role in mobilising OBCs
The BJP has played a strategic role in

counter-mobilising OBCs against the Maratha community's demands for reservation in Maharashtra. Recognising the potential to expand its electoral base, the BJP has actively engaged with various OBC groups to consolidate support and position itself as a defender of their interests, which was made clear from the speeches of Prime Minister Narendra Modi in his initial election campaign in the State for the 2024 Assembly elections.

The Maratha demand for inclusion in the OBC category has raised concerns among existing OBC communities about the dilution of their reservation benefits. The BJP has capitalised on this anxiety by aligning with prominent OBC leaders and supporting their opposition to Maratha inclusion in the OBC quota.

The BJP's growth in Maharashtra through OBC mobilisation involves a combination of caste-based strategies and welfare policies aimed at addressing OBC concerns. The party has advocated for sub-categorisation within the OBCs to ensure equitable distribution of reservation benefits, further solidifying its support among marginalised sub-groups. The party has strategically fielded candidates from various OBC subgroups, such as the Malis, Dhangars, Vanjaris, and others, to resonate with these communities. The late Gopinath Munde, a prominent BJP leader from the Vanjari caste, was instrumental in mobilising OBC support, establishing the party's foothold in Marathwada. The BJP's role in counter-mobilising OBCs against Maratha reservation demands has been a calculated political strategy that has contributed to its growth in Maharashtra.

Dalit politics in the State
Dalit politics in Maharashtra has been a significant force, shaped by historical movements and contemporary leaders advocating for the rights and

empowerment of Dalit communities.

Social and political consciousness among the Dalit communities has long been influenced by a history of social reformers in the State, from Jyotirao Phule and B.R. Ambedkar to Chhatrapati Shahu Maharaj, who implemented one of the first policies of affirmative action through reservations in the early twentieth century. The key players in Dalit politics include parties like the Republican Party of India's (RPI) factions and the Vanchit Bahujan Aghadi (VBA) and influential leaders such as Ramdas Athawale and Prakash Ambedkar.

Dalit politics in Maharashtra is not a unified category. For example, the BJP and the undivided Shiv Sena had successfully consolidated Hindu castes like Matangs, Chambhars, and Khatiks among the SCs. In comparison, Dalit voters, particularly from the Marath community who have converted to Buddhism (Navayana Buddhists), have historically supported the Congress due to its association with social justice policies. However, the fragmentation of Dalit parties and alliances with major parties like the BJP and Congress have led to the dilution of a unified Dalit vote bank.

At present, the VBA, led by Prakash Ambedkar, grandson of B.R. Ambedkar, hopes to emerge as a force to reckon with for Bahujan politics in Maharashtra. Although the VBA's performance improved in the 2019 Lok Sabha elections when they contested the polls in alliance with the All India Majlis-e-Ittehadul Muslimeen (AIMM), their electoral presence has not been significant. In the 2024 elections to the Lok Sabha, SC voters rallied behind the INDIA bloc over the issue of *samvidhaan bachao* (save the Constitution), and the VBA played third fiddle, gaining only a fraction of votes. Since then, they have adapted their strategy from trying to consolidate SC, OBC, and Muslim votes to now exclusively focusing on Buddhist and Muslim votes. Additionally, the symbolism of Ambedkar is not lost in Maharashtra politics. Even Rahul Gandhi started his campaign for the Maharashtra Assembly elections with a copy of the Constitution in his hand, from the Dikshabhoomi in Nagpur, where Ambedkar had converted to Buddhism along with lakhs of his followers.

The RPI, originally founded by B.R. Ambedkar, has fragmented into several factions over the years. The two more prominent factions are RPI(A) Athawale faction and RPI(G) Gawli faction. Ramdas Athawale leads the RPI(A), which has always sided with the ruling party for engagement with power at the centre, whether it is the BJP-led National Democratic Alliance (NDA) or the Congress-led United Progressive Alliance.

In Maharashtra, sub-classification of SCs has become a contentious issue. It is being used by the Mahayuti NDA bloc to further consolidate Hindu SCs, while the Congress is silent on the sub-classification debate. So far, only the VBA has vehemently opposed the sub-classification bill.

Key issues of electoral significance in Dalit mobilisation include the fight against caste-based discrimination, demand for land rights, access to education and employment opportunities etc. The assertion of Dalit pride, inspired by Ambedkarite ideology, remains central to their political engagement.

Sarthak Bagchi teaches at Ahmedabad University; Vignesh Karthik KR is a postdoctoral research fellow at KITLV-Leiden; Susmit Panzade, Pradip Kapase, and Sumeet Gurli are researchers based in Maharashtra. This is the second article in a two-part series on Maharashtra politics.

THE GIST

➤ The extensive network of cooperatives, particularly in the banking, sugar, and dairy sectors, has been instrumental in forging strong patronage linkages that have reinforced the Maratha community's dominant hold on State power.

➤ The BJP has played a strategic role in counter-mobilising OBCs against the Maratha community's demands for reservation in Maharashtra. Recognising the potential to expand its electoral base, the BJP has actively engaged with various OBC groups to consolidate support and position itself as a defender of their interests.

➤ Dalit politics in Maharashtra has been a significant force, shaped by historical movements and contemporary leaders advocating for the rights and empowerment of Dalit communities.

India's tea, sugar exports raise sustainability concerns at home

Agricultural commodity production in India lives in a unique context — high domestic consumption and now rapidly growing exports — that may benefit producers and consumers; but increasing dependencies between different parts of the supply chain compromise ecological sustainability

Dasari Giridhar
Manan Bhan

India is one of the world's largest agricultural product exporters. Indian agricultural export was valued at \$53.1 billion in 2022-23, up from \$8.7 billion in 2004-05, a six-fold increase in less than two decades. For an economically developing economy like India, exports play a significant role in strengthening the economy by increasing revenue, foreign exchange, and transactional options. But the rapid surge in exports poses multiple challenges to sustainability of the production, processing, and distribution systems of the respective commodities.

In this context, it's important to answer two questions regarding the sustainability of an agricultural commodity.

First, when can an agricultural commodity be considered truly sustainable? The sustainability of such a commodity isn't just about economic sustainability, which is driven by productivity. Ecological and social factors, aided by good governance, help build a sustainable production system, so the sustainability of an agricultural system depends on three pillars: ecological factors, economic aspects, and social aspects, underpinned by robust policies underlying all of them.

Second, should sustainability considerations only apply to production? No. Since the lifecycle of a commodity extends across pre-sowing, on-farm production, and post-harvest stages, sustainability applies to them all. Tea and sugar, two prominent commodities in India with a large domestic and export-oriented consumption base, offer good examples to illustrate the problems herein.

Tea
India is the world's fourth-largest tea exporter and second-largest producer, contributing 10% of global exports. The latter totalled 188.76 million kg in 2022, with a value of \$641.34 million, and an increase of 21.47% year on year in volume and 12.43% year on year in value. The total value of Indian tea exports for 2022-23 was \$793.78 million. Domestic consumption constitutes 80% of total production. The top export destinations of Indian tea are the United Arab Emirates, Russia, Iran, the U.S. and the U.K.

There is also growing evidence of stresses being imposed on production systems across the tea value chain. Three major challenges in the tea industry are the management of human-wildlife interactions, burgeoning chemical use, and labour concerns. An estimated 70% of tea plantations are situated at the periphery of forests and host the migratory routes elephants need to move around, resulting in frequent interactions with humans and human property and damage.

Likewise, synthetic pesticides constitute up to 85% of total pesticide use in tea plantations. This degree of reliance on such pesticides increases the chemical residue in the final product. Researchers have already documented an increase in the incidence of DDT, Endosulfan 35 EC, Dicofof 18.5 EC, and Cypermethrin 10 EC in tea. Exposure to these substances can increase the risk of cancer, diabetes, impaired neurodevelopment in children, and neurotoxicity.



Sweet and sour: Workers harvest sugar cane in Kolhapur district in Maharashtra. FILE PHOTO

Finally, the labour rights and working conditions of the tea estates cannot be undermined. More than half of tea plantation workers are women and they are often underpaid. The working conditions are also hazardous and workers often lack protective gear. Despite regulations under the Plantations Labour Act 1951 (amended in 2010 to strengthen worker safety), safety standards are almost never fully enforced. There is a critical need for better management practices in and around tea estates in India, stricter monitoring of the maximum residue limits for pesticides, and better enforcement of existing labour regulations.

Sugar
India is the world's second-largest sugar producer, with 34 million metric tonnes of production, which is about a fifth of the global production. India's sugar exports grew by 291% from \$1,177 million in FY 2013-14 to \$4,600 million in FY 2021-22 and 64.90% in 2021-22. The country exported sugar to 121 countries, according to the Directorate General of Commercial Intelligence and Statistics. About 50 million farmers depend on sugar cane cultivation in India. An additional half million depend on sugar and allied factories. According to NITI Aayog, the industry has an annual turnover of ₹1 lakh crore.

But for the exports' economic value and the industry's significant rural employment, it also has considerable adverse environmental effects — but in particular water resource management.

Sugar cane is well-known for requiring a lot of water to cultivate. On average, 1 kg of sugar requires between 1,500 and 2,000 kg of water. Sugar cane and paddy occupy around 25% of the gross cropped area in India and consume 60% of the country's total irrigation water, reducing the availability for other crops and also stressing groundwater resources. In the

There needs to be more focus on addressing environmental issues and safeguarding the health and safety of both workers and consumers, to develop an inclusive agrarian economy that benefits both local communities and global markets

last six or seven years, the area under sugar cane cultivation has almost doubled in Karnataka and Maharashtra.

Natural ecosystems like grasslands and savannahs in these states have also been converted to plant sugar cane. Along with the ensuing biodiversity loss, this change has increased the pressure on water resources and increased the need for sustainable water use and alternate cropping patterns. In fact, implementing drip irrigation in these States could lower water consumption by 40-50%.

The social dynamics of sugar industries narrate another story. Media reports have unearthed poor working conditions, including long working hours.

Rising temperatures in peninsular India acts as a threat multiplier, increasing the risks to workers' physical and mental well-being. Workers trapped in vicious debt cycles incur even more stress. Strengthening regulations and encouraging structured and responsible production practices are important to reduce these effects and promote sustainability.

Millets
Even as the sustainability challenges of these commodities persist, there are others that promote long-term ecological and socio-economic sustainability, and their successes could serve as templates to address the problems plaguing tea and sugar.

One prime example is millets, a sustainable option with which to increase

domestic consumption as well as exports. Millets are resilient to harsh conditions and don't require more inputs to weather resource constraints. They preserve soil health and ensure nutritional security.

The growing importance of millet export is evident in the export statistics. India reached a major milestone in 2021-22 when it exported millets valued at \$62.95 million, up from \$26.97 million in 2020-21, almost a 2.5-fold increase in a single year. In FY 2022-23, the country shipped 169,049.11 metric tonnes of millets and millet-related products worth \$75.45 million. This rising demand highlights their potential as a sustainable agricultural commodity contributing to economic growth and environmental resilience.

Agricultural commodity production in India lives in a unique context: a large domestic consumption base and now a rapidly growing export base. These dynamics may benefit producers and consumers but they could also yield a paradox: whereby increasing dependencies between different actors in the supply chain compromise ecological and social sustainability concerns. There are successful tales of increasing production and trade volumes but concerns also continue regarding the trickling down of some of those economic benefits to producers and farm labourers, and regarding the vitality of India's natural resources.

There needs to be more focus on addressing environmental issues and safeguarding the health and safety of both workers and consumers to develop an inclusive agrarian economy that benefits both local communities and global markets.

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Shrinking species: An African elephant with her calves in northern Kenya. FILE PHOTO

Alarming rate of decrease in African elephant count

Reuters

African elephants, earth's largest land animals, are remarkable mammals that are very intelligent and highly social. They also are in peril. Fresh evidence of this comes in a study that documents alarming population declines at numerous sites across the African continent over about a half century.

Researchers unveiled on Monday what they called the most comprehensive assessment of the status of the two African elephant species — the savannah elephant and forest elephant — using data on population surveys conducted at 475 sites in 37 countries from 1964 through 2016.

Savannah elephant populations fell by about 70% on average at the surveyed sites and forest elephant populations dropped by about 90% on average at the surveyed sites, with poaching and habitat loss the main drivers. All told, there was a 77% population decrease on average at the various surveyed sites spanning both species. Elephants vanished at some sites while their populations increased in other places thanks to conservation efforts.

"A lot of the lost populations won't come back, and many low-density populations face continued pressures. We likely will lose more populations going forward," said George Wittemyer, a Colorado State University professor of wildlife conservation who helped lead the study published in the journal Proceedings of the National Academy of Sciences.

Savannah elephant populations fell by about 70% on average at the surveyed sites and forest elephant populations dropped by about 90% on average at the surveyed sites

The forest elephant population is estimated to be about a third that of savannah elephants. Poaching has affected forest elephants disproportionately and has ravaged populations of both species in northern and eastern Africa.

"We have lost a number of elephant populations across many countries, but the northern Sahel region of Africa — for example in Mali, Chad, and Nigeria — has been particularly hard hit. High pressure and limited protection have culminated in populations being extirpated," Wittemyer said. But in southern Africa, elephant populations rose at 42% of the surveyed sites. "We have seen real success in a number of places across Africa, but particularly in southern Africa, with strong growth in populations in Botswana, Zimbabwe and Namibia. For populations showing positive trends, we have had active stewardship and management by the governments or outside groups that have taken on a management role," Wittemyer said.

The study did not track a continent-wide population tally because the surveys used different methods over different time frames to estimate local elephant population density. Instead, it assessed population trends at each of the surveyed sites. A population estimate by conservationists conducted separately from this study put the two species combined at between 4,15,000 and 5,40,000 elephants as of 2016, the last year of the study period. It remains the most recent comprehensive continent-wide estimate.

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THE SCIENCE QUIZ

On Children's Day, here is a quiz about what it means to be a child...

Vasudevan Mukunth

QUESTION 1

The philosopher John Locke floated a theory called _____. It held that at birth, the mind of a child was blank and that it was the duty of adults to populate it with the 'right' thoughts and ideas. Fill the blanks.

QUESTION 2

A common biological definition of childhood is that it's the period in a human's life between infancy and _____. Fill in the blank with the name of a period during which the body undergoes changes that render it capable of sexual reproduction.

QUESTION 3

In the early 19th century, child labour became a major issue in Europe owing to the growing dissonance between

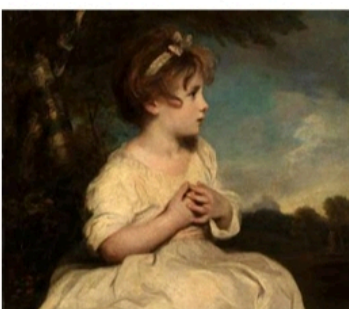
the practice and the depictions of childhood in art as a period of simple joys. One notable 'contributor' to the opposition movement was X, the British author whose stories described the lives of children living on the streets in awful detail. Name X.

QUESTION 4

India celebrates November 14 as Children's Day in honour of Jawaharlal Nehru's birthday. Name the social worker who pitched this date to the Indian government as a way to help improve the welfare of underprivileged children in the country.

QUESTION 5

Name the only UN member state that has signed the Convention on the Rights of the Child but hasn't ratified it, mainly because it detracts from certain conservative parenting and punitive practices.



Visual question: Name this painting from the late 18th century that came to be called the "commercial face of childhood" because of its popular depiction of innocence. PUBLIC DOMAIN

Please send in your answers to
science@thehindu.co.in

Answers to November 7 quiz:

- Element that's the best conductor of heat and electricity — **Ans: Silver (Ag)**
- Precious metal with the highest melting and boiling points — **Ans: Tungsten (W)**
- Element whose mineral form has been used to prepare kohl — **Ans: Antimony (Sb)**
- Stable element with the highest atomic number — **Ans: Lead (Pb)**
- Common theme — **Ans: Their chemical symbols are not based on their common names**

Visual: **Tin**

First contact:

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Namita Sahrawat | Pooja Kataria

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THURSDAY • NOVEMBER 14, 2024

Food bites

October retail inflation print raises concerns

The retail inflation print for October has made observers sit up. At 6.2 per cent, headline inflation exceeds the Reserve Bank's acceptable level of 4-6 per cent. The latest numbers are in line with a trend since July 2023, of sharp food inflation (this time at 10.9 per cent) driving overall inflation (with core inflation at 3.7 per cent in October). Food inflation is arguably more endemic than seasonal — with an RBI paper by Michael Debabrata Patra *et al* (August Bulletin) suggesting the same after examining trends over about eight years.



Analysts expect food inflation to soften in the remaining months of this fiscal, typically with the onset of winter and comfortable water availability. While this optimism is not without basis, it is important for the government to get a grip on the diverse drivers of stubborn food inflation and take steps to ease supply side bottlenecks. The RBI is obliged to take a serious view of food inflation as it accounts for a weight of 46 per cent in the consumer price index — but the fact is that monetary policy is not a significant lever to control food prices. During October, the price rise in all categories of food produce was elevated, with vegetables leading the pack at 42 per cent, followed by oils and fat (9.5 per cent), fruits (8.4 per cent), pulses (7.4 per cent) and cereals (6.9 per cent). Vegetables inflation over the last year has been 26 per cent — an average of monthly readings since November 2023. These sustained increases, exacerbated by weather extremes linked to climate change, are generally led by tomato, onion and potato (TOP).

Surprisingly, cereals inflation has been at 7 per cent or above for all months since July 2022, and in double digits right from August 2022 to December 2023. Pulses inflation has been in double digits for about 15 consecutive months till September 2024. The rise in edible oil prices has perhaps been on account of the recent increase in import duties as well as the impact of a weaker rupee, given that India imports over half of its requirements. In the case of pulses, output has lagged over the last four years, even as the population has shifted away from cereals towards pulses and other foods in its diet. Knee-jerk import levies do impact prices and price expectations. Sustained cereals inflation is not so readily explained, given output and inventory levels. Here, speculation over crop output seems to play a role. Be that as it may, the weather impact includes not just crop damage but disruption of market supplies.

In order to reduce volatility in TOP prices, its processing into dry, value added forms could reduce wastage. This would also mean promoting the use of tomatoes and onions that are so processed. Supply chain efficiencies are a must to offset price increase due to rising input costs and the inevitable increases in support prices. Food inflation calls for a long-term response from government. Monetary policy can at best work to curtail excessive inventories.

POCKET

RAVUKANTH



"I will accept Crypto-Money if you accept these Purple-Apples."

Will markets hop on the AI bandwagon?

Machine learning and AI usage are already entrenched in capital markets. But adoption of advanced AI/GenAI tools will be slow

POINT BLANK.



LOKESHWARRI SK

Around 2012, there was a furore in Indian capital markets over the increasing use of algo trading, where trading is done through algorithms fed into computers. But by the time public at large became aware of it, exchanges had already set-up colocation facilities in their premises and had allowed large institutional investors to run their trading algos directly through these facilities.

The proximity as well as automation improved the speed, giving larger institutional players and brokerages the upper hand in trade execution. The trading algorithms flooded the exchange server with orders, in high frequency trading, which crowded out orders punched by individual investors.

Regulators were rather slow to realise the growing clout and increasing risks from machine-driven trading. The first circular from SEBI on algo programs was issued in 2012, almost three years after direct market access was provided to FPIs and large players, and two years after colocation facilities were set up by exchanges.

By 2012, algo trading already accounted for one-third of the exchange turnover in India and almost 70 per cent of the turnover in the US markets. Their usage has continued to grow with algo trading currently accounting for more than 60 per cent of cash and futures and options market in India. Algo, however, do have benefits. They enhance market liquidity, help price discovery and reduce volatility, to a large extent.

Will the advent of artificial intelligence disrupt capital markets in a

similar way? A chapter in IMF's recent Financial Stability Report on advances in AI and its implications for capital market activities, has some answers. It finds that capital market players are proceeding cautiously with adoption of AI. But once it catches on, trading turnover and volatility will increase and so will trading concentration among larger players. Regulators need to be ready with a framework to ensure an even playing ground.

SLOW PROGRESS IN AI ADOPTION

While AI and Gen AI have excited many industries in the last few years, machine learning and AI based computations have been used by financial markets since the first decade of this millennium.

But the AI tools currently being used in capital markets display simple algorithms whose outcome is certain. Investment managers are proceeding slowly in using GenAI where large amounts of funds are involved. While the inputs are being used in taking investment decisions, doing away with human intervention completely, is still some way off.

An experiment is going on in the US with AI driven ETFs (exchange traded funds) where the investment selection and adjustments are purely AI driven. But total assets garnered by these ETFs is just a little over \$800 million and account for a paltry 0.002 per cent of US equity market cap. This implies a cautious stance, among investors as well

Investment managers are proceeding slowly in GenAI adoption because client funds are at stake. Doing away with human intervention completely is still some way off

as investment managers. There are many use-cases where advanced AI tools can be employed. It can be used to analyse and interpret content from social media and other public forums where people give their views and generate trading signals based on these views. AI can help discover the price of illiquid assets by using the price movement of other asset classes and instruments. Forward looking indicators can be developed and tested with the help of these tools.

RISKS FROM ADOPTION

There are however many risks from advanced AI. The main risk is that AI driven programs can spot trading opportunities and react much faster, driving up volumes on exchanges. The IMF research shows that the portfolio turnover grew much faster in AI powered ETFs compared with other ETFs.

Higher volumes can be a boon as well as a bane. Higher liquidity is good but if most of these transactions are spoofs (not intended to be executed), they can clutter the exchange servers making it more difficult for orders of small investors to go through.

There is also the risk of AI driven algos colluding with each other and manipulating the system if they have access to price-sensitive information or latency advantage, by being in colocation.

There could be risk of herding or market concentration if AI models developed by few vendors become more popular and are used extensively. With individual investors unable to afford these systems, they will be unable to execute trades fast, making it almost impossible for their trades to go through.

There is also the possibility of market manipulation through deep fakes or misinformation by the AI programs.

"Some participants mentioned market fragility issues — including the drying up of market liquidity, excess volatility, and flash crashes — arising from fast-paced decision making and ineffectiveness of guardrails," says the Financial Stability Report.

REGULATORY OVERSIGHT

Regulators need to watch this space closely and be ready with regulations to prevent market manipulation, trading disruption or inequity in trading access.

Availability of trading data is critical for testing AI driven models and companies with access to such data can be ahead of others in creating trading systems which gain popularity. In the colo scam, it was found that Ajay Shah accessed data from the NSE to test algo trading system. Rules for providing trading data by stock exchanges need to be such that all players have access to similar data.

Regulators should keep in mind the warning in the IMF report that though the unit cost of training in AI models has declined, the top 10 largest models are getting more complex leading to higher cost in training. This creates the risk of concentration as few private sector developers can dominate the market. Companies which have access to non-public trading and client data have significant advantage as this data is essential to test the models.

Review of circuit breakers and trading margins should be done at more frequent intervals once AI based trading moves, to check rapid unidirectional moves which can disrupt markets. Regular stress tests and risk mapping should be done on the dependency on data, AI models and the exchange and clearing infrastructure. Regulatory framework needs to be drawn up for AI third party service providers and cyber attack protocols need to be strengthened.

Is boosting revenue via higher property taxes viable?

In India, there are hordes of unauthorised residential units, and levying even a low tax on these may be politically challenging

TCA Srinivasa Raghavan

Aspectre is hanging over the world, the spectre of bankruptcy. That could be why a recent IMF blog says that the world needs to raise at least \$3 trillion over the next decade to achieve sustainable and inclusive growth. "The cost in emerging markets equals 4 per cent of gross domestic product — and 16 per cent for low-income countries," it says.

Costs aside, what do sustainable and inclusive mean? Let me make a guess. Sustainable simply means don't consume too much if you live in the non-Western world. Inclusive means everyone there must consume something at least but not as much as us. How these two goals are compatible I don't know.

A small solution that the blog suggests for raising the money is more, if not also higher, property taxes. That is, let's tax everyone and especially the rich. That's ok, what are the rich for if not to be taxed so that politicians can attempt inclusive growth because, even if it isn't sustainable, it does get them a lot of

votes. The blog says a nationwide increase in property taxes could be "politically challenging" but "more efficient real estate taxes have an advantage in this regard: by being locally collected and spent, they may be politically less challenging than increases in broad-based national taxes."

I don't know why the blogger didn't simply say municipal taxes. He or she speaks very approvingly of Delhi and Lagos in this regard. Both are using modern drone technology and satellite imagery to assess the size of the property.

POLITICAL ANGLE

Great, but that information is already available with the municipal authorities. What is not available is information about small unauthorised residential buildings.

Even if drones helped with the mapping, I doubt if any political party would have courage to impose even very low annual property taxes on these.

Politics in low income countries doesn't work like that. Indeed, if the costs imposed by illegal migrants in the developed countries of the West are any



ILLEGAL. Many people live in residential property constructed on public land

indication, politics doesn't work like that there as well because vote is a weapon of mass destruction of budgets. Each vote is tiny by itself but it grows into gigantic power when aggregated.

That said the blog does have a point: countries do need to be more vigilant for basic things like food, health, education and housing. These don't impact sustainability negatively.

Another huge problem in developing countries is that people don't actually own the property in which they live

because these are illegally constructed on public land.

The problem is that the moment a municipality imposes a tax and collects it, that land would become the property of the taxpayer, and the government or municipality would forfeit that land. India has several lakhs such owners. So this is a bit of a Catch-22.

An obvious solution is a tax on agricultural incomes. Even Pakistan taxes it at 15 per cent. The IMF wants to increase the rate to 45 per cent!

In India the first step would have to be to stop treating income, for tax purposes, by source. If income is to be taxed at all, why leave out agricultural income?

The second step would be to impose a tax on all agricultural income for those who have other sources of income. Like lawyers who grow cauliflowers, to take just one example. These guys wouldn't pose a political problem.

We have a constitutional problem as well: agricultural income tax is a state subject. So we can forget about it until it's put in the Concurrent List. Will any Central government even start a debate about it? Not a chance.

✉ **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.

Curbing insider trading

With reference to 'Strike a balance' (November 13), the proposed regulatory initiatives on alignment of disclosure of "material events" by listed companies, on the same lines of insider trading regulations, would help usher in healthier reporting and compliance standards. Though some of the proposed terms may increase the compliance burden of the listed companies, it would support establishment of a robust stock market mechanism and prevent unethical corporate actions, if any. To achieve more transparency, the scope of UPSIs should be enlarged to include disclosures on company valuations, investments and trading transactions of high net worth and overseas investors, external

borrowing commitments

undertaken by companies and the interests of related parties in major transactions, keeping in view the issues that cropped up in the Hindenberg-Adani episode.

Sitaran Popuri

Bangalore

Skilling the interns

Appropos 'Internships' efficacy' (November 13), the internship programme started by the government intended to develop skills and make the youth ready for employment is expected to bring about a revolutionary change in reducing the skill gap that has been persistently observed by the industry. However, the youth need to be well-tutored by educational

institutions to exploit the full

potential of these IPs and attain the skills required by the industry. As such, the educational curriculum and teaching methodology need to be tweaked to suit the needs of the industry towards the end. Students should be taught the necessary soft skills also, including the basic ability to communicate in English, during their educational career itself so that they would be able to participate in IPs without any inhibitions and handicaps on that account. Industries participating in the IP should give the interns all the opportunities and freedom for learning, provide mentorship and oversee their progress.

Kosaraju Chandramouli

Hyderabad

Performance of PSBs

This refers to 'PSBs post 26% jump in H1 net on all-round improvement' (November 13). Public sector banks, despite human capital constraints and social banking-oriented activities, are delivering better returns, which indicates that the quality of governance has improved. As a consequence of growing economic activities, capacity creation is expanding, and funding opportunities are also growing; however, lenders, especially banks, need to be more vigilant while originating credit and disbursements. Asset quality and asset-liability matching are critical factors for ensuring credibility of and trust in banks. Banks and their stakeholders

should not be complacent. They must sustain their governance standards, to prevent their assets from becoming non-performing.

Chakrabarti

Changanacherry, Kerala

Machine de-weeding

Appropos 'Excess rain spurs use of more herbicides this harvest season' (November 13). Obviously more weeds grow when there is excess rains. However, when weeds are shredded using a brush cutter, they get evenly spread over the farmland, which enhance soil carbon and organic matter. Use of herbicides only degrades soil pH and affects crop yield.

Rajiv Magal

Halebidu Village, Karnataka

Changing gears

The entry-level cars are struggling to find buyers but sports utility vehicles are doing much better

TWO FACTS TELL the story of the state of the passenger vehicle (PV) industry. The first is that sales are stuck in the slow lane and will not exceed 3-4% for at least a few years, as predicted by Maruti Suzuki Chairman RC Bhargava. The second fact is that the industry is also changing gears – from being predominantly a small car market (there's a slowdown in sale of cars priced below ₹10 lakh), consumer preference is moving towards sports utility vehicles (SUVs) as is evident from the fact that vehicles priced higher are doing well. The October sales numbers released by the Society of Indian Automobile Manufacturers bears this out. While the total year-on-year growth in sales during the month was just 1%, those of smaller cars declined by 17.3%. However, SUV sales were up 13.9%. So, the overall numbers were pulled down by cars, a bulk of which cost below ₹10 lakh. The April-October numbers also tell the same story – overall car sales are down 18.4% but SUV sales have registered a growth of 13.3%.

The changing consumer preference can be best captured by the fact that the share of cars in the overall PV sales has come down to 31.6% in the April-October period from 65.7% in FY19. Meanwhile, the share of SUVs has climbed from 27.9% to 64.7% during the same period. As Bhargava points out, the sub-₹10 lakh market, which was 80% of the total cars sold in 2018-19, is not growing at the moment. That's a cause for worry. Had this segment moved on to the SUV segment, overall sales would have been brisk, which is not the case, so clearly there's an affordability factor.

Going by Bhargava's analysis, the slowdown in small car sales is because of about 60% increase in their production cost since 2019 to meet safety and environment guidelines – a car priced ₹6 lakh now costs ₹10 lakh but the income of consumers has not risen in the same proportion. Clearly, this has slowed the process of consumers upgrading from two-wheelers to cars. The industry has clearly read the writing on the wall and is planning the product portfolio accordingly. Maruti Suzuki managing director Hisashi Takeuchi said recently that the company will only upgrade the sedans it has but won't launch new products. However, it will launch new SUVs. Manufacturers are moving to electric vehicles (EVs) and hybrids, which are finding traction amongst consumers. With lower goods and services tax (GST) on EVs and states like Uttar Pradesh waiving off registration tax on hybrid vehicles, these new technology vehicles would become attractive propositions for consumers. Some like Mahindra Group CEO Anish Shah, while acknowledging the impact of inflationary pressures on value products, also highlight the consumers' preference for premium products, which will push Indian manufacturers to develop better products.

The new reality is that PV sector growth is not going to be as brisk as it was between FY22 and FY24. In fact, a 3-4% growth which Bhargava sees would still be better than a 17% decline in FY20, which was a normal year before Covid broke out. Going ahead, industry growth would be largely linked with the launch of new products in SUVs, EVs, and hybrids. As far as small cars are concerned, perhaps the government may look at reducing the GST on them from the current 29%, which includes 1% cess.

CLIMATE FINANCE

AN IMPORTANT CONCERN IS WHETHER DEBT BURDEN OF DEVELOPING NATIONS WOULD WORSEN

COP29: A battle for more funds

DEVELOPING COUNTRIES NEED trillions of dollars of help from developed nations to help them meet their climate goals and to compensate them for loss and damage from climate change.

So far, funding has fallen well short of what's needed.

Financing mechanisms under the United Nations Framework Convention on Climate Change have been among the most contentious facets of the treaty, largely due to the under-provisioning by the developed countries.

While they had agreed to provide \$100 billion by 2020, the actual level of funding consistently remained below this until 2022. In 2022, for the first time, developed countries provided and mobilised climate finance totalling \$116 billion, up from about \$90 billion a year earlier.

Climate finance from public institutions accounted for close to 80% of funding in 2022, increasing from \$38 billion in 2013 to \$91.6 billion in 2022. Though the increase from public institutions was 25% between 2021 and 2022, private climate finance increased by almost 50%.

Most developing countries have long demanded much higher levels of funding from developed countries.

India and the Arab Group have, for instance, demanded that developed countries must provide around \$1 trillion annually to meet the financing needs of developing countries.

Several institutions have confirmed that the levels of climate finance provided to developing countries compare poorly with their actual requirements, and that their annual actual requirements could run into several trillions of US dollars.

According to the Green Climate Fund, developing countries would need \$2-4 trillion annually and that mobilising private capital is critical to meet this target.

The first Needs Determination Report

BISWAJIT DHAR
Distinguished professor, Council for Social Development

of the Standing Committee on Finance in 2021 estimated that nearly \$56 trillion was needed to implement developing countries' climate action plans by 2030. Other estimates put this cost at \$57.8-13.6 trillion for the same time period. In 2019, the Independent High-Level Expert Group on Climate Finance estimated that the emerging markets and developing countries, excluding China, must spend close to \$2.4 trillion a year until 2030 to meet climate goals.

The Expert Group argued that about one-half of the total funds needed by these countries would be from sources providing concessional credit (including bilateral, multilateral, and other "innovative concessional" finance), and that more than half of this private finance would be directly and indirectly catalysed by multilateral development banks and other development finance institutions, among others.

Two new financing windows – the New Collective Quantified Goal and the Loss and Damage Fund (L&D Fund) – are also expected to face a fund crunch when in less than two weeks, COP29 is convened in Baku in Azerbaijan. Yet there is hope that the meeting would take important decisions regarding the two new windows of climate finance.

The New Collective Quantified Goal financing window could enable developing countries to meet their nationally

determined contributions (i.e., plans that countries create to reduce greenhouse gas emissions and limit global warming) by 2030.

The adoption of the New Collective Quantified Goal financing window at COP29 would ensure continued provisioning of targeted climate finance, a process initiated in 2009 through the decision to set up the Green Climate Fund. Developed countries had committed to contribute \$100 billion by 2020 to it.

The new financing window is considered vital for channelling greater funds that developing countries urgently need for climate action. It would support the implementation of low-carbon, climate-resilient solutions in energy, transport, agriculture, and other vital systems.

Increasing financial support should enable developing countries to step up their climate ambitions in the new round of national climate plans, which are due in 2025.

The second major climate finance window, which would be in focus at Baku, is the L&D Fund. The fund is the outcome of the COP27 decision to "establish new funding arrangements for assisting developing countries that are particularly vulnerable to the adverse effects of climate change".

The L&D Fund came into existence during COP28 after the Governing

Instrument of the Fund was approved. The case for such a fund was initially made in 1991 by the Alliance of Small Island States to counter the adverse consequences of climate change.

The L&D Fund would test the global commitment to meet the long-standing demand of the most vulnerable countries to be compensated for the "loss and damage" suffered by them due to climate change. Since the L&D Fund was established during COP28, 23 countries have pledged to contribute \$700 billion towards addressing loss and damage.

Four countries – France, Italy, Germany, and the UAE – account for 60% of the pledges made so far, but the US, whose share in historical emissions (since 1850) is the largest (20% of the global total), has contributed \$17.5 billion.

These contributions are too meagre given that the projected economic cost of loss and damage by 2030 is estimated to be between \$400 billion and \$580 billion a year. Further, by 2050 the economic cost of loss and damage in developing countries is estimated to increase to \$1-1.8 trillion.

An equally important concern is whether climate finance would worsen the debt burden of developing countries, which is already at a precarious level.

In 2023, public debt in developing countries reached \$29 trillion, almost 30% of the global total. Further, the share of private creditors in the total external public debt of developing countries was 61% in 2022.

Borrowing from private creditors on commercial terms is more expensive, but with concessional financing from multilateral and bilateral sources drying up, developing countries could end up worsening debt burdens while responding to their commitments to reduce global warming.

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Elliott's Honeywell break-up plan doesn't go far enough

THE DRUMBEAT FOR breaking up Honeywell International Inc., which makes products in the aerospace, energy, and industrial automation industries, has been getting louder as the company's shares continue to lag its peers.

The successful splitting of General Electric, United Technologies (now RTX Corp.), and Ingersoll Rand, among others, has put this large conglomerate in the bullseye for a while. Vimal Kapur, who became chief executive officer of Honeywell less than 18 months ago, has been working feverishly to fend off activist threats by reshuffling the businesses, cranking up acquisitions, and shedding underperforming units. That includes last month's announcement of a spin-off of its chemical holdings.

It wasn't enough. Elliott Investment Management announced on Tuesday a \$5-billion investment in Honeywell and sent a 23-page letter that makes the case for splitting off the aerospace business while leaving the rest of the company intact. Elliott's proposal doesn't go nearly far enough. The company would still be a large collection of eclectic businesses minus aerospace, its largest and most profitable unit. It would make more sense as three or even four separate companies.

Aerospace makes up 40% of the conglomerate's sales and has profit margins of about 28%. That's about 3 percentage points higher than its next profitable business, building automation, and 8 percentage points more profitable than industrial automation. There's no doubt aerospace would be successful as a standalone business because of the breadth of its product offerings for business and commercial aircraft, defence, and space. This market is on fire right now with huge airliner backlogs at both Airbus SE and Boeing Co, the scramble to increase military spending, and the onset of a commercial space boom.

The split would be easy. There's little overlap between aerospace and Honeywell's other myriad businesses. Aero-space has its own headquarters in Phoenix, making it culturally and geographically distant from the main C-suite in Charlotte, North Carolina. Investors would own a vibrant aerospace company with potential to ramp up acquisitions, including the ever-present desire among many to join GE Aerospace and the Honeywell business. The downside is that the remaining firm would be a hodgepodge of businesses in the energy, industrial automation, and commercial building sectors. The move doesn't provide for "success through simplification" that Elliott convincingly lays out in its diagnosis of Honeywell's problems.

Elliott makes the case that investors are now more sophisticated and want to cobble together their own holdings from pure-play companies as opposed to the heyday when conglomerates provided that diversification by operating a portfolio of businesses. Using the words of Kapur and former CEO Dariusz Adamczyk to great effect, Elliott raises the problem with conglomerates: Some businesses, usually the smallest ones, don't get enough executive attention and capital to keep them operating at an optimal level. These underperforming businesses gain outsized investor attention as being problematic and end up dragging disproportionately on the share price.

Kapur certainly hasn't been given a chance to show that his solutions will work. On the flip side, Elliott's proposal should be seen as the first step in a multiphase process to break up Honeywell and follow the market's "urge to demerge". Deane Dreyer, an analyst with RBC Capital Markets, said in an interview: "Trying to break up the company into three or four parts at once would be time consuming and complex, including having to deal with stranded costs and setting up multiple boards of directors."

Elliott's proposal would leave Honeywell as a smaller and lower-margin company and doesn't address the complexity of its eclectic group of businesses. Elliott should lay out its case for the entire break-up of Honeywell. The activist investor could even divide up the process in different stages, beginning with the aerospace spin-off. In other words: Go big or go home.

A highway to tap Southeast Asian markets

ROUHHIN DEB
Chief economist, Chief Minister's Secretary, Government of Assam

INDIA'S GEOPOLITICAL AMBITIONS are increasingly focused on positioning itself as a key player across the Indo-Pacific, and connectivity plays a central role in this. One of the most critical components in this framework is the India-Myanmar-Thailand Trilateral Highway (IMT-TH). This 1,360-km-long corridor which connects Kolkata to Bangkok, passing through the Northeast and Myanmar, is poised to become a vital transnational link between South and Southeast Asia. The highway is the final piece of New Delhi's broader connectivity puzzle that seeks to create a seamless trade and infrastructure network, driving momentum from the Atlantic to the Pacific. The IMT-TH project, once completed, will be a crucial channel for business transactions and regional integration, especially for the Northeast.

From an economic standpoint, the Northeast gains immensely. Its economy has traditionally been dependent on agriculture and small-scale industries, with constrained access to larger markets. The IMT-TH opens direct trade routes to Thailand and Southeast Asia, offering new markets for the region's agricultural products, textiles, and handicrafts. This could spur industrial advancements by attracting investments in sectors such as food processing, logistics, and tourism. The highway also holds the potential to address prolonged unrest in the Northeast, which has been a hotbed of insurgency due to ethnic tensions. Improved infrastructure and commercial opportunities could act as a deterrent to insurgent activities, while increased cross-border cooperation could help resolve long-standing conflicts.

Moreover, one of the most strategic aspects of the IMT-TH is its role in counterbalancing China's Belt and Road Initiative, considered a dominant force in the geopolitical landscape of Asia. By developing transnational infrastructure projects, China has sought to expand its influence across the region. However, the trilateral highway provides India with a more independent passage to Southeast Asia, mitigating its reliance on Chinese supply chains. With the IMT-TH, India can facilitate the movement of goods and services across Southeast Asia and into East Asia, reducing its dependence on commerce routes that pass through Chinese-dominated infrastructure. Furthermore, by strengthening ties with Myanmar and Thailand, India is building a coalition of like-minded nations that seek to maintain their sovereignty and independence in the face of China's hegemony.

For India, the trilateral passage provides access to the fast-growing Association of Southeast Asian Nations (ASEAN) market, which represents over \$3 trillion in GDP. Thailand, one of India's major trading partners within ASEAN, saw bilateral trade reach \$16.04 billion in 2023; India exported goods worth \$5.92 billion and its imports were worth \$10.11 billion. The highway can amplify these numbers, providing a facilitating smoother access for Indian exports like pharmaceuticals, textiles, and automotive components into Southeast Asia's high-demand markets. Thailand's role as a logistics hub is crucial for the project. By improving road connectivity, the IMT-TH will enable Indian exporters to reduce dependence on more expensive sea and air freight, making Indian products more competitive in Southeast Asia. Also, with the highway feeding into Thailand's infrastructure including its Eastern Economic Corridor, Indian businesses can capitalise on Thailand's advanced logistics systems to reach other ASEAN markets such as Cambodia, Laos, and Vietnam, and even China. Indian businesses, particularly those in sectors like electronics, could use Myanmar as a manufacturing hub given its lower labour costs, and transport finished products to Southeast Asia. The IMT-TH could thus promote the development of cross-border production networks, helping businesses optimise costs and production cycles across the three countries.

The IMT-TH is a critical element in India's larger approach to leverage the Indo-Pacific as a gateway for financial partnerships. It allows India to bypass the Malacca Strait, one of the world's busiest shipping lanes, where China holds significant influence and provides a direct overland route to Southeast Asia. This is especially important given that nearly 95% of India's trade by volume relies on maritime channels, minimising vulnerability to disruptions at sea by external powers.

The IMT-TH highway also aligns with India's broader "Act East" policy. The increased connectivity will allow India to take part more actively in ASEAN-led ini-

The India-Myanmar-Thailand Trilateral Highway will be crucial for business transactions and regional integration, especially for the Northeast

tiatives such as the Regional Comprehensive Economic Partnership, which could further solidify India's incorporation into global supply chains. Recent developments add significance to India's geopolitical strategy. Just ahead of the BRICS summit in Russia, India and China reached an agreement on patrolling arrangements along the Line of Actual Control, resolving some of the issues that arose in 2020. While the US views India as critical in countering China's influence in the Indo-Pacific, particularly through initiatives like the Quad and joint projects such as the semiconductor fab and Predator drone deal, the India-China thaw could complicate matters for Washington. Although India remains committed to its Indo-Pacific agenda, closer ties with China could reshape the dynamics of its role in the region.

There is also growing speculation about a possible Russia-China-India alignment. This is evident in the reports about the three nations planning to collaborate on a joint lunar project, marking the first such initiative among them. While this collaboration remains largely symbolic, it signals India's ability to navigate competing alliances, enhancing its strategic autonomy. In the context of the IMT-TH, India's balanced diplomacy ensures that the highway would not only boost economic integration but also reinforce India's independent role in shaping the geopolitics of Southeast Asia.

Co-authored with Harsh Kumar Jha, a student of political science and international relations at Ashoka University

LETTERS TO THE EDITOR

Rising inflation

Apropos of "Unpleasant surprise" (FE, November 14), data on inflation has only confirmed what the common people already knew as they ventured out to purchase food articles for daily consumption. The CEO of Britannia flagged concerns about the low wages of the middle class. It is time to include the cost of medicines and

education in the inflation basket as the common man is spending a significant amount of earnings in health and education. Costs of medicines keep on increasing every quarter and no questions are asked. It is galling to think that despite these concerns politicians are merely discharging cash to all and sundry in their bid to gain power.

—Anthony Henriquez, Maharashtra

Respect user trust

Apropos of "Linked influencers, don't cheat" (FE, November 14), there is a plethora of social media platforms where sales pitches are common. But when it comes to LinkedIn, it is a niche media platform for career guidance and professional networking that helps thousands of professionals in their careers. If this platform dilutes its

image and does not categorically mention a sponsored section, in a sense it is cheating its users. It does not take too much effort to put a clear sponsored tag before the content to maintain transparency with followers. There is no need to misguide users.

—Bal Govind, Noida
Write to us at letters@expressindia.com

Trump's imminent trade war, and what India must watch for

RAVI DUTTA MISHRA
NEW DELHI, NOVEMBER 13

ROBERT LIGHTEIZER, a staunch protectionist and an architect of the tariff battles of Donald Trump's first term, might once again lead the President-elect's pursuit of his frequently cited trade goals of reciprocal market access. According to a *Financial Times* report from last week, Lightheizer, the US Trade Representative from 2017-21, has been offered the job again. Politico reported on Tuesday that Lightheizer and his allies are preparing plans for "massive new tariffs on imports" going "far beyond anything seen in Trump's first term".

Trade economists suggest that while China and its "cheap" exports might be Trump's primary target, it is in New Delhi's best interests to advocate for reform at the World Trade Organization (WTO), and play an active role in preserving a rules-based

trade order to safeguard future growth.

Lightheizer's protectionism

Lightheizer has long argued that the United States' liberal trade policies — pursued after the collapse of the Soviet Union in 1989 with the hope of spreading free-market capitalism globally — are misguided. He believes that while free trade enables easier imports and boosts corporate profits, it leads to job losses that ultimately harm local communities.

Having spent decades helping manufacturing companies in the US seek tariff protection against unfair competition, the former attorney also believes that the WTO has become detrimental to American interests by restricting the country's sovereign right to protect its industries through tariffs. In 2019, he effectively disabled the WTO's dispute settlement body by blocking the appointment of judges necessary to achieve quorum. This allowed Trump to impose tariffs on countries without

reciprocations from the apex trade body.

In *No Trade is Free* (2023), Lightheizer suggests that the US should weaken the dollar relative to other currencies to meet his trade goals — much like it had done with the Plaza Accord in 1985 to address its widening trade deficit with Japan and other trade partners. In the years following the landmark accord, the US halved its trade deficit as Japanese imports became more expensive and uncompetitive, even as Japan's economy suffered from significant long-term negative effects.

EXPLAINED ECONOMICS

An old playbook

Abhijit Das, an expert on international trade and former head of the Centre for WTO Studies at the Indian Institute of Foreign Trade (IIFT), told *The Indian Express* that Trump's imminent trade war against China is less about trade and more about trying to

contain Beijing's technological ascendancy, particularly in high-tech sectors.

"Today, China is the target; decades ago, it was Japan, when Japan posed a competitive threat to the US... All the allegations made against China today are similar to those once levelled against Japan: inferior quality goods, intellectual property theft, dumping," he said.

In the 1970s, as Japanese brands such as Sony and Toyota began to dominate global markets in consumer electronics and automobiles, the US launched a trade war against its ally. Eventually, it was successful in "bending Japan to its will", according to Das.

However, the same might not be the case with China — whose annual over all trade surplus is expected to soon surpass \$1 trillion (it touched \$380 billion in 2023). "The difference is that Japan relied on the US for security,

whereas China does not," Das said.

India in the crosshairs

Trump is likely to wield tariffs to pressure trade partners into making more favourable deals, according to Ajay Sahai, Director General & CEO of the Federation of Indian Export Organisations (FIEO).

This could extend to countries beyond China with which the US has a trade imbalance, and where it perceives the existence of unfair practices. "The increase in India's trade deficit with the US, from \$25 billion in 2019 to \$50 billion in 2023, is likely not to Trump's liking," he said.

Trump 2.0 might see the US using tariffs to pressurise India on issues like intellectual property rights, labour standards, or digital trade policies. "A broader tariff policy would affect sectors in which both countries compete, like pharmaceuticals, IT services, textiles, and steel," he said.

According to Das, tariff retaliation might be India's only effective means of responding to additional American tariffs. This approach was successful during Trump's last term when India raised tariffs on American agricultural products in response to US tariffs on steel and aluminium. A settlement on this matter was reached under the Biden administration.

Higher tariffs on Chinese goods, according to Sahai, could also create opportunities for Indian exporters to fill the gap in global markets, particularly in sectors where they hold a competitive advantage.

During Trump's previous term, tariffs mainly targeted China, Mexico, Canada, and the EU. But India did not escape unscathed from the fallout of Trump's protectionism. With Lightheizer as the US trade chief, India in 2019 lost its Generalized System of Preferences (GSP) status that gave thousands of Indian commodities — worth roughly \$5.7 billion annually — duty-free access to the US market.

EXPLAINED GLOBAL

How Anglican Church's next leader will be picked

THE ARCHBISHOP of Canterbury, Justin Welby, on Tuesday resigned over an alleged cover-up scandal, marking an unprecedented moment for the Church of England.

Welby became the first leader of the church, as well as the wider Anglican Communion of 85 million Christians worldwide, to be forced out in this manner, according to experts.

The 68-year-old had been in the role since 2013, and would have been expected to retire around age 70.



Archbishop of Canterbury, Justin Welby, resigned on Tuesday. Reuters

How will the candidates be shortlisted?

A period of consultation on the needs of the Church of England, as well as the Anglican Communion, will be followed by an appointment of a Crown Nominations Committee.

The committee will consist of 17 voting members, including the archbishop of York who is the second-most senior bishop in the institution. It will be chaired by the archbishop, ideally in public life, chosen by Prime Minister Keir Starmer.

Assembling the committee could take a couple of months, David Thompson, emeritus professor of modern church history at the University of Cambridge, told Reuters, adding that the whole process could take up to six months.

The committee will then make a recommendation to Starmer. If it is accepted by the prime minister, he will put the name forward to King Charles, who is the supreme governor of the Church of England.

bishop of Chelmsford.

Snow abstained in a church assembly vote on blessing for gay couples, while Usher is in favour of gay rights.

Francis-Dehghani, who was ordained in 2017, just three years after the first woman bishop was appointed, was born in Iran. She would be the first woman to become archbishop if selected.

What challenges may they face?

The new archbishop will likely face the same persistent divisions on same-sex relationships that Welby tried to balance during his 11-year tenure.

It has been a matter of contention not just in the wider Anglican Communion, which includes African churches where homosexuality is taboo, but also within the Church of England.

"The principal problem for the archbishop of Canterbury... is that he combines the role of the primate of all England, with being the head of the Anglican Communion," Thompson said.

"It increasingly in the late 20th century and the early 21st century has revealed a conflict of role which has not been satisfactorily resolved during Archbishop Welby's tenure." REUTERS

AJOY SINHA KARPURAM
NEW DELHI, NOVEMBER 13

THE SUPREME COURT on Wednesday laid down a series of guidelines to ensure that due process is followed for demolishing the properties of citizens.

These guidelines were a part of the court's verdict in a case that had raised the issue of demolition of properties by state authorities as a punishment for the alleged involvement of the property owner in a crime. The case was heard by a Bench of Justices B R Gavai and K V Viswanathan.

The verdict came just days after then Chief Justice of India D Y Chandrachud, while hearing a case regarding a man whose home was illegally demolished by the UP government as a part of a road widening project, referred to such demolitions "bulldozer justice".

What was the case?

The case pertained to a set of pleas that challenged the "extra-legal" practice of demolishing houses of people accused of criminal activities. The practice has been observed in recent years in BJP-ruled states such as Uttar Pradesh, Madhya Pradesh, and Uttarakhand. It was also seen in Rajasthan, during Congress rule in 2022.

Wednesday's ruling was prompted by incidents in Udaipur, Rajasthan, and Ratlam, MP, earlier this year.

In Ratlam, bulldozers were used to pull down a family's ancestral home after the owner's son was arrested for slaughtering a cow in June. In Udaipur, the municipal corporation demolished a tenant's house for allegedly "encroaching" on forest land. The demolition took place in August soon after the tenant's 15-year-old son was arrested for stabbing his classmate from another community, leading to a flare-up in communal tensions in the city. The lawyers submitted that the demolition and the accusations against the tenant's son were connected.

These pleas were tagged with another set of cases which pertained to demolition drives in other states.

One of them was filed by the Jamiat-Ulma-i-Hind in April 2022 amidst a demolition drive that followed communal violence in Delhi's Jahangirpuri.



A bulldozer demolishes the house of an activist accused of being involved in violent protests in Prayagraj, Uttar Pradesh, in 2022. Ritesh Shukla

What are the guidelines?

The guidelines laid down by the SC place emphasis on transparency and giving the accused and their family sufficient time to handle their affairs. The SC clarified that the guidelines will not apply to "an unauthorised structure in any public place such as road, street, footpath, abutting railway line or any river body or water bodies and also to cases where there is an order for demolition made by a court of law".

PROVIDING NOTICE: The SC said a minimum of 15 days prior notice must be given for a person to respond to the demolition is carried out, starting from the date that the owner or the occupier receives the notice. This notice must contain details of the structure, why it is being demolished, and a date for a "personal hearing" to allow owners to contest the demolition.

As soon as the notice is served, the local Collector or the District Magistrate should be informed via email, with an arrangement for an auto-reply acknowledgment of the email's receipt "to prevent any allegation of backdating", the SC said.

HEARING & FINAL ORDER: After conducting a hearing where the minutes are

properly recorded, the SC said the final order must mandatorily contain certain information. This includes the arguments made by the owner or the occupier, why the authority (such as the local municipal corporation) believes the case cannot be settled, and whether the entire construction or only a part is to be demolished. Reasons such as "Why the extreme step of demolition is the only option available" should also be mentioned, the SC said.

THE AFTERMATH: If the authority passes a final order for demolition, and if the property owner or the occupier receives the order, the SC said, "the order will not be implemented for a period of 15 days". This allows the owner or the occupier to either remove the construction or challenge the final order in court and seek a stay order.

At the end of this second 15-day period, if the final demolition order has not been stayed and the construction has not been removed, demolition can be carried out. However, the authority must take a video recording of the demolition and prepare both an "inspection report" before the demolition and a "demolition report" with a list of personnel involved in the demolition process.

What is the SC's reasoning for the guidelines?

The SC relied on several fundamental constitutional and legal principles that are violated when the illegal demolition of an accused person's property takes place.

SEPARATION OF POWERS: The verdict stresses that the judiciary is entrusted with "adjudicatory" (decision-making) powers to decide if an accused person is guilty, and whether any of the organs of the state have "transgressed" their limits. The judiciary then asks, "Can the officers of the State Government take upon themselves the adjudicatory function and without a person undergoing a trial be inflicted with a punishment of demolition of his properties?"

It would be "wholly impermissible" for the state to decide that demolition can be a punishment for an accused person, according to the SC. It said, "The executive cannot replace the judiciary in performing its core functions".

PUBLIC TRUST & TRANSPARENCY: The SC said public officials must be held accountable for both their actions and inactions. Officials who "take the law in their hands" and pass demolition orders on the ground that the owner or occupier of the property is an accused "should be made accountable for such high-handed actions," according to the court.

The SC also said the guidelines are necessary to ensure that the government acts in a "transparent" manner and hold them accountable when they don't.

RIGHT TO SHELTER: The SC noted that the accused is not the only one who lives or owns such properties. It highlighted that the right to life with dignity under Article 21 of the Constitution includes the right to shelter. Depriving this right of the other innocent people living in the same house as the accused would be "wholly unconstitutional", according to the SC.

To address cases where the demolished property houses an accused but also violates municipal laws as an illegal construction, the SC laid down a separate test. It said when a "particular structure is chosen all of a sudden for demolition and the rest of the similarly situated structures in the same vicinity are not even being touched" it can be presumed that the "real motive" was to penalise the accused and not to remove an illegal construction.

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Why maker of 'magic' weight-loss drug semaglutide wants copies banned

KAUNAIN SHERIFF M
NEW DELHI, NOVEMBER 13

NOVO NORDISK, the Danish pharmaceutical company that has developed the popular weight-loss drug Wegovy and diabetes medication Ozempic, has asked authorities in the United States to stop the compounding of these products saying that this could pose safety risks.

US Food and Drug Administration (FDA) regulations allow human drug compounding — in which licensed pharmacists or physicians combine, mix, or adjust the ingredients of a medication — to meet patient needs when popular branded formulations are in short supply.

Wegovy and Ozempic, both of which contain semaglutide, have been in heavy demand for months, and many compounding pharmacies in the US have created their own versions to cope with this.

Previously, American drugmaker Eli Lilly had sought to stop compounded versions of its diabetes and obesity medications Mounjaro and Zepbound. The FDA is yet to make a decision on the applications.

Concerns over semaglutide

Over the past year, Novo Nordisk has filed

at least 50 lawsuits against clinics and pharmacies that have produced compounded versions of its drugs. These copies could be dangerous, the company fears — Chief Financial Officer Karsten Munk Knudsen said last week that reports had linked at least 10 deaths and more than 100 hospitalisations to compounded versions of Wegovy and Ozempic.

On October 22, Novo Nordisk asked USFDA to stop semaglutide on the Demonstrable Difficulties for Compounding (DDC) list, which restricts pharmacies from compounding a drug, especially when commercial versions are available.

The FDA considers a drug for the DDC list if factors such as its stability, dosage requirements, bioavailability, or necessary sterile handling make it difficult to create a safe and effective compounded version.

In its application for DDC listing, Novo Nordisk has flagged four specific concerns to the FDA.

EXPLAINED HEALTH

COMPLEX FORMULATION: The complex structure of semaglutide is hard to replicate accurately. The drug is manufactured using yeast and recombinant DNA technology, which gives it specific properties essential for its performance and safety. Replicating it synthetically can result in differences in purity, stability, and overall effectiveness.

The FDA-approved version of semaglu-

GENERICS V COMPOUNDED DRUGS

Both are alternatives to brand-name medications, but they differ significantly in manufacturing and regulation.

MANUFACTURING: GENERICS are mass-produced by manufacturers once the patent on a brand-name drug expires. They contain the same active ingredients, and match branded versions in dosage, safety, quality, and intended use. Novo Nordisk's patent on semaglutide will expire in 2026.

COMPOUNDED DRUGS are prepared by licensed pharmacists and tailored to meet a patient's specific needs. Customisation can include adjusting the dosage or combining multiple drugs.

side includes specific components — such as the fatty acid — that determine how long it stays effective in the body, and synthetic versions may not perform similarly.

It has also flagged that compounded versions have led to reported adverse effects, which have been recorded in the FDA's Adverse Event Reporting System (FAERS).

REGULATION: GENERICS must meet strict regulatory standards set by bodies like the FDA. For instance, they must prove bioequivalence, i.e., deliver the same amount of active ingredients into the bloodstream at the same rate as the branded original.

COMPOUNDED DRUGS are not subject to the same rigorous approval process, even though the ingredients used in compounding must be FDA-approved. Oversight typically falls to state pharmacy boards.

DELIVERY MECHANISM: The delivery mechanism of a drug refers to the way it is sent and released into the body so that it works effectively.

According to the company, the FDA-approved semaglutide uses sophisticated delivery methods, the precision of which helps the drug work effectively and safely.

Compounded versions often lack these advanced delivery mechanisms, which can lead to the drug not being released in the proper dose, and reduce its effectiveness and put patient safety at risk.

Another effective delivery mechanism is especially important because patients administer the drug themselves. The FDA-approved version of semaglutide, made by Novo Nordisk, comes in a single-use pen injector, which provides the exact dose, and includes clear instructions that ensure patients accidentally taking too much of the drug. The compounded versions, on the other hand, often come in multi-dose vials or pre-filled syringes, with inconsistent instructions that increase the risk of dosing errors.

Novo Nordisk has cited examples of patients who overdosed on compounded semaglutide. In one case a man accidentally took 10 times the dose, resulting in severe nausea and vomiting.

BIOAVAILABILITY: This refers to the degree to which the active ingredient in a drug reaches the bloodstream and becomes usable by the body.

The company has said that semaglutide has naturally low bioavailability — and a compounded version that is not absorbed properly may not produce the intended effects. Ineffective treatment of obesity and diabetes can result in heart attacks, strokes,

nerve damage, kidney disease, and may even require amputations.

Compounded semaglutide may not meet the requirements for effective bioavailability, the company has told the FDA.

CONTAMINATION, STABILITY RISK: The company has underlined that compounding semaglutide requires specialised facilities and equipment, and that the risk of contamination is a major concern. Contamination with other ingredients can potentially occur if the equipment is not sanitised thoroughly.

According to the company, in March 2022, the FDA found issues with sterility at a compounding pharmacy that had had five sterility failures with injectable drugs in one year, and had released products before confirming they were sterile. More than 15,000 injectable semaglutide units were recalled, the company said — and another recall had followed in August 2023 for the same reasons.

Novo Nordisk has also said that semaglutide is a temperature-sensitive drug and storing it at temperatures higher than 30 degrees Celsius can compromise its stability.

The company has flagged an instance of a pharmacy instructing patients to keep a sublingual (under-the-tongue) solution at room temperature, and another advising them to freeze semaglutide products.



The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

BULLDOZER INJUSTICE

SC has done well to speak against 'bulldozer justice', lay down guidelines. The local councillor and thana must heed its message

THE CHILLING SIGHT of a bulldozer demolishing a building, when authorities have failed to follow the basic principles of natural justice... reminds one of a lawless state of affairs. The Supreme Court's indictment of governments using the excuse of "illegal encroachment" to take punitive action against those merely accused of crimes is unequivocal. In essence, the Court has confirmed that justice cannot be found at the end of a bulldozer, that punishment without due process violates fundamental rights. The bench comprising justices K V Vishwanathan and B R Gavai has rightly pointed out how the demolition of the homes and properties of those accused of crimes cannot be reconciled with the basic principles of India's Constitution, including the rule of law, separation of powers, the presumption of innocence and the illegality of collective punishment. Using its power under Article 142 of the Constitution, the Court has laid down guidelines for the demolition of properties, including providing a personal notice and time for appeal. It also ruled that "officials found to be in violation of the orders of this Court, will be held responsible for restitution of the demolished property at his/her personal cost".

The apex court's reiteration and defence of the basic principles of natural justice is welcome and necessary. However, for those who have lost their homes and businesses already, it is already too late. The Court has said its directions will not be applicable, "if there is any unauthorised structure in any public place such as road, street, footpath, abutting railway line...". Beginning with the Uttar Pradesh government, then in other BJP-ruled states such as Madhya Pradesh and Uttarakhand and even in then Congress-ruled Rajasthan, the bulldozer has become a symbol of summary "justice". More often than not, the houses and properties destroyed have belonged to people from the minority community and those at the margins. For the Court's eloquent defence of rights and legal principles to have substance it must percolate to every judicial officer in the country. More importantly, it is up against a political logic that is becoming increasingly widespread. The Court has, in recent years, also spoken against hate speech and murders by semi-vigilante groups in the name of cow protection. On the former, it had, in 2002, directed all states and UTs to take suo motu action and warned that not adhering to its guidelines would be considered contempt of Court. That warning seems not to have had the desired effect. On cow vigilantism, too, it is debatable whether the message has been heeded.

Those who have been at the receiving end of the bulldozer's excesses cannot knock, in most instances, at the doors of the apex court. For them, it is the local councillor and the local thana that is the visible arm of the state, that so often strong-arms them. It is here that a change in attitude must occur. Whatever their ideological inclination, elected governments must not wear the bulldozer's excesses as a badge of honour. The SC's verdict must resonate outside the portals of the judiciary, amongst politicians and administrators who represent the face of the state to common people.

A CHOPPY MARKET

CoP29's hasty decision on carbon credits could do more harm than good. Substantive finance issues need addressing

N EARLY A DECADE after the Paris Pact was inked, countries have agreed to implement its clause that allows countries and companies to trade emissions. Article 6 of the Pact deals with carbon markets, which allow polluting entities to offset some of the damage they cause by buying credits from less polluting entities. The provision remained contentious. At CoP28, last year, negotiations broke down after countries could not agree on what constitutes a good carbon removal credit. Last month, a UN body circulated a draft text that laid out the methodologies for framing standards for such projects. At CoP29 in Baku on Monday, countries arrived at a consensus on these methodologies. The agreement aims to clear the air over transparency in emissions trading mechanisms and streamline carbon market operations.

Azerbaijan which is heading the current CoP has expressed the hope that carbon markets could reduce the cost of implementing the Nationally Determined Contributions for the Paris Pact by \$250 billion every year. However, a section of experts have criticised the Baku meeting for being hasty at arriving at a decision on a particularly contentious aspect of the Paris Pact on the first day, without extensive deliberations. The agreement does not adequately address issues related to double accounting. It does not lay out guidelines for assessing projects with reversal risks — for example, carbon absorbed in a natural sink can be released into the atmosphere after a few years. Moreover, the agreement says nothing about protecting the livelihoods of communities displaced by ostensibly green projects.

Historically, poor countries have given carbon markets a poor reputation. The Clean Development Mechanism developed under the Kyoto Protocol fell apart because all parties lost their faith in the system. In recent years, with several developed countries setting net zero targets carbon markets seem to have regained traction. Therein, also lies a major concern: Developed countries could put their money in offsetting schemes without undertaking adequate genuine decarbonisation initiatives. This could put a large part of the burden of mitigating global warming on developing countries. After the pact on Article 6, CoP29's main task will be to ensure a substantive decision on climate finance. Else, the Paris Pact faces the risk of going the way of its predecessor, the Kyoto Protocol.

OTHER WORLDS, WONDERS

In Samantha Harvey's Booker Prize win, an empathetic look at an old, besieged world

THE DAY THE Booker Prize is announced, a pall of smog hangs over some of the world's busiest metropolises. The AQI in Delhi is over 400. In Lahore, it is worse. In other corners of the Earth, similar, albeit less dire, patterns play out even as world leaders convene in Azerbaijan to sort out proportions of climate financing and climate culpability. Amid the haze of breath-choking pollutants, and the complicity of climate naysayers, it is difficult to imagine Earth as a place of immeasurable beauty. British writer Samantha Harvey, this year's Booker Prize winner for her novel *Orbital*, did not suffer from a crisis of imagination, however. Her 136-page novel, set over the course of a day, tracks the lives of six astronauts at the International Space Station. Amid the wonder of discovery and the awe of confronting jaw-dropping beauty, each comes to realise what politicians and citizens often fail to see — without Earth and its magnificent, faltering, ambitious humanity, there is little meaning.

At the awards, the odds were in favour of the only man on the shortlist of six — Percival Everett for *Jarvis* — and the win makes Harvey the first woman to get the Booker since 2019. A unanimous choice, the chair of judges, Edmund de Waal, described *Orbital*, a book that took Harvey 25 years to write, as one "about a wounded world" that "reflects Harvey's extraordinary intensity of attention to the precious and precarious world we share." A measure of *Orbital*'s scope had come early. The slim volume, the second-shortest book to win the Booker, after *Offshore* by Penelope Fitzgerald in 1979, has also been the most commercially successful. It has been the highest-selling book on the shortlist.

One hopes that in its popularity, there is also a strain of recognition of what is at stake. Harvey, 49, had set out to write a "space pastoral" but it was during the pandemic that the import of it truly struck her. As the world battles an urgent climate crisis, could some of her wonder and her anxiety serve as a mirror on the wall?

A green transition for India

It's about redefining relations between environment, energy and economy, keeping people at centre



ARUNABHA GHOSH

AS COP29 NEGOTIATIONS play out in the shadow of Donald Trump's win in the US and conflicts in West Asia, one thing is clear: India will have to decarbonise equitably without slowing down its economy while also attracting climate finance to drive investments. India must consider seven fundamental shifts to build a strong economy that stands on the shoulders of a clean, resilient and robust energy system. People must form the core of this green economy.

India's power demand will nearly double by the end of this decade, with peak demand set to reach nearly 370 GW by 2031-32. That means every few years, we will need inflection points in how energy investments are flowing, infrastructure is being built, and new business models are emerging. Rather than matching just current supply and demand, we would need to track metrics that facilitate and enable these inflection points in a warming world. These shifts are crucial to trigger change.

First, shift from centralised to decentralised energy systems. Distributed renewable energy (DRE) sources can be a critical pillar of building energy systems at scale. India has already shown ambition with its rooftop solar push that plans to solarise 10 million households, which could add 30 GW of clean power. However, the price for rooftop solar is too high for most consumers in the lower economic slabs who consume less power. A Council on Energy, Environment and Water (CEEW) study found that ~30 per cent of the country's technical rooftop solar potential lies in the 0-1 kW category, a category still expensive for many after subsidies. New kinds of market-driven interventions and business models, such as community solar or community partners, can tackle this.

Second, shift the narrative from capital expenditure (capex) to operational expenditure (opex). We have often thought of energy systems as a capex story. For the clean energy transition, we have to start thinking about pricing energy better through an opex model. For instance, every consumer does not need to buy a solar panel. The utility can set it up for a community for a price and charge on a pay-as-you-go basis. We can use similar opex models to provide energy effi-

ciency as a service, set up distributed renewables, enable district cooling instead of every individual buying ACs, and sustainable mobility (paying for clean transportation service per kilometre rather than the capex of an electric bus). It is all about the final use of energy and pricing it right.

Third, shift from short-term financial risk to climate-resilient clean energy and business investments. It is comparatively risky to invest in emerging markets, but much of that has to do with perceived risks than real ones. We also cannot ignore the shocks we are already facing at 1.4 degrees of warming. A CEEW study found that more than 80 per cent of India now lives in climate-vulnerable districts. Investment in making our energy systems resilient and climate-proofing them is perhaps the least risky approach compared to the macroeconomic consequences of climate change. The country's hard infrastructure must be insured against non-linear climate risks and businesses must undertake granular climate-risk assessments. Our thinking should go from how much it will cost to how much investments in resilience can save us from future shocks.

Fourth, rather than fixating on industrial policy, think of plugging into supply chains. Beyond a point, India cannot currently afford protectionist sustainability-linked industrial policies like those of the US or the EU. These policies need not be the most efficient route of trying to make the whole economy a vertically integrated firm. We can position ourselves in global clean energy supply chains by adding value and collaborating on strengths with other countries. Where can India step into the solar PV and green hydrogen supply chains? And how can it help create a global rules-based architecture for the fuels of the future? Energy security is critical, but via a route that privileges interdependence and rules, versus protectionist and unilateral policies. Fifth, bring together the decarbonisation and digitalisation revolutions by shifting focus from hardware to software. India is undergoing two fast-paced revolutions — the country now has over 820 million active internet users, with more than half coming from rural areas, and is decarbonising its power systems at the same time. How can the electrons

and bytes talk to each other? Energy is not just about building the hardware; we also have to invest in the software, the AI systems, the smart appliances, and the smart meters. The rollout of millions of prepaid smart meters is just the start of the story — it then helps power distribution companies optimise how and when electrons flow. This makes energy systems more resilient and interoperable with renewables. Digitally managed electrons could be the new business model rather than just building hard power infrastructure.

Sixth, move from a linear to a circular economy. This not only helps energy systems, but also enhances our critical mineral security. A recent CEEW study found that cumulative waste from India's existing and new solar energy capacity could reach up to 600 kilotonnes by 2030 — equivalent to filling up 720 Olympic-size swimming pools. Management of this waste and salvaging the minerals — such as silicon, tellurium and cadmium — in it is an environmental and strategic necessity. It is a priority for the government to develop India as a hub for the circular economy of minerals, but also water and agricultural waste. It could help with air quality, urban sanitation, water availability and energy security.

Finally, bring people to the centre of the energy transition. There is a need to shift from financing power developers to financing end-use consumers. We think constantly about big capex and the hundreds of billions of dollars that can flow into clean energy. But where is the financing for the end-use consumer wanting to buy an electric two-wheeler, or wanting to deploy solar panels on their roof, or wanting more efficient bricks for their new house? Individually, one consumer may be too small a bet, but when we create a portfolio, it becomes a market giant opportunity.

This is a critical decade for India's energy transition. The path forward is not merely about transitioning from one energy source to another, it's a paradigm shift and an opportunity to redefine our relationship with energy, economics, and the environment. And, bring people back at the centre of policies.

The writer is CEO, Council on Energy, Environment and Water (CEEW). Views are personal

NOTES ON TAMIL CINEMA

'Meiyazhagan', 'Kottukkaalli', 'Vaazhai' show industry makes art for, about people



VIDHATRI RAO

A MAN in his 40s reluctantly goes back to his hometown after two decades. He reconnects with long-lost relatives, an old love, drinks chai by the road, and rides a cycle in the silence of the night that envelops a sleepy town.

These images are from the Tamil film *Meiyazhagan*, directed by C Prem Kumar. Arvind Swamy plays the film's protagonist Anurag — the must-tender man in Indian mainstream films this year. Little moments make up Swamy's Anu. A gentle pat on the shoulder by someone from the past, his daily ritual of feeding parrots and pigeons, his mornings as a cricket coach, his banter with his daughter. Anu is not afraid to cry, laugh, be vulnerable, and admit he is wrong.

The film also stars Karthi, and was produced by his brother, Suriya. When asked if the film met expectations box office-wise, Suriya, who is a reputed actor and producer, said the numbers did not matter for a film like this, before going on to say he made "25 per cent profit on the budget". Suriya asked: "Who knows what truly defines a film's success?"

Between the noise of Rs 100 crore collections, fan wars and stardom that seem to dominate conversations surrounding film today, especially a Bollywood, Suriya's statement came as a breath of fresh air. It also points to a culture of collaboration that seems to be taking place in the constantly evolving mainstream Tamil cinema, which has been able to strike a balance between staple masala high-

octane fare and more subtle, imaginative and character-driven filmmaking.

This year's releases are proof enough of the variety that the industry has to offer.

In August, Vikram starred in Pa Ranjith's *Thangalaam*, a magical-realist story of Kolar gold mine workers in the 1800s. While it got a mixed mandate, it was praised for its world-building, technical finesse and politics.

Then in September, we got *Vaazhai*, director Mari Selvaraj's meditative semi-autobiographical story about banana plantation workers. The world is a Tamil Nadu village in the 90s, and the "hero", a precocious teenager. This is a film with its politics firmly in place, speaking of poverty, hunger, and cycles of exploitation. It is also a thing of beauty. Cinematographer Thani Eshwar shoots rural landscapes — from crows to water to fields — with freshness and patience. The final sequence that forms the core of the tragedy of the film is again technically supreme — shot in black and white, at night, with ample usage of close-ups. Music director Santosh Narayanan's final ballad mourning the dead is haunting, the kind that lingers far after the film's credits roll.

The film, which would be deemed unglamorous for Bollywood, ended up making Rs 40 crore — showing a culture of audiences and filmmakers in constant dialogue.

In October, Tamil cinema also saw the release of P S Vinodh's *Kottukkaali* — its English

title is *Adamant Girl* — which did rounds at film festivals such as Berlinale. The film talks of a family taking their "possessed" daughter to a seer after she falls in love with a man from an oppressed caste. The film, with its usage of single-takes, is a searing depiction of patriarchy-induced suffocation, caste, mothers and daughters, religion and superstition.

The year seems to be ending on a great note for the Tamil audience. We have Suriya's big-budget spectacle *Kanguva*, also starring Bobby Deol, on November 14, a film which, by the trailer, looks like a desi *Game of Thrones*. There is also Vetrimeera's *Viduthala: Part 2* in December, a film about a police constable and a separatist leader.

Recently, Tamil Nadu Deputy Chief Minister Udhayanidhi Stalin, whose production and distribution company worked on *Vaazhai*, argued that in southern India, film is a means of cultural preservation and resistance. The political implications of the DMK and its ideology aside, Udhayanidhi's statements point to one thing.

Tamil cinema, like other film industries in the South, knows the syntax of its films and their larger cultural role. It is cinema for the people, about them, rooted in their lives, issues and aspirations. And there is also room for experimentation, quality, finesse, and political dialogue within that mainstream space.

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NOVEMBER 14, 1984, FORTY YEARS AGO

ELECTION DATES OUT

LOK SABHA ELECTIONS will be held on December 24 and 27 — except for in Assam and Punjab. A separate programme will be fixed for them. This is the first time that two states are being excluded from a notification for the Lok Sabha elections. Chief Election Commissioner R K Trivedi said the notification will be issued on November 20 and counting will commence on December 28 with results expected the same evening.

PM GANDHI'S APPEAL

PRIME MINISTER RAJIV Gandhi called for de-

politicisation of administration. Gandhi said one of the problems being faced by the government was "unnecessary politicisation of administration at all levels. We must reduce it and if possible get rid of it." He referred to the need for improving the quality of civil services and politics, elimination of corruption and education to promote a national outlook.

CONGRESS CANDIDATES

THE AICC's GENERAL secretary, Anand Nehru, has said that the main criterion for the selection of Congress (I) candidates for the Lok Sabha elections would be their "goodness", and not whether they were sitting MPs.

Nehru, a close advisor of PM Rajiv Gandhi told newsmen that age and caste would not come in the way of giving tickets for election.

SWRAJ PAUL'S CASE

SWRAJ PAUL, THE industrialist, appeared to be unnerved by the Bombay High Court's judgment that upheld the right of Escorts not to register the transfer of shares in his name while indicating that in the business deal foreign exchange regulations had been violated. Paul said that the judgment had created three classes of shareholders, with one being public financial institutions "which henceforth would have to stay on the sidelines of a company".



THE IDEAS PAGE

A question of legacy

DY Chandrachud's record in the Supreme Court is a proud one, brimming with new ideas. Yet, unsettled matters, such as CJJ's prerogatives, post-retirement assignments, remain



UPENDRA BAXI

DY CHANDRACHUD retired as Chief Justice of India last week. His normative labours in over eight years in the Supreme Court include, as of November 6, 612 judgments across 1,274 Benches, as per Supreme Court Observer (SCO). According to SCO data, the highest number of his judgments are in service (16 per cent), criminal (15 per cent) and constitutional and civil matters (10 per cent each). This is a proud record, brimming with new concepts and ideas. It is doubtful that all critics of his tenure have read this corpus. The CJJ who publicly wondered about his legacy has left with a bouquet of brickbats from retired justices, senior lawyers, and both the print and social media.

Most of the critique has been directed at his off-bench performances, with some ungenerously suggesting that these impacted his judicial decisions. Such criticism overlooks the fact that the constitutional conception of judicial independence is always, as I have previously described, "independence within dependence" — a relative, not an absolute, independence. The number of justices, the terms of service, their age of superannuation and pensions are determined by Parliament. And the Supreme Court itself has conceded in the NJAC decision that a collegium system means "limited primacy both to the President and CJ".

At the Express Adda last week, the former CJ insisted that the judiciary and executive are not "antagonists" who would desist from "reasoned dialogue." But he also said (something that CJJS Khehar had darkly hinted at) that social media "pressure groups" and "interest groups" often cry foul if a matter is not decided as per their interests.

However, "robust consultation" may be creative only if boundaries to the bonhomie between the political executive and the judiciary were known to the people. We have the former CJ's word that the dialogue is purely on the "administrative side" and never involves "the cases we decide." We also have his exhortation to "trust" judges. However, asserting the people's right to know the grounds of decisions, justly affirmed in the electoral bonds case, would have helped!

We have also learned that the former CJ has always been "a person of faith" — this is unproblematic since the fundamental right to the freedom of conscience and religion is guaranteed by constitutional jurisprudence. Enough has been said about the release of a live recording of the puja where the CJ was joined by the Prime Minister in a public display of faith. However, I maintain that it is the judicial duty of all serving Supreme Court justices to follow the *Banmadi* discourse which brilliantly distinguishes between constitutional and political secularism.

Additionally, a certain degree of judicial aloofness is expected in judicial conviviality with the executive. To quote myself immodestly: "The distance between Tilak Marg (where the SC sits) and Shastri Bhawan (where the law minister is located) is geographically very small but constitutionally vast."

However, constitutional judicial review is destined to always meet with unworthy and ungenerous offers at denigration and the attribution of a specific political and "careerist" motive to justices. This is flawed for at least three reasons. First, career aspirations



C.R. Sankumar

are recognised everywhere as a good thing, provided they are based on the seniority-competence principle. Second, judicial independence requires ulterior motives to be proved and this occurs only in the rarest of rare cases, while the grapevine grows in which rumours become news and the folklore about judicial venality and corruption grows. A high priority for adjudicative leadership is to revive the Judicial Standards and Accountability Bill of 2010. Third, there are no single-judge benches in the SC, unlike the high courts, and therefore any imputation on the integrity of a CJ may also be implicitly extended to his companion justices.

Constitutional courts do have their own politics of interpretation — a disinterested constitutional affair from which they have nothing to gain by way of personal benefit, in contrast to competitive party politics which must benefit from decisions (as shown in my book, *The Indian Supreme Court and Politics*, 1960).

A high priority of robust dialogue between the CJ and political executive should be to subject post-supernation assignments to a two-year cooling off period, as suggested by Arun Jaitley. No CJ has done this, but a legacy-seeking CJ ought to have done so with determination and datafication: We lack data on how many justices have declined such assignments and how many have been actually invited. Nor, in this context, is the specific form of judicial oath ("Constitution at the centre", IE, July 5) ever considered!

Just before I perforce conclude, I will mention two other matters. The CJ traditionally enjoys vast administrative powers as Master of the Roster. Even the so-called revolt of the four senior justices (on January 12, 2018) did not question this privilege of the CJJ. But the problem remains: How to avoid "manifest arbitrariness" in the exercise of the CJJ's prerogatives? Even if one may defer the hearing of "politically sensitive" matters, can this ever be done even when these matters directly affect the freedom of many incarcerated under mere suspicion? Are the added unusual powers — of "recalling" a decision duly rendered by a competent Bench and to "reconsider" a prior binding decision — always just and fair? Should not such "judicial evasion" be avoided when core human rights are at stake?

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Finally, there is the matter of distressing denunciation of prior precedents. The CJ made some harsh remarks against Justices Krishna Iyer and O Chinnappa Reddy, on whether the state is obliged to acquire and distribute individual "private" property for common good, under Article 39 (b) of the Constitution. He stated that the two justices were not merely following a particular ideology but were engaged in "scuttling" the constitutional vision! Justices B V Nagarathna and Sudhanshu Dhalia called this and other remarks "harsh" and "unwarranted".

The import of the word "socialist" in the preamble of the Constitution is at stake; to reduce past judicial decisions to mere regime-favouring is unworthy. Moreover, it is anachronistic to read the past as prelude to ideologies of de-constitutionalisation, depoliticisation, de-democratisation and de-judicialisation of major issues of governance and development. One hopes that sober reflections on the future of constitutionalism will flow now from the active pen of Dr Chandrachud.

The writer is professor of law, University of Warwick, and former vice chancellor of Universities of South Gujarat and Delhi

WHAT THE OTHERS SAY

"Sen. Marco Rubio (R-Florida), reportedly President-elect Donald Trump's choice for secretary of state, opposed withdrawing from Afghanistan... he understands the value of alliances and of the American-led global order."

— THE WASHINGTON POST

Not par for the coarse

Aggressive political language has created a climate of anger and fear. It has no place in a democracy



MANOJ KUMAR JHA

DEAR PRIME MINISTER, it is with a mix of hope and concern that I write to you across these decades, as someone who once held the reins of what was then a young nation. India has changed so much since I walked its dusty roads, shared in its celebrations, and listened to its struggles.

I have chosen my birthday to write to you once again to draw your attention to some of the challenges that weighed on my heart during those early days of freedom, which are perhaps more pressing today than ever. As we navigate the complex landscape of our great nation, I feel compelled to address the matter that weighs heavily on my heart — the growing trend of violence in rhetoric as well as action that threatens the very foundations of our democracy and the idea of shared existence.

It is hard for me to believe that a crass phrase like "bataange to katenge" is an election slogan coming from your party.

I beseech you to recall that our freedom movement had two simultaneous aims. While the first one was to get freedom from colonial rule, the second one was to conceive the idea of an inclusive nation amidst all kinds of diversity. That is why the Indian quest was always for discovering unity in diversity. This unity was not just about numerical "oneness", but an emotional glue which aimed to bring people of diverse faiths, regions and religions under an umbrella called India.

You may recall, as I did, Gandhi's words that India could not be held together by force, only by love and understanding. Secularism was, to me, not merely a policy but the spirit of this unity. It meant that every Indian, whatever his or her faith, had an equal claim to the land and its future. I remember the challenge of explaining this principle in Parliament, of assuring every citizen that they could trust the state to be fair, and I ask you to uphold this same faith today. For, if the state wavers in this commitment, it risks eroding that very sense of collective belonging which defines us.

I was often asked why democracy was our chosen path. After all, many said that our people, with little education and long histories of oppression, would struggle with the responsibilities of freedom. Yet, I was convinced that our only path forward was a system that offered every voice a place at the table. To me, democracy was not only a matter of governance but a reflection of our very spirit — a safeguard that allowed our people to rise, speak, and choose freely. I recall the thrill of our first elections, the sight of villagers lining up patiently. It's my hope that you cherish and protect this legacy. True democracy requires that we listen, even when those voices oppose us. For they, too, are India.

While running the first government of free India, my colleagues and I, whether in

my party or the opposition always believed that respecting diversity is crucial for India to maintain its rich cultural fabric and unity. India's strength lies in its multitude of languages, religions, ethnicities, and traditions. This is one of the eternal truths about India. Embracing this diversity fosters inclusivity, mutual respect, and harmony, which are essential for social cohesion and progress. My own experience during the freedom struggle as well as the head of the council of ministers tells me to reiterate that celebrating differences enhances creativity, innovation, and a greater understanding among communities, ultimately enriching the nation's identity.

I always held the belief that political parties should not consider winning elections as the only or ultimate goal, but should also respect the soul of India. No goal is worth achieving if it destroys the soul of India, and nothing shall convince me to the contrary.

It is with this spirit that I urge you to consider the implications of the language being used in public discourse, particularly during elections. Words hold immense power; they can unite us or divide us, foster peace or incite conflict. I see people being rewarded for using polarising and divisive language. Such aggressive and intimidating language aimed at some of our own people and communities has created a climate of anger on the one hand and fear on the other. It has turned political dialogue into political assault. No nation that risks alienating vast sections of her population can claim to foster democracy.

I need I remind you that Gandhi's dream of an India bound by love and unity clashed with a fervour for diversity. Bapu felt not to a single bullet but to the poison of hate which led some of the countrymen to see his embrace of all faiths as betrayal. Gandhi's death should echo in our minds — a warning that we risk losing our soul as a nation when we turn against our own.

In seeing India's future in education, we did not merely want engineers and scientists. We aspired to foster an intellectual movement that could push our nation forward with rationality and inquiry. Educational institutions were intended to be places where young Indians could dare to dream without barriers of caste, faith, or wealth. "Scientific temper" was more than a phrase; it was a call to banish superstitions, prejudices, and narrow-mindedness. Today, I urge you to renew this commitment.

We are at a juncture where our collective responsibility is to promote a narrative of inclusivity and mutual understanding. Respectful discourse should flow from the highest echelons of government down to every citizen.

I hope these reflections, from a time long past, may serve as guidance and perhaps a gentle reminder of the India we envisioned. This country is a gift we hold in trust for generations yet to be born. Let us honour that trust, fostering an India that remains strong in its diversity, vibrant in its democracy, and rich in its wisdom.

Warm regards,
Jawaharlal Nehru
First Prime Minister of India

The writer is a Rashtriya Janata Dal Rajya Sabha MP. Views are personal

Turning the clock back

SC missed opportunity to realign AMU with aspirations of new, inclusive India



BALBIR PUNJ

THE INDIAN EXPRESS (SC affirms minority rights, sets aside its verdict that rejected AMU status, November 9) succinctly outlined the two tests that the Supreme Court applied while overturning its 1967 ruling that denied Aligarh Muslim University (AMU) the status of a minority institution. They were: "What's the institution's origin? Purpose? Is there a minority role in its setting up? Does its administration affirm minority character and serve minority interests?" In short, the apex court wanted to uphold the purpose for which AMU was created.

Syed Ahmad Khan, the inspiration behind AMU, belonged to a feudal Muslim family, joined the East India Company in 1838 and retired in 1876. During the First War of Independence in 1857, he was loyal to the British and earned their trust. In 1869, Khan visited England where he was awarded the "Order of the Star of India". In 1887, he was nominated by Lord Dufferin to the Civil Services Commission. The following year, he founded the United Patriotic Association at Aligarh to promote political cooperation with the British and secure Muslim participation in the British government. For his unwavering loyalty, Khan was honoured with the "Khan Bahadur" title and was knighted by the British

government in 1888. He was also awarded the "Knight Commander of the Order of the Star of India" (KCSI).

Khan displayed remarkable flexibility in his rhetoric. However, his core agenda was to deepen the divide between Hindus and Muslims while strengthening the bond between his fellow Muslims and the British rulers. In this context, Khan's speech delivered in Meerut on March 16, 1888, is significant. Here are some excerpts:

"Now, suppose that the English community and the army were to leave India... who then would be the rulers of India? Is it possible that under these circumstances, two nations — the Mohammedans and the Hindus — could sit on the same throne and remain equal in power? Most certainly not. It is necessary that one of them should conquer the other."

"God has said that no people of other religions can be friends of the Mohammedans except the Christians... Therefore, we should cultivate a friendship with them and adopt the method by which their rule may remain permanent and firm in India and may not pass into the hands of the Bengalis." Khan expressed his disdain for Congress leaders by dismissively referring to them as "Bengalis". During the last 13 years of his life, Khan

established educational institutions for Muslims, including Madrasatul Uloom Musalmanan-e-Hind and Muhammadan Anglo-Oriental College. These institutions eventually evolved into AMU, 22 years later, after his demise in 1898.

Has AMU lived up to Khan's expectations? In January 1941, the Students' Union resolved that "the best way to achieve India's freedom and to bring about lasting peace in the country is to strive for the establishment of independent states in the regions of Hindu and Muslim majorities." On March 10, 1941, Muhammad Ali Jinnah described AMU as the "arsenal of Pakistan." Aligarh is the arsenal of Muslim India (Pakistan), and you are its best soldiers," he told the students of the University. Muslims, who opposed the demand of the Muslim League for Pakistan, were vilified by AMU students. In 1941-42, Maulana Azad was attacked while passing through Aligarh on a railway train by the AMU students.

F A Rehmaney, the biographer of Fakhruddin Ali Ahmed (fifth president of India), has this to say about Aligarh's role in Partition, "... from 1940 and onwards, the Muslim League made this University a convenient and useful media for the spread of its

political ideology, of sowing the seeds of the venomous two-nation theory, teams of students and teachers of the University spread all over the country explaining the virtues and aims to the Muslims in case Pakistan was formed."

Before Independence, then, there was an undeniable severance between India's national aspirations and AMU's agenda. After August 1947, a newly independent India aimed to empower marginalised sections of society that had faced historical injustices. As part of affirmative action, the Constituent Assembly introduced reservation for Scheduled Castes (SCs) and Scheduled Tribes (STs). However, AMU has consistently refused to extend reservation to the targeted sections.

The core issue is whether institutions funded by independent India should continue to promote the "purpose" for which they were set up by colonialists or be realigned with the aspirations of a new inclusive India. The Supreme Court has missed this vital issue while adjudicating this case. Its split verdict seeks to turn the clock back.

The writer is former chairman of the Indian Institute of Mass Communication

LETTERS TO THE EDITOR

MANIPUR VIOLENCE

THIS REFERS TO the editorial, 'Failing Manipur' (IE, November 13). Manipur has been unravelling since May 3 last year, creating a dire humanitarian crisis in the state. The "double-engine" government has failed to restore peace. CM Niren Singh's troubles are mounting, with a Kuki organisation demanding a court-monitored ST probe into his alleged role in inciting ethnic violence through Manipur. Moreover, the Centre's disengagement may foster alienation among the people, which can further deepen the divide between communities. The use of sophisticated drones and rockets shows that conflict management is increasingly difficult and complex.

SS Paul, Nadiia

THIS REFERS TO the editorial, 'Failing Manipur' (IE, November 13). The recent killing of 10 Kuki "militants" in an alleged encounter with the CRPF in Jiribam district, Manipur, is the latest reminder of escalating tensions. This area has seen violence over the past week, including the rape and murder of a Kuki woman and the shooting of a Meitei woman. The crux of the crisis in the state lies in the breakdown of law and order, worsened by a lack of competent leadership. The Centre's apparent indifference to the state's turmoil is deeply troubling. An immediate response is essential.

Kholan Das, Kolkata

CENSORSHIP DEBATE

THIS REFERS TO the article, 'Reinventing the erotic' (IE, November 13). Censorship of pictures, paintings, books and other works of art has an old, condemnable history. Socrates was sentenced to death for "corrupting the minds of the youth of Athens." The practice prevails globally despite evidence that such bans merely serve to arouse more interest. Even otherwise, such "censorship reflects a society's lack of confidence in itself. It is a hallmark of an authoritarian regime," according to Potter Stewart. There are instances of gross errors of judgement by censors (such as when the years-long ban on D H Lawrence's *Lady Chatterley's Lover* was lifted in 1960). With the Indian courts expanding the scope of freedom of expression, society would do better.

YG Choudhary, Pune

THIS REFERS TO the article, 'Reinventing the erotic' (IE, November 13). As we strive for a more egalitarian society, the tenets of nudity and obscenity evolve. Criticism such as the Hicklin Test to determine obscenity in the past, which evolved into the Community Standards Test as substantiated by the Supreme Court in *Aveek Sarkar vs State of West Bengal*, need to be effectively applied. Modern Indian society must be more open and sensitised to the changing definitions of obscenity to be able to effectively determine what is offensive.

Souryadeep Sarkar, Kolkata