



Unnatural disaster

Kerala must restore denuded flora and rehabilitate people in vulnerable areas

Climate change can encourage unprecedented weather, precipitating natural disasters of magnitudes that may surprise local responders. The calamitous landslides in Wayanad district in Kerala on July 30 are not necessarily such disasters. Parts of Kerala have been bearing the brunt of heavy rains during the southwest monsoon and landslides are a yearly affair. But deadly landslides are new. This week, heavy rains triggered multiple landslides that have killed 200 people and laid waste to a few villages. The region is a tourist destination and incentivises infrastructure development to maximise revenue potential. The Chaliyar river here springs from an altitude of around 2 km and flows in a sheer path down towards Vellarmala, bringing fast waters that also sweep relatively more sediment downstream. The rains this year further increased the river's volume and force, which swept up debris and deposited it in the villages settled on less steep land where many of the deaths have been reported. But the tragedy is compounded by the fact that heavy rains here in 2020 had caused the Chaliyar to strip swaths of its upstream areas of plant cover, leaving more rocks and humus vulnerable to being displaced.

The geographical peculiarities of landslide-prone Idukki, Kottayam, Malappuram, and Wayanad have been evident for years; they also feature prominently on landslide risk maps. Blame for the landslides' deadly recurrence must thus be shared by climate change and a State that has been repeatedly caught off-guard. A recurring issue is an abject lack of advance warning and emergency preparedness. Landslides are more common in ecologically fragile areas. The monsoons have been producing more short bursts of intense rain, resulting in some soil types becoming easier to dislodge while quarrying; linear infrastructure development, construction activities, and monocropping have compromised ecosystems' ability to cope with changing natural conditions. For these reasons, patterns of land use must not change and the State must restore denuded flora and rehabilitate people in these areas to ensure they have other opportunities for their welfare. As recommended by the Western Ghats Ecology Expert Panel, Kerala must also decline engineering projects in ecologically sensitive areas and their surroundings, and constitute, equip, staff, and empower expert committees that deliberate the feasibility of other projects here. Indeed, the panel's recommendations were designed to tame the effects of unpredictable weather without also denting economic growth, but Kerala today is sliding past the point of having an option to balance development needs with environmental concerns.

Problem power

Small modular reactors must deal with the cost of proliferation resistance

The Indian government is planning to team up with the private sector to study and test small modular reactors (SMRs). Nuclear energy is an important power source in the world's energy mix as it waits for the development and maturation of (other) renewable energy technologies while fossil-fuel-based sources, especially coal, continue to remain relevant and more affordable. Nuclear power offers a sufficiently high and sustainable power output, even if externalised costs like those of building safe and reliable reactors and handling spent nuclear fuel complicate this calculus. Indeed, cost and time estimates that expand to nearly twice as much as at the point of a project's commissioning are not unheard of. The nuclear power tariff is thus higher from 'younger' facilities, even if they also fill gaps that haunt power from renewable sources. SMRs, of 10 MWe-300 MWe each, are smaller versions of their conventional counterparts. They aspire to be safer without compromising commercial feasibility by leveraging the higher energy content of nuclear fuel, a modular design, a smaller operational surface area, and lower capital costs. But the challenge is to have this aspiration survive SMRs' external costs.

The government's privatisation of nuclear power generation will also increase the demand for regulatory safeguards against radioactive material being diverted for military use. The first-generation SMRs are expected to use low-enriched uranium in facilities assembled on-site with factory-made parts, to produce waste that can be handled using existing technologies and power that can be sold at economical rates. But the reactor will need frequent refuelling and will yield a consequential amount of plutonium; both outcomes will stress proliferation resistance. The IAEA has touted the use of 'safeguardable' reactor designs but such solutions will increase capital costs. Subsequent SMR generations may also require more enriched uranium, especially if their feasibility is pegged on longer periods of continuous generation, or more sophisticated systems to increase fuel-use efficiency, which would increase the operational surface area and the generation cost. In fact, nuclear reactors have a fixed baseline cost and safety expectations that do not change with energy output, which means SMR-based tariffs need not automatically be lower. This is why the Department of Atomic Energy increased its reactors' capacity from 220 MW to 700 MW. SMRs' ability to bolster the prospects of nuclear power in India will thus depend on their commercial viability – and in turn on the availability of less uncertain market conditions, stable grids, and opportunities to mass-produce parts – and the price of proliferation resistance.

After great fanfare and over two years of political negotiations, 194 World Health Organization (WHO) member states failed to finalise a historic Pandemic Agreement, an international treaty designed to fortify global pandemic preparedness, implement mechanisms for prevention of the same, and reduce unconscionable inequities that were painfully obvious during the COVID-19 pandemic.

The 77th World Health Assembly, or WHA (May 27-June 1, 2024), in Geneva, witnessed two significant developments for global health governance. First, it agreed on a package of amendments to the International Health Regulations (IHR) 2005, drawn from 300 proposals for reform by governments of both the global north and south, and extensively negotiated over the last two years. The IHR amendments aim to enhance the ability of countries to prepare for and respond to Public Health Emergencies of International Concern (PHEIC) and introduce a new category for urgent international response – a Pandemic Emergency (PE). The amendments aim to ensure equitable access to health products during health emergencies and to mobilise financial resources to support developing countries in building and maintaining core health system capacities required under the IHR. Notably, the amendments emphasise solidarity and equity, while mandating the creation of a National IHR Authority for better coordination.

Second, the 77th WHA extended the mandate of the Pandemic Treaty negotiating body, namely, the intergovernmental negotiating body (INB), stipulating that the proposed WHO Pandemic Agreement must be completed as soon as possible. The outcome should be submitted for consideration at the 78th World Health Assembly in May 2025, or earlier if possible, at a Special Session of the World Health Assembly in 2024.

Pathogen Access and Benefit Sharing

Three key contentious issues in the latest draft of the Pandemic Agreement remain significant obstacles to its adoption: a pathogen access and benefit sharing (PABS) mechanism; technology transfer, local production, and intellectual property; and the One Health approach which emphasises coordinated public health measures based on animal, human, and environmental health. These core provisions, which are fundamental to achieving a safer and fairer world, are stalled due to geopolitical discord and competing interests between higher- and lower-income countries. Skilled diplomats and political leaders must understand that international cooperation and mutual solidarity are a win-win for global health security.

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The world must strive to overcome the obstacles as the treaty is a blueprint for a more equitable and resilient global health system

AI needs cultural policies, not just regulation

The future of Artificial Intelligence (AI) will not be secured by regulation alone. To ensure safe and trustworthy AI for all, we must balance regulation with policies which promote high-quality data as a public good. This approach is crucial for fostering transparency, creating a level playing field, and building public trust. Only by giving fair and wide access to data can we realise AI's full potential and distribute its benefits equitably.

Data are the lifeblood of AI. In this regard, the laws of neural scaling are simple: the more, the better. The more volume and diversity of human-generated text is available for unsupervised learning, for example, the better the performance of Large Language Models (LLMs) will be. Alongside computing power and algorithmic innovations, data arguably are the most important driver of progress in the field.

A data race at the expense of ethics

But there is a problem. Humans do not produce enough digital content to feed these ever-growing beasts. Current training datasets are already huge: Meta's LLaMA 3, for example, is trained on 15 trillion tokens, equivalent to over 10 times the British Library's book collection. According to a recent study, the demand for pristine text is such that we might reach something akin to 'peak data' before 2030. Other papers caution against the dangers of public data contamination by LLMs themselves, causing feedback loops that amplify biases and deplete diversity.

Fears of an 'AI winter' reflect the relentless race for data in which researchers and industry players are engaged, sometimes at the expense of quality and ethics. A prime example is 'Books3', a trove of pirated books widely believed to feed leading LLMs. Whether such practice falls under fair-use policy is a debate for lawyers. What is more disturbing is that these books are being hoarded without any clear guiding principle.



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Only by giving fair and wide access to data can AI's full potential be realised and its benefits distributed equitably

Even if progress is being made, notably thanks to regulation, LLMs are still largely trained on an inscrutable morass of licensed content, 'publicly available data', and 'social media interactions'. However, studies show that these data reflect, and sometimes even exacerbate, the current distortions of our cyberspace: an overwhelmingly anglophone and presentist world.

The absence of primary sources

The notion that LLMs are trained on a universal compendium of human knowledge is a fanciful delusion. Current LLMs are far from the universal library envisioned by the likes of Leibniz and Borges. While stashes of stolen scriptures like 'Books3' may include some scholarly works, these are largely secondary sources written in English: commentaries that merely skim the surface of human culture. Conspicuously absent are the primary sources and their myriad tongues: the archival documents, oral traditions, forgotten tomes in public depositories, inscriptions etched in stone – the very raw materials of our cultural heritage.

These documents represent an untapped reservoir of linguistic data. Consider Italy. The State Archives of this nation alone harbour no less than 1,500 kilometres of shelved documents (in terms of linear measurement) – excluding the vast holdings of the Vatican. Estimating the total volume of tokens that could be derived from this heritage is difficult. However, if we include the hundreds of archives spreading across our five continents, it is reasonable to believe that they could reach, if not surpass, the magnitude of data currently used to train LLMs.

If harnessed, these data would not only enrich AI's understanding of humanity's cultural wealth but also make it more accessible to the world. They could revolutionise our understanding of history, while safeguarding the world's cultural heritage from negligence, war, and climate

change. They also promise significant economic benefits. As well as helping neural networks scale up, their release into the public domain would mean that smaller companies, startups, and the open-source AI community could use those large pools of free and transparent data to develop their own applications, levelling the playing field against Big Tech while fostering innovation on a global scale.

Examples from Italy and Canada

Advances in the digital humanities, notably thanks to AI, have drastically reduced the cost of digitisation, enabling us to extract text from printed and manuscript documents with unprecedented accuracy and speed. Italy recognised this potential, earmarking €500 million of its 'Next Generation EU' package for the 'Digital Library' project. Unfortunately, this ambitious initiative, aimed at making Italy's rich heritage accessible as open data, has since been deprioritised and restructured. Short-sightedness prevailed.

Canada's Official Languages Act offers an instructive lesson in this regard. Long derided as wasteful, this policy requiring bilingual institutions eventually yielded one of the most valuable datasets for training translation software.

However, recent debates about adopting regional languages in the Spanish Cortes and European Union institutions have overlooked this key point. Even advocates have failed to recognise the cultural, economic, and technological benefits of promoting the digitisation of low-resource languages as complementary.

As we accelerate the digital transition, we must not overlook the immense potential of our world's cultural heritage. Its digitisation is key to preserving history, democratising knowledge, and unleashing truly inclusive AI innovation.

LETTERS TO THE EDITOR

A stark reminder

The Wayanad tragedy is a stark reminder that things cannot continue as usual as far as the hills are concerned. That there has been a huge loss of life in Wayanad points to the need for expanded thinking. Wayanad is extremely vulnerable to landslides and soil erosion. Just as in the Himalayas, the Western Ghats have a few similarities in extreme vulnerabilities. The Himalayas faced the brunt

last year where more than 400 people died in Himachal Pradesh and there was a loss of ₹12,000 crore in terms of assets. Another point is that in the hills, once water reaches a level of sequestration, slides are bound to happen even if there is 100% tree canopy. This was pointed out by the anthropologist Michael Thomson in the 1970s in a co-authored work, *Uncertainty on a Himalayan Scale: An Institutional Theory of*

Environmental Perception and a Strategic Framework for the Sustainable Development of the Himalayas. The IPCC VI has pointed out that extreme weather events are bound to be more frequent. Hence, adaptation is the only way to preserve lives in the mountains. Adaptation would start by mapping every patch of land. 'No means no' should be the development dictum in landslide-prone zones.

Remote-sensing technology is required. Stay away from vulnerable zones. Enhancing the capacities of early warning systems and integration of institutions are a must. Local governance institutions

must ensure that they have and are aware of a climate atlas for their regions.
Tikender Panwar,
New Delhi

Gubernatorial office
Preventing Governors from

Corrections & Clarifications

The photograph published along with the lead report, "122 dead as landslides flatten Wayanad villages" (July 31, 2024), was issued by the National Disaster Response Force as that of rescue operations in an area affected by the Wayanad landslide. It is a photograph of the year 2020, from a disaster site in Idukki district.

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acting in a quasi-judicial manner has been a long-standing demand of many a State government. While the Supreme Court of India had highlighted the need for Governors act within the confines of the constitutional office, the recent petition by the Kerala governmentshould be used as yet another opportunity for the Court to have a closer look at the inactions of Governors.
Prabhu Raj R.,
Bengaluru

Early detection of lung cancer can save lives

The insidious nature of lung cancer has made it one of the most formidable public health challenges of our time. Lung cancer was first discovered in the early 1900s in autopsies. Later advances in imaging technologies, bronchoscopy, and molecular diagnostics helped diagnose it more frequently and reliably in the 20th century. As we confront this growing epidemic on August 1, observed as World Lung Cancer Day, understanding the multifaceted aspects of lung cancer – from its risk factors to the critical importance of early detection – becomes paramount.

A silently growing concern
Lung cancer is the most commonly diagnosed cancer and the leading cause of cancer-related deaths globally. As per the Indian Council of Medical Research (ICMR), the incidence of lung cancer is rising rapidly every year in India, and contributes to 10% of cancer deaths. India ranks fourth globally in terms of the absolute number of lung cancer cases, with 81,000 cases and 75,000 deaths reported in 2022. This is expected to double by 2025.

Currently, lung cancer is most often detected in Indians only at Stage 3 or 4, by which time it is no longer curable, leading to poor survival rates. Over half of the patients present with distant metastasis at diagnosis. This delay is often due to inadequate screening, resource constraints, lack of a structured referral system, and a high burden of tuberculosis (TB). Primary care physicians may not recognise lung cancer due to these factors. So, an augmented intelligence system to suggest diagnoses based on imaging or history may help.

While India has developed frameworks for different cancer screening programmes, lung cancer is yet to be included. The recent ICMR call to researchers for a rigorous evaluation of population health to set the appropriate guidelines for



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Despite having a considerable burden of lung cancer, India does not yet have a systematic screening programme

screening is an encouraging sign. The increasing prevalence of lung cancer is attributed not only to smoking but also to rising levels of air pollution. Alarming, the number of lung cancer deaths attributed to air pollution has surged by nearly 30% since 2007. When a large number of harmful substances accumulate in the air, such as particulate matter (PM10, PM2.5, toxic metals) and gases (sulphur dioxide, nitrogen dioxide), they can cause detrimental effects on lung health, resulting in lung cancer.

Smoking tobacco (including cigarettes, beedis, cigars, and pipes) is the primary risk factor for lung cancer. Factors affecting non-smokers include exposure to second-hand smoke, occupational hazards (such as asbestos, radon and certain chemicals), air pollution, hereditary cancer syndromes, and previous chronic lung diseases. Notably, about 40% of lung cancer patients in north India are non-smokers. This underlines the need for broader awareness and preventive measures. Often, a combination of factors contributes to lung cancer among non-smokers. One of the strongest predictors can be genetic mutation. Lung cancers associated with non-smokers often affect younger individuals and show distinct genetic changes compared to smoker-related cancers.

Importance of early detection
The high rate of disability-adjusted life years due to lung cancer in India underscores the critical need for early detection, which is vital to improving lung cancer outcomes. Despite having a considerable burden of lung cancer, India does not have a systematic lung cancer screening programme because of cost and logistical constraints, and concerns regarding high false-positive rates owing to the TB burden. Although newer medications may extend life in advanced stage lung cancer, these are often expensive. It is better to

prevent and detect it early. When detected early enough, lung cancer is curable. Lung cancer can be diagnosed by imaging methods such as Chest X-ray and CT scan. Chest X-rays typically only pick up nodules or masses which are either greater than 2 cm in size or closer to the chest wall (<2.5 cm), and so may not detect early-stage lung cancer effectively. There are no blood biomarkers for lung cancer yet, although active investigation into various techniques including exhaled breath analysis is ongoing.

In recent times, the Low-Dose Computed Tomography (LDCT) has emerged as a game-changer. This scan uses five times less radiation than a conventional CT scan and has become the first choice for early lung cancer screening. It is currently being recommended in the United States and Europe for routine lung cancer screening. Since LDCT uses a much lower dose of radiation, the test can be done periodically and sometimes even annually in certain groups.

Studies have shown that LDCT can lower the mortality rate from lung cancer by 20% compared to detection with Chest X-rays and by 24% compared to no screening at all. Although LDCT uses lower radiation, the sensitivity allows detection of potentially cancerous nodules or lesions within the lungs years before the onset of symptoms, improving both the range of possible therapies and treatment.

Lung cancer is a serious problem that demands a concerted effort from individuals, healthcare providers, and policymakers to raise awareness, implement smoking cessation programmes as well as safety measures for occupational exposures. In addition, research into better diagnostic technologies and treatment modalities for the Indian population, alongside a national lung cancer screening programme, will be required to combat this silent epidemic and ensure better survival rates.

The BJP's factionalism problem in Kerala

Poor leadership and the absence of an intellectual wing are affecting the party

STATE OF PLAY
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The Bharatiya Janata Party (BJP) ended its electoral drought in Kerala when actor-politician Suresh Gopi won from Thrissur in the 2024 Lok Sabha elections. Following the celebrations, the party has realised that the road ahead is full of challenges.

Although the victory of the BJP-led National Democratic Alliance (NDA) was confined to only one seat, its vote share increased from 15.64% in 2019 to 19.25% in 2024. The party also established leads in 11 Assembly segments across the State and secured the second position in nine others. The ruling Communist Party of India (Marxist)-led Left Democratic Front (LDF) in the State, which won only one seat, had secured 36.29% in 2019; this time, it secured 33.36%. The Congress-led United Democratic Front (UDF), which won the remaining 18 out of 20 seats, also experienced a decline in vote share from 47.48% in 2019 to 45.21% in 2024. In 90 of the 140 Assembly segments, the Congress's votes decreased by more than 10,000.

The impressive performances of BJP candidates Rajeev Chandrasekhar in Thiruvananthapuram, former State president V. Muraliedharan in Attingal, and State vice-president Shobha Surendran in Alappuzha showed that the party's influence is growing in areas that were traditionally dominated by Congress and CPI(M).

The factors contributing to the BJP's increased vote share this time can be understood by examining the different phases of the party's growth in Kerala. Usually, the BJP's vote share



hovered around 8% in general elections. In 2014, soon after the party came to power at the Centre, it began attracting a segment of the Nair voters. This community was traditionally aligned with the Congress. In the 2019 Lok Sabha elections, the BJP expanded its base by drawing voters from both the Congress and the CPI(M). In the 2024 elections, there was a significant erosion of the CPI (M)'s votebank among the Hindu Ezhava/Thiyya community, which benefited the BJP. The party began to get support from Christians too. Prime Minister Narendra Modi's frequent visits to the State played a crucial role in the BJP's improved performance this time.

But the BJP faces multiple challenges. The first is the deep-rooted factionalism in the party that even its parent organisation, the Rashtriya Swayamsevak Sangh (RSS), has struggled to address. The RSS unexpectedly recalled *pracharak* K. Subhash from his role as organisational general secretary late last month. Mr. Subhash was reportedly dissatisfied with the party's leadership. It is unclear whether the RSS will assign a new *pracharak* for the post.

To achieve its goal of navigating the politically bipolar landscape dominated by the LDF and UDF in the State, the BJP Central leadership needs to revitalise its State leadership and focus on long-term electo-

ral strategies. Generally, leaders from the two factions of the party contest elections to either the Lok Sabha or the Assembly from constituencies where the BJP's vote share increased in the previous election. The party is yet to learn from the fruitless practice of rotating leaders among constituencies in each election cycle.

Many within the party believe that it is time to elect a more effective leader for the State unit. The State president, K. Surendran, has been given an extended tenure. There are many leaders in the party who are vying for his post. The two factions of the party are led by former State BJP presidents V. Muraliedharan and P.K. Krishnadas, who both seem determined to secure this position for their affiliates.

The BJP also lacks an intellectual and publicity wing to forcefully counter criticisms that come its way, and shape the political discourse. The absence of writers, historians, thinkers, and social and cultural leaders in the party negatively impacts its identity. Establishing a think tank focused on Kerala-specific policies could help the BJP. This is especially important considering the criticism it has received over the Union Budget. The government offered little to Kerala and did not mention the long-awaited All India Institute of Medical Sciences in the Budget. The arguments of the two Union Ministers of State from Kerala, Mr. Gopi and George Kurian, defending the Budget, were unconvincing.

A strategic selection of candidates for the upcoming by-polls in the Wayanad Lok Sabha constituency and the Palakkad and Chelakkara Assembly segments could perhaps brighten the party's prospects in the local body elections next year.

The middle class, which moved away from BJP, is upset with Budget

The BJP's support from the middle class came down in the Lok Sabha polls. The party is facing further disillusionment from this section after the Budget

DATA POINT

Sanjay Kumar

The middle class seems upset with the Union Budget, presented on July 23. Many said that the government did not provide them any relief. The middle class constitutes nearly 31% of India's population. Not many Budgets paid a great deal of attention to the demands and needs of the middle class either. But given the shift of the middle class away from the Bharatiya Janata Party (BJP) in the 2024 Lok Sabha elections, this section, which has been the backbone of the BJP for decades, perhaps hoped that it would be offered more in the Budget.

The Finance Minister acknowledged the challenges of the middle class and emphasised the government's efforts to provide relief through tax adjustments despite limitations. Tax is a major concern for the middle class; most taxpayers belong to the middle class.

Budgetary provisions

The proposed increase in Long Term Capital Gains (LTCG) tax from 10% to 12.5% and Short Term Capital Gains (STCG) tax from 15% to 20% affects those who invest in mutual funds and shares. This means that a large number of people belonging to the middle class, who invest in these financial instruments, may see a higher tax burden on their returns. This makes investments less attractive and reduces their potential gains.

The removal of indexation benefits, which adjust for inflation, for individuals selling properties is also going to hurt the middle class to a great extent. This change will result in higher taxable gains on the sale of properties, thereby increasing the tax liability for middle-class individuals. This could significantly impact those who rely on property sales for financial gains or retirement planning. The deduction limit under Sec-

tion 80D in the Income Tax Act has remained static for nearly a decade. Middle-class families, who often rely on tax deductions to manage their finances, face higher out-of-pocket healthcare expenses as the benefits of this deduction have not kept pace with rising medical costs. This stagnation reduces the real value of the deduction over time, placing a greater financial burden on the middle class. Collectively, these budgetary provisions are likely to contribute to a sense of dissatisfaction and impose a financial strain on the middle class, who feel that their significant contributions have not been acknowledged and challenges not adequately addressed.

The BJP's losses and gains

The BJP has suffered losses in the 2024 Lok Sabha elections compared to the 2019 elections. The unhappiness of the middle class was one of the many reasons for its losses. Data from the post-poll survey by Lokniti-Centre for the Study of Developing Societies (CSDS) confirm that there was a shift among middle and upper middle classes voters away from the BJP.

Table 1 shows that there was a 3% point shift among middle class voters away from the BJP – from 38% in 2019 to 35% in 2024.

Though the Congress did not gain from middle class voters, the INDIA bloc, of which it is a part, secured a 3-point increase in vote share from middle class voters in 2024 compared to 2019.

The BJP also lost votes from upper middle class voters. During 2019, 44% of the upper middle class voters chose the BJP; this declined to 41% in 2024. This reduced share also affected the vote share of the National Democratic Alliance (NDA), of which the BJP is a part, in 2024.

On the other hand, there was a 2-point gain in vote share for the Congress from upper middle class voters in 2024. The party's allies gained much more from upper middle class voters. Among the

upper middle class voters, 27% voted for the United Progressive Alliance (UPA)/INDIA bloc in 2019 and 32% voted in 2024 (**Table 2**).

The BJP held on to its support from the lower income groups. In 2019, 35% of the voters from lower income groups chose the BJP. This was the case in 2024 too.

The INDIA bloc managed to secure a 7-point increase from voters belonging to lower income groups compared to 2019. While in 2019, 28% of the lower income voters chose the UPA; this increased to 35% for the INDIA bloc in 2024 (**Table 3**).

Voters belonging to the lowest income groups voted for the Congress and INDIA bloc in a substantial way (21% for the Congress and 34% for the INDIA bloc) in 2024. It is important to note that the BJP's support base increased marginally among the voters from the lowest income groups. During 2019, 36% of the voters from the lowest income groups voted for the BJP. This increased to 37% in 2024.

The pattern seems to be clear. The higher the income category, the higher the losses for the BJP in 2024 compared to 2019. The BJP lost popularity among the middle and upper middle classes, maintained its support base among the lower income class, and marginally got more support from among the poorer classes.

The BJP's increased popularity among the lowest category of voters can be attributed to the free rations that the government distributes to a large section of voters who mostly belong to these income categories; and various other welfare schemes. But the decline in the BJP's support base among the middle and the upper middle classes is clear. It is time for the BJP to re-think how it is going to appease both the poor and the middle cases at the same time. Can it afford to ignore the middle class at the cost of appeasing the poor?

Sanjay Kumar is Professor and Co-director Lokniti-CSDS

Wavering support

The data for the tables were sourced from the National Election Study 2014-24, conducted by Lokniti-CSDS. All figures are in percentage.



Table 1: The shift among middle class voters in the LS elections (2014-24)

Election year	Congress	UPA/INDIA bloc	BJP	NDA	Others
2014	20	23	32	39	38
2019	21	29	38	46	25
2024	20	32	35	43	25

Table 2: The upper middle class vote in the LS elections (2014-24)

Election year	Congress	UPA/INDIA bloc	BJP	NDA	Others
2014	17	20	38	44	36
2019	20	27	44	51	22
2024	22	32	41	48	20

Table 3: The lower income group vote: LS elections (2014-24)

Election year	Congress	UPA/INDIA bloc	BJP	NDA	Others
2014	19	23	31	39	38
2019	21	28	35	42	30
2024	22	35	35	42	23

Table 4: The lowest income group vote in the LS elections (2014-24)

Election year	Congress	UPA/INDIA bloc	BJP	NDA	Others
2014	20	24	24	32	44
2019	17	23	36	43	34
2024	21	34	37	43	23

■ The BJP has suffered more losses in the 2024 Lok Sabha elections when compared to the 2019 elections. The unhappiness of the middle class was one of the many reasons. Data from the post-poll survey by Lokniti-Centre for the Study of Developing Societies (CSDS) confirm that there was a shift away from the BJP among middle and upper middle classes voters.

■ Voters from the lowest income groups voted for the Congress and INDIA bloc in a substantial way (21% for the Congress and 34% for the INDIA bloc) in 2024.

■ It is important to note that the BJP's support base rose marginally among voters from the lowest income groups, from 36% in 2019 to 37% in 2024.

FROM THE ARCHIVES

The Hindu.

FIFTY YEARS AGO AUGUST 1, 1974

New security zones to be set up in Cyprus

London, July 31: The first stage of the tripartite peace conference on Cyprus ended in Geneva last night when the Foreign Ministers of Britain, Greece and Turkey signed the "Declaration of Geneva." The declaration mainly deals with the establishment of principles of a ceasefire, but sets August 8 as the date for resumption of ministerial talks which will begin to approach the island's constitutional issues.

The declaration states that there shall be no further territorial gains either by the Greek or the Turkish forces in Cyprus as of 11 p.m. on Tuesday. It calls on all forces, including irregular forces, to desist from offensive or hostile activities. New security zones will be established in Cyprus "at the limit of the areas occupied by Turkish forces." The size and character of this zone have not been determined, but to-day, at dawn, the British, Greek and Turkish officers in Cyprus began detailed work of mapping out this security zone. They are accompanied by representatives of the United Nations. Orders have gone out to all parties to give them every possible assistance. The crux of the agreement is that hostilities on the island have ceased without a call for Turkish withdrawal.

A durable and permanent solution of the crisis in Cyprus is still a long way off.

A HUNDRED YEARS AGO AUGUST 1, 1924

Calcutta High Court

A case of infringement of Trade-Mark and Registered Patent Right was settled by the infringers, Messrs. Mullick and Co. of Calcutta, consenting to a decree in the Calcutta High Court. The plaintiffs were Messrs. The Dunlop Rubber Co. Ltd., who are the owners of the Roadster cycle tyre with distinctive marks and a device consisting of embossed studs and lines forming the tread. Evidence was given by members of the tyre trade supporting the plaintiffs' contention that the tyres in question styled the 'Pacific' were a close copy of the Roadster tyre and were sufficient to deceive unwary purchasers. Under these circumstances, the decree restricted Messrs. Mullick and Co. from selling or disposing of any cycle tyres marked 'Pacific' and bearing a tread which is a colourable representation of Messrs. Dunlop's Roadster cycle tyre.

Text & Context

THE HINDU

NEWS IN NUMBERS

Palestinians who died in Israeli detention since October 7

53 The UN Human Rights office said in a report that thousands of Palestinians — including medics, patients, residents — have been detained in Israel. The detainees had been held in secret. AFP

The financial assistance to Georgia halted by the U.S.

95 in \$ million. This decision was triggered by Georgia's recent "anti-democratic actions" which did not align with the EU's and NATO's membership norms, according to Secretary of State Antony Blinken. REUTERS

Complaints of child porn, rape received on NCRP portal

1.94 In lakh. The National Cybercrime Reporting Portal (NCRP) has received 16.18 crore visitors till April 30, according to Women and Children Development Minister Annapurna Devi. PTI

The World Bank's rescue package to Ethiopia

1.50 In \$ billion. The financial package aims to support Ethiopia's economic reform programme. The decision comes after it broke with decades of managing the birr (local currency). AFP

State of emergency extended by the Myanmar Junta

6 months. The country has been in turmoil since the February 2021 coup which ended a 10-year experiment with democracy and sparked protests and a crackdown on dissent. AFP
COMPILED BY THE HINDU DATA TEAM

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On discarding indexation for LTCG

Why has the Union Finance Minister done away with indexation for computing long-term capital gains (LTCG) tax? What is indexation and how does it help in tax savings? What has been the feedback from corporates and industry regarding the move?

EXPLAINER

Saptaparno Ghosh

The story so far:

Finance Minister Nirmala Sitharaman's announcement in the Union Budget about doing away with indexation for computing long-term capital gains (LTCG) tax has not drawn much enthusiasm. She had proposed that long-term gains on all financial and non-financial assets would now be taxed at 12.5% instead of a tiered structure, albeit abandoning indexation. A memorandum explaining the provisions of the Finance Bill (2024), stated that this was to "ease computation of capital gains for the taxpayer and tax administration".

What purpose does indexation serve?

Imagine, an individual buys a house for ₹10 lakh in 2001. For reasons such as inflation and/or a vibrant property market, they are able to sell the same property in 2021 at ₹75 lakh. Here, it may appear that they gained ₹65 lakh and should be taxed accordingly.

However, the figure does not consider the price levels prevailing at the time of sale with that of purchase. This is where the Cost Inflation Index (CII) comes in. Indexation ensures that taxpayers are taxed on real gains than gains at prevailing prices, which are a result of general increase in prices, and not economic growth, during the course.

In the stated example, the CII for 2021 (that is, 317) would be divided by that for the base year 2001 (100) to derive a number. It would then be multiplied with the purchase price (that is, ₹10 lakh). Thus, the indexed cost becomes ₹31.7 lakhs and the individual's taxable gain is revised downwards to ₹43.3 lakhs. At the erstwhile 20% rate, they would now be required to pay a long-term capital gains tax of approximately ₹8.7 lakhs. With the new system however, the ₹65 lakh would be taxed at a lower 12.5%. Thus, a tax liability of ₹8.13 lakh.



GETTY IMAGES

What is the issue?

Abhijit Mukhopadhyay, consulting economist at the Secretariat explained to *The Hindu* that the eventual tax liability is broadly determined by two factors, that is, the rate on return and the subjected time-period.

In this light, it is essential to note that not all assets may experience the same exponential growth as in the example above. This could be because of a flat market or a temporary period of slump. This is primarily where the indexation turns out to be more favourable. To illustrate, let us say that in 2021 instead of ₹75 lakh, the house is sold for ₹40 lakh. When adjusted with indexation, the tax liability is ₹1.66 lakh against ₹3.75 lakh without indexation.

Furthermore, a BankBazaar study, basing an assessment from the RBI's House Price Index, observed that without

indexation, LTCG tax went up about three times on properties purchased after 2010. Keeping its base year as FY 2010-11, the study noted a "severe loss of tax savings" especially in the years from 2016-17.

"From zero tax liability across the board, we see significant liabilities arising for these years (since 2016-17)," the study found. The Income Tax department, however, estimates that real estate returns (12-16% per annum) are much higher than indexation for inflation (4-5%), depending on the period of holding. Therefore, it predicts "substantial tax savings" to a "vast majority" of taxpayers.

According to Mr Mukhopadhyay, an individual stands to benefit more from the revised provisions if they sell the assets expeditiously (say, 3-4 years) instead of holding it for a longer-time period (say, 10 years or more). Furthermore, he explained that with the change,

real-estate investment trusts (REITs) and infrastructure funds stand to suffer because they "do not have the same high rate of returns as an equity market". With respect to bonds, Anil Talreja, Partner at Deloitte India, held that feedback has been "a bit muted" given the lack of indexation. "Hence this may impact the popularity of the instrument," he said.

What does this mean for assets?

According to Mr. Talreja, whilst the removal of indexation is "adding dampness" to the overall sentiment, the reduction of the base rate of tax was providing "balance to the dampness". He explains, "A lot depends on the nature of the asset, the time when the asset was purchased (during the price boom or otherwise). Based on this, it would continue to lead to different reactions from various sections of the society."

For real estate, Mr Mukhopadhyay observes that those looking to buy a second house for the purpose of investment may potentially refrain from doing so. "They would have to sell if off quickly to profit from the revised provisions," he explains. The paradigm however is potentially minimised, according to him, for those who intend to buy a house to reside themselves. Pertinent to note here, the Income Tax department clarified that for assets acquired before April 1, 2001, the individual would have the option to choose between fair market value as on that date (April 1, 2001) and the actual cost of acquiring the asset as the basis to compute the capital gain on sale. This paves the way for an indexation cushion for pre-2001 acquisitions.

The other set of concerns as also pointed out by AAP MP Raghav Chadha in the Rajya Sabha, entail potential sale of properties at circle rates (minimum price at which a real estate is to be sold) only. Undervaluing the real estate helps furbish lower capital gains, thus, lesser taxation. Further, Mr Chadha also warned about increased black money transactions in the sector — another means to hide gains.

THE GIST

▼ Finance Minister Nirmala Sitharaman's announcement in the Union Budget about doing away with indexation for computing long-term capital gains (LTCG) tax has not drawn much enthusiasm.

▼ Indexation ensures that taxpayers are taxed on real gains than gains at prevailing prices, which are a result of general increase in prices, and not economic growth, during the course.

▼ Furthermore, a BankBazaar study, basing an assessment from the RBI's House Price Index, observed that without indexation, LTCG tax went up about three times on properties purchased after 2010. Keeping its base year as FY 2010-11, the study noted a "severe loss of tax savings" especially in the years from 2016-17.

Why have violent protests in Kenya continued?

Why was the financial Bill so controversial? Why are people protesting even after the Bill was withdrawn by Kenyan President William Ruto? What does this mean for the region at large?

Anu Maria Joseph

The story so far:

On June 25, protests turned violent in Kenya when lawmakers passed a controversial financial Bill. Although President William Ruto withdrew the Bill the next day, protests continued. According to the Kenya National Human Rights Commission (KNHRC), over 50 people have been killed and 628 were arrested in the violence.

What did the Bill entail?

The Bill was introduced in May and imposed a 16% Value-Added Tax (VAT) on bread, 25% excise duty on cooking oil, 5% tax on digital monetary transactions, an annual 2.5% tax on vehicles, an eco-tax on plastic goods, a 16% tax on goods and services for the construction and equipping of specialised hospitals and an increase in import tax from two to three per cent. The government dropped a few

of them after the initial round of protests. The state's larger objective is to collect \$2.7 billion in taxes to pay off the debt of \$80 billion, which is 68% of Kenya's GDP. The Bill caused public distress due to the increasing cost of living.

Why are protests continuing?

Mr. Ruto withdrew the controversial Bill on June 26 following country-wide violent protests, and when his use of force and the death of the protesters drew global criticism. The protest has since then expanded on its causes, demands, geography and intensity.

The protests were an expression of long-standing discontent over Mr. Ruto's administration and financial management. For example, a month after coming to power, Mr. Ruto scrapped fuel subsidies. The July 2023 protests against another Bill, which introduced a 5% housing levy and a 16% tax on petroleum products, killed 23 people. And thus, the initial intentions behind the protests

diverted after the President withdrew the Bill as the use of force, live ammunition and deaths angered the protesters. The second phase of protests was against police brutality. By the third week, it had evolved into anti-government protests over unaddressed public grievances, corruption, mis-governance, and a demand for Mr. Ruto's resignation.

Moreover, the immediate success of the protests encouraged Kenyans to join the masses against all public grievances. Mr. Ruto came to power in September 2022 promising to address unemployment and poverty. However, he failed to maintain the popularity he received during the elections. The trading economics website recorded Kenya's inflation rate at 5.1% in May. The World Bank reported that although Kenya is one of the most developing countries in Africa, a third of its 52 million people live in poverty and that 5.7% of the labour force is unemployed, which is the highest in East Africa.

According to Transparency International's Corruption Perceptions Index 2023, Kenya ranks 126 out of 180.

What next?

Mr. Ruto sacked his cabinet and announced a new one on July 19. While the inclusion of four opposition figures into the cabinet might hold the opposition party from joining the protests, it is less likely to slow down the protests. While the country plunges into a debt crisis, any further financial reforms in the near future would trigger a similar response, implying that Mr. Ruto's administration is in crisis.

Several other African countries are also vulnerable to similar instabilities due to the debt crisis. According to the World Bank, nine African countries face a debt crisis in 2024, and 15 among them are at risk of distress. They depend on regular borrowing, doubling the total debt. The debt burden often forces the governments to either increase the taxes or wait for a debt reconstruction.

However, the Kenyan protests have influenced the African youth and their potential to mobilise the masses. Ugandan youth have followed Kenya, protesting against corruption on July 23. Several other illiberal democracies in Africa are likely to follow Kenya and Uganda. Chosen the same method, protests would trigger violence across the region.

The author is a Research Associate with Africa Studies at the National Institute of Advanced Studies, Bengaluru.

THE GIST

▼ On June 25, protests turned violent in Kenya when lawmakers passed a controversial financial Bill. Although President William Ruto withdrew the Bill the next day, protests continued.

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LOKNITI-CSDS

The civil services dream: how Delhi maintains a pull on UPSC aspirants

UPSC preparation is often long and difficult. Students prepare and take exams multiple times due to limited seats and high numbers of applicants. Delhi is a popular hub for UPSC preparation because of its prestigious coaching facilities and highly competitive atmosphere

Sanjay Kumar
Sandeep Shastri
Jyoti Mishra

On July 27, three students died in a flooded basement, which was being used as a library by Rau's IAS Study Circle. Due to heavy rains, the basement of the building got filled with water, and many students who were in the library were trapped inside. This incident led to massive protests and strong public outrage. It drew attention to how building rules and safety measures in Delhi's coaching centres are flouted and ignored. Delhi, being a hub for UPSC coaching institutes, attracts and motivates many aspirants to prepare for the civil services. A study conducted by Lokniti-CSDS among 1,003 UPSC aspirants in Delhi just a week before this mishap indicates that the city's renowned coaching institutes and its competitive environment attracts students from all over the country to fulfil their dreams in the bustling capital. We summarise the reasons for the pull Delhi holds and the sometimes dreamy but often gory implications.

Why Delhi?
Delhi has a well-established reputation as being the hub for UPSC coaching, and this was the main attraction for close to six of every 10 (58%) surveyed students who came to Delhi for coaching. This is not merely a perception – some of the most prestigious coaching institutes are based in Delhi. These include Chanakya IAS Academy, Rau's IAS Study Circle, and Vajiram and Ravi, to name a few. With their reputation and acclaimed facilities, such as a well-trained and experienced faculty, enriched study materials, and a systematic approach to preparing students, these institutes instil confidence in the students to succeed.

Additionally, the competitive atmosphere in Delhi gives students the right ambience to prepare for the examinations with all seriousness. It is motivating to be surrounded by thousands of like-minded, ambitious, and focused people who share similar goals and aspirations. In the study, one seventh (14%) of the students stated that they came to Delhi because they wanted to be in the city's competitive environment for UPSC preparation. However, one in every 10 (11%) came to Delhi for preparation on the recommendation of friends, family, or teachers. Only a few based their choice on the coaching centres (Table 1).

Delhi coaching centres attract students not only from Delhi but also from other States like Uttar Pradesh (24%), Bihar (12%), Haryana (7%), and Rajasthan (7%). States like Madhya Pradesh (6%) and Maharashtra (4%) too account for a small but significant chunk of students (Table 2). Examining the residential backgrounds of these candidates, it was discovered that, in addition to the students from cities (50%), there are also students from small towns (25%) and villages (25%) who come to Delhi to prepare for UPSC. This indicates that civil services and the idea of training in Delhi are widely popular throughout various geographical areas.

Away from home
One of the significant challenges for these

Built on hope and dreams

While aspirants' commitment and persistence are more than evident, they also need strong support networks and safer surroundings to guarantee their well-being

<p>Table 1: Reasons for taking coaching classes in Delhi</p> <table><tr><th></th><th>%</th></tr><tr><td>Reputation of Delhi's coaching institutes</td><td>58</td></tr><tr><td>To get exposure to the competitive environment</td><td>14</td></tr><tr><td>Friends, teachers or family recommended it to me</td><td>11</td></tr><tr><td>I reviewed the success rates</td><td>4</td></tr><tr><td>Other reasons</td><td>13</td></tr></table> <p><i>Question asked: What was the main reason you started taking coaching classes in Delhi?</i></p> <p>Table 2: The geographical pool of UPSC aspirants in Delhi</p> <table><tr><th></th><th>%</th></tr><tr><td>Uttar Pradesh</td><td>24</td></tr><tr><td>Bihar</td><td>12</td></tr><tr><td>Haryana</td><td>7</td></tr><tr><td>Rajasthan</td><td>7</td></tr><tr><td>Madhya Pradesh</td><td>6</td></tr><tr><td>Maharashtra</td><td>4</td></tr><tr><td>Other States</td><td>16</td></tr><tr><td>From Delhi</td><td>24</td></tr></table> <p><i>Question asked: Which State are you from?</i></p>		%	Reputation of Delhi's coaching institutes	58	To get exposure to the competitive environment	14	Friends, teachers or family recommended it to me	11	I reviewed the success rates	4	Other reasons	13		%	Uttar Pradesh	24	Bihar	12	Haryana	7	Rajasthan	7	Madhya Pradesh	6	Maharashtra	4	Other States	16	From Delhi	24	<p>Table 4: The frequency with which aspirants meet their parents</p> <table><tr><th>Frequency of meeting parents</th><th>%</th></tr><tr><td>Once a month</td><td>12</td></tr><tr><td>Once every 3 months</td><td>30</td></tr><tr><td>Once every 6 months</td><td>27</td></tr><tr><td>Once a year</td><td>15</td></tr><tr><td>I haven't met them since I came to Delhi</td><td>9</td></tr></table> <p>Note: Those who live with their parents are set as missing. Rest either did not respond or gave other responses.</p> <p><i>Question asked: How often do you meet your parents in a year?</i></p> <p>Table 5: Attempts and success rate</p> <table><tr><th>Numbers of attempts</th><th>%</th></tr><tr><td>First attempt</td><td>58</td></tr><tr><td>Second attempt</td><td>20</td></tr><tr><td>Third attempt</td><td>12</td></tr><tr><td>More than three attempts</td><td>10</td></tr></table> <p>Success rate at different stages of exam</p> <table><tr><td>Cleared prelims</td><td>11</td></tr><tr><td>Cleared mains</td><td>2</td></tr><tr><td>Cleared interview</td><td><1</td></tr></table> <p><i>Question asked: How many times have you appeared for the civil service exam?</i></p> <p>Table 6: The reason behind choosing civil services</p> <table><tr><th></th><th>%</th></tr><tr><td>Want to serve the nation</td><td>26</td></tr><tr><td>Career stability and security</td><td>17</td></tr><tr><td>Interest in this job</td><td>15</td></tr><tr><td>Prestige and respect</td><td>14</td></tr><tr><td>Family tradition</td><td>10</td></tr><tr><td>Good salary</td><td>7</td></tr><tr><td>Any other</td><td>10</td></tr></table> <p><i>Question asked: What is the main motivation for choosing this field?</i></p> <p>Method Note: The findings presented here are from a recent study conducted by Lokniti-CSDS with a sample size of 1,003 students preparing for UPSC in Delhi. The survey was carried out at three locations—Old Rajendra Nagar, Mukherjee Nagar, and Karol Bagh—between the second and third weeks of July 2024. The research team included Rishikesh, Deepa T, Tarini Sharma, Yashodhara Ranjana, Ganesh R. Kulkarni, Shuchita Singh, Vrinda Deshmukh, Kairavi, Naman Jaju, Samyak, Divyansh, and Vithi. The survey was conducted face-to-face using a structured questionnaire, with each interview lasting 15-20 minutes. A similar study conducted in Kota had its findings published in <i>The Hindu</i> in a three-part series on November 6, 9, and 11, 2023.</p>	Frequency of meeting parents	%	Once a month	12	Once every 3 months	30	Once every 6 months	27	Once a year	15	I haven't met them since I came to Delhi	9	Numbers of attempts	%	First attempt	58	Second attempt	20	Third attempt	12	More than three attempts	10	Cleared prelims	11	Cleared mains	2	Cleared interview	<1		%	Want to serve the nation	26	Career stability and security	17	Interest in this job	15	Prestige and respect	14	Family tradition	10	Good salary	7	Any other	10
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aspirants is living away from their families. While one in three surveyed aspirants stay with family (parents or siblings), nearly two in five (22%) live with their friends.

A large proportion of aspirants, close to a half (45%), live alone (Table 3). This physical isolation often leads to homesickness, with varying degrees of frequency. Three in five (60%) aspirants coming from other States, feel homesick often or sometimes, compared to one in five who never feel homesick. To cope with this, students frequently meet their parents. While one in 10 (12%) meet their parents once a month, others do so less frequently. Three in 10 stated that they meet their parents quarterly, and nearly a similar proportion (27%) meet their parents only twice a year. A notable portion (9%) had not met their parents since coming to Delhi (Table 4).

Living alone in an unknown city without the immediate support of family can increase feelings of stress and anxiety. However, the demanding nature of UPSC preparation makes it necessary to give more time to study than to recreational or leisure activities.

Staunch dedication
A UPSC aspirant's journey is often long and difficult. Students prepare and take

exams multiple times due to limited seats and high numbers of applicants. For nearly three in five (58%) aspirants from the study, it is their first attempt, while one in five (20%) students are trying for the second time. The success rates are daunting, with a small percentage clearing the prelims, even fewer the mains, and a minuscule number, the interview (Table 5).

The motivations for opting for civil services are varied among aspirants. Serving the nation is the primary motivation for many aspirants, as stated by 26% of the students. Career stability and security are also important motivations for pursuing civil services, with 17% of the surveyed aspirants motivated by this factor. Other factors, such as personal interest (15%) and the prestige and respect (14%) associated with these jobs, have also motivated the youth towards civil services. Notably, one in 10 (10%) wanted to carry forward their family tradition as their family members were employed in government jobs. Although a good salary is typically the primary motivation for getting any kind of job, only 7% say they want to get into administrative services due to the good salary (Table 6).

Cracking the UPSC exam is seen as a milestone in an aspirant's life as it confers

respect in society and improves their standard of living. Past studies by the CSDS- Lokniti have also indicated the strong preference for government jobs (Youth Studies 2016, 2022, 2023). The pursuit of civil services is also significantly influenced by factors such as career stability and security. In India, government employment is renowned for its retirement benefits, attractive perks, and job security. A reliable job is greatly desired in a nation where unemployment and economic instability are pervasive.

Delhi is a popular hub for UPSC preparation because of its prestigious coaching facilities and highly competitive atmosphere. The youth put in a lot of effort to pass the UPSC exam despite the challenges of living away from home and the psychological costs of homesickness. However, the recent incident at Rau's IAS Study Circle highlights how crucial it is to address infrastructure requirements and safety regulations in coaching centres. It emphasises the need for stronger support networks and safer surroundings to guarantee their well-being.

Sanjay Kumar is professor and co-director Lokniti-CSDS, Sandeep Shastri is Director-Academics, NITTE Education Trust and the national coordinator of the Lokniti Network and Jyoti Mishra is researcher at Lokniti-CSDS.

THE DAILY QUIZ

V.V. Ramanan

QUESTION 1
What term is used for the 26 member states of the Swiss Confederation?

QUESTION 2
Which famous line also attributed to the protagonists in Alexander Dumas' *The Three Musketeers* is considered Switzerland's un-official motto?

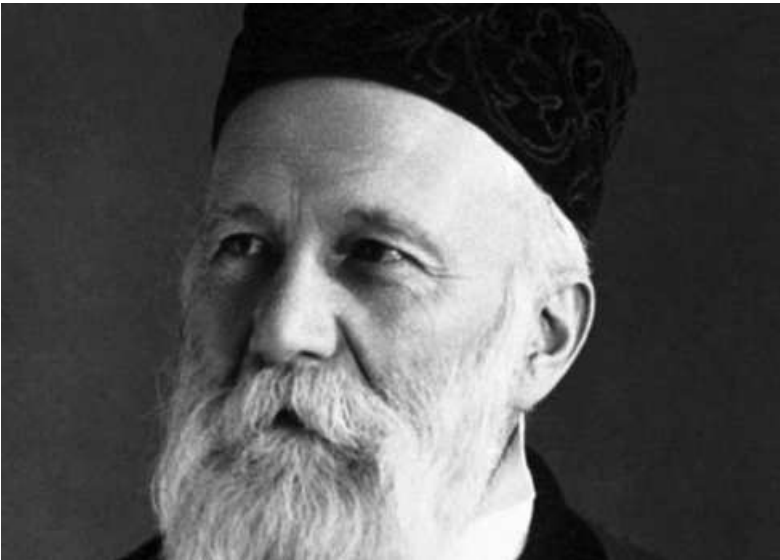
QUESTION 3
The Swiss Flag is one of the two National Flags that is square in shape. Name the other State.

QUESTION 4
Of the four official languages of Switzerland, three are German, French, and Italian. Name the

fourth.
QUESTION 5
If Indian postage stamps have 'Bharat' written on them, what traditional name of Switzerland is mentioned on its postage stamps?

QUESTION 6
Switzerland hosts the headquarters of many international institutions. So, in which cities are the HQ of the International Olympic Committee and World Health Organisation?

QUESTION 7
Name the festival held in Interlaken, once in 12 years, which features competitions of stone throwing, wrestling, and yodelling.



Visual question:
Name this Swiss humanitarian whose work earned him the first Nobel Peace Prize in 1901.

Questions and Answers to the previous day's daily quiz: 1. Rowling gave this fictional character her own birth date of July 31. **Ans: Harry Potter**
2. After the success of the Harry Potter series, she wrote this novel for adults. **Ans: Casual Vacancy**
3. This literary creation in the Harry Potter series is about Rowling's mother's death. **Ans: The Mirror of Erised**
4. This play written by Rowling, Jack Thorne and John Tiffany premiered in 2016. **Ans: Harry Potter and the Cursed Child**
5. This English novelist is described by Rowling as her "favourite author of all time". **Ans: Jane Austen**
Visual: The relationship between this author and Rowling. **Ans: Rowling wrote a series of crime fiction novels called Cormoran Strike, under the pseudonym Robert Galbraith.**
Early Birds: Archisha Prachil| Seema Das| Bharath Viswanathan| Debarati Kar| Abhijith Nayak



FROM THE ARCHIVES

Know your English

K. Subrahmanian

“Perfunctorily (A. C. Sunil Shekar, Shimoga).”

“There are days when you see your neighbour and you don't feel like greeting him. But force of habit makes you give him a quick smile, an artificial one. This kind of action, which is done as a sort of duty and without any enthusiasm, is called ‘perfunctory.’ It is a formal word and is defined as an action ‘done as a duty or routine, without care or interest.’

He saluted his Manager perfunctorily. The Customs Officer examined our luggage perfunctorily.

The first ‘r’ is silent. The ‘per’ sounds like the ‘per’ in the word ‘permission,’ ‘func’ rhymes with ‘skunk,’ ‘bunk,’ ‘tori’ is pronounced like the ‘tary’ in ‘voluntary.’ The final ‘ly’ is pronounced like the ‘ly’ in ‘hotly,’ ‘costly.’ The stress is on the second syllable of the word.”

“Collage (T. Kaushik, Madras).”

“A collage is a ‘picture made by sticking various materials or objects onto a surface.’ The materials that are used for making the picture can be anything – paper, cloth, wood, metal, etc.

Amrit made a beautiful collage using matchsticks and paper napkins.

The word now has taken on a wider meaning. It can refer to anything that is made by bringing together a number of very different things.

Usha's paper is a collage of interesting ideas.

The ‘c’ in the word is pronounced ‘k,’ the ‘o’ is pronounced like the ‘o’ in ‘hot,’ the ‘a’ is pronounced like the ‘a’ in ‘path;’ ‘age’ is pronounced like the ‘z’ in ‘measure,’ ‘pleasure.’ The stress is on the first syllable. In American English, the ‘o’ is pronounced like the ‘a’ in ‘India.’ The stress is on the second syllable.”

“Foggy (K. K. Nambiar, Thalasserry).”

“A foggy is ‘a person with old-fashioned ideas which he is unwilling to change.’

Politicians think he is an old foggy because he has principles!

The ‘o’ in the word is pronounced like the ‘o’ in ‘home,’ ‘bone;’ the ‘g’ is pronounced like the ‘g’ in ‘give,’ the ‘y’ is pronounced ‘i’ as in ‘ink.’ The stress is on the first syllable. The word is also spelt ‘fogey.’ The plural of the word is fogies or fogys. Please note that ‘foggy’ is a different word. It is not in any way related to ‘fogey’.

“Robust (Anita Kohll, Chandigarh).”
“ ‘Robust’ means ‘strong and sturdy, vigorous.’

He is a robust young man.
It also means ‘suited to or requiring physical strength or stamina.’

It involves robust work. You can't do it.
It also means ‘not refined, coarse, boisterous.’

He has a robust sense of humour.
There is no subtlety in it. The word ‘robust’ is from Latin ‘robur’ oak, strength. When you ‘corroborate’ a statement, you give strength to it, the strength of an oak. The word ‘robur’ is in the word ‘corroborate.’ The ‘o’ in the word is pronounced like the ‘o’ in ‘bone’ and the ‘u’ like the ‘u’ in ‘must’. The stress is on the second syllable.

Published in The Hindu on November 3, 1992.

Word of the day

Debris:
the remains of something that has been destroyed or broken up; loose material (stone fragments and silt etc.) that is worn away from rocks

Synonyms: junk, detritus, dust, rubble

Usage: *The victims were hit by debris from shattered windows.*

Pronunciation: bit.ly/debrispro

International Phonetic Alphabet: /ˈdebɹi/, /ˈdeɪbɹi/

For feedback and suggestions for Text & Context, please write to **letters@thehindu.co.in** with the subject ‘Text & Context’

Job at hand

Skilling sops useful, but education is key

The Budget makes a creditable attempt to address the twin problems of labour productivity and unemployment among educated youth. It has unveiled three schemes that will subsidise the training of largely new entrants into the workforce by paying for provident fund contributions over a period.

In a recent interaction with this newspaper, Finance Secretary TV Somanathan explained that the incentives should not be viewed as dramatic exercises in job creation, but more in the nature of a nudge ‘at the margin’ to employ more skilled workers instead of machines — a modest effort that could actually translate into major macro gains in employment of new recruits who otherwise struggle for openings. These steps are aimed at lifting both the quality and quantity of jobs — whereas the experience of India’s labour market since 2019, borne out by Periodic Labour Force Surveys, has been that jobs have risen but not productivity and wages because the workforce has gone back to agriculture and low productivity occupations, such as construction and self-employment options. It is also a positive that the Centre is keen about expanding the Employees’ Provident Fund outreach and has made EPFO participation by firms a prerequisite for availing of these incentives. The schemes are expected to create about 30 million additional jobs over the next four years or so, which could take care of the annual rise in new entrants into the workforce over this period. An incentive to train workers could help manufacturing and services industries that are struggling to get workers with the right skillsets.

However, there can be no getting away from the fact that the skills crisis in India’s young (15-29 years) reflects a failure of the education system — and the best skilling efforts cannot make up for this lack. The better educated are not equipped for skilled jobs in a growing economy. Industry may well opt for automation instead, and a subsidy cannot alter this choice if the workforce cannot be easily trained. The India Employment Report notes that the “unemployment rate among youth was six times greater than among persons with a secondary or higher level of education and nine times greater among graduates than for persons who cannot read and write.” An education system where middle or high school students cannot comprehend primary grade textbooks cannot bolster India’s productivity and competitiveness. The Ministries of Human Resource Development and Skill Development must work together to address a looming crisis. The Budget proposal must steer clear of a few pitfalls. First, it should not impede employers’ basic freedom to hire workers of their choice. The guidelines should be clear about this. Second, it should not lead to a pesky inspector *raj* that suspects enrolment of dummy candidates to avail subsidies. With better KYC technologies, such frauds can be avoided. Besides, no subsidy scheme will work in a desirable way if it impairs the ease of doing business.

OTHER VOICES.

THE WALL STREET JOURNAL.

Trump buries Project 2025
You almost have to feel sorry for Kevin Roberts, the ambitious president of the Heritage Foundation. He steered the venerable think tank away from some of its long-time conservative principles to court Donald Trump, only to be spurned by the temperamental former President he and his institution courted. Paul Dans, the director of Project 2025, resigned from Heritage as the think tank appears to be winding down, or at least muting, the 900-page policy plan it hoped would influence the next Trump Administration. Democrats targeted Project 2025 as if it were the guide to Trump II, and Mr Trump responded by tossing aside Heritage and its policy recommendations like so much junk mail. NEW YORK, JULY 30

CHINADAILY

India has much to do to woo Chinese firms
Although the latest call from some Indian finance and industry officials to ease governmental restrictions on Chinese investment in India is a welcome sign, those Indian policymakers still hesitant to adopt that suggestion, citing an over-reliance on China, need to know that even if New Delhi reopens its door to Chinese companies, India might not be able to recover the appeal it had for the latter before 2020. The Sino-Indian relations should not be defined by the border frictions between the two neighbours. It was from 2020 that New Delhi started taking the tensions with China as an excuse to pave the way for its diversionary tactics to implement its nationalist and jingoist strategies at home. BEIJING, JULY 30

Beware pitfalls in R&D process

‘VALLEY OF DEATH’. Good research falls flat when neither industry nor academia prioritises investment. This is avoidable



It is now increasingly recognised that for a truly resilient and *atmanirbhar* Viksit Bharat, R&D will be the foundation: A Bharat that is capable of adapting to rapid global changes while ensuring sustainable progress through cutting-edge technological superiority. R&D fosters innovation, a culture of scientific inquiry, curiosity and continual learning.

However, data show that our gross expenditure in R&D (GERD) is a meagre 0.7 per cent of GDP and has remained so for a long time. In the next 6-7 years alone, we will have to quadruple GERD as a per cent of GDP to reach developed country benchmarks of 2.5 per cent. Technology Readiness Levels (TRLs) are a method for understanding the technical maturity of any technology. In the 1990s, NASA adopted a scale with nine levels, which gained widespread acceptance across industry.

In today’s start-up world, the evolution of an idea could be at the college café. However, from then on, systematic addressing of TRLs is required, allowing a technology to evolve from conception to research, development and deployment. As a rule-of-thumb, universities, along with government funding, work on TRLs 1-3 or 4 while the private sector focuses on TRLs 7 or 8-9.

The Valley of Death (VoD) metaphorically describes the riskiest and longest phase in this graded scale, normally TRLs 3-7, where promising research fails to transition into commercial products because neither academia nor industry prioritise investment in this phase. The technology can even become obsolete or outdated; classic examples are the Pager or Blackberry phones. Also, despite having the financial muscle, some companies miss the point that one cannot keep milking the same technology. Examples include the Google-Glass, Apple-Newton, and Twitter-Peek.

Navigating the Valley of Death: Developing a product for the 21st century market is very different from what it was for the early 20th century market, where innovation was largely driven by necessity rather than convenience or luxury.

The current market seeks perfection in the product. In such cases, unfortunately, the risks involved often outweigh the incentives for research.



There are always exceptions, of course. While there is a lot being done, the following ideas need to be further scaled up manifold, with government facilitation, for real impact.

Embedding a culture of innovation in our academic system: The National Education Policy (NEP) 2020 has taken a big first step in providing multi-disciplinary education through a flexible curriculum to facilitate creativity and critical thinking, which will encourage innovation. This is radically different from the rote-based learning that prevailed for decades.

However, we have to go much further. As an example, the curriculum in the West encourages working with one’s hands — that is, designing and building models from the very early stages of the education journey. This is a crucial step in the formative years that fosters a culture of innovation.

Secondly, in most Western universities, there is a fine balance between scholarly research leading to high-quality journal publications, and innovation leading to product development. Often, in our context, product development is not considered scholarly work. This requires a cultural change.

Striving for perfection when it really matters: Since the academic current curriculum focuses on perfection, i.e., 100 per cent marks all the time, academicians tend to perfect innovation at the concept stage (TRL 1-3) itself, thus putting unnecessary constraints on the subsequent stages (TRL 4-7), enhancing the probability of succumbing to the VoD.

Perfection is often not needed during the initial stages of technology

Establishing innovation clusters that bring together academic institutions, industry players and start-ups can foster collaboration

development but is the most important driver for a successful product in the latter part of the innovation journey (TRL 8-9).

Our academic system should, therefore, assist students to identify stages when perfection really matters, so that we leave adequate space for creative and disruptive thinking.

Perfection and innovation are perhaps two opposite sides of the same coin. Innovation drives perfection and when perfection is perceived to be achieved, innovation ceases to exist.

Identifying and nurturing talent early: As we do through a robust domestic programme in cricket, we need to identify talent for innovation, early in a student’s or researcher’s life, from then on focusing on building their strengths and honing their skills.

In the West, there are science-based entertainment programmes, like ‘Invent it Rich’ and ‘Junkyard Wars’, which reward innovation. Since innovation is embedded into the socio-economic fabric of their society, there is a greater tendency for young minds to think innovatively without the fear of being ridiculed on failing. Stigmatising failure kills the appetite for research.

Therefore, a stepping stone to success in research is to first weave acceptance of failure into our socio-economic structure.

Strengthening industry-academia partnership: Presently, neither the academic curriculum nor industrial R&D exposure provides the relevant training or experience to tide over technologies lying in the VoD.

The West, along with South Korea, Japan and China, have all figured out how to overcome this issue. Even countries less known for their R&D capabilities, like Taiwan, Vietnam and Malaysia, appear to be ahead, despite having fewer globally recognised educational institutes compared to our IITs or the IISc.

Establishing innovation clusters that bring together academic institutions, industry players, and start-ups can foster collaboration. An excellent

example is the Ministry of Heavy Industries-funded industry accelerator Samridhi and start-up incubator CAMRAS at IISc, Bengaluru, or the FITT, at IIT-Delhi.

The CII has established a separate national forum for promoting industry-academia partnership for R&D and innovation for precisely this purpose.

Enhancing funding mechanisms that recognise risk: The role of government grants and funding is critical, especially to tide over the VoD, as the VoD involves developing multiple prototypes, supply of demonstration units, design rectification and redesign, market studies, potential of the product for exports, etc. Failures could lead to returning to the drawing board to revisit the entire design.

Such unforeseen risks can potentially sink a company. Government policies, therefore, need to cater for these aspects, else the natural tendency is to favour low-risk innovations.

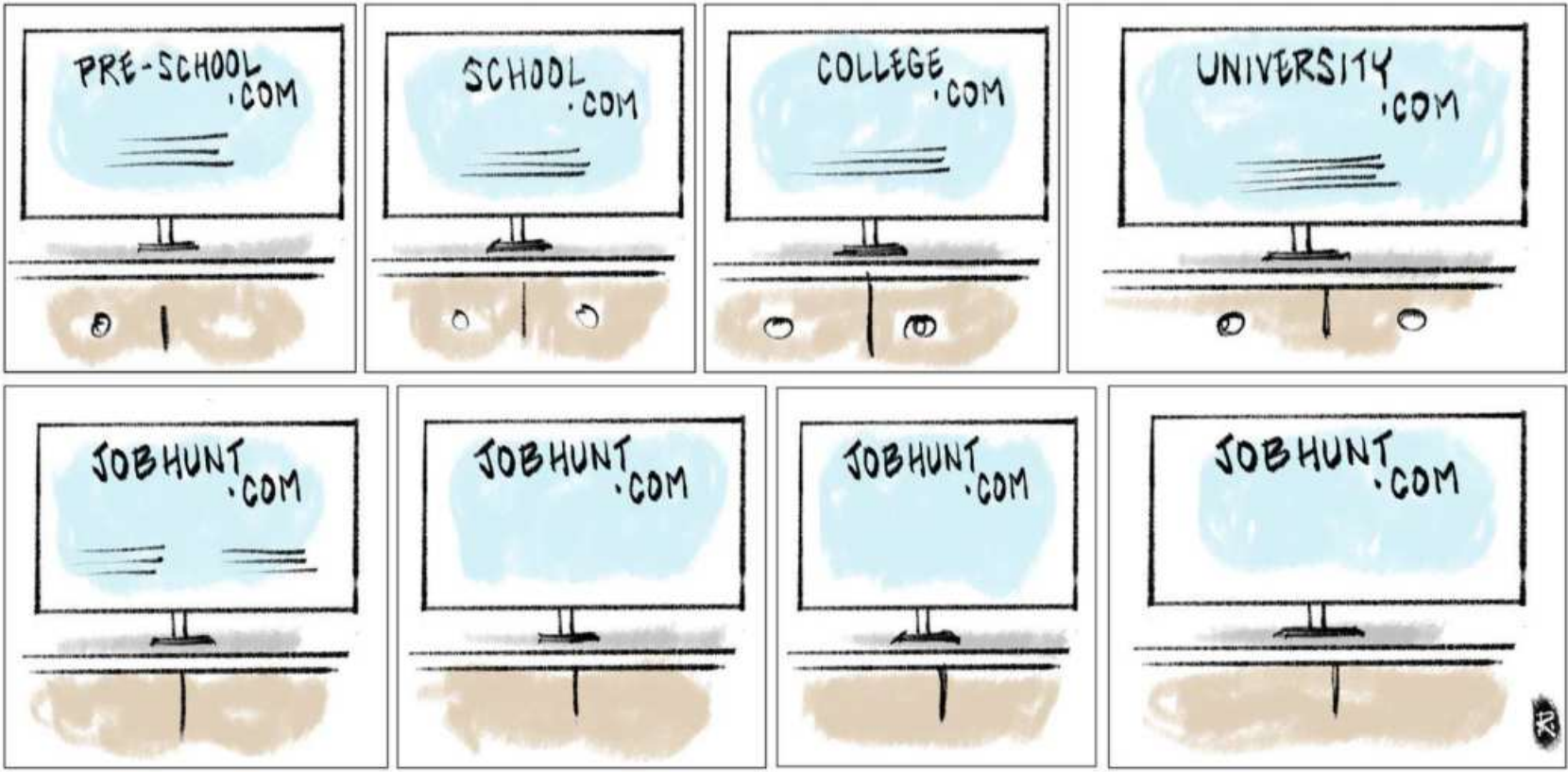
In fact, all government funded projects must have at least an equal number of successful and failed projects, to be considered successful on an overall basis. Else, external perception will be that only a large number of low-risk projects have been funded. This is where the role of Project Monitoring and Review Committees (PMRCs) becomes pivotal. PMRCs must ensure that they encourage projects that have significant risks associated with them, as long as they contribute significantly to the benefit of the nation.

To conclude, navigating the journey from the lab to the market is littered with challenges. Nevertheless, once innovation is deeply embedded in the DNA of our nation, we can quite easily navigate the Valley of Death to realise the dream of creating an *atmanirbhar* Viksit Bharat by 2047.

Sondhi is Chairman, Technical Committee for CAMRAS at ARTPARK, IISc, Bangalore, and former MD and CEO, Ashok Leyland; Kumar is Associate Professor, Interdisciplinary Centre for Energy Research, IISc. Views are personal

SHORT STORY

RAVIKANTH



● **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.

Tackling wilful defaulters

Apropos ‘RBI cracks down on wilful defaulters, sets out procedures for lenders too’ (July 31), wilful default has been a serious issue for a long time and it is appropriate that the regulator, RBI, has come out with a structured procedure to identify and act upon such cantankerous borrowers. Just as in the case of sanctioning of new credit facility, where the bar is for five years after removal of defaulter’s name from List of Wilful Defaulters (LWD), wilful defaulters should be denied additional credit also for five years after removal of name from LWD. Otherwise, such borrowers would siphon off or divert sanctioned funds

without any fear of denial of additional credit, as the banks will anyway sanction the same just after a short duration of bar of one year.

Kosaraju Chandramouli
Hyderabad

Taxing insurance premium

‘Gadkari urges FM to withdraw GST on life, medical insurance premiums’ (July 31), highlights the significance of the matter and bodes well for the industry, specifically the public — insured as also prospective buyers. That GST on insurance premiums amount to tax on the uncertainties of life is reason enough for rescinding it. The letter urging the Finance Minister to review GST from

her Cabinet colleague and a veteran kindles hope that the GST on insurance premium will be done away with.

Jose Abraham
Vaikom, Kerala

Simplify ITR filing

The Budget has been received well by most businessmen and economists. While the removal of indexation benefit is seen as a negative, there are several positives too. Authorities could now focus on simplifying the ITR filing process. For example, in the form, one is required to select between the old and the new regimes. This could have been achieved by simply asking filers to

tick any one box — old or new. Instead there is a long winding sentence stating, ‘Do you wish to exercise the option u/s 115BAC(6) of opting out of the new tax regime?’ Now one has to first read and understand the above section. Further, instead of giving all personal details, PAN should be enough because all details are embedded therein. Also, there must be continuity, without frequent tinkering with tax slabs and rates.

V Vijaykumar
Pune

Wayanad tragedy

This refers to ‘Landslides in Wayanad kill over 120, many feared buried

under debris’ (July 31). The death toll in the series of landslides in Wayanad has risen, with hundreds left injured and trapped. The landslides have caused massive destruction to houses and roads, uprooted trees and led to water bodies to swell. Warming of the Arabian Sea is said to be the reason for the extraordinary rainfall which triggered the series of landslides in Wayanad. India has to concentrate on climate change. The government should use advanced technology to know more about impending heavy rainfall, which could warn and help save people’s lives.

P Victor Selvaraj
Palayamkottai, TN

Fillip for clean energy

The Budget will help speed up the transition

Rahul Munjal

India, a late entrant to the global renewable energy (RE) scene, started according top priority to the sector at the national level under Prime Minister Modi from 2014, based on the successful model he developed in Gujarat as Chief Minister. This resulted in India's wind and solar capacity growing exponentially, from a mere 25 GW in 2014 to 130 GW by 2024.

The share of renewable energy (RE) in India's total power generation has grown three-fold to 12 per cent in the same period. The latest FY 23-24 saw the highest ever addition of 18 GW of wind and solar capacity.

In his Budget Speech for FY 2014-15, then Finance Minister Arun Jaitley declared, "New and Renewable Energy deserves a very high priority." This priority has been continued by Finance Minister Nirmala Sitharaman in all her seven Budgets and the latest Budget is no exception. The announcement of optimal energy transition pathways seeking to balance the imperatives of growth and employment with India's ambitious climate goals will further bolster the sector's growth momentum.

The proposed roadmap for decarbonising hard to abate sectors and transitioning them from energy efficiency targets to emission targets is extremely timely. Financial support to micro and small enterprises for shifting to cleaner sources of energy will plug a critical gap in industrial RE adoption.

GREEN PROJECTS

Taxonomy for climate finance will catalyse funding for green projects. The decision to expand the list of customs duty-exempted capital goods used for solar cells and panels will help boost domestic manufacturing. Rationalisation of custom duties on critical minerals also augurs well for RE manufacturing. The Budget proposes digitisation of land records in both rural and urban India, which will go a long way in ensuring litigation free procurement of land parcels for RE projects, speeding up execution. Overall, this Budget reassures the nation and the world of India's continued emphasis on the RE sector as an important tool for achieving India's net zero and energy security goals.

The Prime Minister's visionary policies in his first two terms,



RENEWABLES. Positive steps

such as the revised National Solar Mission, waiver of ISTS (Inter-State Transmission System) charges, must run status of wind and solar power, accelerated depreciation and generation-based incentives, solar parks, renewable purchase obligations, and strengthening transmission infrastructure have all been instrumental in driving a massive expansion in RE capacity as India remains well-poised to achieve its goal of 500 GW by 2030.

To actualise this goal of 500 GW, fresh wind and solar capacity of nearly 300 GW must be created over the next five years. This means from now onwards, annual capacity addition must rise from current levels of 18 GW to excess of 60 GW. While this may appear to be a stiff challenge, FY24 saw 40.56 GW of RE capacity auctioned, the highest-ever. Further, many of the new bids were of complex firm and dispatchable RE type.

This makes one extremely optimistic about achieving a three-fold increase in annual RE capacity addition. This year's Budget also promises a policy for pumped storage projects for smooth integration of RE — this is a welcome move.

Furthermore, the government remains committed to developing India as a green hydrogen (GH) manufacturing and export hub and it has made its support for GH production abundantly clear through generous incentives and funding under the National Green Hydrogen Mission.

The government must be complimented for working overtime to remove all possible roadblocks and accelerating the growth of the RE sector. The Budget proposals on clean energy sector reconfirm the government's steady resolve to meet India's stated climate goals for 2030 and beyond.

The writer is CMD, Hero Future Energies



ASHISH KUMAR
RISHI JAIN

Launched in 2014, the 'Make in India' initiative envisaged fostering innovation to boost manufacturing sector growth and increase its contribution to the economy. The idea was not just to become self-reliant but also position India as the global manufacturing hub. Consequently, a series of policy initiatives like production-linked incentives, National Infrastructure Pipeline, India Industrial Land Bank, ease of doing business and One District One Product (ODOP), among others, were launched. Also, specific targets, such as enhancing the manufacturing sector's share in the economy from 15-16 per cent to 25 per cent by 2025 and creating 100 million additional jobs by 2022, were fixed.

Unfortunately, globally economies suffered various shocks, like Covid and the continuing Russia-Ukraine and Israel-Hamas conflicts, which have affected the domestic manufacturing sector too. Employment generation in the country has also become a major concern.

Therefore, it may be worthwhile examining the growth in employment in the manufacturing sector based on the data now available in the Annual Survey of Industries (ASI), that is, till 2021-22, and from the Annual Survey of Unincorporated Sector Enterprises (ASUSE) for 2021-22 and 2022-23.

CORPORATE MANUFACTURING

Corporate manufacturing units consist of units registered under Sections 2(m)(i) and 2(m)(ii) of the Factories Act, 1948, having 10 or more workers with power or 20 or more workers without power, and all units employing more than 100 workers registered under other Acts. The number of factories in the corporate manufacturing sector has significantly increased between 2015-16 and 2020-21 from 2.33 lakh to 2.5 lakh, around 7.24 per cent increase over six years. Employment in these factories have increased from 1.43 crore to 1.72 crore, a growth of 20.39 per cent.

A comparison between six years preceding and succeeding 2015-16 for corporate manufacturing brings out a mixed picture. The CAGR of number of factories from six years preceding 2015-16 (i.e., from 2009-10) was 6.6 per cent, which has come down to 1.17 per cent in the six years after 2015-16. However, the CAGR of the number of employees has seen a minor decline from 3.27 per cent to 3.14 per cent. This shows quick recovery of the sector after the Covid shock but it may take a little more time to fully recover.

Employment growth in certain sectors has accelerated in the latter six



Industry's mixed post-Covid recovery

COMPLEX PICTURE. In terms of growth in enterprises and employment, corporate manufacturing has outdone the unincorporated sector that mainly comprises MSMEs

years compared to the previous period. For instance, jobs in the 'food products' sector grew 18.92 per cent between 2015-16 and 2021-22, higher than the 8.54 per cent between 2009-10 and 2015-16. Similarly, employment in 'chemical and chemical products' saw a rise of 38.06 per cent compared to 26.29 per cent in the six years preceding 2015-16. Sectors like 'rubber and plastic products' and 'basic metals' also experienced significantly higher increases in employment.

UNINCORPORATED UNITS SUFFER

Unincorporated manufacturing comprises mostly smaller units belonging to the MSME sector. There has been a significant decline in the number of factories in the unincorporated sector over the last six years — declining from 1.96 crore to 1.72 crore, a fall of 12.27 per cent. Employment in this sector has also declined from 3.6 crore to 2.79 crore in these six years, a fall of 22.52 per cent.

There are indications of increasing corporatisation in the manufacturing sector after the launch of 'Make in India' initiative, resulting in a qualitative improvement in employment

The recovery in this sector has been slow, and a full recovery may take a longer time and will hinge on a conducive and supportive industrial environment.

The number of own-account enterprises (OAEs) in the unincorporated manufacturing has increased. The proportion of OAEs amongst all unincorporated enterprises has risen from about 85 per cent to 89 per cent, with a corresponding rise in their share of employment from about 62 per cent to 68 per cent in over the six-year period, implying a reduction in hired-worker establishments and encouraging job seekers to undertake some form of self-employment or shifting to the services sector.

More than 90 per cent of the manufacturing sector enterprises were engaged in just nine types of activities, indicating concentration of unincorporated enterprises in a few activities. The five top activities having 80 per cent of all units were in manufacture of wearing apparels, textiles, tobacco products, food products, and wood products excluding furniture. These provided employment to about 71 per cent of workers.

Enterprises producing apparel and textile goods, including accessories like hats, gloves, jerseys, and cardigans, accounted for 28 per cent of all unincorporated sector enterprises in 2015-16, and this position was

maintained through 2021-22. This sector has been the primary source of employment, accounting for nearly 22 per cent of all workers in unincorporated manufacturing. Over the six years, its share of enterprises has grown to 37 per cent, with a corresponding increase to 29 per cent in terms of employment contribution. Two other activities that have shown a substantial increase both in the number of units and employment are food products, processing and preservation, and manufacturing activities related to iron, steel, zinc copper, aluminium, etc. In sectors like glass works, there has been a contraction in both the number of units and employment due to consolidation and adoption of improved technology. While the corporate manufacturing sector is witnessing a strong recovery after Covid, the unincorporated manufacturing sector is yet to recover from the sharp fall. There are indications of increasing corporatisation in the manufacturing sector after the launch of the 'Make in India' initiative, resulting in a qualitative improvement in employment. The unincorporated sector, especially MSMEs in manufacturing, needs special attention for its importance in job creation and supply of inputs to large manufacturers.

Kumar, former DG, MOSPI, is Distinguished Fellow, and Jain is Research Associate, with Pahle India Foundation.

thehindubusinessline.

TWENTY YEARS AGO TODAY.

August 1, 2004

Standard soon on 'employee share-based payments': ICAI

In keeping with the international practice, the Institute of Chartered Accountants of India (ICAI) intends to come up with an accounting standard (AS) on 'employee share-based payments.' The draft of the accounting standard was finalised by the Accounting Standards Board (ASB) of the Institute recently.

Petrol, diesel prices hiked

Public sector oil marketing companies increased petrol and diesel prices by around ₹1.15 and ₹1.55 a litre, respectively. The increase is in line with the rise in global fuel prices. This is the first price revision that is being exercised by the oil companies in a non-ad hoc manner and without having to seek the government's ratification. The price rise is being carried out under the limited freedom accorded to oil companies to fix prices within a 10 per cent band of the three-month as well as one-year average of global product prices.

WTO members reach new deal

WTO members have agreed to a framework agreement, with India saying that the draft "more than adequately" addressed its concerns. "We have closed the deal... This more than adequately addresses India's concerns. Developed countries cannot, through artificial price mechanisms, gain access to Indian markets," the Union Commerce Minister, Mr Kamal Nath, said.

Budget 2024 – a fine balancing act

Anis Chakravarty

The Budget prudently manages allocations, taxation relief and social welfare measures.

In agriculture, Finance Minister Nirmala Sitharaman announced a review of the agricultural research setup to bring in seed resilience, 'atmanirbharta' for oil seeds and introduction of climate resilient varieties. The main announcement related to creation of digital public infrastructure (DPI). This is expected to provide assistance in issuance of kisan credit cards and in digital crop surveys.

Another highlight of the Budget is the set of schemes on employment linked incentives, human resource development, reskilling and entrepreneurship. We need to push job creation by encouraging more private investment, especially in labour-intensive sectors. It is important to build a robust MSME ecosystem for sustained growth in consumption and broad-based investment. Talent must also remain a

key focus. India will continue for a while to be a demographically young country. It is imperative to invest in the future generation through social sector reforms with a focus on education and health, upskilling and reskilling talent to adopt to a changing work landscape.

Several announcements were made focusing on skilling. One month wage scheme to formal sector entrants, incentives on EPFO contributions and reimbursements to employers, partnership in setting up working women's hostels, loans with guarantees to students, financial support for education, interest subvention and the highlight of it all — internship in top companies linked with CSR recognition — are all in the right direction.

The abolition of angel tax is also a welcome move, along with a credit guarantee scheme for MSMEs, mudra loans, stress credit support and announcement of twelve industrial parks. While the measures will aid local manufacturing, MSMEs and entrepreneurship, further steps on ease of doing



SKILLING. Given top priority

business would have been appreciated. This includes making the National Single Window System (NSWS) issue-free, streamlining regulatory compliance processes, and improving trade facilitation channels, apart from having a more transparent digital infrastructure.

Coming to taxation, the comprehensive review of duty rate structure,

calibration in basic customs duty as well as changes in standard deductions for personal taxation are good measures. The core issue of managing investor sentiments is a different matter. Increase in capital gains tax, both on short- and long-term investments, will weigh largely on retail investors. Further, the increase in securities transaction tax (STT) on futures and options will impact the derivatives investors.

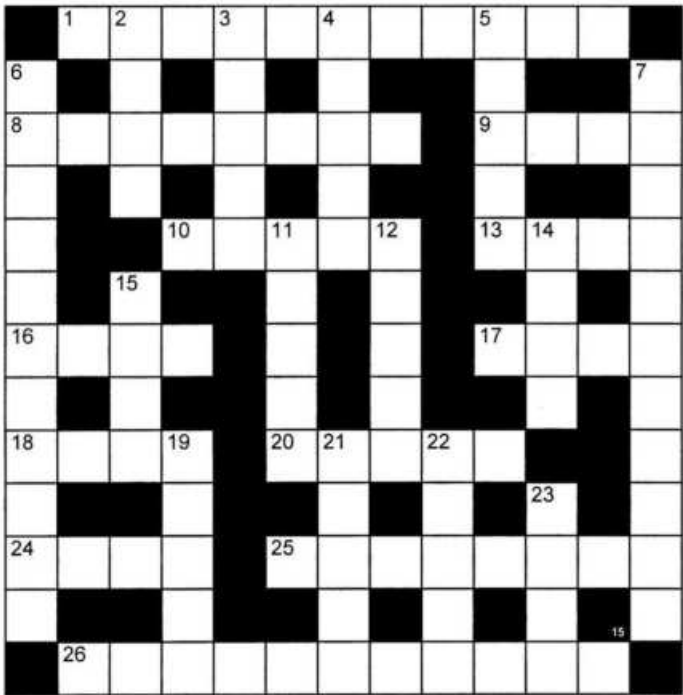
Perhaps, this is coming out of an observation in the *Economic Survey* that speculation in the markets have gone up. Though the industry was anticipating some rationalisation measures, the impact may be two-fold.

The STCG revision will temper the market and decrease speculation while the LTCG move may impact the markets in the short run, albeit ensuring that investors hold a long term view on India.

Finally, the Budget delivers a message of belief in the India Story.

The writer is Partner, Deloitte India

BL TWO-WAY CROSSWORD 2494



EASY

ACROSS

- Act of implying (11)
- Saying what one wants supplied (8)
- Bathing-beach (4)
- Carnivorous scavenger (5)
- At that time (4)
- N African chieftain (4)
- Get through test (4)
- Impulse (4)
- North Britons (5)
- Discourteously brief (4)
- Address to cardinal (8)
- Twitcher (4-7)

DOWN

- Method (4)
- Truck (5)
- Member of chapter (5)
- Small island (5)
- Gobbledygook (6,5)
- Attempts to get to sleep (6,5)
- Ways to leave (5)
- Italian farewell (5)
- Make better (4)
- Telephone somebody (4)
- Go in for (5)
- Punctuation mark (5)
- Pick-me-up (5)
- Leg Joint (4)

NOT SO EASY

ACROSS

- It leads one to suppose one limp action might make it (11)
- Right: ignored shuffle, telling waiter what one wanted (8)
- Where one may bathe in nothing more than a hat (4)
- Carriion-eater has endlessly been fed with Japanese money (5)
- So, it was at that time (4)
- Man of some power in N Africa got frost to return (4)
- Get through a way across a mountain (4)
- Impel one to use rating first and last instead of the South (4)
- Customary taxes were for those living North of the Border (5)
- Short, rude slice is about right (4)
- Red-hat of mine appears among coppers without a leader (8)
- His study may appear flighty (4-7)

DOWN

- Get me to hold the party up in this fashion (4)
- A vehicle for a sorry rhymester (5)
- Is able to accept no come-uppance from cathedral dignitary (5)
- Small amount of waterlocked land is leased out (5)
- Large Hollands? What rubbish they do talk! (6,5)
- Tries to get off with foreign nobleman's flock (6,5)
- There are ways of leaving the sixties: is less confusing (5)
- The last word in Roman fashion? (5)
- Make better part of the allotment (4)
- One thing to go in circles one will get on the blower (4)
- American middle without a beginning to put name down for (5)
- Pause, seeing a large number in a state of stupefaction (5)
- This may be the key to what gin-drinker needs (5)
- It bends in supplication in between kicks that turn up (4)

SOLUTION: BL TWO-WAY CROSSWORD 2493

ACROSS 1. Celibate 4. Spit 8. Opt 9. Fewer 10. One 11. Dredged 12. Elect 13. Whereabouts 17. Sprat 18. Rainbow 20. Out 21. Value 22. Vie 23. Tick 24. Shambles

DOWN 1. Crowds 2. Litre 3. Towed 5. Protect 6. Treats 7. True to life 9. Figurative 14. Heretic 15. Escort 16. Sweets 18. Ralph 19. Bevel

Excessive speculation

Proposed measures will reduce retail participation in F&O

The Securities and Exchange Board of India (Sebi) has released a consultation paper that lists seven proposals for changes in the derivatives segment (futures and options, or F&O) of the stock exchanges. These include proposals to increase the minimum size of derivatives contracts substantially, reduce the strikes available on an option, initiate surveillance of intra-day position limits, collect margins upfront for premiums, charge a higher “Extreme Loss Margin” on expiry day, and remove calendar spread benefits on expiry days. The net effect would be to raise the capital and liquidity requirements needed to trade in the F&O segment. This will force out some of the 9.2 million retail traders who regularly participate in F&O.

The regulator is of the view that the extra margin would protect against an extreme event affecting market stability on expiry day. Sebi is also attempting to discourage rampant speculation in the last hour of an expiry, when many traders decide to play the “lottery” to quote the paper. It is likely that there would be a dip in volumes as these measures are adopted and this could also mean larger spreads on premiums. These would make it more expensive for hedgers, or for institutions with funds in the proposed new Sebi asset class. Since the GIFT dollar-denominated Nifty option is unaffected, more volumes may move there.

The F&O segment would become more institutionally dominated, and probably feature lower volumes, and wider spreads, especially in the weekly options segment. Apart from reducing the risk of market instability, these measures would protect under-capitalised retail traders from themselves. The paper cites data to show India has very high ratios of F&O volumes. Moreover, F&O turnovers have grown substantially. The notional value of traded F&O contracts in 2023-24 was at 367 times the cash market turnover, while the premium value of F&O turnover was at around 2.2 times that of the cash market. With respect to individual traders, around 41 per cent of their turnover was in index options, and a high percentage of those positions — over 80 per cent — is taken on the expiry day. Moreover, since exchanges shuffle expiry dates, all five trading days of the week feature expiry of some index option. Normally, margins are lower for calendar spreads, where an option with a given expiry day is offset by an option with a later expiry day. Besides, position limits are usually calculated on an end-of-day basis, which implies these may be breached intra-day.

By removing calendar spread offsets on an expiry day, and asking for intraday position limits to be monitored, the regulator hopes to discourage speculation on the expiry date. Hiking the extreme loss margin provides some protection for the market against possible black swans near expiry. The paper cites data that indicates 85-90 per cent of retail traders lose money. The losses in 2023-24 amounted to around ₹60,000 crore if costs are taken into account. This is over 25 per cent of the average annual inflows into mutual funds. Moreover, retail investors hold option contracts for an average of just 30 minutes. Increasing the minimum value of contracts from the current level of ₹5-10 lakh to ₹15-20 lakh and increasing again to ₹20-30 lakh after six months would also force out retail traders who lack deep pockets. The measures proposed by Sebi may help to normalise trading and reduce risks, though it could mean loss of revenue for the exchanges and impose higher costs on hedgers.

Evolving digital revolution

Policy and regulation will need consistent adaptation

The Reserve Bank of India’s (RBI’s) latest Report on Currency and Finance, published this week, focused on the implications of the global digital revolution, with emphasis on its impact on India. The digital economy in India currently represents about 10 per cent of gross domestic product and is projected to grow to 20 per cent by 2026. With one of the world’s largest digitally connected populations, the report provided timely insights into the wide-ranging effects of digitisation on sectors such as banking, innovation, e-commerce, fintech, and digital trade in India. One significant aspect is the digitisation of the payments system. As the report noted, India leads globally in real-time payment volumes, with digital payments increasing at a compound annual growth rate of 50 per cent and 10 per cent in volumes and value terms, respectively, over the past seven years.

However, the extensive adoption of digital payment platforms can significantly influence the money circulation in the economy, with implications for liquidity and monetary policy. Digitisation enhances monetary-policy effectiveness through financial inclusion, real-time data availability, increased transparency, and expanded credit channels. However, a shift to less regulated entities can affect policy transmission because they tend to operate outside conventional systems. Monetary policy transmission is examined by how deposit and lending rates respond to the RBI’s policy repo-rate changes. For instance, if the RBI reduces the repo rate, banks typically lower lending rates to encourage borrowing and investment. However, if significant transactions move to unregulated entities, the response to the RBI’s policy changes may weaken, reducing effectiveness.

Further, as the report highlighted, digitisation can diminish the effectiveness of monetary policy by reducing price stickiness. Digital technology lowers menu and information costs, thereby enhancing short-run price flexibility. Consequently, prices quickly adjust to balance supply and demand, nullifying the impact of monetary policy. Further, on the one hand, substantial initial investment in digital technology and firms’ digital collusion can increase market concentration, leading to monopolies that exert upward pressure on inflation to gain higher markups and profits. However, on the other hand, the advent of e-commerce can broaden the domestic market, enhancing competition and potentially lowering inflation. Thus, digitisation through potential increase in price flexibility, increased market concentration, and enhanced market competition in different sectors can affect the New Keynesian Phillips Curve (NKPC), a central tool of central banks in assessing the inflation dynamics and policy evaluation. If increased price flexibility outweighs the stabilising effect of more product varieties, inflation volatility may rise. Conversely, more product varieties can mitigate the impact of market concentration and lower markups. Technological shocks can frequently affect markups and marginal costs, potentially destabilising inflation expectations and the stability of the NKPC.

Thus, digitisation can impact macroeconomic stability through previously uncommon channels. While digital technology enhances administrative capacity, it also brings significant new challenges. One is the operation of monetary policy because of the impact of digitisation on prices. Further, with increased digital transactions and with banking services being available practically round the clock, banks can face liquidity issues in times of stress. As was witnessed during the recent banking crisis in the US, stress in bank balance sheets can quickly exacerbate and pose financial stability risks. Thus, the RBI will need to progressively adapt to the changes in the economy and the banking system because of increasing digitisation to fulfil its mandate of price and financial stability.

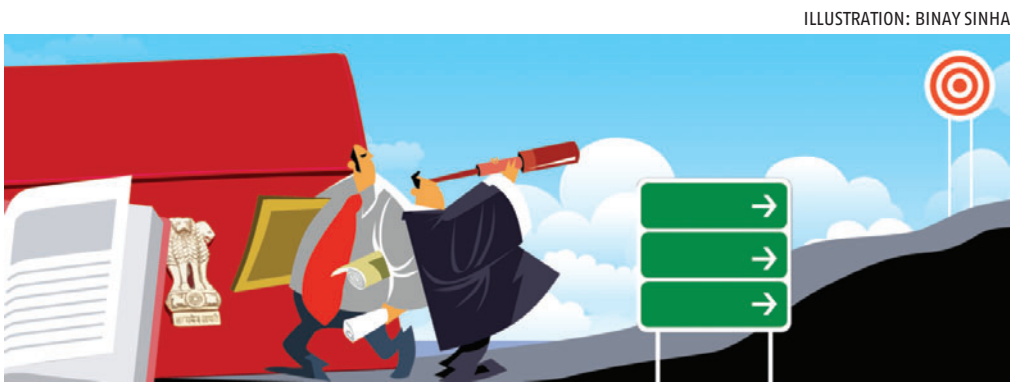


ILLUSTRATION: BINAY SINHA

Budget ‘nudges’ in the right directions

But much bolder and comprehensive reforms are needed

Modi 3.0’s first post-election Budget has tried to acknowledge the messages that the voters sent. Its focus on employment and skilling, rural distress, and small and medium enterprises, as well as the need to address factor-market distortions in labour and land, suggests this. It has maintained the priority on infrastructure that was the hallmark of budgets in Modi 2.0. And it does all this with further fiscal consolidation. These are all changes in the right direction. But will the multiple proposals and schemes announced be enough? My take is that much bolder and comprehensive reforms are needed.

The “nudge,” as Finance Minister Nirmala Sitharaman calls the employment incentive scheme proposed in the Budget to encourage firms to hire more labour, will, by itself, not make a big dent in unemployment. It allows firms to use 10 per cent of their corporate social responsibility funds — which could encourage its uptake. The increase in expenditure on skilling is also welcome. But what will create jobs on the scale India needs is more private investment in labour-intensive manufacturing sectors, not employment subsidies. Jobs will also come from massive increases in tourism-related services, which should get more attention. But recognising the issue of unemployment, instead of trying to underplay it, as was the case in the run-up to the election, shows that the government understands the problem.

The emphasis in the Budget on the need to address factor-market reforms — including labour, land and capital — working closely with the states, is welcome. What form this will take remains undefined but, if done right, it can have a huge impact on getting India on the path of employment-intensive

growth. The focus on micro, small and medium enterprises (MSMEs) is also welcome, but tweaking benefits to MSMEs will only go so far if the ecosystem discourages their growth. According to the Periodic Labour Force Survey, almost 80 per cent of the workers are in firms with less than 10 workers. Labour laws largely explain why firms remain small — as most labour laws in India apply to firms employing more than 10 workers. The expensive production-linked incentive (PLI) scheme, which benefits mostly large firms and does not create too many jobs, has not been expanded, despite pressure from India Inc. It needs a review and a revamp, not more money.

With so many subsidies and schemes, the basic functions of government health, education and defence continue to remain underfunded. The increase in spending on agriculture research and development (R&D) and the focus on achieving self-sufficiency in oilseeds and pulses is welcome. But the bigger reasons for rural distress remain unaddressed and will remain so as long as not enough jobs are created outside agriculture. It will also

require changes in the crop mix from cereals and sugar cane, which are soaking up huge subsidies, depleting the water table and degrading the soil in the north. But with the government having already announced free foodgrains for five years to over 60 per cent of the population, which will entail more Food Corporation of India procurement and doubling down on higher minimum support prices (MSPs) for foodgrains, serious agricultural reform will remain a challenge in Modi 3.0.

The momentum on infrastructure investment, a lodestar of budgets in Modi 2.0, has been maintained. But at the same time, the Budget signals more fiscal



IF TRUTH BE TOLD

AJAY CHHIBBER

ITIs: Back to the centre stage

Industrial Training Institutes (ITIs) have rarely made it to the Union Budget speech, but this time things were different. In her July 23 speech, Finance Minister Nirmala Sitharaman put “employment and skilling” second on her list of nine Budget priorities, just after agriculture. The upgrade of ITIs and a slew of job creation schemes through various collaborations formed the core of the “employment and skilling” theme, making this Budget markedly different from the rest.

It’s perhaps a matter of chance that ITIs, which were started soon after India’s independence as a way to create employment, are being brought centre stage with the same goal as the country prepares for Viksit Bharat in 2047, marking 100 years of Independence. While ITIs have come full circle, where do they stand in terms of their primary objective of imparting engineering and non-engineering trade skills to high-school students and undergraduates for creating employment?

Even as the Ministry of Skill Development and Entrepreneurship in the Union government makes policies that govern ITIs and the entire gamut of skill network, most of these institutes are run by state governments or private entities authorised by states. So, a mismatch between the central policy/curriculum and the states’ capacity to train and deliver on the job front is obvious. A lack of skilled trainers, resource crunch, ineffective placement methods, outdated curriculum, and poorly equipped labs are some of the problem areas that ITIs face across states.

In fact, decades after the establishment of ITIs, setting up effective placement cells in these institutes continues to be a big ask. Last August, the Parliamentary Standing Committee on Labour & Skill Development urged the Skill Development

Ministry to facilitate the setting up of placement and entrepreneurship cells within ITIs. Although the committee suggested making it mandatory for ITIs to upload data on the employment status of their graduates, only some states are fully following this recommendation. While the parliamentary committee also highlighted the need to refresh the courses and curricula to align with industry requirements, such as in the areas of data analytics and artificial intelligence, much of this is yet to take off in a meaningful way.

The NITI Aayog too came out with a study last year, suggesting a changeover of the ITI ecosystem. The study noted the weaknesses in the current system in terms of infrastructure, regulation and course content, while proposing a seven-pronged strategy, including setting up of a central board for the recognition of vocational education.

However, against this underwhelming backdrop, there are some bright spots. According to news reports earlier this year, Delhi’s ITIs achieved a placement rate of 72.3 per cent in the latest academic year, with many students getting placed with top companies. A few ITIs in Delhi managed to attain placement rates as high as 94 to 97 per cent. Down south in Tamil Nadu, placement data shows an 80 per cent placement rate in 2023, up from 77.4 per cent in the previous year.

And, within a few days of the Union Budget, which focused on the theme of employment, automobile company Hyundai announced new employment opportunities for several hundred ITI students across nine states as part of its skill development scheme. Around the same time, Telangana government partnered with Tata Technologies to



NOT FOR PROFIT

NIVEDITA MOOKERJI

Outsiders in the mainstream



BOOK REVIEW

CHINTAN GIRISH MODI

Michiko Kakutani, the Pulitzer Prize-winning former chief book critic of *The New York Times*, is out with a new book called *The Great Wave: The Era of Radical Disruption and the Rise of the Outsider*. It is an absorbing work of non-fiction built around the idea that we are living in “the era of the outsider” in fields as diverse as governance, business and the arts since people’s faith in traditional institutions has eroded. While elites are mourning the loss of power, “radical voices at the margins” are seizing this moment of renewal and rebuilding.

When the author was a high school

student in Connecticut, USA, in the 1970s, the English literature curriculum focused on classics written by “famous white men” such as F Scott Fitzgerald, John Steinbeck, Ernest Hemingway, Nathaniel Hawthorne, Herman Melville, George Orwell, Charles Dickens, Mark Twain, and John Knowles. She recalls being assigned to read only one novel written by a woman; it was Harper Lee’s *To Kill a Mockingbird*.

Reading lists of American high schoolers have undergone a major shift. Ms Kakutani notes that it is now common to assign books by Toni Morrison, Ralph Ellison, James Baldwin, Zora Neale Hurston, Maya Angelou, Sandra Cisneros, and Chinua Achebe. The English curriculum has grown far more diverse than it used to be by including books by women, people of colour, and LGBTQ+ writers, which are markedly different from those written by famous white men.

The author’s examples come mainly from the US but the situation has

changed in the Indian context too. Students in India get to read literature by Dalit, Adivasi and LGBTQ+ writers, and works from various Indian languages translated into English. These voices were either absent or rare in reading lists that prioritised famous white men or writers of Indian origin — regardless of gender and sexuality — who had become famous abroad. Even courses on Indian writing in English were dominated by Indian writers living in the US and the UK.

Outside the hallowed space of literature, there is a growing number of content creators who use platforms like Instagram, YouTube, Spotify and TikTok to distribute their art and music, advocate for causes that they believe in, and fight to “circumvent old-school gatekeepers”. The author strikes a balance between applauding the “democratizing effects of the internet” and cautioning readers about how the same technology is available to anti-democratic forces.

She notes, for instance, that the “most daring, innovative and exhilarating new art is being created by members of one underrepresented or sidelined groups” because there is a hunger for new stories among people with purchasing power. At the same time, there are others who feel threatened by outsiders “reshaping the cultural landscape”.

Those who want to cling to the status quo mobilise local communities to ban books or introduce laws that make it hard or impossible to teach about misogyny, colonialism, racism, and homophobia in schools.

The emergence of disruptors is not new. Ms Kakutani examines other “pivot points in history, from the waning of the Middle Ages to the aftermath of the Second World War” to understand how the established order is challenged from below when people want to right systemic wrongs. The civil

rights movement to abolish racial discrimination and segregation, and the suffragette movement to advocate for women’s right to vote are powerful examples. More recently, nationwide student protests urging American university administrations to suspend academic collaborations with universities in Israel, has certainly shaken the status quo.

Ms Kakutani also dips into some compelling cases of outsiders driving change in the world of business, such as workers unionising to protect themselves from being exploited by corporate bigwigs

like Amazon and Starbucks, employees in regional offices providing feedback to multinational companies so that products are more relevant to local demands, and blockchain enthusiasts creating technology to limit the control of tech giants that act as intermediaries. This book uses “the Overton

consolidation, with a projected deficit of 4.9 per cent of gross domestic product (GDP) for FY25, down from the target of 5.9 per cent of GDP in FY24. The target deficit of 4.5 per cent of GDP for FY26 now seems within reach. However, India needs a more aggressive medium-term fiscal consolidation glide path to reduce the public debt ratio closer to 60 per cent and prepare the fiscal space for the next big crisis. One way to do this, as I argued in my column last month, is a comprehensive privatisation programme, with the proceeds assigned to infrastructure investment.

The Budget increases the capital gains tax on long-term capital gains to 12.5 per cent (up from 10 per cent) and on short-term capital gains to 20 per cent (up from 15 per cent), bringing it more in line with international levels and affecting the financially wealthy sections of society. It also correctly reduces the capital gains tax on property and gold from 20 per cent to 12.5 per cent — same as the long-term capital gains tax, with changes in inflation indexation, hopefully making property transactions more transparent. Ending the bizarre angel tax is a good move and may revive startup activity. The standard deduction on income tax was raised to ₹75,000 and the tax slabs were increased to provide some relief to middle-income taxpayers. But only 2.2 per cent of the adult population pay income tax — widening that base is needed.

The move to reduce import duties or to eliminate them for items such as mobile phones, selected medical equipment, critical minerals, capital goods for use in solar energy, inputs into leather and textile production and exports, and metals is a positive step and reverses five years of tariff increases introduced in Modi 2.0. It also signals the realisation, I hope, that if India is to be an exporting powerhouse, then higher import tariffs, especially on intermediates, will hurt rather than help.

Special allocations for projects in Andhra Pradesh and Bihar, as expected by the imperatives of a coalition government, were in the Budget and given considerable emphasis in the finance minister’s speech. But at least these two states were not accorded a special status, which would have opened the door to demands from other states, now and in the future. The coalition parties of the Bharatiya Janata Party — the Telugu Desam Party, and the Janata Dal United seem satisfied for now. But whether they will be so in the future remains to be seen?

The finance minister laid out the Budget as a Modi 3.0 blueprint for the next five years on India’s journey to Amrit Kal. The Budget “nudges” in the right directions, but more fundamental reforms and changes will be needed if India wants to turn jobless growth into employment-intensive growth and achieve the Viksit Bharat goal by 2047.

The writer is distinguished visiting scholar, Institute for International Economic Policy, George Washington University, and co-author of Unshackling India, declared the Best New Book in Economics for 2022 by the Financial Times

upgrade 65 government ITIs into what it called centres of excellence.

In the run-up to the Budget as well, there were some upbeat instances related to ITI. In Maharashtra, for example, several ITI students were absorbed by firms overseas, from Germany to Japan, Saudi Arabia to Israel. The state is also setting up international placement centres. Recently, Germany reportedly recruited some 4,000 professionals from Kerala institutions, including ITIs for a railway modernisation project. And, ITI Shikohabad, one of the recently constructed government industrial training centres in Firozabad, Uttar Pradesh, started new courses, including on electric vehicles.

ITIs were started by what was known as the Ministry of Rehabilitation in 1948 and were meant for displaced individuals. It was called Vocational Training Centres back then. Industrial Training Institute, Arab-ki-Sarai, in Delhi’s Nizamuddin area is among the oldest ITIs in the country, having undergone many name changes through the years.

The ITI journey of several decades, through many ups and downs, is captured through these numbers. In around 14,993 government ITIs in India, there were about 2.5 million available seats in 2021-22. The number of trainees was pegged at 1.2 million. If it helps, new enrolments rose from 9,46,000 in 2014 to 12,40,000 (1.2 million) in 2022. In the absence of any comprehensive database on ITI placement, here’s the latest from Delhi’s Pusa ITI, a popular institute. In 2022, out of a total of 659 students, 409 were placed, 101 went for higher education, and 149 remained unplaced.

While numbers do tell a story, the instances of some states and some institutes trying to do things differently are equally important. In the end, higher Budget outlays alone can’t make a difference. Rather, the Centre and the states have to come on the same page with a new vision in search of a successful job story.

window” — a theory named after policy analyst Joseph P Overton — to explain how ideas like same-sex marriage and the legalisation of marijuana, that “were once regarded as marginal or threatening by the public can migrate into the mainstream” through insistent advocacy over a period of time. Closer home, it took decades of work by LGBTQ+ community members, grassroots activists, and lawyers before the Supreme Court eventually read down Section 377 of the Indian Penal Code in 2018.

The book is enjoyable but does not address how the more things change, the more they seem to remain the same. Ms Kakutani is critical of Donald Trump and supportive of Barack Obama and Joseph Biden. While Americans get to choose between Democrats and Republicans, people in other parts of the world pay the price when the US wages wars, supplies weapons and topples governments. Let’s wait and see whether Kamala Harris will change things.

The reviewer, a journalist and educator, is @chintanwriting on Instagram and X



OPINION

The
Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

Be cautious on conversion laws

UP adding more teeth to its anti-conversion law is a troubling portent, not least because of the perception that its main aim is political

When Uttar Pradesh first enacted a law against forced conversions in 2021, this newspaper sounded a warning. Under the Constitution, the right to freedom of religion is a fundamental right, which requires the State to shield people from harassment and violence by vigilante groups who want to enforce dominant cultures and faiths. The government, therefore, must strike a careful balance between prosecuting people who compel someone to change their faith, and discouraging unnecessary rabble-rousing in the name of conversion, this newspaper said. Unfortunately, when the Uttar Pradesh Prohibition of Unlawful Conversion of Religion Bill came into effect, top politicians and government functionaries repeatedly cited unproven allegations of “love jihad” — a term used by Right-wing groups to describe interfaith relationships between Muslim men and Hindu women — as a key reason behind the law.

This week, India’s most-populous state has added more teeth to the 2021 law, making all offences under it non-bailable and increasing punishments for an array of crimes. This comes against the backdrop of a tussle for power within the Bharatiya Janata Party (BJP), which is still coming to terms with its overwhelming Lok Sabha showing in India’s most politically important state. Another recent directive ordering shops and eateries on the Kanwar Yatra route to display names and details of owners was similarly controversial and was temporarily suspended by the Supreme Court. This has created the perception that the state government is attempting to take a hardline stance on issues of faith and majoritarianism at a time of political turmoil, and ahead of key assembly bypolls that are being watched by political opponents of the BJP, as well as rival power centres within.

In making the changes, the government appears to have paid little heed to the numerous reports of harassment and violence against interfaith couples who say that vigilantes are weaponising the criminal justice system to subvert constitutional freedoms. In a country where social censure of interfaith matches is severe, allowing anyone to file a complaint, not just the family of the alleged victim, under the bolstered law can further curtail already precarious individual freedoms. Forced conversions should be prosecuted to the fullest extent of the law, but given interfaith couples often risk their lives to exercise their constitutional freedoms, the government should stand with them, and against vigilantism.

Biodiversity needs a win against oil & gas

The development versus environment debate may not always have a clear winning side, but when it has an endangered species at the centre, the scales must tip in favour of conservation. Vedanta-owned Cairn’s proposal to drill in the Hollongapar Gibbon Sanctuary in Assam could have severe consequences for the Hoolock Gibbon, India’s only ape species, and a cascading impact on the region’s biodiversity. Wildlife scientists have warned that even a small erosion of the forest canopy could destabilise the animal’s population, given how it is almost entirely arboreal and moves around using the top branches. Cairn has the blessings of the state government, the Union environment, and the forests and climate change ministry’s regional office, albeit with conditions. But the Centre’s Forest Advisory Committee must consider expert opinion carefully, given the species is classified as endangered by the International Union for Conservation of Nature.

The gibbons already face a threat to their habitat from the Railways’ plans to electrify and expand its network on the sanctuary’s land. Ironically enough, two aspects of sustainability are clashing here, with route electrification being key to the Railways’ plan to decarbonise. Against this backdrop, hydrocarbon exploration, with all its implications for the country’s energy security, may seem a weaker case to risk the likely biodiversity trade-off.

In the Railways’ case, the Wildlife Institute of India had recommended setting up artificial canopy bridges for the gibbons as a last resort. Experts will need to weigh in on whether this alternative is even feasible for a drilling project, considering it involves more invasive activity, over a longer period.

Nipah, Chandipura are just tip of the iceberg

The climate crisis is forcing unfamiliar encounters between wildlife species and animals common in human habitats, leading to surging likelihood of zoonosis

It appears that viruses just can’t stay out of our news, or noses, this season. Even as the Olympics started with a spectacular parade, news of Nipah and Chandipura viruses leading a parade of fresh microbial outbreaks in the country have jostled for space in the media. Meanwhile, the World Health Organization (WHO) has cautioned us that Covid-19 is still causing deaths around the world. Apart from these marquee listings, teams of common cold and flu viruses march under many flags to ensure that the parade of infections proceeds without a pause.

Why are so many of the virus outbreaks zoonotic (transmitted to us from animal hosts)? It is not because animals have suddenly turned malevolent towards humans, determined to win back their violated territories through microbial weapons of mass destruction. It is because humans have created conveyor belts for viral transmission from forest-dwelling wildlife to free-living or captive-bred animal populations and then on to humans. Extensive deforestation, large-scale livestock breeding for

meat and dairy consumption, and export of exotic animals and pets, coupled with extensive human travel within and between countries, create opportunities for viruses to leap into vulnerable human bodies anywhere in the world. Their ability, especially notable among respiratory viruses, to speedily mutate means that records of infectivity and immune escape will keep getting broken.

The climate crisis is now accelerating the process by which viral zoonoses spread across the world. With rising temperatures and depleting freshwater supplies, animals and humans are migrating to lands outside their usual habitat. This creates scenarios of unfamiliar encounters between species that hitherto were strangers to each other. This mingling opens up opportunities for virus spillover to new animal hosts that may offer shelter or suffer serious illness because of these pathogens. Either way, the chain of transmission extends further to humans. As science writer Ed Yong said recently in the pages of *The Atlantic*, we have created the age of “Pandemicene” as we transitioned from the Holocene to the Anthropocene.

A team of scientists led by Colin Carlson, a global change biologist at Georgetown University, recently profiled climate crisis-propelled flight paths of potential virus spillovers across species as we journey into the future. Their seminal publication, in *Nature*, warns us that at least 10,000 species of viruses have the ability to

infect humans. At present, the majority of them are circulating only amongst wild animals. Disruption of natural ecological barriers opens many gates for their transmission to other species, including humans. Moreover, the climate crisis is leading to animal and human migration on a large scale, creating unforeseen encounters between many species across multiple geographies. Viruses clearly love the emergence of such novel social platforms connecting animal species that were strangers to each other till the climate crisis drove them close.

Carlson’s group created a phylogeographical model of interactions between displaced mammals and viruses in different climate crisis and land-use scenarios. They project a geographical range shift for 3,139 mammalian species by 2070 and predict that “species will aggregate in new combinations at high elevations, biodiversity hotspots and in areas of high human population density in Asia and Africa”. They forecast that this will result in cross-species transfer of viruses an estimated 4,000 times. Ebola, which was previously confined to West Africa, is likely to become pan-African. Similarly, South Asia will see zoonotic viruses moving well beyond their previously defined zones.

The study predicts that, even under optimistic scenarios for the climate crisis, there will be around 300,000 first encounters between species that never interacted before, leading to about 15,000 spillovers during which



K Srinath Reddy



We must strengthen One Health microbial surveillance systems, linking information across multiple species and multiple locations

viruses will gain entry into new mammalian hosts that were naive to them. Carlson and colleagues caution us that these ecological transitions are already underway, even before we have reached or breached the barrier of 2°C rise in global temperatures that the Paris Agreement set for 2100. Carlson and colleagues nicknamed their research The Iceberg Study, indicating that the present surge of zoonotic infections is a mere fraction of the dangers that the world will face in the future from species jumping viruses.

Among mammalian species, bats (flying mammals) are bandmasters of the zoonotic virus parade. They will account for the majority of virus dispersal pathways that lead to spillovers. SARS CoV-2 was first isolated from bats living in caves around Wuhan. The long-distance flight capacity of bats enables them to respond quickly to the climate crisis and makes them an efficient courier service for virus transport. Their feeding habits result in fruits being contaminated by their secretions, as in the case of the Nipah virus. The highly diverse bat populations of Southeast Asia will remain a major source of pandemic threats.

Carlson and colleagues mapped out threats related to the migration of ter-

restrial mammals. But, spillovers of viruses and other microbes occur in birds and aquatic species, too. Birds harbour and transport several species of influenza viruses. Patterns of seasonal avian migration are changing as familiar nesting grounds are less welcoming. Insects, which feed on the blood of mammals, also move to new habitats to seek suitable levels of temperature and humidity. The climate crisis is stirring up all of those cauldrons.

The Iceberg Study communicates the urgency of putting the brakes on the unfolding of the climate crisis. Simultaneously, we must strengthen One Health microbial surveillance systems, linking information across multiple species and multiple locations. We should use Artificial Intelligence to predict potential mammalian and avian migration pathways and identify probable microbial spillover events. We must prepare our health systems to ably anticipate, abort and attenuate new pandemic threats. Having sighted the iceberg, we need to steer around it.

K Srinath Reddy is distinguished professor of public health and past president, Public Health Foundation of India. The views expressed are personal

The US must not lecture India on religious freedom

The United States (US) International Commission for Religious Freedom has yet again criticised India for the decline in religious freedom, in its 2023 report. Releasing the report, US secretary of state Antony Blinken said, “In India, we see a concerning increase in anti-conversion laws, hate speech, demolitions of homes and places of worship for members of minority faith communities.” The new amendments proposed to the Uttar Pradesh conversion law give legitimacy to such criticism. The Indian government rejected the report as “biased and one driven by vote bank politics”. But the bigger question is what moral authority does the US have to deliver sermons to us on religious freedom? Shouldn’t current events in the ‘secular’ US not be termed efforts to make it a Christian nation?

“The Bible is an indispensable historical and cultural touchstone”, said Oklahoma state superintendent of public instruction Ryan Walters — on June 28 — through a State Board of Education press release. He said that, without basic knowledge of the Bible, Oklahoma students would be unable to properly contextualise the foundation of their nation. Accordingly, Grades V to XII classrooms must mandatorily have a Bible, from which teachers are now required to teach. On June 19, Louisiana came up with a similar law that required all public schools in the state to have the Ten Commandments displayed in classrooms.

The Non-Establishment Clause of the First Amendment (1791) explicitly says that the US Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. It was originally applicable only to the federal government, but, through the 14th amendment (1868), it was extended to the states as well. Till 1949, as many as 37 states had some kind of Bible reading in public schools, with 12 mandating this through legal provisions. New York, in 1955, merely recommended (not made compulsory) a prayer: “Almighty God, we acknowledge our dependence on Thee, and we beg Thy blessings upon us, our parents, our teachers, and our country.” In 2015, almost an identical prayer was made mandatory in central schools in India, and a chal-

lenge to this is pending with the Supreme Court (SC). In 1962, Steven Engel, a Jewish parent in the US, was upset to see his son reciting the New York prayer and challenged it as a violation of the freedom of religion. In the pathbreaking *Engel v. Vitale* (1962) ruling, the US Supreme Court, by a 6:1 majority, declared it unconstitutional. In 1963, in another historic verdict (*Abington School District v. Schempp*), the mandatory collective reading of the Bible was declared unlawful.

True secularism permits freedom for all religions, and also freedom from religion itself. The US is believed to be much ahead of us as a secular nation, but there have been disturbing pronouncements from its judiciary. In spite of its Constitution explicitly separating church and State, in *Zorach v. Clauson* (1952), Justice William O Douglas observed, “We are a religious people, whose institutions presuppose a Supreme Being”. The US Senate has a chaplain, and in its armed services, prayer breakfasts are routine. What is most interesting to note is that in the highest court of supposedly the most secular country, public sessions are opened by a functionary bellowing, “God Save This Honourable Court.” Many Americans believed that the Civil War was to XII classrooms must mandatorily have a Bible, from which teachers are now required to teach. On June 19, Louisiana came up with a similar law that required all public schools in the state to have the Ten Commandments displayed in classrooms.

The Non-Establishment Clause of the First Amendment (1791) explicitly says that the US Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof. It was originally applicable only to the federal government, but, through the 14th amendment (1868), it was extended to the states as well. Till 1949, as many as 37 states had some kind of Bible reading in public schools, with 12 mandating this through legal provisions. New York, in 1955, merely recommended (not made compulsory) a prayer: “Almighty God, we acknowledge our dependence on Thee, and we beg Thy blessings upon us, our parents, our teachers, and our country.” In 2015, almost an identical prayer was made mandatory in central schools in India, and a chal-

In the US, there is a substantial subsidy in the form of exemption from taxes for the properties of the church. Even books in religious schools are subsidised, justified by calling it “aid to the students” rather than aid to the church. No such provision exists in India, and the proposal to invoke God’s name in the Constitution’s preamble was voted down by the Constituent Assembly.

Justice David J Brewer of the Supreme Court in *Church of the Holy Trinity v. United States* (1892) held that America is a “Christian nation.” The US Supreme Court, in *Vidal v. Girard Executors* (1939), held America is a “Christian country”, and, in *US v. Macintosh* (1931), observed that the country was “filled with Christian people”. Several American presidents have admitted to a “Christian character” of their country. Woodrow Wilson said, “America was a born Christian nation”, while Harry Truman observed, “This is a Christian nation”. Richard Nixon had remarked, “Let us remember that as a Christian nation...we have a charge and a destiny”.

The religiosity of America’s judges is also reflected in other matters. The 2022 overruling of the progressive *Roe v. Wade* (1974) guaranteeing abortion rights to women is a recent pointer. Unlike the US, no court or high constitutional dignity has ever proclaimed India a Hindu *rashtra*. Our SC merely held that appeal in the name of Hindutva is not religion and appeal in its name is not a corrupt electoral practice.



Faizan Mustafa



The 2022 overruling of the progressive *Roe v. Wade* (1974) is a reflection of the religiosity of America’s judges

AFP

Faizan Mustafa is vice-chancellor of Chanakya National Law University, Patna. The views expressed are personal

{ ANTONY BLINKEN } US SECRETARY OF STATE

We’ve been working from day one to prevent the conflict in Gaza from spreading... A big key in trying to make sure that it doesn’t spread is getting the ceasefire

ICJ ruling on Israel should spur a rethink in the West

The International Court of Justice (ICJ) recently delivered a historic decision on Israel’s occupation of the Palestinian territory in the *Legal Consequences arising from the Policies and Practices of Israel in the Occupied Palestinian Territory, including East Jerusalem* case. The ICJ held that Israel’s continued occupation of the Occupied Palestinian Territory (OPT) is a violation of international law and that Israel must withdraw from the OPT as rapidly as possible. In many ways, this verdict is a sequel to the decision rendered by the ICJ in 2004 in the famous *Legal Consequences of the Construction of a Wall in the Occupied Palestine Territory* (the Wall) case. In this case, the ICJ had opined that Israel’s construction of a wall on Palestinian soil cutting through Palestinian communities violated international law.

The present case can be called the Wall Plus decision, as international lawyer Marko Milanovic puts it. This case is due to the United Nations General Assembly invoking ICJ’s advisory jurisdiction in January 2023 and seeking its opinion on two questions: What are the legal consequences arising from the ongoing violation by Israel of the right of the Palestinian people to self-determination, from its prolonged occupation, settlement, and annexation of Palestinian territory occupied since 1967? And, how do the policies and practices of Israel affect the legal status of the occupation, and what are the legal consequences that arise for all States and the UN from this status?

In answering these questions, as an essential starting point, the ICJ held that the decisive criterion to determine if a territory is occupied under international law is whether the occupier exercises effective control, not just physical military presence. In 2004, Israel undertook unilateral disengagement by withdrawing its army from the Gaza Strip. Yet, the ICJ held that Israel continues to exercise effective control over the Gaza Strip and thus has obligations under the law of occupation.

Accordingly, the ICJ found that Israel, as the occupier, is bound by international human rights law (IHRL) in the OPT. A core component of IHRL is non-discrimination. The ICJ held that Israel’s actions as an occupying power to treat Palestinian people differently without any justification based on reasonable and objective criteria is discriminatory and a violation of IHRL. Specifically, Israel’s actions of a near-complete separation between the settlers and the Palestinian communities in the West Bank and East Jerusalem violate Article 3 of the International Convention on the Elimination of All Forms of Racial Discrimination, which prohibits racial

segregation and apartheid. Despite this finding, intriguingly, the court did not use the term ‘apartheid’ and did not call Israel an ‘apartheid State’. The ICJ also declared illegal Israel’s settlement policies, such as the transfer of its civilian population to the West Bank and East Jerusalem, exploitation of Palestine’s natural resources, forced displacement of the Palestine population, and violence against Palestinians.

On the question of annexation of the OPT, the court held that under the law of occupation, the occupying power must exercise temporary control over the occupied territory. However, Israel’s conduct in the OPT, such as maintenance of settlements and construction activities, over the years, demonstrates its assertion of permanent control over the occupied territory. This amounts to annexation and violates the cardinal principle of international law of non-acquisition of territory using force. Moreover, the prolonged effect of Israel’s unlawful actions accentuates the violation of the right of the Palestinian people to self-determination.

The ICJ held that Israel’s abuse of its position as an occupying power and continued frustration with the Palestinian people’s right to self-determination triggers international responsibility. Thus, Israel is under an obligation to end its occupation as soon as possible. It must also provide full reparation, including returning land and seized immovable property since its occupation in 1967.

Another critical dimension of the case is the legal consequences for third States. The ICJ held that all countries are obliged not to recognise as legal the situation arising from Israel’s unlawful presence in the OPT. They should not render aid or assistance to Israel that helps it maintain its illegal presence in the OPT. One hopes the US and the other West European nations read this.

Though ICJ’s advisory opinions are not binding, they carry great legal and moral weight. Moreover, one should not lose sight of the larger global context in which this decision has been rendered. Israel and its leadership are already battling various court cases and are under incessant attack for violating international law. While no one accepts that Israel will put an end to its unlawful occupation of the OPT or even halt its ongoing military offensive, this case indeed adds to the already momentous pressure on Israel to comply with its international law obligations.

Prabhash Ranjan is a professor at the Jindal Global Law School and a Humboldt Fellow. The views expressed are personal



Prabhash Ranjan

OUR VIEW



Sebi is spot on: The tail should not wag the dog

The market regulator's proposals to tighten rules for derivatives trading reflect a hardened resolve to squash a frenzy of retail speculation—which entails broad risks best kept in check

The Securities and Exchange Board of India's (Sebi) latest proposals of rule revisions for derivatives trading reflect a reinforced resolve to contain retail speculation, an evident frenzy of which has been flagged for its risks. The slew of measures it has proposed include an increase in the minimum contract size from ₹5 lakh to ₹15-20 lakh, higher upfront margins to be paid for trades, allowing only one weekly expiry per exchange (as opposed to daily), and the intraday monitoring of position limits. These and other steps would be in addition to the action it took earlier. On its part, the Centre's budget has doubled the securities transaction tax on futures and options. The broader message is clear. Authorities are going all out to tighten screws on speculative trading, which is seen as having gone out of hand. "The tail had grown bigger than the dog," Sebi chairperson Madhabi Puri Buch told *Mint*, referring to an exponential rise in derivatives trading. "Yes, it does look, as someone said, that the tail is wagging the dog, because, ultimately, [the use of futures and options] was meant to be a way of risk management, hedging, etc," she added.

The data has been dropping jaws. Index options volumes on NSE surged almost 13-fold from ₹10.8 trillion in 2019-20 to ₹138 trillion in 2023-24. Meanwhile, cash market turnover during the same period rose a modest 2.25 times from ₹89 trillion to ₹201 trillion. Though cash-segment trading is still considerably higher, the gap is closing fast. On current trends, it may not be long before derivative trades match their underlying segment of assets, which would be a conceptual anomaly. But what's behind this boom? As conceived, equity derivatives derive their value from

stocks, with contracts designed for genuine risks to be hedged by sophisticated participants in capital markets. Since their market values move up and down, they also attract punters who find that outsized bets can be placed with relatively small sums. Little margin money to be paid upfront—for the difference to be settled at the end of the transaction cycle—has resulted in investments by people who may prove unable to fully pay up what they owe should their game go wrong. For all their enthusiasm, market surveys show that retail investors rarely end up winners. About 70% of intraday traders made losses in 2022-23, according to a recent Sebi study. A previous Sebi survey had found that nine out of 10 individuals in the equity derivatives segment were making losses. Clearly, the odds are stacked against them, no matter how highly they fancy their chances.

In an economy that lets markets be shaped by free interactions of demand and supply, state intervention to curb any kind of trading can be controversial. In general, investors should be at liberty to take the risks they deem fit. If losses arise, it would serve them a lesson and the resultant caution ought to keep hazards in check. Yet, reckless behaviour can overpower and outlast corrective forces. Derivatives cater to the "gambling instincts" of humans, as noted by this year's *Economic Survey*, and instability in this segment could have negative spillovers across capital markets. So, while it's helpful to educate participants on what's best for their own safety, ample signs of naive investing in this segment also make a case for exceptional curbs on behalf of others who may suffer the fallout of a crash. Derivatives do serve a useful purpose, but only in an adjunct role. We must not let the market's tail wag the dog.

MY VIEW | OTHER SPHERE

Funders of NGOs should realize that this isn't a T20 cricket game

Unrealistic performance demands are making too many Indian NGOs lose authenticity and rigour



ANURAG BEHAR
is CEO of Azim Premji Foundation.

India has a lot of non-governmental organizations (NGOs). Their work covers a huge range, from grassroots level mobilization and interventions to research and policy. Estimates of their number vary between half a million and 1 million, depending on what one considers an NGO. Of these, many are very bad and many are very good. Overall, on 'goodness,' they follow a normal distribution around the average, with most in the middle and tail-ends on both sides. 'Good' here means genuinely well-intentioned, dedicated and hard-working, with relevant expertise and integrity. The 'fake-flake' framework is useful to assess the goodness of an NGO. In brief: 'Fake' and 'flake' are like the X and Y axes on which organizations can be mapped mentally. The labels at the other end of these dimensions are 'authentic' and 'rigorous.'

NGOs get their financial resources from a variety of funders. These include philanthropic foundations, corporate social responsibility organizations, very wealthy individuals, multilateral institutions and government bodies. There are also many middle-class individuals who support NGOs, but here, we will not include them in the definition of funders, and it will become clear why.

As NGOs depend on money from funders, the latter have significant influence over them. Over the past 20-odd years, funders have broadly

pushed the normal bell curve of goodness towards the bad.

Their methods have made NGOs more fake and less authentic, and also more flaky and less rigorous. While this is an overall shift, there exist a large number of NGOs that are very good (authentic and rigorous, i.e). Equally, not all funders are of this kind, but the majority now seem to be.

This has happened because funders have requirements that influence the work of NGOs. When a large number have similar requirements, it has a cumulative effect on the NGO sector.

What are these requirements and why have they had such an effect?

Let's begin with an analogy. Think of the owner of an IPL cricket team who demands that it must make at least 260 runs in every match, irrespective of the pitch, weather conditions or bowling quality. The owner has only watched cricket, but never played it professionally. Targeting 260 runs is a good thing, but futile to do so without an understanding of the pitch and opposition. While this analogy is useful, it is an oversimplification, since social issues are far more complex than a cricket game. For a start, the contexts are far more varied, path dependencies are greater, responses are unpredictable, uncontrollable factors are many more, conflicts are rife and the interactions between factors are infinitely complex.

Now let's consider the specific 'requirements' pushing the distribution curve of NGOs, all of which are interconnected.

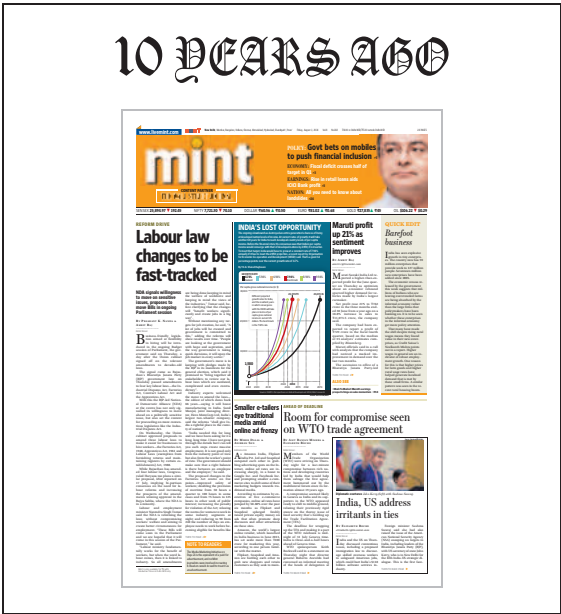
The first is scale—a push for greater numbers, be it in terms of geographical coverage or the count of people impacted. This is because of ignorance or underestimation of the fact that social-human interventions do not scale in industrial mode. They must be worked upon person-by-person, context-by-context. The demand for scale, however, tempts NGOs to do superficial (flaky) work or exaggerate (fake) what they are doing.

The second requirement is of definitive changes that are instantly visible. This is another push towards superficiality, with NGOs opting to work on narrow problems and not getting into the depth of issues. If you take on complex issues, it is very hard to see a definitive change. Certainly, there are markers of progress along the transformation path even on complex matters, but these also require great effort to achieve. Taking on simpler matters means easier work for an NGO and quick gratification for funders—a comfortable equilibrium.

The third requirement exacerbates this drift on the fake-flake axes—the demand for speed. Human and social changes take time. Demanding quick changes, and that too those that are definitive and clear, leads NGOs down a slippery slope of flakiness and fakeness. One manifestation of the need for speed is that specific projects are run for short periods and then shut down—usually 2-3 years and often just a year. Even the surface of social issues cannot be scratched within such time frames.

The fourth requirement is of permanence or sustainability of change. This arises from a basic misunderstanding of the world. Nothing can be sustained without working at it continuously. Even our democracy requires constant work to maintain it. So, how can anything maintain itself is the face of much larger social-cultural-political-economic forces? It can't. But too many funders embrace this illusion.

Everyone in the social sector wants to improve the lives of more people quickly by effecting real changes that endure. However, when it becomes like a cricket team owner demanding 260 runs scored in every T20 match, then it mars the character of the team as well as the game. Which is what has happened to the NGO sector. Funders' requirements have eroded authenticity and rigour. NGOs can hardly resist this dynamic, because their very existence depends on funders. It is for funders like us to reflect and change course.



JUST A THOUGHT

Whenever financial sector development precedes national development, the story hasn't ended well... The Asian crisis of 1997-98 is a very important example.

V. ANANTHA NAGESWARAN

MY VIEW | WORLD APART

Harris's comeback is a big moment in American politics

RAHUL JACOB



is a *Mint* columnist and a former Financial Times foreign correspondent.

A week, as the cliché goes, is a long time in politics. Even so, it has been decades since we last saw a week quite like the one leading up to US Vice-President Kamala Harris becoming the Democratic Party's presumptive nominee for America's presidential election. One would have to go back to the tragic assassination of Robert Kennedy in 1968 for such a dramatic turn in an election. Harris's, though, is possibly a more transformative marker in US politics. She was the underachiever of the 2020 Democratic primaries for the party's candidate, coming across as over-scripted. Now, if she succeeds—and opinion polls show her in a dead heat with Donald Trump—she might even help the Republican Party wrest itself free of Trump.

This time, Harris seems more relaxed and has improbably become a TikTok sensation known for her distinctive laugh and comic aphorisms. Yet, this transformation is one of substance far more than style. She claimed the spotlight and her party's gratitude with

steadfast loyalty to President Joe Biden after his alarmingly incoherent debate with Trump on 27 June. Immediately after, she was asked on *CNN* about the debate. The former attorney general of California aimed her prosecutorial skills at Trump's record of lying and refusal to accept the 2020 election result as well as his role in curtailing women's abortion rights, both through administrative actions and by packing the Supreme Court with judges who would undo the protections of *Roe vs Wade*.

In that reply to *CNN*'s Anderson Cooper are the seeds of Harris's success and weakness. Last October, Elaina Plott Calabro wrote an article for *The Atlantic* headlined "The Kamala Harris Problem: Few people seem to think she's ready to be president. Why?" Plott Calabro says Harris is most effective when her prosecutorial skills come to the fore. Happily for the Democrats, Trump's candidacy, coupled with his record of falsehoods and convictions, makes Harris a perfect counterfoil as a trained lawyer and former public prosecutor. In the past, says Plott Calabro, when asked general questions, such as her dreams for the US or about her own life, she came across as inauthentic.

In the heady days since Harris became her party's presumptive nominee, however,

even that inability to open up in interviews appears well behind her. Now, pop singers are calling her cool and internet memes about her use of the phrase "You think you just fell out of a coconut tree?" have been widely shared.

As the son of an irrepressibly witty Tamil mother, even though I don't speak the language, I heard enough comic Tamil phrases as a child to relate to what Harris' indomitable mother Shyamala said to her.

In *Nikkei Asia*, Vishaka Desai, president emerita of the US-based Asia Society, argues that "the discussion of the coconut meme without any reference to its Indian context is not unlike the visible absence of much discussion of the strong influence Shyamala had on her daughter." This is true enough, although Harris warmly recalls that on holidays to then Madras, she would overhear her maternal grandfather, a retired civil servant, speaking animatedly with his friends about our first generation of post-independence

leaders. Harris has said that it's likely that her interest in public service took root back then.

In many ways, even more remarkably than exposing Kamala and her sister to south Indian culture, Shyamala, who went to the US in the 1950s to study at Berkeley, ensured that her daughters imbibed plenty of idealism about the civil rights struggle of African-Americans, long after she and her husband Donald Harris, who moved to the US from Jamaica, divorced. This makes Harris cosmopolitan in a way that many Indian Americans are not. It is no coincidence that, as Desai notes, "Kamala solidified that connection by attending Howard University, a preeminent member of the historically black colleges and universities."

This means that Harris will likely energize young African-American voters and Latinos. First-time contributors are making donations to her campaign in record numbers. Yet, all these seeming positives are already being repackaged for the Republican base

by their spin doctors as proof that Harris is a dangerous left-leaning radical who got this far because of her racial identity and gender.

However, it says something about the Democrats' rejuvenated campaign that even vicious personal attacks are being turned into own-goals for the Republicans. Vice presidential Republican nominee J.D. Vance's view that people without children do not have a stake in America's future and his 2021 comment that the country was run by "childless cat ladies" are now centre stage. This was largely a swipe at Harris, who has stepchildren. Harris's stepchildren and her husband's first wife have spoken movingly about her.

"Childless cat ladies" has become a much discussed comment, one that also draws unflattering attention to the Trump-Vance campaign's misogynistic position on abortion. Both are likely to alienate women, generally, and crucially also suburban American women. There is speculation that Trump, no stranger to saying offensive things about women, might take Vance off the ticket.

In this action-filled, accelerated sprint for the White House, anything could happen. The US presidential race will give me knots in my stomach till its result is declared in November. May the best woman win.

Her spectacular campaign start marks the most dramatic shift we have seen in US politics for decades



The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

THE SLIPPING LAND

Wayanad tragedy is a warning of the perils of ignoring ecology and science in development planning

THE MOUNTING TOLL in Wayanad is a grim reminder of the dangers of giving short shrift to Kerala's ecological frailties. Warnings were issued more than a decade ago by two expert committees that mapped the eco-sensitivity of the Western Ghats in great detail. In 2011, a panel chaired by the eminent ecologist Madhav Gadgil underlined the need to regulate developmental activities in the entire 1,60,000 sq km stretch of the Ghats. The Gadgil committee's recommendations were met with resistance by all states and parties across the political spectrum in the biodiverse region, especially in Kerala and Karnataka. Two years later, a High Level Working Group (HLWG) headed by scientist K Kasturirangan sought to strike a new balance between environment and development. It recommended that 37 per cent of the Western Ghats be demarcated as an ecologically sensitive area (ESA) and called for a complete ban on mining and quarrying in these protected zones. The HLWG report, whose suggestions too remain on paper, had included parts of Wayanad where landslides struck on Tuesday. The Gadgil committee, likewise, demarcated the area reeling under the tragedy as "highly sensitive".

About half of Kerala comprises hills and mountainous regions with slopes greater than 20 degrees. The construction boom of recent decades has stripped the once lush hills of the state of their forests. A 2022 study in the International Journal of Environment and Public Health revealed that Wayanad had lost 60 per cent of its forests between 1950 and 2018. The erosion of the green cover has made Kerala susceptible to landslides. In July 2022, the Ministry of Earth Sciences informed the Lok Sabha that Kerala witnessed the highest number of major landslides in the country since 2015 — nearly 60 per cent of landslides in this seven-year period were reported from the state. There were major landslides during the floods of 2018, including in Wayanad. ISRO's Landslide Atlas, released last year, lists the district among the top 15 regions prone to such disasters.

Wayanad, along with Kasargod, Calicut and Malappuram districts, has been receiving above-average rainfall for the past two weeks, largely because the warming of the Arabian Sea has led to the formation of a deep cloud system over parts of the Western Ghats. Climate scientists say that the southeast Arabian Sea is becoming warmer, causing the atmosphere above this region, including in Kerala, to become thermodynamically unstable. It's too early to link the Wayanad tragedy to climate change. However, it's clear that the excessive rainfall disturbed the already fragile geology of the region. The IMD had indicated the possibility of landslides two days before the tragedy. But very little could be done to prevent it because Kerala, like most Indian states, does not have a landslide mitigation plan. It does have landslide maps, but there are no studies that explain the route a landslide can take once it has been triggered. These maps can become effective warning tools only if the state government — and the political class — summons the will to pay heed to science, while planning developmental activities.

ON THE PRECIPICE

Assassination of Hamas leader, airstrike in Beirut, make ceasefire between Israel and Hamas all the more distant

HOW CAN MEDIATION succeed when one party assassinates the negotiator?" The question posed by Qatar's Prime Minister Sheikh Mohammed bin Abdulrahman Al Thani — Qatar is a mediator in the ceasefire negotiations between Hamas and Israel — in the aftermath of the assassination, allegedly by Israel, of Ismail Haniyeh, head of Hamas's politburo and one of its primary negotiators, frames the fundamental issue in the Middle East. The Benjamin Netanyahu government, seemingly immune to international pressure or criticism, is playing a maximalist game that makes a negotiated peace a more distant possibility. The number of deaths in Gaza is now at nearly 40,000 and injuries are over twice that number. Less than 24 hours before Haniyeh's killing in Tehran, Israel claimed it had killed a Hezbollah commander in an airstrike in Beirut. Israel must know that this hard militarism does more than just make Palestinians, and the region, more insecure — it also damages its own social and political fabric irretrievably.

Haniyeh's assassination and the Beirut strike threaten to expand the conflict into an all-out regional war. Iran's Supreme Leader and Revolutionary Guards Council (IRGC) have already spoken of retaliation, including through the "axis of Resistance" — a term it uses for the network of non-state actors including Hamas, Hezbollah and the Houthis that are engaged in various degrees of conflict with Israel. The assassination on Iranian soil shows the depth of Israel's penetration of its security shield. The IRGC cannot appear to be weak, and it may well be the case that the cycle of violence — through proxies and agents, if not more directly — could continue and escalate. India has huge economic stakes in the region, apart from its commitment to peace, that are endangered by the conflict. In addition to the estimated 8.9 million migrant workers, it has much to gain from the India-Middle-East-Europe Economic Corridor (IMEC), announced at the G20 summit in New Delhi last year. Without peace and stability, the IMEC cannot take off. As a friend to Israel as well as Palestine, Delhi should continue to do all it can to bring both sides to the negotiating table.

Earlier this week, Israel's military police were surrounded by right-wing protesters — endorsed by some leaders of the ruling coalition — after the arrest of soldiers accused of abuse of Palestinians in a detention facility. In essence, hate and impunity were being championed over due process. For a country that pledges commitment to the rule of law, that should be unacceptable. Netanyahu must realise that there are no winners in this war.

QUIET HIRING

A recipe for burnout, it may not be the staffing solution that HR managers believe it to be

JOHN MAYNARD KEYNES had it wrong. In 1930, the economist claimed that in the future, capital and technological progress would ensure that everyone would work a 15-hour week and the "permanent problem" would be figuring out how to "occupy leisure". Keynes had not accounted for today's human resources department which is ensuring that far from having more leisure time, workers are now saddled with responsibilities above and beyond their jobs — without matching them with a promotion or a raise.

Welcome to the era of "quiet hiring", a management riposte to recent employee trends such as "quiet quitting" (doing nothing more than the minimum requirements of one's jobs), "resenteeism" (staying in a job one loathes and doing as little as possible) and "quiet vacationing" (taking time off without informing one's employers). In brief, quiet hiring involves eschewing the traditional route of interviewing and hiring new talent for open positions and, instead, identifying eager-to-please existing employees who can be bread-crumbed into accepting more work — "going the extra mile", as they say on the HR floor — with the promise, fingers crossed, of being "considered" for promotions and other rewards. From the employers' perspective, an optimum use of company resources and a convenient way to save money on hiring; from the employees' perspective, a recipe for those familiar ailments of modern work-life — burnout, resentment, depression.

It is possible that those resorting to quiet hiring may not be appreciating the irony built into this latest tactic: That it could lead to overworked employees quitting, thus leading to even more open positions that would need to be filled. But for that, of course, they would have to see employees not as "resources" to be "maximised", but as human beings with hopes and dreams of being, and doing, more than the latest task assigned to them.



MUKUND P UNNY AND AATHIRA VASUDEVAN

AT 6 AM, on August 9, 2018, one of us (Unny) received a frantic call from their mother informing that their house in Palakkad is getting flooded and that the water level in the canal adjoining the Kalpathy river is rapidly increasing. Later that day, the shutters of the Malampuzha Dam were opened, further raising the water level in the canal. The flood that ensued sank the family's car and damaged appliances and furniture, and with it, the ability to enjoy the rain.

Every year since 2018, many Keralites have gotten into the habit of moving their valuables upstairs when the rains get heavier. Neighbourhoods remain in a constant state of preparedness and anxiety every monsoon season. On Tuesday morning, came another call, a familiar note of panic in the voice. The house was flooded again.

Kerala is a state whose resilience has been tested time and time again. Monsoons are now welcomed with a great deal of caution and worry. Homes, livelihoods, and a feeling of peace and safety are lost every year. Since 2018, there have been five severe landslides — in Kozhikode, Palakkad, Wayanad and Malappuram districts — in which a total of 160 people have been reported dead. According to the central government data, Kerala faced the highest number of landslides between 2015 and 2022. Out of the 3,782 landslides reported in the country, 2,239 were reported from Kerala.

The enormity of the 2024 landslides in Wayanad can be conveyed with this fact — two villages have been washed away entirely, Madikkai and Chooralmala. These were villages, home to roughly 1,000 people each, that buzzed with activity till Monday night. The rains have not abated and are impeding the rescue and relief activities.

Kerala's annual landslide problem has again put the spotlight on the reports of the Madhav Gadgil Committee (2011) and the K

In light of the heart-wrenching images from Kerala today, it is time to not just rebuild, but build better

Kerala is a state whose resilience has been tested time and time again. Monsoons are now welcomed with a great deal of caution and worry. Homes, livelihoods, and a feeling of peace and safety are lost every year. Since 2018, there have been five severe landslides — in Kozhikode, Palakkad, Wayanad and Malappuram districts — in which a total of 160 people have been reported dead. According to the central government data, Kerala faced the highest number of landslides between 2015 and 2022. Out of the 3,782 landslides reported in the country, 2,239 were reported from Kerala.



HITESH JAIN

I AM WRITING in response to the recent editorial critiquing the enactment of the Maharashtra Special Public Security Bill, 2024 ('Bill of wrongs', IE, July 16). While I appreciate the editorial's viewpoint that the existing Unlawful Activities (Prevention) Act (UAPA) is sufficient to address the state's security concerns, I believe it is crucial to understand the unique and evolving nature of the Naxal problem in Maharashtra, which necessitates the introduction of more specific and targeted legislation.

The Naxalite movement has been a significant challenge for Maharashtra, particularly in the Gadchiroli district and other rural areas. The violent activities of Naxalites have not only disrupted public order but have also stifled development, instilled fear among citizens, and eroded the rule of law. The UAPA, while comprehensive, has proven to be insufficient in addressing the Naxal threat, which involves a combination of armed insurgency and ideological propagation.

One of the critical shortcomings of the existing framework is its inability to effectively address the root causes of Naxalism. The Naxal movement thrives on socio-economic grievances such as poverty, lack of education, and unemployment. These must be tackled alongside stringent security measures. Recognising this, the Maharashtra government has taken affirmative steps to generate employment opportunities and improve basic infrastructure in Naxal-prone areas. For instance, the recent laying of the foundation stone for a second steel unit in Gadchiroli, with an investment of Rs 10,000 crore, is a testament to the government's commitment to fostering economic devel-

DEAR EDITOR,
I DISAGREE
A fortnightly column in which we invite readers to tell us why, when they differ with the editorial positions or news coverage of 'The Indian Express'

Your editorial suggests that the new law strikes at dissent. However, it is important to differentiate between legitimate dissent and activities that endanger public order and safety. The Maharashtra government's approach is not about suppressing dissent but about ensuring that the state does not remain hostage to individuals and groups that engage in violence and undermine the rule of law.

Kasturirangan-led High Level Working Group (2013), as well as the resistance to their recommendations. The areas of Wayanad that have been devastated by the landslide were among those that were recommended to be demarcated as Ecologically Sensitive Areas by the Gadgil Committee. These areas were, in turn, graded into three categories based on their environmental fragility. Several restrictions were proposed to be placed on construction and developmental activities, including a ban on mining, quarrying, polluting factories etc. According to the Gadgil Committee Report, in the Ecologically Sensitive Area-1, no forest land could be changed to non-forest land and agricultural land could not be changed to non-agricultural land. The report also stated that Sulthan Batheri, Vayittiri, and Manantavadi in Kerala's Wayanad district were especially vulnerable and therefore needed to be placed in the highest category of ecological sensitivity. Similarly, Perinthalmanna and Tirur taluks in Malappuram were to be placed in the ESZ- II category. The report also highlighted the importance of involving local communities in any conservation effort and ensuring that their livelihoods are not adversely affected by these policies. It also recommended that tourism in the region be regulated to ensure that it remains environmentally sustainable and does not disrupt the region's fragile ecological balance.

The recommendation to prohibit change of land-use subsequently led to a group of farmers protesting in the hilly regions. Protests spearheaded by all sections of the political class erupted in 2013 in Kerala and other southern states against the perceived imposition of the report on the public, without stakeholder consultation. Even though there were claims that the

protests were organised at the behest of the mining mafia, the threat of being evicted rang too close to home for the settler-farmers in the high ranges. Both the Gadgil and Kasturirangan Committee reports were also criticised by various sections as being too "environmentally forward" and not being people-centric enough. The public pressure forced the government at all levels from carrying out any of the measures they recommended.

It is said that the only thing natural about a natural disaster is the event itself. In every phase, from the cause and the vulnerabilities to the preparedness and the response, many years of action and inaction determine the outcomes. In a way, some of the course of the disaster is predictable. In light of the heart-wrenching stories one is hearing from Wayanad today, it is perhaps time to not just rebuild, but build better. This includes not just rescuing people and communities from the present disaster, but also building safeguards against all such tragedies in the future.

At the same time, Wayanad's story tells us that environmental conservation cannot be a top-down endeavour. Adoption of conservation measures requires the support and participation of the people. This means that the policies must also strive to overcome the binary of environment versus development. In the coming years, we are likely to witness more and more extreme weather events, intensifying vulnerabilities in disaster-prone states like Kerala. Our people deserve the infrastructure, political will, and environmental policies that take into account their needs and livelihoods.

Unny is an Advocate on Record at the Supreme Court and Vasudevan is an environment and climate change professional based in Delhi

A TWO-PRONGED RESPONSE

Maharashtra Public Security Bill complements efforts to address Naxalism's root causes

opment in these regions. This project is expected to create much-needed employment opportunities and address the socio-economic disparities that fuel Naxalism.

Moreover, the individuals leading the Naxal movement do not believe in the rule of law, and certain vested organisations continuously incite unrest. The Bill is designed to address the dual challenges of physical violence and ideological support that perpetuate the Naxal insurgency.

It is also crucial to acknowledge that Naxalism is not confined to remote rural areas. Urban areas are increasingly becoming breeding grounds for Naxal frontal organisations, which provide logistical support and safe havens for armed cadres. The spread of these active frontal organisations underscores the need for legislation that can address urban Naxalism as well. This Bill encompasses provisions to curb the activities of these urban Naxal fronts, ensuring a comprehensive approach to combatting the movement.

The current laws have been ineffective and inadequate, as evidenced by the spread of violent Naxal activities. The new Bill will grant the government and police machinery powers to combat unlawful activities more effectively. Specifically, the bill states that "any action which constitutes a danger or menace to public order, peace, and tranquility or interferes or tends to interfere with the maintenance of public order or interferes or tends to interfere with the administration of law or its established institutions and personnel will be considered an unlawful activity". This provision is essential to ensure that law enforcement agencies have the neces-

sary tools to maintain public order and safeguard citizens' rights.

Your editorial suggests that the new law strikes at dissent. However, it is important to differentiate between legitimate dissent and activities that endanger public order and safety. The Maharashtra government's approach is not about suppressing dissent but about ensuring that the state does not remain hostage to individuals and groups that engage in violence and undermine the rule of law. The Maharashtra Special Public Security Bill, 2024, complements efforts to generate employment and improve infrastructure, addressing both the symptoms and the root causes of Naxalism.

In conclusion, while the UAPA provides a broad framework for addressing unlawful activities, the specific and persistent threat posed by Naxalism in Maharashtra requires a more focussed and robust legislative approach. This Bill is a necessary step towards ensuring public safety, fostering development, and upholding the rule of law. By simultaneously addressing socio-economic grievances and enhancing security measures, the Maharashtra government is working towards a holistic solution to the Naxal problem.

I urge your readers to consider the comprehensive strategy being implemented, which includes both the new legislative measures and significant developmental initiatives. It is through this dual approach that Maharashtra can hope to eradicate the scourge of Naxalism and secure a peaceful and prosperous future for all its citizens.

The writer is vice president, Mumbai BJP and managing partner, Parinam Law Associates

AUGUST 1, 1984, FORTY YEARS AGO

FIGHT IN J&K HOUSE

G M SHAH, CHIEF MINISTER, won a vote of confidence in the Jammu and Kashmir Legislative Assembly after the Speaker, Wali Mohammad Itoo, was voted out and Mangat Ram Sharma, senior Congress (I) leader was elected the Speaker. The Opposition walked out after a noisy wrangle. The vote occurred amid fistfighting between pro-Farooq and Congress (I) members.

RUSHDIE APOLOGISES

SALMAN RUSHDIE HAS expressed "sincere apologies" to Prime Minister Indira Gandhi,

for the passage he wrote concerning her and her family in his award-winning book *Midnight's Children*. The publishers have also apologised. The apologies were made in response to a libel writ filed by Mrs Gandhi.

MCD IN DENIAL

THE DELHI MUNICIPAL Corporation has devised a novel way of keeping the incidence of malaria low — by not registering a large number of positive cases. While malaria rages all over the city, the civic body continues to claim that the disease is well under control. Many patients who were turned away by the corporation dispensaries after

being told that their blood test for malaria is negative, have been going to private doctors only to discover that the fever they are suffering from is malaria.

ATHLETES DISAPPOINT

INDIAN MARKSMEN CONTINUED to put on a disappointing performance in the 23rd Summer Olympics with the country's best bet, Randhir Singh, finishing a poor 31st in Olympic trap shooting. On the second day, Randhir fetched 68 out of 75, taking his total tally to 134/150. Also dismal was Bhagirath Samai's performance, who finished 45th out of 71 in the small bore free rifle event.

Hope and heartbreak

There can be so much darkness in a race where there is not much space on the podium. What is it exactly that is pushing UPSC aspirants through uncertain loops of study-revise-restart?



DEVYANI ONIAL

IN A COACHING class in Old Rajinder Nagar in the OTT series *Aspirants*, a teacher, once an IAS aspirant himself, sums up two ways of changing the country. One is from the bottom — as a labourer, a farmer, through activism. The other, he says, is from the top, by becoming an IAS, IPS or IRS officer.

There are no prizes for guessing which way most people would want to take to change the country — and their circumstances. So Abhilash Sharma from *Aspirants*, a series which started streaming on Prime Video in 2021 and got a second season last October, and Manoj Kumar Sharma from the film *12th Fail* (2023), a “Hindi medium type” from the badlands of Chambal who makes Delhi’s other coaching hub, Mukherjee Nagar, his home, give it their all to succeed at the civil services examination. The two entertainers chronicle the grit and determination of such aspirants, putting the lens on this obsessive world of studies and revisions, coaching classes, and the quest to crack competitive exams.

The UPSC (Union Public Service Commission), as it came to be known after India adopted its Constitution in 1950, conducts examinations for recruitment of officers to the All India Services and the Central Civil Services. A legacy of the British Raj, the prestige and the sheen of the civil services, the competitive examinations for which started in 1855 and were earlier held only in London, has remained intact over the centuries. If anything, the on-screen depiction has only burnished the civil services’ halo.

At present, over one million candidates compete for just around a thousand seats in the civil services, ensuring more heartbreaks than high fives. Through the cinematic journey of these aspirants, we see what being a bureaucrat means to a large section of India that wants to claw its way out of a system so arranged against it that it wants to become a part of it. In *12th Fail*, Manoj’s character, inspired by a real life police officer and played by actor Vikrant Massey, who won several accolades for it, has had a rough ride. His father has been suspended for hitting a corrupt officer, his brother has had a run-in with the henchman of an MLA and been framed, and the only person who has shown integrity and stood up to rogue authority is a police officer. An officer who had stopped cheating in Manoj’s school, inspiring him to join the police force. So, for Manoj, the uniform is vested with the power to undo past injustices and act for future good.

Meanwhile, in *Aspirants*, as the camera pans over the congested streets of Old Rajinder Nagar in Delhi, you know you are in the “Mecca of UPSC”. The coaching institutes, around which spin the world of civil service aspirants, the book-lined shops, the conversations over prelims, mains, number of attempts, and the advice that comes free with the chai, capture an ecosystem that swings madly between hope and disappointment.

The vibe is right and the screen stories, helped by nuanced acting, manage to chronicle the struggles, friendships, triumphs and



C R Sasikumar

failures of the students, but what they don’t really convey is the crushing weight of expectations and what pressure can do to these aspirants. Apart from the professed aim of “I want to change the country”, what is it exactly that is pushing these aspirants through uncertain loops of study-revise-restart? Home is a place that comes up occasionally, but is it the source of the pressure students take upon themselves? And what happens when all the chances are exhausted and, as one character says, you look back and six years of your life have just vanished?

Then there are issues such as dangerous infrastructure, high fees and quality of services offered by coaching centres, all of which have come to light after the tragic death of three civil services aspirants who drowned in an illegal basement in Old Rajinder Nagar on July 27, that never take centre stage.

The genial teacher, that one “bhaiyya” who is on his last exam attempt but is always ready to help others, blunt the toxic environment, both physical and mental, that students often endure. The darkness that accompanies

Apart from the professed aim of ‘I want to change the country’, what is it exactly that is pushing these aspirants through uncertain loops of study-revise-restart? Home is a place that comes up occasionally but is it the source of the pressure students take upon themselves? And what happens when all the chances are exhausted?

a system where the winner takes all doesn’t ever pierce the nostalgia-cloaked world of classes, friendships and crammed PG digs.

And there can be so much darkness in a race where there is not much space on the podium. As a character in *12th Fail* tells another, “Of the two lakh Hindi medium aspirants, only 25 to 30 become IAS or IPS. For the rest, it’s back to zero and then re-start.”

Back in Old Rajinder Nagar, the once-aspirant, now-teacher, tells his class, “Here you will see countless stories of hopes and disappointments. Some stories started and ended here. But some stories made history.”

It is perhaps in the nature of motivational stories and films that we forget the characters whose dreams fell by the side and remember — and are inspired by — the ones who made history. The aspirant who got through in the last attempt, the one who made it despite all odds. For the rest who didn’t make it, there is always the restart button. But for Old Rajinder Nagar, their story started and ended here.

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PAYAL CHAWLA

Towards dispute irresolution

New guidelines for arbitration, mediation damage a sector with huge potential

IN AN OFFICE memorandum dated June 3, the government outlined new guidelines for arbitration and mediation in contracts related to domestic public procurement. While the memorandum ostensibly promotes mediation, it explicitly signals a shift away from arbitration for government undertakings. Consequently, once the current pipeline of arbitration cases dries out, future contracts are likely to resort to litigation through the traditional court system, thereby significantly increasing the burden on an already stretched legal system.

Despite representations from industry bodies and the Arbitration Bar of India advising against this memorandum, it appears, at least for the time being, to be a fait accompli.

This decision will have significant negative repercussions for private litigants, both individuals and companies, for India’s ranking in the “Ease of Doing Business” index, for Foreign Direct Investment (FDI), and for the legal system as a whole. This decision will put additional pressure on the already overburdened courts, likely causing delays in final outcomes and increasing court interference. The appeals process will become more extensive, with the potential for evidence to be re-evaluated at the first appeal stage, prolonging the resolution of disputes. Moreover, given that the government will be one of the disputants, it is likely that litigation will frequently travel

all the way to the Supreme Court.

The landmark 2015 amendments were aimed at establishing India as an international arbitration hub. The energy in the legal market, both domestic and international, was palpable. Until 2018, the market remained upbeat. With minimal judicial interference, India seemed well on its way. However, repeated calls for third-party funding legislation and opening the Indian market to foreign lawyers went unheeded. Legislatively, the baffling regression of reforms was evident with each subsequent amendment in 2018, 2019, and 2021, culminating in the present setback of the 2024 memorandum.

Curiously, at the heart of these amendments is the concern that matters are being resolved too quickly. The main objective of the 2015 amendments was to reduce the time taken in courts. It is baffling that the very reform that improved India’s “Ease of Doing Business” ranking would be reversed for being too successful!

Another incorrect perception being bandied about is that arbitrations are being lost due to the inferior quality or perceived corruption of arbitrators. The fact is, we are speaking in two voices on this issue. On one hand, we tout India as an arbitration hub, emphasising the high-quality talent available here. On the other hand, we criticise our own arbitrators, expecting the interna-

tional community to somehow buy into our contradictory narrative and bring all their arbitrations to India despite confusing guidelines on their entry. If we don’t trust our own arbitrators, why would the international community?

The real issue, which no one is willing to address, is that one party often pays their lawyers poorly which ends up facing a highly qualified team of lawyers on the other side. Arbitrations are not lost because of corrupt arbitrators; they are lost due to bad facts and poor-quality legal representation. Even in cases of poor quality/corrupt arbitrators, the solution is to tackle the issue through accreditation and training, not by banning arbitration and tarnishing an entire community.

While the international arbitration community awaits clarity on the confounding rules for their entry, Indian arbitration was surviving due to a robust domestic arbitration market. With the government’s exit from arbitration, the market is fast spiralling towards doom. Large domestic private parties will opt for a foreign seat, leaving smaller disputes between private parties to be arbitrated in India. It is not surprising that there is significant despondency within the Indian legal market, especially among arbitration practitioners.

While this paints a bleak picture, there may be a slim ray of hope: An increase in

commercial court litigation. Although there will be a pressing need to enhance capacity, infrastructure, and training to efficiently manage the exponential increase in the volume of cases and trial management, this shift could lead to the development of robust jurisprudence in areas such as damages, indemnities, discovery, and trial principles. India needs to expand its law on damages, and parties should push for more frequent use of indemnities. Litigants must encourage lawyers to think creatively and utilise the underdeveloped tort law in Indian jurisprudence. The increased volume of commercial litigation will also create a demand for skilled trial lawyers adept in litigation, damages, and cross-examination, ultimately strengthening the overall legal ecosystem. All of this will, of course, require substantial investment by the Government of India.

It appears that Indian arbitration is dead for now. While the immediate future for India’s arbitration industry seems grim, there is a glimmer of hope in the potential for long-term improvements in the country’s legal infrastructure and the development of jurisprudence in commercial law.

The writer is a practising advocate and founder of Jus Contractus, India’s only all-women law firm specialising in commercial law and disputes

WHAT THE OTHERS SAY

“Tokenism will never lead to women’s empowerment; it will prove detrimental to the realisation of our dreams. Gender equality requires more than symbolic gestures; it demands substantive change in how we treat women.”

— THE KATHMANDU POST

An eye on debt

State governments are increasingly borrowing more, which raises rollover risks



ADITI NAYAR

EACH OF THE Indian states is unique in terms of the factors that support its economy and the challenges it faces in meeting its developmental goals. Fiscal outcomes tend to vary across the states, both in terms of the size of their deficits as well as their stock of debt. This is in spite of the common rules regarding borrowings, which are elaborated in the Constitution of India.

Going ahead, the recommendations of the 16th Finance Commission will guide the size of the fiscal deficit at the state level from 2026-2027 to 2030-31. We are working with the assumption that the state fiscal deficit will remain pegged at 3 per cent of GDP over the medium term. This will then provide an anchor for the net borrowing ceiling (NBC) that is calculated by the Government of India (GoI) and communicated to each state at the beginning of every financial year. The amount to be redeemed in a fiscal is added to the individual NBC to arrive at the gross borrowings that states are permitted to undertake each year.

Loans from the Centre used to be the chief source of state government debt until the 12th Finance Commission recommended that the Centre disintermediate from state borrowings. Since 2006-07, market borrowings have emerged as the main source of funding the gap between the state governments’ revenues and expenditures. More recently, states’ market borrowings surged to Rs 10.1 trillion in 2023-24 from Rs 4.8 trillion in 2018-19. At end-March 2024, the stock of state government securities (SGS) outstanding is estimated to have risen to Rs 56.5 trillion. To provide some context, this was equivalent to around 55 per cent of the estimated outstanding stock of Government of India securities (G-secs) on that date. However, in terms of growth, the stock of SGS expanded at a faster pace than that recorded by the G-secs.

Based on the current stock of debt, we estimate that the amount of SGS to be redeemed would jump to as much as Rs 20.7 trillion during 2025-26 and 2029-30 and Rs 18 trillion in the four years thereafter, led by Uttar Pradesh, Tamil Nadu, Maharashtra, Karnataka, and Gujarat. This will ensure that the gross market issuance by the state governments will remain elevated during the next 10 years.

The amount borrowed by the states in each year and the tenor of the securities issued determines the redemption profile of the stock of market borrowings. Up to 2011-12, most states borrowed only in the 10-year

bucket. However, we have seen a lot of variation in recent years, with some states preferring shorter tenor debt, that is, below 10 years and a minority borrowing between 15 and 40 years as well.

One of the key risks faced by the issuers of debt is the roll-over risk or the risk of refinancing their debt. This risk gets accentuated when the amount to be refinanced is relatively large. The weighted average maturity of the stock of debt outstanding is a useful way of gauging the extent of roll-over risk. A longer average maturity of the stock would imply that a relatively smaller portion of debt would be required to be rolled over in the near-term. The weighted average maturity of the stock of SGS outstanding at end-March 2024 was 8.5 years, up from 6.7 years at end-March 2019. This benefitted from the increase in the proportion of issuance of more than 10-year papers by states.

In 2023-24, Andhra Pradesh, Karnataka, Kerala, Madhya Pradesh, Punjab, Telangana and West Bengal borrowed 75-100 per cent of their total issuance in the longer-tenor segment. The increasing preference for longer dated papers reflects the relatively attractive interest rates for this segment compared to the short-term rates and highly front-ended redemption profile for most of the states. At the same time, Gujarat and Chhattisgarh were outliers as over 85 per cent of their borrowing was in the shorter tenor securities in that year.

Coming back to the loans from the Centre. As market borrowings took over and the existing loans were repaid to the Centre, their stock outstanding started sliding fairly rapidly. However, two new forms of such loans emerged amidst the Covid-19 pandemic. One is the back-to-back GST compensation loans, which were raised by the GoI and on-lent to the states, and are to be repaid through the GST compensation cess collections. Another category is the 50-year interest-free loans from the Centre, which were also introduced after the pandemic started, and have continued thereafter.

Out of the Rs 2.7 trillion CST compensation loans raised during 2020-21 and 2021-22, the GoI had repaid Rs 781 billion using the GST compensation cess collections. Out of the balance, Rs 551 billion is due for maturity in June and November 2025 and Rs 1.4 trillion in April 2026.

Meanwhile, the size of the interest-free capex loan scheme has jumped manifold from Rs 118 billion in 2020-21 to Rs 1.3 trillion in the budget estimates for this year. How much the GoI chooses to allocate under this scheme in the coming years will help determine the resource availability of state governments for capital spending. It may also have some impact on the amount they borrow from the market.

The writer is Chief Economist and Head, Research and Outreach, ICRA

LETTERS TO THE EDITOR

BIDEN’S HYPOCRISY

THIS REFERS TO the editorial, ‘Tightrope in the wind’ (IE, July 31). This year’s Quad meeting of foreign ministers seemed to be a holding operation. The Quad avoids descriptions of it as a security grouping, and has not named China in any of its statements thus far. But the reason for the group’s existence against Chinese belligerence and quest for supremacy is evident in the calls for “a free and open Indo-Pacific” where “no country dominates and no country is dominated”. India’s tightrope walk on Russia’s war in Ukraine was put to the test once again as the meeting expressed “deepest concern”. Regardless, the Quad’s concern for Ukraine and Gaza would sound more sincere if the Biden administration stopped pumping money and weapons into the two wars.

Khokan Das, Kolkata

RESPONSE TO CASTEISM

THIS REFERS TO the article, ‘Caste questions for Rahul’ (IE, July 31). It is evident from reports of rising caste atrocities across the country that the RSS continues to struggle with the vexed issue of caste discrimination. RSS-BJP’s rejection of socio-economic caste survey defies logic, given that such information helps the government’s formulation of effective welfare programs. Rahul Gandhi’s advocacy for a caste census by calling out caste identities in public culture during his budget speech may appear offensive to sensibilities of the privileged. But let us not ignore the prevailing public culture of stigmati-

sation and humiliation heaped on SC, ST, OBCs employees in public and offices. Rahul Gandhi has tried to entice marginalised groups to open up against casteism.

L R Murmu, New Delhi

A NECESSARY EVIL

THIS REFERS TO the article, ‘RSS smoke and mirrors’ (IE, July 31). The RSS can also be argued as a necessary evil, playing a crucial role in protecting and preserving our cultural values. Historical figures like Gandhi and Hedgewar, despite their differing principles, emphasised the value of nationalism. Similar to the Gulf nations where religion plays a significant role in fostering cooperation, our religious conservatism may be critiqued by outsiders — yet, it preserves our Hindu cultural roots and history.

Shaswat Jena, Ghaziabad

INDIA, THE MEDIATOR

THIS REFERS TO the article, ‘Not somebody else’s war’ (IE, July 31). Unlike in the past, today’s India has necessary economic and political heft to become a serious actor in influencing European security architecture and playing mediator in international conflicts. It will help India in countering Chinese geopolitical designs besides balancing her over-dependence on the US. Access to European technology will help India in bridging the gap especially in the security domain. Most importantly, since India has no baggage in European affairs, both Russia and Ukraine, in principle, will have no serious objections if India plays the mediator.

Shubhada H, via email



INDIAN EXPRESS IS NOT AN INDUSTRY. IT IS A MISSION.

— Ramnath Goenka

WAYANAD TRAGEDY A DEADLY REALITY CHECK FOR FRAGILE KERALA

A tragedy of indescribable enormity unfolded near Mepadi in Kerala's hilly Wayanad district early Tuesday when landslides triggered by unprecedented rain nearly wiped out human settlements, including two small towns. The latest death toll is 249—it can rise because as many as 240 people are missing. While the real scale of the disaster is still unravelling with rescue efforts progressing amid challenges posed by the magnitude of destruction, terrain and weather, reports narrate heart-wrenching stories of devastation, despair and grief. This is Kerala's worst rain-related disaster since the 2018 mega floods. What happened in Wayanad is a dire reminder that natural disasters are becoming more frequent and severe in the ecologically-fragile state. What makes disasters in Kerala deadlier is its high population density that scales up human cost, makes rescue and relief difficult, and renders implementation of prevention and mitigation measures complicated.

The increasing frequency of disasters can be attributed to both natural and man-made factors. Climate change has significantly altered the monsoon rainfall pattern, with Kerala now witnessing more short spells of unusually heavy rain that have the potential to trigger landslides and flooding. Human activities like deforestation, construction, mining and tourism do not only contribute to such disasters, but also worsen the scale of damage. The state is particularly guilty of failing to ensure the protection of its fragile ecology. While it was at the forefront of opposition to the Gadgil Committee's report that recommended measures to protect the ecologically sensitive Western Ghats, it is also strongly resisting the implementation of a much-diluted version prepared by the Kasturirangan Committee.

Kerala must wake up to the twin reality of extreme weather patterns and the recurrence of natural disasters. It must arm itself well to deal with the calamities so as to minimise the damage. Given the density of human habitats, it's understandable why the state cannot strictly implement all recommendations of ecology expert panels. But that does not mean human activities in sensitive zones should go unregulated or unmonitored.

The state cannot afford to ignore the sustainability factor in development. Besides, it needs to put in place robust monitoring and warning systems to alert citizens about possible landslides and floods. Though it has identified landslide-prone areas, it still needs 'run-out maps' to predict the path of debris flow. It's now abundantly clear Kerala cannot lose more time in equipping itself to handle calamities.

COURT CRACKDOWN ON SUSPECT DRUGS WELCOME

FOLLOWING the course laid down by the Supreme Court against misleading medical claims by the Baba Ramdev-promoted Patanjali Ayurved, the Delhi High Court has now directed the company to take down claims that allopathy was responsible for lakhs of deaths during the Covid pandemic. The court has also ordered the withdrawal of claims that Patanjali's Coronil tablet was a 'cure' against the virus. Justice Anup Bhambani of the Delhi High Court has said Patanjali's medical claims were in "flagrant violation" of the licence terms issued by the Ayush ministry. Perhaps taking a cue from the courts, the health ministry has now galvanised into action and started cracking down on lookalike and soundalike brands.

The practice of branding medicines with similar-sounding names is often used as a sales gimmick, but the confusion it creates can have dangerous consequences. Olanvec, for instance, is a brand of anti-hypertensive drug olmesartan, which can be mixed up with Oleanz, a branded version of anti-psychotic olanzapine. Only those brands that have been approved by the regulator and uploaded on the government portal can now be marketed. The director general of health has urged the Indian patent office to tighten surveillance of pharmaceutical products.

While the crackdown against unscrupulous marketing of drugs is welcome, why does it take a tragedy to move authorities? Misleading claims by manufacturers can play with lives of consumers. Our health infrastructure is already suffering for want of financial support. To allow corrupt and suspect marketing practices is a red line that cannot be crossed. For instance, 14 Patanjali drugs produced at Haridwar were banned in November 2022 by the Uttarakhand licensing authority. But political intervention ensured the orders were withdrawn; till date, the suspect drugs are not off the shelf. There is no shortage of legal teeth for authorities to act. The Drugs and Magic Remedies Act prohibits advertisements of ayurvedic, siddha or unani drugs without the licensing authorities' approval. The drugs controller has the power to withdraw the production licence of a suspect drug after due process. It's time the monitoring shifted from courts to the officers of health enforcement agencies.

QUICK TAKE

MULTILINGUAL IN THE AIR

THE Madras High Court has asked the aviation ministry to "consider" making it mandatory to have in-flight announcements in Tamil—apart from in other languages—for domestic flights to and from Tamil Nadu. Flights in India were presently surprised years ago when IndiGo, now the industry heavyweight, started announcing the languages their cabin crew were proficient in. It was useful because the crew's primary duty is to ensure safety—one would not want the instructions getting lost in translation. Such a rule should be welcome for all of India's languages. It also fits the spirit of the UDAN scheme, which aims to promote affordable regional air travel.

OFTEN, rarely-visited pages of history provide refreshing insights into present problems. This is not surprising, considering many of the postcolonial world's problems are legacies of a past era marked by rivalries marked by silent ploys and counter-ploys between colonising European powers, carefully harnessed so they did not escalate into open conflicts.

Northeast India is among the regions still facing the consequences of one such rivalry between imperial Britain and tsarist Russia in the late 19th and early 20th centuries—the Great Game. The dispute over the McMahon Line, the periodic border skirmishes—most notably, the flashpoint at Doklam in the Sikkim sector in June 2017—are some evidences.

The Doklam case—in which India prevented China from building a road on the Doklam plateau in Bhutanese territory close to the Indian border—is especially illustrative. It should be recalled that the Chinese claimed that part of Doklam belonged to them, citing a boundary treaty they signed with the British in 1890 determining Sikkim's territorial extent. The British also signed another treaty with the Chinese in 1893 to allow setting up of a British-Indian trade mart at Yatung in the Chumbi valley contiguous to Doklam.

The history of these treaties is intriguing for the fact that they were signed with China, not Tibet. Were the British recognising the suzerainty of China over Tibet? Not quite so. The answer has more to do with the Great Game, as China-born British scholar Alastair Lamb, author of the monumental two-volume work, *The McMahon Line: A Study in Relation Between India, China and Tibet, 1904-1914* says in his portrayal of the Lingtu blockade by Tibet.

For at least a decade at the time, the British had been contemplating a permanent presence in Tibet. Towards this end, in 1886, they planned a trade mission to Lhasa under the command of an adventurous civil servant, Colman Macaulay. This was to be done on the strength of the unequal Chefoo Convention of 1876 forced on the Chinese in what was then called Peking. The convention gave British subjects rights within Chinese territory. The Chinese, still too weak to oppose the British, conveyed their reluctance to the Coleman mission saying the Tibetans would oppose the plan, indicating they were unsure of their control over Tibet.

The Macaulay mission was ultimately suspended for several reasons, but Alastair Lamb suspects it had little to do

If not for Britain's Great Game anxiety, Tibet and Sikkim might have stayed autonomous, as Bhutan has. This would have meant a very different security environment in the Northeast

THE GREAT GAME'S LINGERING EFFECTS ON THE NORTHEAST

PRADIP PHANJOUBAM

Editor, Imphal Review of Arts and Politics



SOURAV ROY

with the British wanting not to embarrass the Chinese at their inability to control the Tibetans. Instead, he thinks it was after tacitly coercing the Chinese to recognise the British annexation of Burma in 1885, a country the Manchu rulers considered as their tributary.

Not knowing the mission had been called off, the Tibetans sent a detachment to the Sikkimese village of Lingtu, over which they reasserted their ancient claim. Then, "on the main road from Darjeeling to the Tibetan border at the Chumbi Valley, along which Colman Macaulay was expected to travel, the Tibetans set up a military post; and they refused to retreat even after there ceased to be any question of a British mission", Lamb writes.

Despite appeals by the British to the

Chinese to have the blockade lifted, the Chinese could do nothing. At this, Viceroy Dufferin in 1888 authorised the clearing of the blockade by British forces. Dufferin also became convinced Tibetan affairs were best dealt with Lhasa, not Peking. However, the earlier policy outlook was not abandoned immediately, and the 1890 boundary treaty and the 1893 trade treaty were signed with Peking, not Lhasa.

Lamb points out the reason is Britain's anxiety that entering into international treaties with Tibet would give the Tibetans *de jure* sovereignty status in the eyes of international law. This may encourage the Tibetans to enter into independent treaties with other European rivals, in particular tsarist Russia. To the British at the time, China was the lesser danger.

TALKING DOWN ISRAEL, PLAYING UP UKRAINE

US Vice-President Kamala Harris spent four years following in lockstep with the deeply questionable foreign policy of President Joe Biden. But, with her coming into her own as the Democratic presidential hopeful, the signs are that she might step out. Harris recognises, perhaps more than Biden or Republican nominee Donald Trump, that domestic voting intent is being increasingly impacted by foreign policy.

According to Richard Beck in *New Left Review*, Biden's legacy has "cemented popular regional hatred against Israel for at least another generation", ensured that a Palestinian state will not be established even after Israeli Prime Minister Benjamin Netanyahu leaves office, and felled US acceptance around the world.

The writing was on the wall this week. Harris, having refused to attend Netanyahu's self-condoning harangue in Congress, met him later—and issued a bombshell press briefing. "What has happened in Gaza over the past 9 months is devastating. The images of dead children and desperate, hungry people fleeing for safety, sometimes displaced for the second, third or fourth time. We cannot look away in the face of these tragedies. We cannot allow ourselves to become numb to the suffering, and I will not be silent."

Within the White House, Harris contentiously advocated for a ceasefire in Gaza. For all her giggle, camera-friendly camaraderie with Biden, this split is now unmissable. She knows a peril that Democrats acknowledged too late—that Muslim Americans in some swing states are a key to victory. As a senator, she was behind legislation to pull US support for Saudi Arabia's hyperviolent misadventure in Yemen, and declared in 2020 that Washington needed to "fundamentally re-evaluate" its ties with Riyadh.

On the other hand, Harris agrees with Biden on Ukraine. After announcing her presidential run, her first call was to Andriy Yermak, Ukrainian President Volodymyr Zelenskyy's chief of staff. This is an appeal to tens of thousands of Ukrainian Americans in swing states like Pennsylvania.

It's a skilful balancing act. As vice-president, Harris has made four trips to Asia and met with Chinese President Xi Jinping and Taiwanese President Lai Ching-te. She reportedly broke through Biden's recalcitrance to push his meeting with Xi in November 2023. When Western media recently



KAJAL BASU

Veteran journalist

tried hard to sell the line that China had begun stockpiling materiel for a war—likening it to Hitler stocking up in 1939—the narrative didn't take, apparently because of her staunch refusal to countenance it.

"Other than Biden," Heather Hurlburt wrote for Chatham House, "Americans must go all the way back to George H W Bush in 1989 to find a president who would take office with more foreign affairs experience than her."



Kamala Harris, US presidential contender with the strongest foreign policy experience in decades, has split with Joe Biden's policy on Gaza. At the same time, she is fully onboard with his support for Ukraine. Both foreign policies are aimed at domestic vote banks

Biden and Harris are separated in age by nearly a quarter century. Their preoccupations are different: Biden's commitment to NATO and Israel were part-and-parcel of his youth. Harris comes from a time of internationalism, even if constrained by the natural American tendency towards self-involvement. She appeals to an immigrant upswelling that, in 2022, comprised 13.9 percent of the US population.

But Trumpista circles—which tend to echo Trump's threat to not defend NATO signatories—refer to her as a "NATO chump". Given that she reflects Biden in his staunch opposition to Russia and alignment with Ukraine, the European Union is more sanguine about her putative presidency

than Trump's. She isn't about to pally up with Putin—even though bringing an expedition end to the Russo-Ukrainian conflict would be fiscally prudent.

This brings us to why not. As Rana Foroohar wrote in *Foreign Policy* about a White House insider telling her, "She's a prosecutor, not an economics person. She's not sitting up at night reading about the post-neoliberal world order." In short, geo-economics—and how it impacts US domestic economics—is not among her strengths. She is somewhat waffly about Bidenomics centring on big tech and China. Trump appears far more clear-cut on Sinophobic belligerence, as his trade-defeating 'America First' tariffs on China showed. He seems certain to tilt the scales towards Taiwan and make up for a \$19-billion weapons backlog to it.

Trump is, however, hampered by tripartite foreign policy advisers. In an analysis on the European Council on Foreign Relations website, Majda Ruge identified them as the prioritisers who have "long argued that global overstretch by the US military weakens its capacity to deter China from invading Taiwan"; the primacists "who claim America can fight several wars at the same time and should simply increase military spending"; and the restrainers who "feel that the US should reduce its global military commitments altogether". Although he might eventually go his own impulsive way, Trump will undoubtedly get bogged down by these three incompatible narratives. So, while his economics might be predictable, his militarism might not.

Trump will worsen US relations with Iran, already poised on a razor's edge after his unilateral abrogation of the US-Iran nuclear treaty in 2018, and the evidence-free allegation that Iran has recently been trying to kill him. Harris, however, is widely expected to de-escalate with Iran, even push for a new nuclear deal. The US needs this to take Iran off the hair-trigger mode that Israel has brought to pass. A Harris presidency, less conflagratory than a Trump one, could be historic.

(Views are personal)
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The joke on the players of the Great Game was that their employers knew what they wanted and used their passion for anonymity for ordinary spying

Hannah Arendt

The Great Game anxiety made Britain again push for the St Petersburg Convention, 1907, with Russia already on the backfoot after a naval defeat at the hands of Japan in 1905. To ensure Russia is kept at a distance from Tibet, the treaty made it mandatory for both Britain and Russia to deal with Tibet only through China's mediation. This complicated matters for the British when the Simla Conference of 1913-14 was held to define the India-Tibet (China) boundary, and China had to be made a party to the conference. China walked out midway and the boundary agreement was with Tibet alone, prompting China not to recognise it.

Earlier, Curzon adopted the Dufferin outlook. When he became convinced that the 13th Dalai Lama was leaning towards Russia, he authorised Francis Younghusband's mission in 1904 to invade Tibet. Though the Dalai Lama escaped to Mongolia, Younghusband forced the Lhasa Convention, 1904, on the Tibetan government. Among the many humiliating concessions, the Tibetans were to pay a war indemnity of ₹75 lakh, an amount beyond Tibet's capacity. Until this amount was paid, Chumbi valley was to remain with India.

In the years after Curzon, liberals like John Morley, secretary of state for India in London, made sure the Lhasa Convention was virtually undone and replaced by the Peking Convention, 1906, this time signed not with Lhasa but Peking. Another dichotomy of vision between the British home government and the colonial government also became evident. If men like Curzon believed controlling Tibet was important for India's security, Morley and others were fearful rivals may want to emulate Britain's outlook in Tibet in other sensitive regions like Mongolia, Afghanistan and Iran.

If not for Britain's Great Game anxiety, the counterfactual possibility is that monastic states like Tibet—and possibly Sikkim too—could have remained as Bhutan has. Such a scenario probably would have meant a very different security environment in the entire Northeast region.

The British empire has dissolved, but not the problems created by its anxieties. Chumbi valley, wedged between Sikkim and Bhutan, remains like a dagger pointed at India's Srilankian corridor that connects the Northeast with the rest of India. But in today's drastically altered context, perhaps the only way to change for the better is for India and China to find ways to become friends again.

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MAILBAG

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Scrutinising judiciary

Ref: *Why it's crucial to revisit the 1975 Emergency* (Jul 31). One of the strongest pillars of democracy is the judiciary. It seems it just did not play its designated role during the last decade. There are so many instances of unjust actions from the bench. I am afraid this is the kind of impression the average Indian has formed about the integrity of the higher judiciary.

Rajan Ugra, Bengaluru

Coalition compulsion

The author makes a critical comparison between the declared 1975 Emergency and the undeclared one from 2014. During the undeclared one, harassment of minorities was considered normal. Fortunately, many people heaved a sigh of relief on June 4, when the ruling party was forced to form a coalition.

M Haneef, Kottayam

Regulate coaching

Ref: *Coaching centres: Too big a trade to be left unregulated* (Jul 31). The demand for admission in coaching centres for various professional examinations have become pricey and coveted. There were many suicides by students because of the pressure. This multi-crore business needs proper inspection by the government to rein in their unregulated growth.

R Sridharan, Chennai

PG guidelines

Ref: *Rules needed to ensure paying guests' safety* (Jul 31). Paying guest accommodations are indeed a boon, more so for women who come from other places to pursue studies or work. Need anybody stress that it is incumbent on the part of owners to adhere stringently to the guidelines?

HP Murali, Bengaluru

Ignored warning

Ref: *125 killed in landslides* (Jul 31). Another disaster due to rains in an ecologically sensitive area and Madhav Gadgil is remembered, soon to be forgotten until the next tragedy comes up. Our politicians should start doing something about studying the Gadgil report for solutions. It seems the Hume Centre for Ecology and Wildlife Biology alerted the district administration 16 hours ahead of the landslide. Yet, no action was taken.

Vimla Menon, Ernakulam

Railway safety

Rail accidents have become a significant concern in recent times. The loss of several lives in recent years is deeply troubling. The government must address this issue and take necessary measures to enhance safety and maintenance.

Pushan Raha, Koraput

Putting Some Sting Into the F&O Tale

Sebi's proposals will curb excessive speculation

Sebi's proposals to curb retail speculation in derivatives should achieve their desired objective. The regulatory intent is to sustain adequate depth in the F&O segment to facilitate hedging. Trading volumes in F&O will, thus, have to decline significantly, but not to a point that affects price discovery. As follow-up measures, Sebi will have to ensure the purged retail speculation does not resurface in other market segments, such as smallcaps. The trading ecosystem will, on its part, have to recover from the revenue setback, and its business models in the new regulatory scenario should come under tighter scrutiny. Brokers are most vulnerable to the systemic interface with the retail investor. Finally, vigilance is necessary that buckaroo retail investing does not migrate to shadow trading platforms such as dabba trading that operate beyond the regulatory gaze.



It would be simplistic to expect estimated losses incurred by retail traders in derivatives will be recycled into the more productive cash trades. The speculative intent will seek outlets within the financial system or dial down with effective policing. The effect on the market for, say, IPOs will be difficult to be determined at the onset of deleveraging the derivatives trade. Sebi is parallelly opening the market for retail participation in higher-risk products, such as portfolio management services and AIFs available to HNI investors. Intermediaries of choice, MFs, appear to inspire Sebi's confidence over professional management of the higher risks involved.

This course offers a more realistic solution to curbing excessive speculation. A wider menu of investment choices managed under a conservative set of rules can nudge retail investors seeking outsized returns into pathways where household savings, and India's growing cult of equity, are not subjected to excessive risk. Sebi has successfully charted a roadmap to manage risks within the system better:

Job Done, Stop Israel From Over-Overkill

With assassinations of Hamas political chief Ismail Haniyeh in Tehran and Hezbollah commander Fuad Shukur in Beirut within hours of each other on Tuesday-Wednesday, Israel has successfully conducted what it had purportedly set out to do: take out what lay at the core of the Hamas October 7, 2023, attacks on Israel that led to more than 1,000 deaths and over 250 people taken hostage by the Palestinian terrorist group. In the process, Tel Aviv has pushed the region further to wider conflict. Predictably, Iran has vowed vengeance. It is now the job of Israel's allies, especially the US, to ensure that Tel Aviv doesn't go for an over-kill. Further escalation must be nipped in the bud.

Indeed, things just got tougher for peace in the region. In rendering Hamas 'headless', Israel must now get back (read: be brought) to the table to hammer out a political solution that will ensure peace in West Asia. Tel Aviv's disregard for all counsel for peace is furthering a bigger geopolitical confrontation. The US' standing in the region has declined dramatically because of its grim-faced support for Israel under the Biden administration. It limits manoeuvring space for Arab governments and torpedoed difficult ceasefire/peace negotiations. The prolonged conflict has already stalled plans of the India-Middle East-Europe Economic Corridor (IMEC), and escalation won't help. Also, Israel's persistence with the military option is consolidating China's influence in the region, something that Israel surely should be wary of.

The US, understandably busy listening to its own voice in the run-up to elections, now needs to lead the chorus of allies and partners to convince Israel that it's time for diplomacy and negotiations if it truly wants security for its people.



JUST IN JEST

Recipes by the likes of ChatGPT are yet to make tasty (human) meals

Not Just WAI WAI In These Cookbooks

It had to happen sooner or later — although one wishes it happened later, much, much later. For fans of AI, cookbooks written by AI under a human nom de plume must be the new big thrill. Take Teresa J Blair's *The Ultimate Crockpot Cookbook for Beginners*, or *Mediterranean Diet Cookbook*, or *The Ultimate Anti-Inflammatory Cookbook for Beginners*, to name just three books cooked up by AI Teresa. The proof of the pudding — or, in this case, recipes — is still in the eating. And the proof by human eaters who cooked Teresa's meals have not been reassuring. One reviewer-cook-taster tried out her/its Japanese hot pot. With James Joycean instructions like 'Sprinkle a little of the chilli-ginger-garlic-sesame combine true between everylayer' and 'Give it a two-min simmer once it reveryes a boil before turning it', the end product was supposedly 'a soggy, limey mess'.

'Surely, we detect some serious Alciism (prejudice against AI)?' some of you boffins must be saying. Perhaps. But the verdict across the tasting palate spectrum — still confined to human taste, to be honest — has ranged from ho-hum to oh-bloody-hell-hounds. Be that as it may, AI bhakts will probably have their taste buds primed to love these non-human-intervened cookbooks (the typos and strange language confirming no or very little human intervention) and meals. We wish them bon Alpetit.

SWAMISPEAK The economy's doing too well to make attempting radical change worthwhile

Arrey Brother, Why Bother?



Swaminathan S Anklesaria Aiyar

When you are faring very well, why rock the boat? Rarely has the Indian economy looked so good to global analysts. Yet, complaints galore have followed the budget presentation. Why has it not combated weak consumption? Or weak private sector investment? Or weak employment?

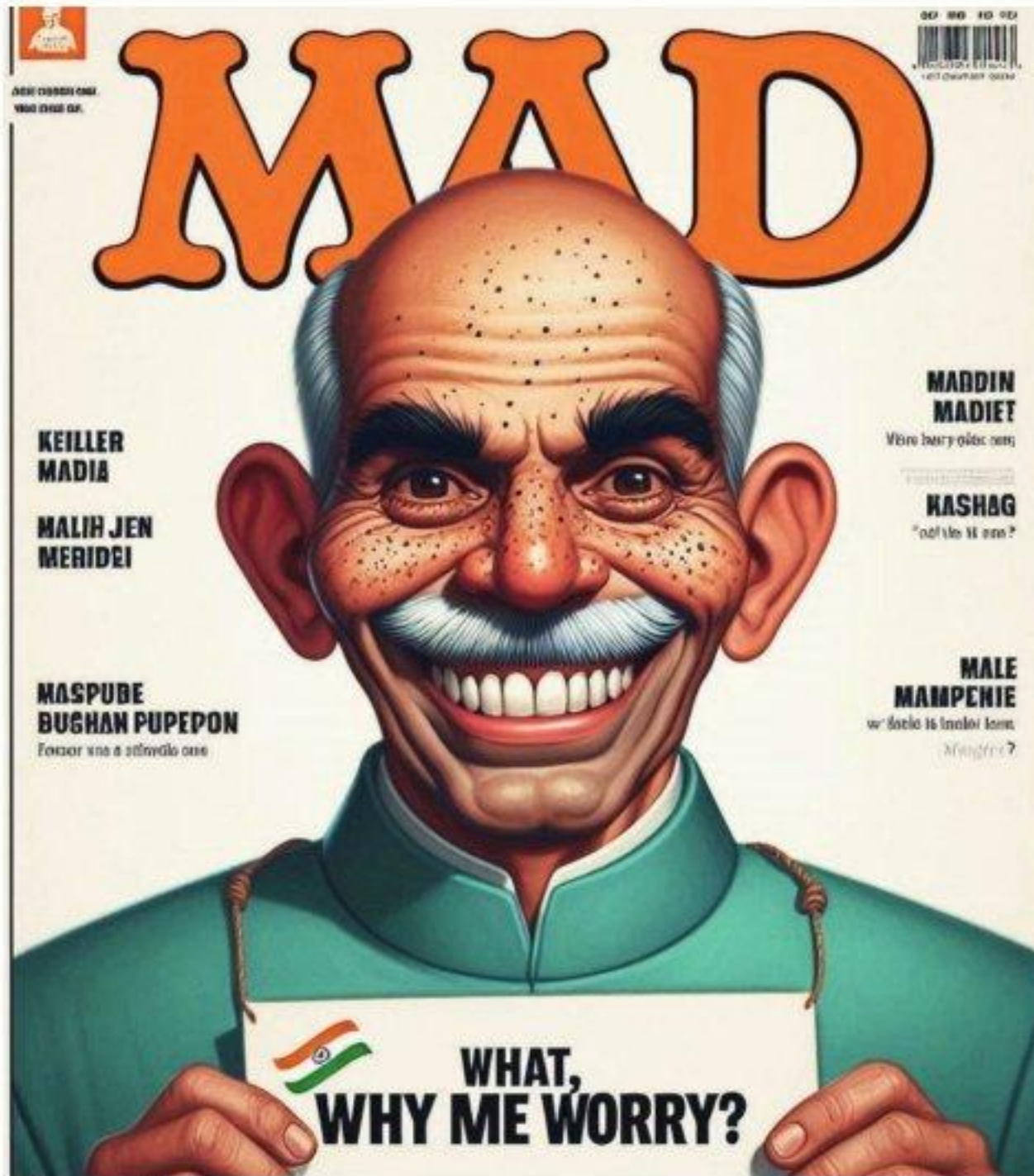
These complaints miss the larger picture. India is doing too well for politicians to seek major changes. Radical changes are unavoidable for a bankrupt country, as India was in 1991. But not for a country averaging 6.5-7.0% GDP 'miracle' growth for two decades, through serious crises like the Great Recession and Covid. This has drawn praise from global quarters. So, why attempt big reforms that necessarily carry risks, as BJP found when attempting reforms in land acquisition and farming?

No matter how weak one may view consumption, private investment or employment today, they have not constrained long-term 'miracle' growth. All three parameters go up and down, but are overall in sync with it.

With radical reforms, India could touch 12% growth, as China once did. But no democracy has ever exceeded 7% growth for long periods. Democracies dislike radical reforms that may hurt many in the short term, even if beneficial in the long run.

Fragmentation of the world economy, rise of regional military conflicts and climate change mean IMF and other global institutions anticipate a global slowing. That will make even 7% growth difficult. Aiming for anything more is too risky.

Last year's GDP growth of 8.2% may be statistical outlier. Critics have entered a range of caveats — the GDP deflator of 1.5% looks very low, merchandise exports have actually fallen, and the GDP boom is not mirrored in the modest improvements in finances



Dil to pagal hai

of many corporates, notably FMCG companies. Arvind Subramanian and Josh Felman have written a series of papers in recent years arguing that the GDP figures are not consistent with many other indicators showing more moderate growth.

However, former chief statistician Pronab Sen is categorical that there is no attempt to fudge GDP data. Indian statistics certainly have flaws that need to be rectified with better methodologies, higher outlays, more staff and better training. Even so, independent critics suggest that any overstatement may not be more than 0.5%. If so, the India growth story is very much intact.

In sum, whatever the current weakness of employment, consumption or private investment, the medium-term trend is consistent with GDP growth of 6.5-7.0%. It would, of course, be splendid to have higher rates. But this will be

attempted through tweaks and the marketing of 'solutions' that are mainly illusions (as in the budget's employment incentives).

► **What could be done to stimulate consumption today?** Cutting taxes will improve consumption but prevent fiscal consolidation, which is badly needed. Easy monetary policy could stimulate demand, but may stimulate inflation even more. Why rock the boat?

► **What can be done to stimulate investment, especially FDI, which**

Our labour laws have not come in the way of 'miracle' growth. So why risk changes that will cause trade union protests?



Screen, But Don't Scorn



Pradeep S Mehta

There seems to be political consensus in India that economic dependence or reliance on China is a bad idea. Gol and the Opposition have traded fresh barbs on which dispensation's economic policies have further entrenched economic dependence on China. But we need to evaluate our stand dispassionately. Simply because we need FDI to bolster our economy.

Against this backdrop, the latest Economic Survey is a breath of fresh air as it reframes the debate in the context of inward FDI from China into India. It makes a case for how greater FDI inflows from our northern not-so-neighbourly neighbour may help increase India's integration with GVCs and boost India's exports. It calls for India to find the right balance between importing goods and capital from China. The strategy is to reduce trade costs and attract, facilitate and retain greater foreign investment, particularly in India's labour-intensive manufacturing sector.

The messaging is unmistakable: that a reassessment of policy measures that have been in place in India since early 2020 aimed at curbing inward FDI flows from China, may be in order.

Speaking in Parliament on Tuesday, Piyush Goyal clarified that there are no plans to reevaluate Gol's position. Speaking earlier at a post-budget press conference, however, Nirjala Sitharaman flagged the Economic Survey's views on FDI from China, clarifying that the screening process in place remains the route for processing inward FDI flows from that country.

Both the commerce and industry as well as finance ministers' underlying point is that unfettered FDI from China, with its accompanying national security and economic coercion concerns, is not viable in the prevailing geopolitical and geoeconomic context. That much is indisputable.

Yet, as the survey indicates, a blanket shutdown of Chinese FDI and denial of visas to Chinese specialist technicians and technology workers won't help us. It'll probably even hurt us. India's trade and trade deficit with China continue to grow. Complementary trade and investment flows could add momentum to Indian manufacturing output for onward export to global markets.

India shouldn't extend its FDI-related security blanket so wide that it effectively prohibits Chinese investments into the country. This will adversely affect our 'China+1' efforts.

It's worth noting that even without a catch-all security blanket, India will have to compete for the growing outward-bound Chinese FDI flows.

So, what can be done? ► **Screening** India doesn't have a legal architecture supporting transparent and systematic domestic screening processes for foreign investment on security or related grounds. This needs to be taken up on a priority basis. It'll instil confidence in the screening process and ensure that legitimate investments aren't rejected on whimsical grounds.

A private member's Bill introduced in Rajya Sabha a few years ago — Foreign Investment in Financial Services, Critical Infrastructure and Technology Affecting National Security (Regulation) Bill — is a rare example of an initiative on this front. Gol should review it.

► **Reviewing** The Economic Survey also provides a timely reminder that

all our concerns on economic dealings with China are interrelated and must be dealt with accordingly. Whether it be curbs on FDI from China, our engagement with the Regional Comprehensive Economic Partnership (RCEP) mega-regional trade agreement, or our stance on the Investment Facilitation for Development Initiative at WTO, our default positions cannot be to disengage and shut ourselves out.

Regular course-correction and innovative thinking are required to land at favourable economic territory in each setting. This can be achieved through a dynamic and carefully calibrated sectoral trade and investment policy with China, which recognises and responds to changing realities.

In her budget speech, Sitharaman mentioned that rules and regulations will be simplified to facilitate FDI. Given the number and complexity of factors, and political costs involved, there will be no easy decisions when taking a call on India's future policy on FDI from China. Considering the jobs crisis in India, we can prioritise labour-intensive FDI, such as textiles and garments, where China has achieved global scale.

However, if there is an economic case for a rethink at any point, Gol shouldn't hesitate to walk down that road. A mindset of recognising interdependencies rather than dependencies will be critical to this.

The writer is secretary-general, CUTS International. Inputs by Advait Sharma

Chinese FDI Pe Charcha



Harsh V Pant & Kalpit Mankikar

The Economic Survey dropped a political clanger by arguing that getting FDI from China could help India improve its participation in global supply chains through exports. The strategy document notes that many companies have adopted a 'China+1' strategy to reduce reliance on Beijing for advanced electronic items and components. While India may not be an immediate 'beneficiary' of this approach to diversify manufacturing away from China, Gol's PLI

scheme, taxation holidays and subsidies have significantly attracted companies to invest in India.

The survey reasons that India, which seeks to burrow into international value chains, will have to emulate successful strategies of East Asian tiger economies like facilitating foreign investment. It notes that while South Korea and Vietnam have gained from the US diverting manufacturing from China, these nations also received enormous FDI from Beijing.

Thus, the 'factory of the world' cannot be ignored even as the world pursues a 'China+1' strategy. There is a thinking that inviting Chinese investment will help India boost exports, turning India's approach towards China on its head.

Gol has been swift to scotch any speculation that there is an easing of Chinese capital inflows. Piyush Goyal stated categorically that there was no rethinking to support Chinese investments, and that it was usual for the survey to offer novel solutions to challenges. But it's fair that this has kickstarted a debate on the issue.

Rewind to 2020, when the world was under Covid lockdown and the India-China Galwan border skirmishes started. Delhi shuttered down against Beijing's opportunistic takeover of Indian companies by amending its FDI policy. Under Press Note 3, Gol mandated that a company located in nations sharing a land border with India could invest here only

fell substantially last year? A stable, transparent policy structure is highly desirable. The way India treated Vodafone and Cairn in relation to their capital gains is cited by every potential foreign investor. So is the advantage given to Reliance Jio to help it combat Amazon and Walmart in online markets.

Even domestic investors are wary of investing in sectors where favoured 'national champions' may suddenly enter on favoured terms. There is not enough trust between the government and investors. Even so, gross capital fixed investment is 33% of GDP at constant prices. This may well be enough to sustain 6.5-7.0% growth.

► **And employment?** Much is written about the difficulty of firing labour. But when a worker moves from the informal to the formal sector, companies have to pay their share of an employee's provident fund, national pension fund, health insurance, leave travel allowance, one month paid leave, two weeks sick leave and two weeks casual leave. No wonder movement from the informal sector to the formal sector is so slow.

That is why no group will set up garment factories with 10,000 women, as in Bangladesh — the real cost of labour has been hiked by so many non-wage components. However, no political party dares reduce formal sector benefits.

Instead, the budget provides incentives in the form of PF subsidies for new employees. Alas, no company will hire workers just because of a small subsidy. At the margin, a company may employ 1-2 extra employees, not more. Employment will change very little. But our labour laws have not come in the way of miracle growth. So, why risk changes that will cause trade union protests?

Our employment problem is mainly an education problem. Substandard schools and colleges have produced millions of semi-educated, unemployable young people with degrees, but no real skills. Overhauling the entire educational system will take decades. But the problem has not prevented 'miracle' growth for two decades. Hence, politicians have no incentive to go for risky reforms.

Here, then, is the irony India could do better. But a democracy already doing miracle growth has no incentive to take the political risks of radical changes.



THE SPEAKING TREE

Amarnath Connection

NARAYAN SIRDESAI

The Amarnath yatra, a pilgrimage to the holy cave in Kashmir, is held annually during July-August. Every year, thousands of devotees go to the cave, situated at a height of 12,750 ft, covering 36-48 km on foot. This cave is a sacred place for Hindus and is associated with Shiv, Parvati and Ganesh are believed to have lived in this cave thousands of years ago. Many devotees believe Shiv mostly lived in Kashi, Kailash Mansarovar and Amarnath.

The legend says Amarnath gufa, cave, is a Shakti peeth, a centre of spiritual power, where Shiv imparted the sacred text Vijnan Bhairav Tantra, comprising 112 meditation methods, to Parvati. Vijnan Bhairav means the 'Spiritual Science of Shiv', and tantra means technique, method. Shiv has given mankind 112 methods of meditation to cover psychological and spiritual needs.

Just as scientists discover secrets of matter in laboratories, yogis also discover spiritual secrets in caves during deep meditation and samadhi. Thousands of yogis, saints and mystics have meditated in this blessed and hallowed cave over centuries. Amarnath gufa is also famous for the ice lingam, which forms naturally.

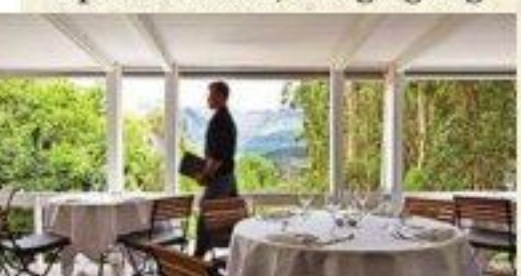
It is common for all religions to encourage their followers to embark on yatras, pilgrimages, to their respective holy places and shrines. These spiritual journeys bestow profound benefits and foster a deeper connection with the Divine.



STEP UP TO THE PLATE

La Colombe Cape Town
Constantia Nek is a low pass over South Africa's Table Mountain range in Cape Town, linking Constantia to Hout Bay in the west. At the top of the pass, with its stunning views over the valley towards the sea, sits La Colombe.

Chef James Gaag and his team are the reason behind La Colombe's roaring success that's built around its exquisite dishes grounded in French technique and accented with Asian flourishes. Along with top-notch food, Gaag's gang



also boasts an extensive and well-curated wine list that will impress the most discerning oenophiles among you.

But at the core lies the cuisine. The menu leans on local and seasonal produce, allowing the ingredients to shine in each dish. Try the foie gras with caramelised brioche for a sublimely smooth pleasure. Truffled cherry parfait with flecks of gold leaf, Malay-style snook and beetroot tartare are superb choices.

Smoked tomato dish with aubergine and pine nuts, served in a pool of umami-laden consommé and perfectly paired with Craven Pinot Gris 2021 will take an army and more to resist. If you're there in Cape Town, be there at La Colombe.

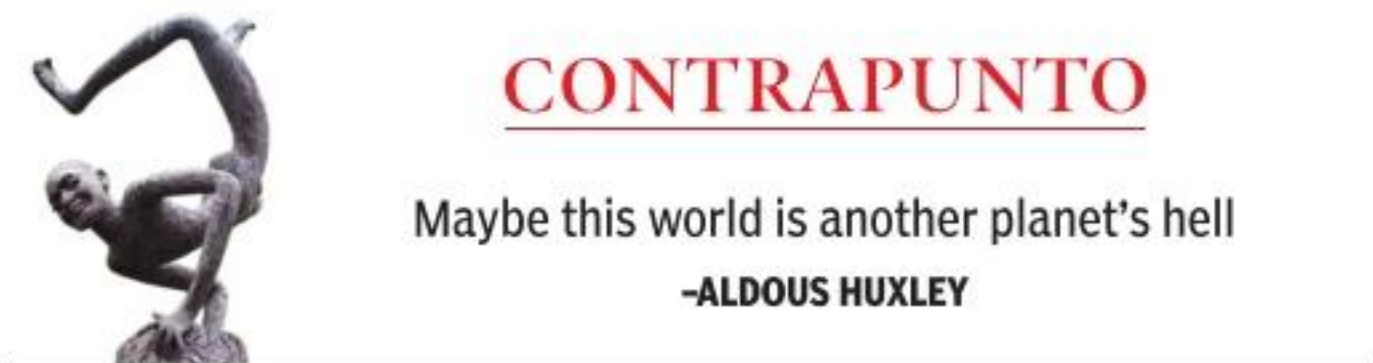
Chat Room

Let's Listen to the Muddled Class

Apropos the news report, 'Mohandas Pai asks I-T Dept to Support Claims on Tax with Data' (Jul 31), the FM should back the taxes levied in the latest budget proposals with facts and figures supporting what she has envisioned, as suggested by the erstwhile director of Infosys. Also, it is the minister's obligation to defend, inter alia, the withdrawal of indexation benefit on property. In addition, the middle class has to be assured that the motivation behind the budget is not exploitation of labour — whose unpaid work is normally the ultimate source of surplus value. This should be seen in the wake of the safeguards and procedures adopted by former FM Arun Jaitley while imposing long-term capital gains tax in 2018. The PM, too, needs to intervene to get back the goodwill and trust of the middle class, which is the backbone of the largest democracy.

BELLUR S DATTATRI
Bengaluru

Pant is professor of international relations, King's College London, and Mankikar is fellow, China studies, of a New Delhi-based think-tank



Escape To Where?

Unchecked tourism is also a culprit in Wayanad, govts won't do anything about it until we do

Even as rescue workers raced against time to save lives in Wayanad, invites and incitements to tourists to visit the region hustled uninterrupted on social media. This is one of the most landslide-prone areas of the Western Ghats. With Tuesday's landslides taking over 150 lives, govts' failure to mitigate its well-known ecological vulnerabilities is sharply, and justly, in focus today. But an unregulated tourist boom has also played a key role in the ghatastrophe. This factor deserves all the more attention, because it is seen wreaking havoc across several environmental hotspots in the country.

That many homestays and resorts which got destroyed were located right on river banks, 'without providing any room for the river', is reminiscent of how buildings constructed in floodplains got swept away during the 2013 Kedarnath floods. Uttarakhand has hardly corrected course since then. Tourism bucks and real estate greed are still seen running rampant. Whether travellers come looking for physical or spiritual adventures, they become part of the same traffic jams and garbage mountains. Tiger reserves to once-pristine beaches, too often the scene is sadly the same. They crowd onto railway tracks to see Dudhsagar Falls, make Darjeeling run short of drinking water, make Ooty feel indistinguishable from Bengaluru.

This is a painful irony. The search for an escape from cities, turns tourist destinations into an unpleasant reflection of these cities. It's a Janus-faced challenge. It has to be addressed at both ends. Our cities have to be made much more 'livable' and our vacation stations have to be much better conserved. The first needs reversing the decline of our blue-green infra. Imagine Delhi with a Yamuna that raises our spirits rather than stench, Mumbai with its green lungs safe and stronger, Bengaluru with its lakes breathing not frothing. Imagine well-maintained parks, gardens, playgrounds.

But don't imagine any of this will happen without a heavy increase in public pressure. Govts will have to be pushed to change their priorities. The decade-long inaction on the Gadgil and Kasturirangan reports on the Western Ghats is a classic example of how other interests prevail over the environment, in the normal course of things. This norm needs shaking up. While humans profit from it in some way or another, even if short-term, the destination only experiences loss after loss. What took millennia to build, we are destroying recklessly, and can never bring back.

Who Killed Haniyeh?

Iran/Hamas claim that Israel assassinated Hamas chief is just what West Asia didn't need

The assassination of Hamas political chief Ismail Haniyeh in Tehran adds another layer of complexity to the turmoil in West Asia. He was there to attend the swearing-in ceremony of Iran's new president Masoud Pezeshkian, and had met Iran's top boss, Ayatollah Khamenei. Both Tehran and Hamas have blamed Israel for the assassination. But many questions remain unanswered.

Haniyeh was staying in a high-security building. Palestinian Islamic Jihad leader Ziyad al-Nakhalah was also in the building. But it was Haniyeh who was targeted. Last week 14 Palestinian groups, including Hamas and Fatah, met in Beijing and reportedly worked out an in-principle unity arrangement. It has been known for a while that there are divergences between Hamas's political wing led by Haniyeh and its military wing in Gaza. In that context, unity talks don't serve Tehran's strategic interests – it sees Hamas in Gaza as a tool to keep Tel Aviv off-balance. Could Haniyeh be a casualty of such machinations? The assassination comes at a time tensions have been rising between Israel and Iran-backed Hezbollah in Lebanon – after a rocket attack killed 12 children in northern Israel. Tel Aviv, in response, has hit southern Beirut, targeting an alleged Hezbollah commander. If Israel and Hezbollah skirmishes break out into open war, it could make the ongoing conflict and casualties in Gaza seem like a smaller tragedy, as difficult as it is to imagine that. A heavily-armed Hezbollah and a stretched IDF make for an unpredictable conflict dynamic.

Iran has vowed revenge, Hamas has vowed retribution, and Hezbollah is keeping Israel's northern border hot. But, here's the thing. Unlike Gaza, as tragic as the human cost is, the global economy will get a big shock if there's a full-on war between Iran and Israel. Netanyahu could end this by winding down military operations in Gaza. But is he listening?

Monsoon Olympics

Our season of floods is floodlights ready

Bachi Karkaria

Welcome to the Monsolympics in the City of Shove. Two billion desi eyes are fixed on Paris with hope; almost as many are trained as expectantly on India Meteorological Department's daily forecast. Like a second marriage, it is the triumph of hope over experience. It springs eternal despite knowing that when IMD has issued a red alert, it will be as dry as Thar. Take (resignedly) last week's case. The situation from the sky made the Mumbai Met bureau hastily up its yellow alert to orange and then, as the weather worsened, bump the warning further up to red. Almost immediately, the rain stopped. Faces progressively turned a deeper shade.

So forget Paris, India Monsolympics showcases how *Fortius* is our super-human spirit. *Non monsieur*, our struggles through the downpour is *un peu different* from athletes dancing in the rain as they 'floated' down the Seine.

There, it's the City of Lights; here, it's City of Blights. There, every country wants to storm its way to the top of the charts; here, everyone tries to chart his or her way through the storm.

We're all 100m hurdles title-holders, hurtling over potholes at every metre. Wasn't this what we trained for all year round? Like Sajan breaking records, we break arms as we flail through roads turned to Olympic-sized pools. Like Tarundeep arrows, tin roofs slice through the air doing the same to some unsuspecting neck. Blown-out umbrellas become Neeraj Chopra, spearing a passerby eye.

As a thunderbolt cracks like a Manu shot, giant trees crash to the ground with a roar to rival any at the Stade de France. *Mesdames et Messieurs! Inde* has racked up a landslide haul of meddles with fragile ecologies!!

Mumbai's challenging monsoon demands greater grit and derring-do. Nowhere are they displayed more than on its local train network, where there's a (flooded) track event every day. Nikhat pales before *khatakhat* commuters transformed into jaw-smashing boxers. Marvel at *dhakka-bukki* which kayos the crush of rivals – all trying to get into the lone train that straggles in after serial cancellations.

Then, phew!, after weeks of drowning to a standstill, everything finally Olympics back to normal.

Alec Smart said: "If Democrats win, Lotus will bloom into POTUS."

Long Arm Of A Dodgy Law

UP's new anti-conversion law puts burden of guilt on accused, has UAPA-like bail conditions. It can end up criminalising any & every conversion

Naveed Mehmood Ahmad & Ayushi Sharma



Passage of the Uttar Pradesh Prohibition of Unlawful Conversion of Religion (Amendment) Act, 2024 ('Amending Act') on Tuesday should be seen as a very significant development. The law amends the contentious UP Prohibition of Unlawful Conversion of Religion Act, 2021 ('Act'). While the state legislature may view the amended Act as a stricter and more efficient law to tackle unlawful religious conversions, it appears even more arbitrary and constitutionally suspect.

This underscores the fundamental flaws in India's criminal lawmaking practices. Such laws are often employed in day-to-day governance, and remain subservient to extraneous considerations, rather than being guided by constitutional values.

What is allurement? | The Act is ostensibly designed to prohibit unlawful religious conversions. However, its sweeping definitions effectively criminalise any form of conversion, including those protected by the constitutionally guaranteed right under Article 25 to freedom of conscience, and the free profession, practice, and propagation of religion.

Under the Act, any conversion can be declared unlawful if it involves an element of misrepresentation, force, undue influence, coercion, or allure-ment. The wide and overarching phrasing of these grounds not only makes them susceptible to misinterpretation and misuse but also makes it difficult to disprove allegations.

Since 'allurement' may include any mention of 'divine displeasure'; 'coercion' encompasses 'psychological pressure'; and 'fraudulent means' covers impersonation using a false name or religious symbol, the law has the potential to criminalise, or at least deter, exercise of the freedoms of religion and expression.

Reversal of the burden of proof, requiring the accused to prove the absence of any of these elements, further renders the law excessively unreasonable and arbitrary. By deviating from the norm, where the burden lies on the state to prove guilt beyond reasonable

doubt, the law seems to assume that all conversions are unlawful unless proven otherwise.

Moreover, imposition of mandatory minimum jail terms, stringent bail conditions, and an open provision for anyone to file a police complaint alleging unlawful conversion, make the law even more prone to misuse.

Complainant needn't have locus standi | Section 4 of the Act originally allowed only an aggrieved person or their family members to file an FIR against unlawful conversion. Despite this, religious organisations and other third parties frequently misused the law to file frivolous cases. A study by Article 14 found that

If the victim was from a marginalised group, the punishment was imprisonment of two years extending up to 10 years. This has now been increased to five years extending up to 14 years. Similarly, intimidation, assault, promising marriage for conversion etc may attract a mandatory minimum sentence of 20 years extending up to life imprisonment.

The Amending Act justifies the imposition of such harsh punishments by citing the sensitivity and gravity of unlawful conversions and the alleged involvement of foreign and anti-national elements. However, the rationale for increasing punishments remains unclear without evidence of the original law's efficacy.

Moreover, since the criminalised actions remain largely the same, it is unclear how increasing a sentence from one year to three years, for instance, will address the problem more effectively.

How about religious freedom? | Further, the Amending Act follows provisions of the stringent Unlawful Activities (Prevention) Act, 1967, Maharashtra Control of Organised Crime Act, 1999 and the Narcotic Drugs and Psychotropic Substances Act, 1985 in prescribing conditions for grant of bail.

All offences under the Act are cognisable and non-bailable. Further, as per the amended Section 7, an accused can only be released on bail after the public prosecutor has been given a chance to oppose the bail application and the court is satisfied that the accused is not guilty and is not likely to commit an offence when out on bail. This sets unreasonable standards for granting bail. It imposes an onerous burden on the court to determine the guilt of the accused in absence of any material evidence, making grant of bail very difficult.

As GOI seeks to modernise and adopt a more citizen-centric and trust-based legal system, laws like these will have a regressive effect. While tackling forced conversions is essential, using criminal laws to curb religious freedom risks undermining constitutionally guaranteed rights. It's important to carefully balance protecting fundamental rights with addressing real issues. Criminal laws such as these risk becoming tools of oppression instead of reflecting principles of a progressive and inclusive society.

Ahmad is team lead & Sharma senior resident fellow, Crime & Punishment at Vidhi Centre for Legal Policy

'Wayanad is proof govts have no interest in protecting nature. Idea to make it an eco-sensitive area was first proposed in 2011'

The double landslides disaster in Kerala is proof that the ecologically fragile Western Ghats have been exploited without a care and further delay in marking the region as an eco-sensitive zone will only worsen the impact of extreme weather events. Western Ghats expert and ecologist Madhav Gadgil tells Vishwa Mohan. Gadgil headed the environment ministry's Western Ghats Ecology Expert Panel (WGEEP), which, in Aug 2011, recommended earmarking the Ghats as an eco-sensitive area spanning six states – Gujarat, Maharashtra, Goa, Karnataka, Tamil Nadu and Kerala.

The panel had sought a complete stop to environmentally hazardous human activity. The first draft notification was issued in March 2014. Five drafts later, all recommendations remain on paper, one or the other state sidestepping the matter each time.

● Were the Wayanad landslides waiting to happen?

Yes. Any nation can be seen to be having four capital stocks – natural, social (cooperative behaviour, security), human (education, health, employability) and man-made. India extensively practises building highly subsidised man-made capital, at serious costs to natural, human and social capital. This invariably worsens economic, social, educational and health disparities, thereby depressing overall welfare. This also limits our industrial enterprises from competing successfully internationally.

It is this narrow view of development that's behind most environmental degradation, including the Wayanad landslides. It is this view that promotes the increasing frequency and intensity of human interventions, such as mines and quarries, roads, buildings on hill slopes everywhere, including in ecologically highly sensitive regions, without a care for the environment.

● How can such disasters be stopped/minimised in the Western Ghats?

It can be stopped. WGEEP had carefully drafted guidelines for both regulation and promotion of

developmental activity. Various areas have different levels of ecological sensitivity, so it's not a rigid Western Ghats template.

These guidelines can start off the bottom-up process of democratic decision-making. Awareness and care of environs starts with the village, the gram, and local bodies.

Key guidelines include no special economic zones or new hill stations, reviewing reservoir operations to improve downstream flows, sand auditing and strict regulation of sand mining. Guidelines are detailed, extending to need to encourage organic agricultural practices as well as participatory breeding programmes.

● There were recommendations on mining.

Yes. WGEEP had defined three levels of ecological sensitivity: high, moderate and low. The regions of steep hill slopes and high rainfalls, ecologically, are highly sensitive areas. Human activity must be strictly prohibited or regulated depending on ecological sensitivity of different levels.

Where mining is allowed, rehabilitation of mined areas is crucial, with special focus on reviving water resources. It's essential to have river basin planning and a legal institution to coordinate various departments that deal with rivers.

No-mining areas should be clearly demarcated; where mining exists, it should be phased out within five years of notification. It is for govts to stop illegal mining. Also, there should be no new railway line and no new national highway/state highway/expressway in eco-sensitive zones.

Small-scale micro- and pico-hydropower systems

must be promoted. And importantly, strict regulation of existing thermal power plants.

● Why have successive govts failed to notify eco-sensitive areas within the Western Ghats?

Govts have no interest in protecting nature and facilitating democratic decentralisation. We're locked in a system of crony capitalism. Businesses profit from close relationships with state power, either through an anti-competitive regulatory environment, direct govt largesse, and/or corruption. This includes obtaining permits, govt grants, tax breaks and the like over state's deployment of public goods. For instance, mining concessions for primary commodities, or contracts for public works. So, businesses thrive not as a result of free enterprise, but rather as a collusion between business class and the political class.

Wealth accumulates not merely by turning a profit but by rent-seeking. Entrepreneurship and innovative practices that seek to reward risk are stifled. Crony capitalism spills over into govt, politics, and media. This nexus distorts the economy. It damages the environment.

● Extreme weather events are only increasing.

A careful study of landslides of all scales that occurred in Maharashtra's Western Ghats has shown that their frequency has gone up 100-fold from 2011 to 2020. The impact of climate change and extreme weather events can only be minimised by taking stringent actions to empower institutions of decentralised democracy – from gram sabhas to mohalla sabhas upwards.

Calvin & Hobbes



Two Olympic Bronze Medals Renew Focus On Gita

Uma Ram and KS Ram

Manu Bhaker has won two medals at the Paris Olympics and will try for a third. At 22, she is the youngest Indian to win an Olympic medal.

On the sidelines of all of these achievements of hers that have made India proud, there is one 'achievement' that warrants attention. She has brought a fresh focus to the Bhagwad Gita. In the post-victory bites to media persons, when asked as to how she achieved these remarkable feats, Manu mentioned with a poise that she is an ardent student of the Bhagwad Gita and is guided by Krishna's message that the adhikara, the rightful scope of human effort is limited to karm, action, the phal, result is for destiny to determine.

She was alluding to verse 2:47. Krishn discusses this point in detail in the Bhagavat-Yana Parv of the Mahabharat.

On the eve of his departure to Hastinapur to explore the possibility of peace with the Kauravs, there is a conference between him and the Pandav brothers. Four of them, Yudhisthir, Arjun, Nakul and Bhim, favour avoiding war and talk about peace. Sahadev speaks for war. Krishn listens to their views and says he will strive for peace. But he adds a caveat. He says human efforts and their outcome involve two factors: Personal effort and destiny. To illustrate his point, he says a farmer may till and keep his land ready. He may procure and

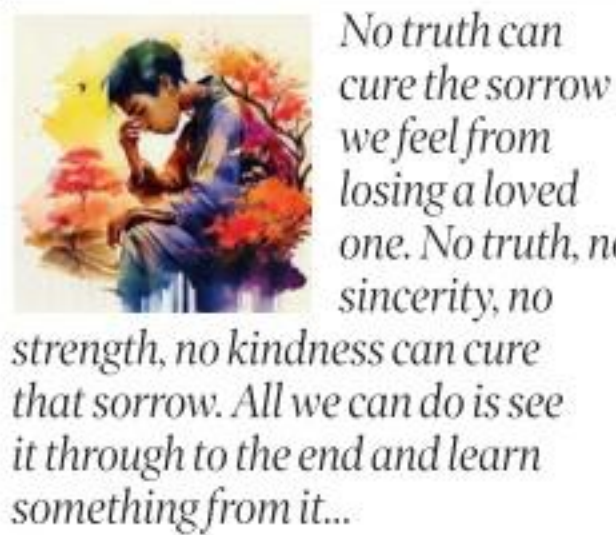
keep a stock of seeds and other inputs. All these relate to his scope of personal effort. However, in spite of all his preparedness, destiny may play spoilsport, and the rains may fail. What then? Is the farmer to blame? Will his wailing and weeping do any good? He must just accept the result with grace. Krishn's point is that if destiny has ordained war, his effort at peace is bound to fail. The Pandavs be prepared for this.

A shooter may train hard, hold her breath and take aim. Finally, after the pistol has been triggered, other factors, such as wind and weather, impact the result. In a team sport, one's partner's performance on a given day can also be a key factor. Victory depends on the

proper alignment of personal effort and destiny. Hence, victory and loss need to be taken for just what they mean. Victory need not flatter one's pride, nor loss break one's heart.

This attitude is cultivated by the Gita, the Gospel that has been the rock foundation of India's collective psyche for thousands of years. Not for nothing did the great teacher, Adi Shankaracharya, recommend a study of the Gita. In verse 20 of the Bhaja Govindam, Shankaracharya says that even a kinchit, a little imbibing of the Gita, helps to dispel the fear of death or defeat. Manu Bhaker, the Olympian who took the earlier loss and the current triumph with equanimity, reminds us of Gita's eternal lessons. May the message of the Gita spread far and wide.

Sacredspace



Haruki Murakami



The Tribune

ESTABLISHED IN 1881

Wayanad calamity

Landslides expose lapses on ecological front

A massive rescue operation is in progress in Kerala's Wayanad district, which has been ravaged by a series of landslides triggered by heavy rain. The death toll has crossed 150, even as the immediate priority is to evacuate and rehabilitate as many people as possible. Though it is being conveniently described as a natural calamity, the impact of factors such as climate change, an eco-sensitive terrain and the loss of forest cover cannot be discounted.

As per the landslide atlas released by the Indian Space Research Organisation's National Remote Sensing Centre last year, 10 out of the 30 most landslide-prone districts in India are in Kerala, with Wayanad ranked 13th. According to a 2021 study, all landslide hotspots in Kerala are in the Western Ghats region, concentrated in Idukki, Ernakulam, Kottayam, Wayanad, Kozhikode and Malappuram districts. Leader of the Opposition in the Lok Sabha and former Wayanad MP Rahul Gandhi has asked the Central Government to prepare an action plan to address the growing frequency of natural disasters in the ecologically fragile region of the Western Ghats. No less important is the need to assess the preparedness of various states and work out ways to make them better equipped to handle such catastrophes. The loss of lives and property can be minimised through an efficient early warning system, which doesn't seem to have happened in Kerala's case.

India's approach to disaster management has improved from reactive to proactive as well as pre-emptive in recent years, but there are still some gaps to be plugged. A major stumbling block is the unwillingness of state governments, industries and local communities to pay heed to experts' warnings about the ramifications of infrastructure development and promotion of tourism in ecologically sensitive zones. As the nation extends support to a battered Wayanad, there should be a renewed commitment to using natural resources judiciously and sustainably.

Bhola's conviction

A crucial step in combating drugs, graft

THE conviction of dismissed Punjab DSP and former wrestler Jagdish Singh Bhola, along with 16 others, including his wife, mother-in-law and father-in-law, in an 11-year-old money-laundering case linked to drugs marks a significant victory in the fight against corruption and financial crimes. Bhola, already serving a 24-year sentence for his involvement in a Rs 700-crore drug smuggling racket, has now been handed a 10-year imprisonment for his role in laundering illicit money. This verdict by a special court in Mohali underscores the persistent issues of corruption and the need for comprehensive reforms within law enforcement agencies.

The investigation, initiated by the Punjab Police and later taken over by the Enforcement Directorate under the Prevention of Money Laundering Act (PMLA), revealed a complex web of financial crimes spanning over a decade. Bhola's involvement in orchestrating a multi-crore drug racket, exploiting his position of power for personal gains, is a reminder of the systemic issues that need to be addressed. His guilt raises questions about the oversight and accountability mechanisms within the institutions. The road ahead is long and Bhola's conviction should pave the way for a holistic strategy to combat the drug epidemic. This includes punishing the guilty as well as addressing the root causes of the drug trade, such as poverty, unemployment and a lack of education.

Punjab has been grappling with an alarming drug crisis that has devastated countless families. Bringing Bhola to book is a job half done. The general perception is that the high and mighty operating behind the scenes have been able to cover their tracks. The investigators need to dig deeper to dispel the notion that there is some unfinished business. Only then can we hope to eradicate the scourge of drugs and build a healthier, safer Punjab.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, AUGUST 1, 1924

Bal Gangadhar Tilak's death anniversary

THIS day four years ago, Bal Gangadhar Tilak quit the scene of his earthly labours. From the point of view of the ordinary man with a limited vision, the time for his departure was singularly ill chosen. The nation, which he had done so much to build, was just beginning to pulsate with a new life. The National Congress of which he had always been a dominant figure and over which since the secession of the Moderates he had held an almost undisputed sway, was about to commit itself to a new policy and programme fraught with great possibilities of good and evil. Good if that policy and programme were inspired by wisdom, insight into things and far-sightedness, and evil if it lacked these essential qualities. The struggle for his country's freedom, in which for two decades he had been the ablest and most valiant of all captains on the popular side, was about to reach its last and most intense stage. It was at such a time as this, when the unique gifts with which nature had endowed this eminent son of India and which he had himself done so much to develop and fashion for his great task were needed by his country as it had never needed them in the past, that a cruel fate decided to take him away. It is unprofitable, though by no means uninteresting, to speculate what might have happened if Tilak had been spared to his country and his people for some years more. Would he, too, like the lesser leaders, have surrendered his judgment and will to the great and mighty man who for the last four years has been the uncrowned king of nationalist India? Who can say? Remarks of a somewhat contradictory nature have been attributed to him in this respect.

OPINION

An alarming twist in the Gaza tale

Hamas leader Haniyeh's assassination on Iranian soil dashes hopes of a ceasefire



VAPPALA BALACHANDRAN
FORMER SPECIAL SECRETARY,
CABINET SECRETARIAT

THE assassination of Hamas' political chief Ismail Haniyeh in Tehran through an 'airborne guided projectile' and suspected Israeli involvement in the incident have changed the entire character of the Israel-Hamas-Hezbollah war. According to reports, Haniyeh had come to Tehran to attend the inauguration ceremony of Iran's new President Masoud Pezeshkian on July 30 and had met him the same day. He was staying in a special residence for military veterans in the north of Tehran as a guest of the Iranian Government. He was killed along with his bodyguard. It is leant that Israeli Prime Minister Benjamin Netanyahu has forbidden official comments from his cabinet members on the matter. However, some far-right Israeli leaders have already expressed on X their happiness at the development.

Haniyeh had survived four assassination attempts. Hamas said in June that 10 members of his family were killed in an Israeli airstrike in northern Gaza's Shati refugee camp. Haniyeh had then said that more than 60 of his family members had been killed since the start of the war on October 7, 2023. In April, three of his sons — Hazem, Amir and Mohammad — died when their car was bombed in the Shati camp. Four of Haniyeh's grandchildren, three girls and a boy, were also killed in the attack, according to Hamas.

Iranian Supreme Leader Ali Khamenei said "avenging Haniyeh's killing" through harsh punishment was Tehran's duty.



OMINOUS: Ismail Haniyeh's killing has sparked fears of a wider conflict in West Asia. REUTERS

President Pezeshkian also warned of retaliatory action. It was only on July 28 that Tehran had warned Israel that any new military 'adventures' in Lebanon could lead to 'unforeseen consequences'. This was after Hezbollah had attacked Druze town of Majdal Shams in Israel, killing 12 children on July 27.

After the Majdal Shams incident, Netanyahu reportedly cut short his US trip and returned to attend a meeting of the Israeli security cabinet in Tel Aviv. According to Axios, America was very worried that such a trigger which "we have been worried about and tried to avoid for 10 months" had happened. The US was commenting on the Hezbollah bombing. While the world was expecting Israeli retaliation in Lebanon, the unexpected action in Tehran has come as a shock.

China was quick to condemn the assassination. Lin Jian, spokesperson for China's Foreign Ministry, said Beijing was "deeply concerned that this incident might lead to further instability in the regional situation". It was on July 23 that China had upstaged the carefully choreographed US visit by Netanyahu by managing to release a 'Bei-

The killing is going to put the lives of overseas Jews at risk at a time when the US is keen to bring about a ceasefire in Gaza as soon as possible.

jing Declaration' after hosting 14 Palestinian factions, including Hamas and Fatah, for three days in the Chinese capital. Hamas was represented by Mousa Abu Marzouk.

Mao Ning, another spokesperson for the Chinese Foreign Ministry, had said on July 23 that Palestinian leaders had unanimously agreed to sink their differences, hold an international conference under the UN auspices on Palestine, form a 'new Palestinian national council' under the existing basic law of Palestine, establish an interim national reconciliation government, carry out reconstruction in Gaza and prepare to hold a

general election.

China Daily published a picture of Foreign Minister Wang Yi with the representatives of Palestinian factions, who signed the declaration at the Diaoyutai State Guesthouse in Beijing on July 24, the day Netanyahu delivered his address to a joint session of the US Congress.

His fourth address to the Congress, surpassing even Winston Churchill's record of three orations, was marred by sharp attacks on him by leading US Congressmen. The Times of Israel said on July 24 that his "visit was barely registering among American officials amid dramatic developments in the US presidential race".

It said US President Joe Biden's 'abrupt' announcement on July 21 that he would address the nation on July 24, "just hours after Netanyahu's speech", and the absence of Vice-President Kamala Harris "due to scheduling" would "likely further divert attention from the Israeli leader".

The Times of Israel also quoted senior US Congressmen like Senator Bernie Sanders, who called Netanyahu a 'war criminal' and Senator Chris van Hollen of Maryland, "a prominent critic of

the Biden administration's Israel policies", who refused to be 'a political prop' for Netanyahu. It further said Rep Jerrold Nadler, "a Democratic leader and the highest-ranking Jewish congressman", would attend the speech but called Netanyahu "the worst leader in Jewish history since the Maccabean king who invited the Romans into Jerusalem over 2,100 years ago".

Was this disappointing US visit the reason for Israel to reject advice from American leaders and apparently embark on a perilous journey which now leaves open all possibilities of a regional war with Iran? Or was the operation involving Haniyeh assassination already too advanced in the pipeline that it could not be withdrawn after Netanyahu's US visit?

Mikhail Bogdanov, Russian Deputy Foreign Minister, called Haniyeh's assassination "an absolutely unacceptable political murder" which will lead to further escalation of tensions. Similar condemnation came from Turkey, Malaysia and Qatar.

Whatever may be the reason for this provocation, the consensus all over seems to be that this assassination is going to put the lives of overseas Jews at risk at a time when the US is keen to bring about a ceasefire in Gaza as soon as possible. Speaking to Al-Jazeera, Akiva Eldar, former Haaretz correspondent and analyst, mentioned the 1994 synagogue bombing in Argentina and said Netanyahu had betrayed the families of captives and millions of Israelis who wanted an end to the standoff.

China's diplomatic 'success' in West Asia as a conciliator among Palestinians, which, together with US pressure on Netanyahu, especially through the statement of Vice-President Harris that she would "not be silent on the suffering in Gaza", could have worked as small steps towards a Gaza ceasefire. However, the Haniyeh assassination on Iranian soil has destroyed all that.

Views are personal

THOUGHT FOR THE DAY

Our silence and complicity, especially on the situation in Gaza, shame us all. —Desmond Tutu

Saving Himachal tourism from decline

PRASHANT GAUTAM

THE monsoon has brought the curtain down on the tourist season in Himachal Pradesh. For reasons ranging from traffic snarls to steep taxes on tourist vehicles and aggressive marketing by other hill states, the state's tourism industry has suffered two consecutive bad years. That the revenue generated from tourism activities is the mainstay of the state's economy is no secret. However, this sector is fraught with challenges and missteps that threaten to undermine its potential.

Back in 2005-06, the state government was bitten by the disinvestment bug. It planned the privatisation of select properties of the Himachal Pradesh Tourism Development Corporation (HPTDC), starting with the famed Goofa Ashiana restaurant on the Ridge in Shimla. Yes, the very building crowned with a pointy hat-like slate canopy. A middle written by Prof Vepa Rao caught the then chief minister's attention and resulted in scuttling of the move. Rao, a noted columnist and a patron of the restaurant, had underscored the importance of Goofa Ashiana not only as a tourist landmark but also as an institution in the public life of Shimla.

Fast-forward to 2024: a video that went viral showed the tourism corporation's top officer giving a dressing-down to the staff for not donning caps in the kitchen of the restaurant. This video is a fit case study to explain negative marketing, organisational behaviour and the need for professionalism. The video, unintentionally, also laid bare to the public a kitchen in neglect, with poorly maintained walls and roofs. Of course, the management won't reprimand itself for its lapse.

Whether through direct or indirect taxes, or through income generated from the state-owned HPTDC, tourism has an immense untapped economic potential in Himachal. State tourism corporations, mandated with developing and facilitating tourism, are also entrusted with setting standards of service and pricing through their properties.

Throughout Himachal, scores of big and small HPTDC properties in the past have paved the way for tourism development in popular and offbeat areas. However, of late, the sector has been marred by poor management and a lack of vision. Investing in proper maintenance, professional management and genuine marketing efforts are essential to boost Himachal's tourism. However, service delivery in the short term and a viable road map for the long term are conspicuous by their absence.

Places like Goofa Ashiana reflect the collective memory and identity of the people. The same is true for HPTDC properties like the Club House in McLeodganj or Naggar Castle near Manali. Left to untrained and unprofessional managers, the economics is bound to come full circle, till one day bureaucrats propose the privatisation of these properties. This time, no citizen may be able to save them from becoming the subject of an elegy.

LETTERS TO THE EDITOR

Don't cross the red line

Apropos of the editorial 'Governor-CM spat', governors must act in accordance with the Constitution and not create problems for chief ministers. It is shocking to see them cross the Lakshmanrekha and embarrass CMs. It is not desirable for them to run a 'parallel' administration. In Punjab, the Governor and the CM had a confrontation over the appointment of vice-chancellors of state-run universities. The role of governors has also been under scrutiny in Maharashtra, Tamil Nadu and West Bengal. It is the duty of the Centre to ensure a harmonious relationship between CMs and governors.

SUBHASH C TANEJA, GURUGRAM

Not on the same page

With regard to 'Governor-CM spat', it is nothing new for governors and CMs to not be on the same page; it has happened in the past too, though not so frequently as today. The duties, responsibilities and functions of governors and CMs are well-defined and documented. The two constitutional functionaries can work together smoothly if they do not exceed their brief. It is no coincidence that such disputes have not been reported from states with a 'double-engine sarkar'. Attempts have been made to destabilise governments in Delhi, Goa, Maharashtra and Karnataka. The Supreme Court's repeated warnings to the Centre to stop such interventions, have fallen on deaf ears.

BM SINGH, AMRITSAR

Divisive rhetoric

With reference to the news report 'Caste remark at Rahul triggers uproar in the Lok Sabha', the uproar in the House over BJP MP Anurag Thakur's remark about Rahul Gandhi is lamentable. Thakur's taunt about Rahul's caste, while dismissing his call for a caste census, undermines the gravity of the issue. A caste census is crucial for addressing social inequalities and ensuring a fair distribution of resources. Personal attacks distract from a substantive debate and highlight the need for decorum and focus on national issues in parliamentary discussions. It's imperative that our leaders engage in a constructive dialogue rather than resorting to divisive rhetoric.

SAMRIDHI KAPOOR, PANCHKULA

Bhola drug case

Apropos of the news report '17 convicted, former Punjab DSP Bhola awarded 10-year jail in drug case', the conviction of Arjuna awardee wrestler-turned-cop Jagdish Singh Bhola in a drug trafficking case by a special PMLA court is a shot in the arm for the Enforcement Directorate (ED). Punjab has become a hub of drug smuggling. Niranjana Singh, the ED officer who probed the case against Bhola, has disclosed that he had faced threats and was also hounded by his seniors when he refused to compromise the investigation. Despite all the pulls and pressures, he remained unrelenting on his principles and took the case to its logical end. Such fearless investigating officers can be a game-changer for curbing the drug trade in Punjab and other states.

MD SHARMA, SHIMLA

Eco-friendly Olympics

Hats off to the organisers of the Paris Olympics for showcasing a sustainable and eco-friendly model of the sporting extravaganza. They have used clean and green energy, besides implementing the three 'Rs' — recycle, reuse and reduce — for the material used for making medals, furniture, etc. Electric boats for the opening ceremony and geo-positioned buoys for the competitions to limit anchoring in those areas are among the other noteworthy features. These environment-friendly concepts should be applied to all international events, not just sporting ones. Let's save the environment in order to save our planet.

PV SRINIVAS SREELEKHA, SECUNDERABAD

Prioritise rail safety

With reference to the train derailment in Jharkhand, this mishap lays bare critical gaps in our railway infrastructure, suggesting a pattern of neglect and inadequate maintenance. Despite numerous derailments, necessary preventive measures are still lacking, resulting in the tragic loss of lives. It is imperative that routine maintenance, timely inspections and swift remedial action become the norm. Furthermore, there ought to be transparency about the steps being taken to solve these problems and raise safety standards.

VARSHTA BHURA, ZIRAKPUR

Need to broaden National Security Doctrine canvas



KP SINGH
FORMER DGP, HARYANA

THE government is expected to protect the citizenry from all kinds of natural disasters and man-made crises by undertaking a variety of measures, including diplomacy for maintaining geopolitical balance, preserving economic interests, protecting territorial integrity, demonstrating military power and, above all, exhibiting a firm resolve to improve the domestic security environment. The objective of any national security doctrine (NSD) has to be ensuring the wellbeing of the nation and its people.

On the recommendation of the task force chaired by KC Pant, the National Security Council (NSC) was constituted in 1998 as an apex advisory body on national security, headed by the Prime Minister and including the ministers of finance, defence, home and external affairs. However, the NSC has not documented the NSD till date, from which the stakeholders might draw their mandate and formulate strategies

for tactical engagements. The NSD remains confined mainly to the national security schemes, focusing largely on military strategies and diplomacy in international relations.

In the draft National Security Policy prepared by Shyam Saran, former chairman of the National Security Advisory Board, in 2015, five key areas were identified for long-term planning and decision-making — domestic security, external security, military preparedness, economic security and ecological security. Though a broad national consensus on diplomatic engagements and issues of economic and ecological security has emerged, domestic security concerns have not risen above the political rhetoric and the agenda of electoral politics. It is disturbing to note that a difference of opinion on sensitive defence matters has started finding expression openly nowadays in the political and public discourse, underlining the need for having a consensus-based, documented NSD more than ever before.

Balancing of competing social and political ideologies, international diplomacy, military posturing and geopolitical interests are the key to formulating a meaningful NSD. Security experts of a conservative mindset often argue that in a multi-party democracy like India, it would not be easy to arrive at a consensus. Nor would it be



MENACE: Illegal immigration is a major threat to the nation's peace and stability. REUTERS

desirable to discuss the nitty-gritty of the NSD in the public domain. This is perhaps the reason policy-makers could not frame a comprehensive NSD and it remained a closed-door affair, monopolised by the ruling dispensation.

Discussions on the NSD in India revolve mainly around traditional matters of international relations and military strategies; internal security issues do not receive the attention they deserve. The international community recognises the geopolitical worth of a nation mainly on the basis of its domestic security environment. In fact, a sound

Domestic security concerns have not risen above the political rhetoric and the agenda of electoral politics.

internal security ecosystem is the backbone of a credible NSD, and it deserves consideration at all times.

Illegal immigration through land and sea routes is a major threat to peace and stability in India. The Rohingyas and Bangladeshi migrants have settled in large numbers in the foothills and lower Himalayan regions without an effective interception by the security forces; the demography of these areas has changed within a couple of decades, posing serious security threats to domestic peace and social balance. What is disturbing is the fact that

there is no systematic stock-taking of these illegal settlers and the security agencies do not even know the extent and locations of their settlements.

India cannot afford to ignore the early warning signals originating from European countries like France and England due to a change in their demography because of a missing population control policy; natives are suffering the ordeal of becoming ethnic and cultural minorities in their own homeland. Such indicators of discomfort and helplessness on the demographic front are already visible in some parts of India; maintenance of the demographic and socio-cultural status quo by adopting a well-stated population control policy has become relevant in the overall spectrum of the NSD.

Drug abuse is rampant throughout the country, especially in the North-East and border states of northern and western India. The much-hyped demographic dividend has already been neutralised by unemployed youth addicted to drugs for want of appropriate and adequate state policy interventions.

Fundamentalists and radical elements, who mislead people by resorting to misinterpretation of religion and conversions based on financial allurements in the name of free-

dom of religion, deserve strict sanctions. Discriminatory and derogatory religious mores and teachings which have a bearing on the domestic security scenario need to be discarded by spurring reforms from within the religion, or through befitting legal enactments.

Half of India's soil cover is prone to floods every year, whereas adequate drinking water is not available in many parts during the summer months. Aquifers have been depleted mindlessly and the water table is going down every year due to a lack of water harvesting initiatives. Water shortage is posing an existential threat to civilisation the world over. Water resource management should be one of the main areas of concern for the national security stakeholders.

Social irritants triggering mass movements are infectious; we cannot afford to ignore the mass movement going on in Bangladesh on the issues of reservation and unemployment, as India is similarly circumstanced.

Therefore, a paradigm shift is required in the approach of policy-makers to broaden the canvas of the NSD and break away from the stereotypes. The superstructure of national security can only be raised on the bedrock of homeland security.

Regional inequality putting brakes on Haryana's growth rate



SHER SINGH SANGWAN
EX-PROFESSOR, CRRID, AND FORMER GM, NABARD

HARYANA has been among the states with the highest per capita income since 2005. It ranked fourth in attracting foreign direct investment from October 2019 to March 2024 (Invest India, GoI). In terms of 'invested capital', Haryana is at the sixth position, as per RBI data. Fixed capital as a percentage of the invested capital is 66 per cent in Haryana as compared to 78 per cent in Gujarat, 68 per cent in Maharashtra and Tamil Nadu and 58 per cent in Punjab. The lower percentage indicates higher investment in trade and service activities, the multiplier effect of which is much less than fixed capital investment. It may be one of the reasons that the growth rate of the Gross State Domestic Product (GSDP) in Haryana during 2022-23 was 11.7 per cent, less than that of Maharashtra (14 per cent), Gujarat (13.1 per cent) and Karnataka (14.2 per cent).

Even the growth rates of the GSDP of Rajasthan, West Bengal and Uttar Pradesh were higher during 2022-23.

The question is: what factors are dragging Haryana's growth rate down despite its proximity to the big consumption market of Delhi, a good electricity position and a network of national highways and railways linking it to other states?

One of the reasons is the unequal district-wise development, which brings down the average of the state. This issue was highlighted in the 'white paper' of the state government in March 2015. The districts of Hisar, Bhiwani, Charkhi Dadri, Mahendragarh, Palwal and Nuh had just about 20 per cent per capita income compared to the districts of Gurugram and others on the Delhi-Chandigarh National Highway (NH-44). Despite frequent announcements of inclusive development in the state, regional inequality has not changed much in the last 10 years. The state has hardly set up any new industrial estate, industrial model township or food parks in the southern districts. Even the industrial estates and model townships set up before 2014-15 at Rohtak and Barhi are yet to be optimally utilised. New investments in recent years have



IMPERATIVE: Haryana does not lack entrepreneurs; what it needs to improve is its work culture. FILE PHOTO

taken place along NH-44, in the districts of Sonapat, Panipat, Karnal, Ambala and Gurugram. Thus, regional inequality may have further accentuated.

The second reason could be the flawed policies. For instance, instead of capturing the Delhi consumer market, the industrial estates and food parks in Haryana are used by Delhi traders and others without benefiting Haryana and its people. In 2015-16, while surveying some food processing units in the food park at Rai in Sonapat, a few flour mills and dal-processing units reported that they were only doing the work of Delhi traders to avoid taxes in Haryana.

Despite the talk of inclusive development, not much has improved in the last 10 years.

Some big traders from Delhi were processing their products with separate processing and user units. Even the labourers employed in these units were from outside Haryana. The big businessmen/entrepreneurs persuade the state government to create industrial estates near Delhi instead of distant places like Charkhi Dadri, Bhiwani, Hisar, Nuh and Loharu, despite relatively cheaper land in those places. Owing to policy loopholes, these districts have lost many old units — big oil-exPELLERS and Delhi Cloth Mill from Hisar, *guar* and *niwar* units from Bhiwani, Dalmia cement factory in Dadri,

Atlas Cycles in Sonapat, and scientific instruments units in Ambala, which have mostly shut shop or shifted out of the state.

The third key reason is the poor enforcement of law and order, coupled with a negative work culture and the aggressive stance of workers' unions. Many units in Jind and Bahadurgarh that were set up in the 1980s were closed due to combative union activity. There have been recent reports about the killing of a financier in Rohtak, the murder of a shopkeeper in Hansi and extortion threats in Hisar and other places. Gangs of youth in pursuit of quick money are an obstacle to attracting big investors in the interiors of Haryana. Even a High Court Bench for southern districts — promised in 2014 for the purpose of speedy justice — is still a distant dream. These districts are also located far away from the administrative offices and credit institutions situated in Chandigarh and Panchkula.

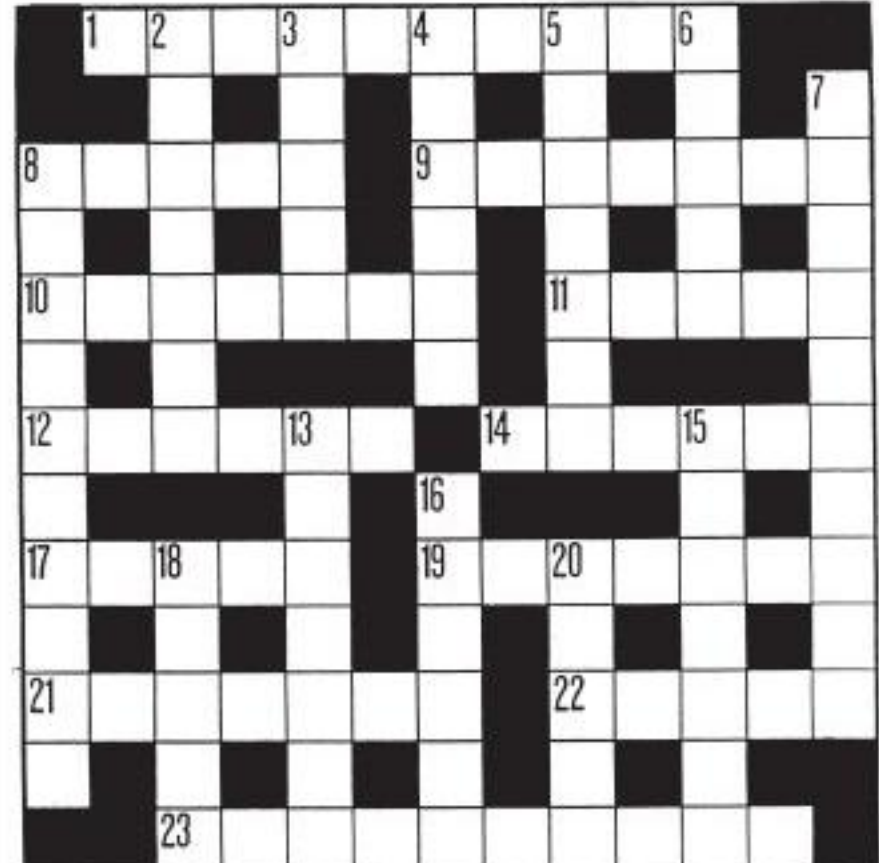
Even 58 years since its creation, Haryana does not have its own capital and is being administered from one corner of the state. At least director-level offices can be shifted to suitable central places — for example, agriculture and electricity departments in Hisar, the industry department in Panipat or Gurugram, and that of

irrigation at Kurukshetra.

Haryana does not lack entrepreneurs; what it needs to improve is its work culture. Many Haryanvis are well established in businesses and industries in other states, including Sikkim. Several have become big industrialists or traders after migrating to Gujarat in the past 40 years or so. One of the reasons for their rapid growth, they claim, is that having paid taxes to the government, there is hardly any disruption to their business activity by non-state actors. These realities do not get highlighted in the media perhaps on the pretext of promoting the 'good governance' image of states, including Haryana. But this is the critical factor that affects investment.

To illustrate this point, I quote the late Rashpal Malhotra, founder of CRRID (Centre for Research in Rural and Industrial Development): "Once Lalu Prasad Yadav, then Chief Minister of Bihar, invited Ratan Tata and asked him why he was not investing in Bihar, which had ample raw material and even a cheap labour force. Tata replied, 'Sir, industrialists are like pigeons who fly away at the slightest thud.'" If there are continuous thuds and disruptions in a region, investors prefer to stay away.

QUICK CROSSWORD



ACROSS

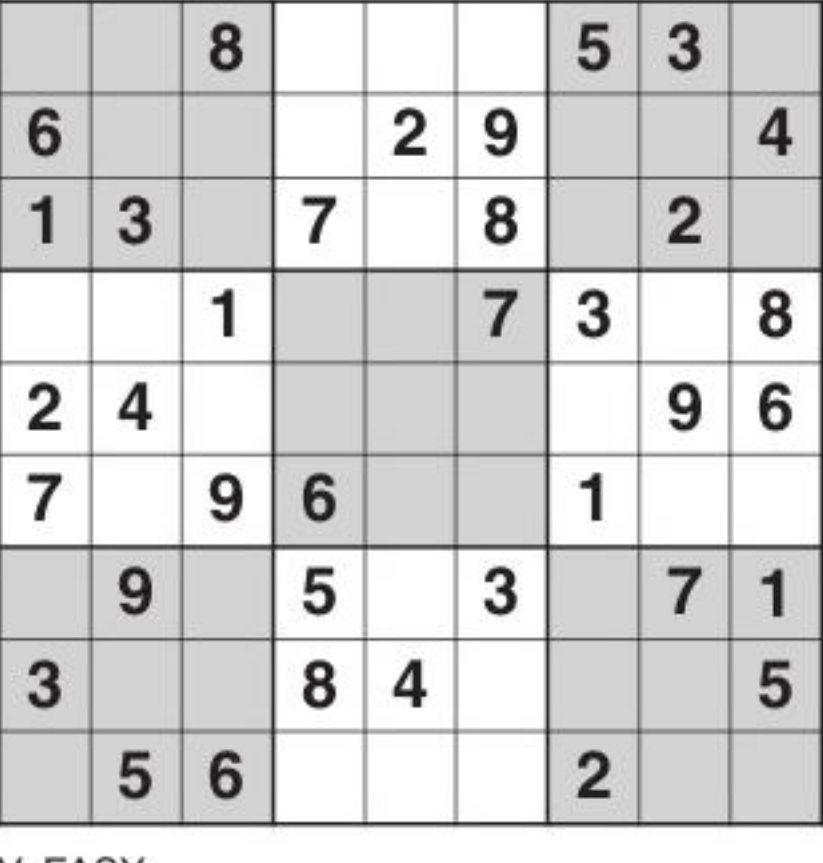
1 Without flaw, irrefutable (10)
8 Quiet in colour (5)
9 Gathering of old comrades (7)
10 Futile (7)
11 Give false idea of (5)
12 Homecoming (6)
14 Withstand difficulty (4,2)
17 Drink to the dregs (5)
19 Narrow-minded (7)
21 Seek to achieve (7)
22 Easily provoked (5)
23 Inscrutable (5-5)

Yesterday's solution

Across: 1 Shelve, 4 Prop up, 9 Counsel, 10 Alter, 11 Erect, 12 Zambezi, 13 Far-reaching, 18 Clapper, 20 Anglo, 22 Troop, 23 Instant, 24 Hustle, 25 Python.

Down: 1 Sachet, 2 Elude, 3 Visitor, 5 Realm, 6 Pattern, 7 Permit, 8 Blaze a trail, 14 At a loss, 15 Hearsay, 16 Scotch, 17 Molten, 19 Pupil, 21 Graph.

SU DO KU



V. EASY

FORECAST

CITY	MAX	MIN
Chandigarh	34	28
New Delhi	33	27
Amritsar	36	30
Bathinda	35	29
Jalandhar	35	30
Ludhiana	35	29
Bhiwani	34	29
Hisar	36	30
Sirsa	37	30
Dharamsala	27	19
Manali	26	16
Shimla	23	16
Srinagar	30	20
Jammu	32	27
Kargil	30	15
Leh	28	14
Dehradun	33	24
Mussoorie	21	17

CALENDAR

AUGUST 1, 2024, THURSDAY

- Shaka Samvat 1946
- Shravan Shaka 10
- Shravan Parvishle 17
- Hijari 1446
- Krishna Paksha Tithi 12, up to 3.30 pm
- Vyagatha Yoga up to 12.50 pm
- Mrigshikha Nakshatra up to 10.24 am
- Moon in Gemini sign

Halwa politics

Rahul Gandhi raises the issue of the caste census in Parliament using halwa as a metaphor

It all began when Leader of the Opposition of Lok Sabha Rahul Gandhi used the traditional 'halwa' preparation ceremony following the budget presentation to question the involvement of marginalised community members in the budget process. He extended the metaphor by noting that only high caste people are involved in making the halwa who distribute it to the elite sections of population. It did not go down well with the treasury benches and the pandemonium followed. Parliament has been engulfed in chaos over the contentious issue of a caste census for long. This debate not only stirred up intense discussions but also led to a significant clash between Congress leader Rahul Gandhi and former Union Minister Anurag Thakur. Prime Minister Modi backed Thakur. He took to Twitter saying, "this speech by my young and energetic colleague Shri Anurag Thakur is a must-hear. A perfect mix of facts and humour, exposing the dirty politics of the INDI Alliance." Thakur had hit back at Gandhi over



his speech in the Lok Sabha saying people who do not know their caste are asking for caste census. The demand for a caste census has been a long-standing issue taken up by the INDIA bloc. Proponents argue that it is crucial for understanding the socio-economic conditions of various castes and for formulating targeted welfare policies. India has a complex caste system that significantly impacts social and economic dynamics. A caste census would help identify disparities and enable the Government to address them more effectively. Indeed, a comprehensive caste census would provide detailed data on the socio-economic status of different castes.

which is vital for creating effective policies and programs aimed at uplifting marginalised communities. Many marginalised communities continue to face discrimination and lack of opportunities. A caste census could highlight these issues and pave the way for targeted interventions to promote social justice. The Opposition, particularly the Congress party, has been vocal in advocating for it. Rahul Gandhi has emerged as a leading voice, arguing that a caste census is necessary for ensuring social justice and equitable development. He contends that without accurate data, the government cannot effectively address the needs of marginalised communities. On the other hand, Anurag Thakur has taken a firm stance against the opposition's demand. Thakur argues that the government is already implementing numerous schemes aimed at social upliftment and that a caste census may lead to further division within society. Thakur accused the opposition of playing divisive politics and undermining the Government's efforts to promote inclusive development. As the pandemonium in Parliament continues, the issue of caste census remains unresolved. The caste census can be a turning point in deciding Government's approach to welfare. The issue should not die in the din of Parliament.



Children play at fountains near Lal Chowk on a rainy day in Srinagar

PTI

Budget prioritises applied research but neglects basic science

Promoting applied research at the cost of fundamental sciences, like physics and ecology, could jeopardise scientific progress and innovation

The recent budget emphasises operationalising the Anusandhan National Research Fund (ANRF) for research and prototype development and increasing private participation in generating funds for research. Though these are commendable, the government should consider a few academic and research community apprehensions. One main concern is the declining trend among researchers and policymakers towards supporting basic science research. Basic science, sometimes called fundamental or pure science, is driven by curiosity and the quest for understanding the underlying principles governing the natural world without immediate concern for practical applications. Discoveries made through basic research often lay the groundwork for subsequent advancements. For instance, a theoretical endeavour to understand atomic and subatomic particles and quantum mechanics initially led to the development of tech-



nologies such as semiconductors and MRI machines. This expansion of knowledge is not merely an academic exercise; it creates a foundation upon which applied sciences can build. We need good physics, chemistry, mathematics, and biology researchers to do this. Unfortunately, our teachers fail to convey the application of basic research to the student community. Natural calamities are recurring in every part of our country. Still, we haven't deliberated with our researchers working in the field of ecology, climate studies or the environment. Biodiversity and the environment are the lifelines of our planet, and we need good researchers to study them in the future. Unfortunately, research in

systematics, ecology, etc., hardly gets the attention of our policymakers. We hardly have a national institution whose mandate is systematics or ecology, though these are part of many institutions as a division. Researching with sophisticated instruments in the lab is comparatively easier than researchers in the field. Why should a researcher spend years in a forest studying wildlife? They are real scientists who are providing yeoman service to the nation. Unfortunately, they are not getting enough recognition or acceptance from our policymakers or society. Because of this, many good researchers passionate about fundamental science research are moving towards more lucrative areas. This will create a cavity in our future scientific knowledge base. Policymakers should understand that the success we have received in space research or health care in recent times is because of the strength of the fundamental science we have built over the peri-

od. We need to create an environment where basic science education and research are promoted. For this, the government should allot part of the budget for ANRF exclusively for basic science research. The huge financial investment required for basic science and the uncertainty of results may deter private entities from funding such endeavours. But if we neglect basic science in the long run, our science will suffer badly. The stagnation of basic science can lead to a lack of new theories and principles, which hinders the development of innovative technologies and solutions. The government should prioritise basic science research in policy documents and provide necessary support to researchers working in the field. We can address emerging challenges only if we have a robust basic science workforce. (The writer is an adjunct faculty at the National Institute of Advanced Studies, Bengaluru; views are personal)



BIJU DHARMAPALAN

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Delhi sinks in cesspool of Government apathy

Recent tragedies, such as the flooding of a coaching institute basement that claimed three young lives, highlight Delhi's mismanagement



Historical writings many times create a perspective of adulation for some of the most undeserving characters. Take the instance of Bahadur Shah Zafar, the last of the Mughal dynasty, whose rule started in Shahjahanabad and ended at Palam. He was extended by the British for his connivance with the rebellious soldiers and died in Myanmar. His 'tragedy' is best known by the lines which he penned himself before he died. He wrote, 'kitna hai badnasib zafar dafn ke lie do gaz zamin bhi na mili ku-e-yar m?' (How unfortunate is Zafar! For his burial; Not even two yards of land were to be had, in the land of his beloved.). In the popular culture, it's seldom recalled that he was a worthless leader, incapable of administering, always cribbing and too preoccupied with palace conspiracies. Nearly 150 years later, we in Delhi have a government which is as Zafaresque in its bearing as the Mughal rule in 1857. The day leaders from INDIA block converged in the national Capital in the support of incarcerated chief minister of Delhi Arvind Kejriwal, the same evening his party ruled Delhi government and the Municipal Corporation of Delhi (MCD)

presided over a catastrophe in the flooded basement of a coaching institute in the heart of the national Capital. Nobody among those supposed to be in charge of the city administration seems to be mourning the loss of three young lives. They in typical Zafaresque style are busy blaming one and all possible. Kejriwal's regents in the Delhi government have done their bit. Minister Atishi Marlena has said that she has ordered a magisterial enquiry, which you can bet would have no clear finding to present. Her colleague Saurabh Bhardwaj has claimed that though he holds meetings with the officials nobody listens to him. Not to leave behind, city's Lieutenant Governor Vinai Kumar Saxena too has joined the charade blaming the city government and the MCD for not taking the necessary initiative to prevent such a tragedy. In the midst of all this, our modern-day Zafar aka Arvind Kejriwal would be busy penning another sob story in his prison cell about his persecution and alleged continuous loss of weight. How do you expect the MCD to be functional when you have a Mayor

KEJRIWAL'S REGENTS IN THE DELHI GOVERNMENT HAVE DONE THEIR BIT. MINISTER ATISHI MARLENA HAS SAID THAT SHE HAS ORDERED A MAGISTERIAL ENQUIRY, WHICH YOU CAN BET WOULD HAVE NO CLEAR FINDING TO PRESENT

who is unauthorisedly occupying the chair much beyond her term expired? Shelly Oberoi is a beneficiary of the political crisis engulfing Delhi. The Lieutenant Governor scuttled the election of the new Mayor because the file did not have a note by the Chief Minister, who could not put his pen on the file as he was in jail. That was the technical reason but the political reason was that the Bharatiya Janata Party (BJP) did not want to have an embarrassment ahead of the Lok Sabha elections losing the Mayoral polls. Now that the polls are over and the BJP has won all the seven Lok Sabha seats in the national Capital, the Lieutenant Governor could have gathered sufficient wisdom to allow an election and have somebody head the municipal body who was authorised to do so. The Municipal Corporation of Delhi works through various committees, including the one responsible for keeping the drains in the city clean. Ever since the AAP came to power in MCD in 2022 with a thin majority, the slugfest between AAP and BJP has ensured that most of these powerful committees have remained non-functional.

When such a stalemate has swamped the Civic Centre, the headquarters of the MCD, how does one expect the city to have civic governance? During the last Lok Sabha polls earlier this year, the campaign in the city was cantankerous focusing mostly on mudslinging. It was a campaign where the issues about Delhi were all lost in the bitter cacophony. No wonder even after the polls issues of Delhi remain unaddressed. There is no indication that it will be addressed anytime soon. While Kejriwal continues to play a Zafar albeit his rule does not extend beyond his cell in Tihar Jail, the Centre through its representative is in the role of Nero, the Roman emperor who once famously said, "I have only to appear and sing to have peace once more in Gaul." Delhi has been sans governance for several years and will take several years to bring it back on the rails. The Centre should realise that it cannot continue to play Nero but intervene and save it from the kind of destruction that Rome faced. (The writer is an author and president, the Centre for Reforms, Development & Justice; views are personal)

LETTERS TO THE EDITOR

NEED FOR RAILWAY SAFETY AUTHORITY

Madam — There is an urgent need to establish a railway safety authority as a statutory body with powers to frame safety standards, conduct audits, enforce accountability, and investigate accidents. Improved communication and coordination among railway boards, zonal railways, divisions, and production units are essential. Increased funding for track renewal, bridge repair, signaling upgrades, and coach refurbishment is crucial. Advanced safety systems like Anti-Collision Devices (ACDs), Train Collision Avoidance System (TCAS), Train Protection Warning System (TPWS), and Automatic Train Control (ATC) should be installed to ensure passenger safety and reduce accidents. The recent derailment of the Howrah-CSMT Express, resulting in two deaths and 20 injuries, underscores the need for these measures. Learning from Japan's Shinkansen, which has maintained a perfect safety record with advanced systems, could be highly beneficial. Dimple Wadhawan| Kanpur

TRAGIC LOSS OF LIVES OF IAS ASPIRANT

Madam—The tragic loss of three civil services aspirants who drowned in a rain-flooded basement of a coaching centre in Delhi is heart-wrenching. This incident highlights the apathy and connivance of officials who turned a blind eye to urban planning violations. The coaching centre flouted all safety norms, using its basement as a library despite regulations. The city's drainage system, clogged due to rampant illegal constructions, exacerbated the situation. A thorough investigation is necessary to fix responsibility. Both state and central governments must learn from this tragedy, review the status of urban bodies, and strictly enforce norms to prevent such violations. It is deplorable that the negligence of authorities and the greed of the coaching centre led to such a loss.

Manu Bhaker's historic Olympic win



Kudos to India's shooting ace Manu Bhaker for making history by becoming the first Indian post-independence to win two medals in a single Olympics. Bhaker and her partner Sarabjot Singh secured bronze in the 10M Air Pistol Mixed Team event, defeating the Koreans 16-10. This added to Bhaker's earlier bronze in the Women's Individual 10M Air Pistol event, making her the first Indian since Norman Pritchard

in 1900 to achieve such a feat. Congratulations to the Indian shooting pair for winning the country's second bronze medal at the Olympics. Bhaker's composure amidst the hype is commendable, and she stands as an inspiration for every Indian youth with her dedication and love for the sport. In closing, Manu Bhaker's remarkable achievements at the Olympics have etched her name in history and brought immense pride to India. Her success, alongside Sarabjot Singh, in securing bronze medals in both individual and mixed team events showcases their exceptional talent and teamwork. Bhaker's unwavering dedication and resilience serve as an inspiration to young athletes across the nation. We extend our heartfelt congratulations to both Manu Bhaker and Sarabjot Singh for their outstanding performances and wish them continued success in their future endeavors.

Bidyut Kumar | Faridabad

Worse still is the blame game between Delhi's state and central governments, which overshadows the tragedy. DVG Sankara Rao | Vizianagaram

CRICKET HAS CHANGED

Madam — Apropos the article, "The evolution of cricket and umpiring", published on July 22, 2024, this is my response. Cricket has undergone metamorphosis of change and it has become more and more a technology-driven sport like most of the modern day sports. The advent of ODIs and followed by T20Is, including of course the IPL, have all attracted millions of fans across the globe and have taken the game to its highest pedal. English counties propelled the sport in the late 19th century, and it was around this time cricket went international, with the US and Canada playing each other first, followed by Australia's tour of England, which led to the creation of The Ashes. Perhaps, this period formed the basis of the worldwide status cricket now has. Throughout the 20th and

21st century, cricket retained its core rules, but later became a much more skill-based sport. On top of this, the technological advancements made across the sporting world meant that cricket was changing for players, officials and as well the spectators. 'Ball tracking' is one of the key technological innovations in the game, which not only meant better analysis of a bowler's technique, but also the ability to better read LBWs by tracking the ball's path trajectory. Living at a time where T20 internationals have become the most popular of all the three formats, cricket has seen a big surge in viewership. No wonder, being the game's super power, India's recent T20 world cup win at Barbados will only take the game to its extraordinary heights like never before. It is one sport that is liked by every Indian and binds India like no other sport. Ranganathan Sivakumar | Chennai

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FIRST COLUMN

FROM HURT TO HEALING

By understanding our desires and analysing our actions, we can find ways to heal ourselves



RAJYOGI BRAHMAKUMAR NIKUNJ JI

Nobody can hurt me without my permission, said Mahatma Gandhi, however, the truth is that most of us hurt each other in our relationships and we do it because we just want to do it. There is no larger reason for it, but it's something that just happens. According to psychologists, most people hurt someone because they want something they think they can't have, or have something they don't want. If we closely observe ourselves, then we would find that most of us are in one of the above two conditions, and we don't know what to do about it, hence we think that the only method of getting what we want is to hurt someone. So, is this the only way out? Is it the right method to follow? We all know it's wrong because it creates a lot of pain on both sides, so why do we do it? Simply because we don't understand how to have that thing that we badly want or get rid of that thing that we do not need without hurting. There may be numerous reasons for us to hurt people, however the most common of them is 'unfulfilled expectations' which we all experience in our various relationships. Take for example, we just met someone and have fallen in love with him/her. Now before there is any kind of exchange of feelings, we just start dreaming about things that are totally out of context. After a lot of pursuing, chasing and pushing, when we finally fail to get the desired reply from the other end, we start feeling miserable and then start blaming the person by saying things like 'You



hurt me', 'You broke my heart' etc. We should sit aside in a quiet corner and ask ourselves whether our expectations right from the beginning were realistic. Did the opposite person give us any inclination to believe so that he/she also feels the same as we are feeling? Were feelings of love mutual on both sides? When it was time to understand what he/she was saying, we were building love castles in the air, when it was time to give some space to the opposite person, we were suffocating the person with our forced love & affection. Is this the right kind of behaviour? Remember! Any kind of one-sided relationship is extremely painful and maleficent because it makes you feel like a spare part in someone else's life as if you aren't as important to them as they are to you. Hence to prevent oneself from such pain and agony, it is best to have clear communication with the person whom you have feelings for. It doesn't matter what kind of a relationship you are in, but you have got to communicate your feelings because when we open the door of a dialogue, we open our hearts. So always express yourself because carrying the burden of unspoken words can take a toll on you. It's 100 times better to say what you genuinely feel rather than repeating 'I love you' 100 times. However, it's so unfortunate that most of us prefer to bleed from within and stick to our 'no expressing' stubbornness. A wise person would thus always think about these reasons when being hurt rather than wasting time on 'Why me?' So c'mon don't give up so easily because life is too short for such mundane things, just forget what hurt you but never forget what it taught you. Learn your lessons and move on. *(The writer is a spiritual educator and popular columnist; views are personal)*

Reforming the personal income tax regime



UTTAM GUPTA

In the Budget for 2024-25, Finance Minister has made the 'new regime' of personal income tax more appealing, while continuing to rationalise the capital gains tax structure



In the Union Budget for 2024-25, Finance Minister Nirmala Sitharaman has endeavoured to make the 'new regime' of personal income tax (PIT) a bit more attractive besides continuing the process of 'rationalising' and 'simplifying' the structure of capital gains tax (CGT) that was started in her budget for FY 2023-24. Sitharaman had introduced the new PIT regime in the Budget for 2020-21. Even while retaining a 5 per cent tax for annual income in the Rs 250,001-Rs 500,000 range (as under the old regime before 2020-21), on income higher than Rs 500,000, the government levied: 10 per cent on Rs 500,001-Rs 750,000; 15 per cent on Rs 750,001-Rs 1,000,000; 20 per cent on Rs 1,000,001-Rs 1,250,000; 25 per cent on Rs 1,250,001-Rs 1,500,000. For income above Rs 1,500,000, the 30 per cent tax continued. Unlike the old regime where persons could claim annual exemptions and deductions on long-term investments up to a maximum of Rs 375,000, none was allowed under the new regime. However, individuals were given the choice to go either for the new regime or continue with the old regime. In the Budget for 2023-24, she altered the tax new structure to provide for nil tax on income up to Rs 300,000; 5 per cent tax on income in the Rs 300,001-Rs 600,000 bracket; 10 per cent in the Rs 600,001-Rs 900,000 bracket; 15 per cent in Rs 900,001-Rs 1,200,000; 20 per cent in Rs 1,200,001-1,500,000; and 30 per cent on above Rs 1,500,000. Besides, salaried persons and pensioners can also claim a standard deduction of Rs 50,000. This was much better than the 2020-21 package. Under it, a person with an annual income of say Rs 1,500,000 needs to pay Rs 140,000 as tax when compared to Rs 150,000 payable under the old regime albeit with tax breaks. Besides, the former left the person with cash-in-hand of Rs 1,360,000 against only Rs 975,000 under the old regime (after paying tax Rs 150,000 and investment Rs 375,000). Furthermore, under the new (modified) regime a salaried person won't have to pay any tax on annual income up to Rs 750,000. In the Budget for 2024-25, the FM has further tweaked the slabs to provide



IN CASES WHERE THE STRATEGIC SALE IS MOOTED, THE GOVT FACES A BIGGER CHALLENGE AS APART FROM A FAVOURABLE MARKET, IT NEEDS BIDDERS WITH DEEP POCKETS

for nil tax on income up to Rs 300,000; 5 per cent tax on income in the Rs 300,001- Rs 700,000 bracket; 10 per cent in the Rs 700,001-Rs 1000,000 brackets; 15 per cent in Rs 1000,001- Rs 1,200,000; 20 per cent in Rs 1,200,001-1,500,000; and 30 per cent on above Rs 1,500,000. Besides, salaried persons and pensioners can now claim a standard deduction of Rs 75,000. For a person with an annual income of Rs 1,500,000, these changes will yield an incremental savings of Rs 15,000 over the tax payable as per the 2023-24 budget. She will need to pay only Rs 125,000 as tax. Moreover, a salaried person won't have to pay any tax on annual income up to Rs 825,000 up from Rs 750,000 earlier. Already, nearly two-thirds of those filing IT returns have shifted to the new tax regime. The additional sweetener from the 2024-25 budget will incentivize more persons to shift. Coming to CGT, the subsisting tax rates varied widely depending on the asset such as equity shares, bonds, physical assets, listed or unlisted, holding period, etc. This was prone to arbitrage/misuse, evasion and protracted litigation. Last year, the government began the process of reforming it. In the Finance Bill, 2023 passed by the Lok Sabha on March 24, 2023, it amended to change the tax treatment of capital gains from non-equity or debt mutual funds (DMF). DMF is a scheme that invests in fixed-income instruments, such as corporate and government bonds, corporate debt securities, money market instruments etc. that offer capital appreciation. Earlier, any capital gain on redemption of units in a debt fund held for three years or longer was treated as long-term capital gain (LTCG) and taxed at a flat 20 per cent with the

benefit of indexation (it adjusts the cost of a person's investment to account for inflation, effectively reducing her capital gains and in turn, her tax liability). Any capital gain on redemption of units before three years was treated as short-term capital gain (STCG) and taxed at an individual's income tax (albeit personal) slab rate. The amendment dispensed with this distinction in the case of 'Specified mutual funds' (SMFs) which essentially refer to mutual funds where not more than 35 per cent of their total proceeds are invested in equity shares of domestic companies. As a result, gains arising from SMFs irrespective of the period for which the units are held by investors are deemed STCGs and hence, liable to tax at the rate applicable to the slab in which their total income falls. The new tax treatment effective from April 1, 2023, also applied to exchange-traded funds (ETFs), gold funds, outbound mutual funds equity funds etc. In the budget for 2024-25, the FM has gone for a major overhaul of the CGT regime. For all categories of assets – financial or physical, listed or unlisted – except debt and non-equity MFs and unlisted bonds, long-term capital gains (LTCG) will attract tax at a uniform rate of 12.5 per cent. The holding period for deciding long-term is 24 months except in the case of stocks, equity mutual funds and REITs/InvITs where the threshold is 12 months. In the case of debt and non-equity MFs and unlisted bonds, the gains will be taxed at the applicable slab rate. For assets held for less than 24 months, short-term capital gains (STCG) will be taxed at the applicable slab rate. However, in the case of stocks, equity mutual funds, listed bonds and REITs/InvITs, the STCG will be taxed at 20 per cent. This is up from

15 per cent levied earlier. Pertinently, for these instruments, even the LTCG tax of 12.5 per cent is higher than the 10 per cent levied earlier. Three broad messages emanate from these changes. First, these reward long-term investors who will now pay LTCG of 12.5 per cent down from 20 per cent or the applicable slab rate (generally 39 per cent) earlier depending on the asset class. A higher annual exemption limit of Rs 125,000 (up from the existing Rs 100,000) from LTCG from stocks and equity MFs is an added sweetener. Second, while reducing the LTCG tax rate, FM has taken away the benefit of indexation. This way she has plugged a major source of revenue loss in the real estate sector whereby developers could drastically reduce the tax outgo by taking advantage of indexation. However, owners of old houses acquired before 2001 (ancestral property) have been spared as they will continue to get indexation benefits. Third, investors looking for short-term gains pay more as the STCG tax rate on stocks and equity mutual funds now is 20 per cent up from 15 per cent earlier. These persons being mostly rich persons/high net-worth individuals with surplus funds, Sitharaman's endeavour to collect more tax from them is fully justified. The new CGT regime is undoubtedly a big improvement. However, the government should aim at a structure where irrespective of the asset class, listed or unlisted and the holding period, the capital gains arising therefrom are an addition to her income in the relevant year. Therefore, tax should be levied at the rate applicable to the slab his total income falls in (all sources put together). *(The writer is a policy analyst; views are personal)*

The OTT platforms are redefining star power and entertainment

These platforms not only showcase diverse stories and talents but also help actors reach a global audience and achieve instant stardom

In today's rapidly changing entertainment landscape, Over-the-Top (OTT) platforms have emerged as a powerful force in redefining how we consume content and perceive celebrity status. These platforms have not only revolutionized the way stories are told but also introduced a new breed of superstars, offering actors opportunities to gain recognition and connect with audiences on a global scale that rivals traditional commercial movie stardom. The accessibility of content through platforms like Netflix, Amazon Prime, and Disney+ has disrupted the established order in both Hollywood and Bollywood. Unlike conventional cinema, where fame often dictated success, OTT platforms prioritize diverse



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storytelling and talent. This shift has empowered actors who were previously relegated to supporting roles or lesser-known projects to take center stage and achieve instant fame. For instance, actors like Nawazuddin Siddiqui, Pankaj Tripathi, Vijay Varma, and Jaideep Ahlawat in India, along with Phoebe Waller-Bridge in the West, have risen to stardom through standout performances on OTT platforms.

These digital stages provide a unique opportunity for actors to connect with audiences worldwide, transcending borders and cultural boundaries. OTT platforms have also given rise to a new form of celebrity influence, one that values performance, quality, and character relatability over traditional box office metrics. The popularity of these stars is rooted in their ability to connect with audiences through captivating stories and authentic performances. This evolution has opened doors for exploring a wide range of genres and unconventional characters, allowing actors to showcase their versatility and depth. By stepping beyond the typical main character archetypes, actors now have the opportunity to portray

complex roles that not only highlight their talent but also solidify their star status and diversify their portfolios. What sets OTT stars apart is their relatability and authenticity, which enhances their appeal. Unlike traditional movie icons who are often seen as larger-than-life figures, OTT stars are perceived as more down-to-earth and relatable. This relatability translates into strong brand value, as audiences feel a deeper connection to these actors and their on-screen personas. OTT platforms also serve as a hub for brand collaborations, where actors endorse products that align with their on-screen personas. This integration of content and commerce has opened up new avenues for revenue generation for actors,



while also boosting their brand image. Additionally, OTT platforms have the distinct advantage of reaching a larger and more diverse audience, further enhancing their appeal. The influence of OTT platforms is also evident in how they have breathed new life into theatrical releases. There is now a "reverse osmosis"

effect where movies that may have had limited box office runs or regional appeal find broader audiences and renewed popularity when released on streaming services. Moreover, the allure of OTT platforms has attracted big stars and celebrated directors to create original content specifically for streaming audiences. Renowned filmmakers and top-tier actors, who traditionally dominated the theatrical space, are now embracing the creative freedom and diverse storytelling opportunities offered by OTT platforms. High-profile projects like Martin Scorsese's "The Irishman" on Netflix and Sanjay Leela Bhansali's "Heeramandi" are prime examples of this shift. During the COVID-19 pandemic,

when theaters were shut down, OTT platforms not only sustained the entertainment industry but also thrived as the sole infotainment channel for audiences. The era of DVD rentals and brick-and-mortar video stores has given way to the convenience of streaming services, which offer a vast library of movies and TV shows at the click of a button. Streaming platforms have emerged as launchpads for movies and series that gain immense popularity, often surpassing traditional cinema. Shows like "Stranger Things," "Money Heist," and "Sacred Games" have garnered cult followings, turning their actors into global sensations. The viral nature of streaming content, combined with its global accessibility,

can catapult relatively unknown actors and smaller productions into the limelight, achieving a level of fame that rivals big-budget blockbusters. OTT platforms also cater to niche audiences by offering content that may not have widespread commercial appeal but resonates deeply with specific viewer groups. This has allowed for a variety of stories and genres to thrive, from indie films to experimental series. By tapping into these niche markets, OTT platforms have redefined the concept of a "hit," allowing for diverse forms of success that go beyond traditional box office. *(The writer is former Addl. DG DFF & Festival Director IFFI, Views are personal. Inputs: Zoya Ahmad, Vaishnavie Srinivasan)*