

States of change

Significant power shift in Andhra Pradesh, Odisha

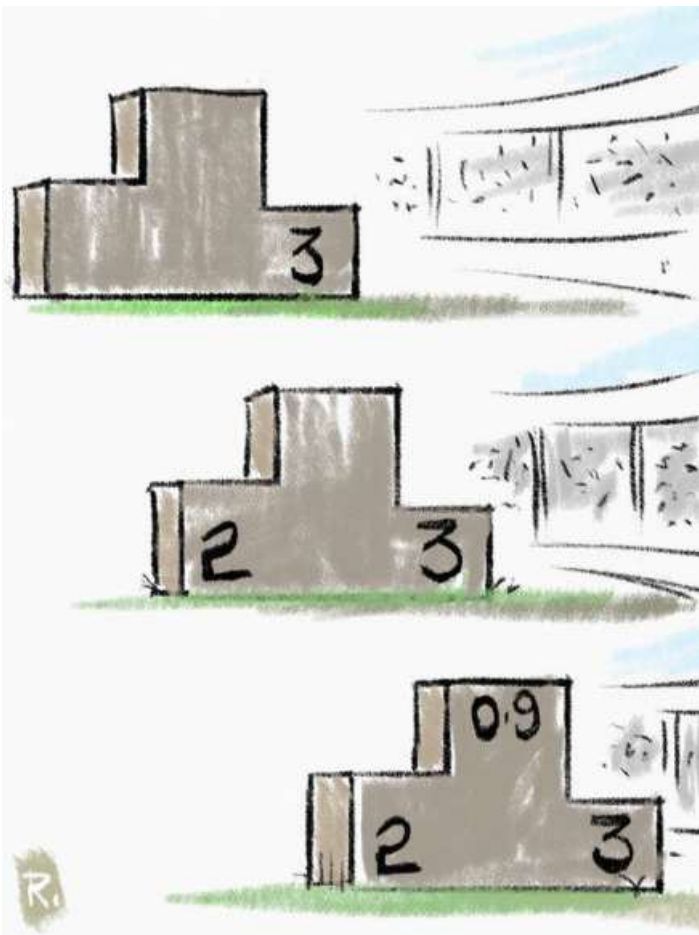
In Andhra Pradesh and Odisha, there has been a major political churn. In the former, the spectacular comeback of 74-year-old N Chandrababu Naidu to the driving seat should come as a relief to the Bharatiya Janata Party (BJP). He adds 16 crucial parliamentary seats to the NDA's kitty. Naidu's Telugu Desam Party (TDP) has also won 135 seats in the 175-member Andhra Pradesh Assembly. In Odisha, the BJP has decimated Naveen Patnaik's Biju Janata Dal which has been in power for almost 25 years.

Naidu, once famous as "CEO of Andhra Pradesh" who pioneered economic reforms and modernisation, has a lot to prove in his new avatar as a welfarist. Naidu has had to airbrush his earlier image as the hard-nosed reformist who brought in 'smart governance' in the 1990s because that single-minded focus on IT-led growth cost him an election in 2004. In the last decade or so, Naidu was faced with the welfarist governance model of YS Jagan Mohan Reddy. These had to be politically neutralised by Naidu's own "Super Six" schemes that included vast benefits for farmers, school children, three free gas cylinders annually, among other promises. Jagan Mohan Reddy lost the Assembly and Parliamentary elections despite his welfarist pitch.

Indeed, Naidu is saddled with the political burden of continuing the welfare measures, even as Andhra Pradesh's finances are a bit shaky. According to the Reserve Bank of India's December 2023 report on State Finances, AP's fiscal deficit was budgeted at 3.8 per cent of GSDP for FY24 (a revenue deficit of 1.5 per cent). This is above the prevailing fiscal deficit level for all States for FY24, at 3.1 per cent of GSDP (and a 0.1 per cent revenue deficit for all States). Its outstanding liabilities at 35.2 per cent of its GSDP, too are way above the States' average of 27.6 of GSDP. With off-Budget borrowings and contingent liabilities, this figure would exceed 50 per cent. It is against this backdrop of climbing deficits that he intends to build a capital city. For those extra funds, Naidu is likely to push once again for special status for the State with respect to finances (an assurance that came about after the creation of Telangana). He quit the NDA over this issue in 2018, and since then the matter has been hanging fire — since the Fourteenth Finance panel questioned the 'special states' concept after enhancing States' share in its devolution formula. Ultimately, Naidu and the Centre need each other for financial and political reasons, respectively — an inter-dependence that could keep the alliance going.

In Odisha, BJP has seized power with a simple majority of 78 in the 147-member Assembly. With an ageing Patnaik and decimated Congress, the BJP hardly faces any real opposition. Odisha's finances are robust, with outstanding liabilities at 13.9 per cent of GSDP, and a fiscal deficit of 3 per cent of GSDP in FY24 (budgeted); the revenue surplus for FY24 is high at 3.1 per cent. There is elbow room for capital expenditure and social welfare schemes. Both States are in for major changes.

POCKET



NOTE OF CAUTION. Despite RBI's record dividend transfer for FY24, the govt must avoid depending on such largesse



RK PATNAIK

The surplus transfer to the Central government from the RBI under Section 47 of the RBI Act, 1934, has raised many questions on the quantum of transfer.

It is popularly held that the surplus amount received by Centre from the RBI is meant to reduce the government's deficit as it swells the non-tax revenue of the government.

In 2023-24, a surplus of ₹2,10,873.99 crore or 0.6 per cent of GDP was transferred as against ₹87,416.22 crore or 0.3 per cent of GDP the previous year. This is the highest ever in the history of the RBI, amounting to an increase of ₹1,23,457.77 crore or 141.2 per cent of surplus transfer during 2023-24 over the previous year.

In accounting parlance, surplus transfer is derived from the net income of the RBI which in 2023-24 amounted to ₹2,10,877.99 crore (income minus total expenditure), from which ₹4 crore was deducted as transfer of funds to the National Industrial Credit (Long Term Operations) Fund, the National Housing Credit (Long Term Operations) Fund, the National Rural Credit (Long Term Operations) Fund and the National Rural Credit (Stabilisation) Fund. In short, almost all the net income has gone to the government.

RBI's total income for 2023-24 has increased due to a spike in interest income from foreign sources. According to the income statement for 2023-24, the total income aggregated ₹2,75,572.32 crore, up 17.04 per cent over the previous year.

Out of the total income, earnings

from foreign sources was ₹1,87,471.20 crore or 68.02 per cent of the total income and the balance ₹88,101.12 crore from domestic sources.

The rate of earnings from foreign currency assets increased to 4.21 per cent in 2023-24 as compared with 3.73 per cent in the previous year.

INTEREST INCOME

Furthermore, the interest income (both foreign and domestic) at ₹1,88,605.73 crore accounting for 68.44 per cent during 2023-24 witnessed an increase of 31.8 per cent. The increase in interest income was mainly on account of foreign sources which accounted for 54.7 per cent of the total income and recorded an increase of 71.1 per cent during 2023-24. Two components of the foreign source of RBI income are interest income from foreign securities and net interest and repo/reverse repo transactions, which recorded an increase of 49.66 per cent and 129.12 per cent, respectively.

The analysis of RBI's expenditure in 2023-24 showed that it decreased by 56.30 per cent, mainly on account of risk provisions. This is not the RBI tightening its belt but accepting an exposure to higher risk.

According to the RBI, a provision of ₹42,819.91 crore was made and transferred to the Contingency Fund and no provision was made for the Asset Development Fund. These risk provisions are in terms of Section 47 of the RBI Act, 1934.

Such high level of transfers is unlikely to become an ongoing feature as the RBI may not always have lower risk provisions and earn higher interest income from abroad



These risk provisions, along with Capital and Reserve Fund, are components of the Reserve Bank's Available Realised Equity (ARE) under the Economic Capital Framework (ECF) adopted by the Reserve Bank.

The ECF was adopted by the RBI on August 26, 2019 based on recommendations of the Expert Committee to Review the extant ECF under the Chairmanship of former Governor Bimal Jalan.

RISK PROVISIONING

The Jalan committee had recommended that the risk provisioning under the Contingent Risk Buffer (CRB) be maintained within a range of 6.5 per cent to 5.5 per cent of the RBI's balance sheet. An amount of ₹42,819.91 crore was also provided towards Contingency Fund to maintain the Available Realised Equity (ARE) at the level of 6.50 per cent of the size of the balance sheet.

Accordingly, the balance in the Contingency Fund as on March 31, 2024 was ₹4,28,621.03 crore as compared to ₹3,51,205.69 crore as on March 31, 2023.

From the foregoing, we may conclude that firstly, the higher income was on account of interest income received from the foreign sources due to higher interest rate in the US and advanced economies.

Secondly, the reduction in risk provisions are in consonance with the Jalan committee as it is maintained at 6.50 per cent of the balance sheet.

The Jalan Committee set a band — from 5.5 per cent to 6.5 per cent — of the balance sheet. It might have been prudent for the RBI not to max out the dividend. However, this is what the RBI has done — it has given out the maximum it could while remaining within the bounds of the Jalan Committee recommendations. It has stretched while remaining within the letter of the Jalan Committee recommendations. Yet, do note that the increase in the

size of the balance sheet at 11.08 per cent for the year ended March 31, 2024 is in line with the increase in GDP at 10.5 per cent during 2024-25. Thus, the contentious issue is not the surplus transfer *per se* but the impact of such transfers on the Union Budget.

The 2024-25 Budget was an interim budget. A regular budget will hopefully be presented in July 2024. The Centre will then take into account in its dividend and profits account an amount of ₹2,10,873.99, which is an astounding 0.6 per cent of GDP.

In the interim Budget, the government had estimated surplus from RBI and other nationalised banks and other financial institutions at ₹1,02,000 crore, which accounted for 0.3 per cent of GDP. The increased surplus will increase the revenue receipt of the Central government by 0.3 per cent of GDP. Assuming all other receipts and expenditure remain the same at the interim Budget level, the fiscal deficit and the revenue deficit will be placed at 4.8 per cent and 1.7 per cent, respectively, in the regular budget, which will be down from 5.1 per cent and 2 per cent in the interim Budget.

The fears that there will be such higher level of transfers as a pattern in the coming years are ill-conceived simply because the RBI may not have that much income, given that lower risk provisions on the expenditure front and higher interest income from abroad may not be a continuous process.

Yet, there must be concerns on another front — one of which is the high transfers taking on a habit-forming role for the government and thus the temptation from the government and the pressure on the RBI to generate more to be able to transfer more.

The writer is a professor at the Gokhale Institute of Politics and Economics, Pune, and a former central banker. Views expressed are personal. (Through The Billion Press)

A game-changer for market players

Tick size reduction is a win-win for both traders and investors as it enhances liquidity and price discovery

A Paul Williams

In a move echoing the Bombay Stock Exchange's (BSE) decision last year, the National Stock Exchange of India (NSE) has announced a significant reduction in the tick size for stocks trading below ₹250.

This change, effective from June 10 for the cash segment and July 8 for stock futures, narrows the minimum price movement allowed for these securities from 5 paise to 1 paise. While BSE's 2023 move applied to stocks under ₹100, NSE's decision covers a broader range, potentially impacting over 1,300 listed securities.

This move will benefit traders and investors and also increase market efficiency and liquidity.

WHAT IS TICK SIZE?

In simple terms, it is the minimum price movement allowed for a security. In India, tick sizes were traditionally larger, often leading to wider bid-ask spreads and potentially hindering price discovery. By reducing the tick size, NSE is essentially narrowing the gap between the buying and selling prices, making it easier for trades to execute.

A smaller tick size encourages more active trading as it reduces the cost of entering and exiting positions, boosting liquidity, and making it easier for traders to buy or sell securities without significantly impacting prices.

With narrower spreads, prices are likely to reflect the true market value of securities more accurately. This improved price discovery can lead to fairer valuations and more efficient allocation of capital.

Slippage, the difference between the expected price of a trade and the actual price at which it is executed, is a common concern for traders. A smaller tick size can minimize slippage, as it allows for more precise price adjustments. Retail traders, who often trade in smaller quantities, stand to gain significantly from this change.

Furthermore, NSE's move aligns with global trends towards electronic trading and algorithmic strategies, which thrive in environments with smaller tick sizes and faster execution speeds.

Despite the advantages, there is also a worry that smaller tick sizes could lead to increased price volatility, especially in less liquid securities. This could pose risks for traders who are not prepared for rapid price fluctuations.



DEMOCRATISING. Stock markets

The transition to a smaller tick size requires robust technological infrastructure to handle increased trading volumes and faster execution speeds. Exchanges and brokers need to invest in upgrading their systems to ensure smooth operations.

Additionally, regulators need to closely monitor market activity to prevent any potential manipulation or unfair practices that could arise in a more fragmented market with smaller price increments.

Moreover, traders need to be educated about the implications of a reduced tick size and how to adapt their strategies accordingly. This includes understanding the risks of increased volatility and the importance of risk

management. Despite the challenges, the overall outlook for traders is positive. Traders who embrace technology, develop sophisticated strategies, and prioritize risk management are likely to thrive in this new environment.

For retail traders, the reduced costs and improved liquidity open doors to markets that were previously out of reach.

WAY FORWARD

NSE's decision to reduce the tick size is a bold step towards modernizing India's financial markets.

By fostering greater liquidity, enhancing price discovery, and reducing trading costs, this move can democratize access to markets and promote a more vibrant and efficient trading ecosystem.

As with any significant change, success will depend on collaboration and adaptation. Exchanges, brokers, regulators, and traders need to work together to address the challenges, seize the opportunities, and ensure that this landmark decision translates into tangible benefits for all stakeholders.

The writer is the Head of India at Sernova Financial

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India's message

The Indian voters conveyed an appropriate message to PM Narendra Modi — never take us for granted. The BJP-led NDA managed to overtake the INDIA bloc, but the margin of the win was not as expected or predicted by exit polls. A stable government is very necessary but not at the cost of intolerance, hate-mongering and social polarisation. BJP's ultimate goal was the Congress-mukt and Opposition-mukt India, but the Opposition has come back into real reckoning in the country and in Parliament. The BJP is likely to be kept on its

toes not only by its allies but also Congress and allies. Gregory Fernandes Mumbai

New approach needed

This refers to the edit "Back to coalition" (June 5). BJP's unexpected debacle in Lok Sabha polls reminds of what Sun Tzu said, "He who exercises no forethought but makes light of his opponents is sure to be captured by them." Narendra Modi's overconfidence and arrogance cost the party dearly. Now the nation will be ruled by a weak coalition led by a strong-willed Prime Minister. This contradictory combination will not be effective unless Modi shows

resilience and patience in his dealings with his partners like Atal Bihari Vajpayee did during his premiership. Election Commission has reinforced its efficiency and objectivity. Modi and the Opposition must work together constructively. The initiative has to come from Modi. YG Chouksey Pune

Apologies 'Can Naidu create another Hyderabad (June 5)' Though the exit polls of Andhra clearly showed a major win for TDP, JS, BJP coalition, a disastrous defeat for YSRCP was not anticipated. Lack of development and jobs and YSRCP's reliance on only welfare freebies was

rejected by voters. Anti-incumbency wave was a big factor hitting the BJP at the national level and boosted Rahul Gandhi's Congress alliance. But for Chandrababu Naidu, Hyderabad would never have become a world class city and an IT hub. It will be a herculean task for Naidu to create another 'Hyderabad'. But a good beginning for the TDP-JS-BJP combine to announce Amaravati as a capital and starts its development work. Katuru Durga Prasad Rao Hyderabad

Rise of regional parties

The 18th Lok Sabha elections reveal a nation loyal to democracy and its

core principles, rejecting divisive ideologies. While craving stability, voters won't tolerate intolerance or hate-driven agendas. Despite BJP's ambition, they fell short of an absolute majority, signalling a shift in political dynamics. The BJP's "Congress-free India" vision contrasts with the Opposition's resurgence, led by regional parties. Understanding grassroots realities, not just rhetoric, is vital for electoral success. Regional parties, sidelined in recent years, now play pivotal roles, ensuring diversity in governance. Vijaykumar H K Raichur

Home charging of EVs

The issues in housing complexes must be addressed

Charith Konda
Pradeep Karuturi

Despite the growing popularity of electric vehicles (EVs), there is a glaring gap between EV adoption rates and the development of charging infrastructure, particularly in residential gated communities. This gap hinders the ownership of EVs, as residents are often deterred by the lack of accessible charging options in their neighbourhood. The sluggish pace of charging infrastructure development not only hinders individual convenience but also lowers the chances of achieving clean mobility goals.

Developing adequate EV charging infrastructure in residential areas, especially in gated communities, has several benefits, including economic and operational. Home charging or when a private charging point is allowed in a gated community, is not only convenient for EV users but also cheaper in most cases as electricity tariffs are lower than the price paid by consumers to charge their EVs at public charging stations.

However, while there is much emphasis on building public charging stations in India, there is little discussion on addressing challenges in setting up home charging points. Setting up a home EV charging point involves navigating diverse residential community by-laws, in addition to bearing extra installation costs.

DIVERSE CHALLENGES EV users and potential buyers face challenges of varying degrees in installing home charging points in Indian cities. While the Ministry of Housing and Urban Affairs and the Central Electricity Authority have issued guidelines for establishment of EV charging infrastructure, several State governments are yet to adopt those standards.

The lack of clarity on charging standards/laws and electrical infrastructure inadequacies exacerbate challenges in installing home charging points. Additional challenges include:

- Lack of awareness/guidelines:** Many residential communities don't allow installation of EV charging points in residents' dedicated parking slots for fear of safety, lack of adequate electrical wiring/infrastructure nearby, or simply the lack of awareness.
- Opposition from non-EV users:** Many residential communities require electrical



CHARGING POINTS. Installation hurdles in gated communities

infrastructure upgrades to install EV charging points on their premises. This may become an additional financial burden for residents who are not opting for EVs, leading them to oppose any infrastructural upgrades.

Complex electricity tariff structures: Several gated residential communities have complex electricity connections and billing structures, with residential welfare associations (RWAs) playing an intermediary role in billing.

Developing home charging solutions requires coordination between several actors, including government entities (such as the CEA and the Bureau of Energy Efficiency (BEE)), State departments and agencies (such as the urban development department and Discoms), RWAs, charge point operators (CPOs), vehicle manufacturers, and EV users.

The following are some steps that various actors can take to expedite deployment of EV charging points in residential communities:

- State nodal agencies** should hold awareness campaigns to educate RWAs on EV charging safety standards and the benefits of electric mobility.
- In addition to** slow private charging points, fast chargers may be set up in a semi-public mode (common areas of gated communities) by CPOs.
- Partnerships may be** encouraged among vehicle manufacturers, CPOs and RWAs to set up charging points in gated communities.
- State governments** must make it mandatory for under-construction/new properties to future-proof parking slots. This will ensure that charging points can be easily installed in them or semi-public fast chargers set up in common areas.

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RAJEEVA KARANDIKAR

The 2024 Parliament election results have surprised everyone. It was taken for granted for last few months that BJP is going to cross the halfway mark on its own and the whole discussion was about how high it will go?

The exit polls seem to suggest a bigger victory for BJP/NDA. All the ten polls that I saw on various TV channels gave at least 350 seats to the NDA and some of them even predicted 400 seats. All of them have been proven to be wrong. Where did they go wrong? What does the result mean for the governance of the country in the next five years?

It is clear that there will be a coalition government. With BJP being only 30-35 short of the majority mark, it will be close to 290 along with its pre-election allies; so it is likely that we will again see Narendra Modi as the next Prime Minister.

The government will have to be more careful in taking decisions and will have to take along its allies.

It should be noted that while BJP has kept its vote share, its seats went down by about 60! The major factor for this is that the leading contenders came together in several States and formed an alliance against BJP/NDA. This factor had been named the 'index of opposition unity' in the era when Congress was the dominant party. While this 'index' varied from State to State, it worked very well in UP and Maharashtra — the two largest States (in terms of seats in Parliament). These are the two States where BJP/NDA suffered the biggest loss. While the INDI alliance was a loose alliance, the fact that SP and Congress fought as allies in UP had a big impact.

Also Congress' vote share in UP went up significantly. These led to the biggest upset for BJP/NDA. In Maharashtra, NDA suffered a big loss as the erstwhile partner Shiv Sena went out of NDA and aligned with Congress along with NCP. Later Shiv Sena and NCP split, but had limited impact. The next big loss is Rajasthan, where there was a direct contest between BJP and Congress. Perhaps several local factors may have contributed for the loss. In Bengal, the TMC on its own snatched about 6-7 seats from BJP.

Indeed, if BJP and NDA had not made gains in Andhra and Telangana, NDA would have been just above the majority mark.



V RAJU

Misreading of election outcomes

FAULTY METHODOLOGY. The exit polls have their limitations. Implementing proper sampling when choosing respondents as they exit from the polling booth is very difficult

What went wrong with exit polls? Since I was not associated with any exit poll this time, I can give my views!

EXIT POLLS FIASCO Firstly, the exit polls have their limitations as implementing proper sampling when choosing respondents as they exit from the polling booth is very difficult, if not impossible. We had worked on an alternative to exit poll — which we called the day-after-poll — where sampling is done by proper methodology and the chosen respondents are asked questions by

People at large, including experts in media, do not understand the importance of randomly choosing the respondents (or the sample) in statistical decision-making.

going to their residence the day after they have voted. This had yielded very good results over the years.

People at large, including experts in media, politics and other walks of life, perhaps do not understand the importance of randomly choosing the respondents (or the sample) in statistical decision-making. They forget or do not know that the statistical guarantee that the sample proportion (of any observed attribute, including say supporters of a party) is close to the true proportion (in the population under consideration) kicks in only when the sample is chosen randomly! A randomly chosen sample of, say, 30,000 (even in such a large country as India) is better than a sample of size three lakh chosen by some other means. By better I mean that the chances of being widely off the mark are rather low.

The other issue is that perhaps psephologists make projections based on data and mix it with expert opinion in their decision. I can say that if

projections were solely based on randomly chosen data, devoid of mixing it with expert opinion, we would not see a scenario where several agencies who have done surveys independently of each other go wrong by a big margin, and all errors are one-sided.

One good outcome of the results seems to be that the attack on EVMs and the Election Commission that we had seen over the last several weeks has now taken a back seat. After all, after making a big gain, the Opposition cannot attack EVMs and the EC, questioning their own gains.

There will be a lot of introspection among all parties about what was right and what was wrong. One would hope that the bickering among the ruling party/alliance and Opposition parties ends or at least comes down soon and the government goes on with decision-making.

The writer is Professor Emeritus, Chennai Mathematical Institute

thehindubusinessline. TWENTY YEARS AGO TODAY.

June 6, 2004

IIMs agree on common proposal for fee structure A uniform fee structure by the six IIMs as desired by the Union HRD Ministry may be on the cards, though the IIM directors refused to share details of the proposal. As things stand, only the IIMs of Ahmedabad and Bangalore have decided against lowering the existing annual fee of ₹1,58,350 to ₹30,000 as directed by the former HRD Minister, Mr Murli Manohar Joshi

UK to tighten immigration laws Britain has decided to tighten the immigration law to restrict immigration from “new Commonwealth” countries such as India, Pakistan, Bangladesh and Nigeria. A decision in this regard was taken at a recent meeting presided over by the UK Prime Minister, Mr Tony Blair.

Railways flags off e-procurement system With an annual purchase Budget of about ₹12,000 crore and another ₹10,000 crore expenditure on planned works, the Railways has decided to take advantage of IT by launching a pilot project on e-procurement. The Ministry of Railways has already approved the ₹60-crore project and released ₹4 crore this year for the pilot project, being implemented at Northern Railway.

Kushankur Dey

The Press Information Bureau (PIB) recently disclosed that Pradhan Mantri Fasal Bima Yojana (PMFBY) is the third largest crop insurance programme globally. The scheme witnessed a 27 per cent increase in farmer enrolment from 2022-23, with 42 per cent of non-loanee farmers and 41 per cent of enrolled farmers (₹6.80 crore) indemnified from 2016-17 to 2023-24.

Despite the phenomenal growth, the penetration and density of PMFBY and restructured weather-based crop insurance (RWBCIS) programmes are significantly low.

Their penetration in terms of gross premium as a percentage of GDP is 0.62 per cent, and insurance density or per capita farmer premium is only ₹2,148. Further, the few insurers running crop insurance programmes indicate attendant and social equity problems for insured farmers.

How can the quality and efficacy of insurance service delivery, institutional capacity of programme implementation, inclusion, and regulatory oversight be improved?

First, a performance analysis of PMFBY and RWBCIS from 2016-17 to

2023-24 shows that while there was an uptick in farmer enrolment, with a 10 per cent CAGR, the area and sum insured exhibited a negative CAGR of 8.4 per cent and 5.1 per cent, respectively. The claims payout recorded a 5 per cent CAGR, indicating an uptrend from 2022-23.

Farmers' share in gross premium was 15 per cent, exhibiting a negative 4.3 per cent CAGR. Insurers settled more than 94 per cent of total claims with a 70 per cent claim-to-premium ratio.

Second, while PMFBY has been skewed towards loanee farmers (over 50 per cent), RWBCIS is limited to resource-endowed male farmers, and their enrolment and premium payments are insignificant compared to PMFBY.

Third, higher transaction costs of service delivery for small farmers, lack of coordination between insurers, banks and governments, delays in indemnity payments, and an illiquid reinsurance market affected crop insurance penetration.

Fourth, an analysis of five insurers' crop and weather insurance businesses from 2018 to 2022 reveals that the claims or indemnity payments to premium income averaged 92 per cent.



INSURANCE. More farmers must gain

The average underwriting expenses to expected premium income was 36 per cent. So, the average combined ratio (indemnity and expense) stood at 128 per cent, which indicates that for every ₹100 earned as premium income, insurers paid out ₹128.

POLICY SUGGESTIONS First, a one-size-fits-all approach is not appropriate for crop insurance programmes. PMFBY is a multi-peril yield indemnity insurance, while RWBCIS is a parametric (index) insurance. So, these two programmes should not be jointly managed. Specialised agri (re)insurers with significant underwriting and claim processing experience in weather index

insurance must be empanelled.

Second, the actuarial premium rate (APR) should differ for the two insurance programmes. Experience-based premium rate discounts can encourage uninsured and risk-averse farmers to subscribe to the programme.

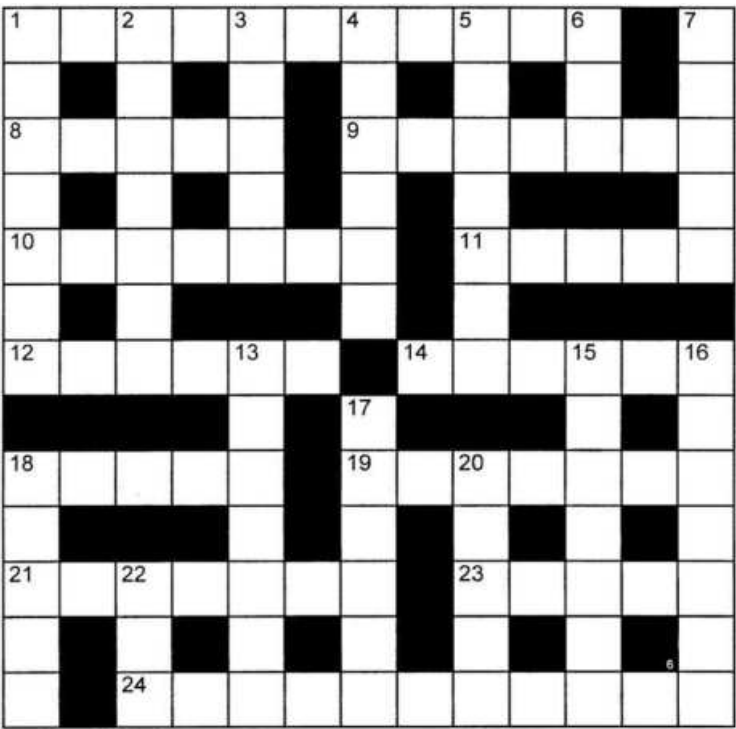
Third, alternative risk-sharing models or a cap-and-cup approach need to be executed through which States/UTs reduce their net subsidy on premiums with lower claims or receive refunds if no claim is paid. Some amounts may be transferred to insurers to maintain their unearned premium and loss reserves.

Fourth, the agri-reinsurance market should be promoted. A reinsurance pool for high-value crops like plantations and horticulture must be created if quota or excess-of-loss and surplus-share treaties are unavailable.

And, an effective distribution network should be in place to deepen insurance penetration; for example, mobile network operators or banking correspondent channels for premium collection and claim settlement deserve mention.

The writer teaches at IIM Lucknow. Views are personal

BL TWO-WAY CROSSWORD 2455



EASY

- ACROSS**
- Part of transport system (7,4)
 - Rationed quantity (5)
 - Attending (7)
 - Eponymous Scott hero (7)
 - Heavy drinker (5)
 - In a submissive manner (6)
 - Was put ashore (6)
 - Govern as monarch (5)
 - Passes down (5,2)
 - A breeder for points (7)
 - Unrefined (5)
 - Campion with deep-cleft petals (6-5)

- DOWN**
- Mass for rest of the soul (7)
 - Prehistoric time (4,3)
 - Fury (5)
 - Sounded as small dog (6)
 - State of rest (7)
 - Hole in needle (3)
 - Engine (5)
 - Joining up with (7)
 - Unsettle (7)
 - Underground cell (7)
 - Impose a fee (6)
 - Hand over for consideration (5)
 - More agreeable (5)
 - Neither alternative (3)

NOT SO EASY

- ACROSS**
- One of the tracks for 'Chattanooga Choo-Choo'? (7,4)
 - Half the lines cited, and you've got your ration (5)
 - Now it's here for the gift (7)
 - Scott character, vain when upset, would do some gardening (7)
 - He drinks to only half an individual (5)
 - Every week, a thousand for West – with submissiveness (6)
 - Came down, like the gentry with property (6)
 - Sounds as if there's a shower who will be on the throne (5)
 - Passes down what deck has at action stations? (5,2)
 - The breeder is even less plain (7)
 - A number are insolent, without refinement (5)
 - Teased Hood for being a flower (6-5)

- DOWN**
- Mass that has upset the quire – half of them, anyway (7)
 - Time's long past when one could regain nothing inside (4,3)
 - What might be about right for anger (5)
 - Sounded a little dog-like (6)
 - Stillness needed by one with damaged retina (7)
 - In the wind's, is against it – look! (3)
 - Machinery for moving out of Cairo tomorrow turns up (5)
 - There's nothing up with ruler: it's a matter of joining (7)
 - I'd burst with potential that might throw one in confusion (7)
 - Place of confinement for nude, gone endlessly wrong (7)
 - Make one pay to initiate attack (6)
 - Look it up, either way (5)
 - It was less disagreeable to be in Venice Rialto (5)
 - Neither nation obeys rebel leaders (3)

SOLUTION: BL TWO-WAY CROSSWORD 2454

- ACROSS** 1. Drown 4. Omnibus 8. Up to the minute 10. Ozone 11. Cock 12. Tree 16. Ogled 17. Street corners 19. Distend 20. Demur
- DOWN** 1. Double-crossed 2. Out 3. Notion 4. Oberon 5. Nailed 6. Blundered 7. Steeplechaser 9. Backwards 13. Cohere 14. Placid 15. Adored 18. Elm

Congress' learning curve

Smarter alliances, social media tactics helped

After plummeting to historic lows in the 2014 and 2019 general elections, the Congress appears to have internalised the lessons of failure to nearly double its own seat tally in Parliament and forge alliances that have eroded the Bharatiya Janata Party's (BJP's) dominance, including in traditional strongholds. Though its broader election rhetoric may have scarcely been novel, being based on the old tropes of freebies and handouts, the grand old party finally displayed the kind of hard-nosed political savvy that was missing in action this past decade. The foundation for the bounce-back lay in the Congress leadership's realistic understanding of its own limitations and a better appreciation of the political capabilities of its alliance partners. As a result, the party chose to contest far fewer seats, fielding 328 candidates, the first time it has contested a general election with less than 400 seats. In 2014 and 2019, the party fielded candidates in 464 and 421 seats, respectively. This time, however, it gave away a little over 100 seats to partners in the Indian National Development Inclusive Alliance, or INDIA. Interestingly, the biggest reduction came in Uttar Pradesh, where the Congress contested just 17 against 67 in 2019 (when it won just Rae Bareilly), ceding the others to Akhilesh Yadav's Samajwadi Party (SP).

The upshot was a jolt to the BJP in its stronghold; INDIA won 43 of the 80 Lok Sabha seats, with the SP emerging as the single-largest party with 37 (from five in 2019) by astutely fielding candidates from a broad spectrum of middle and lower castes. The Congress' alliance worked well in other large states like Maharashtra and Tamil Nadu. The alliance with regional parties also perhaps worked well because of the absence of a dominant national theme. This allowed the Congress and regional parties to focus on basic and local issues. The party could have potentially gained if INDIA fought together in other states such as West Bengal. If astutely taking the backseat where needed served both the Congress and INDIA well, a savvy campaign focused on social justice, reservations, and defending the Constitution, a message that resonated well with the Dalits, created the space for a viable Opposition and turned the BJP's "400 paar" theme on its head. This much was clear from the results in reserved seats, where the BJP won 56 of the 131 reserved for the Scheduled Castes and Scheduled Tribes, down from the 77 in 2019, with most of the losses in the Hindi heartland. The Congress, meanwhile, won 32 of these constituencies, up from just seven in 2019.

In a campaign dominated by the digital media like never before, the Congress performed well on almost every social media platform. The party essentially relied on fewer launches but mostly focused on short videos on Instagram after surveys showed that more people got their information from this platform rather than WhatsApp. Having finally got a handle on the mechanics of electioneering, the new challenge for the Congress leadership will be fashioning a coherent platform from its widely disparate alliance partners as it prepares to give the BJP-led National Democratic Alliance its first significant Opposition in a decade. It remains to be seen how the Congress utilises its own revival both inside and outside Parliament.

Unintended consequence

Shift in paddy sowing is not helping

India is expecting a normal monsoon this year, which will help boost agricultural production. However, it may still have a limited effect on states where groundwater is depleting at an alarming rate. The adoption of the wheat-paddy cultivation cycle in the states of Punjab and Haryana, for example, has been accompanied by severe groundwater depletion. To arrest the negative externalities of extensive paddy cultivation, both states enacted similar legislation in 2009 — the Punjab Preservation of Subsoil Water Act (PPSWA) and the Haryana Preservation of Subsoil Water Act (HPSWA). The laws aimed to synchronise paddy sowing timing with the onset of monsoon. Accordingly, the PPSWA prohibits sowing and transplantation of paddy seeds before May 10 and June 10 every year. In Haryana, the corresponding dates are May 15 and June 15, respectively. However, while the shift has not been able to address the water issue, it has led to unintended consequences.

A new paper by the National Institute of Agricultural Economics and Policy Research has highlighted the unintended consequences of the twin laws — stubble burning and air pollution in northern India. The data shared by the Punjab Agriculture Department suggests that paddy, a water-guzzling crop, occupies around 88 per cent of the kharif cropped area in the state. In Haryana, the corresponding figure is 52 per cent. With farmers primarily relying on groundwater irrigation, paddy accounts for 80 per cent of groundwater irrigation in Punjab and 47 per cent in Haryana. The Dynamic Ground Water Resource Assessment Report for 2023 estimates the average stage of groundwater extraction in India at 59.26 per cent. In Punjab and Haryana, the extraction rate stands at 163.76 per cent and 135.74 per cent, respectively. It was assumed that the introduction of the planting laws would reduce groundwater extraction.

Unfortunately, the laws were not very successful. The rate of groundwater storage (GWS) saw an improvement between 2010 and 2013, but deteriorated thereafter. Further, the shift in the transplantation of paddy by over a month has led to the shrinking of the window between harvesting and planting the next rabi crop. Farmers are left with little time to prepare the field between the two cropping cycles, and they resort to burning the crop residue, which ultimately releases aerosol particulate matter (PM2.5, PM10) into the atmosphere. Stubble burning, which intensifies by the first week of November, happens to coincide with low wind speeds in northern India, and this discourages the dispersion of pollutants. The laws were rendered ineffective also because of high minimum support prices (MSP) for paddy combined with input subsidies, which continue to incentivise farmers to expand the area under paddy cultivation. This results in groundwater over-extraction and the generation of more stubble.

On this part, the government has taken many steps to encourage farmers to diversify from paddy. For instance, a few months back, the central government proposed to purchase masoor, urad, arhar, maize, and cotton over the next five years at their MSP under a contractual agreement from farmers in the region. However, the assured procurement of wheat and paddy for the central pool, coupled with a high average gross return over the actual cost of cultivation, prevents them from diversifying. But doing away with the laws is not a remedy. Instead, more initiatives must be taken for crop diversification, adoption of direct seeded rice, paddy straw management, and raising MSP and assuring procurement for alternative crops.

The elections signal course correction

Voters have made it clear they want inclusive growth and a break from polarising politics

ILLUSTRATION: BINAY SINHA



This election has sent two key messages: First, that divisive, polarising politics does not work—evidenced by the Bharatiya Janata Party even losing Ayodhya, where it built the much-heralded Ram Temple over the demolished Babri Masjid — and second, that a more inclusive growth model is needed. While India is growing, its growth model is lopsided with an aborted structural transformation and, therefore, not sustainable. Agriculture and manufacturing are struggling. Parts of the service sector, particularly IT-related areas, including the growing number of global capability centres (GCCs), are doing well. However, with so few jobs, more and more people are stuck on the farm and inequality and rural distress continue to rise. India's economy has been dubbed the Billionaire Raj. Without a course correction, India's rising youth unemployment and rural distress, along with rising inequality, is a ticking time-bomb. I suggest three major course corrections.

First is agricultural reform. In its last term, the government promised to double farm incomes, but there was no clear plan. It tried to ram through new farm laws but had to withdraw them under determined farmer agitation — which hurt it politically. Instead, it must present a clear vision to farmers about their future. Its own Shanta Kumar commission had provided such a vision, but it was inexplicably shelved. Now, the government is stuck because it has promised free food for five years, forcing it to continue with the very costly and inefficient Food Corporation of India-based procurement system and a politically charged minimum support price (MSP) system. India, like many middle-income countries such as Mexico and Turkey, must move away from support prices and input subsidies—fertiliser, elec-

tricity, pesticides—that have frozen its agricultural system to what was needed 50 years ago.

Instead, the government must substantially increase PM Kisan, remove all these input subsidies, and free farmers to change their crop mix and use their land more productively. India's evolving consumption basket needs more fruit and vegetables, oilseeds, and pulses and less grains and sugarcane. The MSP system perpetuates an inefficient and unproductive crop mix, which is depleting the water table and degrading the land. A CSDS-Lokniti survey showed that only 26 per cent of farmers would prefer to remain in farming and most of them would prefer direct payments to their bank accounts instead of higher MSP.

Second, India cannot avoid what economists call factor-market reforms. India's labour laws as former Prime Minister Atal Bihari Vajpayee once said are anti-labour as they discourage hiring. Its land zoning, with the lowest floor area ratios in the world, leads to very poor utilisation of its scarce land. To avoid complex labour laws, firms become more capital-intensive or hire more casual (daily wage) labour.

India has the highest share of casual labour in the world. Additionally, a lot of land is tied up in uneconomic marginal farms.

Infrastructure has improved, but with very high petrol and diesel prices, expensive electricity for producers, and amongst the highest rail freight costs in the world, the cost of producing and moving goods remains highly uncompetitive. By bringing fuel into the goods and services tax or GST (even at the highest slab of 28 per cent), petrol and diesel prices will fall. This will allow Indian firms to better compete with China, where fuel



IF TRUTH BE TOLD

AJAY CHHIBBER

Connecting the missing election dots

The journey is as important as the destination, as the saying goes. This rings true as the election season in India draws to a close after a nail-biting finish, though leaving room for some more twists and turns, perhaps in sync with a coalition era. Some called the counting of votes for the 18th Lok Sabha elections a "national thriller", while others used terms like "down to the wire contest". While the result came as a surprise, going back to reporters' diaries, looking at newspaper reports from the last 45 days, and exchanging notes with colleagues who travelled to different parts of the country during polling helped connect the dots. Of course, some things still don't add up.

In Gujarat, where the Bharatiya Janata Party (BJP) had scored 26 out of 26 in 2014 and 2019, there was a setback in 2024 with a Congress candidate winning the Banaskantha seat. A rural district focused on dairy farming, Banaskantha was won by Geniben Nagaji Thakor, a woman candidate, who defeated BJP's Rekhaben Chaudhary, also a woman. Our ground reporting from across many constituencies of Gujarat had suggested unemployment, rising prices, and high taxes were among the concerns of the people, like in other parts of the country, besides local caste-based issues linked to Kshatriyas and Rajputs. In fact, the Kshatriya agitation, which was central in Rajkot and other Saurashtra regions, found expression even in north Gujarat's Banaskantha and Patan, where the community has a good presence.

Closer to the election, there was a buzz in Gujarat — a stronghold for the BJP — that the ruling party might lose a couple of seats in the state main-

ly over local and hyperlocal issues, such as those revolving around the Kshatriyas, Patedars and Patels. That message may have been lost in the big picture electoral battle.

What did not add up, however, in the Gujarat piece is the clean sweep of BJP in the main Saurashtra regions where Union minister Parshottam Rupala attracted the Kshatriya ire for making unsavoury comments about Rajputs. Mr Rupala, who had tendered a public apology for his comments, had told us on the eve of the Gujarat election that the Kshatriya issue would not affect the election result. As the results showed on Tuesday, he won by a wide margin.

In Uttar Pradesh, which delivered a major upset for BJP, severe rural distress was a dominant theme during election reporting. The political narrative around Ayodhya temple did not help those struggling to meet their daily needs. In Faizabad, commonly referred to as the Ram Temple seat, BJP lost to Samajwadi Party in what seemed like a shocker.

Irrespective of the religious sentiment around the inauguration of the shrine, economic issues appeared to have played a role in Faizabad and other seats in the Ayodhya division. A conversation with locals familiar with the changing scene in the town of Ayodhya, as narrated by another reporter, offers a glimpse into the unrest among the people there. Locals attribute the Faizabad election reverse to Ayodhya being converted into a tourist town, as part of the global map, with things becoming expensive and beyond reach for the poor. The disruption caused in the temple town as commercial real estate boomed is believed to have adversely



NOT FOR PROFIT

NIVEDITA MOOKERJI

prices are 30 per cent lower than in India.

Rationalising electricity prices for producers—Indian prices are again about 30 per cent higher for producers, and freight prices are three times higher than in China—will make India's manufacturing more competitive. This rationalisation of costs will do more for Indian manufacturing more broadly than the costly but highly selective production-linked incentive scheme — which helps a chosen few and does not create enough jobs. India's demographic dividend requires building on the success it has achieved in services. However, for the vast majority of the population, it also requires a push for competitive labour-intensive manufacturing and manufacturing exports. India needs more blue-collar jobs — to get people off the farm — to complement its success in white-collar jobs.

Third, China carried out a major administrative reform in 1995, to modernise its government. Malaysia, too, did the same around 2000. India has had no such reform and still runs the economy with a colonial 19th-century administrative and legal system. E-services and Aadhaar have helped improve the delivery of some functions and subsidies, but the basic administrative structure remains problematic. It has a very large number of employees at the lower end and large discretionary powers with a very complex set of regulations and procedures that encourage corruption. This must be changed. According to Transparency International, Indian citizens paid the highest number of bribes in Asia in 2021 — even higher than all our neighbours, including Bangladesh, Nepal, and Sri Lanka. At the same time, weakening government institutions by weaponising them against political opponents does not work. The courts are also plagued by corruption, and the wheels of justice move very slowly. Justice delayed is justice denied.

The devolution of functions to the local level is also badly needed. Without greater devolution—especially to city mayors — basic services like health and education will not be effectively delivered and our urbanisation will remain haphazard. More top-down "smart city" programmes are not the answer — better empowered governance is key to India's cities. The 16th Finance Commission would do a great service by tackling the issue of resources for local administration boldly. Allowing cities to experiment with higher property taxes in a compact with their citizens for better services, as Chennai is trying to do, would also be a step forward. Delivering better education and health services also requires greater devolution to city governments and village sarpanchs.

Gandhiji said it best: "The future depends on what we do now." Some will say such major reforms will not be possible in the next five years with a coalition government. However, India's past shows, ironically, that we have only had bold reforms when we have had coalitions. India needs to tackle the tri-fecta of unemployment, rural distress, and fostering a more inclusive growth process that creates jobs. Addressing these issues, rather than engaging in more polarising politics and handouts, is what the vote shows that people want.

The writer is distinguished visiting scholar, George Washington University, and co-author of Unshackling India, HarperCollins India 2021, recognised as the Best New Book in Economics for 2022 by the Financial Times

Smiling with a stiff upper lip



BOOK REVIEW

M S SRIRAM

Alpana Killawala was a familiar name for years for anybody who followed the Reserve Bank of India (RBI). There were an endless number of press releases signed off by Ms Killawala appearing on the RBI website. While the Governor was the face of the institution, Ms Killawala was the name associated with the organisation! She brought us the good, the bad and the pedantic releases with a regularity that was difficult to ignore.

The function of communication is especially important in an institution like RBI. Anything that the organisation says could move the markets and cause bloodshed and therefore the role of someone in charge of communication

should be overly critical to the organisation. There is a common trait with senior executives from RBI: None of them speak without a prepared script; none of them give you a write up, unless they recheck the text multiple times over. I have also been a beneficiary when I send something to them, the feedback is not only on the substance of the argument, but also the form! Therefore, one would think that someone in charge of communication in the organisation would be not only a super-critical resource, but also extremely powerful.

Ms Killawala's book gives us a reality check on the assumptions and puts the role of communication and people specialising in the function in perspective. It obviously is frustrating for someone who has direct access to the top management — who would want to get things done at any cost — but must report multiple layers below in the bureaucracy to navigate the space. Ms Killawala learns this lesson early in her career. She must constantly keep making space for herself while she is low down in the hierarchy and at the same time not to be throwing her

weight around indicating access to the top. This leads to multiple situations where the top has orally communicated a task, but the in-between layer raises a red flag and obstructs the process, not necessarily because of egos but because of the way in which someone reads the situation.

Ms Killawala writes lucidly. That is an understatement for a person who has specialised in communication throughout her career. What is interesting is the way in which she has structured the book. Instead of using a straightforward chronology to narrate her journey, she has broken up her experiences into chapters that represent a particular leadership style at the top and goes through her narrative Governor by Governor. By doing so, she also shows the difficulties of her career, not in terms of hierarchical movement, but in terms of criticality of functioning. Starting with S Venkitaramanan, who was instrumental in creating her job profile and underscoring the importance of communication, followed by C Rangarajan, who looked at the function as instrumental, Bimal

Jalan, who started shy but actually started enjoying the interaction with the media, Y V Reddy, who spoke in riddles and played footsie with the media, D Subbarao, who understood the critical function of communication and submitted himself to preparation and scrutiny, and Raghuram Rajan, who was to be protected from his informal and egalitarian American self. She ends with Urjit Patel, who forms a small part of the epilogue. This style of leadership-driven characterisation highlights how some support departments in a critical organisation like the RBI could move to the core and periphery depending on how the leadership sees the function.

One imagines that an institution like RBI could be boring, laid back and worried only about getting its word out. One would not imagine the RBI trying actively to shape a discourse — by managing the timing of press conferences, the technical briefing to pre-empt the direction of the discourse, actively leaking information to get a market reaction and even "lobbying."

However, this book breaks the myth and tells us that — irrespective of the staid and stoic nature of the organisation, it still needs to have multiple strategies to get its message out.

One of the most fascinating anecdotes in the book is about Raghuram Rajan — who became a governor fairly young and was welcomed by socialite author Shobhaa De as a James Bond who added sex to Sensex. One would have thought that this sort of comment was a flash in the pan, and nobody would take it seriously. No, not true. Ms De's characterisation was seen as important enough to be addressed: Resulting in the communication department releasing only photographs of Mr Rajan with his reading glasses (possibly ensuring that he looked much older than he was!).

The book is a delight to read and works at multiple levels — it brings out the complexity and criticality of the communication function in a highly technical organisation that affects the common person daily. It serves as a

guidebook for people in the communication profession on how to hand over messages; for lay readers, it offers an interesting vantage point of the history of RBI. It is interesting to note that the role of the communications department was minimised, restricting its external interface, particularly with the media. It was not a comprehensive resource department for all communication needs, including editing of technical papers, drafting of annual reports, and writing the history of the organisation. Ms Killawala's aspiration to have had greater excitement in aspects beyond media management was valid. She is not bitter about it, while she makes the point,

I am curious to know why Urjit Patel did not deserve a chapter and was just a part of the epilogue. Possibly because she was talking about the last two years of her career. The highlight of that period was the firefighting with the communication relating to demonetisation. Or possibly because Mr Patel himself was inaccessible to the department unlike the other Governors. One can only guess.

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OPINION

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{ OUR TAKE }

Coalition dharma and the new BJP

After a decade of electoral dominance, the party may be forced to deal with demanding NDA partners in running the government

Narendra Modi appears set to begin his third consecutive term as Prime Minister (PM). But unlike in 2014 and 2019, the allies in the National Democratic Alliance (NDA) are in a position to demand their space, in fact, even force their agenda on the Bharatiya Janata Party (BJP). Thirty two seats short of a simple majority, the BJP will need to rewire its relations with allies and reformat the NDA, perhaps, along the lines it existed two decades ago. The post June 4 BJP, in office, may need to think about coalition dharma, a much-discussed phrase between 1996 and 2004, when the NDA came into being and Atal Bihari Vajpayee headed multiple coalition governments.

As it stands, the Telugu Desam Party (TDP) and Janata Dal (United) are central to the NDA's numbers with 16 and 12 MPs, respectively. Their leaders, N Chandrababu Naidu of the TDP and Nitish Kumar of the JD(U), are experienced, shrewd and demanding politicians who are masters at manoeuvring coalitions. Accommodating their interests will be a challenge that the BJP needs to negotiate before it begins the business of governance. Pet ideological projects may have to be shelved or negotiated for the sake of coalition dharma as the BJP did in the 1990s. Consensus building will have to be the bedrock of governance even though Modi, as PM and chief minister of Gujarat, never had to negotiate the minefield of coalition politics. The BJP may also have to recalibrate its expansion plans and tailor its tactics to be on the same page with allies to let the government run smoothly. The NDA may need a seasoned politician as convenor — George Fernandes did the job for Vajpayee — to iron out wrinkles, if any become visible.

All this is important since assembly elections are due in Haryana, Jharkhand and Maharashtra later this year, and in Bihar next year. The BJP has not done well in these states, and it has a mess in Maharashtra to sort out, where the Congress, given up for dead not too long ago, won more seats (13) than the BJP (11). The losses in Maharashtra, where the BJP is in office, have as much to do with drought and farm distress as with poor coalition management. Rising unemployment and food inflation are pan-Indian phenomena, which can singe the NDA in general, and the BJP in particular. Much depends on how the BJP leadership interprets the results and what change of course the party will take up to reconcile with the electoral losses. The situation at the Centre may need a new BJP that is more conciliatory and accommodative towards diverse interests.

Political task ahead for the INDIA bloc

The 18th Lok Sabha, unlike the two previous Houses, will have an Opposition bloc so substantial in strength that the treasury benches will be forced to engage with it constructively. With 234 MPs, including a rejuvenated Congress with 99 members, the INDIA bloc has its task cut out in Parliament to hold the government accountable. It will, hopefully, lead to more informed deliberations and productive law-making. Beyond Parliament, the INDIA bloc has the opportunity to build on the pre-poll arrangement the parties worked out on the eve of the general elections and transform itself into a political coalition with clear policies and ideology. In terms of leaders, the INDIA bloc is a platform with political heavyweights. To their credit, they managed to keep aside their suspicions to work out seat deals at the last minute and held a few joint rallies to bolster the chances of joint candidates. Barring in Kerala, Punjab and West Bengal, the bloc's leaders, surprisingly, found harmony in their chorus. The results in UP, Maharashtra, Rajasthan and even Bihar and Jharkhand reflect the resonance the INDIA bloc created. Ironically, this is despite the bloc failing to put together a common manifesto or a common minimum programme. However, the leaders spoke in a common language and promised a future rich with jobs and welfare and one that protected the rights guaranteed in the Constitution. The challenge is to live the spirit after the elections.

A strong Opposition is essential to keep a check on the government and ensure that it stays and works within the lines drawn by the Constitution and respects customs and conventions inside and outside Parliament. And at least in the short-term, there is a strong electoral reason for the continuation of the alliance: Haryana, Jharkhand, and Maharashtra are headed for polls soon.

Operation Blue Star: Trauma and lessons

A crucial lesson of the violence in Punjab is that given India's plurality, regional aspirations have to be blended with the mainstream, just as the nation has to respect and accommodate the identities and interests of its diverse multitudes

The bullet-ridden Granth Sahib and a model of a dilapidated Akal Takht on display at Golden Temple these days are reminders of the catastrophic Operation Blue Star. Its 40th anniversary is an occasion to introspect on what happened and why.

Given Punjab's centuries-old propensity for cyclic mayhem, Punjabis and the political establishment must not repeat past mistakes. The geopolitical curse of Punjab as a gateway of India and the many invasions it suffered has made its people martial and has left them with an inbuilt anti-Delhi Darbar disposition and a predilection to resist what they call *jabar zana* (excesses). Ingrained in their psyche is a perpetual sense of being discriminated against and the misplaced conviction that *jo ade so mithey* (whoever obstructs will be eliminated).

Constitutional politics, however, do not operate on such proclivities. Democracy is governance by politics to

maximise the vote share. The Punjab of today is hopelessly marginalised with just 2.3% of India's population, and Sikhs are still fewer, at 1.7% of the nation. The way to fulfil their regional aspirations, therefore, is not the civil strife and militancy of yesteryears that led to Operation Blue Star, but to mainstream the remnants of militancy. In that context, the participation of the self-declared proponents of Khalistan like Amritpal Singh (in detention under the National Security Act) in the recent Lok Sabha elections is a welcome development: Amritpal Singh, and Sarabjeet Singh Khalsa, son of Indira Gandhi's assassin, Beant Singh,

have been elected to the Lok Sabha as independent candidates. They swore allegiance to the Constitution before entering the electoral process and even if they continue with their ideological hubbubs, it has to be within the confines of freedom of speech as the Constitution imagines it.

A crucial lesson of the two decades of violence in Punjab is that given India's plurality, regional aspirations have to be blended with the mainstream, just as the nation has to respect and accommodate the identities and interests of its diverse multitudes. Steamrolling grievances and aspirations or using military power, without politically addressing the underlying socioeconomic causes of unrest, breeds discontent and dissent. It is not the road map to take the nation forward, particularly when issues of faith and sacrosanct spaces are interwoven with regional aspira-

tions, as was the situation at the time of Operation Blue Star.

Blue Star, in fact, is an example of how not to undertake nation-building. Rather than uniting, it divided the people and sowed the seeds of a violent ethno-national movement. Jarnail Singh Bhindranwale had never openly demanded Khalistan, but believed that its foundation would be laid if the Army attacked the Golden Temple. Post Blue Star, for the first time, a mythical sovereign state of Khalistan was formed within the precincts of the Golden Temple by the Panthic Committee, the executive body of militants created to negate the statutory Shiromani Gurdwara Parbandhak Committee (SGPC). It formed an armed force, Khalistan Commando Force (KCF), and declared war against the State. Punjab suffered incalculable losses and turmoil, necessitating frequent armed forays into the Temple complex, including Operation Black Thunder I and 2.

The ethno-national movement has petered out since, but its seeds sprout abroad sporadically, setting off alarm bells. Today, the Panthic assertion is spread internationally. However, Khalsa's *bol bala* or pre-eminence, can only be achieved through excellence in various fields and making a mark in the world in the true spirit of *sarbat da bhala* (prosperity to all) and not by violence or the outmoded models of Westphalian territorial sovereignty. In any case, where would the Panthic territorial sovereignty be headquartered — in Lahore, the historical capital of Khalsa, or the



Ramesh Inder Singh



These days, a model of a dilapidated Akal Takht on display at Golden Temple is a reminder of the catastrophic Operation Blue Star

AFP

modern-day Sikh concentrations of Surrey or Brampton?

One lesson of the Punjab violence is that human rights are inviolable. The radical elements abroad exploit these issues under western multiculturalism, and it is in our national interest to abide by the rule of law and not just the procedure established by law. Supercop KPS Gill's strategy to physically eliminate the militants without conceding to any of their demands rooted out violence but also bred a culture of extrajudicial methods. Even 40 years later, news of the conviction of officials for "disappearance" — a euphemism for fake encounters — keeps appearing. Our conduct must conform to the best international standards of the rule of law.

There is also a message for the political establishment — do not allow political aspirations to be hijacked by militants. The Akali Morcha was launched in August 1982, with 10 economic, religious, and political demands. There was nothing anti-national about this and it evoked massive public support. The agitation, however, was allowed to simmer, and the failure to address the issues politically till the Rajiv-Longowal Accord in July 1985, which was also not honoured, allowed the militants to unleash unmitigated violence.

A two-pronged strategy was required — political management of

the socioeconomic and regional aspirations and a simultaneous, firm enforcement of law and order. The State failed to do either. Foreign forces stepped in to exploit the situation. The administration collapsed and the Army — the option of last resort — was brought in. The poorly planned Operation Blue Star blemished the fair image of the forces. There is a caution for the Army — the strategy and tactics it adopts in aiding civil power invariably have far-reaching consequences. Illustratively, the use of tanks in the Golden Temple and the resultant devastation had wide-ranging adverse outcomes.

Insurgencies do necessitate long-term deployment of armed forces but it is vital to evolve a civil-military maxims, an institutionalised oversight mechanism rather than relying on the present "joint command" concept, which often turns out to be occasional meet-and-greet conferences. Our forces are apolitical, and to protect this image, civil oversight mechanisms should be strengthened. The recent FIR against three colonels and 13 soldiers in Kupwara for allegedly storming the police station only confirms the need for it.

Ramesh Inder Singh is former chief secretary of Punjab and author of 'Turmoil in Punjab: Before and after Blue Star: An Insider's Account. The views expressed are personal

Biodiversity solutions to battle heatwave menace

The Indian Ocean is currently going through a marine heatwave. This will likely lead to a decrease in fish catch, increased stress for fisherfolk, and potential storm surges. We are also in the throes of a heatwave on land and have suffered Cyclone Remal. Going forward, it is increasingly becoming clear that how we plan challenges linked to the environment will be key to the well-being of citizens. From May 21-29, several countries (also called Parties) came together in Nairobi, for a meeting on the Subsidiary Body of Implementation under the aegis of the Convention on Biological Diversity (CBD).

In 2022, the world made the biggest decision to mainstream and conserve biodiversity. This was the adoption of the Global Biodiversity Framework (GBF), which sets 23 targets for saving nature by integrating it into the rest of life: Economy, well-being, production and climate action. Placed under the CBD, these targets need to be met by 2030 to ensure we reverse nature loss and be nature-positive for people and the planet. This means we only have five years to take urgent measures.

And India has the opportunity to lead the way. Currently, the chair of the Subsidiary Body of Implementation (SBI) of the CBD is from India — Achalender Reddy, the chairperson of the National Biodiversity Authority, Government of India, has been appointed the chairperson for SBI. This is an important position, which gives India at least two roles. One is to set an example by fulfilling the commitments towards nature by implementing the GBF, and the second is to urge other parties to do so. In the just-concluded SBI meeting, mechanisms for monitoring the GBF were discussed. In some ways, India's own experience in implementing the GBF can provide a template for navigating the complexities of developing, biodiverse nations with various interest groups and demographics.

Given their wide scope, implementation will be about taking a whole-of-society and whole-of-government approach. This is akin to taking a position that invests in nature, paying back to the economy and society. In a study published in 2023 (in Proceedings of the National Academy of Sciences), researchers from the University of Minnesota and Purdue University found that investments in nature, through augmenting ecosystem ser-

vices including pollination, timber provision, marine fisheries and carbon sequestration, accrue annual gains of \$100-350 billion each year.

The problem of marine heatwaves needs a set of integrated and nature-positive solutions. First, we can attempt to solve existing problems in the fish production-scapes to distress livelihoods — such as improving the cold supply chain of fish to reduce the wastage of catch. We can invest in better, solar-powered fish chilling units as a means of climate adaptation. Second, we can look at nature-based solutions that help provide refuge to fish and marine wildlife, ultimately strengthening the ecosystem. This could be done by creating artificial reefs to provide additional habitat and cover for important fishery species, and restoring native mangroves. Third, we need to re-consider how coastal infrastructure is sited — structures should not cause more ecological damages, and need to consider that coastal storms and cyclones will increase, thereby increasing maintenance costs.

We have an opportunity to cross-pollinate the approaches taken on federal and state levels. As an example, the Government of India has a soil health card scheme under the National Mission for Sustainable Agriculture. Karnataka has the Bhoochetna scheme, which focuses on improving the livelihoods of dry-land farmers in the state. The challenge for policymaking is to ensure these approaches work in tandem.

The larger ecosystem of our environmental commitments also needs greater synthesis. For instance, India has pledged to restore 26 million hectares of land by 2030 (under the United Nations Convention to Combat Desertification). We have our climate targets under the United Nations Framework Convention on Climate Change of reducing emission intensity by 45% by 2030 from 2005 levels and creating an additional carbon sink of 2.5 to 3 billion tonnes of CO2 equivalent through additional forest and tree cover by 2030 (with 2005 as the base year). These need to be integrated in ways that cross-cut and benefit each other. For example, restoration should be science-based and privilege native ecosystems. Rivers are being restored in India through coalitions of NGOs and State action — an example is the Karula river, a tributary of the Ramganga, in Bijnor district, Uttar Pradesh. This is the right time to take a birds-eye view of the landscapes, and create restored landscapes that combine rivers and riverine habitats (such as grasslands and forests) and green and blue areas in cities (the latter is a GBF target). The GBF calls for the involvement of women, youth groups, tribals and other under-represented communities in implementation: This will require two-way capacity-building and participation. Efforts also need to be made to broaden and develop synergies among various rural and agrarian schemes like the Garib Kalyan Rozgar Abhiyaan, the Jal Jeevan Mission and Rashtriya Gram Swaraj Abhiyan for implementation.

What will work in India may well provide the roadmap for the rest of the world.



Neha Sinha



The problem of marine heatwaves needs integrated and nature-positive solutions HT

Neha Sinha is head, policy and communications, WWF-India. The views expressed are personal

{ TEJASHWI YADAV } RASHTRIYA JANATA DAL LEADER

Bihar has emerged as the kingmaker. Whichever government comes, they should ensure that Bihar gets a special status... and caste census should be conducted across the country

What awaits Mexico's first female president

The Latin American region has been characterised by anti-incumbency for the past decade-and-a-half, with incumbent parties losing in all but three of the past 20 free and fair elections. On Sunday, Mexicans bucked that trend by voting in Claudia Sheinbaum from the Morena party with a decisive mandate of 32 million votes, more than double those received by her closest rival Xóchitl Gálvez. Sheinbaum benefits from the popularity of her predecessor Andrés Manuel López Obrador, commonly known by his initials, AMLO. As Mexico's first female president, Sheinbaum faces high expectations, particularly from the country's active feminist movement. Sheinbaum also bears the responsibility of being only the third Leftist candidate to be elected president in Mexico, after Adolfo López Mateos in 1958, and AMLO in 2018. She inherits both the good and the bad from AMLO — her coalition's majority in both houses of parliament will grant a long honeymoon period, and she will benefit from Mexico's propitious position as a nearshoring destination bordering the United States (US); but she will also have to contend with an exceedingly high budget deficit and rising levels of violence.

At the outset, Sheinbaum must confront two immediate domestic challenges. The first is a perennial problem that has stumped Mexican leaders for the past three decades — rising levels of violence stemming from drug trafficking and gangs. But this is a near-impossible task for Sheinbaum or indeed anyone occupying the country's highest office. Mexico has the grave misfortune of being sandwiched between producers of cocaine to its south and massive consumers of the drug to its north; this equation will not change anytime soon and will prove to be a challenge for the remainder of Sheinbaum's term.

The second and, perhaps, more pressing challenge facing Sheinbaum is her ability to grow out of AMLO's shadow. Many of her critics paint her as a stand-in for her predecessor — but this may be premature. AMLO ends his six-year term with approval ratings of 60% and will not want to taint his legacy by overstaying his welcome, even if it is from the shadows. It would be a mistake to underestimate Sheinbaum, the daughter of two Jewish immigrants and intellectuals, who

has transitioned seamlessly from the world of science and academia to the unforgiving arena of politics. A renowned physicist with a doctorate in energy engineering, Sheinbaum is not a conventional politician. She proved her credentials as mayor of Mexico City during the Covid-19 pandemic, often implementing policies contrary to AMLO's rather sceptical approach towards combating the virus.

These elections will have repercussions in Mexico's neighbourhood, specifically in the US but also in the Latin American region. Sheinbaum and her Morena party have many detractors in the US, some of whom even view her as a threat to Mexican democracy due to her party's overarching influence across institutions in Mexico. Such fears are overblown. Mexico is not a perfect democracy and faces several challenges, but to term these as existential issues seems exaggerated. The re-election of Morena bodes well for Leftist political parties in Latin America, which are in power in many countries in the region, including Brazil, Colombia, and Chile. The Left is cementing its place as a recurring actor in mainstream politics in Latin America.

The Mexican economy has only grown in strength over the past decade. Today it is the 12th largest economy measured by gross domestic product, larger than South Korea, Spain, or Indonesia. Much like India, Mexico has a fast-growing middle class and a rather young population and has reaped the benefits of the realignment of global value chains away from China to countries more amenable to the West.

Mexico is also one of India's most important partners in the Latin American region, second only to Brazil. Today, India exports more to Mexico than to Japan, and India-Mexico trade is more than India's trade with Canada, Nigeria, or Spain. More than 200 Indian companies have invested \$3 billion in Mexico over the past two decades. Despite its domestic preoccupations, New Delhi should court Mexico as a partner in economic diplomacy. The Latin American region remains the last frontier in India's foreign policy calculus, and Mexico's salience is only growing with time.

Hari Seshasayee is a Latin America-based analyst and a visiting fellow of the Observer Research Foundation. The views expressed are personal



Hari Seshasayee

OUR VIEW



Coalition governments serve the economy well

Stock-market investors should not miss the impressive record of coalitions in driving India's economic growth. Nor the fact that even single-party governance can fail on major reforms

India's stock market bared a case of frayed nerves on Tuesday, with election results denying any single party a majority in Parliament and necessitating coalition rule. People worry that coalitions crimp governance, given how conflict and compromise could arise from bargaining by and accommodation of diverse partners and interests. Such worries are exaggerated. Our experience shows that coalitions can yield good policymaking and governance, even as they appear fractious. The record also shows that the virtues of single-party rule are often overstated. India has had coalition governments since 1989, although the National Democratic Alliance (NDA) regime of the last 10 years was run by a single party, as the BJP had a majority on its own. Governments since then have heralded, expanded and presided over India's economic reforms to produce the economy's best period of growth in history. The Narasimha Rao government was in a minority when it launched the country's economic reform programme in 1991. It did away with industrial licensing and mandatory clearances from a monopoly watchdog, opened up trade, liberalized the exchange rate, joined the World Trade Organization and overhauled the securities market. The United Front government that ran the country over 1996-98 was short-lived and given to internal squabbles, but it dematerialized shares, allowed foreign investors into debt, brought in a structured exploration and licensing regime for hydrocarbons, set up a statutory regulator for telecom and reduced personal income tax rates to levels that still hold. After that, Atal Bihari Vajpayee led two NDA coalitions that took reforms forward. The Centre rationalized customs and excise rates, laying the ground for value added tax-

ation later. It initiated highway development and built rural roads, bringing the hinterland closer to commercial hubs. It reformed telecom policy to ease regulatory shackles over technological potential, dissolving rigid rules to transform the sector from a low-volume, high-margin business to a low-margin, high-volume one. A successor coalition of the United Progressive Alliance (UPA) took that reform forward, issued more telecom licences to intensify competition, brought down telecom tariffs and made services widely affordable. Greater tele-density and lower charges expanded digital networks for a boom led by information technology. The UPA also baked inclusion into policy, with laws to institute the right to information and a distress dole in the guise of a rural job guarantee, apart from forest dweller rights. For infrastructure, it innovated with public-private partnerships, which yielded modernized airports in Delhi and Mumbai, several large power plants and networks of tolled highways, among other projects. The UPA initiated Aadhaar and laid the foundation for UPI services and other aspects of our digital public infrastructure. It also got rid of a global tech-denial regime by signing a nuclear deal with the US in the teeth of stiff opposition. It sustained an impressive compound annual growth rate of 6.8% over its 10 years in office. The de facto single-party regime of the last 10 years dodged tough decisions, first on land acquisition and then on farm policy reform. Among its big successes, while bankruptcy easing and inflation targeting may have had the party's signature, the GST rollout came about only because a coalition-style search for consensus was employed to win other parties over. Evidently, it is political nous, rather than a brute majority, that gets things done.

GUEST VIEW

The priorities that Modi might set to transform India

DHANENDRA KUMAR



is former chairman, Competition Commission of India, and executive director for India at the World Bank.

As Prime Minister Narendra Modi embarks on his third term, let's call it 'Modi 3.0,' expectations run high of transformative policies aimed at solidifying India's position as an economic powerhouse. Modi's letter to the nation after his 45-hour meditation in Kanniyakumari suggests Modi 3.0 plans to hit the ground running. Here, in brief, is what we can expect: **Strengthening manufacturing** will be on the radar with 'Make in India 2.0' that focuses on advanced manufacturing, including Industry 4.0 technologies such as artificial intelligence (AI), Internet of Things, robotics and big data. We can also expect the development of specialized manufacturing clusters for sectors such as electronics, automobiles, textiles and pharmaceuticals to help enhance efficiency and develop specialized skills, apart from tax breaks, subsidies and facilities to attract investment, and expanded production-linked incentive (PLI) schemes to cover more industries, with a commitment to create new jobs.

Boosting the economy will be done through infrastructure development by making more highways, airports, ports and logistical parks, and via the use of technology to improve quality and safety. The National Infrastructure Pipeline (NIP) will get a renewed thrust, smart cities mission will be expanded to more urban areas and high-speed rail and highway links will be built to improve connectivity in Jammu and Kashmir, the Northeast and other remote areas. **Stronger defence preparedness** will be on the agenda, done by focusing on modernization and the local production of aircraft, weaponry and other military hardware. **Financial sector reforms** may be initiated by addressing non-performing assets and modernizing public sector banks. Digital transactions and fintech innovations will be promoted to improve financial inclusion and efficiency all the way to last-mile links. **Job creation** will be promoted through skill development and vocational training, especially in futuristic areas including AI, robotics, machine learning, drones, chip manufacturing. The aim will be to enhance skill sets through the Skill India Mission in alignment with industry needs and also apprenticeship programmes that encourage private-public collaborations for training.

Support for micro, small and medium enterprises (MSMEs) will be stepped up by enabling easier access to credit and state incentives. Simultaneously, doing business will be eased by simplifying regulatory procedures and reducing bureaucratic hurdles. **Economic diversification will drive GDP growth** as the administration promotes sectors beyond traditional industries. Renewable energy, tourism and services will likely be in the spotlight and focus will be placed on developing tourism infrastructure, even as India is promoted as a global services hub. **Tax reforms** to simplify tax structures can be expected, and maybe another corporate tax rate cut to attract investment. **Public expenditure**, including on health, education and social infrastructure, would likely be stepped up to boost productivity. **Exports may be boosted** through trade agreements and diplomacy, with new deals helping open up new markets, including bilateral and multilateral trade pacts with

key partners such as the EU, Asean and African nations. The centre may also strengthen export promotion councils to provide exporters with targeted support and market intelligence, apart from export incentives to boost export-oriented manufacturing through duty drawbacks, subsidies and other measures aimed at making Indian products globally competitive. Logistics and port infrastructure upgradation could reduce costs and raise export efficiency. **Inflation containment** could see action by way of agricultural reforms, greater use of technology and supply chain improvements, especially by enhancing India's cold storage capacity to reduce post-harvest losses, even as roles are played by food processing parks and market reforms. A strengthened National Agriculture Market (e-NAM) could offer farmers better price discovery. **Energy and transport** will be focus areas for energy efficiency and cost reduction. This goes with India's RE drive.

Digital India 2.0 will make a mark by encompassing more areas and expanding e-governance for better efficiency and transparency. Broadband will likely reach every village. Innovation will be encouraged and also research and development. **The space sector** will notch up new successes. We have a manned mission and new exploration programmes coming up. Commercial launches can also be expected to make gains in a lucrative global market. **Research grants and funding** for scientific innovation would help create a vibrant base that allows thousands of startups to flourish. Expect more support from incubators, accelerators and venture capital. **Regulatory reforms** could focus on streamlining regulations to enhance business competitiveness and the ease of living. India must further simplify procedures and reduce compliance burdens; labour reforms need to be implemented to create a flexible market that allows adjustments. In a recent statement, Prime Minister Modi, while talking about his vision for India over a thousand-year span, said, "If you want to achieve big, then think big." We can expect his leadership to work at laying a solid foundation for a strong and developed country by 2047.

Modi 3.0 could establish Indian leadership in climate resilience

His Panchamrit vision and policy interventions lay down a clear path to sustainable development



TUHIN A. SINHA & KAVIRAJ SINGH are, respectively, national spokesperson, BJP, and founder and managing director, Earthood.

As India looks set for a third Lok Sabha term under the leadership of Prime Minister Narendra Modi, the nation is poised to solidify its status as a global climate leader. India's rising role in global environmental stewardship will be driven by the PM's visionary 'Panchamrit' strategy. This initiative, combined with India's impressive climate action, can set a benchmark for the world in sustainable development and innovative solutions. **The Panchamrit vision:** This is central to Modi 3.0's climate strategy and outlines five key elements that will drive India's climate policies and set global standards. The vision includes reaching 500GW of non-fossil energy capacity, sourcing 50% of India's energy requirements from renewable sources and reducing projected carbon emissions by 1 billion tonnes and decreasing the carbon intensity of the economy by 45% over the 2005 level, all by 2030, apart from achieving net-zero emissions by 2070. These targets underscore India's commitment to climate action. **Major determinants and actions:** India faces unique challenges and opportunities, as environmental sustainability must be balanced with economic development. The country's climate actions are science-driven and evidence-based. New Delhi has initiated several international forums for climate action, including the International Solar Alliance

(ISA) and Coalition for Disaster Resilient Infrastructure (CDRI), both of which show how India has rallied other countries for the cause. The country is also advocating a global alliance on bio-fuels among G20 nations to accelerate the world's energy transition. This initiative mirrors the ISA, which aims to make clean and affordable solar energy accessible to all. The Global Biofuels Alliance (GBA), launched during the 2023 G20 summit, has obtained support from 19 countries and 12 international organizations already. The GBA is expected to enhance global biofuel trade and promote best practices, driving its development and deployment while positioning it as a crucial element in the energy transition, one that can contribute to job creation and economic growth as well. It can turn farmers from food producers into energy providers, potentially providing them with an additional source of income and significantly reducing our dependence on diesel and petrol. Prime Minister Modi has underscored the broader vision of using a 'green GDP' to measure economic progress. He has also emphasized the global need to embrace renewable energy (RE) sources like solar, wind, and green hydrogen to tackle climate change. The concept of green GDP, which reflects the environmental impact of economic activities, can help countries align their economic development with sustainability goals. **Renewable energy accomplishments:** India's RE sector has seen remarkable growth. The country's solar capacity has increased over 26 times in the last decade and its wind energy capacity has doubled. With the fourth-largest installed wind capacity and the fifth-largest solar capacity globally, India achieved its target of 40% installed power-generation capacity from non-fossil fuels many years ahead of schedule. This highlights India's commitment to RE and its ability to meet and exceed expectations.

The way forward: Despite these achievements, India faces significant challenges in its climate mitigation efforts. The country's heavy reliance on coal, which accounts for most of our energy needs, poses a substantial hurdle. Substantial new investments in RE, infrastructure and sustainable land-use practices are required to meet India's ambitious climate goals. However, with innovative initiatives like the Green Credit Programme and the GBA, India is well positioned to overcome these challenges and lead by example. To decarbonize India's economy, the Indian government plans to set up an Indian Carbon Market (ICM) by establishing a national structure. The draft framework for the Indian Carbon Credit Scheme, notified by the Union government last year, aims to lower the emission intensity of India's GDP by 45% by 2030. Aligned with India's goal of achieving net-zero carbon emissions by 2070, the ICM will be instrumental in decarbonizing commercial and industrial segments of the economy. As India strives to strike a delicate balance between its economic needs and environmental concerns, a vibrant carbon trading mechanism will be crucial to creating a sustainable future. Again, this initiative not only reaffirms India's commitment to combating climate change, but also sets a precedent for other nations to follow. **Conclusion:** Modi 3.0 marks a major moment in India's journey towards global climate leadership. The PM's Panchamrit vision, combined with a robust policy framework and impressive RE achievements, sets a new standard for sustainable development. As India navigates the complexities of climate action, its commitment to inclusive growth, poverty eradication and environmental sustainability remains unwavering. By fostering innovation, encouraging international cooperation and leveraging its rich cultural heritage, India is not only securing a sustainable future for itself, but for the world.



JUST A THOUGHT

This is not a partisan debate; it is a human one. Clean air and water and a liveable climate are inalienable human rights. And solving this crisis is not a question of politics, it is our moral obligation.

LEONARDO DICAPRIO



The IndianEXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

RINGING IN THE NEW

New governments in Odisha, AP must keep promises, especially on creating job opportunities, that swept them into power

THE DEFEAT OF five-time chief minister Naveen Patnaik of the Biju Janata Dal (BJD) and the YSRCP's YS Jagan Mohan Reddy in the assembly polls held alongside the general election frames anti-incumbency at work in Odisha and Andhra Pradesh respectively. From 23 seats out of 175 in 2019, the TDP — whose fortunes seemed to be at their lowest ebb a few months ago, following Chandrababu Naidu's arrest last year in the alleged Skill Development Corporation scam — rose to win 135, while the ruling YSRCP, which had swept the previous assembly polls with 151 seats, was able to retain only 11. Even as it registered losses in its bastions like UP, the BJP's inroads into Odisha point to its spread into new territories and clever leveraging of fatigue with the BJD — it secured 78 seats against BJD's 51.

In both states the Opposition banked on anti-incumbency sentiments, including discontent over the perceived lack of employment opportunities, and a welfare model that was seen to prioritise short-term gains over long-term development policies. In Andhra Pradesh, the appeal of Jagan Reddy's "Navaratnalu" promise — nine welfare programmes aimed at farmers, women and the poor — evidently dimmed before the TDP's "Super Six" guarantees of welfare plus jobs. The TDP-JSP-BJP combine also tapped into disgruntlement over the controversial Land Titling Act and the widespread impression that a majority of the state's funds were being spent on doles. Perceived vindictiveness towards political rivals also hurt the YSRCP's prospects, especially after JSP's Pawan Kalyan, in September last year, declared his support for Naidu in a made-for-camera moment outside Rajahmundry jail, where the latter was incarcerated. In neighbouring Odisha, in the 2019 Assembly elections, the BJD had won by a comfortable majority of 112 of its 147 assembly seats against the BJP's 23. Ahead of this year's assembly elections, speculation about Patnaik's failing health, Odisha's low indices on parameters such as education and employment became flashpoints that were successfully exploited by its former ally-turned-adversary. The state's unemployment rate remains higher than the national average. Welfare schemes aimed at women and farmers that had powered Patnaik's popularity through a large part of his 24-year tenure seemed to have run out of steam, opening up fertile ground for the BJP leadership to invoke Odia asmita (Odia pride) and attack Patnaik on the rise of his aide and private secretary V K Pandian as the de facto administrator who came in from outside. The Ratna Bhandar issue — the missing key to the treasury of Lord Jagannath — was raked up, too, as an example of the BJD's alleged disrespect to Odia culture.

Cultural identities, however, are tricky terrains. As the BJP begins a new innings in the state, it will also need to remember that voters in the age group of 18-29 account for 23 per cent of Odisha's electorate — they require jobs that will keep them in the state instead of looking for opportunities outside. In Andhra Pradesh, too, youth make up about 25 per cent of the state's population. The jobs and development plank on which the winning alliance campaigned — helped by PM Modi's appeal — must now become the template for the new government's policies.

RULES OF THE GAME

In a bitterly fought election, amid spectres and scares, what remained inviolate was the electoral process's credibility

AT THE END of an election, the focus is on reading the mandate and analysing the performance of the major political players. Elections, however, are not just about victory and defeat. They are equally, if not more importantly, tests of the process, and its checks and balances, the system's ability to ensure fair play. For India's poll monitor, the Election Commission (EC), that task is both delicate and difficult: Making adherence to due procedures non-negotiable in a diverse and intensely competitive field, where passions often run high. On Tuesday, when it declared the results of the General Elections, held over a gruelling six weeks amid heat wave conditions in several parts of the country, the EC could justifiably claim to have lived up to its own high standards. "Parinaam mein hi pramaan hai (the result is the proof)", said the CEC.

Ahead of this election, and also during it, concerns about its free-ness and fair-ness, taken for granted so far, were raised by political players, and they found an echo among sections of voters. The backdrop to the 18th Lok Sabha elections featured an executive which showed little compunction in weaponising central investigative agencies against political opponents. In January, Jharkhand Chief Minister Hemant Soren was arrested by the Enforcement Directorate (ED) on corruption charges. About two months later, his Delhi counterpart, Arvind Kejriwal, was taken into ED custody — it required a Supreme Court verdict to let the AAP supremo campaign. This created fears about the playing field being rigged. A big question long before the winners and losers were decided was, therefore, about the integrity of the process itself. In this setting, the EC stepped up to its role, even as it invited criticism and controversy. Among other steps, it issued notices to the presidents of the BJP and Congress on alleged breaches of the model code of conduct by their star campaigners, including Prime Minister Narendra Modi and Congress leader Rahul Gandhi. Polling in parts of West Bengal was marred by violence, but the law enforcement agencies ensured that disturbances were contained before they took a serious turn.

No losing candidate — not Uddhav Shiv Sena's Amol Gajanan Kirtikar who lost to Shiv Sena-Shinde's Ravindra D Waikar in Mumbai North West by a mere 48 votes, nor CPM candidate V Joy defeated by Congress's Adoor Prakash in Attingal, Kerala, by less than 700 votes — is reported to have questioned the fairness of the result. It's yet another testament to the resilience and credibility of the country's election process and machinery.

YOU DON'T NEED TO KNOW

An AI chatbot now allows people to seek advice from their older selves. It is an unnecessary enterprise

IF I ONLY knew then, what I know now..." It is a lament the young do not understand, for they do not know that they do not know. But as time passes — sometimes in days, sometimes in years — many people have wanted to go back and counsel, scold and guide themselves to better decisions. Some may wish to go back only a day, and caution their past selves against that fifth drink, or the late-night binge eating. For others, regrets can span years and even a lifetime. It may be that, after slaving away at a job for decades, someone may want to go back and quit, when time and opportunity allowed them to. Now, AI is trying to allow people to talk to younger versions of themselves.

According to a report in The Guardian, researchers at the Massachusetts Institute of Technology (MIT) have built an AI-powered chatbot that simulates a user's older self and dishes out advice. The profile picture is aged — wrinkles, grey hair and perhaps a bit of wisdom in the eyes — to make the faux time travel feel more authentic. It gives career advice, tells people to cherish their parents, and shares any number of other pearls of wisdom. If the advice sounds a little corny, users have only themselves to blame — the chatbot is based on their behaviour and inputs. Unfortunately, though, it's unlikely to alter the course of lives.

The problem with the "I wish I'd known then what I know now" aspiration is, as Terry Pratchett pointed out, "when you got older you found out that you wasn't you then. You then was a twerp." It takes a life filled with regrets and what-ifs to gain the wisdom to give advice. Ignoring the advice of elders is what being young is often about. A chatbot won't change that. If kids were so keen on perspective, they would just listen to their parents.



ASHUTOSH VARSHNEY

EVERY ELECTION VERDICT is part statistics, part interpretation. The game of numbers is cut in stone; the realm of interpretation is anything but. The following question is worth posing. Just what do the 2024 national election results signify?

There are three serious interpretive candidates (and possibly some more, if imagination can be deployed further). The first is that the results are a massive disapproval of the prime minister's hubris, especially though not only epitomised by his public statement that he was not biologically produced, but was chosen and sent by "parmatma" (God) to accomplish a divinely ordained mission. This statement in May followed his consecration of the Ram temple in January, where priests played a wholly subsidiary role and India's Prime Minister, occupying the highest office of a non-theocratic state, placed himself at the centre of a religious ceremony.

But even a serious electoral reversal — losing over 60 seats — appears not to have had an immediate effect. In an inversion of meanings, the first post-election Narendra Modi appearance at the BJP headquarters was presented as an "aitihasik vijay utsav" (historic victory celebration). That is called an exercise in suspension of disbelief.

In an intellectually astute formulation, Yogendra Yadav has of late been arguing that given the call for "chaar sau paar" (beyond 400 seats) and its 303 seats in the last Lok Sabha, 300 seats or so for the BJP in 2024 could be called some kind of draw, but less than the majority figure (272) should be viewed as a "moral defeat" and less than 250 a "political defeat". BJP has 240. How can that be a victory?

The second interpretation is that the results are a check on Hindu nationalism. After the first round of voting, Modi's campaign, in its anti-Muslim rhetoric, acquired the kind of Hindu nationalist stridency not seen since 2002.

Consider, now, why the verdict can be read as a disapproval of Hindu nationalism. The BJP lost Faizabad, the parliamentary seat that houses the Ayodhya temple. Equally notably, the BJP has been trounced in Uttar Pradesh, the party's greatest ideological heartland outside Gujarat since 2014. Compared to 2019, the BJP's vote in UP fell by as much as eight percentage points.

Elections expressed a yearning for defence of constitutional values and citizen dignity

The BJP lost Faizabad, the parliamentary seat that houses the Ayodhya temple. Equally notably, the BJP has been trounced in Uttar Pradesh, the party's greatest ideological heartland outside Gujarat since 2014. Compared to 2019, the BJP's vote in UP fell by as much as eight percentage points. The BJP also lost the parliamentary seat of Barmer (Rajasthan), where Modi, while campaigning, used for India's Muslims some truly vile words, such as 'ghuspaithiye' (infiltrators) and 'zyada bachche paida karne wale log' (the community that breeds more children).

Two more results are worthy of attention. The BJP also lost the parliamentary seat of Barmer (Rajasthan), where Modi, while campaigning, used for India's Muslims some truly vile words, such as "ghuspaithiye" (infiltrators) and "zyada bachche paida karne wale log" (the community that breeds more children). The BJP was also defeated in Banaskantha (Gujarat), a heavily dairy-dependent town, where the prime minister spoke of how the Congress party would snatch a buffalo from those Hindus who owned two buffalos, and give it to Muslims.

The third interpretation is that the elections expressed a yearning for the defence of constitutional values, especially affirmative action and citizen dignity. Those who did field research during elections, including me, have noted that for the first time in India's electoral history, the voters were expressing concern about the Constitution, especially if the BJP won big. Of particular concern was the idea of 370 or 400 seats.

Why 370 or 400? Why not 320 or 330, which is more than sufficient for victory? Wouldn't the former be an instrument for bringing about constitutional changes, including alterations in the affirmative action regime?

Concerns about the Constitution have always been a matter of debate in elite circles — in English language media, in the seminar rooms of India International Centre, JNU, National Law Schools, Delhi School of Economics and Sociology, etc. But these concerns now entered mass politics, especially among educated Dalits and OBCs. A copy of the Constitution in Rahul Gandhi's hands, as he made campaign speeches with an approving Akhilesh Yadav on his side, signified how the Opposition turned this "elite idea" into an election pitch.

This third interpretation is perhaps the best way to think about the verdict. But it has to be reframed in a way that links it to a broader idea. We need a prism through which we can connect the apparently disparate things that we kept hearing in our travels. These were — affirmative action uncertainties; the rise of animosities and polarisation in society; the concern about rights; the steeply rising inequalities, with a few becoming monumentally rich and millions without

a job; the idea that if a job is available, one won't need free ration, one can buy the food one needs, and also live a life of dignity. These thoughts can, I think, be aggregated into the so-called "idea of India".

Hindu nationalists have always resented this term, calling it a Nehruvian imposition. An authentic idea of India, in their view, requires civilisational anchorage, which they define as Hindu-centric. To their minds, "Islamic invasions" since the 711 conquest of Sind by Mohammed bin Qasim make it more than *ek hazaar saal ki ghulam*i (a thousand years of slavery). A culturally authentic idea of India must give primacy to overcoming this *ghulam*i; everything else follows. The term "infiltrators" comes from this version of history.

But this argument is fundamentally flawed. The so-called idea of India is not a Nehruvian imposition. It is enshrined in India's Constitution. The Constitution is, most of all, Babasaheb Ambedkar's creation. It was doubtless based on deliberations in the Constituent Assembly, but he was the prime mover. The Constitution has all the ideas bubbling disparately in our election conversations: Justice, equality, rights, attack on various kinds of inequalities, and that mighty human motivation once consciousness dawns — dignity.

Doubtless, my arguments above have a Dalit, OBC and Muslim inflection. Moreover, their roots are in my UP conversations. But that is no disqualifier. After all, Modi's overall electoral reverses are disproportionately driven by his defeat in UP. And there is every reason to believe that Dalits, OBCs (including lower OBCs) and Muslims brought about the BJP's downfall in UP.

In short, at least in UP, and perhaps elsewhere, we are witnessing a re-birth of the idea of India, heavily suppressed for the last several years. What is even clearer is that if the BJP had returned to power with a majority of its own, the constitutionally enshrined idea of India would have been subjected to a vigorous assault, leading to its decimation.

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ASHUTOSH

AAP'S MISSING VISION

Losses in Lok Sabha election show voters expect more from the young party

REVOLUTIONS HAVE MANY shades. But their essential feature is disruption. From the French Revolution to the October Revolution, old establishments were led to their destruction with a delinking from the past for the construction of the future. The 2011 movement led by Anna Hazare and Arvind Kejriwal was nothing less than a revolution. So, when it transformed into a political party, the Aam Aadmi Party earned the confidence of the people, with the party forming governments in two states in a short span, defeating a century-old political party.

The AAP is no ordinary phenomenon. But this election has proved again that it is still not considered a national player. It is intriguing that the AAP, despite having an overwhelming presence in the assembly elections in Delhi, has failed to win a single seat in parliamentary elections in the national capital three times in a row. It drew blanks in 2014, 2019 and 2024. The BJP has swept all seven seats in Delhi since 2014.

In this election, the AAP was hopeful that it would be able to win at least two seats, given its alliance with Congress. Yet, the combined share of votes is about 43 per cent, much less than the BJP's 54 per cent. In 2019, the AAP and Congress contested separately and surprisingly, the former was third in terms of vote share. Congress did better in 2019. Curiously, just six months later, in the assembly elections, the AAP im-

AAP contested 22 seats in total this year. Other than Delhi and Punjab, it put up candidates in Assam, Haryana and Gujarat. It improved its national vote share from 0.44 per cent to 1.11 per cent this year. But despite the arrest of Arvind Kejriwal on the eve of the election and his release on bail to campaign for the party, the AAP failed to move the voter. These are not encouraging signs.

proved its vote share three times over and won 54 per cent of the votes and 62 seats out of 70 in Delhi.

In 2014, too, the AAP was no match to Modi's juggernaut in the Lok Sabha elections. This was when the AAP was considered a national alternative. It contested more than 400 Lok Sabha seats but lost all but four in Punjab. At its peak, it could get only 33 per cent of the votes to BJP's 52 per cent and failed to win a single seat. But six months after the parliamentary elections, it won 67 assembly seats out of 70.

The Punjab story is slightly different. In 2014, the AAP won four seats; in 2019, it was reduced to one seat and in these elections, it won three against Congress's seven. It had a good start in Punjab with four seats and 24 per cent of the votes but its performance in 2019 and 2024 has been anything but good. In 2019, its vote share nosedived to 7.46 per cent. In 2024, it increased to 26 per cent, with the AAP winning three seats. But this pales in comparison to its performance in the 2022 assembly election when it won 92 seats and 42 per cent votes. This is after the AAP stunned many by forming the government in Punjab. Congress was almost decimated but surprisingly, it had done better than the AAP in 2019 when it won 8 seats and in 2024 when it managed seven seats.

Here emerges a pattern. The AAP contested 22 seats in total this year. Other than

Delhi and Punjab, it put up candidates in Assam, Haryana and Gujarat. It improved its national vote share from 0.44 per cent to 1.11 per cent this year. It has been recognised as a national party (many voters' perception, notwithstanding).

But despite the arrest of the AAP's top leader Arvind Kejriwal on the eve of the election and his release on bail to campaign for the party, the AAP failed to move the voter. These are not encouraging signs. It seems voters expect much more from the AAP in the general elections. Its failing is that even 12 years since inception, it has not presented a vision document for the country; nobody knows what the AAP's economic, foreign and defence policies are. The AAP had promised to change politics; it spoke against dynastic politics and opposed high command culture. It talked about making governance transparent, democratic and decentralised. Today, it has turned into an opaque organisation and highly-centralised governance is its hallmark.

In this context, it can be said that a revolution that promised to radically change the system, has surrendered to it. Its national future looks less encouraging unless it does course correction.

The writer, a former member of AAP, is co-founder and editor of SatyaHindi and author of Hindu Rasht



JUNE 6, 1984, FORTY YEARS AGO

GUNS IN TEMPLE

TERRORISTS INSIDE THE Golden Temple complex for the first time used medium machine guns and mortars against the security forces. Two persons, a security personnel and a labourer, were killed in the firing. It was not known whether there was any casualty inside the Golden Temple. (Resistance from the extremists inside the Temple seemed to be crumbling, reports PTI.)

RADIO PAKISTAN

THE GOVERNMENT CENSORSHIP of the Punjab press has turned villagers of the state

towards Radio Pakistan. With the widespread reliance on it, the censorship policy seems to have backfired. A group of youths sitting under a tree in Diba village said they had the latest news. To prove this, they came out with a series of wild stories.

GULF WAR

IRAQI WARPLANES BOMBED the western Iranian border town of Baneh, killing or wounding more than 600 people, and Iran vowed to bomb 11 Iraqi cities and towns in retaliation, the official Iranian news agency IRNA reported. Without directly commenting on the Iranian report on the attack on

Baneh, Iraq threatened to bomb 5 Iranian cities if the Iranians carried out their threats, according to a report in Baghdad.

MISSIONS ATTACKED

MILITANT SIKHS FAILED in their attempt to intrude into the Indian High Commission building in London but they forced their way into the ground floor and wounded three India-based security guards. All this happened in the presence of a lone police constable who, dazed over the unexpected incident asked his headquarters for help. A contingent of police rushed to the scene only after the damage had been done.

THE IDEAS PAGE

Modi, beyond numbers

Opposition must realise that PM Modi's vision and appeal go beyond one election result and BJP MPs shouldn't rely only on his popularity



RAKESH SINHA

THE 2024 Lok Sabha elections verdict carries multiple messages. On the face of it, the BJP's seats have decreased, which has made a coalition government at the Centre essential once more. In a parliamentary democracy, numbers are, understandably, the primary yardstick used to judge the success of political parties. Political thinkers and commentators both inside and outside the country who constantly criticised the RSS-BJP and Prime Minister Narendra Modi on ideological grounds are announcing the decline of PM Modi and the BJP. They seem to believe and hope, joyfully, that the result marks the return of the old style of politics.

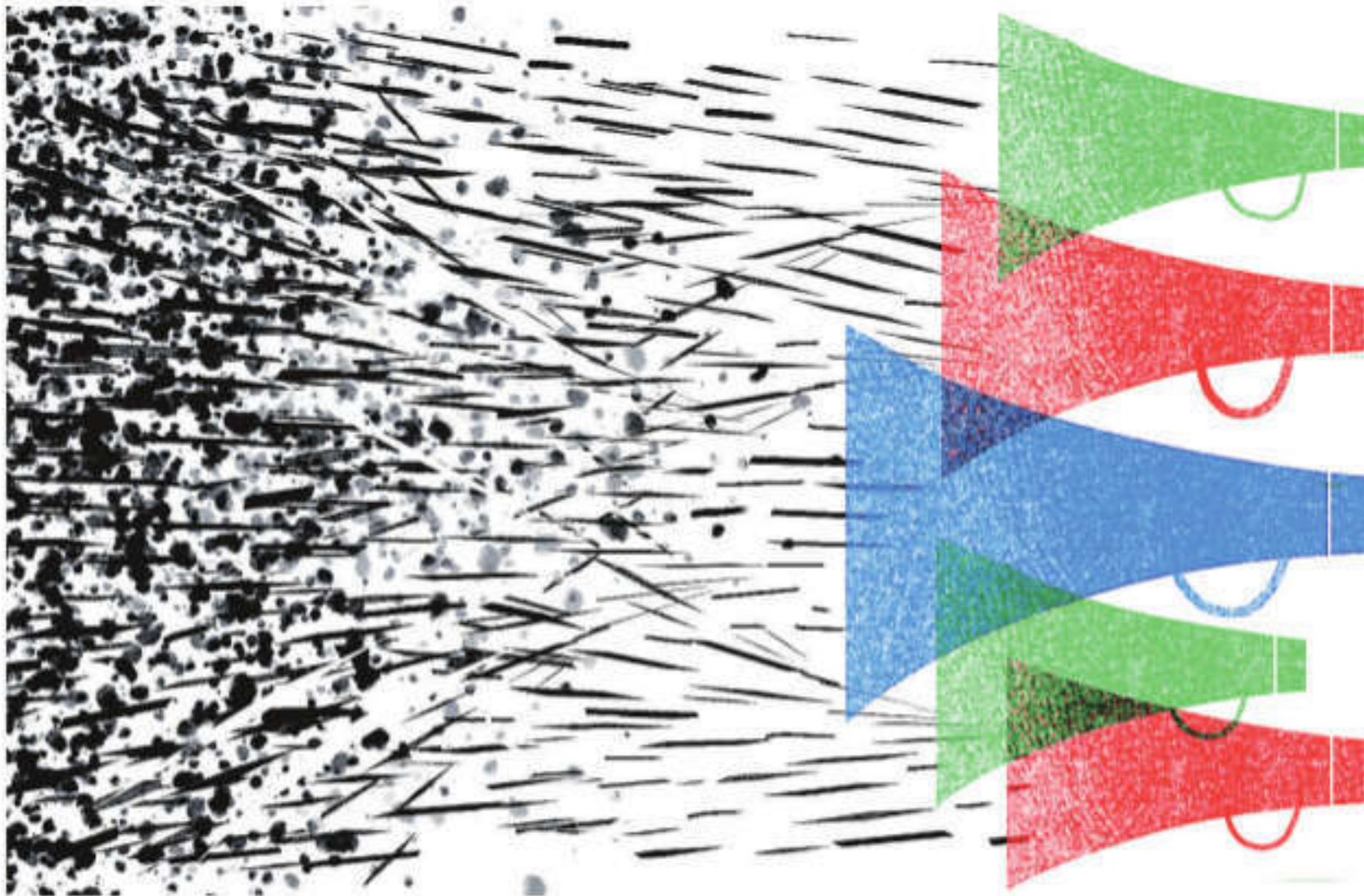
Elections hinge on many factors — social, regional, local — and above all, the personalities of candidates. Therefore, the BJP never undermined the importance of coalition politics. Even with a comfortable majority, it nurtured the National Democratic Alliance (NDA). The 2024 mandate is for Modi to govern the country for a third consecutive term. He remains the undisputed and most acceptable leader both in his party and the NDA. The voters have asked for political and ideological continuity.

While the BJP's vote share has remained unchanged since 2019 at 37.37 per cent, it could not reach the magic number of 272 seats. But this election tells another political tale. The BJP made a leap forward in states where it had been a symbolic force. In three states — Kerala, Tamil Nadu and Telangana — its vote share has increased substantially since the 2014 elections. In Kerala, it jumped to 16.8 per cent and the party opened its account in the Lok Sabha. Similarly, its vote share increased in Tamil Nadu from 3.66 per cent to 10.7 per cent. In Telangana, its share went up from 19.45 per cent in 2019 to 35 per cent. This growth is a result of a sustained effort to expand the party's base. The BJP government in Delhi is no longer dependent on North India alone.

In the east, the party uprooted the Biju Janata Dal (BJD) in Odisha and formed the government, increasing its vote share by 19 per cent in the process. In West Bengal, the party's share has increased from 17 per cent in 2014 to 38.73 per cent in 2024. The party leadership has used ideology, and political and cultural issues to cultivate support. This kind of success for an ideological party should be more cause for concern for Nehruvians than the ephemeral joys of a reduction in the BJP's seats. The 2024 election could be just a pause for the BJP, not a setback.

Modi is a politician who thinks long-term. Therefore, the evaluation of his actions should not be solely on the numbers in successive elections. Neither Nehru nor Modi can be considered purely political actors.

The most remarkable aspect of the Modi government has been the initiation of a theoretical understanding of the role and nature of the Indian state. This gives him a unique place in modern India. Since the colonial era, a particular understanding of what makes a nation-state has been ingrained in students. The study of history has been largely about the Gandhian strand of



C R Sasikumar

the freedom movement. All this has overlooked our civilisational richness and the intellectual contributions of our ancestors. Moreover, advocacy of such issues was contemptuously described as a "cultural right" preoccupation. This is a hangover from the colonial tradition. The dearth of saffron intellectuals to secure an academic foundation meant Marxists and Nehruvians had a monopoly in defining the idea of India.

The RSS did find common ground with Congress leaders like S Radhakrishnan, Sampurnanda, K M Munshi and often studied their speeches and writings. The Bharatiya Jana Sangh (BJS) and BJP occasionally shared power with other parties in states and the Centre since 1967. However, the philosophical understanding of nationalism, secularism and culture remained broadly unchanged. It is here that Modi makes a difference.

He has used India's cultural past and philosophy not only to redefine the idea of India but also to influence the Western mind. His progressive contextualisation of our cultural past has ensured a connect with the people that is beyond politics. He has addressed something that has remained suppressed in India's subconscious. The common person on the street doesn't hesitate to debate such issues now. Modi has underpinned the role of Hindu spirituality in moulding India's world view.

The natural corollary of all this is the mobilisation of a new intelligentsia and the production of pro-Hindutva works. This makes Modi more than a politician — he is more of a harbinger of a new era. How can one ignore his reverence of the forgotten tribal leader Birsa Munda, the sacrifices of Guru Gobind Singh's teenage sons, Zorawar Singh and Fateh Singh in the defence of religion and culture, and his appeal to Babasaheb Ambedkar's legacy. Modi's first step on the world stage after coming to power in 2014 was popularising yoga. He has done all this in the face of a fierce opposition that has criticised him for ruining the liberal-secular tradition and upturning the existing intellectual hegemony.

The 2024 elections, however, provide the party a few lessons. MPs cannot use the leadership's popularity and credibility and

The natural corollary of all this is the mobilisation of a new intelligentsia and the production of pro-Hindutva works. This makes Modi more than a politician — he is more of a harbinger of a new era. How can one ignore his reverence of the forgotten tribal leader Birsa Munda, the sacrifices of Guru Gobind Singh's teenage sons, Zorawar Singh and Fateh Singh in the defence of religion and culture, and his appeal to Babasaheb Ambedkar's legacy. Modi's first step on the world stage after coming to power in 2014 was popularising yoga. He has done all this in the face of a fierce opposition.

their welfare programmes to escape their moral responsibilities to their constituencies. Modi's popularity in almost every constituency in the country has supported many of them. But they should not take it for granted. I remember in the first meeting of the BJP's MPs after the 2019 elections, the PM directed his party colleagues to not forget the people and suggested programmes to connect with the people — yoga camps, sports events or even utilising welfare measures as an outreach method. The failure to heed these words is at the root of their failures. Perhaps the party's focus on its welfare programmes, which helped expand the BJP's social base, prevented it from recognising the credibility deficit of some of its MPs and candidates.

It is also important to redefine welfare. While farmers and the marginalised got support from the government, the party's intellectuals remained unconcerned about the propaganda of the opposition parties and their intellectual allies, centred on reservation, the Constitution, and majoritarianism. The polemical campaign of BJP's adversaries derives strength from their seven-decade-old political legacy. The BJP cadre has not been trained to contest them more vociferously and intellectually. They find themselves at a disadvantage in countering the old Nehruvian narrative of being an upper-caste Hindu hegemonic force.

The BJP's next challenge is to use civilisational narratives to incorporate minorities within its version of social inclusion. The party's long political innings can naturally counter its image of an anti-minority party. Modi's firm stand against appeasement has been now internalised by even his political adversaries.

It should also be realised that forces countering Hindutva are weak but not dead. They solicit support from abroad and use Hindutva's success to deny the legitimate image of India and the nationalist forces. That's why many non-state actors in Europe and America wanted the BJP to be defeated. Their hopes have been dashed by the 2024 mandate.

The writer is a BJP Rajya Sabha MP

WHAT THE OTHERS SAY

"The politics of Mexico are bracing and troubling. It is welcome to see a party embrace poverty reduction and state empowerment...What happens when a charismatic leader leaves office? Ms Sheinbaum's presidential term will provide an answer."

— THE GUARDIAN

At arm's length, for corporate health

In a result-oriented world, proxy advisors try to maintain objectivity



J N GUPTA

PROXY ADVISORS ATTRACT attention when their recommendations lead to rejection of resolutions like in the case of Nestle's royalty payout, or when there is a divergence of views such as in the demerger of the ITC Hotels. However, it is rare when proxy advisors (PAs) are not divided and when investors have approved the proposal, but there are still a few who are protesting, as in the case of ICICI Securities delisting and the Tata Motors DVR proposal.

A recent article on Jamie Dimon, the CEO of JP Morgan Chase, flagging concerns over the "undue influence of proxy advisors" gave the impression that PAs are all powerful. While that may be true in other countries, it does not seem to be the case in India.

Of the 1,841 resolutions on which Stakeholders Empowerment Services (SES) recommended an "against" vote in 2023-24, only 55 resolutions were actually rejected. Institutional investors in India tend to do their own analysis, supplemented of course by PAs. Proxy advisors' only function as a support system for investors to make their own informed decisions. This, in fact, is the right approach.

Most of the time, PAs tend to criticise and find faults. Who likes a critic? When one goes to a doctor who finds something wrong, what does one do? Take corrective action. So why not treat PAs as doctors for good governance?

The problem starts with the interpretation of laws by proxy advisors which many-a-time differ from the company's interpretation. PAs create their own benchmarks, leading to, what could be termed as "regulatory compliance" vs "governance" situation. They believe that governance is the higher form of compliance, in spirit and beyond letter.

The role of PAs is not to second guess the decisions/actions of the management so long as they are fair and the governance parameters are adhered to. PAs neither have the expertise, vision nor the information that the board has to determine what's best for the company. Nor are they expected to possess the skills to out-think the boards of the thousands of companies that they track. Therefore, the drafting of notices for meetings becomes important. The board should ensure that the proposals are supported with specific and detailed rationale, and provide requisite disclosures for informed decision making. Most negative recommendations are the result of lack of proper disclosures and rationale. But, the most controversial issues are related to valuation.

A proxy advisor is not an expert in valuation. However, they have a fiduciary responsibility to raise concerns in case the valuation is unfair. While valuers claim that valuation is an art, not an exact science, when two valuers working independently

arrive at almost the same value/ratio, one wonders whether to believe the phrase, "valuation is an art". How can two pieces of art be the same? Unless one is a fake or a copy.

Therefore, SES hardly puts any reliance on the valuer's report, and works on independent valuation if possible. In case a deal is between two listed entities, the undisturbed share price of the entity for a reasonable period preceding the transaction announcement date is considered. The market price is the fairest estimation of value.

Mostly, companies have problems with PAs. However, two recent cases, that of Tata Motors and ICICI Securities, are noteworthy. In these cases, the issues were raised by a few investors although a majority of institutions backed the proposals. In both cases, their opposition emanated from their expectations which were not backed by sound arguments.

In the case of ICICI Securities, the argument was that the valuation was based on the current price which was lower than the listing price and why the National Company Law Tribunal scheme route was adopted, although the market Regulator SEBI had permitted this. The NCLT scheme route was chosen in a transparent manner, but questions were raised. Is it possible to satisfy everyone? No. The ICICI proposal satisfied all PAs and most institutional investors. In fact the management chose the NCLT scheme route, which is a two-step process involving greater scrutiny, first from shareholders and then from the NCLT. There is no law which says that if someone's expectations are not met, the proposal is unfair. Even PAs, after giving their opinion, cannot say that if their recommendations are not followed, they will cry foul. Law and logic both cannot support unreasonable arguments and expectations. Any legally available route, as long as it does not intend to benefit any select individual, can be chosen. In the case of ICICI, no individual has unfairly benefitted.

The case of Tata Motors was unique, where an individual approached all and sundry to convince them that Tata Motors DVR's shareholders were treated unfairly. The exchange ratio should have been one equity share for one DVR share, notwithstanding the market price difference, which has been prevailing for a decade. A new concept of economic valuation was invented to claim Tata Sons was increasing their value at the cost of other shareholders. Although, factually, Tata Sons' equity was coming down. The law cannot control a flight of imagination; it also cannot take the same flight. It has to remain grounded. So is the case with companies and investors. PAs are no exception.

In its existence, which spans more than a decade, the PA industry, after struggling in the initial few years, has come of age. The challenge now is not to boast about its success but rather maintain its independence, be free from conflict and continue without worrying about the outcomes. After all, proxy advisors are not beneficiaries of the outcome.

The writer is managing director, Stakeholders Empowerment Services. SES has released reports on Nestle, ITC, Tata Motors and ICICI securities

LETTERS TO THE EDITOR

PERCEPTION, VERDICT

THIS REFERS TO the report, 'India gives NDA third term, Modi a message' (IE, June 5). The reactions to the outcome of the Lok Sabha Elections 2024 are a classic case of expectations vs reality. The expectations from the NDA, specifically the BJP and PM Modi, were sky high; those from the opposition abysmally low. Hence, the election was essentially thought to be a one sided match. It proved to be otherwise and therein lies the tale. The response to the results from this perspective, is essentially about unmet expectations. The reality is that the majority still clearly want the NDA to form the government with Modi as prime minister. One hopes the Opposition will do justice to the mandate it has received.

Bhavna Swarup Sharma, via email

FOR DEMOCRACY

THIS REFERS TO the article, 'The challenge for INDIA' (IE, June 5). The BJP-led NDA has won the election, but with a slender majority. The ruling party has failed to get even a simple majority on its own, receiving shocks in UP and Maharashtra, humbling it. The BJP's all-out attempts to bulldoze the Opposition into submission largely came a cropper as the Congress-spearheaded bloc put up a spirited fight. The "my way or the highway" style of governance was clearly not acceptable. A vibrant Opposition and a central government cut to size could

augur well for the future of federalism and democracy in India.

SS Paul, Nadia

NITISH'S AMBITION

THIS REFERS TO the article, 'Vote for Government — and Opposition' (IE, June 5). The current dilemma of granting any alliance a chance at forming the government or opposition is far more paramount than we expected. The government can topple any time based on our time tested war horse — Nitish Kumar. His prolonged dream of securing the prime minister's throne may be within reach. This will be fulfilled in the INDIA bloc's incline. This is what's making the post result politics more engaging now.

Janvi Rawat, Ludhiana

BJP HALTED

THIS REFERS TO the report, 'India gives third term to NDA, a message to Modi' (IE, June 5). There is only one message from the 2024 general elections: The mirror has cracked. The BJP is the single largest party, but it has lost its majority and confronts the prospect of forming a government in coalition with its alliance partners. There is dissatisfaction on the ground and PM Modi's charm is no longer enough. The BJP used its power to project total control. It centralised political power, stifled dissent, jailed Opposition politicians. Finally, the BJP's path to hegemony has been halted.

Vandana Chopra, Chandigarh



VAASANTHI

A Dravidian wall

Behind BJP's loss in Tamil Nadu is its failure to understand Tamil ethos

NARENDRA MODI HAS successfully led the nation for a decade. He has made himself the most important face in the minds of a large section of the people and the media. People believed that in his third election too, he would be back with a majority, surpassing the previous numbers of 2014 and 2019. The "400 par" mantra was chanted over and over. Perhaps it started to ring true to his followers and the media as the PM crisscrossed the nation, addressing rallies everyday, declaring himself to be no ordinary biologically-born mortal. After all, who was there in the Opposition that was comparable to his calibre? Which party was as wealthy, as well structured, and as well advertised? The accounts of the major Opposition party were frozen and a couple of Opposition state chief ministers were arrested. The post-poll exit polls gave the NDA a comfortable majority. Some even predicted it would touch the 400 mark. Among the moderates and the Opposition, it created an air of despondency, concerns over the continuance of authoritarianism and the spread of communalism.

But the results have been breathtaking. The BJP is the largest party still, but it has won just 240 seats, falling quite short of the 272 mark. The Opposition INDIA bloc has

got 235, with Congress alone touching 99. It has been an impressive performance against the odds. Modi will still become Prime Minister with the help of his alliance partners N Chandrababu Naidu of the Telugu Desam Party, now the chief minister of Andhra Pradesh, and Nitish Kumar of the JDU from Bihar. But it would appear that the one-party dominance is over. Both Naidu and Kumar are smart politicians and will no doubt demand their pound of flesh.

How did this come about? It was very clearly the determination of the Opposition INDIA alliance, in particular that of Congress leader Rahul Gandhi who — once disqualified as an MP for a speech and then reinstated after the Supreme Court's intervention — faced an uphill task. But his two Bharat Jodo Yatras that took him across the country endeared him to the masses and forged a connection.

In this journey, the role played by M K Stalin, the Chief Minister of Tamil Nadu, is immense. Stalin has always shown his unflinching faith in Rahul Gandhi. In fact, during the last election in 2019, he even proposed Gandhi's name as the prime ministerial candidate. This time too, Stalin showed great maturity by sticking with the Opposition agenda of saving democracy,

secularism and the Constitution — the main themes of the Congress manifesto.

Stalin proved to be a great ally to the INDIA bloc by enthusing them to stand together to halt the BJP juggernaut. His public election campaigns attracted incredible crowds where he spoke like a national leader, emphasising on inclusive politics with his slogan "Narpathum namathe, naadum namathe (All the 40 is ours, the nation too ours)". Stalin graciously accommodated his alliance partners in distributing seats. The DMK contested just 21 seats. It gave 10 seats to the Congress and the rest to the Left and Dalit parties.

And it was a clean sweep. Its principal opponent, the AIADMK — that came out of the BJP alliance thanks to K Annamalai, the BJP state president who made derogatory remarks against their mentor C N Annadurai and also Jayalalithaa — stood alone, joined by DMKD, the actor Vijayakanth's party. But since they had no agenda except attacking the DMK, they drew a blank in this election. However, they have a substantial vote base and cannot be written off. The BJP, which projected itself as the future ruler of Tamil Nadu, drew a blank. Its state party president Annamalai lost by more than a lakh votes in Coimbatore. But

it must be said that the BJP increased its vote share from three per cent to 10 per cent. That is something to be watched out for by the Dravidian parties who have been a dominant force in Tamil Nadu since 1967.

In 2022, stressing the importance of co-operative federalism, Rahul Gandhi made an emphatic statement in Parliament, directed at the BJP benches: "You will never ever be able to rule over Tamil Nadu in your entire life!" Modi did his best to win the hearts of the Tamils but failed because of his incomprehension of the Tamil ethos. He miscalculated the reach of his Hindutva agenda, imagining it would persuade voters in Tamil Nadu. The Tamils are believers culturally, but historically secular. There is an interesting myth connected to the deity Sri Ranganatha of Srirangam temple that says that there was a Muslim woman who was a devotee of the Lord. She was the deity's favourite and there is a shrine in the temple devoted to her. A daily ritual is followed when the deity goes to the shrine to meet his "Thulukka Nachiyar" (Muslim lady). The *prasadam* offered to her is roti and sabzi.

Vaasanthi is a Tamil writer and journalist

Beyond Modi-bashing

INDIA must play the role of a responsible Opposition by providing an alternative vision of governance and politics

HE WAS ONCE dubbed “*pappu*”, or witless, by the ruling regime for regularly fumbling while delivering speeches or sounding clueless about important national issues. Congress leader Rahul Gandhi remained stuck in that image for long and what didn’t help was his failure to shed the perception of an entitled princeling. The successive defeat of the Congress in elections made things worse. However, June 4, 2024, promises to change all that. The election results have finally brought vindication for him, personally and politically due to sheer persistence. The two Bharat Jodo yatras may have made him a butt of jokes, but the silent voter has recognised his hard work. Gandhi, the politician, seems to have finally arrived.

But it’s not about Gandhi alone. For its voice to be taken seriously in the Indian National Developmental Inclusive Alliance (INDIA) and become a political centre of gravity, the Congress had to do reasonably well electorally. That has been partially achieved through the near doubling of its seat share. Its vote share jumped 3 percentage points even though the party contested 93 fewer seats this time. The grand old party also came off the high horse by agreeing to play second fiddle to several regional parties. Quite a few other Opposition parties — Samajwadi Party, Trinamool Congress and Dravida Munnetra Kazhagam, in particular — have done spectacularly well in their respective states, lending credence to the view that INDIA has emerged as a credible Opposition.

That in itself is a huge achievement, considering the odds stacked against them. Two chief ministers were arrested as electioneering gathered momentum, the threat of raids or arrest by investigative agencies hung over many others in the INDIA ranks. The Congress’s bank accounts were briefly frozen and I-T indemnities slapped on the party, formations like the Shiv Sena and the Nationalist Congress Party were splintered, and verdicts twisted in smash-and-grab adventures. Then INDIA itself was on the verge of collapse even before elections were announced. One of its founders, the Janata Dal (United), crossed over to the Bharatiya Janata Party (BJP) yet again while others were busy cutting Congress to size. In some sense, this was understandable as state parties are bound to have concerns about their self-interest and expansion and need to balance those interests with the need to work with each other. It’s good that the INDIA grouping has got its act together.

But the real action of the spirited and inspired Opposition starts now. Painting an apocalyptic picture of BJP rule and leaving it at that, instead of providing an alternative vision of governance and politics, has only a limited shelf life. The Opposition needs to frame an alternative vision of how to reduce the extreme distress and unease on the ground over unemployment, over prices, over the widening gulf between the rich and the poor, etc. There is often the lure of a catch-all centrism when it comes to socio-economic policies. That may not help the new front. The Congress’ manifesto, or “Nyay Patra”, gave a nuanced view on its politics and policy. But there needs to a common programme so that all INDIA partners get the clarity on how to make their voice heard and keep the government on its toes in Parliament and other spaces. That’s what is expected from a strong Opposition in a healthy democracy. Slipping into the slumber that marked much of the last term is no longer an option.

No one wants half-baked AI on iPhones (except investors)

LATELY, I’VE BEEN seeing headlines like this one from the long-running tech news site CNET: “Will Siri Become More Like ChatGPT?”

If you’re an iPhone user, I’ll bet your instinctive answer to that question is: “I sure hope not.” Or maybe: “I don’t care — I don’t use Siri anyway.” Both are reasonable reactions. The iPhone is too important to our day-to-day lives to be bogged down with experimental AI that is just as likely to hallucinate as it is to help.

Regardless, the question is being asked because next week is Apple’s yearly Worldwide Developer Conference (WWDC), the forum in which Chief Executive Officer Tim Cook is widely expected to detail his company’s most significant moves in artificial intelligence to date.

The desire to do all this comes less from users and more from Wall Street. With Apple’s share price flagging so far this year compared with those of its tech rivals, investors hope Apple might flip the narrative by offering a grand vision of AI it has kept hidden (or didn’t have) until now. There’s an “AI driven iPhone 16 supercycle now on the horizon,” according to analysts at Wedbush Securities, calling WWDC the most important Apple event in a decade.

Now, Wedbush is one of the more excitable tech watchers on Wall Street. Still, the level of broad expectation is palpable. Investors hope AI might give consumers a reason to upgrade their smartphones sooner than they might have otherwise — an antidote to faltering iPhone sales.

Will a smarter Siri send people rushing out to buy a new iPhone? I wouldn’t count on it. According to a recent poll by Bloomberg Intelligence, just 7% of 568 US-based respondents said AI features were a factor in deciding their next device. The same survey indicated that consumers are holding on to their phones for longer than ever thanks to “inflation and high product quality.” On the plus side for Apple, when existing iPhone owners decide to upgrade, they overwhelmingly stay with the company — 94%, according to BI.

This all means “there’s no rush” for Apple to bring AI features to its users, says tech analyst Carolina Milanesi, from Creative Strategies. In fact, it could do more harm than good. A company built on “it just works” and promises around privacy could find that current AI applications run counter to both of those hard-earned pillars of their reputation. AI is often buggy, sluggish and, for the more sophisticated queries, requires sending data away for heavy lifting in the cloud.

A knee-jerk reaction would risk looking a lot like Meta Platforms Inc.’s AI bot, crammed clumsily into apps like WhatsApp and Messenger and described by many as irritating. Or it could end up like Google’s AI Overviews, rolled back just a week after producing what Google described as “odd and erroneous” results to search queries.

The launch of these products was motivated at least in part by the need to keep Wall Street happy, helping to justify copious levels of spending on new infrastructure. Google employees I’ve spoken to recently speak about a culture of near panic as the company worries its search dominance is threatened by AI.

Cooler heads must prevail at Apple, where such threats are not a concern — at least not on any near-term horizon. The iPhone is the competitive moat to end all moats, the “Hotel California” of tech products, joked Wood (antitrust regulators find it less funny). Users won’t hurry to abandon years of loyalty to jump ship for AI. What is being offered so far by the likes of Google and Samsung is just not transformative enough to warrant the effort.

So, Apple has the luxury of time, and it need not fall into the trap of rolling out half-baked ideas to protect its position. Instead, its priority should be careful and incremental AI updates to enhance existing features and use cases. With a delicate touch, Apple can become the most important AI company in the world, bringing the innovation to the masses just as it did with the smartphone. Investors shouldn’t rush the company just to get a quick victory.

ENSURING IT IS DRIVEN BY PLAYERS BESIDES THE LEADING CONGLOMERATES IS IMPERATIVE

Pushing pvt capex-led growth

THE TOP PRIORITY of the incoming government must be to facilitate a virtuous cycle of private sector investment-led growth.

This is an unfinished agenda of the last five years. Despite a strong public capex push, corporate investments have not crowded in to drive the process of overall economic expansion, which hit 8.2% in FY24. To be sure, leading family-run conglomerates have been making big-ticket investments but a broader private capex upswing has not kicked in. The significant concentration of new investments by only a handful of big players cannot fast-track India’s growth beyond the short term. There is a need for more participation from India Inc, whose entrepreneurial spirits have been dampened to undertake capacity expansion.

While conglomerates ramp up their investments, other domestic firms are hesitant to invest despite regular exhortations from the highest levels of the government. A focus on capacity utilisation offers valuable clues in this regard. While these are higher at 75-80% levels for companies in steel, cement, automobiles, and chemicals as demand has improved, the overall capacity utilisation rates are not so assuring. Although they improved from the Covid-related lows of 47.3% during Q1 FY21 to hit a high of 76.3% in Q4 FY23, it subsequently fell to 74.7% in Q3 FY24, according to the Reserve Bank of India (RBI). Unless demand for manufacturing goods improves, average utilisation rates will not improve to a point where private industry requires additional capacity.

Like elsewhere in the US and Japan, there is no doubt that the dominance of

N CHANDRA MOHAN

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very large companies or conglomerates has been rapidly growing in the economy. The trend of industrial consolidation has proceeded apace, with many sectors being taken over by fewer and bigger entities. This is evident in telecom, airlines, steel, cement, aluminium, synthetic fibres, polymers, paints, cars, trucks, two-wheelers, tractors, tyres, consumer electronics and electricals, toiletries, and even biscuits. The country’s 20 biggest firms now generate 80% of profits generated by the economy, which is twice what it was a decade ago, according to Mumbai-based fund manager Marcellus, which highlighted in detail the growing concentration of investments and profits.

Conglomerate capitalism discourages innovation, widens income disparities, and slows growth over the long term. These big players also use their pricing power, which is one of the factors that can drive inflation in the economy. The dark side of this path of development is reflected in the sharp rise in big-ticket corruption after reforms were implemented since 1991, which upsets even the ardent advocates of liberalisation. Conglomerates historically have had a close rela-

tionship with the Indian State, notwithstanding the churn in their ranks over the years. This is largely responsible for their investments in line with the government’s economic policy priorities. Not surprisingly, they view their ambitious capex plans as contributing to nation-building.

For such reasons, India must not let a handful of tycoons and conglomer-

ates to “define its destiny”, argued Uday Kotak, who founded one of the India’s largest private sector banks. He accordingly urged the country to aim for broader growth with many “winners” or “encouraging many flowers to bloom” in an interview to the Financial Times. These comments also resonate

with development economists, who have drawn parallels between the dominance of conglomerates across vast swathes of the economy and the chaebol-dominated South Korean economy. Such a development strategy reduces the space for small and medium businesses to grow into larger firms and contribute to a more broad-based growth process.

The big question is: How can all of this change for “many flowers to

While conglomerates ramp up their investments, other domestic firms are hesitant to invest despite regular exhortations from the highest levels of the government

The next epoch of the internet



SRIVATSA KRISHNA

The author is an IAS officer Views are personal

Chris Dixon’s book *Read, Write, Own* is seminal and ground-breaking, although a little late to the party and contentious in parts

LET ME BEGIN with a disclosure. Chris Dixon was a section mate at Harvard Business School and someone I deeply admired. Even being in the top 1% of our class, he was authentic and down to earth. He has invested over \$6-7 billion in cryptocurrency and Web3, and indeed has put his money where his mouth is. Thus, it is a fond hope by virtue of knowing the author and the domain that Web3 and blockchain take the Internet to its next epoch, which is imbued with more wealth creation and less inequity.

His new book, *Read Write Oum* (RWO) is a seminal masterpiece which should’ve come out five years ago before scammers hijacked the blockchain and crypto story. While many parts of the book show his undiluted brilliance, in some others, the view is very US-centric which does not necessarily hold water elsewhere. *RWO* is the best history of the Internet and has gazed very courageously into the crystal ball, which is both admirable and risky. The primacy of its thesis is that “blockchain will save the Internet”, and while few will dispute the need for it to be saved, there will remain the sceptics who will disagree as to who will save it and how. I think just like the chip and Moore’s law brought down the cost of computing to almost zero, and the Internet brought down the cost of transactions and distribution to near zero, blockchain will not just accomplish this for creation, but also help creators appropriate some of its value.

The visceral challenge is not technology, which is just a tool — from the invention of fire to the printing press to the Web and now the next evolution, namely

blockchain/crypto/Web3. The challenge is modulating — nay controlling — human behaviour while using technology, which is where I somewhat disagree with the book’s broad sanguine view of it being self-regulating. Invariably, as FTX, Axie, Helium and Binance proved, the human brain and behaviour find ingenious ways around the inherent safeguards of technology. Whether, in balance, blockchain and crypto are still the future of compute and the Internet is the key question and I tend to agree wholeheartedly that they probably are. But isn’t it ironic that Dixon wants more regulation for a system which is not supposed to be regulated by anyone in the first place?

RWO is bang-on about the problems with the current Internet model and its evolution. The US model, in the last 25 years, has given us some terrific things for free — such as search, maps, email etc. However, it has captured, catalogued, and sold our data to advertisers with or without our explicit informed consent. Platforms have indeed captured value of every network effect out there and why not, they would argue. For the average Joe on the street, what he gets in return is far more visible and immediate than what he loses.

The European model has gone the other way, and is completely heavy-handed when it comes to regulation, and has thereby successfully throttled innovation. The Chinese model is a walled gar-

den where the government now sits on the boards of large unicorns. I’m sure when the government seeks individual personally identifiable data, no founder will read the freedom charter to the Communist Party of China.

The model which *RWO* has not talked about at all is India’s version of Web3 called the India Stack. It was the toast of the recently concluded G20 summit. Several countries have requested India to share its design so that they can seriously explore it as an alternative to their existing — considerably obsolete — models. Here, the government is merely the custodian, not the owner. Moreover, it is almost free of cost to citizens and open source.

Before the blockchain revolution could be understood, the widely read stories about scams and scammers ended up travelling far quicker than the ones which explained the power and purpose of crypto and blockchain to the world. Indeed, the former have caused enormous damage to crypto and blockchain, especially in countries like India where many poor people have bet small savings of up to \$10 and ended up losing it to various scams. Regulation, globally and more so in developing countries, always falls behind technology by many steps. There is also the big five of big tech — Facebook, Amazon, Apple, Netflix and Alphabet (Google), or FAANG — who effectively defanged regulators every-

The model which RWO has not talked about at all is India’s version of Web3 called the India Stack. It was the toast of the recently concluded G20 summit

LETTERS TO THE EDITOR

A surprising verdict

Apropos of “A return to democracy” (FE, June 5), the outcome of the 18th general election has proved that people are, and should be, at the centre of a democracy. The people’s verdict can’t be louder than this as it wants the Bharatiya Janata Party (BJP) to be more conciliatory and less confrontational towards the political aspirations of various communities and regions. The Congress, which

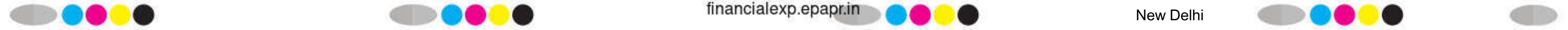
nearly doubled its 2019 tally to reach 99 seats, has restored its position in Indian politics, though it’s no way near BJP mark. It too should respect the verdict, and avoid an attempt of any post-poll coalition at this moment. The Congress’ strategy worked for it this time, while the BJP came up short on all its claims. All said and done, the people didn’t like the BJP’s strategy of portraying its return to power as an inevitable occurrence. —Sanjay Chopra, Mohali

Polls and markets

The Securities and Exchange Board of India must investigate if there was any nexus between the psephologists predicting results on the basis of exit polls and market operators. With the indices shooting up by 2,500 points and then plummeting down by 4,500 points on the day of the actual results means somebody has made a lot of money at the cost of simple-minded investors. Supporters and admirers of

this government would find it impossible not to believe in the leaders concerned when they said the markets would shoot up. So, when the exit poll results came in, they believed investing in markets was a sure-fire way of making easy money. Unfortunately, this was not to be, and they are left holding the shorter end of the stick. —Anthony Henriques, Maharashtra

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RESULTS SHOULD GIVE MORE VOICE IN DELHI TO OPPN-RULED STATES

KARNATAKA'S Lok Sabha results this time are a repeat of the May 2014 elections, though much has changed on the ground. BJP remained the favoured party with 17 MPs, the Congress fought back from one seat to a respectable nine, and JDS held on to some turf with two MPs. The story of the day was the loss of Bangalore Rural, held by D K Suresh, brother of KPCC president D K Shivakumar, turning it into a personal setback for the deputy chief minister. The Congress conceded its bastion of Bengaluru's suburbs and rural pockets to the BJP, which posted its first victory in the constituency. The JDS lost its home turf Hassan to the Congress, while the BJP continued its domination of Bengaluru city, where its urban vote base remained intact.

Neither of the two national parties appeared satisfied with their showing in the state. Congress leaders were confident of double-digit figures, hoping to ride on the delivery of guarantees; but it seems they did not read the situation too well in some constituencies. The BJP, charged up with an aggressive Modi-Shah-Yogi campaign and its JDS alliance, was expecting a repeat of its 2019 show of 25 seats, but fell far short. The JDS, reduced to insignificance after the assembly polls, piggybacked on the BJP to ensure that its leaders lived to fight another day. The Prajwal Revanna sex scandal, which broke out after the first phase of polling, made a significant impact on voters in the second phase; Prajwal himself lost.

For Karnataka, ruled by an opposition government, the changed numbers will mean its voice will now be raised in parliament. The Congress had consistently accused the 25 BJP MPs of failing to bring up the state's issues with the Centre; that will hopefully be rectified. It had also run a campaign charging the Modi government with discrimination in releasing drought relief funds and devolution of taxes. This holds true for other southern states too, which had to knock on the doors of the Supreme Court with their grievances. With the BJP having lost much of its numbers, the way business is done in parliament is bound to change. Narendra Modi's assurance after the results that the central government "will work with all states" is an indication that the spirit of cooperation, not confrontation, is likely to prevail. That works to the advantage of all in a democracy

KERALA LEFT MUST READ WRITING ON THE WALL

THE top election story from Kerala is the BJP breaking its jinx in the state and winning its first ever Lok Sabha seat from Thrissur. Though there is an argument that the credit for the victory goes solely to Suresh Gopi, the reality is that the verdict is the result of a collective effort by both the party and the candidate. That the BJP could increase its vote share to 16.68 percent could be an indication of the things to come; the Thrissur Lok Sabha constituency includes 11 assembly areas.

The rout of the LDF is an equally important story. That the ruling coalition won a single seat and those who trounced their candidates won with huge margins shows the depth of anti-incumbency the Pinarayi Vijayan-led government is facing. It should be an eye-opener for the LDF that even in Alathur, the seat the CPM won, the BJP candidate secured nearly 2 lakh votes. The reasons for the rout are both political and administrative. The poor financial situation of the state and delay in pension disbursal can be counted as administrative lapses, the high-handedness of its student wing, the SFI, and the corruption allegations involving the CM and his family have proven politically debilitating. Though the LDF tried to counter the anti-incumbency factor with narratives against the Citizenship (Amendment) Act and in support of the Palestinian cause, nothing worked well. These manoeuvrings only resulted in the CPM losing its traditional Hindu votes. The much-hyped Nava Kerala Sadas initiated by the CM seem to have deepened the anti-incumbency sentiments, if the results are anything to go by.

Despite the losses, the signals emanating from the Left front do not show any possibility of introspection on the part of the CPM leadership. The party is trying to find solace in the fact that Lok Sabha results in the state have always tended to favour the Congress-led UDF. The BJP's victory has changed the political landscape of the state forever, as it has put an end to its four-decades-old bipolar politics. If the CPM and its leadership are not able to read the writing on the wall, the sole bastion of the Left in the country will be lost sooner or later.

QUICK TAKE

CLEAR & PRESENT DANGER OF DISINFO

AS Europe prepares for elections this week, experts and governments have warned of a deluge of disinformation washing across the continent. Just on Wednesday, fact-checking centres debunked false claims circulating about Russia's impending attack on EU and a rise in youth unemployment in Spain. We have seen fake news swirling during our just-concluded elections, too. But with AI and other technologies growing in competency, the threat has become much more potent. The Election Commission of India had contracted teams to keep a watch on malicious misinformation through these elections. We hope to learn the results of the effort and the plan for battling the menace in the future.

THE elections have had a sobering effect on Indian democracy. What appeared to be on steroids for a decade has been suddenly brought back to an old, healthy normal. In the columns of this newspaper, in May 2022, this columnist argued that given India's diversity of thought, culture, languages, ethnicities and religions, the best government to have would be a coalition government. We have one now.

The argument that was made on coalitions then stemmed from a forgotten suggestion that had been made by the Justice M N Venkatachaliah commission report that looked at the functioning of the Constitution after a half-century of its implementation in 1950. The commission, set up ambitiously by the then A B Vajpayee government, made one of the most credible and respected figures of Indian judiciary as its chairperson. The report suggested it would be best if all governments in India, at all tiers, mandatorily accomplish a 50-plus vote share. With this recommendation, Justice Venkatachaliah perhaps meant that only a government with a 50-plus percent vote share would have the necessary legitimacy to govern.

Even when this commission was set up, there were people who looked at it with a great deal of suspicion. They planted doubt and spread a narrative that the true or hidden intent of this commission was to change the Constitution. Since a necessary part of any robust democracy is to doubt or suspect anything that anyone in power does, the criticisms were not out of place. But it eventually turned out that the legendary Justice Venkatachaliah became known for not tampering with the Constitution but strengthening it. He made constructive suggestions to save democracy and the idea of the 50-plus percent vote was one of them. Justice Venkatachaliah also clarified that to make this change did not require a constitutional amendment but a minor executive and legislative process. It is this seed idea that the columnist had extrapolated to argue that Indian pluralism and diversity would be safe only if we put in place an arrangement of government that is a permanent coalition.

The idea of a permanent coalition is interesting as no government since we became a republic has ever amassed a 50 percent vote share. Even at their peak popularity, Nehru or Indira Gandhi could not manage a 50 percent vote share for the Congress. Even the election held after the assassination of Indira Gandhi,

Justice Venkatachaliah had mooted the idea of governments by those representing a majority of votes. It's never happened in our pluralistic system. Coalition has often been the answer

REVISITING IDEA OF PERMANENT COALITION



which largely produced a sympathy wave for Rajiv Gandhi, could not achieve this. Since we are a first past the post system, whoever touched the halfway seat mark formed the government. The halfway mark in terms of seats did not necessarily mean a 50-plus percent vote share.

The two previous governments led by the BJP, which in the liberal rhetoric were charged with being 'authoritarian' or 'dictatorial' had a vote share of under 35 percent the first time it came to power in 2014, and well under 40 percent in 2019. Interestingly, now in 2024, the BJP can form a government only if it brings others together as its parliamentary seats are 32 short of the halfway mark. But in the process of building a coalition government, it will add to its 36.6 percent the

vote share of its allies, which will create a more representative 50 percent vote share or around it. It would be a genuine, participative coalition government with necessary checks and balances in place, rather than a ruling alliance with one dominant player extending patronage and protection to political friends.

Now this is a moment the allies of the ruling party and the opposition block led by the Congress should try to institutionalise. They should push hard to make necessary changes to the laws to ensure India never again is a single-party rule. Countries in Europe that have seen frightening phases of history have more or less institutionalised coalition arrangements so that no one person can take them to the brink of war and disas-

HOW VOTES EVOLVE INTO POLICIES FOR GOVERNANCE

TERMS such as 'electoral mandate' or 'verdict' are the most misleading expressions of what we actually deal with in democracies, for they convey the idea that 'the people' are in some sense 'sovereign' and they periodically elect 'their' representatives. The task of the representative in this mythical understanding of democracy is to simply represent and execute the 'will of people'.

The reality is this mythical 'people' does not exist. People are simply the ruled or the governed: subjects of kings in earlier times and other citizens at best in modern democracies. Citizenship is merely the membership of a political community that entitles you to certain rights and is always the attribute of the individual—though occasionally we might loosely talk of communities too as rights-bearing entities.

Democracies relentlessly attempt to reduce populations into passive entities that can be manipulated at will by rulers or demagogues. But the reality, equally, is that the people often play their rulers or prospective rulers too. Democratic politics ties the ruler and the ruled—the 'people' and their 'representative'—in a complex dynamic that results in electoral outcomes which quite often defy descriptions like mandates and verdicts.

The year 1967 constitutes a turning point in the democratic history of India. That was the time when the giant figure of Jawaharlal Nehru had already passed, as had his successor Lal Bahadur Shastri. Twenty years after independence, the ruling Congress was facing its first major crisis in terms of popular legitimacy and it lost power in nine states. The leadership issue was open at that point.

For the first time since independence, we saw the emergence of a wide array of regional and relatively backward caste parties like the Dravida Munnetra Kazhagam (DMK) in Tamil Nadu, Bharatiya Kranti Dal (BKD) in Uttar Pradesh, and Samyukta Socialist Party (SSP) in ruling coalitions, even if most of them were short-lived. In UP, Charan Singh crossed over to the opposition with many Congress MLAs to become the CM of a non-Congress coalition government. In West Bengal and Kerala, the new coalition governments were dominated by Left parties.

Indira Gandhi was still a novice, who became leader as a compromise between the left and right wings in the Congress. The rise of non-Congress governments,

ADITYA NIGAM



Political theorist formerly with the Centre for the Study of Developing Societies, Delhi

Surprises likely in Indira team



Democratic politics ties the ruler and the ruled—the people and their representative—in a complex dynamic that results in outcomes which quite often defy descriptions like mandates & verdicts. A comparison of the policies enacted after elections in 1967, 2004 & 2014 illustrate the point



with her 'left turn'. With nationalisation of 14 banks in 1969, followed by abolition of privy purses in 1971 and finally her slogan of 'Garibi hatao' in the general elections that year, Indira actually created her own mandate. The people, voting with their feet by deserting the Congress in 1967, had forced Indira Gandhi to take cognisance of the reasons behind popular discontent and come out with a credible programme.

It is another matter, of course, that the new vision that she brought into the party was to remain largely on paper; as powerful vested interests within and outside would ensure that the new vision be subverted. Indira herself might not have wanted to take her own radical rhetoric very seriously beyond a point.

The experience of the first UPA government presents us with a very different picture. Formed after the 2004 elections, the UPA emerged from a constellation of political forces that had worked closely during the preceding six years of NDA rule under Atal Bihari Vajpayee. The Congress, the Left parties and numerous social movements that came together to craft a Common Minimum Programme once again produced a mandate for themselves, with one difference: the programme was the result of years of work on the ground.

It therefore led to enactment of landmark legislations like the Scheduled Tribes (Recognition of Forests Rights) Act, the Right to Information Act and the National Rural Employment Guarantee Act, apart from a number of other critical interventions. To be sure, there were other forces at work too within the UPA government that found this orientation inimical to its interests, leading to a wholesale attack on the National Advisory Council that was primarily an advisory body that provided the government a non-bureaucratic feedback channel.

In sharp contrast stands the 2014 election, where the agenda was set up symbolically in the divisive figure of Narendra Modi. Even with formal slogans of vikas or development, most people who voted knew exactly what they were voting for or against. Behind the scenes, as always, were also those who wanted to reverse the changes initiated by the UPA government, especially ones like those embodied in the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act 2013, which had been enacted in response to a major struggle against dispossession. The overt agenda was very different from this covert one. Even though some people may have been led into believing the slogans on development, given the total control of information flows, the core support for the regime came from a series of messages purveyed by the IT cell.

An entirely new definition of 'the people' was thus put in place—a people that was called into being through invocation. The 'mandate', once again, simply followed.

(Views are personal)

ter again. Even as we speak, people in South Africa have ended the one-party rule of the African National Congress and forced the party of their freedom movement to build a coalition.

This effort to make India a permanent coalition has to perhaps be proactively thrust forward by the Congress and its political and non-political allies. The onus is on them because it is they who built the narrative that the Indian democracy was in danger. Now that they have done a formidable job of containing the BJP, they have to think of permanent solutions. Until the day before counting of votes on June 4, they had argued and created doubt in the minds of the people that the voting machines, the election commission, the judiciary, the media, and many other things were compromised. The job of the opposition cannot just be to plant fear but to also rectify it when the opportunity arises and the political atmosphere is conducive.

Rahul Gandhi relentlessly asked people not to be afraid ("Daro mat"). He constantly put himself on a very high ethical platform. If he is serious about his accusations, he should now drive the agenda to make institutional changes that may somewhat permanently secure Indian democracy. Wherever he went, he showed a copy of the Constitution and said it was under threat of being changed if the BJP and Modi got a brute majority of 400 plus. A large section of India appears to have related to his prognosis and therefore, he has to now prescribe the medicine too.

To be fair, Modi did clarify on the charges being made. He said not once but a few times that even if B R Ambedkar came and wanted to change the Constitution he drafted, he will not accept it. But doubt always has a better circulation. What Rahul Gandhi planted perhaps echoed in the minds of Dalits. They perhaps thought a brute majority will push Modi to withdraw reservations. They were within their rights to believe this because the faithfuls of the BJP's parent, the Rashtriya Swayamsevak Sangh (RSS), had held out this threat in a dramatic fashion in different corners of India for a long time.

One wonders retrospectively if the reason for BJP president J P Nadda's statement on the RSS, bang in the middle of the election, was to save the BJP from the doubts and disbelief of Dalits. A closer examination of the 2024 vote will offer us clarity.

(Views are personal)
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Damocles sword

Ref: *Stunning mandate puts question mark on Modi 3.0's stability* (Jun 5). Without a simple majority for the BJP, instability will be hanging like a Damocles sword over the new NDA government. The formidable Chandrababu Naidu and Nitish Kumar have to be managed most strategically. Ditching NDA to join India bloc would be treacherous on their part vis-a-vis the NDA voters.
Geetha B K, Kannur

Economy worries

Ref: *India renews its passport to democracy* (Jun 5). If Rahul Gandhi succeeds in influencing governmental decisions, as the author believes he will, that will be wonderful for the country. The only anxiety is, in the process, the economy of the country should not plummet to 1991 levels when for buying some essential petroleum, we had to sell our scant gold reserves.
Athulya M, Hyderabad

Nano factor

When Tata motors started their Nano car as a ₹1-lakh car, it lost its market gradually as it started to represent the poor person's vehicle. Instead, if the car was launched without any price tag, it might have been more successful. In these elections, the BJP would have been fine just winning the election and forming the next government without the unnecessary war cry of winning over 400 seats.
Sunil Pradhan, Khariar

Alternative parties

The results highlight the poor performance of the CPM-led government in Kerala. Either way, it is high time the people of Kerala consider alternative parties instead of the UDF and LDF.
Eappen Elias, Thiruvananthapuram

People's interests

The people of the nation must be appreciated for the way they crippled the NDA. It has been done in a dignified democratic way. It is a lesson for those on the throne to be moderate and accommodative in nature without discrimination of any sort for their own best interests and that of the country.
BS Badarinarayana, Yelahanka

Historic moment

The hat-trick by PM Narendra Modi to sit on the saddle for the third time after six decades is a proud moment in India's history. The NDA would have crossed 350 seats as per exit poll predictions had it not experienced major losses in UP, West Bengal and Rajasthan. The unfortunate truth is that the politics of development never resonate with the vast majority of people.
R Pichumani, Kumbakonam

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Coalitions, Building Economic Agreement

Consensus-building once achieved, endures

India's re-entry into the era of coalition politics is seen as slowing down the pace of its economic reforms. This would be an erroneous conclusion. For most of its economic liberalisation since the 1990s, India has been ruled by coalitions that have taken tough decisions. Admittedly, these were influenced by crises. However, the policy outcomes that resulted were largely reformist. And no successor government has reversed any significant piece of economic reform over the past 33 years. Part of the reason being the pace of India's economic liberalisation has been slow on account of consensus-building, which once achieved has endured.

On the other hand, a decade of single-party majority rule has not had an easier experience with reforms. There have been pushbacks to liberalising laws on land, labour and farm produce marketing. Privatisation, too, has



been a nettlesome subject despite manifesto commitments. BJP now has an intimate understanding of the frontiers of reforms, gained from its own experience. Its key allies in the NDA, on their part, have their own reformist credentials. Finding common ground on reforms is not going to be as elusive

as the commentary suggests. In fact, the extra effort now required to drum up support should help neutralise opposition to a bigger role for market forces.

India has arrived at a broad political consensus over the economic structural transformation needed for accelerated development. Broadly, its government needs to administer the country's demographic dividend to deliver equitable growth. Administrative reforms are vital, and it helps that the leadership troika of the ruling coalition are all able administrators. This should provide investors confidence about economic management over the next five years. The NDA is returning to power with an economy in rude health after having steered it through global crises. India means business, irrespective of New Delhi's political arithmetic. Over the next five years, the economic momentum should become more politically agnostic.

...Not to Mention Political Consensus

After Tuesday's dramatic Lok Sabha election results, it would be tempting to find endless virtues in coalitions beyond their tactical value in such contests. But 'coalitioning', like going alone, is a means to an end, not an end by itself. In governance terms, what such collaborations between elements of Centre and states, national and regional, mean is firming up consensual politics. One would be perfectly within reason to counter-intuitively assume that having different voices (read: representations of geographic, political and cultural differences) would make consensus ultimately *more* robust, not less.

It is in the federal spirit of things that states and their representatives thrash out their differences and reach a common ground with the Centre. We have seen the absence of this in GoI failing to 'push through' reforms. On a more raucous level, opposition parties have pushed back on policy even when, on paper, policy should have been acceptable. Better federal practices and, dare we say, instincts need to be — and can be — developed when the 'hub

and spokes' model serves the function that the so-called 'double engine' one has been touted to deliver.

But federalism demands two-way traffic. This means that the states recognise that even though regional differences mean that a cookie-cutter solution isn't an option in most cases, neither is using the same differences as a foil to fob off measures to improve governance, or hide one's own shortcomings. Politics is by definition populist, but not at the cost of setting up an arrangement where the Centre is portrayed as a perennial antagonist while clarity never begins at home. India's political federalism essentially means acceptance of both commonalities and differences.



JUST IN JEST

We're back in the 1990s riding piggyback on the former-cum-incoming Andhra CM

Back to the Future With Chandrababu

One fun thing about this election is that it has made us, one hopes momentarily, hop 10 years back in time when a coalition government at the Centre was still not viewed as a freak of nature. But making us even more susceptible to time travel is the Andhra chief minister-designate and possible key player in the forthcoming board game of national politics, N Chandrababu Naidu. Naidu, for those of us who existed in the 1990s, was convenor of the United Front, a *coalition* of 13 parties that took office in 1996 under the prime ministership of H D Deve Gowda. But we would have fondly looked at the man who heads TDP, the party that has not only upstaged sitting CM Y S Jagan Mohan Reddy but also notched up 16 precious seats in the Lok Sabha elections that were held simultaneously.

This interested gaze changes to awe when we — well, some of us — recall that Naidu, during his first two stints as Andhra CM in 1995-2004, became the poster boy of technology when everyone else was still measuring the pros and cons of, um, computers. Dial the clock forward to 2024. With much talk of AI and semiconductor chip manufacturing, and other tech-ionic shifts in the air, wouldn't it be grand if Naidu — once considered too 'urban-centric' — gets to revisit his old enthusiasms in the here and now? And by that we mean both tech evangelism and coalition management.

After two Lok Sabha iterations, multiplayer politics on the national level gets its mojo back

Not Just Chaukas & Chhakkas



Indrajit Hazra

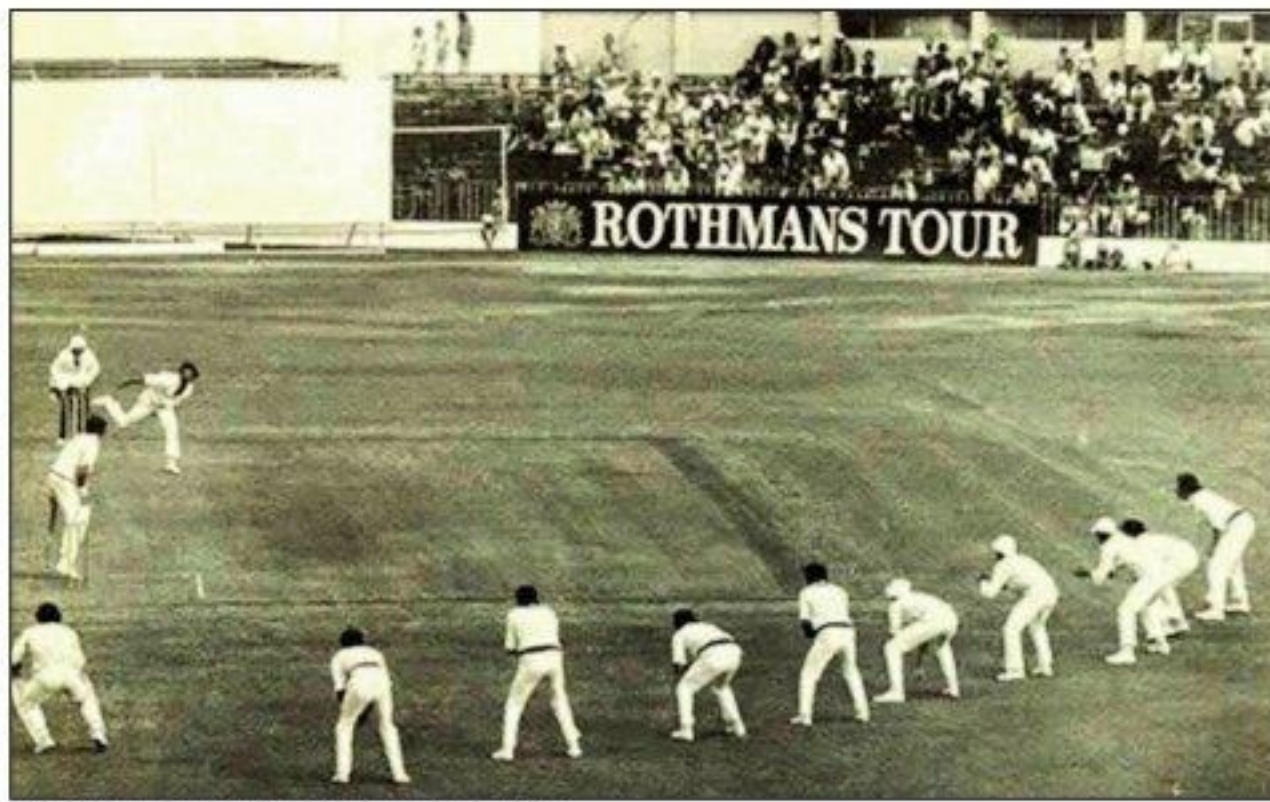
A closely guarded secret is not something our age is good at keeping. Even information that's intended to be kept undisclosed finds itself in circulation, not necessarily as reliable information, with interested parties in bourses or newsrooms seeking to 'control the narrative'. Commanding make-believe into reality is considered a serious domain skill.

Which makes Tuesday's election verdict, unsuspected by most people who aren't Yogendra Yadav, not just a vindication of the healthy existence of more than one kind of groupthink, but also of the fact that some information — in this case, presence of a spirited opposition to Narendra Modi Inc — can, indeed, exist under the radar before surfacing as an OMG surprise.

That Congress, aided and abetted by anti-BJP fellow travellers — calling them allies would be presumptuous — like Samajwadi Party (37 seats), Trinamool Congress (29) and DMK (22), would notch up 99 seats to make its presence seriously felt in the 18th Lok Sabha, was information that few people had inkling of prior to Tuesday's results.

But after a decade, India has a coalition government, a discomfiting novelty for any messianic dispensation. And, more importantly, India has a de facto national opposition after the notion of national opposition was fashionably going out of style. This is good for democracy that thinks beyond numbers and cult appeal.

We, along with Modi, are entering uncharted waters now.



After a decade, the slip is showing

Uncharted not for India, of course — which has had plenty of trysts with coalition governments since the time pre-millennials can remember — but for the PM on his third gig unfamiliar with power-sharing, and for us, not knowing how he'll handle anything more than his own set of demands. Suddenly, instead of travelling in an executive elevator by himself, Modi finds himself in a cubicle going up with an impressive GDP growth of 8.2% in 2023-24, not as The Chosen One, but as A Chosen One. Even if this is temporary, it can be unnerving.

Modi's USP has always been his unadulterated charm offensive, something that had ironically eclipsed his party's impressive 'capability machinery'.

The slide in Uttar Pradesh of both man and machine tells a telling story. Of Akhilesh Yadav's SP doing something

that non-BJP parties seemed to have given up doing in that state: expanding its voter base beyond identity-based acronyms. Of BJP's over-dependence on the 'double engine' formula that people had forgotten was a wheel invented by Congress during B&W times. And the friction within a stung parivar on the ground where factions not happy with the command-and-control style of ticket distribution may have worked at cross-purposes to not be helpful for the mother party.

That coalition politics — especially of the kind that finds itself in government — means different things to different people, and is also a product of its time. For one set of people, practitioners and beneficiaries of politics alike, 'coalition' is an adjective that immediately conjures up debilitating nouns like 'paralysis' and 'compulsions'. For another, it was always about an Opposition Lite within the governing body bringing its own 'checks and balances' to the table.

A decade of a government — and its leader within that government — going alone in splendid isolation, casting its own image on the nation's politics may have further caused reputational damage to the idea of 'coalition'. One of BJP's leitmotifs in this election was, indeed, holding up 'coalition' in the generative AI representation of the INDIA bloc as a brand ambassador for anarchy. But one suspects that the Modi-BJP self-styling — which was also evident on Tuesday in his victory speech when 'Modi ki guarantee' sat less firmly with 'NDA government' — is running low on novelty. And novelty running low on novelty can be diminishing returns, in this case, a diminishment of 63 seats.

Much has already been made of the acidic turn BJP took in its campaigning — especially in the later phases when 'star campaigners' took off their gloves and showed their finger — and how this may have turned off many voters. But virtuous hindsight is an unreliable prism. The explanation of the INDIA bloc's message of 'samvidhan khatre mein hai' reaching a critical mass of voters seems more likely, especially if one looks at voting patterns in dalit-heavy constituencies in UP.

Taking a leaf out of the BJP playbook, the Opposition forced BJP to react and suddenly insist that it loved the Constitution very, very much — or, at least, just as much as the next man, woman or child. This 'the party doth protest too much, methinks' line of concern gained traction, in addition to other real or imagined anxieties regarding BJP to the collective kiddy.

So, India remains constitutionally strong. No party is an island, entire of itself; every party — or, at least, TDP and JD(U) with 16 and 12 seats, respectively — is a piece of the continent, a part of the main. Yes, there will be 'ghar wapsis' of MPs from BJP or BJP-allied parties to the other side in the coming days. Yes, there will be politicians who may become part of the losing coalition because a loss doesn't seem like a loser's fate any more. But, at least, mainstream politics is back from being perceived as a one-pony trick. It's just become more democratic again.

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Protect the Environment

THE XIV DALAI LAMA

The benefits of an undefined environment are many; for instance, a healthy tree purifies the air and supplies oxygen for living beings to breathe. It harmonises the elements and increases life expectancy. Its shade provides a refreshing place to rest. It brings rain at the right time. It nourishes crops and livestock, and balances the temperature. It contributes to an attractive landscape and keeps replenishing its surroundings. It brings natural development in education, economics and so forth.

The drawbacks of a polluted environment include a decline in the pure, cool qualities of the oceans and lakes, leading to the creatures dwelling in those places being disturbed. The loss of vegetation and forests causes degeneration in the earth's nourishment. Rain does not fall when it is needed, and unprecedented fierce storms rage.

From the Dharma point of view, our teacher, the king of Shakya, was also born at the foot of a tree. He attained enlightenment under a tree, and finally passed away under a tree. Particularly in the Vinaya of the holy Dharma, fully ordained monks are taught how to nurture trees and so on. From that, we can understand that planting and nurturing trees are virtuous acts. Moreover, the wisdom deities of the non-mundane worlds, as well as various local devas, nagas and spirits, inhabit trees. That also leads us to understand that trees are important.

June 5 was World Environment Day

Chat Room

A Big Vote for Democracy

Apropos 'Winner Checkmated, Allies in Play' by Jatin Takkur (Jun 5), the 18th Lok Sabha elections reveal a nation loyal to democracy and its core principles, rejecting divisive ideologies. While craving stability, voters won't tolerate intolerance or hate-driven agendas. Despite BJP's ambition, they fell short of an absolute majority, signalling a shift in political dynamics. Understanding grassroots realities, not just rhetoric, is vital for electoral success. Regional parties, sidelined in recent years, now play pivotal roles, ensuring diversity in governance. The election outcome discredits exit polls and reinforces faith in EVMs, though electoral processes demand improvement.

VIJAYKUMAR H K
Raichur, Karnataka

That Heady Poli, Economics Brew

This refers to 'Politics may be Fluid, but Economics is Still Solid. Time to be Somewhat Greedy' by Raamdeo Agarwal (Jun 5). Political fortunes have a deeper impact on market behaviour and growth. Such wide fluctuations on the two days are attributable to a sense of pessimism. Though

our long-term development narrative continues to be robust, immediate impediments cannot be ruled out due to coalition compulsion. Both economic growth and market stability are incumbent on vicissitudes in the political arena. GoI would need to appease alliance partners with suitable sops. As a strategy, markets should be insulated from being sensitive to relative minor changes in the political landscape.

RAJARAO KUMAR
Bengaluru

SC's Away, Bulls, Bears Shall Play

Apropos the news reports, 'Exit Polls, Enter Bulls: It's a Party on Dalal Street' (Jun 4), and 'Sensex Tanks 4,389 Pts, its Worst Fall in 4 Years' (Jun 5), taking suo motu note, the Supreme Court should order an investigation into the exit polls scam that first sent the market up by 2,500 points, and the next day, the results brought down the market by about 4,400 points, with total market cap plunging by ₹30 lakh cr. We are wasting resources on the ₹200 cr Delhi liquor scam but ignoring the colossal 2024 exit polls scam.

BHARTENDU SOOD
Chandigarh

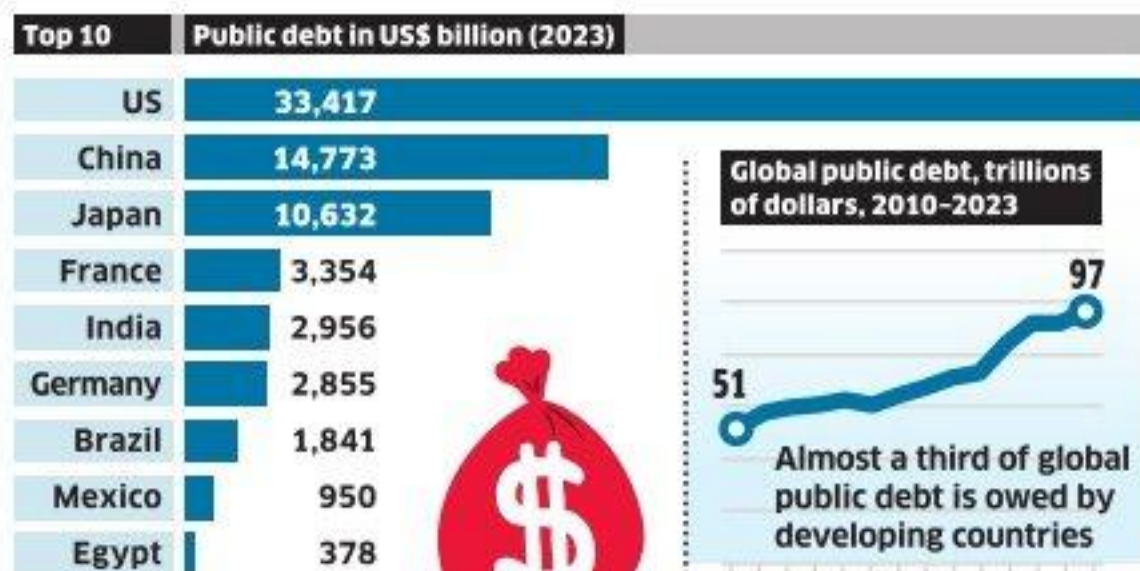
Letters to the editor may be addressed to
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ChatGPT SHAIRI OF THE DAY

There once were blue candidates quite blue,
Whose campaigns just didn't break through.
They cried, 'Give back our cash,
Since we came in last flash,
Next time, voters, we'll be suing you!'

Global Public Debt at \$97t

Global public debt rose to a record \$97 trillion last year, with developing countries owing roughly one-third of that — crimping their ability to pay for basic government services like health care, education and climate action. The US led the world with more than \$33 trillion in public debt last year, followed by China at nearly \$15 trillion and Japan at \$10.6 trillion. Apart from China, Egypt, Mexico, Brazil and India were among developing countries with the most public debt...



Bell Curves ■ R Prasad



New Gov, Up Demand



Somnath Mukherjee

As a new government is formed, India's economic backdrop couldn't look better. 8.2% GDP estimates exceed most estimates. While inflation's a bit sticky, it's not at a level where alarm bells start ringing. Global commodity prices, especially oil, are holding down at moderate levels. Strong growth in tax revenues — both direct taxes and GST — have kept post-Covid fiscal consolidation (as a Union budget level) on track, even a touch accelerated. Can there be any cloud in this splash of silver? There are plenty, leading to lack of sufficient consumer demand.

The economy is essentially powering along on one-and-a-half cylinders — strong public investment funded by Union and state budgets, and a smart sustained pickup in premium consumption — luxury housing, high-end cars and electronics. The 'half-cylinder' is primarily driven by a small segment enjoying the large wealth effects of a booming stock market and a somewhat larger (though relatively quite small) middle class bolstered by strong growth in hi-end services jobs. All of it financed by a rejuvenated banking system energised by the cleanest balance sheets it has had in more than a decade.

But, there, the story stutters. Consumption, accounting for more than half of India's GDP, is stuck at a low datum level for several years now, as the post-Covid bump wears off. At less than 4%, the largest cylinder is not firing too well. There isn't much relief from exports either, with merchandise exports struggling to increase global market share.

Investment, or gross fixed capital formation, has been the strong

pillar of growth recently, touching 33.5% of GDP in FY24 from 31.6% in FY19. More than one-third of investments is in real estate. Despite the robust growth in luxury housing demand, nearly the entire increase has curiously been on account of public investment. Between Centre and states, capex has grown nearly 30%. In other words, private capex, despite nice headlines, has remained anaemic.

In business-as-usual mode, there is a fiscal constraint to public investments. While the fiscal position is comfortable, there's more work left to work off the denominator effect (reduced nominal GDP) of Covid. Consolidated (Centre and states) fiscal deficit is over 8.5%, despite strong tax revenue growth. Thanks to lower core inflation — non-food, non-fuel inflation — nominal GDP growth, too, has been stuck in single digits for many quarters now. Ergo, between fiscal rectitude and continuous capex pump prime, something has to give.

Why is private capex still weak? Because it's all about demand. There just isn't enough aggregate demand to soak up utilising factory capacities. Capacity utilisation rates, while inching up, have done so excruciatingly slowly, and have never really broken out of the 75-76% range. On top of that, in a range of global manufactured tradables, China itself has enough capacity to fill global demand, and then some more. As a result, there is a competitive Chinese supply at every price point available, eroding pricing power of Indian manufacturers.

While there are large tariff protections now in some sectors of industry, Chinese capaci-

ties enable price competitiveness across moderate tariff walls. For the same reason, merchandise exports have struggled too, as Chinese exports out-price competition in most product lines. In short, neither domestic nor global demand has given India Inc the confidence to invest big.

Weak consumption is not a cyclical issue. It has been India's constant economic bugbear, and the country has generally struggled to have a sustained structural fix for it. It's fashionable to treat Covid as the pivot for the 'K-shaped' growth trajectory. But the slowdown preceded the pandemic.

Minus consumption revival, there will be no private capex. Minus private capex, the economy will likely run out of steam, unless it gets lucky with a spot of global growth that lifts exports.

Solutions aren't easy. Simple, higher consumption requires more income in the hands of citizens. More income can only come from more jobs. Private sector cannot create mass-scale jobs quickly, but the Indian state can. And it needs more people. The state is chronically under-capacitised — it needs many more teachers, doctors, health workers, judges, cops... It will not only create, relatively quickly, a larger consuming class but also improve India's human resources capacities, especially the chronically unproductive workforce.

How to fund this enormous capacity increase? That's the tough part, including hesitations in letting go, partially, of fiscal constraints. Once the mental block is taken out, GoI can use India's biggest structural advantage — of being able to fund its fisc completely locally.

A large state capacity enhancement programme funded by local savings has only one constraint — current account deficit (CAD). Treating CAD as the sole constraining factor for policy, the new administration can embark upon a bold attempt to cut the economic Gordian knot of demand constraint. The time to do so is now.

The writer is chief investment officer, ASK Wealth Advisors

Knot happening

CONTRAPUNTO

No one party can fool all of the people all of the time; that's why we have two parties

-BOB HOPE

The October Test

Maharashtra state polls are crucial for BJP. A loss will reinforce negative perceptions engendered by LS results

The vote in Maharashtra couldn't have been clearer. And it has set the political wheels within wheels whirring into action for good reason – elections to its 288-seat assembly are due in Oct. The mandate to MVA is thumping endorsement of both regional parties Sena UBT and NCP-Sharad Pawar, which fought with new names and symbols, and a return to prominence of state Congress, which won the most seats in the state – 13 with just 17% vote share. The Mahayuti trio – Shinde-led Sena, BJP and Ajit Pawar's NCP – received quite a drubbing, winning just 17 of the state's 48 seats. BJP nine, and 26% vote share, Shinde seven of its 15, and NCP just one.

Big hit | It's an existential crisis for Ajit Pawar's NCP. Sharad Pawar's grandnephew was telling reporters by end of day Tuesday that 18-19 NCP MLAs were in touch with NCP-Sharad Pawar, while another 12 had reached out to BJP. Unsurprising, because Ajit Pawar has lost bargaining power within Mahayuti, and failed his claim as keeper of the Pawar legacy – Supriya Sule beat Ajit Pawar's wife Sunetra in Baramati by 1.58L votes. Assembly elections are of course a different beast to LS polls, but their proximity makes it a hard trek for MLAs to win back the loss of voter mindspace.

Big guns | Contests across Maharashtra, unlike other states, were much about personalities, party loyalties, clout and influence. For instance, the six Mumbai seats were all about party prestige. Of the four it contested, Sena UBT won three, and lost the fourth to Shinde Sena by 48 votes, a matter it has said it'll take to court. The wins will silence the 'nakli sena' jibes.

Big challenges | Maharashtra has lost its rich glint, no longer among top 10 states in per capita income. Emigration for jobs, explosion of jobless graduates, state-wide water crisis, farmers' multiple crises, distress protests and quota wars are just a sampling platter of problems. Behind the glitz, Mumbai is in a shambles, including seepage in its just-opened ₹14k cr undersea tunnel stretch. Extreme weather events are on the rise.

But netas will have other concerns. For BJP, Maharashtra polls are all the more crucial because a loss in this high-profile state will reinforce the perception of vulnerability LS poll results introduced. It must know MVA has the early advantage.

Gone Babu Gone

Patnaik's exit shows being larger-than-life isn't a guarantee against voter fatigue

That Odisha would provide BJP with its best performance in these elections wasn't a widely shared prediction. BJD was saffron-washed in LS, and BJP will form a govt in the state. Naveen Patnaik's 24-year-long stint as CM ends in a way he and many others would have thought inconceivable just a few weeks back. So, how did BJP storm Fortress Naveen?

Political sell-by date | Patnaik is 77. Odias aged 40 and below haven't seen another CM. Indian politics has had long-serving CMs. Sikkim's Pawan Chamling, Bengal's Jyoti Basu and Tripura's Manik Sarkar. But they all had a sell-by date. With Naveen's age becoming a matter of discussion during these polls, the sun was already setting on his political career. But that probably wasn't what swung it against him.

Anti-incumbency tremors | Naveen's govt was also facing considerable anti-incumbency. True, under his administration Odisha has witnessed substantial growth and the establishment of a credible welfare system. These saw poverty in the state fall from 57.6% in 2004-05 to 32.9% in 2011-12. Real per capita Net State Domestic Product rose from ₹54,210 in 2014-15 to ₹78,119 in 2019-20. But after 24 years, voters wanted more – especially jobs. This was exemplified by BJP making migration of Odias to other states a poll issue.

Local connect | Plus, BJP successfully tapped local issues under the 'Odia asmita' narrative. While training its guns on Naveen's perceived successor, Tamil Nadu-born VK Pandian, BJP projected itself as the protector of Odia culture and language. The missing keys of Jagannath Temple's Ratna Bhandar was another emotive issue that hurt BJD. Add to this BJP's solid ground-level machinery built up over the years.

BJD's fall in Odisha again shows that no party, no matter how long its tenure or how larger-than-life its leader, can assume continuous voter approbation. BJP won because BJD failed to reinvent itself.

Folk dance

Also a 'classical' verdict

Bachi Karkaria

The curtain's dropped on one more dance of democracy. Over seven phases, it heaved up and down like, erm, a *mujra-walli's* bosom. It ended with the audience rising to its feet – and voting with them too. Whether you're hearing deafening applause or deafening silence depends on where you're sitting. But, what's doubtless yet again is that We the People of India and Bharat will not be silent spectators if we think a prima donna's OTT performance needs toning down.

Now that the troupes have put away their masks, cloaks and daggers, (turn) coats with gold lining, and cardboard halos, let's see how closely state-wide results followed local folk/classical dance forms.

UP always sets the electoral stage. This time it presented a riveting kathak. Akhilesh Yadav's SP spun dizzying *chakkars* around BJP's 'foregone' victory. Rahul and Priyanka's 'footwork' too had the *ghoongro* bells tolling.

All the Kanganas breaking out in devotional dancing at the grand temple's grander consecration couldn't prevent *Aya Ram, Gaya Ayodhya*. Imagine, too, the ignominy of BJP's 'lynch'-pin state looking like an Anarkali singing 'Jab 400 paar nahin kiya to darna, hanh!'

Rajasthan did as dizzying a *ghoomar* around BJP. It's difficult to visualise Maharashtra's 'Do-nath' Shinde or Pawar as lissome *lavani-lavanyas*. But both Mahayuti and MVA displayed all the wiles of this suggestive folk form. The moves were quite a *tamasha*.

Mamata had shaken a leg with Salman and Shatrughan at a film festival, prompting Union minister Giriraj Singh's 'thumka' jibe. This time she proved she could also march to Tagore's 'Ekla Cholo Re'.

The Manipuri dancer's long, stiff skirt is 'barrel-like'. So was Congress's victory in this traumatised state where double-engine failed to dry tears.

Suresh Gopi, Kerala-BJP's starry candidate is more *Gucci-pudi*, but proved to be as larger-than-life as *Kathakali*.

Like NTR Jr's 'Naatu Naatu' NTR son-in-law Chandrababu performed a breathtaking 'Neta Neta' in AP.

Odisha refused to perform Odissi's signature *bhangas*, body bends, to Naveen Patnaik.

Gujarat continued to bend to *Amitbhai's dandiya*.

Alec Smart said: "Jodo-ing we stand, dividing we fall."

Five Reasons Mamata Won Big

● She campaigned like Fury ● Her two-path INDIA strategy was politically astute ● Abhishek did a lot of heavy lifting ● Sandeshkhali took no toll ● BJP campaign was over-centralised

Shikha Mukerjee

The 2024 Lok Sabha result is great news for Bengal's iconic leader. It marks Mamata Banerjee finally overcoming the bitter disappointment of 2019 elections. Then, Modi's BJP shocked her by grabbing 18 out of the state's 42 seats. TMC plummeted to a mere 22 seats, from its all-time high of 34 in 2014 hustings.

This time, the scale of her win has defied various survey estimates, surprised political watchers, and no doubt Modi too. He had said that Bengal would deliver BJP its best performance in 2024 LS elections. What has happened instead confirms a yawning gap between BJP's understanding of ground realities and the very specific political-cultural sentiment in a state that it had set its heart on acquiring.

Mamata won because like the mythical goddess of vengeance, a Fury, she unleashed every last bit of her stamina to deliver one of the most powerful blows against BJP. Along with Akhilesh Yadav, Rahul Gandhi and Sharad Pawar-Uddhav Thackeray, she has stripped the party of its parliamentary majority – although it remains the largest one in 18th Lok Sabha. Plus, Modi's aura of invincibility has been markedly dented.

Anti-incumbency, corruption scandals, allegations of women's lack of safety – there was plenty in Bengal that BJP failed to convert to its advantage

Ekla cholo re, works | Contrary to expectations, her decision to go it alone has proved politically astute. On the one hand it did not pull her down, on the other hand Congress and CPM could continue their alliance in parallel. TMC won 29 seats, BJP 12, Congress one and the Left scored nil.

She said, *ekla cholo re*. But it has not damaged her standing in INDIA. Quite to the contrary, her stature stands enhanced. Her party's performance has ensured this, arming her with a healthy number of parliamentary seats, plus a track record of being able to send an inexhaustibly energetic Modi packing.

Nephew also rises | 2024 elections have also been a rite of passage for a new generation of political leaders from opposition, all of whom are scions of political families. In Bengal, Mamata's nephew Abhishek Banerjee has transitioned from an understudy to a full-fledged

competent, though young, leader. He did a lot of the heavy lifting in the background as Mamata strode across the state, rousing her base and ensuring that the party delivered the results she needed.

But in a way, these results are not about how much better Mamata understands her masses. They are not about the obvious failure of the Modi-led campaign to convert her serious disadvantages into its advantages.

There was anti-incumbency, corruption scandals, allegations of women's lack of safety.

Sandeshkhali goes pfft | And yet BJP's Basirhat candidate, Rekha Patra, dubbed Shakti Swaroop for organising women to protest their abu-

se by TMC musclemen in Sandeshkhali, lost.

So, what's more salient here is how BJP failed to provide competent leadership in the state. It so desperately wanted to capture Bengal and yet it ran an overly centralised campaign here. Strategies were fixed heedless of the inputs fed into BJP's vast system by experienced old-timers with an ear to the ground. Its poor results in 2021 assembly elections had indicated the inability of BJP's central leadership to read the pulse of the Bengali voter, and yet this failure was repeated in 2024, resulting in poor results again.

This time, the Modi-Shah estimate was that BJP would win 35 seats. Instead, its 2019 tally of 18 dropped by six seats. Remember, in 2021 the party had set its heart on winning 200 seats in the 294-strong assembly, but won only 77 seats.

Trojan horse: Suwendu Adhikari | Repeated miscalculations indicate BJP is feeding on incorrect data. The responsibility for this lies with its choice of flag bearer in Bengal. This is not the state president Sukanta Majumdar, who has been elected MP from Balurghat. It is, instead, the crass Suwendu Adhikari, imported from TMC in 2021. That year, he failed to oust Mamata and he failed again in 2023 panchayat elections.

This repeated failure to deliver significant victories for his new party does not seem to matter at BJP headquarters. He began as the poster boy and remains the poster boy of the party, regardless of what old-timers and the more squeamish members of BJP think about his competence.

Localised vs centralised | While Modi and Shah and JP Nadda cannot be held to account for the party's disappointing results in Bengal, because they are national leaders, Adhikari certainly should be held accountable. This is precisely what a dedicated but upset section of state BJP thinks. The point is not that he is an outsider, or that he is tainted by a corruption scandal still under investigation. Rather, what really matters is his failure to deliver despite being given a free hand.

BJP's deafness to regional political cultures, sentiments, and histories is intrinsic to its homogenising agenda and hegemonic ambitions. By operating with a pre-fixed agenda of how Centre would overpower Mamata and bring Bengal within BJP fold through a new version of the old double engine sarkar model, Modi-Shah gifted the election to TMC. But this in turn follows from a dependence on personally loyal leaders rather than an experienced party apparatus.

The writer is a senior journalist

Coalition Govt Ke Economic Effects

● Macro landscape will remain stable ● Fiscal consolidation will remain on track ● Rural spending could get a boost ● But the reformist spirit may take a backseat

Madhavi Arora

With 2024 Lok Sabha elections not giving any party a majority, India is back to the coalition era after two successive terms of single-party rule. The governing BJP-led NDA has emerged as the largest alliance and crossed the halfway mark, but it has a much smaller majority compared to 2019. This means that while Modi will return for a historic third term as prime minister, it will be for the first time at the helm of a coalition govt.

New political compulsions | The presence of coalition partners in govt will come with its own political compulsions. This suggests that after a decade of strong agenda-driven policies at Centre, we are likely to return to the era of give-and-take politics, with Modi having to deal with the whims of regional allies such as TDP and JDU. This could hint at consequent policy compromises. It is interesting to note that Modi, in his political career, has never faced coalition constraints – neither in his three terms as Gujarat CM, nor in his two terms as PM.

A large part of Modi's political capital comes from his being a commanding, decisive, and incorruptible leader. Possible compromises owing to coalition politics hit at the very heart of this. To the extent that political capital weakens, the power equation and possible political compulsions could lead to policy re-think by NDA. The likelihood of the oppo-

sition INDIA bloc forming govt if some of BJP's current allies switch sides remains but it is a remote possibility.

New priorities | While there may be some shifts in policy priorities due to coalition compulsions, a material change in the broad macro backdrop is unlikely. Factor market reforms like those related to land, agriculture, and labour, as well as political reforms like harmonising elections, will take a back seat.

The net fiscal impulse has been restrictive for growth over the last few years and irrespective of the change in political mandate, there is no merit in govt cutting its FY25 fiscal deficit (FD) target by an additional 0.4% of GDP using the RBI dividend fiscal bonanza. The election result increases the probability of this extra revenue being fully spent instead, implying FD/GDP could stay at

or above 5.1%, in line or higher than the Interim Budget's projection. However, this will still be a 0.5% pt consolidation from FY24 fiscal deficit (5.6%) – implying no threat to the fiscal consolidation path.

New budget math | Estimates suggest that rural seats seem to have fallen for NDA in 2024 vs 2019 – partly reflecting the impact of falling rural revenue expenditure (revex) and unfavourable rural terms-of-trade. This could lead to some skew in the spending mix in favour of revex over capital expenditure vs the Interim Budget.

It must be noted here that FY25BE revex has fallen dramatically to around 77% of total expenditure vs 88% a decade ago. Privatisation and asset monetisation are also at risk, which could impinge on Centre's capex in the short term.

There will be a need to keep a close watch on state budget deficits, especially as elections are due in

key states of Haryana, Maharashtra, Jharkhand, Delhi, and Bihar by the end of 2025. The 19 key states' consolidated FD/GDP in FY24 was lower at 2.9% vs 3.1% budgeted amid net lower spending.

Maharashtra, which goes to polls later this year, overachieved its fiscal target, with a much lower FD/GDP of 2.3% in FY24 (vs 2.5% BE), led by revex cuts, and has budgeted a low 2.3% in FY25. It is important to note that NDA has lost 24 seats in 2024 vs 2019 in Maharashtra – a significant upheaval, with the political chaos since 2019 taking a toll on its performance.

Better twin deficit | The twin deficit is likely to improve going forward and will limit further external shocks to India via financial channels in case the global cycle turns adverse. No major fiscal derailment is expected ahead. FY25 current account deficit/GDP is expected to widen to only 1.2% (vs FY24 estimate of 0.8%), with the solidly emerging Global Capability Centre (GCC) space adding new structural tailwinds.

Current account deficit funding has been smooth so far, and FY25 BoP may still be in surplus, assuming no global shocks, even as it halves from FY24. Evolution of FPI and FDI flows will be watched closely. GDP growth is expected to moderate to 6.5% in FY25 (FY24: 8.2%) amid cyclical headwinds. The fruits of past reforms and a healthy macro balance sheet of both public and private economic agents will continue to aid macro stability and trend growth in the coming years.

The writer is lead economist at Emkay Global Institutional Equities desk

Calvin & Hobbes



Making Eco-Conscious Choices Daily Is True Dharma

Sadhvi Bhagawati Saraswati

Our spiritual tradition, our dharma, is rooted in tenets we hold dear, and those are inextricably linked with sustainable, eco-friendly lifestyles. For Indians to contribute to environmental destruction goes against not only that which is intelligent but also against the very fabric of our own spiritual culture. We believe in:

Ahimsa | The first yama of the first limb of Ashtanga, the 8-limbed path of yoga given by the sage Patanjali, is non-violence. To pollute our rivers, air, soil, and groundwater such that our sisters and brothers get sick and die, and future generations are deprived of clean water, air, and food is violence. To spew toxins from our factories into the air, water, and soil is violence. To support such indu-

stries is also violence. Ahimsa means to support eco-friendly, sustainable, green commerce and to live simply so that others may simply live.

Sanctity of Mother Nature | We refer to nature as the divine. We don't just say 'Jai' or 'Vai'. We say 'Jai Deuta' and 'Vai Deu'. When we perform puja, we offer the five elements to the Divine. We offer water, fire, earth, symbolised by flowers or rice, air, and ether. No one would offer water from their toilet in

puja, wave air from a truck's exhaust pipe onto God, or a flower that has been stepped on and soiled on our mandir. If we wouldn't offer water from a toilet, then we should not offer water from a river with sewage dumping into it. If we

wouldn't wave air from an exhaust pipe, then we must ensure our air stays clean. We must ensure that the soil in which our flowers and our rice grow is clean, pure, and untainted by toxins.

The pervasiveness of the Divine in all | The *Isha Upanishad* teaches that everything is pervaded by the Divine. Every human, every animal, every blade of grass, tree, and drop of water. We are reminded that everything belongs to God, and everything is Divine.

Whatever we would not do to the deities in our mandirs, we should not be doing to any aspect of the sacred, divine Creation.

Compassion | Daya, or compassion, is one of the fundamental tenets of dharma.

Sacred space



How can we be so arrogant? The planet is, was, and always will be stronger than us. We can't destroy it; if we overstep the mark, the planet will simply erase us from its surface and carry on existing.

Paulo Coelho

Yet today, through our simple choices of what to eat and what to wear, we are causing enormous suffering. The meat and fashion industries are two of the largest contributors to environmental destruction and pollution. The meat industry is, according to United Nations, the single greatest contributor to climate change. According to Yale University, plant-based diets produce 75% less heat-trapping gas, generate 75% less water pollution, and use 75% less land than meat-rich diets. To go vegetarian is a choice of compassion for animals and the entire planet. To choose sustainable, eco-friendly fabrics and clothing brands is a way of uniting fashion with compassion.

Spirituality is not something we practice only on our meditation cushion or when we sit in puja. It impacts, informs, and drives every moment of our lives.

The Tribune

ESTABLISHED IN 1881

The UP verdict

SP, Cong ticked the right boxes to upset BJP

IN its manifesto for the 2024 Lok Sabha elections, the BJP patted itself on the back for turning the 'people's dream of five centuries' into reality by building the Ram Mandir in Ayodhya. The party was hopeful that the inauguration of the temple by PM Narendra Modi would bring rich electoral dividends, especially in the Hindi belt. It was a rude shock for the BJP when it lost the Faizabad parliamentary seat in Ayodhya district to the Samajwadi Party (SP). A BJP supporter candidly admitted that the grandeur of the Ram Mandir might have impressed outsiders, but residents of the town were unhappy over the inconvenience they were subjected to. The Ayodhya upset summed up the reversal of fortunes in UP as the SP-Congress combine punched well above its weight to upstage the mighty BJP.

This was no mean feat for the Opposition duo. The BJP had become nearly invincible in the state over the past decade. The saffron party won 71 Lok Sabha seats out of 80 in 2014 and bagged 62 five years later. The victories in the Assembly elections of 2017 and 2022 were also impressive. With CM Yogi Adityanath firmly at the helm, the party looked set to do an encore in the 2024 elections, but SP chief Akhilesh Yadav and the Gandhi siblings had other ideas.

Akhilesh has attributed the resounding success of the INDIA bloc in UP to the troika of backward classes, Dalits and minorities. The alliance fought the elections on the plank of PDA (*Pichhada*, Dalit and *Alpsankhyak*) unity. The BJP, wallowing in complacency, missed no opportunity to ridicule the SP and the Congress while going overboard with communal polarisation. This divisive ploy got a massive push-back from voters, restricting the BJP to 33 seats in the state and dashing its hopes of securing a majority on its own in the Lok Sabha.

Naidu's comeback

TDP chief emerges as crucial power-broker

IN a remarkable turn of events, N Chandrababu Naidu has been catapulted from political obscurity to the pivotal role of 'kingmaker' — along with Nitish Kumar and Tejashwi Yadav — after the 2024 Lok Sabha elections. This shift not only underscores their political acumen but also highlights the fluid dynamics of our democracy. The TDP's impressive performance in Andhra Pradesh, securing 16 LS seats, combined with the BJP's failure to achieve a majority, has propelled Naidu into a central position. His alliance with the BJP and Janasena signifies not just his strategic resurgence but also his enduring appeal to the electorate. The NDA won a landslide victory in the simultaneous Lok Sabha and Assembly polls in Andhra Pradesh, bagging 21 parliamentary and 164 Assembly seats.

This re-emergence into prominence that also puts him in the king's position in the state is laudable. Naidu's tenure as Chief Minister from 1995 to 2004 was marked by economic reforms and a tech-driven vision, earning him the moniker 'CEO of Andhra Pradesh'. Next, after a decade in the Opposition, Naidu made an impressive comeback in 2014, but the political landscape proved challenging. His alliance with the BJP was short-lived and the TDP suffered a heavy defeat in the 2019 elections. Adding to his woes, his 52-day incarceration last year in a skill development scam seemed to mark the end of his political career.

Today, with a majority eluding the BJP at the Centre, hectic parleys to garner the required numbers are on, and even INDIA bloc leaders are reportedly wooing Naidu. But he has reaffirmed his allegiance to the NDA — for now. India will be closely watching Naidu's moves as a power-broker. They will undoubtedly be instrumental in determining the country's political direction.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, JUNE 6, 1924

Mahatma's suggestions

WHEN we turn from the Mahatma's analysis of the causes responsible for the present Hindu-Muslim tension to the remedies suggested by him, we are at once struck by their undue generality and their obvious inadequacy. Practically, the only remedy suggested by him is summed up in the word 'non-violence'. To those who advocate a pact of some kind between the communities, he says that so far as religious matters are concerned, such matters as cow slaughter and the playing of music before mosques, there is no question of bargain and, therefore, a pact is no good, while as regards political matters, the restoration of mutual friendly feeling is a condition precedent to any effectual pact, necessary as the last undoubtedly is. "Are both parties," he writes, "sincerely willing to accept the proposition that no disputes, religious or otherwise, should ever be decided by an appeal to force i.e. violence?" Where the parties are practically co-extensive, as they are in this case with the whole country, a question like this, we must be permitted to say with all possible respect, nothing short of an absurdity. If the two communities as such were sincerely willing to accept the Mahatma's proposition, the problem he is so anxious to solve would not exist at all. The fact that it does exist can only mean that there are large sections of the communities which so far are not "sincerely willing" to accept the Mahatma's proposition; and the whole practical question in this case is how to make them willing. It is perhaps his consciousness of this fact that makes the Mahatma add: "I am convinced that the masses do not want to fight if the leaders do not."

Kashmiris affirm faith in democratic polity

Their realisation that they can be part of governance of the country is manifest



WAJAHAT HABIBULLAH
FORMER BUREAUCRAT, J&K CADRE

THE union territories of J&K and Ladakh, remains of the erstwhile state of Jammu and Kashmir, went to the polls in five phases. According to reports, Kashmir, home to the bulk of the UT's population but the smallest in size, recorded a voter turnout that was the highest since 1996. Srinagar saw 38.49 per cent polling, Baramulla 59.1 per cent and Anantnag — its Kashmiri predominance sought to be blunted by the addition of Jammu division's Poonch-Rajouri districts — 54.84 per cent.

The results demonstrate a sharp communal divide between the Muslim-majority Kashmir and Ladakh and Hindu-majority Jammu, a polarisation accentuated by the religious appeal made to voters by contenders on both sides of the Pir Panjal. The Hindutva agenda of the BJP, which took both seats in Jammu — constituencies crafted by the Delimitation Commission to buttress their religious identity — was matched by the distinct religious grounding of each of the candidates in the Valley, although the latter was free from sectarianism. In fact, Aga Syed Ruhullah Mehdi, the triumphant National Conference (NC) candidate from Srinagar who belongs to the first family of the Shia Muslim community in Kashmir, broke with precedent by openly apologising on behalf of his community for having failed to prevent the exodus of Kashmiri Pandits from the Valley when J&K was, like now, under the adminis-



PATH-BREAKING: NC candidate Aga Syed Ruhullah Mehdi broke with precedent by apologising on behalf of his Shia Muslim community for having failed to prevent the exodus of Kashmiri Pandits in the 1990s. pn

tration of the Union Government in 1990-96.

Is this then the beginning of a new era in the troubled region? It is well to remember that this was the first election in Jammu and Kashmir since the Modi government's revocation of the limited political autonomy that the state had enjoyed under the Constitution with the abrogation of Article 370 in 2019. The turnout in the elections in the Valley and Ladakh is indicative of the determination of Kashmiris and Ladakhis to oust the BJP government at the Centre. Although the trends from the beginning favoured former NC leader Mohammed Haneefa, who won the Ladakh seat as an independent, this is not necessarily a resurgence of the party but a bid to rally behind it to defeat the ruling party at the Centre. The fact that the NC's star candidate, former CM Omar Abdullah, was unseated simply affirms this as the elected candidate, Engi-

The lotus is unlikely to bloom in Kashmir unless the BJP reinvents itself for the Kashmiris.

neer Rashid (who got nearly 46 per cent of the vote against Abdullah's 26 per cent) has himself been an advocate of *Azadi*, for which he has been in the Tihar Jail for the past five years under UAPA. His campaign got going at the last moment, led by his two sons.

What we are witness to specifically is a consolidation of the votes against the BJP, the party responsible for the

abrogation. It might be recalled that earlier, both leading parties rooted in Kashmir — the NC and the PDP — had been willing to work with the BJP. The last elected government was a BJP-PDP combine. As borne out by the election campaigns of each, even the BJP's supposed allies like Sajjad Lone's People's Conference have been obliged to distance themselves from that party before making any appeal for support to the public.

The BJP did not field any candidate from any seat in Kashmir. Home Minister Amit Shah was quoted as saying that it would take time for the lotus to bloom in Kashmir. But the election results show that unless the party reinvents itself for the Kashmiris and Ladakhis, this is unlikely. Of all Indian leaders whom J&K has seen as PM, Atal Bihari Vajpayee is readily the most loved.

Let alone support for the BJP, then, even association with

THOUGHT FOR THE DAY

Two cheers for democracy: one because it admits variety and two because it permits criticism. —EMForster

A regimental celebration of unity

COL HP SINGH

MY regiment celebrated its Raising Day at Dehradun recently. Christened 'Rendezvous 2024', it was a soul-rejuvenating homecoming for over 250 veterans and serving soldiers, ranging from the 1960s to the 2020s. People travelled from places like Guwahati, Coimbatore, Pune, Ahmedabad, Jabalpur and Hyderabad, validating poet Robert Southey's words: 'No distance of place or lapse of time can lessen the friendship of those who are thoroughly persuaded of each other's worth.'

When the movie of the regiment's glorious past was played, every photo had a story to tell. 'I took the telegram to your dad, and we celebrated your birth with rum and *shakkarpaare* amidst the booming of our guns,' my first commanding officer (CO), a walking encyclopaedia of the regiment's history, told me as he regaled everyone with stories of the 1971 war. Everyone had something to say about the bits of history flashed on the screen. There were tears of mirth as we recounted hilarious anecdotes, the idiosyncrasies of our colleagues and the quixotic quests of our bosses. Such was the regimental spirit that during the *Barakhana*, even those with walking sticks and waist belts did bhangra, exhibiting a rebellious defiance of age. I met my dad's batman, who would take me to school, my Siachen days' radio operator, the Subedar Major during my command, to name a few.

It was a solemn occasion when the wife of a fallen hero, a Kir-ti Chakra awardee, inaugurated a motivation hall named after him. He was my senior subaltern and she fondly remembered the day I received the newlyweds at Bhuj railway station three decades ago. A daughter of another officer was very curious to know all she could about her late father, who was killed in an air crash when she was still in her mother's womb.

Ours is a '*Khandani Paltan*', having seven second-generation officers and over a dozen second-generation jawans. The regimental photographer was quick to capture us in the frame when we got together. It was an honour to share the stage with former Cos, including my father, my first CO (son of the founder CO) and a former commander, while addressing the regiment. With my brother posted at the same station, for me it was a family reunion as well.

As we bid *au revoir*, everyone was brimming with gratitude to the current CO, a crowd-puller, for getting us together. His wife was in tears while handing over the goody bags with customised souvenirs to departing guests. Their well-knit team was already planning for the platinum jubilee, seven years away.

'It is this sense of belonging and *esprit de corps* that differentiates you guys from others,' said a civilian guest, overwhelmed by the camaraderie on display. A happy memory never wears out; the moments captured in our cameras will be recalled many times to relive those three days of 'celebration of unity'.

LETTERS TO THE EDITOR

Voters reject polarisation

With reference to 'India's message', the BJP has managed to secure a third consecutive term. But the defeats it faced in many constituencies should prompt it do course correction. It is time for the saffron party to reassess its stance on agricultural issues and the Agnipath scheme. It should also address the alleged misuse of Central agencies like the CBI, the ED and the IT Department for political reasons. The Indian voters have rightly rejected the politicisation of religion, as the General Election results in UP clearly show. Though the NDA government had many achievements under its belt, namely the abrogation of Article 370, the G20 Summit, the Chandrayaan-3 mission, and so on, it fell short of its target. The party leadership must analyse what went wrong.

ANIL VINAYAK, AMRITSAR

Hopeful of better days

Apropos of the editorial 'India's message', the verdict is out. Though the BJP will retain power at the Centre, it has failed to achieve a simple majority to form the government. This suggests that most voters want PM Narendra Modi to continue at the helm, but not as a leader with unchecked powers. Indians don't want a PM who mixes religion with politics or promises to have more temples constructed. We want a leader who will work to uplift the poor, help the economy grow and ensure affordable healthcare facilities for all. As the BJP looks forward to its third straight term at the Centre, this time in a coalition, the electorate is hopeful of better days ahead.

PRATIBHA SHARMA, CHANDIGARH

A win for Indian democracy

Refer to the editorial 'India's message', the Lok Sabha election results are a win for Indian democracy. The BJP-led NDA's ability to stay in power at the Centre despite growing anti-incumbency is no mean feat. The grand old party — which has improved its tally — and its INDIA bloc allies put up a spirited fight. The Opposition leaders are now better placed to keep the ruling dispensation on its toes. A strong Opposition is a prerequisite for democracy. India's return to the coalition era has thrown the spotlight on the role of regional parties in national politics.

RAVI SHARMA, DHARIWAL

A rebuke for divisive politics

Apropos of 'India's message', the election results are a reminder that political leaders cannot fight and win elections solely on catchy slogans or by fomenting hatred. The decline in the BJP's tally can be linked to issues like joblessness, rising prices, growing inequality and the controversial Agnipath scheme. Besides, PM Narendra Modi has drawn flak several times with his anti-minority rhetoric. His divisive campaign targeting Muslims may have alienated voters in certain regions. The Modi-led Centre has also been accused of stifling dissent and jailing political rivals on what many say are trumped-up charges. The number of seats that the NDA has secured in this General Election is a far cry from its ambitious target of 400 seats.

CAPT AMAR JEET (RETD), KHARAR

SAD, AAP need to introspect

With reference to the newsreport 'Punjab hands 7 to Cong, 2 to radicals', the grand old party has stamped its authority by clinching seven of the 13 seats in the state. With the tally, the Congress has proven that it still has the might to take on the BJP. On the other hand, regional party SAD and the ruling AAP need to analyse the reasons behind their poor showing in Punjab. It is telling that even the BJP got a higher vote share at 18.56 per cent than the Akalis' 13.42 per cent. SAD cannot sustain itself if it continues to be helmed by just one family. Besides, AAP's failure to keep many of its Assembly poll promises cost it dear.

BIR DEVINDER SINGH BEDI, SANGRUR

BJP's goal comes a cropper

The Lok Sabha elections reveal anation loyal to democracy and its core principles, rejecting divisive ideologies. While craving stability, voters won't tolerate intolerance or hate-driven agendas. Despite the BJP's ambition, it fell short of an absolute majority, signalling a shift in political dynamics. The saffron party's dream of a Congress-free India has been shattered by the Opposition resurgence powered by regional parties. Understanding the grassroots reality is vital for electoral success. Regional parties, sidelined in recent years, now play a pivotal role, ensuring diversity in governance. The election outcome discredits the exit polls and reinforces faith in the electoral process.

VUJAYKUMAR HK, RAICHUR (KARNATAKA)

Sustaining growth must be a priority of new govt



SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

THE management of the economy is bound to be at the top of the new government's agenda. 'It's the economy, stupid' is a catchline made famous by Bill Clinton's 1992 election campaign, and it is still relevant. The Indian economy may be in relatively good shape, with GDP growth outpacing all others globally, but this is still a developing country with sizable segments in the poor and underprivileged categories. Pulling them out of poverty and reducing the inequality that has virtually created two Indias on a single subcontinent will have to be the focus of the new set of policymakers. The concept of a *viksit* or developed *Bharat* is unexceptionable, but the elements of society that are lagging behind will have to catch up before the country can truly reach the status of a developed nation.

To reduce the inequalities that exist between the burgeoning urban middle class and the less privileged masses in rural areas, the biggest task will be to move jobs

away from agriculture and towards the more vibrant industrial and services sectors. Right now, 45 per cent of jobs are dependent on agriculture, a sector that comprises only 15 per cent of the GDP. The NDA (2019-24) government had taken an initiative on this front, infusing massive public capital expenditure into infrastructure development over the past few years. But this laudable policy measure has not created as many jobs as needed, given the enormity of the country's working-age population.

There are differing estimates of actual unemployment in the country. The latest Periodic Labour Force Survey shows that the unemployment rate was 3.1 per cent in 2023, the lowest in three years. On the other hand, a private sector think tank, Centre for Monitoring Indian Economy, puts the unemployment rate for 2023-24 at 8 per cent.

Despite the differing data, the underlying conclusion is that more jobs need to be created rapidly. The drive to set up the much-needed infrastructure through a big capex thrust now needs to be accompanied by much more investment from the private sector, both from domestic and foreign sources. This will have to be aided by improving the ease of doing business. Though the current regime made some headway in this direction, bureaucracy



POTENTIAL: There is a need to ensure that there is skilled labour to use the job opportunities thrown up by new manufacturing projects. REUTERS

and procedural complexities still abound.

Officials involved in this exercise at the Central level say the problem is with the states. To some extent, this is true. It can be seen from the fact that some states, especially in southern India, attract far more foreign direct investment than others. For instance, tech giant Apple is clearly only interested in setting up projects in Tamil Nadu, Karnataka and Andhra Pradesh. Gujarat is another state that has for long attracted investors and is now catching the attention of semi-conductor firms considering massive investments in this high-tech area.

The uneven scenario in individual states is likely to

The long-term nature of govt jobs is the reason they are considered the goal of millions in this country.

presage a pivot in the reform process from the Central to the state level. The brief economic statement that replaced the annual survey in this year's Interim Budget talks of the states' role in making future economic reforms more 'purposeful and fruitful'. It goes on to highlight the need for improving governance at the district, block and village levels, making them both citizen- and business-friendly.

One must not forget that the Budget provided the first ever interest-free loan of Rs 75,000 crore for states to frame growth- and development-oriented reforms. This is clearly a bid to lure less investment-oriented states to carry out business-friendly reforms.

But it is not enough to attract investments. There is a need to ensure that there is skilled labour to use the job opportunities thrown up by new manufacturing projects. Providing an education that makes the much-talked-about youth demographic more employable is the need of the hour. This must start at the school level and continue through vocational institutions that impart relevant technical skills. An economy known for its expertise in software and computers should be able to provide a high-quality education in ancillary areas. Excellence in learning must go beyond the renowned engineering and science institutions.

In evolving new education policies, it would be useful to involve the industry closely. This could help improve the employability of those seeking to enter the manufacturing sector. At the same time, the private sector needs to reduce the share of contract jobs so that there is greater security of employment. The long-term nature of government jobs is the reason they are considered the goal of millions in this country. It has created the myth that only government jobs are worthwhile. Some political parties have unwisely promoted this theme during election campaigns by promising government jobs as sops for voters.

On the contrary, entrepreneurship should be given

greater encouragement, for this truly yields sizable returns, especially in high-tech areas. Startups have been adopted enthusiastically by the youth in this country. In fact, India now nurtures one of the biggest global ecosystems for unicorns and decacorns. Even micro and tiny enterprises are being given support through Internet marketing platforms. This is the future, and employment opportunities need to be viewed through a different prism now rather than as the 'pukki naukri' (secure jobs) of old.

The long-term agenda for any new government will thus have to be holistic, as GDP growth already reached an encouraging 8.2 per cent in 2023-24. Sustaining this growth will mean raising private investment currently lagging behind public capex. Foreign direct investment flows will also need a boost, as the latest data shows a decline in the last fiscal. This could reflect the challenges of external headwinds, especially geopolitical tensions. Raising growth in rural areas will also need to be kept in focus, though the forecast of a normal monsoon this year means agricultural output is set to be higher than the 1.4 per cent of last year. Rural consumption is already picking up and could soon reach a broad-based recovery. The goal of more equitable growth is thus achievable but will need a great deal of hard work.

Congress back on track in Punjab as AAP faces discontent



JAGRUP S SEKHON
EX-PROFESSOR, POLITICAL SCIENCE,
GURU NANAK DEV UNIVERSITY

THE outcome of the 2024 Lok Sabha election in Punjab has raised many questions about the ruling Aam Aadmi Party (AAP). The party won just three seats out of 13, falling well short of the clean sweep predicted by Chief Minister Bhagwant Mann. The verdict has rocked AAP just two years after it registered a landslide victory in the Assembly elections, winning 92 seats in the 117-member House.

AAP's vote share fell drastically to 26.02 per cent from 42 per cent in 2022. This indicates a surge in frustration and disappointment of the masses with the ruling party and Mann's leadership.

The party largely failed to address key issues such as the agrarian unrest, drug trade, law and order, and corruption. Endemic factionalism, organisational weaknesses, dominance of the Delhi-based top brass and ideological

bankruptcy have seemingly put AAP on a perilous path in a short period of time. The victory of two independent radical candidates is a manifestation of these unresolved issues.

This benefited the Congress, which finished on top with seven LS seats, thus recovering from the rout it had suffered in the 2022 Assembly polls. The Congress' vote share (26.3 per cent) was, however, only slightly better than that of AAP this time.

The verdict of the Punjab electorate in favour of the Congress was against the broad national trend. This is not a new phenomenon as the party had won eight seats in the 2019 elections amid a Modi wave in the country. In the just-concluded elections, where there was no noticeable wave, Punjab's 'exceptionalism' was very much on display. This was the only state in north India where the BJP drew a blank, even though Hindus account for around 40 per cent of the border state's population. During his recent rallies in Punjab, the Prime Minister focused on Sikh issues, such as the 1984 riots and the Kartarpur corridor. However, this narrative did not receive much attention in the state. The party recorded a vote share of 18.56 per cent; five of its 13 candidates lost their



DECLINE: AAP's vote share fell to 26.02 per cent from 42 per cent in the 2022 Assembly polls. FILE PHOTO

deposits. The strong opposition to BJP candidates and other leaders by farmers' organisations during campaigning sealed the party's fate. Incidentally, the BJP had won two seats out of the three it contested in the 2019 parliamentary polls in the state.

A significant development in the 2024 election was the rejection of the BJP's agenda by the state's voters. The party tried to connect with Dalits and urban Hindus, but failed to a great extent. The BJP, which had been a junior ally of the Shiromani Akali Dal (SAD) for long, went solo this time after talks with the one-time partner

The Congress was the biggest gainer, winning seven seats, though the odds were against it as most of its senior leaders had defected to the BJP and other parties.

over seat-sharing proved inconclusive.

In recent years, the BJP has neither succeeded in broadening its traditional urban upper-caste voter base nor has been able to raise a tall state-level leader. Its strategy has been to win over Congress leaders. It does not qualify as a winnable party on its own despite having had a long-term presence in the state right from the days of its precursor, the Bharatiya Jana Sangh.

As for the SAD, it suffered yet another electoral rout, winning only one Lok Sabha seat — its traditional bastion, Bathinda. The party had pulled out of the

BJP-led NDA in 2021 over the three controversial 'pro-corporate' agriculture laws after having drawn the farmers' wrath by initially supporting the legislation.

The leadership crisis in the party and its 10-year 'misrule' in the state (2007-17) are among the factors responsible for the loss of its core support in the state. The party also significantly lost the support of its key vote bank, the Jat Sikh community. There is a question mark over the leadership of Sukhbir Badal, especially after the demise of his father, former CM Parkash Singh Badal.

It was an election where the same pressing issues — farmers' distress, drug menace, lack of jobs, large-scale migration of the youth to Western countries, industries shifting to neighbouring states, corruption, depleting water table, lack of development, and law and order — were raised by Opposition parties, but they hardly received any positive response from the state and Central governments.

The election campaign was lacklustre, going by the generally low participation at poll meetings and rallies.

The overall apathy was also reflected in the lower turnout, which was surprising as Punjab is known for recording a consistently higher turnout than the national average, whether it

is the Lok Sabha or Assembly elections. As compared to the national average, Punjab's turnout was about three percentage points lower this time. There was 62.8 per cent polling this time, as against 65.77 per cent in 2019 and 70.6 per cent in 2014.

The field was unusually wide open — in the fray were SAD, BJP, Congress, AAP and the Bahujan Samaj Party (BSP). The entry and huge victory of two radical candidates — Amritpal Singh and Sarabjeet Singh Khalsa from Khadoor Sahib and Faridkot, respectively, — not only made these elections very interesting but also posed a tough challenge to mainstream political parties. Their wins will have far-reaching consequences for Punjab.

Though the BSP put up its candidates from all parliamentary seats in Punjab, it failed to make its presence felt despite the fact that Dalits account for one-third of the state's population.

At the end of the day, the Congress was the biggest gainer, winning seven seats, though the odds were against it as most of its senior leaders had defected to the BJP and other parties. Voters have sent out the message that they are banking on the Congress to raise the state's issues in the Lok Sabha and work towards resolving them on priority.

QUICK CROSSWORD

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ACROSS

1 Criminal (10)

8 Roman god of love (5)

9 Short story with hidden moral (7)

10 Reckless freedom of manner (7)

11 Glorify (5)

12 Get to the bottom of (6)

14 Show obsequious deference (6)

17 Renting contract (5)

19 Let loose (7)

21 Official suspension of trade (7)

22 Travel about on foot (5)

23 Plainly (10)

DOWN

2 Road-surfacing material (7)

3 Over (5)

4 Affix (6)

5 Underwater missile (7)

6 Disprove (5)

7 Community of interest (10)

8 Dejected (10)

13 Infested (7)

15 Laborious effort (7)

16 Isolated (3,3)

18 Book for postage stamps (5)

20 A water lily (5)

Yesterday's solution

Across: 1 Recipe, 4 Bright, 9 Forlorn, 10 Amiss, 11 Ensur, 12 En masse, 13 Cut both ways, 18 Set free, 20 Lhasa, 22 Eager, 23 Uncouth, 24 Lately, 25 Stream.

Down: 1 Rafter, 2 Corps, 3 Proverb, 5 Realm, 6 Gainsay, 7 Tassel, 8 Under the sun, 14 Uptight, 15 Wildcat, 16 As well, 17 Mayhem, 19 Rural, 21 Acute.

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V. HARD

FORECAST

SUNSET: 19:23 HRS

SUNRISE: 05:20 HRS

THURSDAY

FRIDAY

CITY

MAX

MIN

Chandigarh

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New Delhi

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Amritsar

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Bathinda

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Jalandhar

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Ludhiana

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Bhiwani

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Hisar

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Sirsa

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Dharamsala

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Manali

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Srinagar

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Jammu

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Kargil

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05

Leh

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Dehradun

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Mussoorie

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19

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Forge a greener future by maximising resources and minimising waste



SHAINY SHARMA

Living in the so-called globalised world, the term electronic waste/E-waste is a time bomb for it comprises electronic devices that are unwanted, not working or have reached the end of their “useful life”. However, it is not just a technology-based problem but everyone’s problem. Around 80 to 85 per cent of electronic products are discarded in landfills. While it’s good to recycle, at the same time it is crucial to prioritise safety and proper practices when handling such waste. No doubt that recycling does aim to reduce pollution, but it should not contribute to environmental harm just because of human irresponsible practices. However, the serious environmental risks associated with e-waste are significant and multifaceted, affecting ecosystems, wildlife as well as human health.

As per several research studies, the fastest increase in e-waste output is people’s insatiable need to own technological devices. With the growing age and generation, the rapid technological innovation has led to frequent releases of new models of electronic devices. Moreover, human greed too has encouraged consumers to upgrade to the latest versions, resulting in the disposal of older but still functional devices. Frequent disposal of small equipment such as microwaves, toasters, mobiles, laptops, computers, printers, and televisions followed by large equipment such as washing machines, dishwashers, refrigerators and many more just to maintain the status quo makes Asia generate the most e-waste by the America, Europe, Africa and Oceania with a recycling rate of just 17.4%. Not only this, according to the World Health Organization(WHO), several adverse health effects are also caused by exposure to e-waste like negative birth outcomes such as premature birth, changes in lung functions and respiratory issues. And not to be surprised, these challenges are emerging day by day.

With recycling and dumping issues emerging, today many electronic products are often designed with shorter lifecycles due to planned obsolescence, where manufacturers intentionally limit the lifespan of a product to encourage repeat purchases, but improper e-waste disposal leads to habitat destruction. For example, when e-waste is dumped in natural areas, it can disrupt local wildlife habitats, leading to a loss of biodiversity. In some countries, regulations governing e-waste management are either lacking or not effectively enforced, leading to improper disposal and recycling practices. In regions without Extended Producer Responsibility (EPR) policies, manufacturers are not held accountable for the end-of-life management of their products, contributing to the accumulation of e-waste. By addressing these underlying factors through comprehensive policies, public awareness campaigns and improvements in recycling infrastructure, it is possible to mitigate the growing e-waste problem and promote more sustainable practices in electronic consumption and disposal. Also, by addressing the environmental risks of e-waste, one can work towards more sustainable and safer management practices that protect both the environment and public health. While recycling e-waste is generally better for the environment than disposing of it in landfills, some recycling processes are energy-intensive and contribute to greenhouse gas emissions. Improving the efficiency of recycling technologies and processes can help mitigate this impact.

It is time to embrace the power of circular thinking as one transforms waste into opportunity, by taking one step at a time. It’s time to break free from the linear mindset and forge a path towards a greener future, where resources are maximised and waste is minimized.

(The writer is an educator; views are personal)

Fight to preserve our fragile ecosystems

It is crucial to adopt sustainable practices to protect our environment and ensure a secure future for the coming generations, or it may be too late before we realise it

The planet is grappling with unprecedented environmental challenges. According to media reports on May 29, 2024, Delhi recorded the highest temperature of over 50 degrees Celsius, a record-breaking event in 80 years. Then, there is the impending water crises, looming large in the Capital City – between politics and their blame game. Meanwhile, forest fires ravage the hills amidst the political fire ignited by the biggest dance of democracy, the Lok Sabha Elections which has finally ended and a new government will soon join the league of service within this ‘democratic’ panorama.

Not only this, according to media reports, a massive fire broke out in Kashmir’s Ramnagar forest division early Sunday, June 2, 2024, causing immense damage and an estimated loss of crores of rupees in timber and other natural resources. Another major fire has been raging for three days in Daya Dhar of Ghordi Block, Udhampur District, intensifying, despite continuous firefighting efforts. The Daya Dhar forest, home to a significant population of peacocks, has suffered extensive harm, impacting these birds and other wildlife. The forest fires in Udhampur pose severe threats to the environment, wildlife, and local communities, with the destruction of vegetation and the release of harmful pollutants having far-reaching consequences.

Not just this, the social media ‘Instagram’ is upbeat with a heart-wrenching visual display of hundreds of people of all age groups raising their solidarity in preventing the authorities from felling over 2000 trees of the Khalanga forest, prominently the Sal trees in the hill state of Dehradun. The reason for felling the trees – to address the water crises faced by the City. This proposal has sparked significant opposition from local activists and citizens, who are protesting, pleading, and urging officials, including authorities – from the Chief Minister to the bureaucrats – to reconsider this move. They highlight that the Khalanga Forest, a vital green lung for the city, contains century-old trees and diverse species, crucial for maintaining ecological balance. Activists suggest constructing the reservoir in Dwara village, which has barren land and suffers from water scarcity, as a more sustainable alternative.

According to a report, dated May 9, 2024, published at <https://groundreport.in/latest/dehradun-2000-trees-will-be-cut-in-khalanga-forest-to-make-a-reservoir-4550484>, activists are voicing strong opposition, citing the ongoing climate challenges like wildfires, etc. Citizens believe that the plan to cut 2,000 trees from the reserve forest requires serious rethinking. Further, residents of Doon, led by Colonel Vikram Thapa (retd), president of Bal Bhadra Khalanga Vikas Samiti, suggest using barren land instead of encroaching on lush green forests. Initially proposed for the Kulhan Mansingh area, the site was shifted to Khalanga. Demonstrators, including ‘Nature Buddies’, ‘Citizens for Green Doon’, ‘Balbhadra Vikas Samiti’, ‘Toy Foundation’, ‘Proud Pahadi’, and ‘Pahadi Peddlers’, symbolically tied “Rakshasutra” (see Instagram video) on marked trees.

Not only this, in another such incident, the Delhi-Dehradun Expressway construction, aimed at improving connectivity, resulted in the felling of over 7,500 trees, along a 16-km section. Approximately 4,983 trees were in Uttarakhand, while



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DESPITE COMMITMENTS TO SUSTAINABLE DEVELOPMENT GOAL 13 BY 2030, CLIMATE CHANGE PERSISTS WITH ESCALATING DEVASTATION. GLOBAL TEMPERATURES ARE RISING, FUELLING CATASTROPHIC EVENTS LIKE EUROPE’S 2019 HEATWAVE AND AUSTRALIA’S 2019-2020 BUSHFIRE SEASON

2,592 were in Uttar Pradesh. To compensate, the National Highways Authority of India (NHAI) proposes to plant 1.76 lakh trees. Welcome to the celebrations that marked the 2024 World Environment Day on June 5. Amidst these glaring adversities and threats to the environment, the World Environment Day 2024 celebrations – whose underlying theme this year is “Our land. Our future” – are

We are #GenerationRestoration,” calls for global action for protecting the environment and rethinking the decisions, that could be detrimental to Mother Nature and her inhabitants. No doubt, this year’s World Environment Day (WED) campaign, focused on land restoration, desertification and drought resilience. The Kingdom of Saudi Arabia hosted the 2024 World Environment Day global celebrations.

Despite commitments to Sustainable Development Goal 13 by 2030, climate change persists with escalating devastation. Global temperatures are rising, fuelling catastrophic events like Europe’s 2019 heatwave and Australia’s 2019-2020 bushfire season. Melting ice caps imperil coastal regions and islands like the Maldives, Miami, and Venice. Extreme weather events, including record-breaking hurricanes and deadly typhoons, wreak havoc, exacerbating water scarcity through prolonged droughts and shifting precipitation patterns.

Addressing climate change requires a comprehensive approach: reducing greenhouse gas emissions, adapting to changing conditions,

and promoting sustainable development. Transitioning to renewable energy sources like solar, wind, and geothermal is crucial, with countries like Germany and Denmark leading in adoption. Enhancing energy efficiency in buildings, transportation, and industries can further reduce emissions. Sustainable agricultural practices, like agroforestry and organic farming, help lower emissions and enhance food security, while urban farming and vertical agriculture offer innovative solutions. Protecting and restoring natural ecosystems, which act as carbon sinks, is vital. Efforts like the Bonn Challenge and Costa Rica’s reforestation initiatives demonstrate the benefits of increasing forest cover and biodiversity. Promoting a circular economy can reduce resource consumption and greenhouse gas emissions by minimizing waste and reusing materials.

The European Union’s Circular Economy Action Plan exemplifies this approach, aiming to transition from a linear “take-make-dispose” model. Sustainable urban development, focused on creating resilient, low-carbon cities, emphasizes public transportation, green building practices, and smart city technologies. Education and awareness are also critical, as schools, universities, and community organizations play essential roles in fostering environmental stewardship. Through environmental education programmes and campaigns, individuals can be empowered to make informed decisions and take action to protect the environment.


In this context, Mahatma Gandhi’s poignant reflection on our connection to the Earth resonates profoundly in these times: “If Earth is not we are not. I feel nearer to God by feeling Him through the Earth. In bowing to the Earth, I at once realise my indebtedness to Him, and, if I am a worthy child of that Mother, I shall at once reduce myself to dust and rejoice in establishing kinship with not only the lowliest of human beings, but also with the lowest forms of creation whose fate-reduction to dust I have to share with them.” This profound statement encapsulates the essence of environmental stewardship and the need for sustainable development.

James Lovelock, a British scientist, proposed the Gaia hypothesis, which views the Earth as a self-regulating system. This idea aligns with Mahatma Gandhi’s view of the Earth as a living entity with which we share a deep connection. Lovelock’s work emphasizes the interdependence of all living and non-living components of the Earth, suggesting that harming one part affects the whole system. As we face the pressing issue of climate change, it is imperative to adopt sustainable practices to protect our environment and secure the future for coming generations. Individual actions, combined with collective efforts, can pave the way for a sustainable world, ensuring that future generations inherit a healthy and thriving planet. It is now or never.

(The writer is Programme Executive, Gandhi Smriti and Darshan Samiti; views are personal)

Reshaping film festivals and cinemas with OTT platforms

By embracing a hybrid approach that combines virtual access with in-person screenings, festivals have the opportunity to broaden their audience reach



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has become a convenient pastime for home viewing. Today the OTT domain is a witness to a recalibration of distribution channels, new revenue models, focus on artistic merit and reconfiguration of the content with outreach mechanisms. India has also been seeing a rise in the OTT domain with quality content being produced in huge numbers.

The exponential growth of OTT platforms has redefined the mode & matrix of cinema viewing globally. Apart from promoting binge-watching, and accessible viewing, OTT

The global film festival circuit is also witnessing winds of change giving rise to new collaborative partnerships, renewed style of storytelling, narration, participation and branding of cinematic appeal. As a consequence, film festivals have repositioned themselves as platforms with broadened appeal, wider audiences and a variety of diverse themes related to storytelling. Cannes Film Festival 2024, is responding to these changes by forging new collaborative partnerships and adopting fresh storytelling techniques. This dynamic is evident as film festivals broaden their thematic scopes and embrace diverse cinematic expressions, integrating OTT content that resonates with global audiences. Notable examples include Alfonso

Cuarón’s “Roma” and Pawel Pawlikowski’s “Cold War,” both of which received significant accolades at major international festivals, underscoring the increasing acceptance and influence of OTT-produced content within the mainstream cinema landscape. This is evident in the case of Indian OTT content representation as well, with many big-name international film festivals accepting its nominations. India’s representation at Cannes 2024 exemplifies this trend, showcasing films that bridge traditional Indian narratives with contemporary global themes, thus appealing to a wide array of audiences. The increasing inclusion of Indian OTT content at Cannes highlights a strategic shift towards embracing digital storytelling platforms, reflecting a broader trend of film festivals adapting to the digital age. This evolution is mirrored in the increased recognition of web series and digital features, which are now celebrated for their creative quality and innovation at such international platforms.

Indian presence at Cannes 2024 has been a testament of diversity, talent and unique identity; which was showcased by the multiple nominations in various categories and innumerable wins that Indian creators and films have bagged this year. Since 2023, there has been an increase in the inclusion of OTT content in film festivals showing a shift influenced by the popularity of direct-to-

consumer streaming platforms. Major film festivals are integrating digital content into their programs, recognising the potential of OTT to bring innovative storytelling and diversity. Some have even introduced awards for web series to highlight the creative quality of OTT productions. Over the years IFFI, Goa has created unique templates for integrating the festival with the OTT narrative, reinforcing storytelling with fresh perspective, imagination participation & collaboration. The 51st edition of the International Film Festival of India (IFFI) made history by introducing a hybrid format in 2021. This innovative approach allowed attendees to participate both in person and virtually showcasing the benefits of blending digital components. The pioneering move not only tackled the challenges posed by the pandemic but also set a new gold standard for Film Festivals worldwide. The success of IFFI in 2021 as a hybrid model inspired other prestigious festivals like TIFF to adopt similar formats in subsequent years ensuring ongoing engagement and inclusivity.

The 52nd IFFI kept up the momentum. More than 50 films were screened simultaneously on OTT platforms. 10 Masterclasses. For the 54th edition, IFFI introduced the Best Web Series (OTT) Award and honoured “Panchayat Season 2”, from Amazon Prime Video, for its authentic depiction of rural Indian life.

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This move has fostered bridging the gap between traditional and digital film realms. By embracing a hybrid approach that combines virtual access with in-person screenings, festivals have the opportunity to broaden their audience reach and promote inclusivity. Collaboration between festivals and streaming services could encompass sponsorships, premieres, acquisitions or joint projects with filmmakers enriching the festival experience and aligning with audience preferences for personalised viewing options.

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