

## Biden and Trump should not worsen the polarisation after the attempt

## Alcaraz and Sinner confirm the rise of a new generation

It is not that Alcaraz is the only prodigiously talented player to emerge in recent years. Jannik Sinner, the reigning World No.1 and the 2024 Australian Open champion, has shown sufficient mettle to prove that he will be the generational rival to Alcaraz. On his day, Daniil Medvedev, especially on hard courts, can be an equal. But no player has looked as complete as Alcaraz, who has all the shots in the book and a mental make-up to match. Of his 15 titles, eight have come on clay, four on hard and three on grass. And he has won his debut finals at both Roland-Garros and Wimbledon, a feat even Federer, Nadal and Djokovic have not managed. Among women, it was the turn of Barbora Krejčíková to master the sport's natural surfaces as she added the grass-court Major to the French Open singles trophy that she won in 2021. The Czech may have been the seventh first-time winner at the All England Club in as many editions, but her success is more a sign of the depth in the ladies' game than of perpetual flux. And Wimbledon is where this is likely to be most pronounced until the women's Tour's leading players, Iga Świątek and Aryna Sabalenka, crack the code on the lush green lawns.

CMV logo consisting of three vertical bars in red, green, and blue colors.



# The toll that extreme heat takes on women

Extreme heat is our planet's norm for now and perhaps for years to come. The warmest year on record was 2023. Temperatures in several parts of India during May-June 2024 were reported to be record-breaking. Women are disproportionately harmed by extreme heat, largely because of unequal power dynamics, gender norms, and unequal access to resources, as reflected in the Global Gender Gap Index that places India at 18th rank from the bottom. Perhaps we should be alarmed by the numbers – India is home to more than one-in-six women in the world – and extreme heat is now their reality.

**Hidden toll**  
A recent report by the ADB (Rising Above the Heat) highlights the unequal impact of extreme heat on women in Asia and the Pacific. For instance, women living in informal settlements in cities (also at the margins and in slums) face multiple challenges due to rising temperatures. Their homes could turn into heat chambers since the material used in informal, urban neighbourhoods, such as tin, asbestos, and plastic, trap heat. Women also toil in poorly ventilated kitchens, experiencing scorching temperatures while cooking. Rising temperatures are compounded by extreme time poverty and care burden for them.

Due to lower productivity stemming from heat stress, women work considerably longer hours to complete their share of unpaid work at home. According to Arsht-Rock's 'Scorching Divide' report, the productivity loss due to heatwaves translates to 90 more minutes of care work per day in India. This adds to the pre-existing gender differences in time-use pattern; in doing unpaid work like cooking, cleaning, and fetching water and fuel, women spend two and a half times minutes more per day than men (National Statistical Office 2019 data). Intriguingly, more than two-third of women's productivity



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loss from heat strain occurs in the domain of unpaid labour in India. The loss also reflects opportunity costs associated with heat stress – that women could have earned extra income, acquired skills, or rested enough.

**Worryingly pervasive**  
Urban female informal labourers face harsh weather, whether working in marketplaces, streets, construction sites, landfills, or even their employers' homes. Due to their occupational settings, these casual-wage workers – street vendors, paid domestic helpers, construction workers, and sanitation workers – are vulnerable to climatic extremes, reports the International Labour Organization ('Work in a Changing Climate'). The situation worsens with energy poverty – living without cooling facilities such as ventilated spaces, fans, air conditioners, or coolers. Greenery and other natural forms of cooling are also becoming increasingly unavailable for public consumption in dense urban areas. Furthermore, water scarcity and power fluctuations raise the challenge of being hydrated and staying comfortable.

The situation in rural India is equally severe. Consider the daily routine of a woman in a heatwave-affected rural area: she begins her morning cooking using biomass over a hot stove, bearing the brunt of ensuing disease burden. Since 56.8% of rural Indian families cook on biomass (NFHS-5), acknowledging the extent of this public health hazard is essential. Women's days also involve longer working hours under heat stress. If she does home-based work inside the living area with asbestos or tin roofing, temperatures could become unbearable, making labour increasingly unsafe. Also, if she faces restrictive gender norms on mobility and clothing, she could be forced to stay indoors and follow dressing styles that are not heat friendly. Conversely, if she works outdoors in the field,

MGNREGA, for example, it is under the scorching sun. Additionally, prolonged exposure to heatwaves adversely affects crop yields; for poor rural women, heat may decide whether they live in hunger and poverty or not.

**Unequal health strain**  
The incidence of heat-related diseases is also on the rise with increasing temperature. Heat stress puts the body under a great deal of strain, making it harder for it to regulate its temperature, leading to several illnesses, including heat cramps, severe heat stroke, and hyperthermia. Women are at greater risk because of their physiological makeup – their body fat percentage and water content levels affect heat tolerance and hydration, while hormonal changes associated with menstrual cycles and pregnancy affect body temperature regulation. Women have a dual burden from heat-related health issues since they are more susceptible to its effects and also shoulder majority of the care-giving responsibility that follows. Additionally, heat stress has a pronounced impact on maternal and child health. The data on heat strain's effects translating to a rise in preterm delivery, miscarriage, and stillbirths is especially worrying in India, given its higher maternal mortality rates.

The burden on women becomes evident as India grapples with soaring temperatures. Millions continue to face worse heat-related losses, with no respite in sight. Strengthening their resilience to heat strain is the need of the hour – climate-friendly urban planning, development of and access to sustainable cooling technologies, fair division of care work, and public provisioning of essential services should be our immediate concerns. And we cannot talk about adaptation and resilience without addressing the social power gradient that determines women's capacity to face the crisis we are experiencing.

# From ghost city to model city

Naidu faces technical, financial, and political challenges in building Amaravati

## STATE OF PLAY

**Sambasiva Rao M.**

Nara Chandrababu Naidu's return as Chief Minister of Andhra Pradesh has given new life to his dream project, Amaravati. The city, which had been abandoned after he lost the 2019 Assembly elections, is poised to reclaim its status as the capital.

As Chief Minister in 2014, Mr. Naidu had planned to build a modern, sustainable city along the banks of the Krishna river. His government drafted plans and enlisted the help of Singapore-based companies. Mr. Naidu, who has always expressed his admiration for Singapore, was keen to build a similar city that balanced economic growth, environmental sustainability, and high living standards. The State Assembly passed a resolution to locate the capital in the centre of the State.

The initial vision documents aimed to make Amaravati one of the top three liveable cities in the world with more than 50% green cover. With a capital area of 217 sq km, Amaravati was to house a government city, justice city, finance city, knowledge city, health city, sports city, media/culture city, electronics city, and tourism city.

The cornerstone of the city's development was the land pooling scheme under which 29,966 farmers contributed approximately 34,400 acres of land to the Naidu government. In return, they were promised annuity payments, residential and commercial plots, and social benefits such as loan waivers and pensions. The government envisaged an inclusive development which would benefit those who had contribut-



ed land and foster community support for the project.

However, the progress of the project was disrupted in 2019 when Y.S. Jagan Mohan Reddy of the YSR Congress Party came to power and introduced his controversial 'three capitals' plan – Visakhapatnam as the administrative capital, Amaravati as the legislative capital, and Kurnool as the judicial capital. Mr. Reddy halted construction in Amaravati; this undermined investor confidence. His 'three capitals' plan sparked protests among farmers.

The cessation of development work had significant economic and social consequences. Unfinished and damaged infrastructure increased completion costs and Amaravati's credit ratings took a hit, as per a white paper recently released by Mr. Naidu. The economic fallout included job migration, decreased property values, and lost revenue opportunities.

With Mr. Naidu's return, there is now optimism in Amaravati. His primary focus will be on mobilising resources, restoring investor confidence, and completing core infrastructure within five years.

However, there are several challenges. The first is the task of mobilising funds in a strained economic environment. Mr. Naidu will have to secure investments and government support. The second is building investor con-

fidence. The development of Amaravati was marred by uncertainties and delays, creating scepticism among potential investors. To tackle these two challenges, Mr. Naidu will have to adopt a multi-faceted approach. His administration will need to clearly state the project's road map, timelines, and benefits. Engaging with stakeholders and demonstrating tangible progress in the development of the city's core areas will be vital in restoring faith among investors.

The third challenge is to complete the core infrastructure of Amaravati. The core area, which houses government buildings, residential zones, and commercial spaces, need to be prioritised to showcase the potential of the new capital. Creating a conducive environment for residents and industries will drive the city's growth. This involves developing residential, healthcare, education, and recreational facilities. Promoting industrial sectors and creating job opportunities will be key to making Amaravati economically viable.

Mr. Naidu's legacy will also depend on his ability to balance development with sustainability. The original plans for Amaravati included the construction of extensive green spaces, efficient public transport, and smart city technologies. If these elements are integrated into the development process, Amaravati will become a model city.

Mr. Naidu also faces a political challenge. To regain the trust of the people, he will have to demonstrate his capability to deliver on his poll promises within the next five years. The next few years will be crucial in determining whether his ambitious vision can finally be realised.

# Among party-hopping defectors, 89% fielded again, 70% re-elected

Many defectors not only won in subsequent elections, but also got ministerial berths

## DATA POINT

**Shivam Agarwal**

This year, five Bharat Rashtra Samithi (BRS) MLAs, who won the Telangana Assembly elections in 2023, defected to the Congress.

Telangana is the latest State where such defections have taken place. As defections have become common, questions have been raised about the effectiveness of the anti-defection law. Data show that many politicians who were disqualified under the anti-defection law in the past 10 years were re-elected from the party they jumped to, in subsequent by-polls. Many also managed to secure ministerial berths.

This is an analysis of 66 MLAs who defected in six States – Andhra Pradesh, Himachal Pradesh, Uttarakhand, Karnataka, Madhya Pradesh, and Manipur. Of them, 59 (89%) were fielded again in subsequent polls by the parties they jumped to. Among the 59, the re-election rate, or the share who won again after jumping ship, was considerably high (70%).

**Chart 1** shows the status of the defectors. It is important to note that, except in Andhra Pradesh, where most politicians defected from the Telugu Desam Party (TDP) to the YSR Congress Party (YSRCP) and vice-versa, in other States, a majority of the defections were from the Congress to the Bharatiya Janata Party (BJP).

In Himachal Pradesh, six Congress MLAs cross-voted in the Rajya Sabha elections and were disqualified. They were all fielded by the BJP in the subsequent polls. Four of them lost (**Chart 2**).

In 2016, nine Congress MLAs shifted to the BJP in Uttarakhand. This led to a political crisis in the State. These MLAs were disqualified in April 2016. Seven of them were fielded again in the Assembly elections in 2017 and six of them won (**Chart 3**). Among the defec-

tors, three became ministers.

The defection of 17 MLAs in 2019, almost all of them from Congress and Janata Dal (Secular), led to the collapse of the Kumaraswamy government in Karnataka. The BJP then came to power and B.S. Yediyurappa became Chief Minister. Fifteen of these MLAs were fielded again as BJP candidates in the by-polls, and 80% of them were re-elected (**Chart 4**).

Twelve of the defectors who joined the BJP and won the by-polls were given ministerial berths. Seven of them were ministers in the previous Kumaraswamy ministry.

In 2020, 22 MLAs defected in Madhya Pradesh, reducing the Congress to a minority government after Jyotiraditya Scindia joined the BJP. With the resignations bringing down the halfway mark, the BJP had the numbers to form the government. Later, three more Congress MLAs resigned and joined the BJP. The BJP fielded all 25 of them in the subsequent by-polls. Of them, 72% were re-elected (**Chart 5**). Of the defectors who were re-elected, 13 were later inducted into the Shivraj Singh Chouhan ministry. Seven of them were ministers before defection.

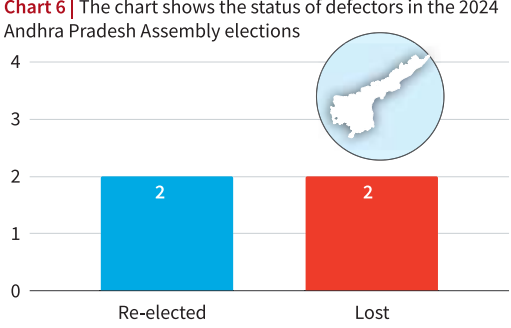
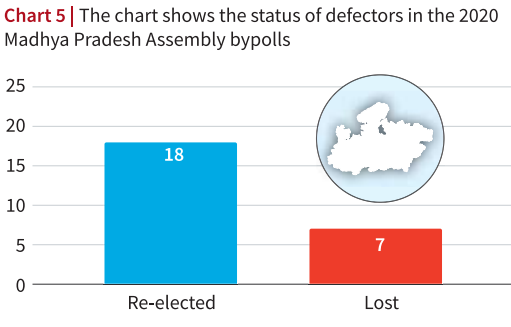
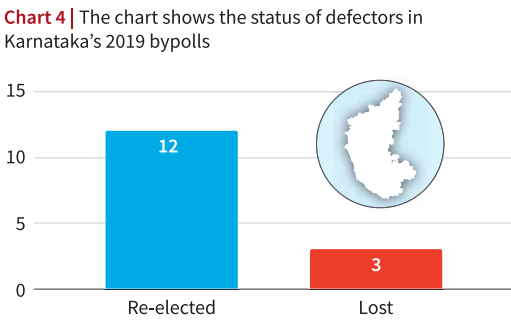
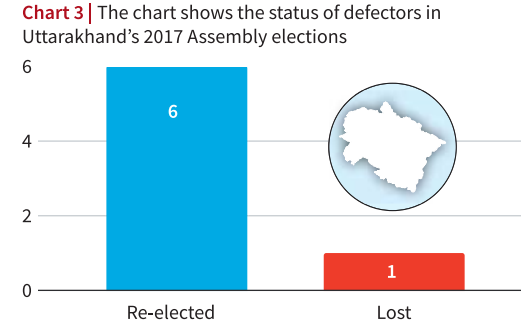
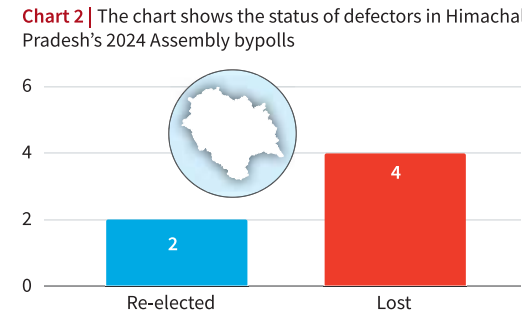
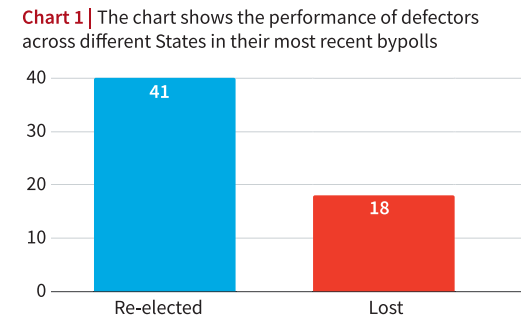
This year, the Speaker of the Andhra Pradesh Assembly disqualified eight MLAs – four each from the TDP and YSRCP – for changing allegiance. Among them, two were fielded again from each party. The defectors contesting on the YSRCP ticket lost, whereas those contesting on the TDP ticket won the election, making the win ratio 50% (**Chart 6**).

In Manipur, Thounaojam Shyamkumar was elected in 2017 on a Congress ticket but switched to the BJP even before the oath-taking ceremony. He was later made a minister in the government led by N. Biren Singh and was only disqualified in 2020. He won the subsequent bye-election.

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## Defections and elections

The charts are based on data collated from the Election Commission of India



## FROM THE ARCHIVES

### The Hindu.

**FIFTY YEARS AGO** JULY 16, 1974

## Army seizes power in Cyprus: Fate of Makarios not known

Rhodes (Greece), July 15: The Cyprus Armed Forces overthrew Archbishop Makarios in a coup to-day and appointed a newspaper publisher as President, Cyprus Radio said in a broadcast monitored here. The broadcast identified the new President as Mr. Nicholas Sampson.

The radio earlier reported Archbishop Makarios had been killed, but did not repeat this report in announcing the appointment of Mr. Sampson.

A Turkish-language broadcast from the Cypriot city of Paphos monitored in Tel Aviv said that President Makarios was alive and had sought refuge in the area of United Nations offices in Cyprus.

A Greek-language radio station reported that "the forces of President Makarios are in control of the Limassol sector."

Speaking in English, the announcer called the "new President" a traitor and warned that he would not remain in power very long.

Israel Radio reported that Makarios said in a live radio broadcast to-night that as long as he lived, the newly claimed military regime would not rule Cyprus.

The Israeli broadcast claimed that it was the first positive proof that Archbishop Makarios survived the coup against his Government.

(In Stockholm, Sweden's Defence Staff said Makarios was still alive and had sought United Nations protection. A cable from the Swedish U.N. battalion at Famagusta said Makarios had sought refuge in a British Cyprus base and had cabled U.N. headquarters in New York for U.N. intervention, a staff spokesman said).

**A HUNDRED YEARS AGO** JULY 16, 1924

## New German Gold Bank

Berlin, July 15: The German Bill for the establishment of a new Gold Note Bank has been submitted to the Reparations Commission. The Bank will be conducted in similar lines to the Reichsbank. The directorate will be exclusively German, but it will be supervised by a general council of fourteen members comprising seven German and seven appointed by America, Britain, Italy, France, Belgium, Switzerland, and Holland as creditors of the new bank.



# Text & Context

THE HINDU

NEWS IN NUMBERS

The number of U.S. women in top 15 tennis rankings

**5** Five players from the U.S. are ranked in the Women's Tennis Association's top 15 for the first time in two decades. World number two Coco Gauff led the American charge followed by sixth-ranked Jessica Pegula and Danielle Collins, who is ninth on the list. PTI

Number of convicts who wish to file appeal using free legal aid

**870** The National Legal Services Authority (NALSA) told the Supreme Court that convicts across 18 States and UTs wish to file appeals against their convictions upon being informed about free legal aid. PTI

The smuggled star tortoises recovered from an air passenger

**138** The tortoises were recovered from a Malaysia-bound air passenger in Chennai, the Customs department said on Monday. The species are listed in Schedule I of the Wildlife (Protection) Act, 1972. PTI

The increase in paddy sowing so far this season

**21** in per cent. The area under coverage for paddy rose to 115.64 lakh hectares due to better monsoon rains, according to the agriculture ministry data. Paddy sowing stood at 95.78 lakh hectares till July 15 last year. Paddy is a major kharif crop. PTI

Teachers whose transfers are kept in abeyance in Delhi

**5,000** The Delhi government directed that the transfer of school teachers, who have been posted in the same school for more than 10 years, be kept in abeyance. PTI

COMPILED BY THE HINDU DATA TEAM

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## On the politics of the Nishad community

Have the votes of the Nishad community, a group under the Extremely Backward Castes, shifted from the National Democratic Alliance to the INDIA alliance? How does their political consolidation differ in Bihar and Uttar Pradesh?

EXPLAINER

Sarthak Bagchi  
Rama Shanker Singh

The story so far:

In his thanksgiving speech after the 2024 Lok Sabha elections, Congress leader Rahul Gandhi said that Uttar Pradesh had shown the way to the nation while referring to the success of the INDIA-alliance in the State. The INDIA-alliance was able to get more of the Extremely Backward Caste (EBC) votes as compared to the National Democratic Alliance (NDA)-led by the Bharatiya Janata Party (BJP).

How dominant are EBCs?

In Bihar, the recently held caste survey puts the total population of the EBCs at 36%. When combined with the Other Backward Classes (OBC), backward castes make up 63% of the total population of the State. As the CSDS-Lokniti data suggests, in 2024 the grip of the NDA parties over EBC votes has dwindled as compared to previous elections and this includes the Janata Dal (United) or JD(U), the party of Bihar Chief Minister Nitish Kumar, who has till now enjoyed staunch support from EBC voters. On the other hand, the INDIA alliance has been able to make substantial inroads into the EBC vote bank. Among the EBC communities, the Nishad community which consists of almost 20 jatis, make up about 9% of the population of the State.

In U.P., unlike in Bihar, there is no separate category for EBCs that distinguishes them from OBCs. Castes such as Yadav, Kurmi, and Patel, who are landowners and politically strong, were visible during past elections. And despite not owning land, castes like Maurya and Kushwaha were also prominent in elections. Now, the Bhar and Nishad communities have also established a significant presence in U.P. According to data from the 2001 Hukum Singh committee, OBCs make up over 50% of U.P.'s population, with Yadavs being the largest group at 19.4%. Among the non-Yadav castes which make up the rest of the OBCs in the State, Kurmis and Patels represent 7.4%, Nishads, Mallahs, and Kevats 4.3%, Bhar and Rajbhars 2.4%, Lodhs 4.8%, and Jats 3.6%. However, there is no concrete caste-wise breakdown of the OBC population.

Who are the Nishads?

Nishad is an umbrella term for dozens of riverine castes in north India. After the Mandal Commission report, they started introducing themselves as 'Nishad', a singular political and social entity. The Nishad community, one of the politically visible but less represented groups in the electoral landscape of U.P. in the past, is now being noticed. Although there is no clear demarcation between OBC and EBCs, they are considered EBCs and have rallied behind the Akhilesh Yadav-Rahul Gandhi duo. In adjoining Bihar too, the Nishad community rallied strongly behind Mukesh Sahani, also known as 'son of mallah', who is a member of the INDIA-alliance and was seen campaigning along with Rashtriya Janata Dal (RJD) leader Tejaswi Yadav.

The politics of the Nishad community has rarely seen any comparative analysis between the States of U.P. and Bihar. The fieldwork done by the authors on the Nishads took place across several districts of U.P. and Bihar such as Banda, Chitrakoot, Kaushambi, Prayagraj, Bhadohi, Chandauli etc, and Banaras, Mirzapur, Prayagraj, Vaishali, Hajipur, Madhubani, Muzaffarpur.



**A strong force:** VIP president Mukesh Sahani and his supporters block a railway track during a protest against the Citizenship (Amendment) Act, in Patna, in 2019. PTI

Who did they support in U.P.?

It was found that the Nishads were drifting away from the BJP and had been mobilising for the INDIA block. In Varanasi, the female voters of the Nishad community were more comfortable with Narendra Modi in comparison to their male counterparts, but in other areas, they were more affiliated to the Samajwadi Party (SP) and Congress. The support for Congress among Nishads is a new phenomenon in the last two decades of U.P.'s politics. As far as the SP is concerned, it was Mulayam Singh Yadav who brought this community to the political forefront. Phoolan Devi was given a Lok Sabha ticket from the SP in 1996. She won the seat from the Mirzapur constituency in U.P. and was also later re-elected in 1999. Thus, the Congress was absent among the Nishads in these areas from 1989. But this time, one could see a formidable political faith among Nishads for Congress, especially in Banda, Chitrakoot, and Prayagraj. This was partly due to the SP-Congress alliance and partly to Rahul Gandhi's 'Constitution speeches'. Elders and youngsters of the community were discussing the 'samvidhan'. This is a new takeaway from this election where the Indian Constitution is finding a social life in marginal spaces.

What about Bihar?

In Bihar, the Nishad community's foray into electoral politics had been restricted to limited cases of representatives being promoted by different political parties such as Jai Narain Nishad in the 1990s-2000s who switched between JD(U) and BJP and Ramkaran Sahni, in the 1970s and 80s. The post-Mandal politicisation of different caste groups in Bihar was a

missed opportunity by the Nishad community as its loyalty was fragmented across different parties in the absence of a strong political formation from within the community. Mukesh Sahani and his Vikassheel Insaan Party (VIP), since 2014, claim to be working towards the consolidation of the Nishad community as an important political force. With the caste survey of Bihar placing the community's 22 sub-caste's total population to be almost 10% of the State's population, its numerical strength has assumed a new political significance. The 2024 elections saw the BJP winning the trust of the Nishad voters in Muzaffarpur, a constituency where Nishads have emerged as a 'dominant caste'. The BJP has acknowledged this victory as a window of opportunity for further consolidation, evident from its inclusion of Muzaffarpur's MP and first time parliamentarian, Raj Bhushan Choudhury in the Modi 3.0 Cabinet. Incidentally Mr. Choudhury contested on the same seat unsuccessfully in the 2019 parliamentary elections, but on a VIP ticket. This is also the pressing challenge faced by the VIP party in Bihar, that despite having built a decent party organisation and a good ground presence within the community, the party is unable to attract or put forward strong winnable candidates on its ticket, which reflects the paucity of leadership within the community.

What are core issues of the Nishads?

The Nishads of U.P. aspire for two things. One is rights over rivers and river produce, and the other is representation. They demand representation through the Constitution and rights by cultural means. They are fighting for rights over rivers

through caste assertion, historical memory, and myths. Through Nishadraj Guha, Eklavya, Ramacharan Mallah, Phoolan Devi, and other organic leaders of the community, they try to expand their history from time immemorial to the present. They are mobilising themselves for their rights in sand mining, fishing, and plying boats. These three activities are the main source of the Nishad communities' income.

The Nishads also increasingly assert themselves while negotiating with a confrontational state. For example, in Banswar village, Prayagraj, clashes between local Nishads and the Prayagraj administration around the issue of sand mining in the Yamuna river, resulted in the mobilisation of Nishads across eastern U.P. This incident resulted in all major political parties pursuing the community with their specific assurances. Sanjay Nishad of the Nishad Party assured action, while Priyanka Gandhi of the Congress pledged ₹10 lakh in assistance and supported the formation of a 'Nishadraj Cooperative Society' for sand mining. Akhilesh Yadav promised boats to Nishads if SP won in 2022.

The Nishads in Bihar have also been involved in similar struggles. The key demand of the community is their inclusion in the list of Scheduled Castes (SC) in the State. After mounting pressure on the Nitish Kumar government since 2014 via several caste-based organisations, the Bihar Government got a socio-economic assessment done through ethnographic accounts of the community by the A.N. Sinha Institute to assess its claims of backwardness. The caste survey data in 2023 reinforces the socio-economic backwardness of the community, which has made their demand for reservations under the SC category more vocal.

What happened in the elections?

According to an estimate, the Nishad community influences the outcome of more than 20 parliamentary constituencies in U.P., especially in the Poorvanchal region and about 10 constituencies of Bihar, particularly in the north Bihar and Mithilanchal region. Every national and regional party active in U.P. wants the support of the community. The emergence of the Nishad Party – Nirbal Indian Shoshit Hamara Aam Dal – in 2016 hugely mobilised the community towards a single party, which has been an ally of the NDA since 2019.

While it played a role in BJP's social engineering in the 2019 Lok Sabha elections, in the 2024 elections it failed. It was not given the party symbol and Praveen Nishad, the son of Sanjay Nishad, had to contest the election as a BJP candidate. He lost the Sant Kabir Nagar seat to Pappu Nishad of SP. In Bihar, although Sahani's VIP party failed to win any of its three seats in Gopalganj, Jhanyharpur and Purvi Champaran, it was able to successfully transfer Nishad votes to the INDIA alliance in Patliputra, Arrah and Buxar. Between 1952 and 2004 in Bihar, there was only one MP from the Mallah sub-caste, two from the Noniya sub-caste and two from the Nishad sub-caste. The political mobilisation of the Nishad community aims to change this. Thus, by assessing the politics of the Nishad community in two States of the Hindi heartland, we get a sense of how different communities' politics are playing out within the EBCs on the ground.

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THE GIST

Nishad is an umbrella term for dozens of riverine castes in north India. After the Mandal Commission report, they started introducing themselves as 'Nishad', a singular political and social entity.

The Nishads of U.P. aspire for two things. One is rights over rivers and river produce, and the other is representation. The Nishads in Bihar have also been involved in similar struggles. The key demand of the community is their inclusion in the list of Scheduled Castes (SC) in the State.

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BUILDING BLOCKS



**Inside the brain:** Researchers inject gel under the electroencephalography (EEG) cap at the Technische Universitaet Muenchen (TUM) in Garching near Munich in 2014. REUTERS

# 100 years of EEG: how does it work and what is its significance?

This year marks the centenary of the first human EEG, produced by German physiologist Hans Berger. EEG measures electrical activity in the brain generated by neurons. In research, scientists use EEG for neuroscience, cognitive psychology, neurolinguistics etc

Vasudevan Mukunth

The EEG is a marvel of physics and neurobiology that opens a simple window into the human brain. This window is often small and yet it reveals so much. But not least is the wonder that it reveals anything at all without having to break open the skull first. This year is the centenary of the first human EEG, produced by German physiologist Hans Berger.

**How was the EEG invented?** Berger's feat was preceded by incremental but significant advances across Europe from the late 19th century. In 1875, British physician Richard Caton reported evidence of electrical activity in the brains of monkeys and rabbits. Fifteen years on, his Polish peer Adolf Beck found evidence of fluctuating activity in the brains of dogs and rabbits when he stimulated their senses. In 1912, Vladimir Pravdich-Neminsky produced the first mammalian EEG, of a dog's brain. Berger succeeded him in 1924 with the human counterpart. He is also credited with inventing the EEG, naming it, and introducing its utility in clinical settings.

**What is an EEG?** EEG stands for electroencephalography. 'Electro' pertains to electricity; 'encephalo' refers to the brain; and 'graphy' is a suffix meaning to show or to represent. Neurons in the brain perform various functions by moving electrically charged particles such as ions. The movement of these particles gives rise to electrical activity that a health worker can use an EEG test to visualise. Researchers have also been able to relate data obtained from an EEG with different levels and modes of brain activity, and used it to distinguish reliably between

normal and abnormal states. EEG is not an uncommon diagnostic test in clinical settings. Among other applications, it is the reference standard – that is, the best test available – to diagnose epilepsy. An EEG test can also reveal the effects of anaesthesia, sleeping patterns, neurological activity during a coma, and availability of oxygen. EEG can also confirm brain death, one of the two legally recognised forms of death in India. In research, scientists use EEG for neuroscience, cognitive psychology, neurolinguistics, neuromarketing studies and to develop brain-computer interfaces.

**What is volume conduction?** EEG measures electrical activity in the brain generated by neurons. During an EEG test, a health worker will place electrodes on your scalp. There are many layers of skin, fluid, and bone between the electrodes and the neurons. When a neuron produces electrical activity, charged particles will move through all these media before reaching the electrodes, and will be reflected, refracted, scattered, etc. en route. Volume conduction refers to the movement of electrical activity through this three-dimensional volume. It also stands for the fact that the electrical activity is produced in one place whereas the detectors that detect it are located at some distance. The raw data collected by the electrodes will first need to be corrected for the effects of volume conduction, and then for noise in the data arising from faulty electrodes and incidental physiological activity (such as blinking or muscle activity). A clinician finally interprets the processed data.

**How does an EEG test work?** The neurons that make up the human brain are constantly exchanging atoms,

molecules, proteins, etc. with their surroundings. Sometimes neurons will push ions out into the space between neurons. Since ions of the same charge repel each other, this 'motion' can push away other ions, which push away even other ions, and so on. When a large number of neurons start this cascade at the same time, a (relatively) big wave of electrical activity flows through the brain. The electrodes on the scalp are made of metal and track the changes in voltage as the waves move past them, creating an electroencephalogram.

**Where are the electrodes placed?** You can place them anywhere, but if you're comparing notes with a scientist or want to follow clinical standards, you should follow the International 10-20 System. In this system, the distance between two adjacent electrodes is either 10% or 20% of the total distance between two points on the head along which electrodes are being placed. Four common points of reference are the nasion (the depression between the eyes, just above the bridge of the nose) and the inion (the crest at the back of the skull) going front to back, and from tragus to tragus going side to side. (The tragus is the small flap-like projection on the outer ear; you push it in to shut your ears when there's a loud noise.)

**What does and doesn't EEG show?** The changes in voltage recorded at the electrodes are transmitted to a computer, which plots the readings on a graph with voltage on one axis and time passed on another. Health workers are typically interested in two types of data in the graph: the voltage (measured in millionths of a volt) and the frequency of

the variations (measured in hertz). They will also factor in, among other things, the location of the neurons responsible for the electrical activity recorded by the test (for example, in the neocortex or the allocortex, the two types of cortices of the cerebral cortex). EEG is better than other diagnostic devices at tracking relatively rapid electrical activity in the brain, in the order of milliseconds. On the downside, it is biased towards electrical signals generated closer to the surface of the cortex, and significantly so towards currents generated by neurons' dendrites and against those generated by the axons. The process to pinpoint where some electrical activity originated within the brain, to result in some electrical data, is also less than straightforward. To overcome these and other challenges, researchers have used EEG together with other tests, like magnetic resonance imaging (MRI), and have developed sophisticated data acquisition, processing, and reconstruction methods.

**Are EEGs affordable?** Aside from its metrological and diagnostic abilities, an EEG setup is also relatively simple and cost-effective. The equipment involved doesn't take up much space, doesn't emit high-energy radiation or sounds, doesn't confine patients to small spaces (like MRI), is non-invasive, and is portable (the invasive version of EEG is called electrocorticography, or ECoG). Similarly, aside from its diagnostic downsides, setting up an EEG test requires time – including applying a gel on the person's head and placing the electrodes in precise locations according to the 10-20 System – and its readings can be affected if the person has so much as thicker hair.

## THE DAILY QUIZ

Radhika Santhanam

- QUESTION 1**  
This leader once alleged that the U.S. wanted to topple his government. He was the first Prime Minister in his country to be removed from office through a no-confidence motion. What is the name of this man who is now in jail?
- QUESTION 2**  
This President was shot in the early 1900s. The bullet penetrated through a copy of his speech and his spectacle case before getting lodged in his chest. As he was not coughing blood, he continued giving his speech. He carried the bullet with him for the rest of his life. Who is he?
- QUESTION 3**  
This leader survived at least four assassination attempts. The fear that he

- would be assassinated apparently kept his ministerial colleague, who later became Deputy Prime Minister and Home Minister, up at night. Name these two towering leaders, whose rivalry and differences in style shaped an independent nation's trajectory.
- QUESTION 4**  
This leader was giving a speech at a military event when there was an assassination attempt on him. He is accused of undermining democracy and violating human rights in a country in the grip of an economic crisis. A few years ago, his country infamously had two presidents and two 'national assemblies'. Who is he?
- QUESTION 5**  
This leader's mother was the world's first woman Prime Minister. This leader was nearly killed by a suicide bomber. Who is this leader?



**Visual question:** Four decades ago, a hotel bomb nearly claimed the lives of this British Prime Minister and other ministers. Name this leader and the name of the hotel.

- Questions and Answers to the previous day's daily quiz:** 1. The place where India made its ODI debut. **Ans: India made its debut in Leeds against England. The home team won by four wickets.** 2. One of the two batters who scored a half-century in the match. **Ans: Brijesh Patel (82)** 3. These two players who figured in the match would lift the Prudential World Cup nine years later. **Ans: Sunil Gavaskar and Madan Lal** 4. The two members of the fabled 'Spin Quartet' who played in the match. **Ans: Bishan Singh Bedi and S. Venkatraghavan** 5. The lone Englishman to make his first appearance during the match. **Ans: Robin Jackman** 6. India's first success came in the 1975 Prudential World Cup against a team which is not a regular International team now. **Ans: East Africa** 7. India has played the most number of matches against this team. **Ans: Sri Lanka** Visual: Name this Englishman. **Ans: John Edrich** **Early Birds:** Simran| Gulu Ezekiel| Jagdish Godara| Sadhan Kumar Panda| K.N. Viswanathan



## FROM THE ARCHIVES

# Know your English

K. Subrahmanian

"Jargon (K. R. Shenoy, Mysore)."  
"A couple of years ago, I discussed this at great length. I will explain it once again briefly. Jargon is 'technical or specialised words used by a particular group of people and difficult for others to understand'. A linguist when talking to a fellow linguist might refer to the sound 'p' as a voiceless, bilabial, plosive. While this may make no sense to the layman, the fellow linguist will immediately understand what the other is trying to say. Every professional group has its own jargon. You have medical jargon, legal jargon, commercial jargon, etc. Jargon serves a purpose when it is addressed to specialists as the specialised vocabulary used will be more economical and precise than non-technical vocabulary. It should be confined to 'the sectional vocabulary of a science, art, class, sect, trade or profession.' Here is an example: "The relocatable machine program is turned into an executable, absolute machine code by the linker, CLINK, which also merges the user's program, with previously compiled program files (such as the Standard C function library) if necessary." While many of us may not understand what the author is trying to say, it won't be a problem for a person who is in the field of computers. Jargon is normally used by people who belong to a particular professional group. It is used when they talk to one another or when they write articles for professional journals. But one thing that people should avoid is using jargon when talking to or writing for the layman. It shouldn't be used for showing off one's knowledge. Unfortunately, this is what is happening nowadays. People are resorting to jargon in order to impress or confuse others. And this is the reason why the word has acquired a negative connotation of late. Nowadays jargon is used by most people to refer to various kinds of verbal fuzziness. We have different kinds of jargon like journalese, commercialese, officialese, sociologese. Officialese is the special language written by bureaucrats for bureaucrats! Jargon has come to mean 'speech or writing full of long, unfamiliar or roundabout words or phrases'! It is also marked by abstractness and purposivity."  
"Chequered career (S. S. Ray, New Delhi)"  
"A chequered career is a career 'marked by periods of good and bad fortune'. It is not uniformly good or bad. Please note the spelling of 'career'. 'Career' is different from 'carrier'. 'Career' means 'profession or occupation.' 'Carrier' means 'a person or thing that carries'."  
"Educationist (L. S. Naik, Nagpur)"  
" 'Educationist' or 'educationalist' is a specialist in education. In American English, 'educationist' is a term of disparagement 'for a stereotypically muddle-headed educational theorist whose dubious ideas have contributed greatly in the writer's view – to the downfall of American education.' When you write to an American educator don't tell him he is a great educationist."  
Published in *The Hindu* on September 8, 1992.

## Word of the day

**Nebulous:** lacking definite form or limits; lacking definition or definite content

**Synonyms:** cloudy, unfixed

**Usage:** She rejected his draft giving nebulous reasons.

**Pronunciation:** bit.ly/nebulouspro

**International Phonetic Alphabet:** /ˈneɪbjʊləs/

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## Credit to ECLGS

There are learnings to be had from the scheme's success

In India, it often takes a crisis to spur an effective policy fix to a long-standing problem. The Emergency Credit Line Guarantee Scheme (ECLGS), introduced by the Centre as a stop-gap arrangement to keep credit flowing to Micro, Small and Medium Enterprises (MSMEs) during Covid, has proved to be one such instance.

A report in this newspaper shows that the ECLGS scheme extended liquidity support of over ₹3.68-lakh crore to 1.19 crore businesses in just a three-year tenure between May 2020 and March 2023. SBI's economic research has estimated that this saved 1.5 crore MSME jobs. Contrary to original fears that Non-Performing Assets (NPAs) from ECLGS would blow up and saddle the exchequer with a large bill on guarantees, the scheme has ended with Non-Performing Assets (NPAs) of about ₹22,000 crore or 6 per cent of the loans. A 6 per cent NPA figure may seem big today when banks are sitting on system-wide NPAs of less than 3 per cent. But it should be seen in the context of the severe dislocation suffered by MSMEs during the pandemic. A 6 per cent delinquency rate for MSMEs is not all that high, when you consider that banks were left with a stressed loan stock-pile of over 14 per cent from medium and large corporate loans in September 2013 after the capex boom. The ECLGS experience could offer lessons to address the ₹25-lakh crore credit gap in MSME funding (UK Sinha committee estimates).

It may be worth reviewing why the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTME), which has been running guarantee-based schemes for MSMEs for over two decades now, has not met with the same success as ECLGS. The former levies an annual guarantee fee of between 0.37 per cent and 1.35 per cent from lenders against MSME loans, while the ECLGS did not levy any fee. While offering a 100 per cent sovereign backstop to lenders without any fee may entail moral hazard, the CGTME can perhaps lower its guarantee fees. ECLGS had capped MSME lending rates at 9.25 per cent for bank loans and 14 per cent for NBFC loans, while the CGTME allows free pricing. While capping loan rates may not sync with free-market principles, the success of ECLGS goes to show that MSME loans need to be reasonably priced to foster loan offtake. The bulk of loans under ECLGS has been availed by retail trade and services firms, suggesting that this segment has a large unmet credit need. Lenders, particularly banks, should move away from collateral-based lending models based on hypothecation of plant and machinery or inventory. With widespread digital adoption, lending based on easily verifiable cash flows of micro-enterprises has become quite viable.

The ECLGS experience suggests that contrary to perception, the credit behaviour of MSMEs can be superior to that of large corporates. Their ability to service loans may be impaired during crises, but their willingness to do so is quite high once it is business-as-usual.

## POCKET



# Govt's priority: more good jobs

**MACRO MATTERS.** Quality jobs will reduce the reliance on populist schemes that are resulting in severe fiscal stress



ASHIMA GOYAL

The first priority for the new government is to raise the rate of creation of productive jobs in the economy. The choice of words is deliberate and crucial — 'raise the rate', not 'create'.

While different tiers of government do have to expand their services, productivity often is higher in contract and outsourced government jobs. For employment growth to rise many parts of the economy have to participate.

He who forgets history is doomed to repeat it. So in addition to focusing on what should be done, I will remind us of past traps that are best avoided.

### FIRST PRIORITY

Employment is the first priority because it is necessary to prevent the economy from degenerating into the competitive sops of the seventies and all the economic distortions and stagnation they produced.

In the 1970s the one party dominance that had held after independence was lost at a time of sharp international oil price shocks. As intense multi party competition set in, populist schemes multiplied. User prices of many public services were fixed, maintenance, investment and quality deteriorated. The rot in electricity distribution and overuse of water in farms all started at this time. High marginal tax rates created a large black economy. Talent fled the country.

Elections over the past year have again seen many populist schemes on offer. Although voters largely rejected them, especially in the State elections, they had some success in the national elections. If most voters can look forward to participating in and benefitting from development they are less likely to fall for short-term populist agendas.

For a 1.4-billion population, with the largest share of youth, creating more high-productivity jobs requires working on multiple fronts.

### THE PRECONDITIONS

Sustaining high growth with a focus on labour-intensive sectors, however, is a pre-condition. Manufacture, services, agriculture all have to grow and export. A major reason populous China succeeded in this was that it first improved agricultural productivity sufficiently to keep food prices low.

Recurrent food price shocks



**LIVELIHOOD ISSUES.** Creating more jobs will make the economy more productive, and strengthen the government's fiscal position by cutting down sops **PTI**

moderated Indian growth, while choices to subsidise both producers and consumers strained government finances and distorted resource allocation.

There are indications that productivity is finally rising with better infrastructure, adoption of agritech and some crop diversification. But much more needs to be done to improve crop choices, marketing and logistics especially since the weather is likely to be erratic in the future. Climate proofing of agriculture is necessary.

Better integrated and flexible markets should be able to expand supply in response to food price shocks, through procurement from diverse geographical regions.

Above actions will raise rural jobs and incomes also, a key objective for the government, while relieving pressure to make more transfers for consumption, including to farmers. Such transfers in the late 2000s, as high growth and buoyant revenues encouraged government schemes to raise consumption, without improvement in food supply, only led to high inflation.

This in turn raised rural wages and

**Sustaining high growth with a focus on labour-intensive sectors, however, is a pre-condition. Manufacture, services, agriculture all have to grow and export.**

started a wage-price cycle. Consumer price inflation remained high well into the 2010s. The period culminated in the double deficits, slow growth and macroeconomic fragility of 2013.

### BALANCE

Rising revenues today should be used to carefully balance stimulating private activity with expanding capacity and to make progress on fiscal consolidation. This would reduce risk premiums and the cost of borrowing as well as build counter-cyclical buffers. If the general government deficit falls below 7 per cent, India is likely to get a ratings upgrade.

Policies should be complementary to and reinforce each other. Rising revenues that go with a larger size of the economy and the shrinking size of the poor make well-targeted DBT affordable. But policies should also remove obstacles in the supply of goods that will then be demanded. Targeting must be updated.

Social welfare schemes that create assets for the poor will reach saturation, releasing funds that can be re-allocated towards other public services. As urbanization increases, municipal reform including more delegation of funds and functionaries becomes urgent. All this empowers the poor, who are more dependent on public services.

### SMOOTHING SHOCKS

In the post-pandemic period, despite fiscal consolidation, better composition of government expenditure provided stimulus. It contributed to short- and long-term supply-side reforms that brought down costs and reduced

inflation, allowing monetary policy to keep real rates low enough to stimulate growth yet high enough to credibly anchor inflation expectations. Such monetary-fiscal coordination needs to continue.

Along with improvements in production, the weight of food in consumption itself is falling and its components becoming more diverse, which will reduce the impact and size of future food price shocks. International oil markets are also becoming better at absorbing shocks with multiple supply sources.

As a result, commodity price shocks become transient. They do not have persistent effects on inflation, especially with a more credible inflation target. This was the experience in the past few years, despite many post-pandemic shocks.

Outcomes were better also because policy was countercyclical and smoothed shocks. Indian post liberalization growth was volatile unlike the smooth Chinese double digit catch-up growth. Reasons included its sensitivity to commodity price shocks and the numerous global shocks in this period.

But also domestic policy was often pro-cyclical and magnified shocks. There was over-stimulus that continued too long after the global financial crisis and then over-tightening after that. These are also traps to be avoided.

### WHAT REFORMS?

Continuity of volatility-reducing policy is important. A virtuous growth momentum should be allowed to build with steady supply-side improvements, a stable financial sector and supportive flexible implementation of inflation targeting. Drastic reforms must be resisted since their high political costs make growth volatile. Taking advantage of India's federal structure, factor market and farm reforms are best left to competition among States with nudges from the Centre.

Effective reforms would build on India's technology and youth advantage. All tiers of government must be induced to participate in order to improve delivery in health, education, environment, courts, policing as well as in infrastructure through better coordination with and incentives for States.

Industry also has a major role in expanding skill-sets for employability, through on the job training as well as collaboration with educational institutes to fine-tune their syllabi and offer students work exposure. CSR policy can be tweaked to contribute.

The writer is Emeritus professor, IGIDR

# Gun violence hogs the political limelight

To what extent the assassination attempt on Trump alters the electoral narrative remains to be seen

Sridhar Krishnaswami

No one would have expected gun shots to ring in a political rally. But the fact that Trump had to be whisked off stage with a bloodied face revealed the extent to which the political environment had been poisoned or polarised. And in a country where it appears easier to get a weapon than a pack of cigarettes or alcohol, the issue of gun control is allergic to the conservatives and the Republicans.

Four Presidents of America have been felled and the one that comes to mind is that of John F Kennedy in 1963 at Texas. The Warren Commission established in 1964 that both Lee Harvey Oswald and Jack Ruby acted alone; but till this day conspiracy theories continue to swirl around the killing.

In the case of the attempted assassination of Trump, very little is known of the motive, perhaps nothing at all. And all that can be surmised will only be second hand as the 20-year old shooter has been shot and killed at the scene.

Civility has prevailed in the

aftermath of the Trump shooting with President Joe Biden speaking on the phone to his political opponent in what has been described as a decent conversation.

Hopefully, it will stay this way especially as the political scenario has literally descended into a free for all in the aftermath of the November 2020 election. Riots of January 6 on Capitol Hill left many blaming the former President for actively encouraging the mob and thus tacitly participating in the attack on democracy.

### REPUBLICAN CONVENTION

All indications are that the Republican National Convention in Milwaukee, Wisconsin, will go on as planned perhaps with increased gusto in the wake of the attack on Trump. The extremists in the Grand Old Party have not hesitated in the past to go after the Deep State, the Left and government agencies like the Federal Bureau of Investigation. And there is little to believe there will be any change in perceptions over a two- or three-day period.

The Republicans on Capitol Hill have already announced investigations by panels of the Secret



**TRUMP RALLY.** Polarised times **REUTERS**

Service, the FBI and Homeland Security. And the head of the Secret Service has been asked to appear on July 22.

For now the focus is on the security lapse with questions of how a gunman could get within a few hundred feet of a former President with an AR-15 rifle.

Political conventions usually give a "bounce" to candidates and Trump would have received one even without the latest incident; hence it will have to be seen how much the shooting would have impacted the candidate and how Trump sees the incident. At the time of the bullet grazing his right

ear the former President was apparently showing charts and figures pertaining to Immigration; and border control is an important issue in the November 5 elections.

Where Trump and the GOP have to be careful is on guns and gun control. The customary argument of the far right has been that "guns don't kill people, people kill people"; and this in a country where an estimated 50,000 die from gun related injuries every year. The conservatives have found a way to blame almost anything and everybody for weapons related homicides and have effectively used their perceived Second Amendment Rights to oppose even small movement on hand guns and semi automatic rifles.

Trump and the far right of the GOP have had nothing but scorn for Biden and his administration. That being the case, the present White House will have a tough time selling the idea of any independent investigation of the shooting in Pennsylvania. For now America will have to be reconciled to a more polarised setting.

The writer is a senior journalist who has reported from Washington DC on North America and United Nations.

● **LETTERS TO EDITOR** Send your letters by email to [bleditor@thehindu.co.in](mailto:bleditor@thehindu.co.in) or by post to 'Letters to the Editor', The Hindu Business Line, Kasturi Buildings, 859-860, Anna Salai, Chennai 600002.

### Talent matters, not tenure

This refers to the article 'CEOs tenure: How long is too long?' (July 15). It is generally true that staying too long in a top position in an organisation is fraught with risks like perpetuation of organisational culture and practices, inbreeding and lack of proactive strategies to confront competition. But it is also true that there are exceptions. The most shining example is that of AM Naik who joined Larsen & Toubro in 1965 as a junior engineer and spent his entire career there till 2023 — he rose to become its chairperson. Yet the company kept growing in the midst of high competition even as he built a strong team. The litmus test of duration is the

incumbent's ability to provide dynamic leadership, flexibility, visionary talent, sharp mindset and high degree of drive and physical fitness.

### YG Chouksey

Pune

### Gala wedding

Apropos the editorial 'Made for each other' (July 15), the Ambani family's extravaganza wedding grabbed worldwide attention. It also triggered questions from many quarters on the necessity of having to spend such a huge sum for a family event. It can be viewed from two angles. On the economic side, such large weddings create demand for transportation, hospitality, fuel, food,

clothes, jewellery, cosmetics, tech gadgets etc, helping many to earn a livelihood. The Indian wedding industry is growing manifold, though everyone cannot afford to have luxurious weddings at exponential cost. From the angle of minimalism and Gandhian thought where moral restraint prevails, such extravaganzas are best avoided. The focus here is to conserve wealth and lead a simple life, though it ignores the ripple effects of such weddings.

### RV Baskaran

Chennai

Apropos 'Made for each other', lavish weddings may be good for the economy but they do make a dent on

the savings of many. Parents often borrow heavily to keep up appearances. It is alright to spend heavily if one can afford it, but to borrow for wedding celebrations ends in lifelong debt in many cases. The saddest part is that Indians spend more over weddings than the education of their children.

### Anthony Henriques

Mumbai

### US polarisation

The shocking assassination bid on former US president and Republican presidential nominee Donald Trump reflects the growing cultural and political polarisation in the world's oldest democracy. Despite the US' long

history of political violence and resilience, this assassination attempt stood out, as inflammatory political rhetoric combined with a gun culture has not only made political violence more likely now but also more acceptable. Several leading Democrats, including US President Joe Biden, have condemned the shooting and spoken of the need to unite, which is indeed encouraging. It is time leaders across the political spectrum in the US, its citizens, and civil society stood together and helped its powerful democracy find its way back to its foundational values of respect, dialogue, and civility.

### M Jeyaram

Sholavandan (TN)



# For investors’ benefit

Annual reports must reveal challenges, too

R Anand

Corporate annual reports are now available mainly as soft copies. Gone are the days when management students and analysts used to pore over hard copies to decipher the performance of companies. Information flow today is almost in real time and the regulatory requirements of dealing with information asymmetry have made the flow of information both uniform as well as instantaneous via news channels and websites. The biggest casualty in the process is the Chairman’s speech, which has been largely marginalised.

The three main reports now hogging the limelight are: Directors Report (DR); Management Discussion Analysis (MDA); and Corporate Governance Report (CGR). These, along with the financial statements, notes on accounts and the auditors report, give a comprehensive picture of the year gone by with all the affirmations and positive developments that have happened, and buttressed with an overdose of statistical highlights.

There is clearly no dearth now on the content part, which is bristling with loads of information.

The key question is whether the investor is privy to exceptions and red flags which are so vital to informed decision-making? And, more importantly, are there headwinds in sight in an otherwise exemplary year of performance?

### THE EXCEPTIONS

There is a view gaining ground that we need to move to a regime of ‘exception’ reporting rather than tabulating mere affirmations and assertions.

There must be a one-pager on the following: key discussions and disposal points on various committees of the board; significant control and process related issues highlighted in internal audit reports; alarm signals emanating from contingent liabilities; findings of inspection reports from RBI/SEBI and other regulators; matters relating to frauds and whistleblowers; and risk factors — both external and internal.

The purpose of this is to get a holistic picture of the health of a company. Information on all or some of the issues pointed out may be in some corner of the annual reports, lost in the maze of information.



DISCLOSE. The pain points as well

Is there a downside to exceptions reporting? To my mind, it is an emphatic No. It actually enhances the credibility and quality of information reporting, giving the reader of financial statements the positives as well challenges inherent in a business.

Transparency is all about knowing not only how fast a car can travel on a eight-lane highway but also the potential potholes ahead.

The focus must be to strike the right balance — between affirmations and exceptions. Overdose of either could lead to ill-informed decisions.

The next question is: Should this ‘exception’ page be prescriptive or voluntary? History reveals that anything prescriptive invariably becomes a box-ticking exercise, with form taking precedence over substance.

Anything voluntary must evoke excitement, so vital to make the information page meaningful and purposeful. Companies which have voluntarily disclosed more than what is required have always commanded a higher premium in the market.

It is almost like going back to the basics. In the earlier years, the report card of a student would contain the marks in various subjects and the rank of the student. Somewhere in the bottom, the class teacher would write — ‘areas to improve’. This would be a candid expression of specific qualitative factors the student should focus on. And such feedback was given to the student who topped the class as well.

The exception page would be somewhat similar to the class teacher’s note in the report card. Are we ahead of times in even bouncing off thoughts on and exception reporting page? No other country it is learnt has an ‘exception reporting’ page in the overall regulatory framework.

But that should not deter us from at least taking baby steps in this direction if it helps the cause of the average investor.

The writer is a chartered accountant

# Chinks in household finances

RECENT TRENDS. Rising household spending in the last decade seems to have been driven by a savings dip and rise in debt



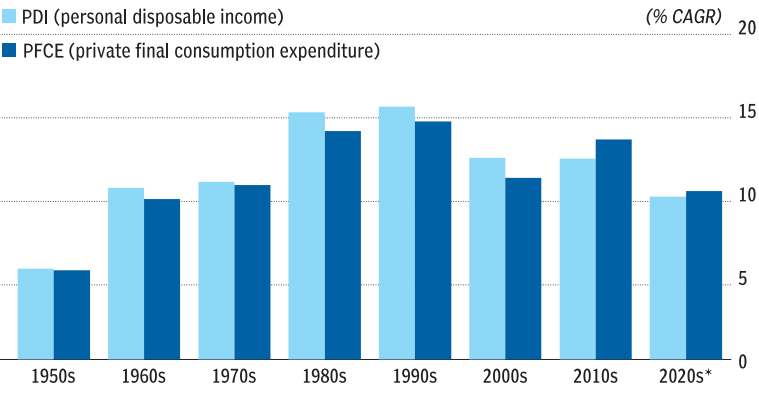
NIKHIL GUPTA

The financial position of the listed corporate sector in India has improved markedly in the past three years. Not only its profits have more than doubled, but it has also de-leveraged, improved its cash position, along with gains in market share. But can we conclude the same with as much confidence for the household sector (including individuals, along with small producers)? Let’s look at some data in order to answer this question.

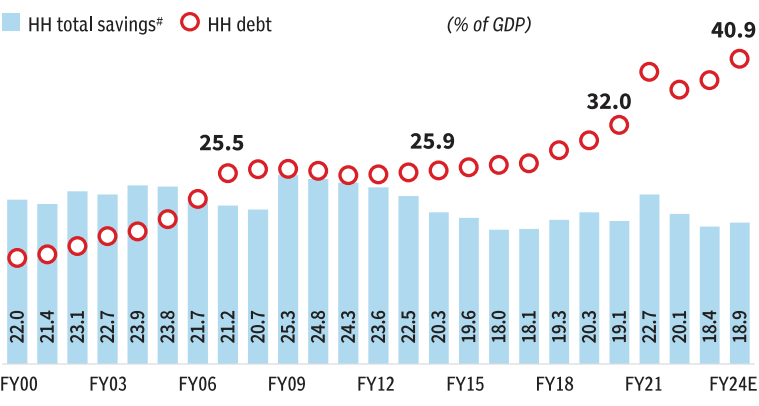
We will start with the most important household related macroeconomic aggregates such as income, consumption, investments, savings and debt. Aggregate income (equal to GDP) generated in an economy is distributed among the only three domestic economic participants — household (HH), corporate and the government. The share of labour income (measured by household or personal disposable income [PDI]) in India’s total economic output (i.e., GDP) has declined to 79.1 per cent in FY23, down from more than 80 per cent in early-2010s (and 83.4 per cent in FY21). This trend, however, is neither unprecedented nor unique and also not necessarily unwanted. India’s economy witnessed this trend, even more vigorously, in the 2000s decade, as PDI declined from its multi-decade high of 87.1 per cent of GDP in FY02 to all-time low of 76.2 per cent in FY08 (i.e., the share of labour income declined during the best growth period). Further, a study of successful economic transitions confirms that the share of household sector (or PDI) has fallen in most cases.

What, however, is concerning is household spending (including final consumption and investment expenditure [also called physical savings]) has increased at an average of 11 per cent in the past decade (FY14-FY23), faster than 10.4 per cent growth in PDI. This trend started gathering pace from early 2010s, which was the first decade in the post-Independence era, when PDI growth lagged the growth in HH spending. Faster growth in HH spending than PDI was possible only because of a fall in household savings (i.e., HH net financial savings [HHNFS]) and a rise in its leverage. During the past decade, household savings grew at an average of only 8.7 per cent, while household debt increased by an average of 15 per cent

PDI growth has lagged PFCE growth for the first time in the post-Independence period. . .



...which is tantamount to lower household savings and rising debt



\*FY21-FY24E FY24 is author’s estimates #Net financial savings plus physical savings Source: CSO, RBI, MOFSL

(annual borrowings grew at an average of 19.1 per cent).

Again, similar trend of higher growth in debt (or borrowings) vis-à-vis HHNFS (net financial savings) was seen in the 2000s decade as well; however, the decline in HHNFS — as per cent of GDP — started only from the 2010s decade (which means that HHNFS grew faster than income/GDP in the 2000s decade). This is because gross financial savings were growing at a faster pace in the 2000s decade. In short, the falling share of labour in economic output becomes a

concern because it is not matched by a slowdown in their spending, which is leading to a fall in savings and a rise in household leverage. Compare this with a company, whose spending is growing faster than its revenue and profit, along with its rising debt. How much confidence would you have in the sustainability of such company’s operations or would you be ready to invest in such a stock for a long period?

These trends started in the 2010s decade and have worsened further in recent years after the pandemic, as reflected by much weaker growth in NFS (a simple average of only 2.6 per cent) during FY20-FY23 and higher growth in debt/borrowings (16.1 per cent/22.7 per cent), which supported 10.5 per cent growth in household spending, compared to 9.3 per cent growth in PDI, which was slightly lower than nominal GDP growth of 9.5 per cent. Not surprisingly then, HHNFS — the amount of household surplus available into the

The improvement in the financial position of the listed corporate sector is just a mirror image (or obverse) of the deterioration in the household sector.

system to fund the deficit/borrowings of the government and the corporate sector — collapsed to 47-year low of 5.3 per cent of GDP in FY23 (from 7.4 per cent of GDP in FY13) and household debt amounted to 38 per cent of GDP (from around 26 per cent of GDP).

Overall, the falling share of labour in total economic output is not a concern. But faster growth in household spending than PDI is. This is because spending growth is supported by a withdrawal from savings (HHNFS) and taking on more leverage. These trends, to my mind, confirm weak financial position of the household sector in India. The improvement in the financial position of the listed corporate sector is just a mirror image (or obverse) of this deterioration in the household sector. Labour income is the biggest cost for producers and household spending decide their revenue. Slower growth in the former than the latter suggests expansion of corporate profits, assuming other things constant (of course, various other factors such as total investments, fiscal deficit and current account deficit also influence corporate profits in an economy).

Weak financial position of households matters because any uncertainty over the sustainability of final consumption demand in an economy can make the producers (i.e., the corporate sector) wary of expanding their capacity and boosting investments. This is more important, when the government sector is also following strict fiscal consolidation to narrow its deficit, keeping their hands tied in terms of their spending growth.

My thesis, however, is not without its fair share of debate. There are at least three facts that can counter my conclusions: (1) If the financial position of the household sector is weak, especially the income growth, then what explains the strong growth in personal income tax receipts? (2) Even if HHNFS is at a four-decade low, HH total savings (including physical savings) was at a decent 18.4 per cent of GDP (see chart 2). There is, thus, a shift towards physical savings. Further, it seems to have increased in FY24. What is so concerning then?, and (3) So what, if household leverage is going up? At 38 per cent of GDP in FY23 (and an estimated 40 per cent as of December 2023), it is still among the lowest compared to other major nations in the world.

There is enough room to expand household debt in India. These counter-arguments and more will be addressed in ensuing articles.

The writer is Senior Group Vice President - Institutional Research - Economist, Motilal Oswal Financial Services Ltd

## thehindubusinessline.

### TWENTY YEARS AGO TODAY.

July 16, 2004

#### Bonds plunge on all-round pressure

Fears of higher inflation figures and concerns about transaction tax dragged bond prices sharply on Thursday. The 10-year benchmark yield inched up to six per cent, led by a crash of around 80 paise in bond prices across maturities. According to dealers, the fall in prices of securities alone don't seem to be much cause for alarm.

#### Emerging Markets acquires 5.6 pc stake in Birla Corp

Even as the controversy over the will of Priyamvada’s Birla continues, Emerging Markets Management, LLC has taken over 5 per cent stake in MP Birla group company Birla Corporation. Brokers said Birla Corporation was a good company in the cement sector and was professionally run. “Nothing is going to happen to the company because of the recent will issue,” said a broker.

#### Exporters may get rebate on education cess

The Central Board of Excise and Customs intends to rebate the education cess payable by exporters on their inputs or finished goods to ensure that taxes are not exported from the country. Exporters are hoping to get some relief on the 2 per cent education cess suffered on their inputs or finished goods.

# Making healthcare more efficient and personalised

Madhu Sasidhar

The healthcare sector is on the brink of transformation, driven by technological advancements, evolving patient needs, and an increased emphasis on preventive care. Government initiatives like Ayushman Bharat have enhanced healthcare accessibility. By combining such programmes with innovative, technology initiatives, India can strengthen its position as a global healthcare leader.

Digital technologies, including telemedicine, wearable devices, and mobile health apps, are transforming healthcare delivery. The government’s support for the development, adoption, and implementation of AI in healthcare can enhance efficiency, reduce costs, and improve care quality.

Further investments in digital health infrastructure can drive the adoption

of digital health technologies and foster innovation in health insurance. The success of current government initiatives lies in broadening the range of empanelled hospitals for beneficiaries. Adequate insurance coverage reduces out-of-pocket expenses, making quality healthcare more accessible.

The evolving disease landscape in India highlights the growing importance of expert secondary care, especially with the rising chronic disease burden. Key steps to achieving comprehensive secondary care include a trained surgical workforce, advanced infrastructure, affordable care, and effective policy focus.

National programmes should enhance medical infrastructure, such as hospitals, clinics, and medical equipment, while investing in comprehensive training for doctors and nurses to ensure a competent



DIGITAL PUSH. A healthy move

healthcare workforce.

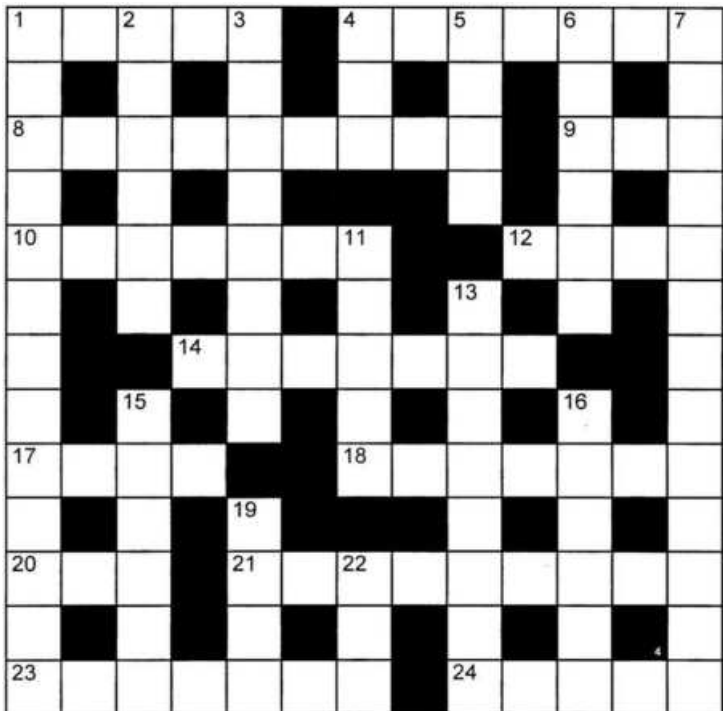
The government can also consider making secondary care more accessible by lowering the cost of drugs and medical devices. In addition to providing incentives for innovation and domestic manufacturing of drugs and devices should be given favourable tax treatment to make them more affordable for the population.

To address the growing demand for

healthcare professionals, especially nurses, the government must implement initiatives that boost the supply of trained personnel. This can involve expanding nursing schools, offering scholarships and financial incentives for nursing students, and developing continuous professional development programmes. Updating the curriculum to include modern healthcare technologies and practices will equip nurses to meet contemporary challenges. Partnerships with international medical institutions can facilitate knowledge exchange and best practices, elevating nursing education and practice in India. Additionally, creating a national healthcare service cadre to serve underserved areas can provide financial incentives and long-term security.

The writer is CEO & President, Apollo Hospitals

## BL TWO-WAY CROSSWORD 2483



### EASY

#### ACROSS

- Greek poet (5)
- Divine service (7)
- Official lists (9)
- At present (3)
- In like quantity (7)
- Run away (4)
- Landed on the shore (7)
- Put to sea (4)
- Acrobat (7)
- Pinch (3)
- Having a good name (9)
- Crime against state (7)
- Adds seasoning (5)

#### DOWN

- Conker producer (5,8)
- Large champagne bottle (6)
- Makes up mind (8)
- Small (Scot) (3)
- Chance, hazard (4)
- Deal with (6)
- Kegs of explosive (6-7)
- Sailing craft (5)
- White ants (8)
- Uncomplicated (6)
- World-wide (6)
- Wavy-bladed Malay dagger (4)
- Play on words (3)

### NOT SO EASY

#### ACROSS

- Poet signified by the hearth right at the end (5)
- Be in service perhaps for your address to the beak (7)
- Makes an impression as one enters in the records (9)
- When there’s no jam to be opened up in reverse? (3)
- To the same extent, we quit witless fellow-fighter (7)
- To run from attack may make one feel different (4)
- Ran ashore, suffering some pain when in bed (7)
- Little Sarah holding one to put to sea (4)
- Sort of pigeon one may take a drink from (7)
- It may warm one, but not if it’s in the air (3)
- A pert blue version that has a good name (9)
- Start of treachery, and ‘why’ it’s a crime (7)
- Most lasses afford partial backing to those putting to sea (5)

#### DOWN

- Its seed may get strung up, and come to blows (5,8)
- Mug man somehow uses for two bottles in one? (6)
- Determines to repose first and last as one does puzzle (8)
- You and I are at the end of the line for a little Scotch (3)
- Likelihood of loss as schoolmaster returns to work finally (4)
- It may ‘entitle’ one to cope with the situation (6)
- Red bear prowls about and finds their contents explosive (6-7)
- After end of May, chat about craft for pleasure (5)
- Lent, with one set up for destructive insects (8)
- No complicated medicinal herb (6)
- All the world over, all go astray with British leader (6)
- It might be a form of 5 in the hands of a Malay (4)
- Verbal joke from a learned man? Not half! (3)

### SOLUTION: BL TWO-WAY CROSSWORD 2482

ACROSS 2. Brief 5. Hate 7. Ague 8. Agnostic 9. Stubborn 11. Nile 12. Salad dressing 15. Scud 17. Rebelled 19. Downhill 21. Will 22. Heap 23. Grave

DOWN 1. High tea 2. Bee 3. Imago 4. Finance 5. Has 6. Twill 10. Bland 11. Nasal 13. Darling 14. Needles 16. Crone 18. Balsa 20. Nap 21. Woe



## Demographic destiny

India has a limited window of growth

Last week, the United Nations (UN) released the “World Population Prospects” report, which, among other things, estimates the future path of demographics in the world as well as makes predictions for countries and regions. The report argues the world will continue to see an increase in population, which will cross 10 billion, till the early 2080s; after that, an aggregate decline will set in. This overall trend, however, conceals considerable regional and national variation. Much of the population growth in the later years of this period, for example, will happen in Africa, particularly sub-Saharan Africa. Many of the countries there, such as Somalia and the Democratic Republic of the Congo (DRC), are economically backward and politically unstable. Some of them, such as the DRC, are also in possession of considerable natural resources, which will only increase in value over the coming decades. They will unquestionably — with young and restless populations and competition over resources — become future global and geopolitical flashpoints.

The report also suggests India will remain ahead of China in terms of population for the foreseeable future. However, it estimates Pakistan will continue to grow and eventually overtake the United States, stabilising at around 390 million. This is of consequence to India and the world. It remains to be seen if New Delhi’s policy of seeking to isolate and ignore Pakistan is sustainable when it becomes the world’s third-largest country. India’s population, according to the report, will start declining in 2062, about two decades before the world population peaks.

What is of the highest importance, perhaps, is the estimate that just under a decade before India’s overall population starts declining, the working-age population will stop increasing at a faster rate than the general population. The dependency ratio — the ratio of the number of people below 15 and above 65 to those in the working-age population between those two ages — will then rise. Countries with a high and rising dependency ratio have usually passed the point at which they can see a steady increase in per capita income. Economic and policy implications for India are clear. It has three decades to grow rich. If it fails to use these three decades wisely, then it will be stuck at the middle-income level, failing some extraordinary increase in population productivity.

The oldest members of the workforce in 2054 are job-seekers today. Images of under-educated young people lining up for public-sector jobs should thus concern policymakers. It is upon these particular individuals that India’s future for the next century and more depends. Do they have the skills and opportunities required to take India to upper-income levels? The answer to that does not appear to be in the affirmative. Thus skill upgrade must become the government’s number one priority. Simply focusing on the “creation” of employment is not enough if the workforce is not adequately skilled to take advantage of raging opportunities. Multiple models of higher and lifelong education must be tried, and apprenticeships and vocational training expanded. Time is running out to seize India’s demographic dividend. Ageing is an irreversible process and India must capitalise on its demography over the next three decades.

## Shooting for safety

US badly needs stricter gun-control laws

The bullet that nicked the tip of Republican presidential candidate Donald Trump’s right ear on Saturday has created political turmoil in the campaign for the United States’ (US’) highest office. But as the two parties and presidential candidates seek to calm a deeply polarised nation, their leaders are exchanging heated rhetoric over political responsibility; whether the Democrats’ description of Mr Trump as an existential threat to America provoked a registered Republican to attempt to assassinate him. Missing in this war of words is the key issue embedded in this incident: The urgent need for more stringent gun controls. Disturbing facts reveal the 20-year-old high-school graduate and kitchen worker who shot at Mr Trump, killed a supporter, and injured others had deployed the civilian version of an assault rifle that is widely used by the US military. The rifle was owned by his father but the assassin was a member of a premier shooting club where he practised. His brief story indicates the deeply ingrained gun culture in American society.

With the sharp rise in mass shootings in the US and a rising number of gun-related deaths (including murders and suicides), the question of gun control remains one of the many issues sharply dividing Democrats and Republicans. The latter are inclined to stand on the right to bear arms guaranteed in the second amendment. According to the Pew Research Centre, 32 per cent of US adults say they personally own a gun, and over 40 per cent live in households that have guns. Most say they keep a gun for personal protection. More to the point, guns of almost any type from military-style rifles, with repeater stocks, to revolvers are available to American citizens over the counter. For most Americans, buying a gun is a process that takes less than an hour, involving instant online background checks. In response to growing outrage over gun deaths, President Joe Biden has proposed gun-policy legislation that would expand on a bipartisan gun safety Bill Congress passed last year. In April this year, his administration passed a rule requiring firearms dealers to run background checks on buyers at gun shows and outside brick-and-mortar stores. The aim was to close a loophole that enabled unlicensed dealers to sell firearms without the requisite checks.

Though the rule goes some way towards slowing gun sales, it does not address the basic issue of widespread gun ownership, which enables seemingly harmless young people from accessing and deploying weapons. The issue is complicated by the fact that the National Rifles Association (NRA), a powerful and well-funded gun rights advocacy group, has long been one of the largest financiers of the Republican Party. In May this year, the NRA officially endorsed Mr Trump’s candidacy. In return, Mr Trump vowed to protect gun rights. Yet the issue has rarely been at the forefront of political campaigns. This, although gun-related deaths almost doubled to over 600 a year between 2020 and 2022. It is unclear whether an assassination attempt on the Republican presidential candidate by a registered Republican who donated to a Democratic political action committee will change the Republican Party’s visceral opposition to gun controls. In fact, with Mr Trump’s electoral chances immeasurably improved with the assassination attempt, the issue is likely to recede into the background until the next tragedy.

# The real challenge of Viksit Bharat@2047

The primary hurdle of the 2047 development goal lies in job creation for surplus agricultural workers and fresh workforce entrants

There is a great deal of discussion these days about the government’s announced ambition about Viksit Bharat@2047, which is to make India a developed country by 2047. The bulk of these discussions tend to focus on achieving an average economic growth rate higher than 7 per cent per year over the next few years, in order to increase our per capita annual income from the current \$2,500 to the high-income level of \$14,000. The threshold for categorising a country as developed is higher and often set at \$22,000, which if India is to reach by 2047, would require an average annual growth rate of 9 per cent.

I wish to focus attention on another change necessary for India to progress from its current low middle-income status to a high-income level, or even to an upper middle-income level. This is the required change in the employment structure, more particularly a substantial decline in agriculture employment and corresponding increase in industry and service employment.

An indication of the percentage employment in

agriculture in developed economies, which India aspires to join by 2047, is about 5 per cent in the Organisation for Economic Co-operation and Development countries, which is about one-eighth of India’s current percentage employment in agriculture. Even in the upper middle-income countries, the share of agriculture in employment is just half of what it is in India today. Do note that even developed countries that are major exporters of agricultural goods, like New Zealand or Brazil, show a share of agriculture in employment only in the 6-8 per cent range. Hence, India will require a large shift of workers out of agriculture to industry and services if it is to attain a high-income country status by 2047, or even an upper middle-income level.

A comparison between China and India may be helpful. In 1991, according to the World Bank database, the percentage of employment in agriculture was comparable in both countries — 60 per cent in China and 63 per cent in India. Thirty years later, according to the World Bank database, this percentage had fallen sharply to 23 per cent in China and much less so to 44 per cent in India. In absolute terms, in China about 200 million agricultural workers moved out to industry and services over this 30-year period. In India, though a significant number of workers did move out of agriculture over the three decades, employment in agriculture increased by 35 million, according to the World Bank data. An even more dramatic case is that of Vietnam, where the percentage of employment in agriculture crashed from 75 per cent in 1991 to 29 per cent in 2021. A significant part of the explanation is surely the much heavier reliance on job-creating, export-oriented growth in manufacturing in both China and Vietnam over these years.

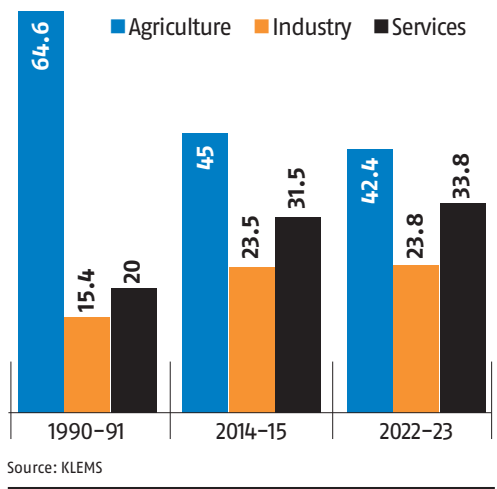
In the case of India, a comparison between 1991 and 2021 figures hides one important trend. The fall in the share of agriculture and the rise in the share of industry and services took place mainly in the 25 years from 1990-91 to 2014-15. (See the attached table based on recent July 2024 KLEMS data<sup>1</sup>). Since then, there has not been much change, despite the frequent generation of programmes for manufacturing growth. Perhaps the slowdown in the shift from employment in agriculture could be due to Covid-



NITIN DESAI

### WORKFORCE DISTRIBUTION

Percentage share in employment by broad sector in India



# The London market strives to stay relevant

The financial services sector is central to the UK economy, and at the heart of this government’s growth mission,” said Rachel Reeves, the UK’s new chancellor, on July 11. She was commenting on the UK’s Financial Conduct Authority (FCA) approving the biggest changes to its listing rules in over three decades, which take effect from July 29. “These new rules represent a significant first step towards reinvigorating our capital markets, bringing the UK in line with international counterparts and ensuring we attract the most innovative companies to list here,” she added.

This shake-up of the regulations has long been in the making. The UK markets have been battered by global competition, and London risks losing its stature as one of the world’s leading financial centres.

This move can be seen as similar to Securities and Exchange Board of India’s (Sebi’s) recent series of discussion papers directed towards “ease of doing business.” However, the motivation is different. Sebi’s move followed the 2023-24 Union Budget that tasked the financial sector regulator to review the existing regulators with the aim of simplifying, easing and reducing the cost of compliance. Nikhil Rathi, the FCA boss, indicated that refusing to overhaul the rules would risk the UK regime falling “increasingly out of step with those of other jurisdictions, making it less likely that companies eager to grow choose the UK as a place to list their shares.”

There are several changes, and some are discussed here. For a while, London has allowed companies to list on the “main market” in either the standard or premium segment. A standard listing allows issuers to list by meeting the European Union’s (EU’s) harmonised standards only, while a company with a premium listing is expected to meet the UK’s higher standards of regulation and corporate governance. Both of these have now been merged.

As the motivation is for London to be the preferred place for companies, especially startups, to list and the ripple effect this has on the economy, the FCA’s relaxations are generous in various instances. Permitting dual-class shares is one example.

Dual-class shares structures (DCSS) are the bugbear of all investors. The rationale for issuing DCSS is that they allow a set of shareholders — usually the founders — to control boardroom (and voting) decisions, even as they raise growth capital and dilute their economic interest in the firm. This gives public market investors a chance to participate in the company’s expansion, something that they may not be able to do if such structures were not permitted (<https://mybs.in/2VsNPHl-1721045063>).

The FCA, in its document, has cited the reservations that pension funds and other investors have about dual-class share structures; it has also cited studies that argue against DCSS. The report then inverts on itself, arguing that while governance considerations are important, there is no compelling evidence that these are inimical to the market. The FCA has now permitted these. The pressure from the US markets, where these are permitted and where startups prefer to list, has been a compelling reason to let go.

The protection offered to investors is the 10-year sunset clause to DCSS structures — five-years in our Indian market. Unfortunately, some of the other checks that Sebi has put in place in India, like voting on related-party transactions etc, are not included in the UK listing rules.

The focus — to attract startups to list — is also seen in the rules that remove the requirements for a three-year financial and revenue-earning track record.

Two other elements will resonate with our markets. The first deals with the presence of controlling shareholders — typically “promoters” in the Indian market.



### THE OCCASIONAL ASIDE

AMIT TANDON

corruption feeds on opacity combined with a sense of entitlement. Ms Roy and her associates were responsible for Jan Sunwai in Rajasthan that eventually emerged as the statutory Right to Information Act in 2005. People had the right to know how resources had been allocated, to whom and in what manner. This alone would shine the light on cosy caste deals and state collaboration.

Ms Roy also discusses the idea and the politics behind the employment guarantees scheme and the imperative need to ensure the poor get work and wages. Noting that the well-off want

infrastructure while the poor want livelihood, she says the demand for work and wage employment in public works is a “matter of life and death” in a place like Rajasthan. Thus was formed the Mazdoor Kisan Sangharsh Samiti (MKSS), a political group but not a political party. Much later, India Against Corruption (IAC) debated a similar set of dilemmas and existential challenges

linked reverse migration to rural areas. One must also note the difference within India among states. According to the recent data in Periodic Labour Force Survey (PLFS) 2022-23, several high income and higher growth states like Tamil Nadu, Kerala and even Punjab and Haryana show a substantially lower share of agriculture in employment, with rates in the 25-30 per cent range, almost comparable to upper middle-income countries.

Looking ahead to the years up to 2047, what can we expect? Assuming that we can recreate the 25-year trend from 1991 and repeat it in the 25 years from 2022 ending in 2047, the share of agriculture in employment will come down to a level under 25 per cent, comparable to the level in upper middle-income countries. However, this is still not at a developed country level.

The crucial issue is the rate at which we can generate decent jobs in industry and services to absorb the rising number of working-age persons seeking jobs and the surplus labour shifting out of agriculture. Projecting the official working age population (age 15-59) forecasts up to 2047 and assuming that the proportion of this group seeking work will remain at around 65 per cent, we will have about 120 million new job-seekers. A more problematic forecast is the scale of assessment of the shift of surplus labour out of agriculture. If we aim for a developed or even high-income country status then the share of agriculture has to come down to at most 10 per cent, and that means a shift of about 150 million people out of agriculture. Thus, this adds up to the creation of 270 million new jobs in industry and services to absorb the increase in employment-seeking population and the shift of surplus labour out of agriculture.

This amounts to more than 10 million new industry and services jobs per year over the next 25 years. This is twice as high as the average annual rate of job creation outside agriculture indicated in the KLEMS data in the three decades when our gross domestic product (GDP) growth averaged around 6 per cent. A more realistic perspective would be to aim at an upper middle-income status with agriculture accounting for 20 per cent of employment. Even this would require new job creation at the rate of about 7 million a year, which also is higher than the average that has been achieved over the past three decades.

This then is the real challenge of the Viksit Bharat@2047 campaign. What this goal requires is a development policy that focuses on a credible strategy for decent job creation in industry and services, particularly in five states (UP, Bihar, Jharkhand, Rajasthan and Madhya Pradesh) where the current share of agriculture in employment averages around 55 per cent, and which will account for around 90 per cent of the increase in the working-age population over the next 25 years. The Viksit Bharat@2047 dialogue must focus on how best this can be done rather than on GDP growth rate projections.

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1. This stands for well-researched analysis of productivity, based on economy-wide data of gross output and capital (K), labour (L), energy (E), materials (M) and services (S) done at the Centre for Development Economics, Delhi School of Economics, and supported by the Reserve Bank of India

Defined as shareholders who control 30 per cent or more of the votes on their own or together with any person with whom they are acting in concert, they are seen as being closely involved in the decision-making. Therefore, to safeguard the interests of minority shareholders, the company and its controlling shareholder enter into a relationship agreement. Under this they (i) undertake to conduct transactions with controlling shareholders and their affiliates at arm’s length; (ii) the election and re-election of independent directors will be approved by the independent shareholders as well as by all shareholders on normal commercial terms; and (iii) neither the controlling shareholder nor their affiliates, will prevent the company from complying with, or seek to circumvent the proper application of, the listing rules.

There will no longer be a requirement for a written relationship agreement. Instead, if a controlling shareholder proposes a shareholder resolution, the board will need to include an opinion statement in the circular on that resolution.

Linked to this is that shareholder votes will no longer be needed for large transactions (other than reverse takeovers) and related-party transactions. Companies are now being given increased flexibility regarding the timing and content of transaction announcements for significant transactions — rather than needing to release a transaction announcement with prescribed content as soon as possible once the terms are agreed. This is completely opposite of where Sebi has taken us.

There is much more, but what I find curious is that the regulator has repeatedly warned that the new rules will mean a higher risk for investors. It has defended itself by arguing that “the changes we are setting out today will better reflect the risk appetite the wider economy needs to achieve growth and promote a more diversified listed market.” Don’t expect to hear this from our regulators anytime soon.

The writer is with Institutional Investors Advisory Services India Ltd. The views are personal. X: @AmitTandon\_in

# An activist’s restless dialogue



### BOOK REVIEW

ADITI PHADNIS

The world is cruel, unjust, unequal. You are an activist and you want to change it. How do you do this? And how do you proceed, with the vehicle that you’ve created, to set things right after it has outlived its usefulness — not because the world has become a better place but because the vehicle has become a deadweight?

This is among the many questions that this book raises. It is a tormented, restless dialogue of the author with herself about a life she left behind and the one she embraced. Aruna Roy, a Tamilian, resigned from the IAS in 1975 and left Delhi for Tilonia, a village in Rajasthan’s Ajmer district, to join a non-

profit NGO to work for the rural poor. She is candid about the challenges she faced initially and the things she had to learn to be able to communicate, especially with women. What a life of working in villages taught her is that “the so-called vulnerable, oppressed, marginalised and deprived never lost their affection, humour, common sense, wisdom and sense of fun even in the direst of circumstances.”

This book is more about the political than the personal. It is organised in a somewhat haphazard manner, not always linear, because it reports her response to situations into which she has been pitchforked — or has voluntarily walked into. For instance, she describes with sensitivity, her encounter with the trauma of transgender people who “beginning with toilets and questionnaires, are denied identity and existence”. This segues into the question of gender: The way women see it and the way institutions see it. Informed by her later rural experiences with handling gender issues, she says women do relate

to larger ideologies and issues but they tend to start with the personal and go to the political. When it comes to their body and its physical abuse, their responses are the same. But so many issues still divide them: Caste, class, religion, inequality...and then gender difference becomes a “subsidiary issue”. She relates this to her days in the Lal Bahadur Shastri National Academy of Administration: Becoming an IAS officer does not materially change misogyny, patriarchy and “boyish-group sexual behaviour modified by a veneer of politeness”. She does note, however, that there were many exceptions.

In India but in Rajasthan particularly, the issue of sati (1987) was an exceptionally complex one after a Rajput woman, Roop Kanwar, immolated herself in Deorala, “choosing” to be burnt alive on the funeral pyre of her dead husband. She was 18. Her brother-in-law lit the pyre, so her “choice” is a moot question. Ms Roy’s book records the debates at a

group meeting: Rajput women were divided: Some joined their husbands in supporting sati while others believed Roop Kanwar was burnt to death. So, what was it? State complicity in murder, or the celebration of sati? The power of truth and faith that led all rural women in the group to believe that if a woman was “pure” she could spontaneously ignite the pyre? No consensus emerged at the meeting and uneasy ambiguity remains both in society and among social scientists. Sati temples in Deorala and elsewhere still come up with funding; and many social scientists argue that Sati puja as a religious event and glorification of sati as a practice are two different things. But are they?

These and other nuances that confronted her as an activist are recorded with painful honesty. As a civil servant she was trained to ensure the status quo. But the status quo recognises injustice only dimly. Transparency is a forbidden word. And





OPINION

The  
Hindustan Times  
ESTABLISHED IN 1924

{ OUR TAKE }

Demography & its discontents

India’s large population is not necessarily a bad thing if it can be employed gainfully

India does not have an official population number after 2011. The scheduled decadal Census for 2021 continues to be in suspended animation for reasons best known to the current government.

A country’s demographics, of course, do not wait for official data. India is believed to have become the world’s most populous country sometime between January and July 2023. The World Population Prospects (WPP) report released by the United Nations — it is the most authoritative demographic dataset in the world — last week put India’s 2024 population at 1.45 billion.

Unlike what a lot of population alarmists believe in India, a high population is not necessarily a bad thing for a country. In fact, India will have the biggest demographic dividend in the world in the next four decades. India’s working-age population, currently expected to be around 860 million, will keep rising till 2049 when it is expected to reach just above a billion. If skilled and employed gainfully, these working hands can change the country’s economic fortunes and indeed take us closer to the government’s stated goal of making India a developed country by 2047. But this upside can mutate into a major destabilising force, both politically and economically, if we fail to do the needful to employ them gainfully.

The WPP report gives detailed data on the age and gender composition of India’s population and also gives future projections going up to 2100. While India is expected to retain its position as the world’s most populated country, its population will start coming down sometime in the 2060s. More important than the total population are the projections of a declining working-age population from 2050 and a rising dependency ratio — share of people below or above the working age — from 2040 onwards. These two factors, when read together, tell us that we need to move fast to not just work on employing our working-age population in terms of numbers but also ensure that they are earning enough to support more people in the future than they have to do today. From a purely economic perspective, it entails increasing wages without pushing capital intensity too high which can generate headwinds for employment creation.

There are no simple answers to this challenge. But it is the most critical determinant of India’s future. Putting the best foot forward requires a deep democratic engagement with the data which is why we need the census at the earliest.

Bypoll wins further enthuse Opposition

The exceptional results in favour of the INDIA bloc in 13 bypolls held in seven states suggest that the Opposition, which delivered a vastly improved performance in the general election, still has the wind in its sails. This should boost its confidence since three states — Haryana, Jharkhand, and Maharashtra — are set to hold assembly elections in a few months.

The INDIA bloc won 10 of the 13 seats while the BJP was the winner in two constituencies; an independent won in Bihar. There are at least three takeaways from the results. One, the Opposition, especially the Congress, has not lost momentum since the results of the general election. Its success in Himachal Pradesh and Uttarakhand, where it failed to win a single Lok Sabha seat also suggests that the voters pick horses for the courses. Second, the results mostly confirm the pattern that the party in office in a state tends to win bypolls: The results in West Bengal, Tamil Nadu, Punjab, Himachal, Madhya Pradesh have favoured the ruling party in those states. Voters are guided by the belief that it is best to back the party in power to maximise governance gains. Third, the BJP may have to reflect on its setbacks in Uttarakhand and Himachal, particularly the former state where it is in its third consecutive term in government. The failure to win the Badrinath constituency should particularly rankle the BJP — a bypoll was forced because the incumbent Congress MLA defected to the BJP but failed to retain the seat. In Himachal, the Congress wrested two seats from independents who had joined the BJP, which led to the bypolls. The Sukhvinder Singh Sukhu government, which appeared to wobble following defections in its ranks, now looks stable.

These results will have little bearing in Parliament but expect a more aggressive Opposition in the upcoming Budget session.

Moderating politics in age of extremes

The attack on Donald Trump is symptomatic of a larger crisis in many democracies, including the US, where public life has become polarised over multiple fault lines

The shocking assassination attempt on former American president Donald Trump during an election campaign rally on the weekend has brought to the fore a fundamental crisis afflicting not just the United States (US) but many other countries worldwide. The episode is a reconfirmation that we are living in an age of extremes where centrist ideas like consensus, compromise, coexistence, and middle ground are collapsing and are being replaced by the notion that politics and public life represent a no-holds-barred struggle where one must give no quarter to the enemy.

The dramatic visuals of a bloody-faced Trump, after narrowly escaping fatal injuries from gunshots, pumping his fist in the air and defiantly shouting “fight, fight” while facing the cameras, conveyed a lot. The 19th-century Prussian military strategist Carl von Clausewitz wrote that war was a “continuation of politics by other means”. Today, in America and elsewhere in the democratic world, politics has become a continuation of war by other means. Politicians, political parties,

and over-politicised individuals and groups believe they have no option but to prepare for existential combat with their opponents because, if they do not win, the other side will annihilate them and their values.

Following the attempt on Trump’s life, many American observers bemoaned their country’s “toxic political culture” and vicious polarisation. Incumbent President Joe Biden lamented a “sick” mentality that is spreading violence and appealed to “lower the temperature”. Former President Bill Clinton insisted that violence had “no place in our political process”, while another former President, Barack Obama, urged Americans to “use this moment to recommit ourselves to civility and respect in our politics”. Such comments may have been intended to remind the general public that politics must not cross the red lines of humanity and that conscious efforts needed to be made to unify the country around shared civic values.

But the attack on Trump is, if anything, only likely to further inflame the severe divisions roiling America. With a highly consequential presidential election at stake, hardcore Republican and Democratic loyalists have begun assembling their respective in-groups and settling into the familiar position of two inimical “tribes” battling and blaming each other for the shootout.

According to populist Right-wing narratives, the assassination attempt was the last resort in the liberal establishment’s long-standing witch-hunt

to halt Trump’s return to power by hook or by crook. Allegations that Trump had been denied additional Secret Service protection by the Biden administration despite repeated requests have outraged conservatives who believe that the liberals are out to physically eliminate Trump. In Left-of-centre circles, claims that the assassination attempt had been “staged” as a false flag operation to garner sympathy for Trump did the rounds. Other liberals blamed Trump himself and his “red meat” style of provocative rhetoric for unleashing a brand of politics marked by anger and division, which is now spilling over into uncontrolled violence.

What makes the current era more troubling and intractable than earlier perils of political turmoil is that the classic Left-versus-Right ideological polarisation is being exacerbated by polarisation derived from other forms of dichotomies. Political scientists Jennifer McCoy, Tahmina Rahman and Murat Somer have argued that “societal polarisation” involving “us” against “them” segregation is happening along axes like “globalist/cosmopolitan versus nationalist; religious versus secular; urban versus rural; traditional versus modern cultural values” in many parts of the world. These complex divisions, often aggravated by anxiety related to globalisation’s unfair outcomes, cause communities to avoid intermixing and instead huddle into narrow echo chambers and filter bubbles where conspiracy theo-



Sreeram Chaulia



After the attack on Trump, many thinkers expressed alarm that democracy was in mortal danger in America

REUTERS

ries and bitter portrayals of “enemies” abound. Such fragmentation leaves people devoid of any sense of common citizenship or overarching national identity.

The phenomena of “algorithmic radicalisation” on the internet that amplifies negative stereotyping, and of self-selective social media communities that build up fear and loathing of those allegedly plotting to snatch away one’s rights and freedoms, have added a layer of technological polarisation to the already combustible mix.

With so much unregulated and non-moderated content circulating on the internet, where search engines are commercially rigged to favour incendiary content that whips up raw emotions, the resort to political violence is also getting atomised. Any self-radicalised netizen who has access to weapons can carry out lone wolf attacks based on personal convictions, without the prodding of powerful organised entities.

It is worth recalling that, in recent years, other high-profile politicians such as Prime Minister Robert Fico of Slovakia, former Prime Minister Shinzo Abe of Japan, and former President Cristina Fernández de Kirchner of Argentina were also attacked in open public spaces by individuals who vehemently disagreed with their vic-

tim’s policies on issues as wide-ranging as endorsement of religious movements, excess concentration of power, and distribution of social welfare to the poor.

Given the multiple overlapping types of polarisation and the relentless spread of online hatred, it is no wonder that politics is getting more violent and less cordial, not just in the US but elsewhere, too. Even in countries where there is no gun culture or a history of racial or other ethnic cleavages and resentments, risks of frequent outbursts of politically motivated violence are rising due to the general breakdown of civic culture and the multifaceted backlash against the iniquities generated by globalisation.

After the attack on Trump, many thinkers expressed alarm that democracy was in mortal danger in America. But the political system is a reflection of deeper fault lines. Unless individuals, societies, and governments systematically acknowledge, identify, and redress underlying socioeconomic and technological factors fuelling feelings of hatred, vengeance, and despair, we cannot expect a return to gentler, accommodative, and decent politics.

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The need to build and improve State capacity

State capacity and effective governance have become the latest buzzwords. Across government programmes, there is a need to analyse efforts at building State capacity. In 2018, the Sumit Bose Committee carried out a detailed assessment of the core and agency functions of the rural local governments and made normative recommendations on the professional skills that they must have. Very few states have carried it out, even though the ministry of panchayati raj has been taking it up with successive Finance Commissions. There is a solid case for elected representatives at the *basti* level in urban areas, too, as wards are too large for direct community action. It can be done without a constitutional amendment. Let us look at a few innovations for improving State capacity and improving governance.

The Sarva Shiksha Abhiyan (SSA) and the National Rural Health Mission (NRHM) were national-level pioneers in providing new skill sets through innovative hiring of professionals at block, district, state, and national levels with 6% management cost budgeted. Hospital managers, health managers, programme managers, pedagogy experts, gender experts, civil works experts, among many others, were brought in on a need- and norm-based basis through these programmes. The state- and the district-level project offices became pioneers of decentralised planning, monitoring, capacity building, and effective governance at the cost of the traditional district education and civil surgeon’s office. While this challenged the inertia of the mainstream, it also corroded the authority of the mainstream both at the district and state levels. Clearly, the institutionalisation of these skill sets through the state public service commission was needed.

Capacity-building support to state projects was available from national institutions like the technical support group of SSA and the National Health System Resource Centre in NRHM. While these led to new processes and practices, the challenge of institutionalising human resource for sustainable, high-quality outcomes must be addressed. To illustrate, “projectised” initiatives led to all children joining the elementary schooling system. Infant mortality rates, maternal mortality rates, and total fertility rates also fell significantly. However, issues of learning quality in schools and the challenges of effective public health capacity have remained. Nutrition clearly requires many more well-trained caregivers. The ASHA worker, the ANM and the *aanganwadi* worker alone are not enough.

The National Rural Livelihood Mission (NRLM) recognised that it was a human-resource-intensive process and a 6% management cost impetus alone won’t suffice. Units were formed at the cluster and block levels to

build the social capital of women’s collectives and generate diversified livelihoods. National resource organisations from civil society sector were roped in with ease of contracting in the states, to provide support. NRLM also created a unique cadre of community resource persons (CRPs), women who have come out of poverty under the Mission. They were imparted skills in community mobilisation, to take over as *krishi sakhi*, bank *sakhi*, *pashu sakhi*, and banking correspondents.

They are not given government salaries. Every village organisation (VO) gets a resource in perpetuity in the form of a community investment fund. These VO’s give these CRPs a small token amount. The rest they earn through the service they provide. It is a unique model where local women have built a nationwide force of 100 million women organised in 10 million self-help groups.

Purpose-specific institutions like the National Rural Infrastructure Development Agency (NRRDA) under the Pradhan Mantri Gram Sadak Yojana (PMGSY), which has become the National Rural Infrastructure Development Agency (NRIDA) ever since professional support for Pradhan Mantri Awas Yojana Gramin (PMAY-G) was also assigned to it, are also important. The annual budget of just ₹30 crore is spent on professionals deputised to it, technology for universal GIS mapping of roads, and support to state-level technical partners (mostly IITs and NITs). Rigorous scrutiny of every draft detailed project report, use of innovative technologies like waste plastic and many others, capacity building among state-level engineers and contractors of PMGSY, have been possible because of this autonomous institution. Quality has been ensured in over 600,000 km of PMGSY roads due to this institution.

National Food Security Act (NFSA) is an outstanding example of technology-led reform for outcomes. Giving food grains to 800 million people entitled to this after point of sale (PoS) authentication of identity using Aadhaar is an amazing feat of digital public infrastructure. Even when the Jan Dhan, Aadhaar and Mobile combine was being toasted, I had raised the importance of a database that could provide the fourth leg to this trinity. It came in the form of a community-validated Socio Economic Survey (SECC 2011) that provided details of each deprived household. Its finalisation in July 2015 and adoption thereafter for Ujjwala connections, Saubhagya power connections, PMAY-G, Pradhan Mantri Jan Arogya cover, are an outstanding example of how technology as a means transformed the last mile. Mahatma Gandhi National Rural Employment Guarantee Scheme wages, pension payments and other cash transfers to validated accounts of beneficiaries is nothing short of a revolution in financial access.

Enhancing decentralised, community-action based State capacity for effective governance of human development and other public good sectors is an agenda for all elected governments as devolution alone leads to an inclusive society and shared growth. Human resources for local governments must be India’s priority.



Amarjeet Sinha

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{ LULA DA SILVA } PRESIDENT OF BRAZIL

The most recent bombing in the Gaza Strip is unacceptable. It is appalling that they continue to collectively punish the Palestinian people

NATO at crossroads: New purpose, fresh challenges

The North Atlantic Treaty Organization (NATO) marks its 75th anniversary this year, against the backdrop of two significant contexts — the ongoing Russia-Ukraine war and the revitalisation of the Trans-Atlantic alliance. In the first instance, the war has brought the question of Ukraine’s NATO membership to the forefront, with United States (US) President Joe Biden and other European leaders agreeing that Ukraine should have an “irreversible” path to membership. In the second situation, there is a push to future-proof NATO against potential setbacks, especially if Donald Trump wins the US presidential election this November. As such, two strands are pulling the organisation in different directions — celebrations to mark organisational solidarity, reinvigoration and deep uncertainties about its future.

The case for strong collective security in Europe had weakened considerably before the Russia-Ukraine war began. It is not surprising, therefore, that one of the main purposes of NATO’s Washington Summit, held in early July, was to highlight the importance of investing in Europe’s collective defence. The summit also serves an important symbolic purpose to deter Russia, particularly as it is making incremental gains in Ukraine’s east. The signalling comes at a critical juncture in the war. US officials estimate that Russia will be unable to capture large parts of territory from Ukraine in the next phase of the war, given poorly trained troops and critical western supplies to Ukraine that have now become operational. However, on the eve of the Washington summit, Russia launched missile attacks on Ukraine, evincing robust long-range capabilities and an undeterred stance.

The Biden administration is trying to persuade European NATO partners to raise their defence spending to at least 2% of their Gross Domestic Product (GDP), to not only uphold the 2014 pledge to boost European defence and military readiness but also ensure effective extended deterrence for Ukraine. Importantly, increasing defence expenditure could safeguard NATO against potential challenges from Trump, as variable spending from NATO partners has been one of his grievances against the organisation.

Granting NATO membership to Ukraine while the war continues could provoke unpredictable responses from Russia. Moreover, European member countries have collectively been cautious about including Ukraine. Despite these challenges, NATO members took strong steps such as the decision to appoint a NATO Senior Representative in Ukraine; building on the establishment of

the NATO-Ukraine Joint Analysis, Training, and Education Centre (JATEC); the decision to establish the NATO Security Assistance and Training for Ukraine (NSATU) and a pledge of long-term security assistance for Ukraine.

Internally, the summit was a pivotal moment for NATO, as it aimed to take irreversible steps safeguarded from leadership changes across the West. NATO focused on bolstering the group’s battlefield credibility by reaffirming its deterrence and defence posture as well as its status as a nuclear alliance. The steps announced towards building Trans-Atlantic defence industrial cooperation are intended to overcome the defence integration and alignment challenges the US has faced in transferring equipment and systems to Ukraine in recent years. These changes come alongside organisational readjustments, with a new secretary general taking over in October and the full integration of Finland and Sweden.

NATO is indeed at a crossroads. While it may have found an immediate purpose in responding to Russia, its challenges extend beyond Moscow. The broader security environment for NATO encompasses strategic competition in the Indo-Pacific, potential systemic shocks from Chinese behaviour, and a pervasive arc of instability extending from Africa to West Asia. The Washington communiqué outlined Iran as a factor impacting Euro-Atlantic security, alongside China’s stated ambitions, and the strengthening China-Russia axis as challenges. It calls China a “decisive enabler” of Russia’s war in Ukraine. Such labelling threatens to widen the gap between two sets of powers. The Washington summit declared that the Indo-Pacific is important for NATO, given that “developments in that region directly affect Euro-Atlantic security”. Pitting China against Russia could, in the long run, pave the way for a broader exploration of partnerships for NATO in the Indo-Pacific. Issues ranging from cybersecurity and counterterrorism to women, peace, and security and human security now form a core agenda of NATO, potentially having ramifications beyond the body’s core Euro-Atlantic focus.

Amidst this churn, the recent visit of Prime Minister Narendra Modi to Russia highlighted India’s potential to bridge a fragmented world order in the making.

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OUR VIEW



# Let's do away with TCS on foreign remittances

*Tax collected at source is not a revenue-raising measure, nor does its tax information value justify the burden it imposes. As India's tax radar has improved, we should axe this charge*

As the deadline for filing income tax returns nears, aspects of the tax law that need reform are in focus. One of them relates to the provision of tax collected at source (TCS). Though it's an old rule that originally mandated sellers to collect TCS on behalf of buyers and deposit it with the government, its ambit has been expanded in recent years, making life difficult even for individual taxpayers. Amendments of the law have made TCS applicable to transfers of money abroad under India's liberalized remittance scheme (LRS), which permits people to move up to \$250,000 each year out of the country. The scope of TCS was also extended to overseas travel packages, so holidayers get lumped with a big tax deduction regardless of whether their income makes them liable to pay tax or not. Worse, there are now several fund-use categories in which TCS applies with rates varying from 1% to 20%, with piecemeal tweaks over time having added to its complexity. From October 2023, for instance, the TCS rate on all foreign remittances was raised to 20% from 5%, although money sent for medical or educational needs now attracts a rate of 5% if the sum sent exceeds an annual ₹7 lakh.

Multiple rates and excessive rule variation by category cause taxpayer confusion, in addition to the financial burden of paying upfront for a tax adjustment with one's actual dues much later—once returns for the fiscal year are filed and processed. In essence, TCS is an advance tax, with one's money locked in for a period that could easily exceed a year. While TCS on the sale of goods as part of a business operation may be justifiable, its application to foreign remittances should be stopped. To be clear,

this mechanism is not a means of raising revenue. It's meant to work as an evasion tracker by notifying tax authorities of money being sent abroad, thus allowing them to check if such senders are tax-compliant. However, as the country's tax radar has improved, with transaction data from banks and other institutions easy to capture, its value as a tracker must have diminished to the point that it does not justify the bother it puts us through. It isn't just a pain-point for taxpayers who need to pay bills overseas, it also burdens transfer-enabling banks with extra stacks of documentation. Although India once had even stiffer capital controls, all this seems excessive now that our dollar scarcity is long gone, even anachronistic in a world where crypto tokens are being used for instant cross-border transfers.

Even if TCS serves a purpose by tracking foreign expenses, would a 1% charge not do the job? The explanation offered for steep rates like 20% is that a large levy acts as an incentive for people to file returns in order to claim it back (or adjust tax dues). While this logic may hold appeal in the narrow context of anti-evasion, it is flawed if judged on the principle of it. Taxes are to be paid by legal mandate. What the law demands of people, be it filing tax returns or anything else, should not require any sweetener for compliance. Indeed, the use of a financial 'nudge' in such a case speaks poorly of the state's behavioural expectations when it comes to law abidance in general. As India's economy formalizes, our tax base is expected to expand—as we need it to—and tax evasion should drop. But we mustn't push for this at the cost of our tax system, which needs to make simplicity its priority. It's time for the government to roll back TCS on remittances.

AJIT RANADE



is a Pune-based economist.

China's extraordinary growth over three decades was fuelled by exports and domestic capital spending. At the peak, it enjoyed an 8% net export surplus consistently, which led to an accumulation of massive foreign exchange. On the other hand, its very high domestic savings rate was deployed to build infrastructure and expand industry. These sometimes led to excesses which manifested, for instance, in the phenomenon of 'ghost cities' and the country's current excess capacity for electric vehicles. But its export surpluses have continued unabated. Since much of its industry is state-owned, the profits accruing to capital were also a fiscal benefit, which were then generously invested in physical capital, leading to a high investment-to-GDP ratio. There is a charge against China that its capital spending is wasteful, and returns on investment are inferior to world averages. On the other hand, India's investment was comparatively frugal, but has had higher returns in terms of GDP growth. India is now poised to generate

consistent high growth over multiple decades. What is the optimal investment ratio for India and how can we achieve it? How much of China's growth strategy can we emulate? There are many stark differences between the two in macroeconomic terms, even excluding the obvious political-economy factors, which are as follows.

First, India has had a consistent trade deficit, which means that foreign capital is flowing in, adding to domestic investment. These inflows are just about 2-3% of GDP. The rest has to come from domestic savings, which are much lower than in China. And that ratio has been falling, which is worrying.

The second difference is in the large pre-emption of domestic savings by the state. A big bulk goes to revenue spending on pensions, salaries, bloated bureaucracies, interest payments and subsidies. This is India's fiscal challenge. It is not only the size of revenue spending, but also its quality and efficacy that needs to be thoroughly examined.

Third, unlike China, industrial expansion is not going to take place only driven by state-owned enterprises. Indeed, they are shrinking, while the private sector expands. The state's limited fiscal resources are being deployed to build physical infrastructure in the form of roads, bridges, airports and city

metro systems. This build-up is visible, is being executed within the time-frame of an electoral cycle, has electoral rewards, and incentives for bureaucrats are also aligned with them, so they are putting their weight behind such projects. As such, India's infrastructure spending as a share of GDP is rising healthily, and there is a large backlog to fill up. But it will always be constrained by our fiscal limitations, unlike in China where the profits of state-owned enterprises are additional resources over and above taxes collected.

Beyond these three major differences, we must note that India's manufacturing sector accounts for only 17% of GDP, much lower than in China or other East Asian peers. The sector can expand only with substantial private (not public) investment, enabled by easy entry and exit policies, and ease of doing business. Much policy attention is on this aspect, covering issues like taxation, labour laws, production-linked incentives, logistics and the tweaking of the law for special eco-

nomic zones. It is possible that India will be a pioneer in growth driven by agro-based industries, green and circular economy initiatives, rapid digitalization and large-scale service exports. Such a model has not yet been seen anywhere.

This brings us to the most important determinant of sustainable and inclusive growth: spending on building human capital. This does not show results immediately, and certainly not within electoral cycle timelines for bureaucrats and politicians to crow about. India's skill gap is widening, and artificial intelligence as well as automation will make it worse.

We already have a co-existence of shortages in skills and jobs on a big scale, and must focus on building the skills and talent required for tomorrow's jobs. The rot in school education, as revealed by repeated ASER surveys, need not be debated here. Both in school and higher education, there is a tiny slice of institutions that can claim to be world class, but they are isolated oases in a vast barren landscape.

China already had an advantage in its spending on school education. Since it did not have universities in the top global ranks, it expanded spending on higher education with a focus on creating world-class universities; now institutions like Tsing-hua and Peking University are high ranked. India too can achieve this with focused efforts and resources. India's skilling and higher education challenge is one of scale and affordability. The vast majority who need training and education inputs will not be able to afford the cost it entails. It does not mean that we suppress salaries and fees in higher education. In the US, this is solved by a sizeable student-loans market. Let students and their families invest in their future. Investment in higher education helps the individual substantially, and resultantly the nation. But there is no reason why private debt should not fund it.

For primary and secondary education, however, we need much higher public spending. Education is a state subject, so central fiscal resources should be made available to states and third-tier governments to beef-up their spending. India's public capital outlay should now pivot from highways and airports towards building long-term human capital. We must achieve the benchmark of 6%-of-GDP sooner rather than later.

MY VIEW | TIGHTROPE WALK

# Self-styled cult leadership: It's a game of power and its many uses

*The mechanics of power explains the survival of cults that defy attempts to foster a scientific temper*



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is former CEO of the National Intelligence Grid, distinguished fellow at Observer Research Foundation and author of 'Everyman's War'.

The names Asumal Harplani, Nemi Chand Jain, Gurmeet Singh and Sheela Patel are unfamiliar to most of us. All of them were convicted of various serious crimes ranging from fraud, kidnapping and intimidation to rape and murder.

Like several of their ilk, their career paths had unremarkable beginnings before their sudden inexplicable rise to fame and popular reverence. Once there, they accumulated unimaginable wealth, built sprawling institutions and ran personal fiefs within their communes. They have hundreds of thousands of followers, ranging from the poorest right up to senior politicians, bureaucrats, business leaders, police officials and judges. Their rise seemed inversely related to law abidance. A few had private armies, with military grade weapons and former soldiers, bureaucrats and lawyers on their payrolls.

You might know these venerable leaders with their better-recognized names: Asaram Bapu (convicted, among other things, of raping minors), Chandraswami (convicted of fraud and financial irregularities and also suspected of involvement in former prime minister Rajiv Gandhi's assassination), Ram Rahim Gurmeet Singh (convicted of rape and murder) and Ma Anand Sheela of Osho-cult notoriety (convicted in the US of attempted murder, bio-terror, assault, immigration fraud and more).

Several other such 'holy' entrepreneurs run billion-dollar businesses, marketing their teachings—peace of mind workshops, soul recharging retreats, freedom from the material rat race, and instant relief from grief and guilt. Yet, others have expanded into more substantial product lines, ranging from Ayurvedic medicines to household daily-use products.

Some have leveraged their followings into vote banks, transcending to higher levels and acting as power brokers in the field of politics. So deep is this involvement that even those serving multiple life sentences for rape and murder have been brazenly 'released' on parole before elections. That such links are largely seen as marginal scandals in the overall scheme of national affairs tells us something about a form of power that the Constitution did not either envisage or endorse.

While cult leaders have impacted thousands of lives adversely over the decades, ironically, a stampede is what drew attention again to the phenomenon of 'godmen' (and godwomen) who command outside influence that neither propriety nor common sense can justify. More than a hundred followers of a cult leader died recently near Hathras, Uttar Pradesh, in a human crush caused by a rush to touch either his feet or the ground on which he walked.

Why do cult leaders thrive? The easy answer is lack of education and awareness among the masses, who tend to be superstitious. This has been the standard explanation for decades. But the real reason is the mechanics of power.

Almost all forms of governance, including democracy, eventually concentrate power (and command of resources) in a tiny elite. For instance, it is estimated that just 1% of Indians possess over 40% of its wealth. But in a democracy, where every citizen counts equally, the individual's right to vote remains powerful, assuring ordinary people a chance to impact power distribution. This equity is important.

There are only two ways of getting that vote. One is to treat each citizen as an equally valuable individual and work towards making that person's life better, done by ensuring that everyone has adequate nutrition, education, developmental opportunities, and above all, a scientific temperament. This approach requires tumultuous reforms that will disturb power and wealth equations and invite the wrath of *status quo* beneficiaries who oppose change. Secondly, this would also mean equitable distribution of wealth, not just now, but in perpetuity, necessitating the top 1% to share more. (As for those who believe they are distanced from such inequity, they should think about the contrast between posh flats and servant quarters in urban islands of prosperity.)

Equitable growth and well-being requires visionary thinking and distributive leadership. It needs concrete work in the present before asking for votes for the future.

The other approach is to grab votes in the present, the future be damned. This is where some 'holy' men (and women) draw their true power from. Cults helps political players mobilize masses. For instance, the convicted cult leader who uses a multi-faith name reportedly still has tens of millions of followers in spite of his conviction. In states like Punjab and Haryana, which together have 23 Lok Sabha constituencies, that's electorally significant.

Over 160 years ago, a brave reformer called Karsandas Mulji took on centuries of socially sanctioned exploitation done in the name of tradition. The saga of the Maharaj Libel case was brilliantly renditioned as a recent film that's available on Netflix. But 16 decades later, such exploitation still seems to thrive. This is because it was never about tradition. It was about illegitimate power.

There are many black sheep 'babas' spewing falsehoods out there. And unless their nefarious connections are exposed, they will continue to wield disproportionate power over millions.



MY VIEW | MUSING MACRO

# Public spending must pivot to building human capital

AJIT RANADE



is a Pune-based economist.

China's extraordinary growth over three decades was fuelled by exports and domestic capital spending. At the peak, it enjoyed an 8% net export surplus consistently, which led to an accumulation of massive foreign exchange. On the other hand, its very high domestic savings rate was deployed to build infrastructure and expand industry. These sometimes led to excesses which manifested, for instance, in the phenomenon of 'ghost cities' and the country's current excess capacity for electric vehicles. But its export surpluses have continued unabated. Since much of its industry is state-owned, the profits accruing to capital were also a fiscal benefit, which were then generously invested in physical capital, leading to a high investment-to-GDP ratio. There is a charge against China that its capital spending is wasteful, and returns on investment are inferior to world averages. On the other hand, India's investment was comparatively frugal, but has had higher returns in terms of GDP growth. India is now poised to generate

consistent high growth over multiple decades. What is the optimal investment ratio for India and how can we achieve it? How much of China's growth strategy can we emulate? There are many stark differences between the two in macroeconomic terms, even excluding the obvious political-economy factors, which are as follows.

First, India has had a consistent trade deficit, which means that foreign capital is flowing in, adding to domestic investment. These inflows are just about 2-3% of GDP. The rest has to come from domestic savings, which are much lower than in China. And that ratio has been falling, which is worrying.

The second difference is in the large pre-emption of domestic savings by the state. A big bulk goes to revenue spending on pensions, salaries, bloated bureaucracies, interest payments and subsidies. This is India's fiscal challenge. It is not only the size of revenue spending, but also its quality and efficacy that needs to be thoroughly examined.

Third, unlike China, industrial expansion is not going to take place only driven by state-owned enterprises. Indeed, they are shrinking, while the private sector expands. The state's limited fiscal resources are being deployed to build physical infrastructure in the form of roads, bridges, airports and city

metro systems. This build-up is visible, is being executed within the time-frame of an electoral cycle, has electoral rewards, and incentives for bureaucrats are also aligned with them, so they are putting their weight behind such projects. As such, India's infrastructure spending as a share of GDP is rising healthily, and there is a large backlog to fill up. But it will always be constrained by our fiscal limitations, unlike in China where the profits of state-owned enterprises are additional resources over and above taxes collected.

Beyond these three major differences, we must note that India's manufacturing sector accounts for only 17% of GDP, much lower than in China or other East Asian peers. The sector can expand only with substantial private (not public) investment, enabled by easy entry and exit policies, and ease of doing business. Much policy attention is on this aspect, covering issues like taxation, labour laws, production-linked incentives, logistics and the tweaking of the law for special eco-

nomic zones. It is possible that India will be a pioneer in growth driven by agro-based industries, green and circular economy initiatives, rapid digitalization and large-scale service exports. Such a model has not yet been seen anywhere.

This brings us to the most important determinant of sustainable and inclusive growth: spending on building human capital. This does not show results immediately, and certainly not within electoral cycle timelines for bureaucrats and politicians to crow about. India's skill gap is widening, and artificial intelligence as well as automation will make it worse.

We already have a co-existence of shortages in skills and jobs on a big scale, and must focus on building the skills and talent required for tomorrow's jobs. The rot in school education, as revealed by repeated ASER surveys, need not be debated here. Both in school and higher education, there is a tiny slice of institutions that can claim to be world class, but they are isolated oases in a vast barren landscape.

China already had an advantage in its spending on school education. Since it did not have universities in the top global ranks, it expanded spending on higher education with a focus on creating world-class universities; now institutions like Tsing-hua and Peking University are high ranked. India too can achieve this with focused efforts and resources. India's skilling and higher education challenge is one of scale and affordability. The vast majority who need training and education inputs will not be able to afford the cost it entails. It does not mean that we suppress salaries and fees in higher education. In the US, this is solved by a sizeable student-loans market. Let students and their families invest in their future. Investment in higher education helps the individual substantially, and resultantly the nation. But there is no reason why private debt should not fund it.

For primary and secondary education, however, we need much higher public spending. Education is a state subject, so central fiscal resources should be made available to states and third-tier governments to beef-up their spending. India's public capital outlay should now pivot from highways and airports towards building long-term human capital. We must achieve the benchmark of 6%-of-GDP sooner rather than later.



THEIR VIEW

# Brace for stronger inflation and the risk of weaker central banks

Political, economic and other shifts could entrench price pressures and even cramp the independence of monetary authorities



**RAGHURAM G. RAJAN**  
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In many countries, the political landscape is changing dramatically, possibly auguring more radical policies in both the United States and Europe. Faced with societal ageing, de-globalization, climate change, anti-immigration sentiment and technological advances, central banks will feel pressure from many different directions in the coming years. One obvious concern is fiscal policy and debt. When radical politicians come to power, they rarely have austerity in mind. Most arrive with big audacious plans requiring massive increases in spending. (Argentinian President Javier Milei is an exception, in part because he was elected to reverse the policies of previous radicals).

But moderate leaders also will feel greater pressure to spend in the years ahead. Real (inflation-adjusted) interest rates are likely to return to their long-term trend, which means debt-service costs will eat up more of governments' budgets. Military spending also will undoubtedly rise, given the state of geopolitics, and spending on education will probably have to increase as governments try to position their populations for an era of artificial intelligence (AI). On top of it all, climate-related spending and subsidies have become more urgent. Political dysfunction makes it hard to tax emissions, which would be more fiscally prudent, or raise tax revenues more generally.

All this additional net spending implies that central banks will have to offset governments' expansionary impulses with tighter policy. But with many countries already heavily indebted, sustained higher real policy rates will fuel doubt about debt sustainability. Will central banks blink and allow higher price growth, in the hope of inflating away some of the debt? Or will they stand up to their respective governments, raise rates and risk a 'Liz Truss moment'? When fiscal priorities and debt levels determine the scope of monetary policy, economists call it 'fiscal dominance.' We are likely to see more cases of this.

What about demographic trends? Charles Goodhart and Manoj Pradhan believe that with the Chinese working-age population shrinking, and populations aging elsewhere, growth will slow as the labour force declines. Meanwhile, spending will rise—partly to meet the need for more elder care—and wage growth may strengthen as workers become scarce. All this will be inflationary.

Of course, others believe that savings will rise with ageing, and that immigration into ageing countries will help stave off labour shortages. But given many ageing countries' open refusal to accept a large number of immigrants, this optimistic scenario seems less likely.

Ever since Donald Trump imposed sweeping tariffs on imports from China, we have been wit-



nessing a broad-based return of protectionism, translating first into lower cross-border investment. So far, trade has held up, partly because Chinese inputs are being shipped for final assembly to other countries before being sent to the United States. But if Trump returns to the White House next January, he will try to end such shipments, while raising tariffs all around.

De-globalization will continue to increase the price of foreign goods. But whether this process is inflationary may depend on how the process unfolds. As Ludovica Ambrosino, Jenny Chan and Silvana Tenreiro note in ongoing work, if the tariffs are sudden, inflation will spike significantly, and central banks will find it hard to avoid hiking interest rates.

In the medium term, the researchers suggest, domestic importers will shift to alternative suppliers; and because the economy will be poorer and consumption lower (each dollar of spending will buy fewer imports), inflation will taper off. Interestingly, if the higher import prices kick in more gradually, falling demand in anticipation of higher import prices could lead to a slowdown in inflation for domestic goods, keeping overall inflation contained. Thus, protectionism may increase import prices; but because it also makes us poorer and depresses demand, it may not increase inflation all that much.

This relatively benign view must be set against our experience in the decades of globalization before the global financial crisis, when inflation fell worldwide. If globalization brought down inflation, shouldn't de-globalization raise it?

This is what Hassan Afrouzi, Marina Halac, Kenneth Rogoff and Pierre Yared argue. De-globalization, by reducing competition, will boost monopoly profits and thus increase central banks' temptation to allow for more inflation (as a means of eroding those profits and sustaining labour's share of output). Of course, de-globalization could

also increase union power, which, under the same assumptions, should mitigate this temptation. But given that globalization was accompanied by lower inflation, we should at least prepare for the possibility that de-globalization will do the opposite.

The transition to a low-carbon economy will further complicate the picture. As ongoing work by Luca Fornaro, Veronica Guerrieri, and Lucrezia Reichlin suggests, green regulation typically imposes additional costs on dirty energy sources, sometimes to the point that banks will not even fund such projects. But as long as dirty energy is a necessary production input, output that relies on it will be costlier. And when demand rises, firms will have to use more dirty energy, increasing costs and output prices further.

To contain inflation, central-bank policies will have to be much tighter, and that will mean slower growth. It also may slow the shift in demand toward green energy and inhibit investment in renewables (which, in the medium term, would alleviate dependence on fossil fuels). Faced with this prospect, green-oriented central banks may reasonably want to be more tolerant of higher inflation to facilitate the green transition.

Most of the forces and dynamics discussed here push toward higher inflation. True, if productivity increases as a result of technological advances like the widespread implementation of AI, inflationary pressures could ease because of greater, cheaper supply. At this point, however, this is more of a hope than a reality.

Perhaps the greatest worry is that with the electorates of many countries demanding a change, radical leaders will create the conditions for higher inflation—for instance, by stopping immigration or spending without restraint—even as they erode the independence of the central bank. That happened regularly in the past, and the consequences were not pretty. We may have to relearn old lessons the hard way. ©2024/PROJECT SYNDICATE

MINT CURATOR

# Go ahead and use ChatGPT to write your job application

Recruiters aren't likely to mind the use of aids but don't conceal it



**SARAH GREEN CARMICHAEL**  
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Sound-alike resumes are an AI-use giveaway, say recruiters ISTOCKPHOTO

Artificial intelligence (AI) is making it easier for workers to put together a job application. The jury's still out on whether it's also making it easier for them to get the job. Nearly half of recent hires used AI to apply, according to a survey by Resume Builder released in May. The same month, Resume Templates released its own survey results, showing that 1 in 5 Gen Zers looking for a job has used ChatGPT to create a resume or cover letter. I've discussed these findings with managers, professors and mid-career professionals. The reactions range from "That's cheating!" to "That's smart."

"The rules around this are super-unclear to everybody," says Monica Parker-James, associate dean for industry relations and career services at Boston University's Questrom School of Business. That leaves applicants and employers to use their own judgement—and weigh for themselves the pros and cons.

First, the cons. An AI-written cover letter will sound generic. That can be fatal to one's chances of getting an interview. The output might sound like business-speak, but that doesn't mean it's good. People who receive AI-generated cover letters say they sound eerily alike. Mohammad Soltanieh-Ha, a clinical assistant professor at Questrom, says he's gotten emails for open positions that were clearly written by ChatGPT—they're all "five paragraphs long and the language is very similar." And I know one editor who uses ChatGPT to assess article submissions; if the writing or ideas sound remotely similar to what the large language model spits out after a similar prompt, it's an automatic rejection.

I know from experience that it can be quite challenging to edit turgid, jargon-filled prose into something zesty and original. So rather than using ChatGPT to generate a draft, says Soltanieh-Ha, write your own, upload it to ChatGPT and ask for a critique. I tried this, using a couple of cover letters I had lying around, and was low-key astonished by the results. These letters by their nature are often formulaic and stilted; but still, it surprised me that the ChatGPT-ified versions sounded more natural than the original drafts.

That doesn't mean applicants should take every suggestion offered by the LLM. It can be a bit too enamoured of corporate-speak; when I asked it to improve my resume, it changed a part saying I had "launched" and "hosted" podcasts to say I had "spearheaded" them, which tells a recruiter less about my specific skills. Where generative AI may be strongest is in helping applicants

prepare for the job interview. ChatGPT can generate a list of common interview questions based on the specific job description. It can also give advice on answering tricky ones like, "what's your greatest weakness?" (The LLM: acknowledge a weakness; show what steps you've taken to address it; highlight your progress; connect it to the role for which you're applying.)

The right way to use the tool, experts agree, is as a sparring partner to hone your own thinking.

As for employers, recruiters may want to emphasize interviews and projects—work the candidate has done, whether at a previous job or in school—more than application materials. In fact, recruiters may need to spend more time talking with candidates as written applications start to sound more alike, says Pedro Amorim, an associate professor at the University of Porto and co-founder of LTPlabs. And any who oppose AI use by applicants should make that clear in the job posting. If you're planning to ask finalists for a writing sample, and want to make absolutely sure ChatGPT isn't involved, you could ask them provide it in your office—with paper and pen. If that sounds silly, you'll just have to accept that some candidates will get a little tech help.

But I don't think it's cheating to use AI to apply for a job. People have long used templates to write resumes and cover letters, a laborious process that doesn't always produce great results. We have tools today that work better, and candidates who don't use them may be left behind.

After all, many recruiters use technology to screen job applications. It seems only fair that the candidates be able to use tech, too. But candidates should only use AI if they're willing to be honest about it. According to the Resume Templates survey, 1 in 3 candidates said a hiring manager has asked about their use of ChatGPT. It would be a bad idea to lie.

Attitudes to new technology can shift. I remember when you had to ask Microsoft Word to run spell check (now it's automatic). It did not take long for my teachers to go from "It's cheating to use spell check" to "Always use spell check." We're not there yet with AI, but getting closer. According to a recent Korn Ferry survey, 80% of professionals say ChatGPT is a "legitimate, beneficial work tool." ©BLOOMBERG

MY VIEW | A VISIBLE HAND

# Five data imperatives for the new Indian government

NARAYAN RAMACHANDRAN



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A newly elected government affords India an opportunity to re-examine and update a fundamental building block for its fast-developing economy: its data and statistical system. A transparent, robust and credible data system is important for any country because it provides critical inputs to policymakers, investors, political parties, researchers and the media to conduct and critically evaluate progress. The more dependable and credible the system is, the greater the efficacy of policy and trust in potential outcomes. It is a foundational precept that any country aspiring to become developed must reduce macroeconomic volatility over time.

Here are five ideas for consideration: **Declare 'Glasnost' for public data:** Take a radical step towards making India's statistical system open, transparent and modern. Most statistical systems in developed countries are transparent but suffer from legacy problems of measuring 'industrial' indicators in an information age. India has a golden

opportunity to leapfrog to a truly modern data system meant for the evolving economy of tomorrow. This will not merely match developed countries, but allow us to get ahead of them on many dimensions. The most effective way to do this would be to ask the National Statistical Commission, staffed with the right talent, to reimagine the data system. This commission would not only use traditional insights gained from surveying firms and households, but also modern technology and statistical tools to tap the multiplicity of data feeds that are now available, such as from the goods and services tax (GST) system. Innovations in using the data trail of the GST system, for instance, could pioneer a revolution in how emerging markets deal with the 'unorganized sector' by tapping indirect tax data rather than more formal estimates of production/output.

**Immediately announce and conduct the '2021' population Census:** With both covid and the national elections behind us, the time is right to announce and conduct the Census that was due in 2021. Data collection for the country's national head-count is a massive but extremely important effort that sets the base information for a host of policy measures. Among other things, the government needs to update its information on lag-

ging geographical zones, vulnerable sections of society and fragile sectors, so that it is able to aim assistance at the needy while minimizing leakage.

An updated census will also bring to the mainstream a discussion on a fair re-allocation of political representation (based on population), technically called 'delimitation,' and a fair re-allotment of economic resources among states. The balance that needs to be struck between representation and the sharing of economic resources will need significant investment in time and effort to build a national consensus.

**Jobs are the top job:** In both developed and developing countries, employment and wages are unquestionably the top priority. India's labour force is an extremely complex one, ranging from sophisticated and globally competitive engineers, business leaders, scientists and doctors to a large middle-class workforce right down to subsistence farmers and low-skill self-employed workers.

This complexity will require a wide range of solutions. Creative alternatives will only be possible when useful data related to this complex question becomes widely available. We need a complete re-imagining of how to collect longer-term and high-frequency data related to employment and wages for the formal, contractual and informal sectors. For instance, we need innovative approaches to the use of tech tools for high-frequency data and proxy data to estimate real-time shifts in wages, apart from creative methods to estimate changes in the total labour force and proper estimation of the part-time workforce contribution of female workers.

**Eliminate gaps and bugs in the GDP series:** India launched a new data series for gross domestic product (GDP) in 2015. This series uses the MCA21 database of firms and was converted into a real series by using a newly-estimated GDP deflator. Technical issues in the estimation of GDP and its deflator and the resulting inconsistencies with high-frequency data have been widely discussed in the media. A Glasnost approach that makes the entire data series and model sets publicly available would take the wind out of the sails of critics and allow for a thorough vetting of the data and its measurement approach.

**The role of states:** There is nothing in the Indian Constitution that prevents states from collecting and publishing their own data. While states can request data from the Centre through both governmental and Right to Information (RTI) means, they can design data systems in their own territories. Very few states do this, and even fewer do it consistently. By providing an important cross-check on state-level production, inflation, labour trends and other indicators, states can serve an important role in further upgrading the quality of national data.

For statistics to be imbued with meaning, the underlying data must be as accurate, open, unbiased and widely available as possible. The use of data for narrative interpretation is not only 'not wrong,' it is integral to a democratic society. But pre-cooked data that serves an opaque 'khichdi' (hodge-podge) of a narrative does not serve any actor in the ecosystem well in the long-term.

P.S.: "Storytelling has a narcotic power," said British novelist Robert Harris





# The IndianEXPRESS

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## WATCHING THE RAIN

As food prices inch upwards, RBI is unlikely to pivot on rates in near term

THE LATEST INFLATION data points towards a continuing dilemma for the monetary policy committee. Retail inflation, as measured by the consumer price index, rose to 5.08 per cent in June, up from 4.8 per cent in May. But this increase was largely on the back of rising food prices. Core inflation, which excludes the volatile fuel and food components, remained subdued, indicating that the underlying price pressures in the economy are muted. With this reading, inflation has now averaged 4.9 per cent in the first quarter (April-June) of the ongoing financial year. This is in line with the RBI's forecast that was released in the last monetary policy committee meeting. But an immediate policy pivot is unlikely.

The disaggregated data shows that food inflation edged higher to 9.36 per cent in June, up from 8.69 per cent the month before. Inflation is elevated in cereals, fruits, vegetables, and pulses. Vegetable inflation has now, in fact, been in double digits for several months, in part reflecting the impact of the heatwave. As food accounts for a higher share of the consumption basket of the poor, they are impacted to a greater extent by these high prices. Much now depends on the rains. While the monsoon has picked up in July, La Nina is expected to emerge only in August. The spatial and temporal distribution of rainfall will have an impact on food output and prices. As on July 15, the area sown under kharif crops is about 10 per cent higher than last year. On the other hand, non-food inflation remains low. In most of the segments such as clothing and footwear, housing, household goods and services, recreation and amusement and education, inflation is below 4 per cent, the personal care segment being the exception. However, there are some upside risks. The recent tariff hikes by the telecom operators will exert upward pressure. There is also uncertainty over commodity prices. Higher crude oil prices — the price of the Indian crude oil basket has risen to \$86.09 per barrel in July, up from \$82.55 in June — could also have an impact.

In the last meeting of the monetary policy committee, two members — Jayanth Varma and Ashima Goyal — had voted to change the policy stance to neutral and to reduce the policy rate by 25 basis points. However, the committee chose to maintain the status quo. Recently, RBI Governor Shaktikanta Das reiterated his position, saying that “it is too premature to talk about interest rate cuts”. Healthy economic growth — the central bank has projected it at 7.2 per cent this year — provides the MPC the “policy space to remain focused on inflation”. As core inflation remains low, greater clarity over the monsoon and the trajectory of food prices will influence policy.

## BILL OF WRONGS

Maharashtra's proposed security law has loose definitions, threatens to criminalise legitimate debate and dissent

CLAIMING THAT THE existing anti-terror laws are insufficient, the Maharashtra government last week tabled the Special Public Security Bill, 2024, to tackle “urban Naxalism.” The Bill empowers the state to criminalise “unlawful activity” by individuals and prescribes stringent punishments against organisations it deems unlawful. While this is precisely the remit of the Unlawful Activities Prevention Act (UAPA), 1976, the principle anti-terror legislation, the framers of the Maharashtra Bill deem it inadequate. While the processes are the same as UAPA, the Bill expands its definition of unlawful activity, bringing under its ambit everything from “being a menace to public order” and “interfering with administration of law,” to “generating fear and apprehension in public” and “preaching disobedience of law.” These descriptions are so loosely worded and vague that they could include legitimate dissent, protest or even mere criticism of the government. This is why Maharashtra's new legislation is disquieting.

The proposed law brings “urban Naxals,” the term that has a political provenance, and one that has been used, controversially, to target students, writers, activists, into the legal vocabulary. In its Statement of Objects and Reasons, the Bill says that the “menace of Naxalism is not limited to remote areas of the Naxal affected states but its presence is increasing in the urban areas.” Its wide provisions seek to equate it with anything that raises questions about the government. It is alarming that a bill that empowers the government to evict the accused from premises and seize bank accounts even before a trial can begin, does not make vital distinctions, like between an active member of an organisation and someone associated with it. The courts have consistently called for a higher bar for the state to invoke stringent laws. The Delhi High Court, in the 2019 Delhi riots case, said that “the more stringent a penal provision, the more strictly it must be construed”. “The extent and reach of terrorist activity must travel beyond the effect of an ordinary crime and must not arise merely by causing disturbance of law and order or even public order; and must be such that it travels beyond the capacity of the ordinary law enforcement agencies to deal with it under the ordinary penal law,” the HC said. In the 2019 Bhima Koregaon cases, the SC has in the last two years granted bail to several accused. The “mere possession of the literature, even if the content thereof inspires or propagates violence, by itself cannot constitute any of the offences within Chapters IV and VI of the 1967 (UAPA) Act...”, the SC said.

The Maharashtra Bill threatens to undercut the constitutional pact between the state and the citizen that protects, not just permits, dissent and debate. A day after the Bill was tabled, the monsoon session of the assembly was prorogued. Given that the state goes to polls in November, the Bill has effectively lapsed. The proposed law must not be revived.

## ONCE UPON A GREAT

Novak Djokovic, the last one of the fabled Big 3, is no longer playing his best game

TIME CATCHES UP with everyone, and 21-year-old Carlos Alcaraz made Novak Djokovic feel every one of his 37 years in Sunday's Wimbledon final. Alcaraz was the defending champion, but while the 2023 title clash was a five-set marathon, it was all one-way traffic a year later. On Sunday, Djokovic was expected to play his part in a befitting contest, but the way he was dismantled by the youngster from Murcia showed that his era of dominance may now be in the past.

It's risky to make such predictions on legends of the game based on one reversal, but it's safe to say that the Serb, the last one of the fabled “Big 3”, is no longer playing his best game. Jannik Sinner beat Djokovic at the Australian Open in January, and Djokovic hasn't won a title yet in 2024. Roger Federer is long retired, Rafael Nadal will be soon, and now Alcaraz has shown Djokovic the writing on the wall. The winner of 24 Grand Slam titles seemed slower to get to balls, missed routine volleys and erred on his bread and butter — the rock-solid baseline game where he just refuses to make errors, returning everything his opponents throw at him with interest. The relentless pressure from the other end and Alcaraz's other-worldly level of game seemed to get to the Serb, who couldn't respond adequately.

The way Djokovic addressed his family after the loss shows that life after tennis may have finally become a consideration for him. He talked about coaching his son Stefan, after referring to daughter Tara's prowess in playing the violin during an earlier match. Sporting greats don't readily concede that they are past their prime, but a humbling on the biggest stage may force them to take a hard look at themselves. Federer won the 20th and last of his Grand Slam titles at the age of 36, as did Nadal. Djokovic is already past that age. The remainder of the year should provide a pointer to his sporting future.



ASHUTOSH VARSHNEY

“EVERY POLITICAL ASSASSINATION is a joint communiqué,” wrote Ashis Nandy four decades ago. “It is a statement which the assassin and his victim jointly... co-author... Even when the killer is mentally ill and acts alone, he in his illness represents larger historical and psychological forces which connect him to his victim.”

We don't know the motivations behind the attempted assassination of Donald Trump on July 13. All we know is that Thomas Matthew Crooks, the 20-year-old gunman, was a registered Republican who also gave money to a progressive cause and who did very well in mathematics and science in high school. Whatever his motives, the implications of the attempted assassination are very serious. They say something about Trump, who is likely to win the presidency again, and something about the moment in which American politics finds itself.

America has a substantial history of political assassinations. Four presidents lost their lives to the bullets of assassins, including Abraham Lincoln (1865) and John F Kennedy (1963). These assassinations, broadly speaking, were committed during a period of intense political polarisation. But Americans also sought to come together after each such act, at least in the short run. An attempt was also made to assassinate Ronald Reagan in 1981, the last such attempt before July 13. Patti Davis, Reagan's daughter, wrote recently: “There was the stunned mood of the country over the days that followed — strangers coming up to me gently, compassionately. Politics became irrelevant, at least for a while... I long for the America that wrapped itself around my family after my father was shot, and I pray we can find that in ourselves again.” (The New York Times, July 14)

Will America come together this time? The chances are slim. Two of the Republican front-runners for Trump's vice presidency have already blamed the attempted assassination on the Democratic party's election campaign. The Democrats have, of course, been recalling January 6, when a mob of Trump's supporters attacked the US Congress. Though this moment can potentially be used to lower the rhetoric and unite the country, one cannot ignore the fact that Trump has of-

Assassination attempt on Trump should also lead to a gun-control debate among Republicans in America

Rural and small-town

America is overflowing with guns, with strong beliefs about their value. Bethel Park, Pennsylvania, where the gunman attacking Trump grew up, is such a town, with a population of a little over 33,000, according to the 2020 census. The great irony of the attempted assassination is that a registered Republican sought to kill the leading presidential candidate of the party that is more favourable to gun ownership in a town that perhaps has an abundance of guns, which Republicans deem desirable for public safety.

ten used rhetoric encouraging violence.

The fundamental issues dividing the country are as old as the American Republic itself, how to combine freedom and inclusion being the most important of them all. Samuel Huntington used the term “creedal passions” for such conflicts. Both freedom and inclusion are integral components of the American creed. But does freedom mean that Americans are also free to exclude groups from the larger political community? This question has repeatedly shaken US politics, leading once to a civil war. The key question then was whether slaves could be brought in as equal members of the nation.

Voting and immigration are the most significant contemporary manifestations of this age-old problem. Framing rules and laws to restrict suffrage is a Republican project today. Minorities and immigrants of colour vote mostly for the Democrats. Attracting communities of colour away from the Democrats could be one way for the Republican party to structure its modern quest for power, but its current belief is that the party would be more successful if the system did not freely incorporate these communities. Many Republicans dread the possibility laid out by the US census that the US will become a White-minority country by the 2040s. The latter used to be the fear of Democrats in the American South in the decades after the Civil War. It is today a Republican fear.

Democracy is a system that, in principle, allows for a non-violent resolution of such conflicts. But America's gun-owning laws add a violent edge to the political struggle. Virtually alone in the modern world, the US allows “bearing arms” as a constitutional right. The Second Amendment, ratified in 1791, affirms this right.

The rationale was two-fold. James Madison, a founding father, argued that a militia could defend a community against oppressive federal armies. Drawing lessons from British colonial rule, the founding fathers were unwilling to give too much power to the national government. The second argument had to do with personal safety. Modern policing came late to the US. In 1838, Boston was the first to develop a police force, followed by New York in 1844 and New Orleans and Cincinnati

in 1852. But this was all urban policing. America became an urban-majority society only in the first decade of the 20th century. Security in the vast rural expanse of the country was left to gun owners. And in the American South, policing essentially meant “slave patrols” ensuring Black submission.

Even today, as the Pew Research Report of 2023 showed, 47 per cent of adults in rural areas of the US are gun owners, a share that drops to 30 per cent in suburbs and 20 per cent in urban areas. The report also revealed some other patterns. Nearly a third of American adults own a gun, the highest such ratio in the world. Moreover, 38 per cent of White Americans are gun owners, as opposed to 24 per cent Blacks, 20 per cent Hispanics and 10 per cent Asians. The Republican-Democrat divergence is also worth noting. Republicans are twice as likely as Democrats to own a gun; 79 per cent of Republicans say gun ownership increases safety, whereas a roughly equal percentage of Democrats say it does not. A similar pattern marks the urban-rural distinction — 65 per cent of rural Americans say owning guns adds to safety, whereas 64 per cent of urban Americans think it leads to lower safety.

In short, rural and small-town America is overflowing with guns, with strong beliefs about their value. Bethel Park, Pennsylvania, where the gunman attacking Trump grew up, is such a town, with a population of a little over 33,000, according to the 2020 census. The great irony of the attempted assassination is that a registered Republican sought to kill the leading presidential candidate of the party that is more favourable to gun ownership in a town that perhaps has an abundance of guns, which Republicans deem desirable for public safety.

In the Republican National Convention in Milwaukee, Wisconsin, this week, it is unclear how, apart from confirming Trump as the party's presidential candidate, the campaign narrative will be formed. Will an intra-party debate on limiting gun ownership be also initiated? Perhaps it is a forlorn hope.

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## THE CANVAS OF LIFE

At 99, Krishen Khanna still captures and illuminates the human condition



VANDANA KALRA

MODERNIST KRISHEN KHANNA'S foray into the mainstream art circuit was serendipitous. His wife was aboard a ship when she came across an acquaintance who knew the artist SB Palsikar. She wrote him a letter requesting him to see Khanna's work. Soon, Palsikar arrived at his studio. Impressed by what he saw, he carried back a small canvas depicting a group of people reading the newspaper after Mahatma Gandhi's assassination. *News of Gandhiji's Death*, the 1948 canvas, was featured at Bombay Art Society's Golden Jubilee Exhibition in 1949 alongside works by the influential members of the Progressive Artists' Group (PAG) that included, among others, M F Husain, S H Raza, F N Souza and K H Ara. Months later, Khanna was inducted into the art collective, forging enduring friendships and embracing their search for a distinct artistic vocabulary for independent India, distinct from the revivalist nationalism of the Bengal School and the colonial academic tradition.

As he turned 99 this month, the sole surviving member of the PAG, Khanna continues to explore new avenues. One of India's most versatile modernists, his expressionist brushstrokes have captured the changing times — from the harrowing realities of Partition to the predicaments of the marginalised. Drawing from epics such as the Ramayana, Mahabharata, and Biblical stories, he has reflected on human struggles and triumphs.

The events that disrupted his life and uprooted him shaped his artistic trajectory as

Dubbed ‘banker-painter’ by art critic Richard

Bartholomew in the '50s, Khanna continued to manage both professions till 1961, when he quit Grindlays to become a full-time artist. He had the support of his artist-friends. On his last day at work, Husain, V S Gaitonde and Bal Chhabda were waiting for him at the door. They celebrated with tea, followed by dinner. S H Raza hosted a party in Paris.

well. Born in Lyallpur (now Faisalabad, Pakistan) in undivided India, he was 13 when he received the Rudyard Kipling Scholarship to study at the Imperial Service College in Windsor. The upheaval of World War II brought him back to Pakistan, where the trauma of Partition awaited. As his family relocated from Lahore to Shimla, the violence and bloodshed he witnessed left an indelible imprint. Recollections from the period continue to surface in his paintings. If his 1947 oil *Refugee Train Late 16 HRS* portrays figures uncertain of their fate as they wait to cross the border, in *Benediction on the Battlefield*, while depicting the moment when the Pandavas pay obeisance to Bhishma before he passes away, Khanna also reflects on the traumas that victory overrides.

He first arrived in Mumbai in 1948 as an employee at Grindlays Bank. The city, which had emerged as a centre for arts, fostered his creative pursuits. Having briefly attended evening classes at the Mayo School of Art, and learnt drawing at artist Sheikh Ahmed's Studio One in Lahore, he began painting late into the night. Dubbed “banker-painter” by art critic Richard Bartholomew in the '50s, Khanna continued to manage both professions till 1961, when he quit Grindlays to become a full-time artist. He had the support of his artist-friends. On his last day at work, Husain, V S Gaitonde and Bal Chhabda were waiting for him at the door. They celebrated with tea, followed by dinner. S H Raza hosted a party in Paris.

The ensuing years were financially challenging but creatively fulfilling. Khanna moved to Delhi with his family, where he accepted a monthly stipend to paint for Kumar Art Gallery. While he experimented with mediums, from photography to sculpture, the human condition remained central to his oeuvre. He also travelled. His 1962 trip to the Far East under a Rockefeller fellowship inspired him to produce a series of *sumi-e* (Japanese ink on rice paper) paintings. Exposure to abstract works of artists such as Mark Rothko during a residency in Washington in 1964 influenced his understanding of the genre.

The letters he exchanged with members of the PAG, spanning various cities and years are now valuable archives not only of their shared past but as documents that capture developments in Indian art. His evocative tribute to their camaraderie includes an interpretation of Leonardo da Vinci's *The Last Supper*. In *The Last Bite* (2005), he portrays his contemporaries — including Akbar Padamsee, Tyeb Mehta, Souza, Bhupen Khakhar and Manjit Bawa — gathered around a Christ-like Husain in a restaurant. The scene is also perhaps symbolic of the origins of Khanna's artistic pursuits. At seven, his father had introduced him to the da Vinci work with a copy brought back from a trip to Europe. Khanna's attempt at replicating it had earned him praise, igniting his lifelong passion for art.

vandana.kalra@expressindia.com

## JULY 16, 1984, FORTY YEARS AGO

KAR SEVA ACCORD

THE SHIROMANI GURDWARA Parbandhak Committee (SGPC) at a July 14 meeting in Amritsar decided on a tentative schedule to resume Kar Seva in the Golden Temple. The meeting, attended by two high-ranking Army generals, reached an understanding that the premises will not be used for political purposes. The SGPC also gave an undertaking that arms other than traditional weapons will not be allowed.

NC RALLY CANCELLED

THE OUSTED CHIEF minister of Jammu &

Kashmir, Farooq Abdullah, was not allowed to take out a procession of party workers from the National Conference's headquarters to the martyrs' graveyard near Khanyar in Srinagar, on July 14. Police authorities advised against the procession due to ban orders throughout the city. Abdullah blamed the “defector” government and added that they didn't want him to pay homage to martyrs.

THATCHER VS MINERS

BRITISH DOCK WORKERS joined the miner's strike, threatening to bring the UK to a standstill. However, Prime Minister Margaret Thatcher has said she would not allow a

small minority of protesters, around 2,00,000, to bring the UK to a standstill. She also added that she was not afraid of using emergency powers and deploying troops.

ZIA'S ADVICE TO SIKHS

PAKISTAN PRESIDENT ZIA-ul-Haq advised Indian minorities, including Sikhs, to look to New Delhi for redressal of their grievances. In an interview with a group of visiting Indian journalists, he condemned the use of religious places for storing arms and carrying out political activities. Zia said politics and religion were inseparable but added: “Politics is politics.”



# In the name of flood control

Scale and impact of embankments have fundamentally altered the relationship between rivers and Assam’s residents. Warnings have not been heeded



ARUPJYOTI SAIKIA

ASSAM’S GEOGRAPHY IS a product of various influences. These include the mighty eastern Himalaya, its fragile geology and forested landscape, the effect of the south-west monsoon, the turbulence of the Bay of Bengal, hundreds of braided and meandering rivers, a complex biodiversity, and billions of tons of sediment originating from the Himalaya. Assam and its neighbours have never escaped from these commandeering natural features. The state’s annual floods are a by-product of these. The months of July and August are infamous for the suffering they bring to the state’s people and wildlife.

Are floods unusual for Assam? The answer is no. But a wide range of evidence suggests an increase in the intensity and impact of the annual floods after the Assam earthquake of 1950, recorded at a moment magnitude of 8.6. This earthquake, like many earlier ones (for instance, the one in 1897), introduced several changes in Assam’s environment. The imprints of these changes were stamped onto Assam’s rivers, including on the powerful Brahmaputra, other water bodies, and paddy fields, amongst others, most of which failed to revert to their original state. The environmental crisis of 1950 aggravated Assam’s annual flooding pattern. The effects were felt from 1952 onwards.

How has Assam’s population coped with recurrent floods? As early as 1950, Assam had asked the Government of India to build embankments to help the state overcome overwhelming floods. A committee appointed by the government in 1951, headed by G R Garg of the Central Waterways, Irrigation and Navigation Commission, thought otherwise. The Garg committee warned against any move to build embankments. It insisted that “in nature’s economy, land building and drainage of its basin are the two main functions of a river” and that embankments might serve a useful purpose if the rivers were stable and carried little silt. But if the rivers carried huge amounts of silt, Garg warned, “embankments would probably cause more harm than good. This will also upset (the) land building process and drainage systems.”

Despite such apprehensions, Assam pushed for embankments. Between the 1950s and 1970s, thousands of kilometres of embankments were constructed along the Brahmaputra, the Barak, and their numerous tributaries. Drawing from local field experiences, broad guidelines drawn from engineering manuals, and the collective intelligence of bureaucrat-engineers, contractors and labouring masses, these embankments were constructed at an enormous speed. Technological and ideological inspiration to build these muddy embankments was drawn mostly from the American and Chinese examples of dykes and embankments. Global experts, too, frequented the state to understand Assam’s flood woes and to guide Indian technocrats in resolving the state’s annual floods. To oversee such a mammoth infrastructural project, the need for an overarching institution, having adequate political, legal, and technological mandate, was felt. The es-



C R Sasikumar

tablishment of the Brahmaputra Board in 1982, which had several avatars, was a result of this.

These embankments were the first major direct intervention aimed at controlling water flow on such a vast scale. Embankments had a simple goal: They would restrict the river from flooding fields and damaging crops, properties and livestock but they would keep the fields adequately wet. These embankments were constructed using government finance. Assam had to part with a significant portion of its annual income to build and sustain this infrastructure.

The earliest response to this massive infrastructure was a mixed one. Many voiced concerns as they noticed a severe waning of the environmental vitalities of their localities. Paddy fields needed more artificial manure as flood waters stopped replenishing these fields with nutrients. Others expressed relief as the embankments gave them a sense of protection for their crops, properties and livestock.

As these institutions and ideas to control nature took firm footing, the rivers and their natural systems appeared pliable to the human imagination. These eventually became an integral element of the Brahmaputra Valley’s watery landscape. The embankments helped instil confidence among the rural population. But the sense of relief was short-lived. Aided by many forces, including holes made by rats, deluges continued to defy these walls. Yet, despite regular setbacks and the decided failure of the embankments, engineers, technocrats, contractors, elected representatives,

Evidence suggests an increase in the intensity and impact of the annual floods after the Assam earthquake of 1950, recorded at a moment magnitude of 8.6. This earthquake, like many earlier ones (for instance, the one in 1897), introduced several changes in Assam’s environment. The imprints of these changes were stamped onto Assam’s rivers, including on the powerful Brahmaputra, other water bodies, and paddy fields, most of which failed to revert to their original state.

and a section of the population collectively pushed for the expansion of embankments.

The scale and impact of embankments fundamentally altered the relationship between rivers and Assam’s residents. But since then, as the umbilical connection between rivers and land was disrupted because of the presence of these embankments, their vitality slowly declined. As the floodplains became drier, human habitation moved closer to the river, putting their lives and properties at risk. This was predicted by Garg in 1951.

After two decades of living with embankments, India’s water technocracy, especially the National Flood Commission (1976-1980), expressed concern about embankments as a solution to Assam’s floods. It concluded that post-embankment Assam’s situation had been made worse with the coarse silt and sand that rivers had deposited on the beds and banks. The river beds were now often above the countryside, the Commission warned. This dangerous situation would bring devastation when embankments would be breached.

New construction of embankments has significantly disappeared since then but the institutions and ways of thinking of the previous decades continue to run after their goal of flood control in the Brahmaputra basin. Garg’s warning echoes as Assam grapples with the consequences of ignoring the region’s complex riverine history in flood-control projects.

The writer is a Guwahati-based environmental historian. Views expressed are personal

## WHAT THE OTHERS SAY

“Anti-incumbency sentiment and economic hardship have been factors in shaping voters’ choices, across multiple elections this year.” — DAWN (PAKISTAN)

# News, as you like it

Reuters Digital News Report 2024 findings signal important shifts. News is increasingly something that is shareable, strikes an intimate chord



PAMELA PHILIPOSE

THERE IS A time-honoured question that gains importance every time news production is mediated by new technologies: What is news? Was the news published in pre-Independence India the same as the news of the Manmohan Singh era? Is the news that breaks on a television screen the same as the news generated through social media? Questions of this kind help to dispel the idea that news is something fixed and immutable. Sure, there are commonalities between various versions of news, but what is more relevant is that there are enormous differences, too.

The Reuters Digital News Report 2024, surveying data from across 47 national markets, prods us to reexamine the nature of news in a rapidly transmogrifying media environment. Some of the differences between various versions of the news are created by the values that go into discerning which events/occurrences in our daily lives deserve to be considered as newsworthy. Newspapers across the world wear their notions of news on their sleeve. *The New York Times*, for instance, claims to publish “All the news that’s fit to print”. Fox News tried to strut with a tagline that went “Fair and balanced”, but in 2017 this was rightly hooted out as unsuitable for its particular brand of news, which is anything but. This newspaper, *The Indian Express*, has the line “Journalism of Courage” to define it. Embedded in taglines of this kind are clues as to what each entity regards as the values that shape the manner in which it moulds news out of the clay of mere information.

While both the selection and treatment of news are basic to this process, as also the socio-political exigencies and economic constraints that backdrop it, what has changed in the internet era is the arrival of horizontalism. The vertical structures of newsmaking of the earlier days have suddenly been upended by the phenomenon of the network: The reader/viewer/scroller can now not merely choose their news from innumerable sources, but can mutate into becoming news sources themselves by sharing, editing and disseminating the stuff they put out on social media.

Digital disruption is, in fact, no longer the cute new kid on the block — it is now a sturdy lad with a taste for murder. The Reuters Digital News Report dwells on what it terms the “crisis” pervading the global news media ecosystem today. Some of the factors cited are known: The rise of mis- and disinformation; the decline of trust; the attempts by politicians and vested interests to capture the news-creating process; and the whole question of financial sustainability.

But there are new insights too that demand engagement. The first is that those big Silicon Valley giants, that have assumed commanding heights at the NASDAQ, are in it for themselves. They may claim to be committed to freedom of

speech but even that could be iffy. They are absolutely not interested in helping to generate credible news. In fact, many of them, according to this report, are “actively reducing the prominence and role of news on their platforms, and moving further away from a reliance on links driving referrals to publishers”.

While some like Facebook are actively deprioritising news and political content, others wish to grow audiences by “pushing more fun and engaging formats — including video” — to keep their loyalties going. If this is “news”, it is news that can be promoted by anybody and their cat. Videos, particularly the short form video of a few minutes or less, seem to be the most preferred format, especially for younger audiences. Added to this is a new disrupting detail: Artificial Intelligence. AI, according to this report, is introducing a new dynamic peopled not by humans but by chatbots, which in turn are driven by user data, not concerns like relevance and public good. AI has also dragged in a fresh threat to credible news — the deep fake.

Changes in the external environment of media consumption are also worth registering. Readers, watchers and scrollers, buffeted by free-floating media, now seem to have a sharply diminished appetite to pay for online content. The report notes that growth in news subscriptions is poor: Just 17 per cent paid for their online news, and this was among the 20 richer countries; in much of Asia, online media consumption seems to be based on the understanding that it comes with no bill attached. There is also, in some markets, a disturbing fatigue for news, leading to news avoidance. This could be partly attributed to long-running news stories like the conflicts in Ukraine and Gaza.

This country, though, appears to have bucked this trend of disengagement — although the data needs to be read with the disclaimer that its respondents were mainly English-speaking, online users. India has always had an active news market and the report notes that trust in news from both legacy and digital sources increased slightly in 2024, standing at 41 per cent, with legacy media brands “tending to retain the highest levels of trust”. But other trends show how social media like YouTube (54 per cent) and even WhatsApp (48 per cent) have emerged as important news sources.

The appeal of charismatic influencers on YouTube, or a news portal that is in sync with one’s personal worldview, is easy to understand. Influential commentators in a newspaper, or legacy media more generally, would find it difficult to strike a similar, intimate chord. But digital’s biggest asset, arguably, is its “shareability”, the ability to allow news users to assert their agency while engaging with something that makes them laugh, cry or rant against. Some 45 per cent of Indians share news. It appears then that Indian media users are increasingly opting to create their own news ecology, one where they feel comfortable and safe.

The findings in this report could be ephemeral, but they need to be read as important signposts in a news landscape where change is the only constant.

Philipose is the author of *Media’s Shifting Terrain: Five Years that Transformed the Way India Communicates*



SUSHMITA DEV

# A vote for federalism

Message from general election, bypoll results: States’ rights must be protected

APART FROM BEING a vote on basic daily issues like *naukri*, *mehangai*, *roti*, *kapda aur makaan* and the rights of the deprived in the Constitution, the 2024 general election results also have an underlying message: India cannot be controlled by a centralised, authoritarian and monolithic regime. Article 1 of the Constitution of India reads, “India, that is Bharat, shall be a Union of States”. Without explicitly mentioning the term “federalism”, the makers of modern India gave prominence to the states through several provisions, particularly the 7th Schedule. June 4 cemented this underlying ideal, and the people told us that the Bharatiya Janata Party’s narrative of “One Nation, One This; One Nation, One That” must be abandoned. It was, therefore, no surprise that the first session after the general elections saw a resurgent Opposition in Parliament and a weakened BJP.

The 2024 general election marked a shift away from PM Modi’s centralised governance approach, with regional parties gaining ground in various states. It is significant that India officially has only six national parties. However, the Opposition’s increased strength comes from the state-level successes of parties like the AITC, DMK and SP. The NDA too secured its numbers to form the government from parties like the JD(U) and TDP — none of these are among the six national parties.

The sum and substance of this is: If the

INDIA bloc wants to hold steadfast and keep inching towards forming the central government, it must guard its set of state governments, which account for about 100 seats, including states like Karnataka and Telangana. Similarly, if the NDA bloc wants a stable government, it must serve the interests of its regional state partners in Andhra Pradesh and Bihar.

PM Modi’s Viksit (developed) Bharat agenda must bow to India that is a “Union of States”, and the INDIA bloc must forcefully defend the powers of the states carved out by the Constitution in our quasi-federal structure.

More significantly, a Viksit Bharat is an impossibility without the growth of and contributions from large Opposition-ruled states like West Bengal, Tamil Nadu and Karnataka, to name a few. The contribution of these three states to the national economy is at 5.6 per cent, 8.8 per cent and 8.38 per cent, respectively, while their state GDP is at 16 per cent, 10.5 per cent and 9.4 per cent. The PM may have referred to “competitive cooperative federalism” in his speech on July 2 in Lok Sabha, but his actions have only weakened the welfare and legislative agenda of the states. Centralisation of powers and discriminatory treatment have been at the core of PM Modi’s governance model.

The state of West Bengal and Chief Minister Mamata Banerjee have been a tar-

get ever since the defeat of the BJP in the 2021 assembly elections. There are several glaring examples of the extreme corrosion of the state’s powers, finances and image by the BJP. It started with all 77 BJP MLAs being granted security by central forces after the 2021 assembly elections on the pretext of post-poll violence. This flies in the face of the kind of unbridled violence that the BJP government allowed in Tripura. Governors of West Bengal have not only crossed the line of decency in their communication with the CM. They have repeatedly crossed the line of constitutionality by withholding assent to important bills and disregarding the state’s will on important issues; for example, the West Bengal government had to go to court over the issue of CBI investigating cases in the state without taking its consent, as required under Section 6 of the Delhi Special Police Establishment Act. Not only did the NDA government, without proper consultation and debate, bring in three criminal laws that have changed the criminal justice system drastically, in June it also held a conference on the subject in Kolkata without the involvement of the state government. This, even though law and order is a state subject, and its implementation lies with the CM herself, who also holds the Home portfolio.

The Centre has denied West Bengal about Rs 1.16 lakh crore, owed on account of centrally-sponsored schemes. All social

schemes like the MGNREGS, National Health Mission, PMSY and PMGSY have huge outstanding amounts, withheld by the government of India. The state has replied to a plethora of enquiries from the Centre but it has been in vain. What is worse, states with BJP governments have been compensated despite irregularities. The West Bengal government not only paid dues owed by the Centre to job card holders, it has also commenced a state scheme — Karmashree Prakalpa — to ensure work, which is a right guaranteed by a central act.

“One nation, one election”, “one nation, one exam”, amendments to the Essential Commodities Act that curtailed states’ powers, and deprivation of compensation to states under the flawed GST regime are all glaring examples of federalism under attack. The modus operandi is clear — to weaken states where the BJP has been repeatedly defeated. The bypoll results of July 13 bear testimony to the threat that the Opposition’s electoral success in states poses to the BJP. In the following five years, the Opposition must focus on aggressively guarding the country’s federal structure and the state parties that are acting as a crutch supporting the current NDA government must also be agile in protecting their rights.

The writer is Rajya Sabha MP. All India Trinamool Congress

## LETTERS TO THE EDITOR

### ATTACK ON TRUMP

THIS REFERS TO the editorial, ‘Aiming at democracy’ (*IE*, July 15). It’s a wonder that while other nations have progressively tightened controls over firearms, in the US, similar laws do not get passed as many Americans fear that they would impinge on their right to bear arms. Even as mass shootings in streets, campuses and public squares continue, it is ironic that barriers to mail-in voting are sought to be erected with little concern for the fact that guns can be delivered to one’s doorstep by registered mail.

Janaki Narayanan, Mumbai

THIS REFERS TO the editorial, ‘Aiming at democracy’ (*IE*, July 15). The shocking attack on Donald Trump has exposed the threat posed by gun culture. It has brought the country to the brink of fragmentation, impacting democratic processes and institutions. While the attempted assassination was foiled and the shooter was killed, the incident exposed the chinks in the security and intelligence apparatus of the country.

Ravi Mathur, Noida

### CHANGE IN NEPAL

THIS REFERS TO the editorial, ‘Kathmandu turn’ (*IE*, July 15). The adage

that there are no permanent enemies and no permanent friends, only permanent interests in politics, would be an understatement in the context of Nepali politics. On Saturday, Pushpa Kamal Dahal of the Communist Party of Nepal (Maoist Centre) lost a trust vote. The loss was a foregone conclusion after the Communist Party of Nepal (Unified Marxist-Leninist) withdrew support from the CPN(MC)-led government and joined hands with the opposition Nepali Congress. Since Nepal transitioned from an absolute monarchy to a full-fledged republic, it has been marked by instability, leading to poor governance.

Khokan Das, Kolkata

### COURT, NOT TEMPLE


THIS REFERS TO the article, ‘The law is human, not divine’ (*IE*, July 15). The Chief Justice of India incorrectly said that describing the court as a temple of justice and equating judges with gods is dangerous. Humans are prone to error, and religion can introduce bias. Religion should remain a private matter, and court offices should not display religious images, as this might alienate citizens of other faiths. Public offices should follow the Constitution as their guide, respecting India’s religious diversity.

Aju Corriea, Vasai



# In SC verdict on Assam man, humanising of citizenship law

EXPERT  
EXPLAINS



FAIZAN MUSTAFA

THE SUPREME Court last week declared Assam resident Md Rahim Ali a citizen of India, throwing out the decision of a Foreigners' Tribunal in the state. The historic judgment written by Justice Ahsanuddin Amanullah for himself and Justice Vikram Nath also clarified the law in cases of allegations of foreign nationality, and discharge of the burden of proof by the person under scrutiny.

## Facts of the case

Ali was born in Dolur village in Barpeta district, and his parents' names appeared in the voters' list of 1965. A document shows his parental residence in Dolur prior to 1965. His own name, along with his siblings', appeared in the voters' list of 1985.

After getting married in 1997, Ali moved to Kashimpur in Nalbari district, and his name was included in the voters' list of that year, along with his new residential address.

In 2004, on the instruction of the super-intendent of police of Nalbari, one S-I Bipin Dutta inquired into Ali's nationality. Since Ali could not produce documentary evidence of his nationality within a week, a case was registered against him.

Because of minor discrepancies in spellings and dates in the documents produced by Ali, the Foreigners' Tribunal (FT) passed an *ex parte* order declaring him a foreigner after he failed to appear, subsequent to a first appearance before it, due to ill health.

After the High Court upheld the declaration, the Supreme Court asked the FT to examine the documents. This time, on the apex court's orders, the FT gave Ali a hearing, but again declared him a foreigner, holding that he had entered India illegally on or after the cut-off date of March 25, 1971.

## On the burden of proof

Section 9 of The Foreigners Act, 1946, puts

the burden of proof on the person who is alleged to be a foreigner. However, as the SC said in its judgment, "the question is that does Section 9...empower the Executive to pick a person at random,...tell him/ her/ they/ them 'We suspect you of being a foreigner', and then rest easy basis Section 9?"

The SC noted that there was not "an iota of evidence" against Ali, and no information or material was on record about who had filed the complaint and on what basis, and from where specific information about him being from Mymensingh in Bangladesh had come.

While the burden of proof may be on the accused under the Foreigners Act, this burden is to be discharged only after the state has shared the material on which the allegation is founded, the court said. The supply of this material is an integral part of the classic rule of natural justice, *audi alteram partem*, i.e., no one shall be condemned unheard.

"In the absence of the basic/primary material, it cannot be left to the untrammelled or arbitrary discretion of the authorities to initiate proceedings, which have life-altering and very serious consequences for the

person, basis hearsay or bald and vague allegation(s)," the court said in a strongly-worded paragraph of the judgment.

Relying on the five-judge verdict of the SC in *Mukesh Singh vs State* (2020), the court said that even in cases of a reverse burden of proof, the initial burden, which exists on the prosecution, must be satisfied.

As per the judgment in *Noor Aga vs State of Punjab* (2008), some basic facts must first be proved by the prosecution even in cases of reverse burden of proof. It is a settled principle of criminal jurisprudence that the more serious the offence, the stricter is the degree of proof.

## Discrepancy in spellings

The judgment will alleviate the anxieties of many people who, following the enactment of The Citizenship (Amendment) Act, 2019, and the proposal to have a nationwide National Register of Citizens (NRC), are worried about minor spelling mistakes in their and their parents' names, or similar discrepancies in dates.

"Variation in name spelling is not a foreign phenomenon in preparation of the

Electoral Roll," the SC said. "A casual entry by the enumerators when noting and entering the name(s) and dates of birth(s) as also the address(es)...while making preparatory surveys...cannot visit the appellant with dire consequences. Moreover, in our country, sometimes a title is prefixed or suffixed to a name such that the same person may be known also by one or two aliases," it said. "The Tribunal seems to have been totally oblivious to all this."

## Foreigners' Tribunals

Foreigners' Tribunals were established under The Foreigners Act, a colonial legislation that preceded the Constitution of India, and which was meant to deal with foreigners rather than citizens.

They were established in 1964 by an executive order of the Home Ministry, even though under Article 323B of the Constitution, tribunals may be established by "the appropriate legislature" by "law".

Under Section 2(a) of the 1946 Act, "a foreigner means a person who is not a citizen of India". Thus, it will be applicable only to per-

sons against whom there is strong evidence of being a foreigner in the sense that they were caught while entering India, or they were in possession of a passport of another country.

However, about 3 lakh people in Assam were declared Doubtful Voters in 1997 and in subsequent years by low-ranked government officials without any inquiry or notice. They were excluded from the Assam NRC, and they now face the FTs.

Although Paragraph 3(1) of Foreigners' Tribunal Order of 1964 mandates that notices shall mention the "main grounds", notices issued by FTs generally do not mention any ground, and people have to defend themselves without knowing the charges.

Until March 2019, as many as 1.17 lakh people had been declared foreigners, including 63,959 *ex parte* declarations. The judgment by Justices Amanullah and Nath could have an immediate positive bearing on thousands of other cases pending with the FTs.

*Prof Faizan Mustafa is Vice Chancellor of Chanakya National Law University, Patna. Views are personal.*

## EXPLAINED GLOBAL

# WHAT TO EXPECT AT THE REPUBLICAN NATIONAL CONVENTION

DONALD TRUMP will receive his party's official 2024 nomination for president during the four-day Republican National Convention in Milwaukee which began on Monday, just days after the former president survived an assassination attempt.

The convention will feature televised speeches by rising Republican stars and Trump's choice for a yet-to-be-announced vice presidential running mate. It will also highlight the party's stance on various topics such as abortion, immigration, and the economy.



A police officer stands at the RNC venue in Milwaukee. Reuters

## How does the convention work?

The quadrennial event is being held at the Fiserv Forum arena in Milwaukee, Wisconsin, one of a handful of swing states that can go for either party and play an outsized role in deciding November's election.

More than 50,000 people, including hundreds of journalists from around the world, are expected to attend.

Party delegates from all 50 states and six US territories will officially select nominees for president and vice president at the convention.

Trump secured the vast majority of delegates during the state-by-state Republican nominating process earlier this year, so his selection in Milwaukee is assured and considered a formality.

Trump will formally accept the nomination with a speech on Thursday, the final night of the convention.

## Why do party conventions matter?

The event is an opportunity for the party to get lots of free publicity and rally supporters across the country for an election that could hinge on turnout.

The convention has historically been a time for leading figures and up-and-coming lawmakers to get valuable airtime to deliver potentially memorable speeches on the main stage.

The Republican National Committee has announced themes for each of the four days.

Monday focused on how Trump would "turn the page" on Biden's economic agenda; Tuesday will outline Trump policies to target crime and support law enforcement; Wednesday will feature plans to stem immigration at the southern border with Mexico and improve foreign policy, and Thursday will center on Trump's overall strategy for strengthening the country.

## What is the party's policy platform?

The Republican Party's platform, a formal statement of policy positions, was approved by its platform committee and released last week. It will be formally adopted during the convention.

The 16-page platform embraces Trump's position that the issue of abortion is to be determined by individual US states. It makes no mention of a federal ban or protecting a foetus as a person under the US Constitution – tenets that have been included in past platforms and were demanded by a cadre of influential evangelical Christians.

The platform, which is not binding, also pledges that Trump and Republicans will build a missile defence shield over the United States, carry out "the largest deportation in American history" of people in the country illegally, make permanent Trump's signature tax cuts and pass "large tax cuts for workers." **REUTERS**

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# Why does government of Pakistan want to ban Imran Khan's political party?

ALIND CHAUHAN  
NEW DELHI, JULY 15

IMRAN KHAN'S party Pakistan Tehreek-e-Insaf (PTI) will be banned for allegedly trying to create unrest in the country, the Pakistani government announced on Monday.

It also said that Imran, the jailed former Prime Minister, Arif Alvi, a founding member of the PTI who served as President of Pakistan from 2018-24, and Qasim Suri, a PTI member who was Deputy Speaker of the National Assembly from 2018-22, will be charged with treason.

"In view of the foreign funding case, May 9 riots, and the cipher episode as well as the resolution passed in the US, we believe that there is very credible evidence present to have the PTI banned," Information Minister Atta Tarar said.

## EXPLAINED GLOBAL

What are these cases, and the "May 9 riots"?

## Foreign funding case

In 2014, one Akbar S Babar, a founding member of the PTI who was expelled from the party in 2011, filed a petition to the Election Commission of Pakistan (ECP) alleging that PTI had illegally received millions of rupees in foreign funds between 2009 and 2013.

In 2018, the ECP set up a scrutiny committee which, in its report released in January

2022, said PTI had received funding from foreign nationals and companies (which is illegal in Pakistan), under-reported funds, and concealed dozens of its bank accounts.

"According to the report, the party under-reported an amount of Rs 312 million over a four-year period between FY 2009-10 and FY 2012-13. Year-wise details show that...over Rs 145 million was under-reported

in FY 2012-13 alone," *Dawn* said in a report.

An investigation by the *Financial Times* in July 2022 showed that PTI received funds from Arif Naqvi, founder of the Dubai-based Abraaj Group, and Sheikh Nahyan bin Mubarak al-Nahyan, a member of Abu Dhabi's royal family.

The following month, the ECP found PTI guilty of accepting funds from overseas Pakistanis. But in April 2023, the Islamabad High Court said there was not enough evidence to connect Imran with the prohibited funding his party is said to have received.

## The cipher case

The case pertains to the disclosure by Imran of a classified cable (or cipher), which was sent to Islamabad by Pakistan's ambassador in Washington in early 2022. Imran claimed that the cable – which allegedly contained a "threatening message" from the US – was proof that the Americans were involved in his removal as Prime Minister. Imran was ousted from office in

PTI workers chanting slogans in Karachi on July 12. Reuters

April 2022 after he lost a no-confidence vote in Parliament.

In August 2023, the American news outlet *The Intercept* reproduced a portion of the purported cable. It contained an account of a purported meeting that took place on March 7, 2022, between US officials and the

Pakistani ambassador, at which the Americans purportedly expressed displeasure at the neutral position taken by Imran on Russia's invasion of Ukraine.

Soon after the publication of the report, Pakistan's Federal Investigation Agency (FIA) registered an FIR against Imran under Section 5 of the Official Secrets Act, 1923 for making the contents of the classified cable public.

In January this year, Imran was convicted of treason, and was sentenced to 10 years in the cipher case. However, on June 3, an appeals court overturned this judgment and acquitted him in this case.

## May 9, 2023 riots

On May 9, 2023, a series of riots rocked the country over a period of around 24 hours. The violence began soon after Imran was arrested in a corruption case from the premises of Islamabad High Court.

Thousands of PTI workers hit the streets in several cities, demanding Imran's

immediate release. The rampaging mobs damaged about 40 public buildings and military installations, including the residence of a top military commander in Lahore, and the Pakistani military's headquarters in Rawalpindi.

"In total, 62 outbreaks of violence were documented, inflicting a loss of Rs 2.5 billion on the country, of which, according to the State, Rs 1.98 billion in losses were suffered by the army," *Dawn* reported. At least 10 people were killed and hundreds were injured.

The rioting was seen as the culmination of the tensions between Imran and the Pakistan Army, especially after the former PM's ouster. The Army responded by cracking down on the PTI's leaders and workers. In the weeks that followed, more than 100 PTI leaders left the party.

Several cases were registered against Imran for allegedly inciting the public. On Monday, the Lahore police arrested Imran, who is already in jail, in connection with a dozen cases pertaining to the riots.

epaper.indianexpress.com







## CATALOGUE PURI TEMPLE TREASURES WITH CARE, FOCUS ON CONSERVATION

By reopening the Puri Jagannath temple's Ratna Bhandar on Sunday, the Odisha government has ended a 46-year-old quest to catalogue the treasures of the 12th century shrine. An 11-member expert committee broke open three locks of the treasury's inner chamber, whose contents were last inspected and audited in 1978. The BJP state government made elaborate arrangements as it fast-tracked the process—devising protocols for reopening in consonance with temple laws and tending to the logistical priorities. The exercise was followed with great curiosity from across India.

It is no small feat, considering the big narrative built around the issue for the last six years—since a reopening was unsuccessfully attempted in 2018. In the recent general elections, the BJP reaped rich electoral dividends by making the Ratna Bhandar reopening a major poll plank against the Biju Janata Dal. What makes the achievement even more momentous is that five chief ministers—under Congress, Janata Dal, NDA and BJD regimes spanning over four decades—had remained reluctant to open the treasury of one of India's most revered places of worship for audit. By making it happen, the four-week-old Mohan Majhi-led government has broken through a long-held political and administrative resistance to the idea.

Having delivered on its promise, the BJP government must take this forward with care. It must investigate the curious case of the keys, which were in possession of the district treasury, failing to open the locks to the inner chamber, prompting the use of cutters. The status of the original keys must not be left to speculation and any semblance of foul play must be eliminated with a probe. Similarly, after the valuables are shifted, the Ratna Bhandar must be handed over to the Archaeological Survey of India for assessment and conservation. Its structural safety and restoration is a top priority and the most fitting conservation strategy must be adopted. Every content of the treasury must be thoroughly examined and matched with the audited list from almost half a century back. Any mismatched or missing article should be taken up with utmost seriousness. The contents of the treasury are an invaluable link to the history of Odisha, Kalinga, Odra and the many other avatars the state has gone by through the ages. Now they can help unravel unknown chapters from its glorious past.

## LEO MESSI TRANSCENDS FATE, FOOTBALL HISTORY

There was a point in Lionel Messi's career when it looked like the holy grail would elude him forever. Messi had featured in four major cup finals for Argentina, including at the 2016 Copa America but had been thwarted each time. After that 2016 final, he decided enough was enough and announced a shock retirement amid a flood of tears. To rub salt, he saw his great rival Cristiano Ronaldo play a part in Portugal winning the European Championships three weeks later. The noise had become toxic as even his compatriots openly questioned whether he cared enough. At the peak of his powers, one of the world's greatest players was mocked because of an inability to deliver gold for his country's senior team. Those accusations seem like a footnote today. It's almost unreal how this late-stage Messi has gone on to rival that other great Argentine legend—Diego Maradona—in terms of winning big titles for his country. After Sunday night's Copa America final—won dramatically thanks to an extra-time goal by Lautaro Martinez—Messi has now won four senior cups, including the 2022 Finalissima or European South American Nations Cup, in the last three years.

While the 37-year-old's role in this edition of Copa America was, at best, a supporting one, he retains the respect of his side. The effect of his understated approach to leadership is there for all to see. The moment Martinez scored the goal, Messi, who had taken a nasty knock on an ankle before being subbed, was hugged—the players wanted to win it for him. This period of Messi will be remembered as when he shut down the remaining haters. He has also ended the debate about the best player in the world.

Will his body stay the course for two more years for a World Cup on US soil? Will he even want to push for it? These are questions only he can answer, for Argentina will leave that call to their captain. For the time being, the genius continues to adapt and move with the times. This time, the Finalissima will be between continental giants Argentina and Spain—old vs new, Messi vs Lamine Yamal. Spain's victory against England in the Euro 2024 final established it as the team to look out for. For now, let's enjoy some Messi magic till he announces his retirement.

### QUICK TAKE

#### CANNON TO THE RIGHT

US federal judge Aileen Cannon has dismissed the case against Donald Trump that showed he had kept classified documents after leaving office and then allegedly conspired to avoid giving some of them back. The judge was chided earlier in the case by a higher appellate court for an inappropriate procedural judgement. Now, her ground for dismissal—that the prosecutor, Special Counsel Jack Smith, was not appointed through proper procedure—threatens to upend all other federal cases against Trump. The dismissal of such landmark cases on procedural grounds would reflect poorly on at least one branch of the US government, depending on whether Cannon's ruling survives on appeal.

The writing is on the wall: India is ageing rapidly. The hitherto 'youngest nation of the world' will become a nation of older people sooner rather than later. Better healthcare, preemptive management of health and the proactive wellness movement all around us will spur this trend further into becoming a nation of older people.

Data out in public domain claims we were a nation of 149 million people above the age of 60 on July 1, 2022, which means 10.5 percent of our population was in this age group. Two years have passed since, and this number must have grown. The prognosis for the years ahead seem robustly tilted to the 60+ segment. A United Nations estimate says India will host 227 million—15 percent of its population—of the 60+ by 2036. This balloons to 347 million by 2050. By the end of the century, India is set to be a nation that has 36 percent of its population as those above 60. Sixty is therefore a number to behold and cherish, a number to focus our future efforts on.

The population of 60+ Indians beats the population of all of Russia today. That's quite large. In terms of sheer numbers, when you manage a population as large as that, it is time for everyone to wake up and take note of grey-haired folks in our midst. This holds good for governments, policymakers, the private sector, and, importantly, marketers who cater to the needs and wants of this segment. Not very strangely, each of these disparate segments that manage our politics, the economy, our culture and literally every dynamic of living society tend to get very biased against the 60+.

There seems to be a 'productive' and a 'non-productive' mindset in many. This is wrong. Those in the obvious earning age (right up to 58) are treated differently while those above it are looked at with a different lens altogether. The moment a man or woman retires, they seem to be treated differently. Literally dropped like a hot potato by the policymaker and the marketer alike. The very paradigm-oriented definition of the 'productive person' itself seems to be so wrong, and skewed to 'digit-demographics', rather than 'spirit-demographics', as I will call it. Time to sit up and smell the burn.

The strange thing in our society is that politics is run largely by people above 60, and the rest of all policymaking, commerce, marketing and more is run by those with a mindset skewed to younger demographics. Mostly 'digit-demographics' evangelists.

The number of Indians aged 60+ is growing fast. With such a large cohort, it is time policymakers and marketers took note of the silver lining in an ageing India

## THE FORTUNE AT THE TOP OF THE AGE PYRAMID

HARISH BIJOOR

Brand Guru & Founder, Harish Bijoor Consults



SOURAV ROY

I strongly believe that the future is here. India and its numbers are telling us the story of today and what tomorrow will be like. Policymakers in the government need to sit up and plan to cater to the needs, wants, desires and aspirations of the 60+. This segment is today a free-spirit animal. Having gone through the ruckus of leading a life of the 'gru-hastha', putting a family together and taking care of it, this segment is today going through the empty-nest syndrome with enough money to plan for investments and spends equally that can spur the economy further.

The 60+ is a segment with money in hand, time in hand and a mindset that is far more inclusive and expansive than that of the youngster still earning and

saving and wanting to invest in a car or a flat to cater to his, her or their immediate need. This ignored segment of Indian society is really at the self-actualisation point, with a philosophy of contribution to society and economy that is more expansive than any before.

Marketers equally need to sit up and smell the future of spending and where it is going to come from. While every marketer will admit they have plans for this segment, I think it is time to re-leverage your plans and yank it out of the somnolence and the rut of thinking of the "productive" class mindset. Marketers need to cater not only to the wants, needs, desires and aspirations of the 60+, but even to their fantasies. With due apologies to Dr C K Prahalad, I would like to say, "There

## TRADE, TECH & SUSTAINABILITY: ENGINES FOR LONG-TERM GROWTH

Finance and Corporate Affairs Minister Nirmala Sitharaman is poised to set a historical precedent. When she presents the complete Union Budget for 2024-25 on July 23, she will become the first finance minister to present seven consecutive budgets.

The Interim Budget of February underscored the government's commitment towards realising the goal of being Viksit Bharat or a developed country by 2047. The full Budget is expected to further strengthen these initiatives and drive the growth momentum while presenting a comprehensive strategy for long-term economic growth.

As India's development partner, the Confederation of Indian Industry (CII) has been actively engaged in providing constructive policy recommendations to the government and has submitted key proposals for the 2024-25 Budget. Here, I would like to focus on three critical areas—trade, technology and sustainability, which play catalytic roles in fostering inclusive, sustainable and long-term economic growth and are pivotal in charting India's path towards becoming a developed nation.

### Trade

India's external sector has recorded robust growth in the recent past. Despite a challenging global environment and trade slowdown, India recorded its highest export of \$776.68 billion during 2023-24. This can be credited to government programmes such as Make in India, production-linked incentives, export promotion schemes and introduction of WTO-compatible schemes.

The government's push on capex in consecutive budgets is a well-appreciated move expected to stimulate growth, while powering the infrastructure sector. CII recommends an expansion of capex by 25 percent, which would be required for strengthening the economy's competitiveness.

The focus on trade is an imperative, given the fast-changing global economic landscape. Elevating India's status in global trade by strengthening domestic production and deepening our global value chain (GVC) participation are also important to become a manufacturing powerhouse.

With respect to enhancing participation in GVCs, CII has suggested a three-tier import duty structure for making our products more competitive and incentivising value-added trade. Laying out a roadmap towards zero or low duties for raw materials and inputs—higher for intermediate goods and



CHANDRAJIT BANERJEE

Director General, Confederation of Indian Industry

highest for final goods—is recommended.

The remission of duties on exported products scheme is a key initiative aimed at enhancing competitiveness of our products in international markets. Allocating more funds is crucial for higher export growth.

**Technology**

The tech landscape has witnessed remarkable transformations over the past decade. Initiatives such as Digital India have



CII's recommendations for the Budget include investment in a green transition fund. CSR's definition should be broadened to include contributions to the fund and environmental levies could be consolidated under it. Focus on R&D is also needed to make India more globally competitive

strengthened digitalisation efforts, with India achieving significant milestones such as expanded internet access, widespread adoption of digital payments and delivery of digital services.

To sustain this and address critical challenges, strategic technology partnerships such as the US-India Initiative on Critical and Emerging Technologies are essential. Forging such collaborations should be initiated with more nations based on the Global Innovation Index, with higher spending on R&D and patent applications.

The government should also look to operationalise the ₹1-lakh-crore fund to support R&D in private sector. Industry should be engaged in deciding how it is spent.

To make manufacturing future-ready and

aligned with evolving technological paradigm, two missions—advanced manufacturing and materials—could be announced.

With the pervasive use of digital technology in daily life, the importance of cyber insurance cannot be overstated. The government could consider launching a comprehensive policy on cyber risk insurance.

### Sustainability

India is at the forefront of net zero revolution, with sustainable growth as its guiding principle. It strives to strike a balance between environmental sustainability and economic prosperity. For this, de-carbonisation plans and transition roadmaps should be prepared with industry participation. In addition, a commission on adaptation could be set up to build adaptive capacity, along with launching a national mission on water security to address rising water stress.

The government could consider setting up a green transition fund to realise the goal of net zero by 2070. The fund could be established in partnership with multilateral institutions and the private sector.

The definition of corporate social responsibility (CSR) under the Section 135 of Companies Act 2013 can be expanded to include contributions to this fund as a recognised CSR activity. The existing environmental levies, cesses and surcharges to be used for environment-related activities could be consolidated under the fund.

R&D is an essential prerequisite for achieving decarbonisation targets as it can drive energy efficiency by introducing cost-effective ways to reduce greenhouse gas emissions. Thus a focus on R&D is imperative. We need to enhance national investments in R&D from the current 0.67 percent of GDP to 4 percent by 2047.

A strong focus on these areas in the Budget will give a further momentum to India's development. Greater external engagement through trade and technology partnerships, leveraging technology for economic expansion and strategic investments in green tech would position India as a global leader of innovation and sustainable growth.

(Views are personal)  
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sure is fortune at the top of the (age) pyramid." If nothing else, this fortune needs to get the marketer to re-think and re-leverage their attitude to the new Indian demographics and the challenge it poses.

Both policymakers and marketers need to think beyond the basic needs of the 60+ folk. The basic needs and wants are givens. These are lowest-common-denominator items. The obvious categories of healthcare, caregivers, safety, commute and more are but the obvious building blocks. On this, one needs to build for the entertainment needs, social interventions, social inclusion and social networking needs of this segment.

The traditional marketing thoughts on items such as segmentation, targeting and positioning need to change radically in India. This business of saying 'if I show the grey in my advertising, my brand looks old' needs to change. The important thing to remember is society today (and more so tomorrow) is looking like an equal representation of the black-haired, the salt-and-pepper and the fully grey.

Both the policymakers at the level of the government and the marketers equally need to think and plan for every rung of the economic hierarchy of the 60+ generation. We have the rich, the middle-class and the poor in this segment. Solutions offered need to cater to each of these segments in keeping with their numbers. There are opportunities in each segment. The poor and the older (not old) have their own challenges, as do the rich and the older. Both need to be addressed with sensitivity, care, passion and empathy.

I have always maintained that what we don't know is more important than what we know. As we stand in the middle of 2024, I do believe policymakers and marketers are stuck within the paradigm of what we know. Caught on the treadmill and the existential 'chakravayuh'. What we don't see is really more important than what we see and act upon today. Time to open our eyes and look at two things we don't really see. The first is the opportunity and new needs of the Alpha generation (those born between 2010-2025) in our midst and ahead of us, and the second is the opportunity represented by the 60+ generation. These two segments will polarise attitudes, consumption and usage of public service, products, services and brands alike. The better public policy plan will be the one that includes these two segments of our brand new society. The better marketing plan will also be the one that does this right. Right now. Let's act folks.

(Views are personal)  
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### MAILBAG

WRITE TO: letters@newindianexpress.com

#### Democracy test

Ref: *The Emergency and its moral equivalence* (Jul 15). During the Emergency, there was no freedom of speech. Under PM Narendra Modi's regime, anybody can talk about an alleged 'undeclared Emergency' without the fear of being persecuted. This is the real test of democracy and the Constitution.  
**Sundaram Govind, Kadungallur**

#### No substitute

Ref: *The affirmation of mothers as gurus* (Jul 15). The popular tagline—"God could not be everywhere, that's why he created mothers"—sums up the characteristics of mothers who empower their children, share their compassion and enlighten the world. There is no substitute for the mother.  
**DS Gururaj, Bengaluru**

#### Health icons

Ref: *Don't promote unhealthy food items, nutrition advocacy body urges celebs* (Jul 15). The open letter by a national think-tank hasn't come a day too soon. One recalls Virat Kohli's refusal to endorse PepsiCo for the fourth year in succession, as he was concerned about the rising health risks associated with fizzy beverages. One wishes others would take a leaf out of his book.  
**A Krishnan, Palakkad**

#### Gun culture

Ref: *Trump survives assassination bid* (Jul 15). The assassination attempt on former US president Donald Trump is quite shocking. It should not have happened in a nation that is projected as a champion of democracy. The country thriving on weapons sales is unable to find an end to the gun culture that is not sparing even children.  
**AG Rajmohan, Anantapur**

#### JFK reminder

The attempt on Donald Trump's life points towards serious lapses in the security of former presidents of a country like the US. It reminds one of the assassination bids on four US presidents. The current incident resembles the attack on former president John F Kennedy.  
**Suryanarayana Murty Peri, Bhawanipatna**

#### Tennis era

Ref: *Welcome to the era of Alcaraz* (Jul 15). Eminent and irresistible, Carlos Alcaraz played the game of his life to beat Novak Djokovic in three sets and retain his Wimbledon title. Barbora Krejickova earlier emulated her late friend and coach Jana Novotna by becoming the new women's champion. It was wonderful that both Djokovic and Jasmine Paolini were gracious in their defeats.  
**CG Kuriakose, Kothamangalam**

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# Powell, Das & Their Special Interests

Both set for reset in growth-inflation dynamics

Recent statements by central bankers in the US and India have divergent messages on timelines for interest rate cuts. For US Federal Reserve chair Jerome Powell, the door seems to be opening for rate cuts. However, RBI gub Shaktikanta Das says it's too early to talk about cuts. The Fed is evaluating the risks of undershooting leading to a revival in inflation versus overshooting and jeopardising growth. At this point, the American central bank sees these risks as evenly balanced. Its Indian counterpart has a more sanguine approach to growth, but is wary of supply-side factors that could jolt inflation off target. Powell will cut rates before inflation arrives at its target. That certainty is lacking for Das.

This increases the odds of interest rates falling earlier in the US than in India. In a way, this is on expected lines because the US rate rose much faster during a synchronised upcycle. The narrowed differential has affected capital flows, and a reversal to trend would be positive for emerging markets equity, where India seems to be the flavour of the season. Equity investors globally have been anticipating a Fed rate cut for the better part of the year. However, it may not materialise on cue for the upcoming US presidential elections in November, a point Powell drove home to lawmakers while admitting the economic conditions were becoming favourable. Das has not had to face such expectations with India's general elections, but is facing doubts within the rate-setting committee over potential growth sacrifice.

Both gentlemen are taking up positions for a reset in growth-inflation dynamics at the end of this interest rate cycle — Powell for the end of an era of very low rates, and Das for a structural change in India's potential to grow. This should squeeze the interest rate differential, although capital flows will also be influenced by India's improving credit ratings as it speeds up its fiscal recovery relative to the US.

# Raise the Stakes of BIMSTEC Markedly

The 2-day Bimstec (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) foreign ministers' retreat in New Delhi last week, the first since the group's charter came into effect in May, should result in an actionable roadmap knitting the seven member countries — India, Sri Lanka, Bangladesh, Myanmar, Thailand, Nepal and Bhutan — into an effective economic grouping. Being the largest economy, India must play a leadership role by leveraging its economy and strengths of each partner to deliver on the promise of engagement. S Jaishankar underlined this fact when he said that Bimstec should harbour higher aspirations, and that it should infuse new energies and resources, and a fresh commitment to bolster cooperation among the BoB countries.

India's traditional ambivalence toward taking the lead has allowed China to expand its influence. But trade among these seven economies has grown from 5.5% in 2010 to 7.2% in 2018. Yet, it remains woefully low compared to intra-Asean trade (25%). The priority must be increasing intra-Bimstec trade and filling the growing infrastructure investment gap — about \$120 bn annually.

New Delhi's role in enhancing trade volumes with Bimstec constituents and reducing trade barriers among member countries is crucial. Facilitating agricultural trade while ensuring domestic food security and improving connectivity, particularly of clean energy, is paramount. India's rapidly growing RE sector can be a game-changer. By leveraging this sector, it can establish a cross-border energy infrastructure grid that addresses the group's concerns about energy security, clean energy transition and sustainable economic growth. India's aim should, indeed, be 'solid outcomes and practical collaborations'.

### JUST IN JEST

Champions Spain confirmed an engineering and design truism

# At Euro Final, Form Followed Function

In the 2023 biopic, Ferrari, Adam Driver playing the role of car manufacturer Enzo Ferrari tells his son, 'In all life, when a thing works better, usually it is more beautiful to the eye.' On Sunday night, it wasn't an iconic Italian sports car we saw confirming Ferrari's wisdom of form following function, but the Spanish national team in the Euro football final against England. The 2-1 victory does justice to how the two sides shared momentum. By playing not up to the level we've seen this Spanish team play in earlier games of the tournament — and England's defence rock solid, till it was not — Spain looked less conquistador, more frustrated treader. Boy wonder Lamine Yamal was tightly marked, and it looked like stretching the game to extra time would once again be England manager Gareth Southgate's Protestant work ethic strategy to victory. But the second half saw Spain's motor purr like a 4.7-l V12 engine Ferrari F50. Marc Cucurella put on a masterclass display as left wing-back, while Nico Williams was magical — finding himself on both left and right flanks of the England half seemingly at the same time.

Yes, the Spanish flair wasn't turned on full knob. But the winning goal, for instance, a mesmerising pass by Cucurella, the ball finding its mark in substitute Mikel Oyarzabal, was functionality fused with glorious aesthetics.

STATE OF PLAY India straddling the middle ground with America may grow harder

# Unstable States of America



Pranab Dhal Samanta

The political schism exposed by the assassination attempt on Donald Trump points to the growing challenge of doing diplomacy with the US. For India, which has based its approach on building bipartisan support for the India-US relationship, the degree of difficulty in maintaining the right balance has increased. What makes it more complicated is that India may be among the few major powers not fully identified with one camp or the other — both within and outside the US.

This was evident with the disquiet in the West over Narendra Modi's visit to Russia, particularly at a time when the Nato summit was underway. But India had its own reasons to press ahead. Russian oil and fertiliser supplies are crucial to prevent increasing food inflation from spiralling out of control. Also, Moscow remains New Delhi's main defence supplier. In the tight security situation India finds itself on its northern borders, serviceability of existing equipment is of vital concern. Russia's prioritisation of resources towards the Ukraine war has also started to impact delivery timelines on the nuclear energy front. A significant addition to this year's joint statement was a specific line on Kudankulam that both sides 'agreed on adhering to the schedule, including to the timelines for delivery of supplies'.

The Biden administration, which has so far adjusted to India's special situation with Russia, feels differently on this occasion. This dovetails with the larger effort within Nato to 'Trump-proof' the alliance, especially in its support to Ukraine's war effort. Already, US lawmakers have, through an amendment in the National Defence Authorisation Act 2024, included a stipulation that the US president will need two-third approval of the senate



Read the bumper sticker

to withdraw from Nato, essentially aimed at curbing a future Trump presidency from unilaterally withdrawing from the alliance.

The Nato summit in Washington last week also took note that 23 of its 32 members were now spending the target 2% GDP on defence. This means the Nato burden is better shared, providing a healthy cushion in case Trump gets to office and tables other plans. That said, the US is Nato's fulcrum, and no amount of foolproofing can keep the alliance going without Washington at the heart of the mix. Yet, the current political endeavour seems focused on pre-empting a shock decision by introducing as many encumbrances as possible to delay the process.

Russia and China have drawn closer to the extent that at G7 and Nato summits, the West called out China, Iran and North Korea for supporting the Russian war effort. So, the emergence of two camps is becoming clearer on not just the political front but also in various global financial, technological and arms regimes that have governed transactions so far. These institutions

Will a possible Trump 2.0 be a continuation of his first term? The working assumption is to prepare for the unexpected

not only stand divided but also risk drifting apart.

In this backdrop, what Trump may bring to the table is still unclear. On the one side, there is centrist, institutional Europe preparing for exigencies in case there's change in the White House. But there's also strengthening of the extreme Right in Italy, the Netherlands, France and Germany. Then there's pro-Russian Hungarian PM Viktor Orbán, who, while attending the Nato summit, met Trump separately in Florida on a 'peace mission'. His meeting with Trump follows visits to Kyiv, Moscow and Beijing.

Orbán also reached an understanding with the Nato secretary general for an 'opt-out' from the decision to deepen support to Ukraine, on the condition that Hungary will not block efforts by



# Resurrection of Son of a Gun



Seema Sirohi

Fist clenched and blood dripping down his cheek, Donald Trump is now a martyr for the 'cause', no longer an ordinary candidate against Joe Biden. His supporters believe nothing less than the hand of god came between him and the assassin's bullet. Within hours, Republicans were sharing an image of Christ with his hand on Trump's shoulder.

Political benefits were instant. Elon Musk endorsed Trump, as did another billionaire. The script flipped: it was the Democrats' demonisation of the Republican candidate that led to the assassination attempt, not the general political tinderbox that American politics has become over the past decade to which Trump has generously contributed, as have fringe Left groups.

For the Democrats, an already dicey election just got harder. Internal turmoil is currently their signature tune. Biden has been fighting polls and party leaders to insist he is their best bet even though voters vehemently disagree. Debates on TV channels are a sad reflection on a party seeped in doubt, despair and disarray. Biden hopes the assassination attempt will unite Dems behind him, but the opposite may happen now that Trump is stronger. Republicans can smell victory as they head to the party convention on Thursday to formally anoint Trump

as their nominee. He is now a saviour for many, especially the Christian base. Donations are surging, and the MAGA crowd is more excited, which means Trump voters will actually come out to vote. An attempt on life can guarantee that.

Remember the victim narrative at the centre of his campaign: 'In the end, they are not coming after me. They're coming after you and I'm just standing in their way.' Trump had said last year after being indicted on federal charges. He has repeated a version of it at various rallies. Now there's proof — he faced a bullet, stood up again and vowed to continue to 'fight', 'fight'.

Expect Republican ads with contrasting images of Trump, his fist raised, the US flag flying in the background, and Biden tripping on the steps of Air Force One or wandering off during the G7 summit. It's still four months until election day — it would be folly to declare a winner because the fight is tight. It's best to hold one's horses and watch how Trump uses the assassination attempt. Early reports say he wants to do 'unity' at the convention and make it a profile in courage. Speakers have been asked to dial down, not dial-up.

The assassination attempt has laid bare another harsh truth — political violence. Americans generally associate with other countries has a permanent home here. How can it be otherwise when guns are like candy — cheap and easily available? This was just another case of gun meets rage. Political violence has tailed American democracy from the early days —



Mind over martyr

Abraham Lincoln was the first president to be assassinated in 1865, followed by James Garfield in 1881, William McKinley in 1901 and John F Kennedy in 1963. Presidential candidate Robert Kennedy was killed in 1968. This is not counting failed attempts at several other presidents.

In just the last 10 years, members of Congress have been shot at campaign events and baseball practice, and pipe bombs have been left outside party offices of Democrats and Republicans, to say nothing of the wholesale invasion of the US Capitol building on January 6, 2021, by Trump supporters who were ready to 'hang' his vice-president, Mike Pence.

Extreme Right and extreme Left groups have both instigated and committed violence — pick an incident. This election is particularly fraught because Dems and Republicans have framed it in existential terms and demonised each other. It's me or the deluge. The

rest of the alliance. He's also against Nato's anti-China positioning, and his closest ally in Europe is Slovakian PM Robert Fico, who incidentally also survived an assassination attempt two months ago.

Clearly, the global divide is playing into the American political divide. The troublesome question is China. It was during Trump 1.0 that the hardline on Beijing was first drawn. This was one policy Biden took forward. Will a possible Trump 2.0 be a continuation of his first term? There's no certainty to that. In fact, the working assumption is to prepare for the unexpected.

India is in a unique position. It has an adversarial security situation with China, but close links with Russia and Iran. Nevertheless, the US is India's most important strategic partner to date, vital to counter China at a time when traditional partner Moscow is economically dependent on Beijing. New Delhi's future tech and economic partnerships are also being planned with the West underlined by a common security understanding of the Indo-Pacific.

Within the US, India's bipartisan support base has helped it carve out exceptions from both Republican and Democrat administrations. If immigration was an issue in Trump 1.0, then economic contribution of the Indian immigrant community made a case for unquity. Despite pressure, a meeting ground was possible on climate change with Biden. Both administrations accommodated India's relationship with Russia, while allowing access to high-end US technology when needed.

But the playbook has gotten riskier to execute now. Expectations from India are growing from opposing camps while the margin for accommodation seems to be shrinking. The assassination bid on Trump is one such moment that could make straddling the middle ground difficult.

But while most nations are foolproofing and strengthening their defences, India's approach will require creating options within and outside the US. Creativity, dexterity and nimbleness in this play will determine if India emerges net gainer at the finishing line.

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THE SPEAKING TREE

# Football is Soulful

SRI CHINMOY

From the spiritual point of view, football is extremely meaningful, soulful and fruitful. Each sincere seeker should pray to the Supreme to make him His football. When we kick a football, the football is at our mercy. The football is the instrument. We kick right, left, forward and backward, and play with it according to our sweet will. Now, look at this football. It is far better than we are. The football does not quarrel with us; it does not fight us. At times, the football, as an instrument, can fail us; the air can leak out.... All kinds of problems can come up. But the main wish of the football is to please the football player.

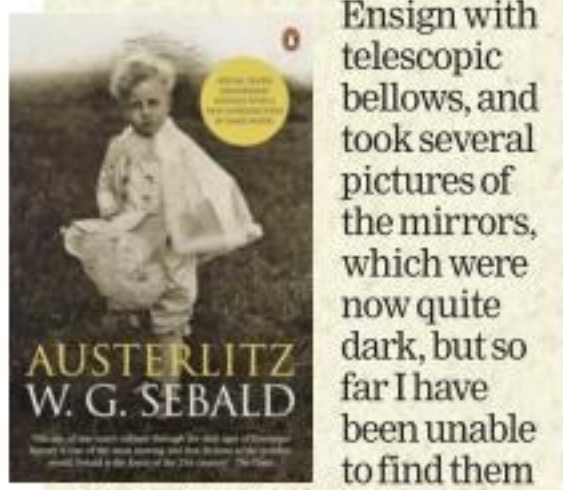
We should consider ourselves to be footballs of the Supreme. The earthly football, the leather football is under compulsion to please its master. The football that we kick is under our control, at our mercy. It has become our instrument, and it is pleasing us, although it may not be pleasing us cheerfully. But we should be conscious footballs always trying to please the Supreme cheerfully so that the Supreme can at any moment kick us, shape us, mould us, form us in His own way.

We should be real divine footballs so that He can use us all the time in His own way, according to His sweet will.



# Austerlitz

W G Sebald  
That day in Antwerp, as on all our later meetings, Austerlitz wore heavy walking boots and workman's trousers made of faded blue calico, together with a tailor-made but long outdated suit jacket. Apart from these externals, he also differed from the other travellers in being the only one who was not staring apathetically into space, but instead was occupied in making notes and sketches obviously relating to the room where we were both sitting.... Once Austerlitz took a camera out of his rucksack, an old



Ensign with telescopic bellows, and took several pictures of the mirrors, which were now quite dark, but so far I have been unable to find them among the many hundreds of pictures, most of them unsorted, that he entrusted to me soon after we met again in the winter of 1996. When I finally went over to Austerlitz with a question about his obvious interest in the waiting room, he was not at all surprised by my direct approach but answered me at once, without the slightest hesitation, as I have variously found since that solitary travellers, who so often pass days on end in uninterrupted silence, are glad to be spoken to.

Translated from German by Anthea Bell

# 2024 Must Show the Way to 2030



Ramnath Krishnan

India is in a sweet macroeconomic spot. Growth rates are higher than all large economies, notwithstanding the conflicting GDP vs GVA metrics signals. Despite last year's uneven monsoon keeping food inflation high, retail inflation has eased. However, risks remain, which may delay rate cuts until December.

The twin deficits appear to be in fine fettle, especially with the recent revelation that the current account balance recorded a surplus in Q4 of FY24. The revenue upside from the higher-than-anticipated RBI dividend and healthy tax revenues suggest a comfortable fiscal scenario. Climate change and the associated mitigation strategies must be brought into the regular discourse more frequently. A niggling issue is that the aggregate GDP numbers do conceal a fair bit of unevenness, especially in terms of sectoral growth, consumption trends and

sentiment. The task before the Union budget, specifically, and GoI, more generally, is to sustain high growth, especially by supporting sectors that are relative laggards in the overall mix.

► **Increase I-T threshold** Consumption growth has been tepid, as per the National Statistics Office, and the most recent RBI Consumer Confidence Survey also reveals an unexpected dip in consumer sentiment. One way to boost sentiment, especially for salaried individuals, is to increase the threshold for personal I-T. The revenue forgone is like



Show business industry

ly to be partly funded by the tax collected on higher spending.

► **Fuel PM Kisan** There is a widespread expectation of GoI spending to support the rural economy, which appears to have struggled since last year's unfavourable monsoon. A quick way would be boosting the amount released per farmer under PM Kisan, which would help offset the impact of inflation and higher input costs. This could be dovetailed with measures to nudge sustainable farming practices.

► **Spend on infra** India Inc will be looking forward to GoI's spending and policies to boost private capex. The interim budget pencilled in a healthy expansion in the gov's capex for FY25. Icrs anticipates robust spending, particularly on transportation infra projects in FY25 and over the coming years, beyond the National Infrastructure Pipeline timeframe. ► **Private capex could rise** Pace of private sector capex will likely moderate in the first half of FY25 due to the pause in infra activities before the general elections. Over the near-to-medium term, however, private capex will ride on a general uptick in macroeconomic activity and supportive policy measures, such as PLI schemes.

► **Enhance PLI** Gov could continue to focus on enhancing PLI schemes to support manufacturing. Due to expansion plans and strong demand, we anticipate specific sectors — metals, specialty chemicals and automotive — will face a stronger uplift in capex.

► **Infra will be hot** Regulatory push for a greener environment will spur investment in related infra.

► **Challenges** Global macroeconomic risks will pose material challenges, especially for export-oriented sectors, such as bulk chemicals, and cut and polished diamonds, and textiles.

The Union budget will be presented on July 23 and passed by early August, when one-third of this fiscal will be behind us. India Inc and the markets would also want a sense of what lies ahead. Previously, GoI had enunciated a fiscal roadmap that aimed to pare the fiscal deficit to below 4.5% of GDP by FY26.

It may be a suitable time for GoI to present a fresh medium-term fiscal roadmap up to FY30. This should build in the kind of funding realistically needed to meet its 2030 climate targets to support ESG and transition risks that India will face over the next few years.

The writer is MD-CEO, Icrs

# Chat Room

# Dear GoI, Mine Your Business

Apropos 'Make Gold, Copper Great Again' by Dhiraj Nayyar and Gouranga Sen (Jul 15), the real solution is not privatising the PSUs but to open new mines. New sites with deposits of minerals such as gold, copper, etc, have been identified by the Geological Survey of India and are awaiting policies for detailed exploration and extraction. The Mines and Minerals (Development and Regulation) Act 1957 and the ministry of mines' obsession with the auction regime are hindering the exploration and opening of new mines. Since the Act was amended in 2015, not a single mine of a major mineral has been opened. Looking for mineral resources abroad is a suboptimal solution as this would provide most of the employment to the locals there, and revenues to those governments. The loss of jobs and the continued dependence on imports are causing untold losses to the nation.

D V PICHAMUTHU  
Former president, Federation of Indian Mineral Industries (Fimi)



**A thought for today**  
Trigger happy policemen who think they can kill people in the name of 'encounter' and get away with it should know the gallows await them  
SUPREME COURT, 2011

# Probe TN Encounter

Encounters are an outcome of a failed criminal justice system – failures that are politically sustained

The investigation into the murder of BSP politician K Armstrong got murkier with Chennai police killing a suspect in custody, when he allegedly tried to escape – that’s SOP for encounters. Doubts have been raised on two counts by opposition parties AIADMK and state BJP. First, the suspect who allegedly had “surrendered” was not the “real culprit”, and two, he was “encountered” by police.

**Nothing new** | Supreme Court in 2014 laid down detailed guidelines on how to investigate extrajudicial killings. But that hardly happens because there is hardly a govt that hasn’t normalised encounter killings. Security forces are to use service weapons in self-defence. That’s often the fig leaf. Encounters as justice is routine. UP police, for instance, told court last year that 183 alleged criminals had been killed in close to 11,000 encounters from March 2017 to April 2023. Encounters seems to be a policy UP govt favours. During LS poll campaign, Bengal BJP chief had warned the state’s goons that his party would bring in the “UP treatment” and “encounters” once in office. Normalisation of encounter killings in everyday life is near complete.

**Normal practice** | States with left-wing extremism, and forces in J&K, normalised encounter killing decades ago. In Chhattisgarh this May, tribals, after the May 10 encounter in Pidiya village which claimed 12 lives, allegedly including 10 innocent villagers, said security forces were trigger happy. A PIL in Punjab HC, also in May, sought a probe into 6,733 encounter killings, custodial deaths, disappearances and illegal cremation of bodies in Punjab during 1984-1995. In 2014, when it spelt out the guidelines for probes into encounters, SC dealt with pleas on the authenticity of nearly 99 such encounters between Mumbai police and alleged criminals that killed 135 people between 1995 and 1997.

**Police & political trap** | Encounter killings only highlight failures of India’s criminal justice system – poor quality of prosecution and thus conviction, and inordinate delays. All of which are politically sustained – police reforms and funding are everybody’s pet cause and no one’s responsibility. When police kill history-sheeters, or alleged rapists, like in the Hyderabad case, killings are celebrated by a public that finds instant justice the only kind being delivered. Questioning such excesses is considered a hit on police morale. Courts have repeatedly upheld the lawlessness of encounter killings. Questions on the probe into Armstrong’s murder can only be settled by a probe, where investigators are *insulated* from politics. Is that even possible? Will DMK govt respond?

# Play On, Don’t Hang On

Djoko (tennis), Messi (football), Anderson, Dhoni (cricket), Woods (golf)...long careers carry big message

Last month Messi turned 37. This week he led Argentina to a Copa América title, two years after a World Cup. Contrast all this good press with the bad that another ‘geriatric’ football rockstar, Ronaldo, 39, has been getting. With Messi, fans are hoping he will be around for the next World Cup, with Ronaldo, that a disastrous Euro performance will see him retire from international football. Age is no longer the bar it once was to sporting glory, thanks to dramatic advances in sports science. Sufficient money, support and resolve can supply cyborg levels of fitness. But no one should act bigger than the team. Else, the young players he is playing with will think him a bore, and worse. Hardly someone they look up to.

American football is also seeing incredible age-defying performers. Tom Brady won a Super Bowl at 41. Interestingly, though, when he spun that super youthfulness into a fitness empire, it turned out to be a much more contentious project. See, what keeps a Serena or Djokovic or Dhoni or Tiger Woods immune to normal declines, hasn’t been put on a double-blind clinical trial.

Every extraordinarily successful mix of diet, exercise and rest is so unique to an individual’s body, temperament – and sport.

In tennis, racquet tech advances have greatly reduced the physical wear-and-tear of serve-and-volley. In cricket, that a semi-retired 37-year-old Shane Warne lifted the first IPL trophy, was an early indicator of how the sport’s stars would continue to mature. Of course, these trajectories are not just individually determined. James Anderson’s fitness in his fifth decade has been impressive but this didn’t keep England from confining him to Tests. Workload management is now a staple of sports vocabulary. But again, this works only as long as the team is bigger than its star.

# Older women, younger men

If boys will be boys, grannies will be girls

**Shinie Antony**

From matrimonial ads to dating apps, older men are always seeking younger women. Age gap between couples has been traced back to longer-term fertility and more babies. ‘Daddy issues’ can lead to a torrid affair but ‘mommy issues’ mean a cougar; while Oedipus complex is a put-down, Electra could well be a traditional Indian girl. Till recently dating a younger man meant endless explanations to family and friends, hiding of real age, pretending to be cousins, and generally battling pity over how he is going to leave you ‘soon’. All eyes are on your uterus.

Research indicates wives are six years younger but husbands four years older. Does that mean they are not married to each other? Or is four the real number, with husbands thinking it is six? Indian films further consolidated the age gap with heroes running to touch their mother’s feet, the same mother they wooed in a previous film. While actors go on single-handedly beating up goons and singing love songs well into their seventies, actresses talcum their hair, put on glasses and say ‘beta’ in a feeble voice. Off with the wet sari to dance in the rain, on with the white sari to sing bhajans. Boys will be boys; girls will be grannies.

Two recent back-to-back Hollywood films – *The Idea of You* and *A Family Affair* – have older women in hot clinches with younger men. Of course, Nicole Kidman and Anne Hathaway are not your run of the mill senior citizens with hearing aids and dentures, shopping online for catheters. But they do have grown-up daughters in the films, the main reason why most women are unable to re-enter the dating arena. If, as a teenager, you let your lover in through a bedroom window when your parents slept at night, it’s time to do the same as a single middle-aged mom. Ask Mrs Robinson from *The Graduate*.

Though men are praised for their dad bods, and no one has designed girlfriend jeans for them yet – as opposed to boyfriend jeans for women – ageing is a female superpower. After a lifetime of inhibitions and prohibitions, girls just wanna have fun. Older women are so dope, as comedian Matt Rife says. They’ve got their act together, don’t want to know where you are right now every minute and have stopped boiling bunnies... A May-September romance or a September-May one, beds are meant to creak.

# Potato-Onion-Tomatonomics

High food inflation in times of strong growth means interest rates could stay higher for longer. Climate change is clearly a factor. Budget must focus on structural issues to tame prices

**Dharmakirti Joshi**

Food prices are morphing into a hydra. While inflation in cereals and pulses continues to be elevated, the persistence of high vegetable inflation has raised fresh concerns. As per latest print, food inflation spiked to 9.4% in June, lifting overall inflation to 5.1%. Vegetable inflation, at nearly 30%, was key driver of food inflation spike, even as cereals (8.75%) and pulses (16%) inflation continued to remain high in the month.

What is behind this stubbornness? Agricultural production and prices are highly sensitive to weather and vegetables are most vulnerable and most volatile. While some abnormality in rainfall pattern has been the norm rather than exception over the years, climate change has added new and unpredictable dimensions.

**Climate change casts shadow** | Not only are rainfall patterns changing but other shocks such as heatwaves and unseasonal rains are playing out at a higher frequency. Unusual volatility in weather has been noticed since 2023, which was the hottest year in recorded history of the world. For India, August 2023 was the hottest month since 1901.

Little surprise, therefore, that unseasonal rains and heatwaves contributed to surge in food inflation to 7.5%, with vegetable inflation at nearly 15%, in 2023-24. Worryingly, vegetable price index not only missed its typical seasonal winter decline but also outran the seasonal uptick last year.

In June, rains were 11% below normal and the month turned out to be the hottest month in recorded history in northwest India. This created supply disruptions which lifted vegetable inflation. Key drivers of vegetable inflation typically are tomatoes, onions and potatoes, also referred to as TOP category. They are the most consumed vegetables, account for over a third of CPI vegetables category, and have historically punched more than their weight in driving vegetable inflation.

CRISIL Research’s thali index published a few days before official data on inflation was released on July 12 had noted “the cost of home-cooked vegetarian thali spurted in June as prices of tomato, onion and potato surge on lower arrivals due to inclement climatic conditions”.

**Prices to cool in next few months** | Vegetable inflation will optically come down in July due to high base effect (vegetable inflation had spurted to over 37.3% in July 2023), even as price levels remain firm. As supply improves and if weather does not play spoilsport, vegetable inflation and prices are expected to come down over the next few months.

Excluding food, inflation print is at a comforting 2.3%. Despite strong growth momentum, core inflation (after taking out food and fuel) and dominant part of non-food inflation was at a low of 3.3%.

But this gives no comfort on monetary policy front. Even if overall inflation is localised to food right now, RBI will have to keep its eyes peeled for developments on that front. It wants inflation to come down to 4% on a durable basis and this cannot happen without enduring decline in food inflation. Past data shows that whenever inflation has come down to 4% on a sustained basis, food inflation has been benign at 2-3%.

**No rate cuts before Oct** | Sustained high food inflation is difficult to ignore for RBI because it has a high weight (40%) in consumer basket. High food inflation can spill over to other components, particularly when growth momentum is high, and keep headline CPI inflation above RBI’s target. Additionally, as food items are purchased at high frequency it keeps inflation expectations high.

While interest rate cycle has peaked globally, different countries are tuning their monetary policies to domestic conditions. Unlike in the West, food, not core, inflation is the problem in India. And if food inflation stays high, interest rates, too, will stay higher – for longer.

As growth remains strong, RBI will be on a wait-and-watch mode till the time food inflation descends. In the base case, food inflation is likely to come down on the back of normal monsoon forecast. RBI is expected to begin cutting rates in Oct, at the earliest. There may be two rate cuts, as against three expected earlier.

**What Budget should do** | The forthcoming Budget needs to focus on structural issues to tame food inflation as fiscal policy can play a critical role in bringing enduring decline to food prices. India is among the most climatically vulnerable countries and weather risks are on the rise. So, fiscal support to adaptation measures such as developing weather resistant crops and early warning systems needs to go up.

To trim food wastage, infra for transportation and storage needs to be created at a much faster pace. Food processing, particularly for vegetables such as tomatoes, will help to smoothen prices and reduce spoilage during excess production. In India less than 5% of tomatoes are processed.

Finally, farmers need extension support and price signals, especially in the current milieu with rising risks to agricultural production. Currently, price signals are available via minimum support prices for a few crops which benefit select regions. Developing a system for directional guidance on prices for other categories of food might be worth considering.

It’s time to summon all the tools needed to tame the price beast.

*The writer is Chief Economist, CRISIL Ltd*

# Painting The Sporting World Red

Tennis ace Alcaraz and a sparkling Spanish football team gave the Iberian nation a dream night. Behind it is a story of struggle, prodigious talent and great sporting legacy

**Anand Vasu**

When he was alive, in July every year, you could reliably find Ernest Hemingway, the American novelist and Nobel Laureate in one place. It was a pilgrimage for one of the most significant writers of the modern era, the trip to Pamplona in Spain for the San Fermin bullfighting festival.

Hemingway, himself an adventurer and sportsman, became obsessed with bulls and matadors and described watching the contest as “having a ringside seat at war with nothing going to happen to you”, in a letter to a friend. Bullfighting would be a recurring theme in Hemingway’s works, to the point that you might be forgiven for believing the activity was something of a Spanish obsession. It became a metaphor for struggle, victory and defeat, as is much of sport.

On a Sunday evening in July 2024, there were no bulls and little fighting as Spaniards lit up the sporting globe. At Wimbledon, Carlos Alcaraz defended his title (having also won the French Open earlier in the year) and did so with a smile of unspoiled innocence that belied the fact that he had probably marked a significant change of guard in his sport.

Hours later, at the Olympiastadion in Berlin, Spain’s football team simultaneously reaffirmed their rich history in the sport and opened up a window to unlimited possibilities. With a 2-1 win over England, Spain became the most successful footballing country in Europe, adding a fourth Euro title to their wins in 1968, 2008 and 2012.

When Spain last won the Euro, it was on the back of giants. That was the generation of Andres Iniesta, Xavi, Sergio Ramos, Gerard Piqué, Iker Casillas, Sergio Busquets, Xabi Alonso and Jordi Alba, all established names who had proven themselves time and again for giants Real Madrid and Barcelona.

In 2024, the two architects of Spain’s win, Lamine Yamal and Nico Williams, had just turned 17 and 22 respectively. Do you remember what you were doing at that age? Probably not setting the stage for world domination in your chosen field, or indeed being anointed

the chosen ones in a crowded global field of dreams, it would be safe to say.

These two youngsters, whose glorious futures are foretold, owned this tournament. When Spain last won the Euro, Yamal hadn’t yet celebrated his fifth birthday and Williams was almost 10. The journey of these two youngsters has been the stuff of dreams.

Williams was born in Pamplona, not far from where the bulls ran, but this was only possible after his parents made the perilous trek from Ghana to Europe across the Sahara desert in search of a better life. Nico’s parents had paid traffickers for safe passage to England – quite ironically – but were abandoned en route. Eventually, they were arrested in the Spanish autonomous city of Melilla.

Guillem Balague, the Spanish football journalist, called the Williams’ journey “a modern tale of human trafficking, hope, emigration, and love of strangers”. Along the way, fellow travellers died, and the barefoot walk through 50°C heat in the Sahara, left Felix, Nico’s father, with no sensation below the ankle for the rest of his life.

But, you can bet the parent felt the pride of a journey that was worth it, when his strapping son owned the world with his dazzling feet.

On Sunday it was Yamal who delivered the assist for Williams to score Spain’s opener. Had it been the other way around, you would have seen the now familiar celebration, where Yamal holds his fingers up to read 3-0-4. These are the last three digits of the postal code of Rocafonda, a part of the city of Mataro

built specifically to accommodate immigrants. His tribute is testament to the gratitude felt for his adopted country. Yamal, whose parents are from Equatorial Guinea and Morocco, became the youngest player to have featured in a men’s international final, a record previously held by the incomparable Pele.

But, back to Alcaraz. At 21 years and 70 days, he has four Grand Slam titles, the latest a straight-set demolition of Novak Djokovic. The magnitude of Alcaraz’s prodigious achievements is put in perspective when you consider that Roger Federer had no slams at the same age, Djokovic one and Rafael Nadal three.

Soon after his win, Alcaraz was asked how many titles he might end up with. “I don’t know my limit,” he said, without a trace of arrogance or self-absorption. “But at the end of my career, I want to sit at the same table as the big guys. That’s my main goal.”

While allowance must be made for the fact that Alcaraz is young and at the top of his game, while Djokovic is 37 and just coming off surgery to the meniscus in his knee, it did not account for the fact that this was the Serbian’s most comprehensive defeat in a slam since he managed to take only seven games off Nadal at Roland Garros in 2020.

On a day when the sporting world was forced to pause and celebrate all things Spanish, the repetitive refrain of England’s football fans rang in the ears: *It’s coming home*.

This was true, but only in the sense that the home of some sport is not where it once used to be.

*The writer is a sports commentator*

## Calvin & Hobbes



# You Must Keep The Child Inside You Alive

**Narayani Ganesh**

We celebrate the creative genius of a Picasso but we scold children for not following the teacher’s directions to draw something in a certain way. Picasso’s depictions may not make sense to some who wonder why the nose is protruding and the eyes are not aligned. But that’s the creative imagination of the artist at work, painting with poetic licence, free of conditionings and strictures. Appreciation comes from those who comprehend the idea behind the expression, even if it breaks rules and overthrows accepted notions of structure and beauty.

A child is at her creative best – the most creative she could ever be in her entire life – because her perceptions are honest and pure, unpolluted by preconceived notions and social conditioning. What she sees is what she

interprets from her own perspective that is unsullied and fresh. No wonder children are so good at finding solutions to problems, at painting, at inventing new games, and at entertaining. They have absolutely no inhibitions. They are not yet conditioned to get hassled about what others may think of them. They are free thinkers, in short, free spirits. To a child, cloud formations and even carpet stains take on a life of their own, and its imagination opens up a magical world of beautiful shapes and forms.

Adults, on the other hand, put themselves into boxes, imprisoning themselves so that what they think, express and do, are all the result of pre-conditioned responses. They are no longer creative because they have lost their freedom. They are shackled by what they are taught at

school and home, and by what they want others to make of them. Also, because divergence from the laid-out path is met with disapproval, even punishment. It is as though their creativity has been doused with a pesticide that kills weeds, only here, it kills imagination. Adults go to great lengths to kill creativity. And then they demand creative outputs. Is that possible?

J Krishnamurti would say that most of us are in conflict, caught in various kinds of demands, not only physical, but environmental and social. We depend on each other both physically and psychologically; therefore, our whole nature is fragmented. He asks, “Can a mind that is fragmented, contradictory in itself, be creative? Or does creation take place when there is this absence of the continuity of fragmentation?”

We are told by spiritual masters, to

try and retain our child-like innocence for that is a source of purity and truth, where one’s creative imagination is at its best, and a state in which one has the potential to realise the all-pervasive supreme consciousness. A child is free of prejudices; a child sees no divisions and embraces all diversity and exults in every aspect of existence. Albert Einstein famously said, “Logic will get you from A to Z, but imagination will get you everywhere.” Without imagination, there can be no creativity and for imagination to flower and flourish, we need to nurture that child-like innocence.

According to Sri Aurobindo, there are two forces in the universe – silence and speech. Silence prepares, speech creates. To extrapolate, it is only when the mind is free of pollution and noise, it can foster imagination. So, imagination and creativity can exist only in one who keeps the child within alive.

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## Sacredspace



Sometimes one wonders if the blinding lights of opulent chandeliers are actually hiding broken family china....

Preeti Mehta



# The Tribune

ESTABLISHED IN 1881

## J&K L-G's powers

Leave no scope for doubts, discord

THE Union Home Ministry's decision to give more powers to the J&K Lieutenant Governor (L-G) by amending the transaction rules framed under the Jammu and Kashmir Reorganisation Act, 2019, has drawn criticism from the Opposition. The L-G has been empowered to take a call on matters concerning the police, public order and all-India services officers, besides grant of sanction for prosecution in various cases. The Centre has claimed that the rules have been amended to clearly define and delineate the powers of the legislative Assembly and the functions of the L-G so as to enable smooth administration of the Union Territory. But the Opposition is seeing the move as an attempt to undermine the powers of an elected government. The state-turned-UT has been without an elected dispensation since 2018, when the BJP-PDP alliance fell apart.

The timing of the decision has triggered doubts and apprehensions in the backdrop of the Supreme Court's September 30 deadline for holding the Assembly elections. Questions are also being raised about the restoration of J&K's statehood, for which the Centre is yet to spell out a timeline despite the court's order to expedite the process. With the security situation deteriorating in the wake of a spate of terror attacks, the government may find it tough to conduct free, fair and peaceful elections. The onus will be on the L-G to take all stakeholders along during the entire electoral process.

Repeated confrontations between the Delhi L-G and the Chief Minister have severely impacted governance in the Capital in recent years. The Centre would do well to avoid implementing such a disruptive model in J&K, whose residents affirmed their faith in democracy with an encouraging turnout in the recent Lok Sabha polls. It's time for a new beginning for the people of the trouble-torn region. The potentially new dawn should not be marred by discord and disharmony.

## HP cuts power subsidy

Poll promises must align with fiscal realities

THE Himachal Pradesh Government, led by Chief Minister Sukhvinder Singh Sukhu, has made a critical decision to withdraw the free electricity scheme for taxpayers. This move comes amid the dire financial situation of the Himachal Pradesh State Electricity Board (HPSEB), which reported losses of Rs 1,800 crore in 2023-24. While the decision affects a broad spectrum of taxpayers, it spares those in the below poverty line (BPL) and other vulnerable categories. The financial strain on HPSEB is undeniable, with a staggering debt burden and decreasing revenue from state grants and GST allocations. The HP Cabinet's decision to rationalise the zero electricity bill provision by limiting it to 'one family, one meter' and linking connections to Aadhaar-seeded ration cards is a prudent measure aimed at saving around Rs 200 crore annually.

This step highlights the unsustainable nature of electoral freebies when confronted with harsh fiscal realities. Critics have accused the Congress government of reneging on its promises. The free electricity scheme was launched in 2022 by then CM Jai Ram Thakur with great fanfare. Aimed at benefiting over 14 lakh consumers, it is now being scaled back due to economic constraints. While the intent to provide relief to the common man was commendable, the financial health of the state cannot be ignored.

This situation underscores a broader issue: the need for electoral promises to align with fiscal responsibility. Freebies and subsidies, while politically appealing, must be carefully considered against their long-term economic impact. Sustainable development and financial stability should be at the forefront of policymaking, ensuring that short-term gains do not lead to long-term detriment. While electoral assurances are important, they must be balanced with the economic realities of the state. Withdrawing a benefit once given, even if unviable, has its own repercussions.

### ON THIS DAY...100 YEARS AGO

## The Tribune.

LAHORE, WEDNESDAY, JULY 16, 1924

### The Delhi incident

THAT the true cause of an incident is sometimes an entirely different thing from its immediate antecedent was strikingly illustrated by the deplorable happening at Delhi on Friday last. In spite of the laudable efforts made by the leaders to avert a collision between Hindus and Mussalmans in connection with the celebration of Id, there occurred in the capital of India — not, indeed, in connection with the actual celebration of Id, but immediately on the eve of it — one of those outbursts of communal hatred which it is impossible for any true-hearted Indian to contemplate without a sense of shame and humiliation. It is not necessary to choose between the somewhat conflicting versions of this incident. The main facts are not in dispute. A Mahomedan boy had gone to a well situated in the Queen's Garden and asked for water. The Hindu servants, who were pulling water from the well at the time, either refused to give the boy water or expressed their inability to do so for one reason or another. This appears to have led to an altercation, and the *Kahars*, it is alleged, gave the boy a beating and inflicted injuries upon him. The whole thing was extremely unfortunate, and had the parents of the boy or other people in the neighbourhood either paid the *Kahars* back in their own coin, as people sometimes do in such cases, or placed the matter in the hands of the police, the result would in all probability have been a criminal case of a somewhat sensational nature, but devoid of any communal meaning or significance. The public would have taken just that measure of interest in the case which its intrinsic importance deserved, and which it would take even if both parties belonged to the same community.

# Violence has become a part of US polity

Political consequences of assassination attempt on ex-President Trump will be huge



MANOJ JOSHI  
DISTINGUISHED FELLOW, OBSERVER  
RESEARCH FOUNDATION, NEW DELHI

THE political consequences of the assassination attempt on former US President Donald Trump will be huge and they will benefit him immensely. Of great import is Trump's instinctive and combative response to the attack. As he was encircled by Secret Service agents, with blood streaking down his face, he raised his right fist, shouting "Fight. Fight. Fight".

Images of a bloodied and angry Trump with a fist clenched, and an American flag fluttering behind him, have gone viral and will become iconic in the campaign. The presidential contest had already been plunged into turmoil just two weeks ago when Joe Biden's performance in the presidential debate raised questions about his ability to run an effective campaign.

It has been Trump's signature approach to put himself across as a martyr and victim of persecution on account of the legal cases against him. Now, his close shave with death will add to the notion of martyrdom.

By seizing the news cycle, the Trump assassination attempt could have the inadvertent effect of stilling the campaign for the removal of Biden as the Democratic nominee following the debate debacle. The Trump campaign would like nothing better than that.

The shooting will complicate the Biden campaign. In the past week, the President said he would now focus directly on Trump and his view was that he remained the best candidate to beat him. Indeed, his rhetoric



DEFIANT: It has been Donald Trump's signature approach to put himself across as a martyr and victim of persecution on account of the legal cases against him. REUTERS

that "it's time to put Trump in a bullseye" is now being retailed by some Republicans as a call to violence against their candidate. JD Vance, a potential vice-presidential candidate for the Republicans, posted that this was not an isolated incident but the inevitable consequence of the Democratic rhetoric that Trump was "an authoritarian fascist who must be stopped at all costs".

The reality is that violence has become a part of American political life. The courts have not helped by loosening controls on the availability and ownership of guns. An attempt to ban assault weapons like the Colt AR-15 that was used to target Trump lasted just 10 years and faced repeated challenges in court. Currently, certain states ban such weapons through their own legislation; Pennsylvania, where the incident occurred, is not among them. It is largely with such weapons that mass shootings are carried out; in July, there has already been one other shooting, leading to five deaths. In 2023, there were 604 shootings, leav-

## The courts have not helped by loosening controls on the availability and ownership of guns.

ing 754 people dead and nearly 2,500 injured. To say that the US Supreme Court has been unhelpful here would be an understatement.

In recent years, violence has dogged the US election process since the January 6, 2021, Capitol riot, when Trump's supporters sought to overturn the result of the election that was won by Biden. Nine people died in the mayhem before the insurrection was suppressed and for which Trump faces charges.

The current American polity is deeply divided. A Pew Research Centre poll has found that nearly two-thirds in each party believe that those in the other are immoral, dishonest and close-minded.

That Trump's rhetoric is incendiary is no secret. In an interview in March, he declared that there would be a 'blood-bath' if he lost in November; later at a rally, he repeated: "Now if I don't get elected... it's going to be a bloodbath for the country." In March 2023, he had warned of "potential death and destruction" if he was charged by the Manhattan district attorney for the case in which he was later convicted. There are numerous instances of his threats that "there will be riots in the streets", "bedlam in the country" if he was wronged. His followers have spoken of violence against migrants, foreigners and people of non-White races. Indeed, after his May conviction on 34 felony counts, pro-Trump websites were flooded with calls for riots, revolution and violent retribution.

There has been a political pat-

### THOUGHT FOR THE DAY

Perseverance is more prevailing than violence. — Plutarch

## Mispronunciation of the comic kind

SHAMSHER CHANDEL

IN the early 1990s, a carrom board championship was held at Rani Jhansi Park in Shimla. After the event ended, the second and third prize winners collected their trophies, but the champions, who were supposed to bask in the glory of that moment, went missing — and chaos ensued.

Despite desperate calls echoing through the venue, the winners remained elusive, adding to the MC's frustration.

Suddenly, a gentleman rushed to the main organiser, exclaiming, 'I have found them,' pointing at two bewildered boys who had apparently been 'victims' of correct pronunciation of their names they weren't used to hearing.

The MC, now simmering with annoyance, confronted the absentee winners: 'Why on earth did you not come when your names were called?'

One of them, with a bewildered expression and a touch of defiance, replied in Punjabi, 'Sir, we were waiting for the announcement of our names, but you never did it.'

'Are you not from YYUC?' the moderator queried, trying to make sense of it all.

'No, sir, we are from Juvashakti Jungsters' Junior Club,' came the perplexing response.

The MC, caught in a fit of hysterical laughter, finally decoded the mystery, 'That's what we said, Yuvashakti Youngsters Union Club!'

The chief guest, an elderly man who was sipping tea, intervened, 'Where are you from, my boys?'

'Sir, we are from Juna,' they replied innocently.

'Oh, Una!' chuckled the chief guest, sensing the comedy of errors unfolding and replied, 'I am also from Una.'

'And your names?' he asked, still amused by the unfolding spectacle.

'I'm Jogesh Shama, and he is Moon Singh,' one of them said.

As the truth dawned on the organisers, it was clear that the winners didn't come to collect their trophies because they were used to hearing mispronounced names of their club and theirs as well.

The chief guest teased them more, 'Your name begins with which J? The one after the letter I?'

'No, sir. It is *Bai* (he meant Y) for Jogesh,' Yogesh clarified, invoking his own phonetic nuances.

'And how do you spell Moon?' the chief guest asked the other boy.

'M-o-h-a-n,' Mohan blurted out each letter.

The organisers, now in stitches, agreed to rewrite the certificates with the correct names — Yogesh Sharma and Mohan Singh.

But the champions, still not entirely convinced, said, 'Could you please double-check the club's name too, since there are many *bais* (read Ys) in it?'

The chief guest, sensing their worry, reassured them with a twinkle in his eye, 'Boys, don't worry, it's all correct. Only you and I are from Una, not the organisers.'

### LETTERS TO THE EDITOR

#### Trump ducks death by an inch

With reference to the editorial 'Attack on Trump'; the reckless remarks made by anti-Trump politicians and their cheerleaders in the media are to blame for the attack. For years, the Left has described the businessman-turned-politician as an existential threat to democracy, called him a Nazi and compared him to Hitler. It is this kind of dangerous rhetoric that is now triggering violence. Today, America seems divided between people who are shaken by how close a presidential candidate was to being assassinated and those who are disappointed that the shooter missed him by a few centimetres. Trump had a narrow escape this time. Better sense must prevail. Leftists across the world must refrain from peddling fake narratives about democracy or the Constitution being in danger.

AJAY TYAGI, MUMBAI

#### A victim and a hero

With reference to 'Attack on Trump'; the fact that Donald Trump is safe comes as a huge relief. It is commendable that leaders all over the world are condemning the attempt on the 45th President's life with one voice. There were surely some security lapses that allowed the would-be assassin a clear line of sight. If the Security Service personnel had been carefully monitoring the entire area with the help of drones, they would have probably averted the gunfire. However, Trump, who is being seen both as a victim and a hero, is set to benefit from the attack politically. The incident is evoking public sympathy for Trump, leaving the Joe Biden camp bewildered.

RAMESH GUPTA, NARWANA

#### Use the ballot, not bullet

The dastardly attack on former US President Donald Trump during a rally in Pennsylvania is most unfortunate and shocking. Thankfully, the bullet just grazed his right ear, and he is still alive and well. An assassination attempt on a man elected to be the US President is not unheard of in America. Four US Presidents have been assassinated in the past. It is important to keep in mind that in a democratic country, the most powerful weapon that a citizen has is the ballot, not bullets.

RK ARORA, MOHALI

#### Attack on ex-President disgraceful

The attack on ex-US President and putative Republican presidential nominee Donald Trump during a rally in Pennsylvania last week is a blot on humanity. Luckily, he was just mildly injured and rushed off stage shortly after the gunfire by Secret Service agents. There is no room for violence in a civilised society. Political differences should be sorted out through dialogue. It is important to note that gun violence has long been prevalent in the US. And notably, it is not the first time that an attempt has been made on a US President's life. The US authorities need to take steps to avoid a repeat of the incident.

PV SRINIVAS SREELEKHA, BY MAIL

#### Chak de INDIA

The bypoll results have painted a vivid canvas of India's political landscape. A month after its resurgence in the Lok Sabha polls, the Opposition bloc has once again proved its mettle, securing 10 out of 13 seats in the Assembly byelections across seven states. The BJP, on the other hand, faces a sobering reality, with just one seat each in Himachal Pradesh and Madhya Pradesh. The Congress, rejuvenated by its wins in Uttarakhand and Himachal Pradesh, can now breathe easy. AAP, after struggling in Punjab in the General Election, can take solace in the Jalandhar West seat. Meanwhile, the TMC and the DMK, ruling parties in West Bengal and Tamil Nadu, respectively, have consolidated their positions. The BJP's losses are a wake-up call for the party.

SAHIBPREET SINGH, MOHALI

#### Bright days ahead for Opposition

With reference to the editorial 'INDIA shining'; the bypoll results are a sign that there are bright days ahead for the Opposition bloc. Just a month after stunning the Narendra Modi-led BJP in the Lok Sabha elections, INDIA's impressive performance in the byelections shows that voters are no longer swayed by false promises. It is time for the saffron party to read the writing on the wall — the Opposition bloc is likely to win big in the upcoming polls.

FAQIR SINGH, DASUYA



# Operational doctrine needed to defeat proxy war



MAJ GEN GG DWIVEDI (RETD)  
FORMER ASSISTANT CHIEF,  
INTEGRATED DEFENCE STAFF

SINCE April this year, there has been a spike in terror attacks in the Jammu region. In reference to these encounters, Jammu and Kashmir (J&K) DGP RR Swain said, "A war has been imposed upon us but every terrorist in J&K will be killed." However, this war has now gone on unabated for over three decades, orchestrated by Pakistan as part of its national doctrine. India has been dealing with this menace as state-sponsored terrorism from across the border.

It was in the early 1980s that Pakistan began to fuel militancy in Punjab to bleed India, having successively failed in conventional wars. The Pakistan army arranged a safe haven for the militants, providing training, arms and financial support. The decade-long militancy was ultimately defeated due to extensive coordinated operations by the security forces, coupled with a favourable groundswell. Victory came at a heavy price, both by way of bloodshed and in financial

terms. Punjab was devastated and is yet to fully recover.

Given the success in Punjab, the Pakistan military top brass was convinced that its sacred mission to wrest Kashmir could be achieved through 'non-state actors'. The success of jihadis in defeating a superpower in Afghanistan reinforced the belief. Accordingly, Pakistan's 'Deep State' launched the proxy war in J&K in 1989-90, contemplating a local uprising, an exodus of minorities, rendering the civil apparatus defunct and defeating the security forces through irregular warfare.

Though terrorists initially gained the upper hand, by the mid-1990s, the Indian Army was able to stabilise the situation. While normalcy was a far cry, the danger of the Kashmir valley slipping away had been averted. In the initial stages, the foreign outfits — mainly Lashkar-e-Taiba (LeT) and Jaish-e-Mohammed (JeM) — were the mainstay of the proxy war, the Valley being the main focus. Even around early 2000, when I was commanding a formation in the Valley, foreign terrorists had a viable presence in Baramulla and south Kashmir.

In September 1998, although India and Pakistan agreed to hold a composite dialogue which included issues such as terrorism and narcotics, Gen Pervez Musharraf, the then Chief of Army Staff, had different plans. Pakistan continued to



MINDSET: India must stop perceiving Pakistan-sponsored attacks as just cross-border terrorism. PM

use the jihadi groups to undertake calibrated operations, often changing the modus operandi. India's response remained largely defensive, with no concrete measures to target terrorist infrastructure in Pakistan. A nexus between local politicians, terrorists and Pakistan's ISI (Inter-Services Intelligence) remained intact.

Following the 'Ceasefire Agreement' (CFA) on the Line of Control (LoC) in 2003, it became easier for Pakistani handlers to infiltrate terrorists into J&K. There was also a shift in Pakistan's strategy to lend a local touch to the proxy war by involving groups like the Hizbul Mujahideen. Given its nuclear capability, Pakistan has succeeded in significant-

A national strategy must be formulated so as to make it cost-prohibitive for Islamabad to continue with the misadventure.

ly constraining India's conventional options. The Pakistan perception was reinforced during the 1999 Kargil conflict as India's response was rather measured.

India's approach to cross-border terrorism remained reactive, marked by restraint, although public opinion was often for strong military action against Pakistan, especially after the terror attacks at Parliament in 2001 and Mumbai in 2008. The Pakistan army has been able to regulate the proxy war and keep the Indian security forces engaged while imposing substantial costs, knowing that India lacks effective deterrence. The Pakistan assumption did get challenged when India undertook surgical strikes across the LoC in 2016 and the air strike at Balakot in

2019. Thereon, Pakistan's approach has been to avoid major actions so as to obviate retaliation.

With the abrogation of Article 370 in 2019 and reorganising of J&K into two union territories, the situation in the Valley has shown a marked improvement. Consequently, Pakistan changed its strategy by shifting the operations from the Kashmir valley to the south of the Pir Panjal — the Jammu region — after almost two decades. Over the last three years, the Rajouri-Poonch region has witnessed a series of terror strikes, with the security forces suffering significant losses. The recent incidents in Reasi, Doda, Kulgam and Kathua are the handiwork of the LeT and JeM, with the Resistance Force and Kashmir Tigers being the respective front faces of these outfits. The continued proxy war underscores the fragility of the situation in the region.

For Pakistan, the proxy war against India is a lucrative option. It offers high returns at a minimal cost. Rawalpindi has shown flexibility to exploit vulnerabilities across the Indian borders and the hinterland. Hence, India must accept this reality and shed the notion of perceiving it to be just cross-border terrorism. Further, it must stop dealing with the situation in piecemeal binaries — North-South of the Pir Panjal and LoC-IB sectors — as also the notion that the Pakistani

designs can be defeated by reactive tactical operations.

It is imperative for India's security planners to formulate a national strategy encompassing politico-diplomatic-economic measures to make it cost-prohibitive for Islamabad to continue with the misadventure. The collusion between Pakistan and China needs to be factored in as the latter is now a stakeholder in the game. Alongside, there is an immediate requirement to formulate an integrated 'counter-proxy war doctrine', which should be multi-dimensional, encompassing operations across the LoC to destroy terrorists' launch pads and target Pakistani posts assisting infiltration at the LoC, to create a conducive environment and favourable ecosystem. The CFA needs to be abrogated as it provides immunity to the Pakistan army against punitive actions by the Indian security forces.

In J&K, since 1990, around 6,480 security personnel have lost their lives and about 38,720 civilians have been killed (including an unspecified number of terrorists). Evidently, India has paid a heavy price. It is time to replace the existing format with a prudent strategy and operational doctrine to defeat the Pakistan-sponsored proxy war. Else, we are destined to continue to suffer the fait accompli.

# Subtle seizure of Russian assets by West limits diplomatic solution



AMARJIT BHULLAR  
EX-PROFESSOR, UNIVERSITY OF  
NORTHERN BRITISH COLUMBIA

THE Western bloc, including more than two dozen countries, is fighting a proxy war against Russia by providing weaponry and strategic, financial and logistical support to Ukraine. It has also attempted to destabilise Russia's financial situation through economic, financial and trade sanctions. In March 2022, the European Union (EU), Japan and the Group of Seven (G7) froze some 300 billion euros (\$323 billion) of Russian central bank assets to retaliate against Moscow's invasion of Ukraine.

Now, they have initiated a new battle by subtly seizing frozen Russian assets. The US and other G7 countries have agreed to provide Ukraine with a \$50-billion loan to help it acquire weapons and begin rebuilding damaged infrastructure. The loan will be repaid in about 30 years, using the interest earned on frozen Russian assets.

The rationale for utilising the interest income earned

from Russian assets is based on the international legal doctrine of reprisals. However, this doctrine is truly applicable when a state inflicts harm on another, and the injured and specially affected party can undertake proportional counter-measures against the offender. Ukraine, being directly involved in the war, rightly exercised this right and seized about \$880 million in Russian-owned property and businesses within its borders in May 2022. Surprisingly, this doctrine is also being applied by the parties that are not directly affected by the Russian invasion in Ukraine. It weakens the rules-based order that Western governments claim to be defending all the time.

This measure had been taken under duress as Western leaders are fearing difficulties in future funding to Ukraine and seeking alternative solutions.

The G7 nations and their allies are convinced that the Western aid to Ukraine is morally, legally and strategically urgent. But the foreign aid to fund the Ukraine war has remained politically entangled for a long time in both the EU and American politics. The EU leaders met a few times in 2023 to secure additional funding for Ukraine. In December 2023, Hungarian Prime Minister Viktor Orban vetoed the proposal of 50-billion euro (\$54 billion) aid to Ukraine. Since



FINANCIAL PRESSURE: The move will not affect Russia economically in a significant way. ISROCK

then, the EU has been attempting to bring Hungary in line with this issue. In February this year, Hungary finally agreed to the proposal after a coordinated, behind-the-scenes pressure created by other member countries. Hungary holds the rotating presidency of the Council of EU this year and Viktor Orban may create hurdles in future funding to Ukraine.

The US also faced a political challenge for further funding as House Republicans insisted on new border security policies that President Biden was unwilling to support, creating a political stalemate. Biden's proposal to provide \$61.5 billion to Ukraine was passed in April after months of hard-right resistance.

Ukraine faces significant threats to its ability to continue its fight and is now losing

The seizure of Russian assets will make the global financial transaction system subservient to international political currents.

ground. The US has vehemently proposed the one-time seizure of the total Russian assets parked in the EU and the US to finance the war. But most of the frozen Russian assets are in the Brussels-based depository Euroclear and other European financial institutions. However, the European allies did not agree to this and chose an alternative approach that they suppose is milder. But it is essentially an indirect seizure.

Undoubtedly, this measure will lock Russian assets for 30 years. But it will not affect Russia economically in a significant way. Russia has had a substantial current account as well as trade surplus in the last three years that has helped it to replenish a substantial portion of the frozen assets. Sacrificing the inter-

est on the assets parked outside will have insignificant additional effects. But it will have a profound impact on the global financial system and diplomacy.

Biden did release the frozen Iranian assets in exchange for five US hostages in September last year. Likewise, the unlocked Russia's frozen assets could have been potentially utilised as a bargaining tool during negotiations to end the war. But that negotiating leverage is almost gone now. Even if the frozen assets are used as a bargaining chip, Russia will demand back the interest earned from the frozen assets, and who will pay that? Even if Russia gets \$300 billion after 30 years, its present value is just \$50 billion (as calculated by using the economics tool 'time value of money' assuming 6 per cent discount rate and annual compounding).

In 2023, Ukrainian Ambassador to Canada Yuliya Kovaliv, while hailing the proposed legislation for seizing foreign assets, in a message to the Canadian Institute for the Administration of Justice's annual conference in Ottawa, wrote, "You need to remember; most of these assets are corrupt assets, are assets of Russian oligarchs that got their huge fortune by being close to the Putin regime, by using the taxpayers' money for their personal interests or the interests of their companies."

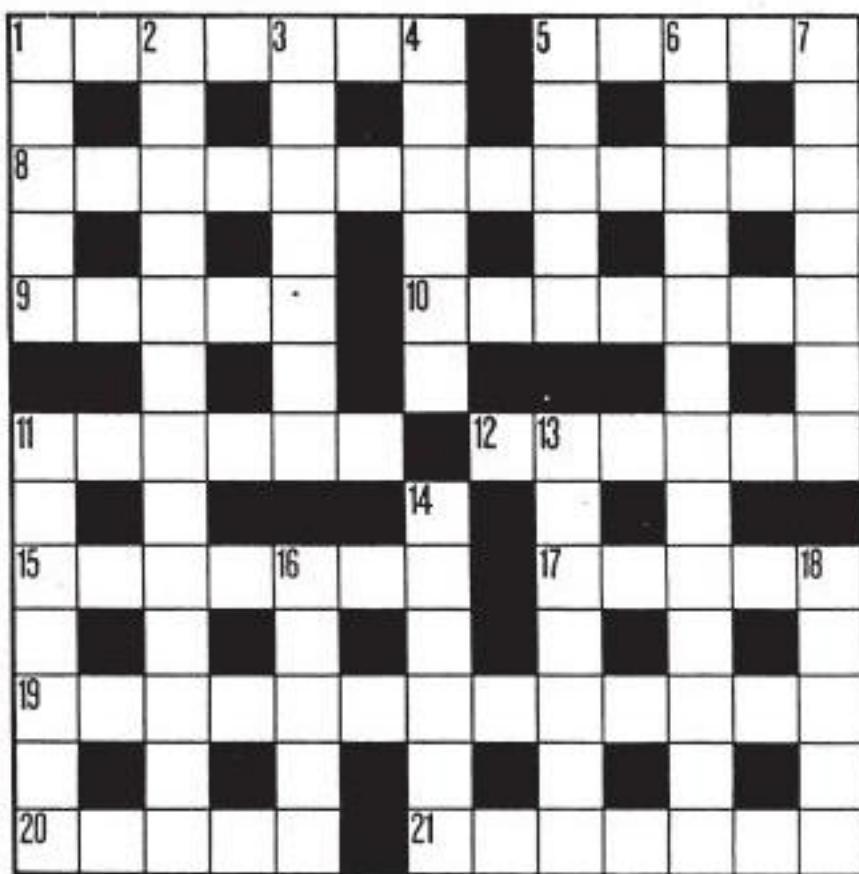
The US and its allies agreed

with this narrative and acted in a veiled manner to acquire Russian companies' assets (along with state assets), holding them responsible for Putin's actions. Similarly, Russia can acquire public and private property belonging to its opponent states and their citizens as a countermeasure.

The US and its allies are trying to end the war by exerting economic pressure on Russia. The policy is to destabilise Russia through economic and financial sanctions along with the continuous arming of Ukraine, virtually giving a go-away to diplomacy to contain the war. Economist Jeffrey Sachs puts it like this: "There has been a complete collapse of the diplomacy between US and Russia — instead of focusing on the policy, Biden focuses on personal vis-à-vis President Vladimir Putin. Recently, he referred to President Putin as 'a crazy SOB'." In the press conference following the NATO summit in Washington, Biden described Putin "a murderous madman on the march".

The seizure of the Russian assets will make the international financial transaction system untrustworthy and subservient to global political currents. Russia is already holding Western countries responsible for initiating and prolonging the war. Adding another dimension to the war will expand it to a new level, limiting the possibility of a diplomatic solution.

## QUICK CROSSWORD



### ACROSS

- 1 Caller (7)
- 5 Sudden abundance (5)
- 8 Perverse obstinacy (3-10)
- 9 Remains of destroyed building (5)
- 10 Competent (7)
- 11 A winter sport (6)
- 12 Occupy vacancy temporarily (4,2)
- 15 Breakdown of law and order (7)
- 17 Condescend (5)
- 19 Commit oneself unreservedly (2,3,5,3)
- 20 An artificial fabric (5)
- 21 Willowy (7)

### Yesterday's solution

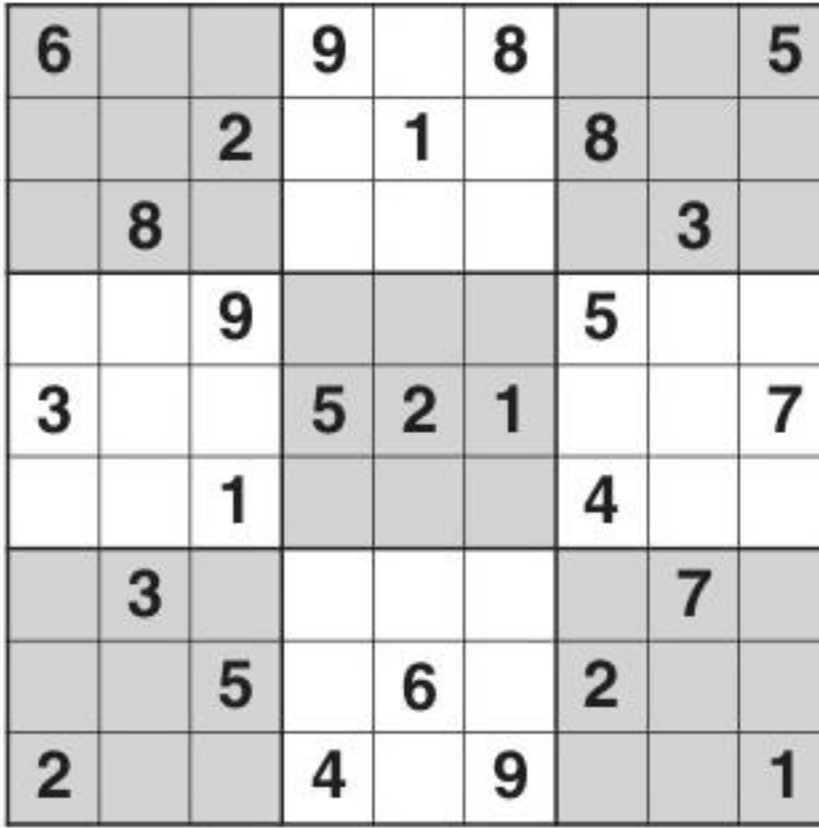
Across: 1 Shock, 8 Eagle eye, 9 Snack, 10 Dead duck, 11 Cacti, 12 Pop, 16 Strike, 17 Look on, 18 Way, 23 Dated, 24 Rare bird, 25 Fatal, 26 Crow over, 27 Skill.

Down: 2 Hen party, 3 Cocktail, 4 Gazebo, 5 Blade, 6 Seoul, 7 Perky, 12 Few, 13 Ply, 14 For a lark, 15 Dove-tail, 19 Agreed, 20 Crack, 21 Brook, 22 Abhor.

### DOWN

- 1 Venomous snake (5)
- 2 To a meaningful extent (13)
- 3 Betrayal of allegiance (7)
- 4 Lower the price of (6)
- 5 Sated beyond endurance (3,2)
- 6 Plain and simple (13)
- 7 A forgotten celebrity (3-4)
- 11 Walk unsteadily (7)
- 13 Grati-fy wishes of (7)
- 14 An infectious fever (6)
- 16 Unsullied (5)
- 18 River of northwest Africa (5)

## SU DO KU



V. HARD

### YESTERDAY'S SOLUTION

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

### CALENDAR

JULY 16, 2024, TUESDAY

■ Shaka Samvat	1946
■ Aashadh Shaka	25
■ Shravan Parvishte	1
■ Hijari	1446
■ Shukla Paksha Tithi 10, up to 8.34 pm	
■ Sadhya Yoga up to 7.18 am	
■ Vishakha Nakshatra up to 2.14 am	
■ Moon enters Scorpio sign 7.52 pm	
■ Shravan Sankranti	

## FORECAST

SUNSET:	TUESDAY	19:25 HRS
SUNRISE:	WEDNESDAY	05:33 HRS
CITY	MAX	MIN
Chandigarh	37	30
New Delhi	35	29
Amritsar	36	29
Bathinda	36	28
Jalandhar	36	28
Ludhiana	36	28
Bhiani	36	29
Hisar	37	28
Sirsa	38	30
Dharamsala	31	21
Manali	26	16
Shimla	25	16
Srinagar	30	16
Jammu	35	25
Kargil	32	15
Leh	26	11
Dehradun	33	25
Mussoorie	23	15

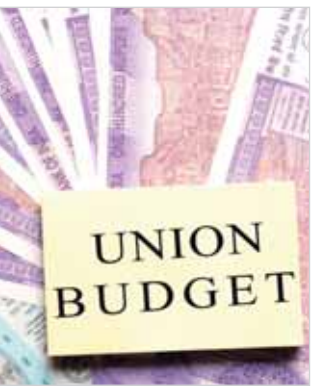
TEMPERATURE IN °C



## Expectations from the budget

The Union Budget must address infrastructure growth, job creation and clean energy initiatives

The 2024 Union Budget will be presented in the Lok Sabha on July 23rd. This will be the first budget by NDA-3, likely to continue its earlier policies. However, setbacks in the recent elections might lead to course corrections, and some populist measures may be included in the budget by Union Finance Minister Nirmala Sitharaman. As the Union Budget 2024-25 approaches, the Indian economy stands at a pivotal juncture, characterized by robust growth prospects and lingering challenges. The GDP growth forecast remains optimistic, buoyed by a strong recovery in various sectors, particularly manufacturing, services, and technology. However, inflationary pressures, high fiscal deficits, and global economic uncertainties pose significant challenges. The government has made concerted efforts in the past to enhance infrastructure, digitalisation, and clean energy initiatives, reflecting its commitment to sustainable development. Despite these strides, issues like unemployment, income inequality, and rural distress persist, necessitating



targeted fiscal measures. The forthcoming budget is expected to address these concerns, aiming to foster economic resilience, stimulate investment, and ensure inclusive growth for the nation. It is an opportunity to streamline the economy and heal ailing sectors. People's prime concerns remain inflation, which can be dexterously handled with tight fiscal planning. The Union Budget under NDA 3.0 must prioritise infrastructure growth and job creation, aiming to boost manufacturing through public-private partnerships. Changes in personal taxation and pension schemes are also expected, focusing on long-term fiscal sustainability and middle-class relief.

There is significant industry expectation for reforms and incentives to bring them back on track. The real estate sector, a major catalyst for economic growth and a vital provider of employment, urgently needs industry status to access lower-cost financing and tax benefits. High taxes on essential materials like cement and steel, particularly the 28% GST on cement must be addressed to sustain growth. India's electric vehicle (EV) sector stands at a crucial juncture, with high expectations for the upcoming budget. The government should prioritise incentivising firms to use EVs for last-mile delivery operations. Reducing GST rates for renewable energy components from the current 18% to 5% could lower the cost structure for green energy projects, promoting faster adoption across the country. The upcoming budget is expected to focus on employee welfare, formal job creation, reducing compliance complexity, and addressing the skill gap. Job creation and equipping people with desired skills, especially in technology, must be focal points. The budget should allocate more funds to tech infrastructure and resources, preparing students for a tech-driven job market and supporting entrepreneurial growth. Overall, the Budget must provide a definitive direction for India's economic agenda, with a strong emphasis on infrastructure, job creation, clean energy, and comprehensive sectoral reforms.



Devotees carry idols of Lord Jagannath, Balabhadra and Subhadra on the occasion of Ulta Rath Yatra in Nadia

## New army chief follows Zorawar's footsteps

The ancient Duggar region has produced many of India's bravest warriors and earned the highest number of gallantry awards in the annals of the Indian Armed Forces



BHOPINDER SINGH



Ancient Duggar region (land of warrior-Dogras spanning J&K, Himachal Pradesh, and parts of Punjab) has given maximum sacrifice and earned the highest number of gallantry awards in the annals of the Indian Armed Forces. Geographically, they have been the first line of defence against all invading forces. The noble land birthed the likes of King Porus, and the warrior sans pareil, General Zorawar Singh. Unbeknownst to many, the legendary Zorawar's audacious conquests included regions that are now in Pakistan and China like Gilgit-Baltistan, Skardu, Hunza, to even large swathes of Tibet. With such martial traditions, it is the only region in the country that

populates not one but four fiery regiments of the Indian Army i.e., Jammu & Kashmir Rifles, Dogra Regiment, Jammu & Kashmir Light Infantry and Punjab Regiment, besides other arms, and services. But the Jammu & Kashmir Rifles or Jak Rif, has a hallowed place in history and imagination as a proud and direct legatee of those Zorawar's daredevilry traditions. The only 'State Force' of the Princely Dogra Kingdom to be fully amalgamated in the Indian Army, they remain the quintessential 'Gentlemen Soldiers' owing to pedigree, immense dignity, and professional restraint in personal conduct, but unmatched ferocity in battle. In 1947 the 'Saviour of Kashmir', Brigadier Rajendra Singh Jamwal, MVC, and his band of 300 indefatigable warriors held off Pakistani tribals for crucial three days to allow the confabulations and the landing of Indian troops in Srinagar. The Maharaja and Commander of J&K State forces had ordered, "Brigadier Rajender Singh is commanded to hold the enemy at Uri at all costs and to the last man" - he did so by paying the "ultimate sacrifice" himself. In another theatre, Brig Sher Jung Thapa, MVC, of the J&K State Forces earned the title of "Hero of Skardu". Even the first Param Vir Chakra of India, Maj Somnath Sharma, was from the Duggarregion. Decades later, when the enemy attempted to

cross over yet again, it was the unparalleled heroics of the 13th Jak Rifbattalion, atop the unforgiving heights of the Kargil War that galvanised the nation. Two combatants from the traditional Duggar catchment areas of Palampur and Bilaspur were to send shivers down the spine of the enemy with their regimental war cries of "Durga Mata ki Jai" as they retook Point 5140. Captain Vikram Batra was to immortalise the moment with his "Yeh dil mange more" spirit and Rifleman (later Subedar Major) Sanjay Kumar would fight to defend their land just as their forefathers did, for aeons. Both won Param Vir Chakra. Even the peace-time equivalent of gallantry, Ashok Chakra, was bestowed on 2/Lt (later Maj Gen) Cyrus Pithwalla of 17th Jak Rif, to be the only 'General' officer with the highest gallantry award. It is from this deep fount of distinguished soldiery, that the 30th Chief of Indian Army Staff, General Upendra Dwivedi, takes over the reigns. Commissioned in the 18th Rif battalion, he is the first Army Chief from the decorated Regiment. Understandably, people in the Duggar land (especially those from the Jak Rif fraternity) are justifiably proud. As 97 years

GENERAL DWIVEDI ASSUMES THE RESPONSIBILITY THAT HIS REGIMENTAL FOREFATHERS HELD WITH MUCH APLOMB, ELAN AND PROFESSIONAL ACUMEN THAT BEFITS THEIR MOTTO, PRASHATA RANVIRTA OR VALOUR IN BATTLE IS PRAISEWORTHY!

'young', Major General Goverdhan Singh Jamwal (the only General who was commissioned by Commander-in-Chief of J&K State Forces, Maharaja Hari Singh) extended congratulations and recalled the countless regimental sacrifices that, "made the State as crown of newly independent India". Today, General Dwivedi assumes the responsibility that his regimental forefathers held with much aplomb, elan and professional acumen that befits their motto, Prashata Ranvirta or Valour in battle is Praise-worthy! The General assumes the mantle time in most challenging times, but as the Military truism goes, "The harder the conflict, the greater the triumph". With the Indian Army, he takes over the most disciplined, combat-hardened, and restrained institution of the nation - much like his own regimental ethos. Regrettably, such a selfless attitude in a selfish world can often lead to being 'taken for granted' or lead to institutional diminishments. Transmitting that 'voice' for redressal to the powers-that-be will be his foremost challenge. To his singular credit, he has tenanted the most sensitive posts e.g., Army Commander of the Northern Command that dealt with dual nemesis

i.e., China and Pakistan simultaneously, amongst other operational and staff posts. This makes him a worthy leader. In a movingly reassuring optic that is so typical of the Indian Army and its inimitable ways, the good General took blessings of his family elders, laid a wreath for those who went down fighting at the National War Memorial and then exchanged greetings with religious leaders of all faiths and denominations. Much like the multi-religious and multi-castiest denomination of the Duggar land and the combatants-in-arms from his beloved JaK Rif who could be a Sikh like Honorary Captain Sundar Singh (Ashok Chakra), Parsi like Maj Gen Pithwala (Ashok Chakra) or even the martyr from his battalion i.e. 18th Jak Rif, Rifleman Arif Khan Pathan, who laid down his life on Indo-Pak Line-of-Control (LoC). Jak Rif's pride is the nation's pride. As regimental patriarch, Maj Gen Goverdhan Singh Jamwal dotingly noted, "General Upendra Dwivedi is the product of this great Regiment of General Zorawar Singh. You can expect results". (The writer, a military veteran, is a former Lt Governor of Andaman & Nicobar Islands and Puducherry. The views expressed are personal)

## LETTERS TO THE EDITOR

### ROT IN THE SYSTEM

Madam — It is ridiculous that the central institutions are being pulled in for series of alleged discrepancies in the entrance exams one after another. After NEET exam paper leaks, now its time for UPSC exam. Probationary IAS officer Puja Khedkar's issue in Pune, is now on the limelight to raise many doubts regarding the UPSC and its selection process which is lenient towards IAS officers daughters and sons. It seems that the rules were bent in favor of her due to the political influence of her father and the impact of nepotism while clearing her medical examination certificate under OBC, PwBD quota, which was accepted despite it was done by the private hospital with an excuse of COVID-19 and posting. It is highly doubtful that she passed the exam under OBC category by misusing the law and fooled the interview board regarding her credentials which is not supposed to fall under OBC, PwBD quota as her asset worth is 22 crore. Her attitude, lavish life and pomposity on her probation period was unethical and disrespect to such highest post in the government. Perhaps, its just because of such candidates the honest and deserving get deprived of a chance to serve the society and nation building. It raises a red flag whether rules were misused in the past as well under the guise of obtaining OBC certificate by showing disability by the candidates who have had political affiliation and support. One hopes for fair and proper investigation of this matter to wipe out the rot in the system.

Janga Bahadur Sunuwar | Jalpaiguri

### RAUT'S UNCHARITABLE COMMENTS

Madam — Shiv Sena (UBT) leader and MP Sanjay Raut now says that Atal Bihari Vajpayee would have imposed emergency in a similar situation. Had Vajpayee told Raut that he would have imposed emergency if he had faced a situation of the kind Indira Gandhi faced? The situation was created by Indira Gandhi herself. Justice Jagmohan Lal Sinha of Allahabad High

## Trump dodges the bullet



In the shooting incident in Pennsylvania at a Trump rally, the Ex president fortunately had a narrow escape. History is replete with attempts at assassination of US presidents. In

fact world over national leaders elsewhere too have been targeted for differing reasons. In the Trump incident, political observers have highlighted increasing and consistent effort at polarisation in the US, fed by hateful political rhetoric in the past few years. Trump as the serving President would refuse to concede defeat in his bid for re-election in 2020, even after losing it by as many as seven million votes. He not only stuck to a theory of conspiracy to deny him a win but created a partisan following that would recklessly storm into the parliament. The Pennsylvania incident must carry a larger and universal lesson. As a leader grows tall his onus to public propriety and temperance in speech, becomes exponential. Else it stands to rapidly fray the socio-politic fabric of a nation.

R N Narayanan | Mumbai

Court held Indira Gandhi guilty for her electoral malpractices. The Allahabad High Court delivered its judgment on June 12, 1975. The adverse judgment against Indira Gandhi threatened her position as Prime Minister. Top national leaders Jayaprakash Narayan, Morarji Desai, Vajpayee, and many others were arrested when Indira Gandhi had the premonition that her power and position would be in peril. The justification given for imposition of emergency was 'the internal disturbance'. Vajpayee did not indulge in electoral malpractices for facing a situation of the kind Indira Gandhi faced. He never hankered after power. Power came in search of him. The thought of Raut that Vajpayee would have imposed emergency if he had faced similar situation makes a laughing stock. What is wrong if Modi calls the day of emergency as the day of murder of the Constitution?

K V Seetharamaiah | Bengaluru

### RESPECT GANDHI'S LEGACY

Madam—I want to express my deep concern and disappointment over the recent

## High seas treaty: A crucial step for marine biodiversity protection

This treaty represents a significant international effort to protect our oceans, promoting equity and cooperation among nations

The world's oceans, vast and mysterious, are crucial to the health of our planet. They regulate the climate, produce half of the oxygen we breathe, and support a rich tapestry of life that is vital to global biodiversity. Marine ecosystems are incredibly diverse, hosting countless species, many of which remain undiscovered. Protecting this biodiversity is not just an ethical obligation but a practical necessity. Healthy marine ecosystems provide essential services, such as carbon sequestration, which helps mitigate climate change. They also support fisheries that millions of people rely on for food and livelihoods. Yet, the high seas—the areas of the ocean that lie beyond national jurisdictions—remain largely unprotected and poorly managed. The significance of the Biodiversity Beyond National Jurisdiction (BBNJ) Agreement comes into the picture here. BBNJ is an international treaty under the United Nations Convention on the Law of the Sea (UNCLOS). The Biodiversity Beyond National Jurisdiction (BBNJ) Agreement, also



known as the High Seas Treaty, is a significant international treaty aimed at the conservation and sustainable use of marine biodiversity in areas beyond national jurisdiction. Areas beyond national jurisdiction cover approximately two-thirds of the ocean's surface and 95% of its volume. These regions offer invaluable benefits to humanity, including ecological, economic, social, cultural, scientific, and food security advantages. However, they are vulnerable to significant threats such as pollution, overexploitation, and the escalating impacts of climate change. The anticipated rise in human demand for marine resources in the coming decades—for food, minerals, and biotechnology—poses a risk of worsening these issues. These areas cover nearly half of the Earth's sur-

face, yet they lack comprehensive legal frameworks to regulate human activities, leaving them vulnerable to overfishing, habitat destruction, pollution, and the impacts of climate change. The BBNJ Agreement aims to ensure marine biological diversity conservation and sustainable use in areas beyond national jurisdiction. One of the most commendable aspects of the BBNJ Agreement is its emphasis on equity. The agreement recognises the differing capacities of developed and developing nations in managing marine resources. It includes provisions for capacity-building and the transfer of marine technology, helping to level the playing field and enable all nations to participate effectively in ocean governance. This is vital for ensuring that the benefits of marine resources are shared fairly. The BBNJ Agreement represents a vision of global stewardship where nations come together to protect the shared heritage of our oceans. It establishes mechanisms for creating marine protected areas (MPAs), conducting environmental impact assess-

ments (EIAs), and sharing marine genetic resources (MGRs) and associated benefits equitably. This holistic approach ensures that conservation efforts are globally coordinated, scientifically informed, and inclusive of all stakeholders. It is a testament to the power of multilateralism in addressing global challenges. While the BBNJ Agreement is a significant step forward, it faces considerable challenges. Ensuring compliance and enforcement in the vast and remote high seas areas will be complex. Effective implementation will require robust monitoring systems, international collaboration, and sufficient funding. Moreover, the agreement must harmonise with existing regional and sectoral bodies to avoid conflicts and duplication of efforts. An international agreement like the BBNJ Agreement, where countries work together for a common goal, is a beacon of hope for resurrecting our planet from the hardships caused by human activities. (The writer is an adjunct faculty at the National Institute of Advanced Studies; views are personal)



BIJU DHARAMAPALAN

Masood Ahmad | Barabanki

Send your feedback to: letterstopioneer@gmail.com



FIRST COLUMN

MANY REASONS FOR THANKING GOD



AJIT KUMAR BISHNOI

God helps us in many ways, and the least we can do is thank Him for His generosity

Anyone, who has even tried to link with God either by praying or by chanting or by any other spiritual practice, would have benefited in some way. Because God can never be a debtor; He doesn't have to be. After all, He is the controller. I do many spiritual activities, and I am rewarded much beyond my expectations. How do I respond? I thank God profusely. This entitles me to more favours from God because thanking God is a high-class spiritual act. Over a long period of being in the shelter of God, many changes have occurred in my life. I am more peaceful; feel more secure; am 'sukhi' (happy); bad times don't last long; help comes, as required; guidance is generally available; etc. There are multiple reasons to thank God. I will detail a few. The first one has to be God's role in keeping the Creation going for our benefit. There have been many wars. But the world remains intact. Because God is the only entity, who could have prevented an all-out war like a nuclear war, which could have destroyed the world. God keeps the Creation going for His parts (The Bhagavad-Geeta 15.7). A businessman tries to keep his business going for his children, grandchildren, etc, but doesn't always succeed, because we all are limited; God is not. God uses good souls, those who possess divine qualities to keep the Creation going. He rewards them in many ways including a better next birth. Shouldn't we thank God for this 'kripa' (grace)? The second reason to thank God profusely is for protecting good souls from demons. Lord Krishna has stated in verse # 16.6, "There are two types of living beings in this world: possessing divine qualities and having demonic qualities. Every person has either the predominance of divine or demonic qualities." Those with a preponderance of demonic qualities remain engaged in cruel acts. (16.4) There is a good percentage of such people. How do good people, i.e. having a preponderance of divine qualities, escape their attention? God manages that. I cannot imagine living the way I do, i.e. with freedom and escape from being hurt by them. Believe me, I thank my Lord for this great mercy a lot, knowing how vulnerable I am. My third reason to be thankful to God is for bailing me out of all troubles, which make their painful appearance due to my past bad/sinful acts, mostly in my past lives. I must have, otherwise I wouldn't be giving birth in this *dukhalaya*. God has promised this to all those who have God's consciousness. The fourth reason to thank God is for acting as karta (doer) in my life. There are five factors for accomplishing any task. These are: the place of action and the doer and many different kinds of instruments and many different efforts and fifth in this connection is the providence only." (18.14) Only God can control all the five. No human being has control over any other factor except being a doer. And when God is the karta, a task gets surely done. God does this kripa on us whenever He feels that it is according to dharma and we deserve it. The fifth reason to thank God, especially by me is for God using me as His nimitta (instrument). I am one of many whom God has chosen. I suspect that all good people get this privilege, as Arjuna was. (11.33) The sixth reason to thank God one and all human beings is His mercy in allowing very simple spiritual practices like praying, naman (obeisance), chanting and, yes, thanking. Once we begin doing them, God is in the picture. He doesn't wait for us to become His devotees; God begins to help us to become one. Because all these acts signal to God our intention to take His shelter. In my case, God has been micromanaging my life for a long time encouraging me to go on with my spiritual activities like writing spiritual texts such as articles and books. All the religions promote this act of thanking God. If we don't thank when we should we are becoming a debtor. I look for opportunities to thank others, and to God of course. He gives me plenty of reasons to be thankful. *(The writer is a spiritual teacher; views are personal)*

# Prioritising growth and regional development



A S MITTAL

## The first budget by NDA-3 is anticipated to address the demands of stakeholders and states seeking assistance to bridge regional disparities



The NDA-3 government is gearing up to present its first budget on July 23. This budget carries high expectations as it is anticipated to outline a 5-year economic agenda and is expected to deliver substantially to meet the demands of stakeholders and states seeking assistance. Discussions are underway regarding the reinstatement of special status for states like Bihar and Andhra Pradesh, with demands from Janata Dal (United) and Telugu Desam Party (TDP) in exchange for their support for the BJP-led National Democratic Alliance government. Andhra Pradesh's CM, N. Chandrababu Naidu, has demanded Rs one trillion to support the state's industrial and infrastructure development. The demand for special category status for Bihar and Andhra Pradesh poses the crucial question of why a similar approach should not be adopted to accelerate and expand the industrial growth of Punjab, a landlocked border state. This expectation arises at a critical time when the state is experiencing a significant divergence in its industrial activities due to stagnant growth and reduced exports. These circumstances demand new measures to catapult the state to greater heights. In the mid-nineties, neighbouring hill states like Himachal Pradesh reaped the benefits of a central special industrial package, while Punjab faced significant setbacks as many major players expanded and shifted their operations to the hilly states. The geographical disadvantage of being distant from seaports has led to certain investment disadvantages and stagnant growth in the industrial sector. Today, Punjab demands a level playing field to compete on an equal footing, as its key manufacturing industries have the potential to become an 'Engine of Growth.' Punjab inherited a fragile industrial base at the time of India's partition in 1947, which was further eroded with the creation of Haryana in 1966. The 1980s and 1990s were tumultuous due to terrorism and social unrest, impacting industrial growth in the region. Currently, Punjab only accounts for 5% of industrial units in the country, with a 3.6% Compound Annual Growth Rate (CAGR) in the industrial sector over the last five fiscal years. In contrast,



THE DEMAND FOR SPECIAL CATEGORY STATUS FOR BIHAR AND ANDHRA PRADESH POSES THE CRUCIAL QUESTION OF WHY A SIMILAR APPROACH SHOULD NOT BE ADOPTED TO ACCELERATE AND EXPAND THE INDUSTRIAL GROWTH OF PUNJAB, A LANDLOCKED BORDER STATE

neighbouring states like Haryana have demonstrated higher growth rates at 5.9%. Punjab is positioned 10th with a score of 58.95 in the Export Preparedness Index (EPI) ranking 2023, whereas Haryana holds the 5th position with a score of 63.65. It raises concern that Gujarat has the highest number of 8 districts among the top 25 districts in terms of export share, followed by Maharashtra with 5 districts, Haryana with one, and Punjab with none. Moreover, in terms of foreign direct investments (FDI), Punjab ranks 12th, having attracted only 0.49% of FDI. This is in stark contrast to neighbouring Haryana, which ranks sixth with FDI equity inflows accounting for 4.17% of the total inflows. The erosion of industry is a pressing crisis in Punjab. Despite efforts by successive governments to attract investments, significant hurdles such as location disadvantage, law and order and frequent protests persist. One major issue is the location disadvantage, as Punjab's distance from seaports makes its industrial operations non-competitive in the global market. Two years ago, CM Bhagwant Maan announced in the Vision Punjab conclave of ASSOCHAM that Punjab aims to become the first state in the country to own wagons (Punjab on wheels), offering a potential solution to dilute the freight burden. However, the success of this endeavour depends on the support from both the central and state governments. Punjab is an exceptional hub for textile yarn, bicycles, hosiery, tractors, automobile components, sports goods, engineering goods, and leather. These industrial clusters possess immense potential and can be further strengthened. Ludhiana proudly leads as the top producer of blended yarn and hosiery, as well

as the second-largest producer of polyester silk, fibre, and cotton yarn. It dominates woollen knitwear (95%) and hosiery (65%) exports, showcasing its strength in the global market. While China holds a dominant position with a 37% share, India is positioned with a 5% share in the global export market, and there is huge potential for expansion in export markets such as the USA, UAE, UK, Germany, France, and Australia. Ludhiana also commands a remarkable 92% of India's total bicycle parts production and 75% of bicycle production, securing its position as the leading exporter of bicycles from India with an 80% share. While India lags behind China in bicycle exports, there is clear potential to aggressively expand global exports with untapped opportunities in the US, European countries, and Africa as burgeoning bicycle markets. Jalandhar holds a solid 45% share of the total production, with 75% of the country's sports goods being exported from the city. Despite China's dominant position as the largest exporter of sports goods with a share of 42.2%, India's current 0.56% share of global exports signifies the untapped potential for Punjab's growth, with lucrative prospects in the USA, UK, Brazil, Germany, Mexico, South Africa, Colombia, and Argentina. Punjab plays a pivotal role, hosting one-third of total OEMs in the farm equipment segment and serving as the leading tractor manufacturer, contributing one-third to India's production. With a commanding share in exports, Punjab stands tall as the largest exporter. Despite India's current 2.2% share, the potential for over 2 lakh tractors to be exported in the next 3 years to burgeoning markets such as Brazil, Argentina, Turkey, SAARC, and African nations is undeniable. Wish List: Priority Focus on PLI:

The Production Linked Incentives (PLI) scheme should be thoroughly re-evaluated to ensure it delivers the intended impact on competitiveness and scale. Monitoring its progress closely is critical. The slow progress of the PLI scheme, especially in labour-intensive sectors like textiles, automobiles, and components, must be addressed urgently. To achieve broader goals such as enhancing exports, attracting significant investments, and generating employment, expanding PLI to new sectors like bicycles and sports goods is imperative to encompass the maximum number of MSMEs. Assertive GST Rationalization: There is an urgent need to rationalize the current GST structure to eliminate the complex hurdles created by multiple tax slabs. Transitioning from the existing structure to a simplified two or three-slab framework and providing exemptions for previously exempted items such as farm implements is crucial to streamline the system. Critical Focus on Logistics Cost: Competitive and efficient logistics are the foundation for industrial growth. Policy-backed support for state-owned wagons in landlocked border states like Punjab is essential to address the over-freight burden and provide a level playing field to manufacturing hubs. Incentivizing labour-intensive and export-oriented industries in the upcoming budget is vital to driving the country's economic growth and employment generation. *(The Author is Vice-Chairman of Sonalika ITL Group, Vice-Chairman (Cabinet minister rank) of the Punjab Economic Policy and Planning Board, Chairman of ASSOCHAM Northern Region Development Council and President of Tractor and Mechanization Association. Views expressed are personal)*

# Cinema: A potent tool in global politics and cultural diplomacy

## In our multipolar world, cinema has become a critical component of soft power, shaping global perceptions through its captivating narratives

Movies have evolved far beyond mere entertainment; they now play a significant role in global politics and cultural relations. Through creative expressions, films harness the ecosystem comprising key stakeholders to nurture and develop soft power dynamics and geopolitical equations. In the realm of geopolitics, movies are more than art; they are potent tools used by countries to showcase their soft power and expand their influence worldwide. Through their film industries, nations share stories that resonate globally, reflecting their identities and serving as diplomatic instruments. Films offer profound insights into the societal dynamics of different countries, profound



CHAITANYA K PRASAD

Impacting international relations. Today, we live in a multipolar world where power dynamics are fluid, and various stakeholders, perceptions, ideologies, strategies, networks, interfaces, and interactions play a critical role. The challenge we face today is assembling a complex jigsaw puzzle, where every piece of this puzzle has a vital role to play. Geographical boundaries have blurred exponentially, thanks to globalisation,

enhancing communication and ushering in a new era where technology plays a pivotal role in shaping these interactions. The emergence of the new players can be attributed to the concept of Soft Power dynamics. This idea, coined by Joseph S. Nye, describes the ability to attract and persuade through culture, political ideals, and policies. In this context, cinema has become an essential component of Soft Power. Cinema, as a medium and platform, acts as a catalyst to position soft power dynamics, decoding perceptions, perspectives and geopolitical stances globally. The portrayal on the big screen infuses fresh thinking into the policy debate dynamics, global issues and management of ideas in a

global framework, bound by multipolarity and instant communication. Many films in the past have mirrored multidimensional dynamics and impact on different ecosystems, nations and individuals. Cinema and foreign policy interface reinforces the global appeal of a concept, or idea leading to a dynamic framework for cultural diplomacy. Cinema as a medium has added a new tool to the dynamics of bilateralism, the use of creative tools in the portrayal of a new point of view, ideology and intervention along with better cultural understanding. Cinema has emerged as a vehicle of Collaboration, Cooperation, Cohesion, Coordination, and Convergence — the 5Cs of cinema.



On the global front, cinema breaks barriers, overcomes obstacles, and thrives on the creativity of both old and new players. It no longer caters solely to Western or Eurocentric narratives but embraces a diverse global perspective, which plays a crucial role in shaping cinema perceptions and adding a soft touch to global power dynamics. The importance of cinema in geopolitics has

grown significantly over recent years, with governments increasingly funding film projects that reflect their national interests and cultural heritage. Many countries use their film industries as a powerful tool for soft power to shape their global impression. The impact of movies is greatly amplified by their global presence, thanks to the rise of streaming services that have revolutionised film distribution, making it easier for films from smaller markets to reach a worldwide audience. Platforms such as Netflix, Amazon Prime, and Hulu have democratised access to movies from various countries, allowing filmmakers worldwide to showcase their cultural stories without relying on traditional distribution.

Cinema transcends power structures by influencing public opinion and shaping international policies through its captivating narratives. Movies serve as platforms for discussions and political analysis, sparking conversations that can drive societal transformation. Filmmakers and actors act as ambassadors with significant sway, using their works to facilitate cultural exchange and international conversations. Cinema has become a platform for new ideas and concepts, driving integration through International Film Festivals. The role of cinema in today's world is incredibly significant. It serves as a diplomatic tool and a compelling medium to communicate ideas through storytelling, influencing inter-

national relationships. Beyond its audience, cinema has a far-reaching impact on global leaders, policymakers, and communities worldwide. It acts as an envoy, spreading messages of peace, empathy, and solidarity through engaging stories that mirror the complexities of human life. There is no doubt that cinema now transcends entertainment in contemporary society. Nations are recognising the power of cinema as a tool to promote their agendas and perspectives on the world stage, underscoring its importance in diplomacy. *(The writer is former additional DG, DFF and Festival Director, IFFI; Inputs by Zoya Ahmad and Vaishnavi Srinivasan. Views are personal)*