



Option or stratagem?

Court should limit Governor's power to refer Bills to President without cause

The manner in which some Governors have been dealing with legislation passed by the State legislatures is a travesty of the Constitution. After the Supreme Court of India intervened in the case of Punjab and raised questions about the action or inaction of Governors in Tamil Nadu and Telangana, it was believed that incumbents in Raj Bhavans would end their deliberate inaction on Bills passed by the Assemblies. However, it appears that on finding that their supposed discretion to sit indefinitely on the Bills or withhold assent to them has been significantly curtailed, Governors have taken to the stratagem of sending Bills they disapprove of to the President for consideration. When the President refuses assent, based on the advice of the Union government, there is no recourse left for the State legislatures. This has given rise to the question whether the provision for reservation of some Bills for the President's consideration is being misused for subverting federalism. In other words, the Centre is given a contrived veto over State laws – something not envisaged in the Constitution. This is precisely the question that Kerala has raised in its writ petition before the Court, challenging the Governor's action in sending the Bills to the President and the latter's refusal of assent. It is now quite an appropriate time for the Court to adjudicate the question and place limitations on the use of the option given to Governors.

It is worth recalling that in the Punjab case, the Court ruled that Governors do not have a veto over Bills, and that whenever they withheld assent, they were bound to return the Bills to Assembly; and if the Assembly adopted the Bills, with or without amendments, they were bound to grant assent. In the case of Telangana, the Court observed that Governors were expected to act on Bills "as soon as possible", underscoring that the phrase had significant constitutional content and that constitutional functionaries would have to bear this in mind. It is quite surprising that the Governors of West Bengal and Kerala have learnt nothing from these judgments and observations. Seven Bills from Kerala that may not normally require the President's assent were sent up to Rashtrapati Bhavan; four were refused assent without any reason being assigned. The inaction on these Bills range from 23 to 10 months. West Bengal has also challenged the inaction on some Bills, a few of which may have been referred to the President. The issue transcends the political considerations that may have inspired the action or inaction on the part of the Governor. At its core, it concerns the question whether the Constitution permits such indirect central intervention in the legislative domain of the States.

Impatience with jobs

Budget's stress on employment is good; a lot more needs to be done

One of the biggest pivots in this Budget speech has been a shift in the stance on employment and the sharply higher frequency of mentions it received. 'Employment' was the central theme of the Budget, that placed the Prime Minister's package to facilitate jobs and skills on top of its list of soothing promises. The proposed ₹2 lakh crore package seeks to help 4.1 crore youth over five years with three employment-linked-incentive schemes – two of which encourage hiring of fresh entrants in the job market for at least one year with subsidies, while a third attempts to incentivise companies to scale up hiring beyond their previous year's worker count. To bridge the gap between skill sets and available job roles, a spruce-up of 1,000 industrial training institutes with courses designed in tandem with industry has been promised, along with an ambitious internship programme for a crore youth in 500 top companies. The details of this intern placement programme will be fleshed out, but the Centre has promised to bear a bulk of the stipend involved. Firms can join the scheme on a voluntary basis and tap their mandatory corporate social responsibility funds for the remaining costs. The primacy assigned to tackling the jobs crisis, that the Opposition sought to highlight in the electoral battle, marks an acknowledgement of an issue that the government has otherwise sought to paper over.

To be clear, critiques of jobless growth are not unique to this government – even the UPA had faced similar barbs. Part of the problem has been investors' preference for capital-intensive investments, not in the least because India's labour laws are yet to catch up with the rest of the liberalised economy, acting as a disincentive against creating larger units with more hands on deck. The distress in recent years has perhaps been more acute, as the informal sector that accounts for a bulk of India's jobs also took a hit from successive shocks such as demonetisation, the GST rollout and COVID-19 pandemic lockdowns. Plans to spur private investments through incentives have focused on production levels rather than new jobs. With even rating majors terming India's high youth unemployment as a structural threat to its long-term growth potential, the results of this package of good intent that officials believe can nudge hiring plans at the margins, will be watched. But for the broader employment outlook to pick up, the government must do more, including filling lakhs of vacancies in its own ranks expeditiously. Fostering conditions to boost consumption is most critical, as the private sector shall neither feel the need to expand capacity, nor hire more people without that trigger just to avail a subsidy.

Could Dhruv Rathee and Ravish Kumar's YouTube videos have influenced voter preferences in the 2024 general election? This question concerns a Union government that asserted that it would return to power with an increased majority but was voted back as a coalition with a diminished mandate. Recognising a threat to its power, it aims to neuter digital creators under the Broadcasting Regulation Bill, 2024

Let us first look at the data. Two CSDS-Lokniti surveys provide insights into 642 million voters and 924 million broadband connections. These surveys covered thousands of respondents and highlight the growing importance of digital media beyond the metropolises. The post-poll survey shows that 29% of respondents consume political material every day on digital platforms, with 18% doing so occasionally. While this is less than television (42%), it surpasses newspapers (16.7%) and radio (6.9%). Respondents accessed WhatsApp (35.1%), YouTube (32.3%), Facebook (24.7%), Instagram (18.4%), and Twitter (6.5%) several times a day.

This data suggest a "content election" or an "influencer election", with digital media critical of the Prime Minister challenging the dominance of television news. The widespread use of digital media critical of the Prime Minister also challenges the dominance of television news, which Vanita Kohli-Khandekar, an expert on the Indian media, describes as catering primarily to Bharatiya Janata Party (BJP) voters and being "homogenized into one lump". This leads to a crucial question about the Union government's gameplay. How will it use existing and new laws to shackle digital content?

Signs of control

Even before the President of India administered the oath of office to the Prime Minister and cabinet Ministers, TV channels rather than calling it "Modi 240" (for the number of seats won by the BJP in the general election) labelled it "Modi 3.0" instead. Just like a new version or a software upgrade, this label marked continuity with improvement in a project to centralise power in the name, the image and the voice of the Prime Minister. Consequently, there has been little change in his Cabinet of Ministers. Ashwini Vaishnav remains the Minister for Electronics and Information Technology (MeitY) and has also been given the Ministry of Information and Broadcasting (MIB) portfolio. This reflects a growing convergence and the interest of these ministries in controlling digital content. A formal legal basis to this censorial partnership was first established through the IT Rules, 2021 on February 25, 2021. It expanded MeitY's powers, including a traceability mandate compromising end-to-end encryption on messaging services



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The Broadcasting Bill, 2024 bears all the signs of being a digital authoritarianism project in order to control online narratives

such as Signal. It also granted the MIB new powers to require registration and block digital news media and online entertainment streaming apps. The MIB has publicly disclosed its enforcement action only when they align with nationalistic themes such as terrorism, or on issues such as internal security, fitting its political interests. Thus, both Ministries now have overlapping functions and a shared interest in controlling online narratives.

Creating an autocratic weapon

Even with the IT Rules, 2021, the Union Government was unable to completely control the expanse of digital content. So, it expanded them twice. First, on January 28, 2023 it created three "Grievance Appellate Committee(s)", or GACs, headed by officials from the Ministry of Home Affairs, the MIB, and MeitY. They have heard 1,216 appeals and issued 1,089 secret orders to online platforms on the taking down of or for the reinstatement of content. Then, on April 6, 2023, the IT Rules were amended to grant the Union government the power to order the removal of any digital content deemed "fake, false, and misleading", which was claimed to be the "fact checking amendment". This has been stayed by the Supreme Court of India on March 21, 2024.

With past attempts under the IT Rules, 2021 being inefficient and thwarted, the Union government released the first draft of the Broadcasting Services (Regulation) Bill, 2023, on November 3, 2023, introducing an autocratic superweapon for digital censorship. In simple terms, if it passes into law, your favourite YouTube or Instagram creators who comment on politics and report the news will need to register and work at the discretion of the MIB. Writing on the first version of this proposed law in this daily ("Old censorship on a new medium", November 27, 2023), this writer argued that it will "increase government powers, reduce transparency and accountability processes, and erode fundamental rights..."

Work on the Broadcasting Bill, 2023 paused during the election months, while online creators increased their scrutiny on the BJP's campaign messaging and its 10-year term. The heightened activity of online creators and increase in reach was noticed. On June 4, 2024, in his first address after the election results, the Prime Minister specifically referred to, "countrymen... influencers and... opinion makers..." Wasting little time, according to a media report, the MIB convened a meeting on July 9 for a "presentation" to "stakeholders". Another media report on July 26 mentioned the release of a new draft to "stakeholders", rechristened the Broadcasting Services (Regulation) Bill, 2024. This latest version has not yet been made public.

Nor is the complete list of "stakeholders" who have access to it. According to multiple sources who participated in the MIB meetings, the Broadcasting Bill, 2024 is individually watermarked and provided only after signing undertakings. Despite these retrograde practices from the Union Government's own Pre-Legislative Consultation Policy dated January 10, 2014, a copy of the Broadcasting Bill, 2024 has been floating in the corridors of media, politics, policy and law.

Key highlights of the Bill

On analysis, the nervousness not only of the "stakeholders" but also of the MIB itself in making the Broadcasting Services (Regulation) Bill, 2024 public is understandable. Instead of recognising constitutional limits, the Bill increases the Union Government's command and control over digital media. While its minutiae pose immense harm to democratic expression, let us focus on three primary highlights. First, the Bill expands its scope to classify individual commentators as "Digital News Broadcasters" and content creators as "OTT Broadcasters". The MIB can prescribe and change thresholds for subscribers or users, which, when met, require registration. Second, it creates additional compliances for online platforms and establishes a new safe harbour regime independent of the Information Technology Act, 2000. In addition to the IT Rules, 2021, it can demand registration, enforce censorship, and even require platforms such as YouTube to frame special compliances not only for news channels but also for creators such as Nisha Madhulika, whose latest video is about coconut laddu recipe. This law is designed for the MIB to exercise coercive and total control while outsourcing everyday censorship as a form of compliance to a private apparatus. Finally, the decision-making process for censorship relies on cumbersome proactive compliances, a system of registrations and private self-censorship, and, on failure or whim, censorship and fines levied by the MIB. If that were not enough, most provisions in the Broadcasting Bill, 2024 are sufficiently vague, making them ripe for arbitrary enforcement.

It bears all the hallmarks of what Jagdish Bhagwati termed "a maze of Kafkaesque controls", creating an overly bureaucratic and politicised system – a digital licence raj. This ex-ante regulation model aims to overcome the administrative burden of the notice-and-takedown approach, where the government struggled to censor each creator and online text or video one post at a time. In Modi 3.0's mirage of continuity, the Broadcasting Bill, 2024 is a digital authoritarianism project, creating a public-private labyrinth to enforce censorship.

Duality — understanding Indian voter behaviour

As the election results of the 18th Lok Sabha were announced on June 4, 2024, they sent ripples across the political landscape. The Bharatiya Janata Party (BJP) won 240 seats, but fell well below the majority mark in the Lok Sabha. Though the general election lacked the "criticality" of a power shift, it would be a mistake to overlook the Indian voter's nuanced behaviour and the diversity of factors they consider when making electoral choices.

This article examines such "diversity" through the lens of prudence and paradox inherent in electoral behaviour, drawing on data from the poll surveys conducted by the Lokniti-Centre for the Study of Developing Societies (CSDS). The article uses pre- and post-election surveys conducted by Lokniti, predominantly from 2024 but also includes data from 2014. By examining voters' responses to diverse themes captured in the survey, it aims to reflect both the discerning and contradictory nature of voter decision-making, representing two different sides of a vibrant democracy.

Duality in decisions?

Any discussion on voters' choices must start by examining the independence and substance of those choices. As 56% of respondents make their independent voting choices, it is crucial to examine whether those choices are informed and substantial. According to Lokniti's pre-poll survey of 2024, unemployment and price rise were the most important issues for 50.7% of voters to decide on whom to vote for, outnumbering the construction of the Ram Temple, which influenced only 7.5% of voters, and the ideological rhetoric of Hindutva, which was a voting issue for a mere 2.3%. This shift points to a preference for substantive socio-economic issues over ideological constructs.

The BJP's hegemony is often said to rest on ideology. Over the past decade, the BJP has worked to solidify its narrative, creating an ideological arc that includes milestones from the dilution of Article 370 to the inauguration of the Ram Temple. Despite the significant emphasis on



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A Lokniti-CSDS post-poll survey highlights prudence and paradox in voter decision making

unemployment by voters, this ideological arc has exerted considerable influence on voters, with 22.4% of respondents highlighting the construction of the Ram Temple as the most appreciated work done by the central government in the last five years. However, when examining how this appreciation translates into electoral support, the shrewdness of the Indian voters becomes apparent. While many acknowledge the significance of the Ram Temple, this did not necessarily translate into votes for the BJP. Over 21% of respondents credited the country's overall development for granting the ruling party another term. In stark contrast, the dilution of Article 370 and the construction of the Ram Temple were cited by only 1.3% and 5.2% of voters, respectively, as reasons to support the BJP.

This dichotomy, where voters appreciate the construction of the temple but do not vote for the same, challenges the notion that Indian politics is predominantly organised around ideological cleavages. The prudence of voters has accentuated the diminishing appeal of purely ideological narratives, which have proved insufficient to override socio-economic priorities. This reflects a complex and discerning electorate that prefers tangible socio-economic progress over ideological symbolism.

The subject of leadership

While the ideological arc helped the BJP, it was not solely responsible for its success in forging a pan-Hindu vote from a fragmented electorate, culminating in the once-in-a-generation electoral victory of 2014. It was Narendra Modi's charisma and unique popularity that played a pivotal role, with Mr. Modi's personal popularity surpassing that of the BJP by about eight percentage points, according to the Lokniti post-poll survey of 2014. These developments indicate a desire among the electorate for a strong and charismatic leadership.

In the post-poll survey of 2024, when asked whether the country should have a strong leader who does not have to bother about elections, over 67% of voters advocated having such

leaders. However, 57.5% of voters emphasised the need for checks and balances, with around 70% affirming the right of citizens to interfere and hold leaders accountable. This juxtaposition highlights the prudence in valuing robust leadership but not a leader who cannot be questioned and held accountable.

The need for a strong leader and the impact of the Hindu voter's ascendancy compel us to examine how minority communities are perceived by the electorate. Revealing a nuanced stance, around 49% of respondents agreed that in a democracy, the will of the majority should prevail. However, over 48% of the electorate supported the protection of minority interests, even if not liked by the majority. Also, over 57% of Hindus supported the idea that Muslim Dalits should be included in the Scheduled Castes list. The paradox here is that majoritarian inclinations coexist with a prudent recognition of minority protections in a democracy, which highlights that Hindu-majority cultural-religious expressions cannot always be reduced to anti-minority/Muslim sentiments.

Institutions of change

The post-poll study showcases a blend of prudence and paradox in voter behaviour, highlighting democracy's dynamic nature. This nuanced behaviour reflects the essence of democracy, which is "change". According to the survey, 42% of voters consider the opportunity to change the government through free and fair elections as democracy's most essential characteristic, while over 34% prioritise equal rights for everyone. This underscores voters' commitment to democratic principles, balancing majoritarian inclinations with minority rights protection. Although these elections did not result in a "critical" power shift, they reveal the electorate's complex decision-making, navigating between stability and change, ideological preferences, and pragmatic concerns, reflecting a discerning and progressive democracy.

The views expressed are personal

LETTERS TO THE EDITOR

Wayanad ravaged

One can do very little when mountainous ranges receive unexpected and torrential rain, especially at night. But, in the crisis in Wayanad, there was an indication of heavy precipitation as the Kabinri and Krishnaraja Sagar dams began surplussing and the Cauvery

kept rising. The loss of an uncertain number of lives and truncated rescue operations because of persistent rain are a bad commentary of the efficiency of the authorities. Restoration of normal life is a mind-boggling challenge. **V. Lakshmanan**, Tirupur, Tamil Nadu

The death and the destruction in Wayanad caused by massive landslides and triggered by heavy rains are unfortunate. If one looks at the very recent past, severe deluge leading to flooding caused enormous damage in almost all the districts of Kerala. In the aftermath of

the flooding in 2018 and 2019, which had affected almost the entire State, the State government was focused on rehabilitating the affected communities, but very little attention was paid to disaster prevention particularly in hilly and vulnerable areas. Natural phenomena cannot

be controlled, but these events turning into human tragedies can certainly be minimised or prevented. **Dr. R. Unnikrishnan**, Cherthala, Alappuzha, Kerala

'Bagless days' The proposal by the NCERT for '10 bagless days a year' (July 30) is a positive step to

helping students. But the fact is that most schools do not take action to address the weight of school bags. Schools should be required to publish proper schedules so that students can bring only essential books and materials to school. **Simil Mathew**, Hyderabad

Text & Context

THE HINDU

NEWS IN NUMBERS

Financial package sought from Centre by Kerala government

24,000 in ₹ crore. An additional request for a special capital investment of ₹5,000 crore was also made for developing the Vizhinjam Port, as per the Minister of State for Finance. PTI

Number of people who died in the Bangladesh protests

150 The quota reform movement, led by youths, protests against the return of a 30% reservation in government jobs for descendants of freedom fighters in the 1971 war for independence from Pakistan. PTI

The death toll from Israel's eight-day-long raid in Khan Younis

255 Thousands of Palestinians returned to their homes in the ruins of Khan Younis on Tuesday, after Israeli forces ended a week-long incursion which they said aimed to prevent Islamist armed group Hamas from regrouping. REUTERS

Number of lives lost due to dog bites in India in 2023

286 Nearly 30.5 lakh cases of dog bites were reported during 2023, as per the Integrated Disease Surveillance Programme (IDSP). This is despite the number of anti-rabies shots for dog bite cases in 2023 being 46,54,398. PTI

Amount of gold confiscated across various airports

847 kg of gold. In FY25, from April to June 2024, this amount of gold was seized in 1,282 cases, said Finance Minister Nirmala Sitharaman in a written reply to a question posed in Rajya Sabha. PTI

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The different armed groups of Myanmar

A persistent confrontation-ceasefire dynamic seems to define the interactions between the military and the EAOs in Myanmar. To transcend such a dynamic, all legitimate stakeholders need to come to the table to discuss a new framework that celebrates the principles of federalism and democracy

WORLD INSIGHT

Sanjay Pulipaka

The Myanmar military's coup d'état in 2021 has brought about a seismic shift in the country's politics. The military leadership's assumption that resistance to the coup would quickly dissipate proved to be a gross miscalculation. The removal of Aung San Suu Kyi and other civilian leaders from the political scene prompted sustained violent resistance. Unable to contain this, the military has resorted to indiscriminate use of force, which has dented whatever little legitimacy it had.

The military has lost control of large parts of the country. Ethnic Armed Organisations (EAOs) and resistance groups such as the People's Defence Forces (PDFs) have made considerable gains. The Brotherhood Alliance – comprising the Arakan Army, the Myanmar National Democratic Alliance Army, and the Ta'ang National Liberation Army – has demonstrated prowess in holding onto territory after making rapid territorial gains.

The ceasefire between the military and the Alliance in Shan State proved to be fragile, and clashes resumed last month. Additionally, the Brotherhood Alliance captured a few strategically important towns, with the military on the verge of losing complete control of its regional military headquarters in Lashio, in the northern Shan State. Meanwhile, the Kachin Independence Army has seized about 70 military posts and gained control of important border trade routes with China. With the PDFs gaining ground in central Myanmar, the military is reinforcing its positions near Mandalay.

The dominance of the Arakan Army
In the west, large parts of the Rakhine province have fallen into the hands of the Arakan Army, with its cadres belonging to the Rakhine Buddhist ethnic group. The armed group has also seized territories on the borders with Bangladesh, including towns such as Buthidaung. Moreover, the Arakan Army is also knocking on the doors of other important port cities/towns on the Bay of Bengal coast such as Kyauk Phyu, Sittwe, and picturesque Ngapali. Oil and gas pipelines run from Kyauk Phyu to the Yunnan province in China. Kyauk Phyu is also a vital node in China's Belt and Road Initiative, with proposals to expand the deep sea port and other related investments.

Similarly, peace and stability in Sittwe is critical for the success of India's Kaladan project, which seeks to connect Kolkata with Mizoram via Myanmar. With its ability to impact the implementation of various infrastructure projects and the trajectory of the Rohingya crisis, the Arakan Army may emerge as one of the key players in defining the regional security dynamic of the Bay of Bengal.

The agenda of EAOs
In the south, the EAOs have made their presence felt on highways around Dawei, with the Karen National Union coming close to dislodging the military in Myawaddy, a strategically important town close to the Thailand border. The loss of these coastal and border towns means losing access to critical resources and much-needed revenues for the military.

There are also concerns regarding Myanmar's possible Balkanisation and its deleterious impact on the neighbourhood. Recently, Bangladesh Prime Minister Sheikh Hasina alleged that attempts are being made to create a new



Cycle of violence: People rebuilding homes near a destroyed building, following fighting between Myanmar's military and the Arakan Army, on May 21. AFP

sovereign state by carving out territories from Bangladesh and Myanmar. However, major EAOs in Myanmar have refrained from declaring independence by announcing the creation of new nation-states. It can be speculated that EAOs have tactically refrained from creating such nation-states, before the complete disintegration of the military, as such a move could rally renewed support for the military. On the other hand, perhaps the EAOs want to establish a genuine federal democratic structure with maximum autonomy for provinces, with some advocating for a confederation.

The reluctance of various EAOs to carve out new countries may also be due to complex ethnic geographies. Over the decades, because of the considerable movement of people, there are no 'pure' ethnic homelands. Consequently, many geographies are multi-ethnic, and members of various ethnic groups often share urban spaces in towns and cities. Further, there is considerable overlap in the imagination of various ethnic homelands. For instance, there are differences of opinion on the boundary of homelands between Arakan and Chin organisations, and similar challenges may confront the Wa, Kachin and Ta'ang ethnic groups in Shan state. Amid fluid ethnic boundaries, creating nation-states with new boundaries may generate considerable inter-ethnic friction. Overall, with multiple armed groups contesting for and asserting power in different regions, many refer to Myanmar as a space with fragmented sovereignty.

China's influence
China has responded to the fluid political process by engaging with multiple actors. Given its massive investments and economic interests in the region, China has often extended support to the

Myanmar military on various international platforms. Simultaneously, it has also kept substantive relations with many armed groups, including the Brotherhood Alliance and the United Wa State Army (UWSA).

It was Beijing which facilitated some ceasefires between the military and the EAOs, such as the Haigeng ceasefire agreement in January this year, which proved to be temporary. Recently, Myanmar's former president Thein Sein and Gen Soe Win, regarded as second-in-command in the military, travelled to China to participate in forums pertaining to peaceful coexistence and green development. The military's foreign minister and representatives of a few political parties also travelled to China. These visits indicate enhanced Chinese diplomatic engagement with Myanmar.

Beijing's policy towards Myanmar is also guided by emerging security threats, such as the activities of online criminal syndicates operating near the China-Myanmar border, which are targeting Chinese citizens. Reports suggest that China may have given tacit consent to the Brotherhood Alliance offensive in October last year to eliminate such criminal networks.

However, China's approach towards the EAOs' more recent operations and their steady territorial gains merits closer examination. Over the years, the UWSA was purportedly the conduit through which some of the armed groups received Chinese weapons. The EAOs reportedly procured commercial drones from the Chinese market and used them in their operations against the military. On the other hand, China also, supposedly, ensured a steady supply of defence equipment to Myanmar's military. According to a UN report released this month, China supplied 'fighter aircraft,

missile technology, naval equipment and other dual-use military equipment' to Myanmar in the past two years.

Over the years, China has extended support to EAOs as well as the military, which ensured that Myanmar remained a country with fragmented sovereignty. Beijing's pursuit of such a policy had two premises: (a) the Myanmar military would not be a significant force in large tracts of the country; (b) that China had enough leverage to ensure that EAOs would not undermine its interests. A tense stalemate between various armed groups gives China sustained leverage in Myanmar.

The recent experiences demonstrate that a persistent confrontation-ceasefire dynamic may continue to define the interactions between the military and EAOs. To transcend such a dynamic, Myanmar will require a new compact, and there will be no sustainable peace under the rubric of the current 2008 Constitution. All legitimate stakeholders need to come to the table to discuss a new constitutional framework that celebrates the principles of federalism and democracy.

India's role
India can share its experiences and toolkit on federalism, such as institutional frameworks, financial arrangements and special provisions stemming from agreements like the Mizoram Peace Accord, with all the stakeholders in Myanmar. If India, despite a lack of geographic contiguity, could construct massive infrastructure projects amidst the civil war in Afghanistan, there is no reason why it could not do more in neighbouring Myanmar for regional peace and prosperity.

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THE GIST

The military has lost control of large parts of the country. Ethnic Armed Organisations (EAOs) and resistance groups such as the People's Defence Forces (PDFs) have made considerable gains.

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KEYWORD

On the ethics of hunger strikes as a mode of protest

Hunger-strikes have always raised a series of complicated moral questions, such as whether it is appropriate to provide medicine against the will of a person on strike; or if force-feeding could be a dangerous protocol

Prathmesh Kher

“It is far easier to die of a police bullet or by going to the gallows than perishing away ‘iota by iota’ in a hunger strike,” freedom fighter Jatin Das is said to have told his fellow revolutionaries. His comment was made to dissuade those of weaker constitutions to refrain from engaging in a method of protest bound to drain their physical and mental being, and possibly much worse.

The human body is extremely adaptable; it nevertheless requires nutritional replenishment to operate optimally. During the initial stages of a hunger strike, the body will source its energy needs from stored glucose as well as body fat. After that, the body begins to cannibalise the muscle mass and vital organs for energy, eventually breaking bone tissue to stay alive. Since the brain is but a part of the body, the mind begins to experience states of confusion, anxiety, and even delirium, and eventually death.

Revolution by starvation

The idea of a militant hunger strike with a political or social objective behind it, finds its earliest development in the concluding parts of the 19th century. Russian political prisoners during Tsarist times engaged in hunger strikes or *golodovka* in Siberia, to protest against prison conditions. A young Leon Trotsky led a hunger strike with other prisoners in 1898. In 1909, imprisoned suffragette Marion Wallace Dunlop refused food until she was recognised as a political prisoner. Taking Ms. Dunlop’s lead, her fellow suffragettes also protested in a similar fashion. The authorities changed their tactics, and thus began the pernicious policy of force-feeding which led to the deaths of many suffragettes.

However, it was the hunger strikes by Irish republicans that most impacted the development and popularisation of this method of protest. Terence MacSwiney died in 1920 after resisting being force-fed. His death was followed by the martyrdom of 20 other revolutionaries.

In India

With movements closer home, revolutionaries from across political and ideological lines starved themselves, often finding martyrdom as a reward for their trials. Pandit Ram Rakha, a Ghadarite, died after a hunger strike to protest the forcible removal of his *janeu* (sacred thread) by jail authorities. In contrast, Ghadar Party leader Sohan Singh Bhakna undertook a hunger strike to protest against the segregation of Mazhabi Sikhs, deemed as ‘low caste’, during his stint in the central jail at Lahore.

Even Vinayak Savarkar, who was opposed to hunger strikes, in a strange turn of events, engaged with the prospect of one. Nani Gopal Mukherjee, a young Bengali revolutionary, had undertaken a fast in protest of prison conditions for nearly 72 days. Fearing for Mukherjee’s life but finding his appeals to be abortive, Savarkar pledged to starve himself to death if Mukherjee did not disengage. Mukherjee consequently concluded his strike in December 1912.

The revolutionaries Bhagat Singh and Batukeshwar Dutt, whilst in prison, had



Last resort: Irom Sharmila taken out of the court by Manipur police in 2016. RITU RAJ KONWAR

protested against abysmal jail conditions by going on an indefinite hunger strike. Soon enough his comrades-in-arms also joined in. It is at this time the aforementioned ‘iota by iota’ comment was made by Jatin Das. Two weeks into the hunger strike, the prison authorities attempted to force-feed the hunger strikers. In one such attempt, the tube pierced through Das’s lung. His body was paralysed soon after and after 63 days on hunger strike, the 24-year-old Das died on September 13, 1929; he was canonised as the ‘Indian Terence MacSwiney’.

Mahatma Gandhi, who was committed to non-violence, held a differing view on the virtue of hunger strikes; he preferred the term ‘fasting’. “Fasting can only be resorted to against a lover and not to extort rights but to reform him, as when a son fasts for a parent who drinks,” Gandhi had told satyagrahis protesting against a temple which barred low-caste Hindus in Travancore. “Suffering even unto death and, therefore, even through a perpetual fast is the last weapon of the satyagrahi. That is the last duty which it is open to him to perform,” Gandhi had said. After the Chauri Chaura incident in 1922, in which protestors set a police station ablaze, Gandhi fasted for three weeks, appealing to the public to end the violence. In September 1932, Gandhi undertook another fast unto death, this

time with the object of opposing the British government’s decision to reserve seats in provincial Indian legislatures for Dalits. Gandhi’s decision was opposed by Dr. Ambedkar, who favoured direct political representation for the oppressed Dalits. In the end, Dr. Ambedkar had to acquiesce to Gandhi’s protest. The bitter taste of this satyagraha likely remained with Dr. Ambedkar, who had later said, “...we must abandon the method of civil disobedience, non-cooperation and satyagraha.” Dr. Ambedkar felt that “constitutional methods” offered a constructive approach to solving the crises of society in contrast to “unconstitutional methods” which he deemed as the “grammar of anarchy”.

The varied nature of these hunger strikes reveal its efficacy as a tool of protest, for better and for worse.

Monopoly on violence

The first major fast-unto-death protest in independent India came in 1952 when Potti Sriramulu demanded a separate State of Andhra Pradesh. Sriramulu’s death after 58 days sparked violent protests and finally led to the creation of Andhra Pradesh. Another well-known protest is that of Irom Sharmila’s. In November 2000, after 10 civilians were allegedly gunned down by the 8th Assam Rifles in Manipur, Irom Sharmila began an

indefinite hunger strike. Ms. Sharmila was arrested for attempted “suicide” and was put in police custody for 16 years where she continued her hunger strike.

Before India had achieved its freedom from British rule, those who had been martyred were freedom fighters in a struggle against an imperialist colonising force. However, the examples above reveal that even in the absence of an occupying foreign force, the state apparatus continues to wrest with hunger strikes. The suppression of the strike becomes the primary objective of the administration, and can be compounded by infuriated prison authorities resorting to violence in the hopes of breaking the strike. With a state monopoly on violence, such abuse can go ignored for a long time. Sometimes, state authorities simply divert the responsibility of a hunger striker’s death on to some other unrelated ailment. Mohan Kishore Namadas, a Bengali revolutionary who died in jail, was marked as having expired of “lobar pneumonia” with nary a mention of the nasal force-feeding that preceded it. Achyut Ghatak, a fellow revolutionary, recounts how protesters would cough heavily to shift the catheter tube, used for force-feeding, away from their throat back into their mouths where they could bite down onto the tube’s end to prevent food being pushed into their system.

It is not as if such excesses have gone unnoticed. In many of the aforementioned cases, many jail doctors as well as other prison personnel refused to participate in the abuse of a protesting individual. The state, in the final analysis, operates through individuals, and in the absence of their complicity the question of the protection of a prisoner’s rights is nothing but much abstraction.

A social dilemma

It has been argued that a hunger striker who is fasting unto death is committing something akin to a suicide. Reflecting on this question, theologian Herbert McCabe had argued in 1981, that “the case for saying that Margaret Thatcher is a murderer is, as it seems to me, as strong and as weak as the case for saying that Bobby Sands was a suicide”. The reference was to the death of Irish Republican Army activist Bobby Sands, who died 66 days into a hunger strike. Sands, who was devoutly Catholic, wrestled with this choice. “If I die, God will understand,” he had reportedly said. Since their earliest usage, the practice of hunger-strikes has raised a series of complicated, and potentially irresolvable, moral questions. Is it appropriate to provide medicine or nutrition against the will of a person voluntarily on strike? Is force-feeding a dangerous, perhaps even life-threatening protocol? Are doctors who engage in force-feeding in conjunction with their Hippocratic oath?

Hunger strikes are a last-ditch attempt at resistance. It would be prudent that societies become more cognisant of their role in engaging with the demands of protesters who are on hunger strikes while also addressing the inequities of the state instrument in dealing with such strikers. A state machinery that does not recognise, and actively brutalises against the rights of strikers, who waste their own bodies to advance political or social demands, can only end in tragedy.

It is perhaps this sentiment that Yeats had hoped to capture in his *The King’s Threshold*. “...if a man be wronged, or think that he is wronged, and starve upon another’s threshold till he die,” Yeats writes, “The Common People, for all time to come, will raise a heavy cry against that threshold, even though it be the King’s.” This hope is what has kept the method of hunger strikes as a protest alive; that their fellow human beings will witness the injustice and raise a heavy cry against it.



FROM THE ARCHIVES

Know your English

K. Subrahmanian

“Meaning of ‘wimp’ (S. Gopalakrishnan, Pondicherry).”

“This is a colloquial word meaning ‘a weak and timid person, especially a man.’ A wimp is a man who has no confidence in himself. He is both physically and mentally weak. He has no will-power and can be easily bullied by others.

You’d be a fool to marry Venkat, Mala. He’s such a wimp.

Of course, there is no discipline in our college. What can you expect when you have a wimp as the Principal?

Mehta is no wimp. He’ll knock your head off if you try something funny.

“Meaning of the word ‘sledding’ (B.J.W. Richeart, Arakkonam).”

“Although this word has been around for a few years, it has not found a place in most dictionaries. Sledding is the ‘barracking and abusing of a batsman by fielders in order to disturb his concentration.’ When a batsman’s concentration is disturbed, he usually plays a poor stroke and gets out. The practice of sledding began in Australia and it was elevated to a fine art under the captaincy of Ian Chappel. Sledding is not restricted to Australia alone. The insults these days are not directed merely at the opposing team, but also at the umpires. By abusing the umpire, the bowlers and fielders hope to ruin his concentration and get a decision in their favour. Traditionalists would say that sledding is just not cricket! The word sledding is an abbreviated form of ‘sledgehammering.’”

“Meaning of ‘chip on one’s shoulder’ (Dr. M. N. Anuvardheen, Kozhikode).”

“‘To have a chip on one’s shoulder’ means to ‘have a grudge or grievance, either about one’s circumstances in general or about somebody or something more specific which makes one quarrelsome, discontented, ready to take offence.’ A person with a chip on his shoulder is always ready for a fight. He is constantly itching for a fight because he feels that the world is not treating him properly. He is always under the impression that he is being victimised by the people around him. All this makes him a very touchy or sensitive person. He is a difficult person to get along with because most of the time we don’t know what it is that he is angry about.

Listen Vijay, if you want to become a successful businessman, then you’d better take that chip off your shoulder.

Many people feel that John has always had a chip on the shoulder – his grudge is against umpires. And it was this which made him play high quality tennis.

The expression dates back to the 19th century. It refers to a practise that was common among children in America. Whenever a boy was angry with someone or about something, he used to walk about the streets with a chip – that is a piece of wood – on his shoulder. The chip served as a challenge to the other boys in the street. The angry boy dared anyone on the street to knock the chip off his shoulder. If anyone did have the courage to knock the piece of wood off, then there was a fight between the ‘chip-owner’ and the challenger.

Published in The Hindu on October 27, 1992.

THE DAILY QUIZ

British author J.K. Rowling was born on July 31, 1965. A quiz on her, and her works

Sindhu Nagaraj

QUESTION 1

Rowling gave which fictional character she created her own birth date of July 31?

QUESTION 2

After the success of the Harry Potter series, she wrote which novel for adults, making this book her first publication after the series?

QUESTION 3

Her mother’s death heavily affected Rowling’s writing. She later said that her literary creation of this magical object in the Harry Potter series is about her mother’s death, and noted

an “evident parallelism” between Harry confronting his own mortality and her life. Which is the magical object?

QUESTION 4

This play written by Rowling, Jack Thorne and John Tiffany premiered in 2016. The plot occurs nineteen years after the events of Harry Potter and the Deathly Hallows. Rowling has referred to the play as “the eighth Harry Potter story”. What is it called?

QUESTION 5

This English novelist primarily known for her comment upon the British landed gentry at the end of the 18th century, is described by Rowling as her “favourite author of all time”. Who is it?



Visual question: The author mentioned on the book cover is related to Rowling. How?

Questions and Answers to the previous day’s daily quiz:

- This multiple gold medal winner later had a successful career in Hollywood. **Ans: Johnny Weissmuller**
- This athlete created an Olympic first by winning the gold medal in 5,000 metres, 10,000 metres and the marathon **Ans: Emil Zatopek of the erstwhile Czechoslovakia**
- This athlete won the 5,000 and 10,000 metres gold medals both at the 1972 Munich and the 1976 Montreal Olympic Games. **Ans: Lasse Viren of Finland**
- This athlete won back-to-back gold medals in both diving events at the 1984 Los Angeles and 1988 Seoul Games. **Ans: Greg Louganis of the U.S.**
- The only athlete to win a gold medal in the 100m and 200m in three consecutive Olympic Games. **Ans: Usain Bolt of Jamaica**
- This athlete holds the Olympic record of having won the most gold medals in Women’s Field Hockey competition? **Ans: Rechelle Hawkes of Australia with three gold medals**
- Identify this most decorated athlete in Olympics history. **Ans: Michael Phelps of the U.S.**
Visual: Identify the athlete and her feat. **Ans: Nadia Comeneci of Romania. She became the first person to score a perfect 10**
Early Bird: Tamal Biswas

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

Word of the day

Haptic:

of or relating to the sense of touch

Synonyms: tactile, tactual

Usage: Some virtual worlds provide auditory and haptic experiences.

Pronunciation: bit.ly/hapticpro

International Phonetic Alphabet: /ˈhæptɪk/

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

the hindu businessline.

WEDNESDAY - JULY 31, 2024

Moody monsoon

Surplus rain but spatial, temporal spread concerning

Recent warnings by global weather agencies, such as the Australian Bureau of Meteorology, that La Nina conditions, which bring heavy rain and flooding to Asia, may now emerge only in October is not exactly good news for the sub-continent. The arrival of La Nina was, in fact, eagerly awaited ever since the 2023 South-West monsoon, impacted by El Nino, delivered sub-normal rainfall at just 94 per cent of the long-period average (LPA).



This triggered reverses in kharif sowing, depleted reservoir storage and depressed growth in agriculture Gross Value Added to 1.4 per cent for FY24. The indifferent monsoon also led to bouts of food price inflation, posing difficulties for the central bank. The delay in the onset of La Nina raises worries as to whether the monsoon will turn out to be patchy this year as well. When the India Meteorological Department (IMD) forecast a munificent South-West monsoon at 106 per cent of LPA in June, it was predicated on the emergence of La Nina and the transition of the neutral Indian Ocean Dipole (IOD) into positive readings. But global weather agencies now expect IOD to slip into negative territory too.

Although cumulative monsoon rains so far are marginally in surplus, their spatial and temporal distribution has been far less than ideal. Much of India struggled with sizzling temperatures throughout June while rains played truant — North-west and Central India grappled with droughts while the Southern peninsula faced flooding. Rainfall has since picked up in Central India, but deficits in Northwest, East and Northeast India persist. There have also been localised instances of a month's precipitation being compressed into a few hours. In other words, though the aggregate quantum of rain in this season may end up close to IMD's June forecast, its distribution could be patchy. The uneven monsoon has taken a toll on kharif acreage — it is just 2 per cent above last year's levels and crops such as moong, jowar, bajra and sesame are showing a deficit. A tactical shift to short-duration crops and water conservation measures to ensure that the rabi season is better than last year's may now be called for. For policymakers, these rainfall patterns also show that the IMD's monthly and weekly nowcasts are a more reliable guide to how the monsoon will fare than its long-range forecasts put out in April and June.

While the IMD has strived to improve its predictive models, global warming is the wild card factor. The Australia weather agency recently admitted that changed global patterns of seas surface temperatures had made predictions based on historical El Nino and IOD data appear quite shaky. Governments will now need to remain alert to deal dynamically with the challenges unleashed by the weather. As the Economic Survey points out, with supply disruptions emerging as the main trigger to food price flare-ups, the government's role in quelling inflation is on the rise while the central bank's role must diminish.

POCKET

RAVIKANTH



A roadmap for start-up incubators

CRUCIAL ENGINES. A self-sustaining incubator can survive funding winters and create long-term value. Hence, stable revenue streams are crucial



ROHAN CHINCHWADKAR
POYNI BHATT
CHINTAN VAISHNAV

Winter is coming, warned Y Combinator, one of the world's leading start-up accelerators, in mid-2022. Plan for the worst, cut costs and extend your runway was the precise advice to start-ups. The funding winter extended through 2023, with investments from major venture capital (VC) funds in India witnessing a massive decline of 85 per cent that year. This capital shock left several start-ups in the ecosystem struggling for survival, with almost 35,000 shutting down in 2023, up 93 per cent from 2022, according to Tracxn.

As a result, there has been a welcome move back to the basics, with start-ups and investors focusing on profits and financial viability. The *India Startup Outlook* report by InnoVen Capital said that more than 60 per cent of start-up founders prioritised profitability over growth in 2023. The last two years have brought several lessons about surviving and flourishing not only for start-up founders but also for other organisations in India's start-up ecosystem.

India has emerged as one of the world's most vibrant and dynamic start-up ecosystems, characterised by a surge in entrepreneurial activity and innovation across various sectors. Within this ecosystem, start-up incubators play a crucial role in nurturing and supporting early-stage ventures by providing them with resources, mentorship and networking opportunities. Today, India has more than 1,000 incubators spanning the length and breadth of the country.

Since incubators have become a key component of India's entrepreneurship and innovation ecosystem, it is important to ensure that they become financially sustainable within a

reasonable period of time. Typically, incubators receive seed funding at inception from the government, philanthropic foundations or their host organisations. It is critical for incubators to create stable revenue streams which end their dependence on external financing, especially for operational expenses. A financially self-sustaining incubator can survive funding winters, create long-term impact, provide high-quality services and contribute to a resilient ecosystem.

In this article, we outline various revenue streams accessible to incubators in order to achieve financial sustainability. We focus on how incubators can generate revenue from four key stakeholders in the ecosystem: incubatee start-ups, industry partners, government and other entrepreneurial support organisations (ESOs).

INCUBATEE START-UPS

The relationship between an incubatee and an incubator is symbiotic, characterised by mutual support and collaboration. Incubators provide essential resources, mentorship, and networking opportunities to start-ups, guiding them through the early stages of development. In return, start-ups contribute to the ecosystem by innovating and creating value. There are four ways in which incubators can partake in this value creation and generate revenue for themselves: incubation fees, equity stake, revenue share and success fees for additional support.

Incubators can charge incubatee start-ups monthly fees for providing a package of tangible and intangible support which includes working space, shared facilities, product development support, upfront seed grants, mentoring, legal and accounting

To reduce upfront cash costs for start-ups, incubators can take an equity stake in lieu of incubation fees and sell it at a higher valuation

expertise, guidance for intellectual property protection, access to networks, and much more. It is essential to ensure that incubation fees are affordable for early-stage start-ups.

To reduce upfront cash costs for start-ups, incubators can take an equity stake in lieu of incubation fees and sell it at a higher valuation to follow-on investors like angels and venture capitalists. While this involves significant upfront risk, it also opens up the possibility of disproportionate returns, albeit several years down the road. Equity stakes for early-stage start-ups can range from 3 to 5 per cent, although this can vary based on specific circumstances and negotiations.

A similar alternative for incubators is to take a share of the start-up's revenue instead of an equity stake. Incubators can charge 3-4 per cent of annual revenue for a limited period of time, say 2-4 years, depending on the duration of incubation.

In order to make it a win-win agreement, the annual revenue to be shared with the incubator is capped at a pre-decided maximum and revenue sharing is only done in years where the start-up's revenue exceeds a certain minimum amount, so that the incubator's downside risk is managed.

Finally, incubators can charge success fees for facilitating significant transactions like follow-on funding, large customer orders and successful exits via acquisitions. Seeking contingent fees for successful exits is particularly important for incubators which do not hold an equity stake in their incubatees.

INDUSTRY PARTNERS

To enable better industry-start-up collaboration, incubators can undertake and execute partnership programmes with corporations. These could be in the form of accelerators, corporate social responsibility initiatives, demo days and events like hackathons.

Incubators can earn programme management fees from corporations for organising and spearheading these initiatives. They can also earn success fees from start-ups which experience favourable outcomes like receiving

orders or funds from the industry partner.

GOVERNMENT CHANNEL

Most incubators in India have started their initial activities with the help of grants received from government agencies. While such grants cannot be considered as revenue, they help finance the initial cost of setting up an incubator.

In addition, incubators can earn programme management fees for administering government programmes for proof-of-concept and prototype funding, like the Department of Science and Technology's NIDHI PRAYAS scheme and the BIRAC Biotechnology Ignition Grant scheme.

OTHER ESOs

Start-up incubators can also earn revenue by providing a range of services to other ESOs like other incubators, accelerators, innovation labs, research parks and universities. These can be in the form of consulting, training and workshops, partnership programmes, resource sharing, incubator-in-residence programmes, data and research services, accreditation and certification programmes and network access, to name a few.

The road towards financial sustainability is beset with several challenges. However, several incubators in India have been operating effectively for close to two decades and have achieved financial sustainability, and proven models have emerged to learn from. Incubators need to invest heavily in developing and improving sound processes and practices which allow them to select high-quality start-ups. If start-ups succeed, this will naturally translate into the flourishing of incubators. At the same time, mature incubators can enable the success of more start-ups. India's entrepreneurship and innovation ecosystem relies significantly on the success of this symbiotic relationship.

Chinchwadkar is an Assistant Professor (Finance, Entrepreneurship) at IIT-Bombay, Bhatt is the former CEO of SINE, IIT-Bombay, and Vaishnav is the Mission Director of Atal Innovation Mission, NITI Aayog

Welcome Budget focus on dairying, fisheries

The emphasis on climate proofing, natural farming and marketing reforms is laudable. But research deserves a push

Pratap S Birlhal
Balaji SJ

The Budget's agriculture policy thrust is notable. Recognising the current and future challenges to sustainable development of agriculture, the Budget has provided for ₹1,51,851 crore, including ₹7,138 crore for animal husbandry, dairying and fisheries. This is 8.05 per cent higher than the expenditure in 2023-24. The government's effort to promote diversification into allied activities is visible from the larger increase in allocation for animal husbandry, dairying and fisheries (27.1 per cent). Notably, the growth in the allied sector is more pro-poor.

In the crop sector, given the challenge of climate change, the Budget lays emphasis on enhancing productivity and protection against climate risks such as droughts, floods and heat-waves through research on breeding for stress tolerance. By proposing to develop a taxonomy of climate finance to enhance availability of funds for mitigation and adaptation related investments, the

Budget moves a step forward to target and track climate finance.

Given the adverse effects of agro-chemicals on natural resources, agro-biodiversity, environment, and human and livestock health, the government aims at bringing one crore farmers under natural farming over the next two years. Importantly, it supports them in certification and branding too. The Budget has also proposed establishing 10,000 resource centres to promote the use of bio-based inputs in agriculture. An additional effort towards this is the 13.2 per cent reduction in fertilizer subsidy, possibly to incentivise natural farming.

DIGITAL CROP SURVEY

Crop diversification could preserve natural resources and enhance farm income. The digital survey announced in the Budget (in 400 districts) will help improve crop planning. In addition, actions such as unique land parcel identification number or Bhū-Aadhaar, digitisation of cadastral maps, and establishment of land registry will facilitate credit flow and other services to agriculture. These initiatives may not



BETTER YIELD. In cattle rearing

fructify immediately but are at the core of long-term planning for the sustainable development of agriculture.

India faces a deficit in edible oils. It imports 60 per cent of its edible oils and 10 per cent of its pulses requirements. For achieving self-sufficiency, the government plans to strengthen their production, storage and marketing.

Efficient supply chains could reduce farmers' transaction costs and help realise higher prices. An initiative to develop largescale clusters for vegetables — involving farmer producer organisations, cooperatives and

start-ups — closer to the demand centres is a strategic step to effectively link farmers with the market. This reminds of the NDBB's strategy of establishing village dairy cooperatives in the hinterland. Likewise, financial support for the production and export of shrimps and a reduction in the basic customs duty on broodstock, shrimp and fish feed are important initiatives to improve the country's competitiveness.

To transform agriculture, research is essential. In 2022-23, India spent 0.43 of agricultural GDP on research in agriculture, which is about half of the global average. Public investment in research pays rich dividends. Every rupee spent on agricultural research leads to a pay-off of ₹13.85. However, the budget for agricultural research and education has witnessed only a marginal increase, from ₹9,877 crore in 2023-24 to ₹9,941 crore. However, operationalising the ₹1 lakh crore fund for private-sector driven innovations could improve research outcomes.

Birlhal is Director, and Balaji is Scientist, ICAR-National Institute of Agricultural Economics and Policy Research, New Delhi

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Minimum balance burden

People deposit money with banks not just because they offer some interest, but for meeting exigencies in the future. Insisting on minimum balance in the savings account by banks is in a way penalising the customers. With rising inflation, people sometimes find it very difficult to make ends meet. Hence, they need to dig into their savings they have with the banks. It is really shocking to learn that public sector banks have collected ₹8,500 crore in minimum balance penalties (an increase of over 34 per cent) in five years. There is no logic at all in this. If the customer doesn't have the

wherewithal to maintain a minimum balance, how can he pay the fine?

The RBI, which is the bankers' bank, should take effective steps to safeguard customer interest.

S Ramakrishnasayee
Chennai

Congress's ideology

Apropos 'Rethinking the Congress party' (July 30), the Congress was never an ideologically-driven party. In fact, it is this lack of ideology and dogma that served as oxygen for its survival. Despite a strong Leftist lobby within the Congress, none from the Gandhi family surrendered themselves to Marxist ideas like

Rahul Gandhi has done. This is evident from his plan for a wealth redistribution survey. Perturbed by the middle-class voters' drift away from the party and with an eye on the political space believed to have been vacated by the Left parties, the *de facto* chief of Congress party, Rahul Gandhi, has chosen to toe the Marxist line.

N Sadhasiva Reddy
Bengaluru

Taxation of minerals

This refers to 'Significant verdict' (July 30). This is a landmark judgment where the court has upheld the rights of States to levy

taxes on minerals. It has also clarified the difference between royalty and taxes. States like Odisha, Chhattisgarh, Jharkhand, Karnataka and West Bengal would benefit now as their revenues would increase. Industry needs to get clarification on concerns over double taxation from both the State and the Centre, as it is another critical stakeholder and should not be penalised.

Bal Govind
Noida

Will start-ups scale up?

The Budget has quite a few announcements for the new-age economy. The biggest takeaway for

the sector was the removal of the controversial 'Angel Tax' that was introduced more than a decade ago in 2012 to tackle unaccounted funds. This tax was being levied on start-ups or unlisted companies on the funding they received when their valuation exceeded the fair market value of such shares being sold. As the Indian start-up narrative unfurls, a pivotal question looms large: With the angel tax now a relic of the past, what lies ahead for the start-up ecosystem? Can this liberation from financial shackles pave the way for a renaissance in funding dynamics?

Nikhil Subramaniam
Mumbai

Budget packs a punch

Boost for job creation, manufacturing and MSMEs

Anish Shah

The Finance Minister has met key expectations of industry by delivering a growth-oriented Budget that is inclusive. The Budget has struck a right balance by delivering both a short-term demand stimulus and laying emphasis on medium- to long-term growth imperatives while maintaining fiscal discipline. Besides, there is continuity in policy announcements. The focus on simplification and ease of doing business, boost to manufacturing, thrust on public capex, use of technology, support to women, farmers and MSMEs, and promoting sustainability are the key themes that resonate once again in this Budget.

Employment is one of the biggest challenges faced by policymakers in India. The Indian economy needs to generate nearly 78.51 lakh jobs annually in the non-farm sector to cater to the rising workforce. This Budget has attempted to address this huge challenge. Job creation is the underlying theme in most of the Budget proposals. The package for employment and skilling through five schemes, including 'Employment Linked Incentive' for first-timers, can be a game-changer.

The strong boost given to manufacturing, as well as continuation of high capex of ₹11.11 lakh crore, will also have a positive impact on job creation. Proposals for setting up working women hostels and crèches will help enhance women's participation in the workforce, which is much needed for ensuring sustainable and inclusive growth.

FILLIP FOR SKILLING
On the skilling front, there are several initiatives, including upgradation of ITIs and their curriculum, to match industry requirements. The innovative scheme of internship for youth in top companies could also help address the issues related to employability and quality jobs for those who are not employed and not engaged in full time education.

The Viksit Bharat vision necessitates Indian manufacturing to take a giant leap. The country's global share in manufacturing needs to be enhanced to 12 per cent from the current 3.1 per cent. The impetus given to manufacturing in the Budget is a huge positive. There has been continuity in measures



MSMEs. Solid policy support

towards the ease of doing business, with simplification of taxation and ease of compliances in tax and trade. The thrust laid on research and innovation, as well as the focus on industrial development through plug and play infrastructure, industrial corridors and 12 industrial parks, will encourage greater private investment in manufacturing.

The Finance Minister also announced a framework for next-generation reforms, including in key factors of production. While there are some policy measures to improve efficiency in land, labour, capital, power, finance and technology, the structural transformation in these areas is awaited. Hopefully, the proposed economic framework will address this challenge effectively and provide a clear roadmap for improving industry's competitiveness.

Likewise, the comprehensive review of customs duty structure planned over the next six months is much needed to address duty inversion as well as to make Indian industry globally competitive.

The Budget also announced several measures for supporting MSMEs by addressing the key challenge of financing and market access.

Some long-standing demands of the sector have been met, particularly the deployment of an alternative risk assessment model for bank credit, the introduction of a credit guarantee scheme and the reduction in turnover threshold for registration on TReDS platform. The proposal to establish e-commerce export hubs will open new market avenues for MSMEs and help expand exports. The measures will provide huge relief and support to the MSME sector and encourage it to scale up.

In all, the Finance Minister has deftly balanced the expectations of stakeholders, putting the money where it is required while maintaining fiscal discipline.

The writer is President, FICCI

THE WIDER ANGLE.



PARAN BALAKRISHNAN

Are India and China looking to warm up frosty relations that have prevailed since the deadly 2020 Galwan clash? Foreign minister S Jaishankar met twice with his Chinese counterpart Wang Yi in July; at this week's East Asia Summit in Laos and at the Shanghai Cooperation Organization in Kazakhstan. Both men issued mild, moderately reassuring statements, with China's Wang saying the countries should "meet each other halfway". They also spoke in Munich in February.

Unquestionably, there are powerful motivations for a return to business almost as usual. India is in a tight position because China is a manufacturing giant and almost the entire world depends on its factory products, from solar panels to chemicals.

There have been government murmurings India needs to find a new way forward but it was clear no large initiatives would come till after the elections. But an early sign of new thinking came with the Economic Survey, which suggested India bring in Chinese imports and investment. "To boost Indian manufacturing and plug India into the global supply chain, it is inevitable India plugs itself into China's supply chain," said the Survey.

NEED FOR PARTNERSHIPS
Days later, the government said it would issue visas selectively to Chinese nationals. One reason was several Indian conglomerates need Chinese technicians to keep their plants operational. Foreign companies also told the government they needed Chinese components. "Western companies have been telling India if you want to attract global supply chains, you can't expect us to invest a lot of money when you're not offering any clarity on Chinese participation," says Santosh Pai, partner, Dentons Link Legal. Pai notes in fields like electronics, Chinese firms are "at the very forefront". It's similar in specialty chemicals. "There are very few supply chains worldwide where you can say: we won't allow any Chinese companies but the entire supply chain must come to India," adds Pai.

Was the dip in foreign direct



REUTERS

Why is India reaching out to China?

CRUNCH TIME. Companies at all levels are in a jam due to business restrictions

investment partly due to the China factor? In the last fiscal year, India's total FDI fell marginally to \$70.95 billion from \$71.35 billion the previous year. Inevitably, India's security establishment remains deeply opposed to any relaxation for Chinese companies.

But many top Indian groups need partnerships with Chinese companies. Take the Adanis, who see a massive renewable energy future. The Khavda Renewable Energy Park in Kutch will be the biggest globally, generating 30 GW. The group's other renewable-energy projects will generate another 10 GW.

Where will the Adanis source solar panels? Obviously, it needs a China connection. The world's cheapest solar panels are made in China. But the Adanis

It's unrealistic for us provoke a larger conflict with China which has an economy five times ours and a powerful, modern military.

must make the panels themselves and are negotiating with the Chinese when they can start manufacturing in India. But the group will obviously need FDI approval for any Chinese tie-ups for manufacturing panels or other components.

Crucially, keep in mind China is experiencing a significant industrial slowdown. President Xi Jinping has ordered companies to maintain production to prevent further economic deceleration. But weak demand means growing losses and the companies are keen to export as much as possible.

Another Indian giant with a strong China connection is JSW. It has tied up with Chinese auto-manufacturer SAIC, which already makes MG automobiles at its Gujarat plant. A new company, JSW MG Motor India, has been formed, in which JSW will hold a 51 per cent stake.

But JSW has greater ambitions. Aiming to control the full supply chain, it's planning a 50 GW battery-making plant in Odisha for EVs and battery-storage systems. It also will launch another battery cell-making plant. The combined investment will be \$5 billion. Inevitably, Chinese

participation could be essential at some stage.

Reliance is another giant group with huge renewable energy plans. It may need Chinese participation. And it isn't only the biggest groups requiring Chinese collaboration. Many companies at all levels are in a jam due to business restrictions with China.

Meanwhile, China has been investing globally in countries like Mexico to enter the North American market and also in Vietnam. In Vietnam, Chinese investments doubled to \$4.47 billion in 2023 from \$2.92 billion in 2021. Needless to say, almost no investment is coming to India.

China is also muscling its way into the entire ASEAN market. Trade with the region is now almost the same as the Dragon nation's EU trade.

India and China have held 21 rounds of border talks. It's unrealistic for us provoke a larger conflict with China which has an economy five times ours and a powerful, modern military. The question is whether we can afford to keep up a trade war of sorts with such a powerful opponent or should we take advantage of investment winds?

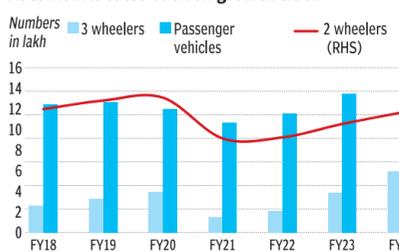
STATISTALK.

Compiled SS Nandan | Graphic Visveswaran V

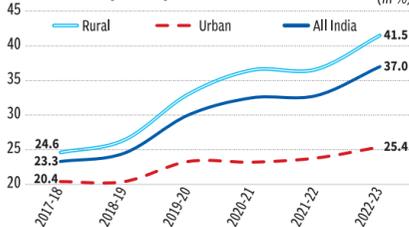
Takeaways from Economic Survey 2023-24

The data from Economic Survey 2023-24 has several important pointers to consumption, labour and new growth avenues. Firstly, inflation in India, despite hovering at above average levels, seems to be contained compared to world inflation. The growth in consumption, which has been tentative, is showing promise with notable increases in vehicle sales. The female labour force participation rate, especially in rural areas, has improved, rising by 16.9 percentage points between 2017-18 and 2022-23. In new growth avenues, smartphone production and exports have surged since the 2020 PLI scheme, making India the world's sixth-largest exporter in 2022.

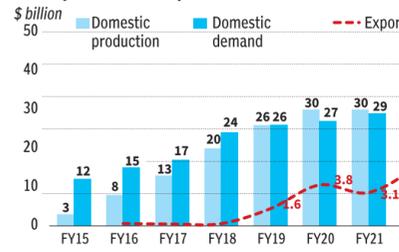
Automobile sales back on growth track



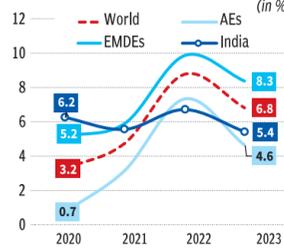
Rural India drives the rise in female labour force participation



Rising domestic production, demand and exports of smartphones



India's inflation lower than that of EMDEs in 2023



Source: Economic Survey

*EMDE: Emerging Markets and Developing Economies The author is an intern with bl.portfolio

thehindubusinessline.

TWENTY YEARS AGO TODAY.

July 31, 2004

US slaps 14.2 pc duty on shrimp from India

The US Department of Commerce announced its preliminary determination in the anti-dumping investigation and imposed 14.2 per cent duty on shrimp imports from India. G Mohan Kumar, Chairman of the Marine Products Export Development Authority, said it was a considerable setback to the industry, but it had the resilience to withstand it and make up for it in the other markets.

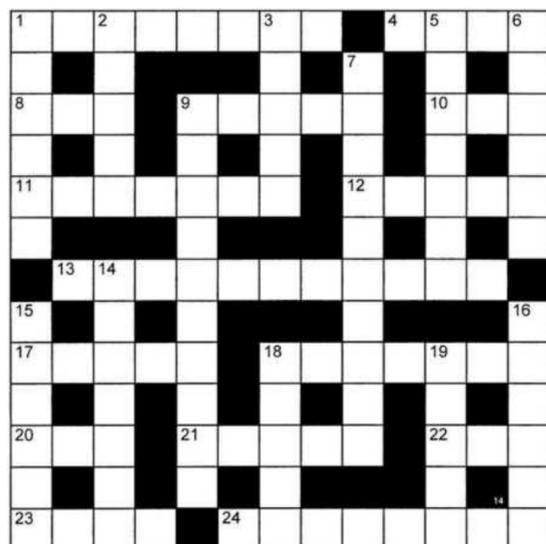
IA goes for lower fares on 8 sectors

In keeping with the competition and in its attempt to woo passengers, Indian Airlines (IA) has introduced a limited-time lower fare offer on eight sectors. Passengers availing of the lower fares, which are being offered as part of the D-28 Apex scheme, will have to book their tickets at least 28 days before travel.

MP Birla sisters join fight against Lodha

It now seems to be tough sailing for Mr Rajendra S Lodha to get a probate of the will of Priyamvada Birla, as the two sisters of the late MP Birla — Ms Radha Mohita and Ms Laxmibai Newar — plan to file two different objections. According to sources, both the sisters are not willing to give a free hand to Mr Lodha for obtaining probate of the will.

BL TWO-WAY COSSWORD 2493



EASY

ACROSS

- Living single (8)
- Expectorate (4)
- Plump for (3)
- Not so many (5)
- Unit quantity (3)
- Sprinkled flour, sugar etc (7)
- Vote into office (5)
- Near what? (11)
- Fish (5)
- Iris its goddess (7)
- Dismissed (3)
- Worth (5)
- Stand in rivalry (3)
- Mark correct (4)
- Slaughterhouse (8)

DOWN

- Mobs (6)
- Liquid measure (5)
- Gave hitch along the road (5)
- To shield (7)
- Deals with (6)
- Naturalistic (4,2,4)
- Metaphorical (10)
- Upholder of contrary belief (7)
- Go with, offering protection (6)
- Confectionery (6)
- Printer's devil; boy's name (5)
- Slanting edge to surface (5)

NOT SO EASY

ACROSS

- Adjust a belt: ice is formed when living like a monk (8)
- Long tongue of sand to get out of the mouth (4)
- Choose gymnastic exercises when there's nothing ahead (3)
- There aren't so many who could be free around the West (5)
- The person is indefinite who was victorious, we are told (3)
- Doctor moved slowly to one side as one lowered the bed (7)
- Get some in — by making cross (5)
- We use a broth like this to indicate location (11)
- How one did 4 right at the heart for fish (5)
- Iris has row about a bin perhaps (7)
- No longer in the game, is no more considered (3)
- Classic farewell universally included for what it's worth (5)
- Vanadium that is put forward in emulation (3)
- Credit any of the larger blood-sucking acarids (4)
- Walks unsteadily to the meat-market (8)

DOWN

- Lots of people sound exultant: drama stimulates beginners (6)
- Measured amount of liquid intake for bowl it resembles (5)
- Tour-leader is due, having had one behind (5)
- Defend toper suffering heartless cut (7)
- Acts as a therapist and pays for the others (6)
- Having verisimilitude, TT rouè changed biography (4,2,4)
- At four in number, it is metaphorical (10)
- Otherwise he believes in this place endless credit is given (7)
- Male companion whose company the rest are upset about (6)
- 'The day is gone, and all its _____ are gone!' (Keats) (6)
- River (Coleridge's sacred one) makes mischief in printshop (5)
- Believe that is out, somehow, as surface inclination (5)

SOLUTION: BL TWO-WAY COSSWORD 2492

ACROSS 1. Impatient 5. Owl 7. Veal 8. Absurdly 10. Destroys 11. Liar 13. Sister 15. Depend 18. Vary 19. Elements 22. Repeated 23. Coda 24. Sad 25. Green belt
DOWN 1. Invades 2. Plays 3. Embryo 4. Tour 5. Old-time 6. Layer 9. Creed 12. Gemmy 14. Striped 16. Descant 17. Sleeve 18. Virus 20. Noose 21. Sang

Boosting trade

Lower tariffs will improve export competitiveness

Union Finance Minister Nirmala Sitharaman's decision to reduce Customs duty on about 50 products must be welcomed. It can be seen as a move to shift the focus on increasing India's external competitiveness. Ms Sitharaman also announced a comprehensive review of the Customs duty structure over the next six months. For now, Customs duty has been reduced or done away with for several products including mobile phones, leather, ferro-nickel, blister copper, and capital goods used in the manufacture of solar cells, modules, and petroleum-exploration operations. Most importantly, 25 critical minerals have been exempted from Customs duty. It will augment domestic production capacities in the renewable-energy sector and other strategic industries such as defence and e-mobility.

The shift comes several years after India's trade policy seemingly embraced protectionism and import substitution. The tilt towards import curbs can be traced back to the Union Budget of 2018. In an attempt to protect domestic industry and promote job creation, import tariffs were raised on more than 40 items, ranging from auto parts to candles and furniture. Earlier, India had raised import duties on several electronic items, like mobile-phone components, televisions, and microwave ovens. In the decade spanning from 2010-11 to 2020-21, India's average tariff increased significantly. The proportion of India's tariff lines exceeding the 15 per cent mark rose from 11.9 per cent to a staggering 25.4 per cent.

The government has, however, done well to no longer treat Customs duty as a revenue-raising instrument. It is now well accepted that only trade openness can help India become a part of key global supply chains, such as those for smart-phones and consumer electronics. India's exports of mobile phones rose over 40 per cent to reach \$15.6 billion in 2023-24 from \$11.1 billion in 2022-23, while the country manufactured electronic goods worth \$102 billion last year. Yet, export growth has been propelled primarily by assembly rather than manufacturing within the country. The production of sophisticated components like lithium-ion cells or semiconductor chips is not happening in India. In fact, most of the value is being added in countries such as China, South Korea, Japan, and Vietnam.

Non-tariff barriers also remain high. The data released by the World Trade Organization (WTO) in its World Tariff Profile 2024 reveals that after the United States India imposed the highest number of anti-dumping duties. In 2023, India initiated 45 anti-dumping investigations and imposed duties in 14 cases, while the country had 133 anti-dumping measures in place, affecting 418 products. The number of countervailing duties also remains high. In 2023, India imposed countervailing duties in 17 cases covering 28 products. As an exporter, a total of 44 countervailing actions covering 173 products are currently in force against India. Nonetheless, there seems to be a shift in strategy. According to the WTO data, India's average tariff fell from 18.1 per cent in 2022 to 17 per cent in 2023. India needs to cut tariffs significantly across the board and bring them down to levels prevalent in the region. It is to be hoped that the review of Customs rates will make a significant move in this direction. Meanwhile, Indian businesses must prepare to deal with increased global competition. Lower tariffs will also help boost competitiveness.

Climate adaptation

India must invest in agricultural research

Among the nine priorities highlighted in the Union Budget last week was the need to transform agriculture research with a focus on raising productivity and developing climate-resilient crop varieties. To support the initiative, compared to last year's Revised Estimates, the Budget allocated an 8 per cent increase in funding for agriculture and allied activities to ₹1.52 trillion. Within this, the Ministry of Agriculture and Farmer Welfare received an increased allocation of 4.5 per cent, compared to last year's Revised Estimates. However, despite these increases, which are lower than expected nominal economic growth, funding for autonomous research bodies under the ministry was cut by 2 per cent. This reflects a contradiction between the stated priority and the actions taken to achieve the objective of enhancing agricultural research.

The agriculture sector is the most vulnerable to the effects of climate change and can raise food-security issues. In 2023-24, for instance, while real gross domestic product (GDP) expanded 8.2 per cent according to the provisional estimates, agriculture GDP expanded merely by 1.4 per cent, representing a significant decline from 4.7 per cent growth observed in the previous financial year (2022-23). Food production as a result was impacted, which can be attributed to adverse monsoon conditions emanating from the El Nino effect. What is worrying is that the impact of climate change is expected to intensify in the coming years, manifesting through uneven monsoon distribution, flood, cyclones, drought, and heatwaves. The latest Economic Survey underscored that climate change could reduce wheat yields by 19.3 per cent by 2050 and 40 per cent by 2080. This could pose significant challenges because the population and consumption of food would continue to rise, potentially exacerbating food insecurity and driving food inflation.

The Survey also noted that extreme weather conditions were the primary factor driving food inflation last financial year. Factors such as irregular monsoons, supply-chain disruption caused by heavy rain, delays in sowing, and prolonged dry spells have all contributed to elevated food inflation. All this highlights the need for investment in agricultural research and development (R&D) to mitigate the climate impact to the extent possible. In this context, a recent research paper by the Indian Council for Research on International Economic Relations (ICRIER) noted agricultural research intensity (ARI) measured by agriculture R&D expenditure (ARDE) as a percentage of agricultural GDP peaked at 0.75 per cent in 2008-09 and has since fallen to 0.4 per cent.

This is significantly lower than the ARI in countries such as Brazil, where it stands at 1.8 per cent, and in China, where it is 0.6 per cent. The paper further emphasised every rupee invested in agricultural R&D yields a return of 11.2 times, substantially higher than the returns on investment in fertiliser subsidies (0.88) and power subsidies (0.79). This stark difference underscores the potential benefits of reallocating funds from fertiliser and power subsidies to agricultural R&D. By prioritising investment in agricultural research, India can better prepare its agricultural sector to adapt to and mitigate the impacts of climate variability, ensuring a more resilient and sustainable food-supply system over the medium to long run.

The rigours of resistance



BOOK REVIEW

CHITTAJIT MITRA

A question has been bothering me for some time. Apart from telling stories and educating us, can books serve any other purpose? Reading *How Long Can the Moon be Caged?* the author and director of the Polis Project Suchitra Vijayan and researcher Francesca Recchia set my curiosity at rest as I'll explain later.

After the formation of a nation-state, democracy always competes with people in power who would like to have some discretionary and unbridled control over others; it is in this context that questioning such acts becomes the

greatest form of patriotism, which often leads protestors to be imprisoned. This book focuses on several such individuals who had to face the ire of the government for speaking out on behalf of those who are unable to speak for themselves.

The book's seven chapters are prefaced with an introduction, offering readers a quick recap of the several major incidents that led to the incarceration of most political prisoners. The first chapter, "A Season of Arrests", sets out a detailed calendar of the excesses that political prisoners have suffered, especially focusing on the legal aspect of their incarceration, starting from the arbitrary arrest of G N Saibaba on May 9, 2014 to his acquittal on March 5, 2024. An educator by profession, Professor Saibaba is disabled and was charged and later convicted in 2017 under the Unlawful Activities (Prevention) Act (UAPA) among several other charges. The following chapter goes deeper into its details and reveals

the inconsistencies around the prosecution by the police and other investigating agencies. Hateful slogans by prominent leaders associated with the ruling party are ignored whereas student activists are roped in and charged with stringent laws limiting their chances to apply for a bail.

In "The Lies Factory" the authors unearth how an investigating officer of the infamous Bhima Koregaon case (the accused under this case are collectively known as BK16) declared before a two-member judicial commission that there is no proof that the riots that took place were the direct result of the Elgar Parishad. This basically implied that all the allegations against the BK16 activists — of making incendiary comments leading to riots — were bogus. The chapter shows how suspicion devoid of proof seems to be enough to jail people for an indefinite amount of time in several other cases. In the following two chapters, "Small

Things" and "Voices of Indian Political Prisoners", the authors have tried to go beyond the standard discussion of the oppression of these political prisoners and have dealt with their stories with a human touch. In the former chapter, close friends, partners and relatives share pictures and stories of their relationship with those in prison and

which keeps them hopeful against all odds. Khalid Saifi, a member of United Against Hate, was arrested by Delhi Police in connection with the 2020 Delhi riots and was not even allowed to receive a card that his daughter had made for him after which she had the message drawn on her hand using henna. Saifi's wife Nargis shared a photo of both the card and the henna. Similarly, Gautam Navlakha's partner Sahba Husain shares a photo of their living room with a rocking chair, his favourite place in

the entire residence. These seemingly insignificant photos hold a special kind of power that keeps these families going.

The latter chapter contains the prison writings written not just to their families and friends but also to the authorities reclaiming their rights that the constitution promises. In a letter to the National Investigation Agency judge concerned, Sagar Gorkhe, who was associated with Kabir Kala Manch, writes of being asked to remove his slippers before a high-ranking official, which he refused to do. As a Dalit, he did not want to reaffirm casteist rituals.

Since then, he has been harassed regularly, his medicines stopped and books, clothes and other personal items confiscated. These writings reveal a layered form of punishment that is not limited to incarceration but also expands its limitations to accommodate

the whims and fancies of the authorities.

In recent years, Indian civil society has been systematically demonised by the power establishment. If the last century teaches us anything about fascism, it is that it starts by dehumanising and othering people who question them so that when the fascist forces attack them, the general public remains indifferent to their plight. Apart from going into the finer details of several cases in which political prisoners are still languishing in jails, this book is successful in humanising the dehumanised. The sheer apathy of both government and judiciary is highlighted in many incidents, which is no surprise given the number of bureaucrats and judges who join the ruling dispensation after they retire from service. To answer the question that I started with, reading *How Long Can the Moon be Caged?* made me realise that a book can serve as a reminder that when oppression becomes the norm, there are always people firmly standing against it.

The reviewer is a writer-translator and co-founder of RAQS



ILLUSTRATION: BINAY SINHA

Global trade trends and Budget initiatives

The Budget signals a move towards a more open trade policy, but further broadening and deepening are essential

The Budget announcement last week of a reduction in some Customs duties and the simplification of rules for the utilisation of free trade agreements (FTAs) are positive trade policy measures. It is important that this momentum be maintained and the promised review of tariff rates in the next six months lead to an overall reduction of the average applied most favoured nation (MFN) tariffs, especially on manufacturing sector inputs. This would be useful in navigating a global trade context that is becoming increasingly nuanced. Recent updates from the UN Trade and Development or UNCTAD (July 2024) and the World Trade Organization (April 2024) highlight the emerging global trade trends with the following standing out.

First and foremost, global trade has been resilient despite the many shocks emanating from the pandemic, the ongoing Russia-Ukraine and Israel-Hamas wars, politically motivated trade instruments such as the Inflation Reduction Act (IRA) and Carbon Border Adjustment Mechanism (CBAM), and the US-China tariff and technology competition. While undoubtedly these events have led to fluctuations in the rate of growth, the dips have been short-lived. The rebound in 2021 following the sharp fall in 2020 in the immediate aftermath of Covid was quick and sustained, leading to a record high level of trade growth in 2022. Rising geopolitical tensions marked a decline again in early 2023, but trade growth picked up in the final quarter, though with variations across regions and countries. The first-quarter trends of 2024 have been positive for both trade in goods and services, continuing the modest increase of the second half of 2023. The upward trend is expected to be sustained over the next year, given the moderation in global inflationary trends and the consequent rise in real incomes and demand for manufactured goods. However, a plateauing of the growth in trade in services is indicated.



STRAIGHT TALK

AMITA BATRA

Secondly, trade within deep preferential trade agreements (PTAs) has been observed to be more resilient than trade outside PTAs. In the trade downturn last year, the intra-PTA trade in the US-Mexico-Canada Agreement, the European Union (EU) and to some extent the Regional Comprehensive Economic Partnership performed relatively better. Earlier studies have shown similar trends during the pandemic. Higher order economic integration, lower trade costs, and the convergence of regulatory and investment regimes (see my "Prioritise Deep Trade Agreements", *Business Standard*, June 27, 2024) foster dense production networks that provide the necessary mechanism for recovery and resilience during periods of trade volatility.

Thirdly, regarding the impact of geopolitical factors on global trade, friend-shoring, trade concentration, and increased lengths of global value chains (GVCs) that have been evident since 2022 and 2023. Some signs of softening of this trend are also evident. Notwithstanding this, as the restructuring of GVCs evolves, it is creating opportunities for GVC integration for emerging market economies (EMEs) in Asia and Latin America.

Global trade interdependence is also getting realigned in line with political proximities, but the shifts are not yet dramatic. Bilateral total trade trends show that US trade dependence on China and that of China on the US has declined, but only by a small percentage. Countries that have experienced increased trade dependence on China include Brazil, Vietnam and India. The most significant reflection of geopolitics is the reduction in Russia's trade dependence on the EU, which is understandable given the energy dynamics between these two and the sanctions following the war in Ukraine. The markedly increased dependence of Russia on China is an outcome of the same context. Fourthly, sector-wise trends show that traditional

Big firms don't connect with the masses

The zeitgeist has definitely changed for the better and the more authentic, moving from macro numbers of all kinds and world rankings of the economy as a whole to looking inwards at what's happening to People India and acknowledging that the core muscles of the economy need urgent strengthening.

The post-Budget commentaries from India Inc and business media (not so much stock market analysts!) have been around job creation and investment stimulation, although there is a significant constituency that saw the absence of consumption stimulation as a big miss rather than a glucose shot for a weak body with doubtful results. Also heartening is that, at last, popular commentary is acknowledging the various linkages between investment, consumption, micro, small and medium enterprises (MSMEs), and employment, instead of the siloed ways in which these topics have tended to be discussed so far.

However, still not explicitly acknowledged and framed as a basis for policy prescription is the dual nature of India's supply and demand ecosystems (with implications for employment).

India has a "two ponds" structure of supply and demand: Large companies, with a few exceptions, primarily serve a small group of richer consumers (or bigger customers) and employ a minuscule percentage of the population, while small businesses serve and employ the remaining bulk, either as informal employees or contracted own account workers. This "two pond" structure — deliberately not called "two tier" or any other hierarchical label — requires sharply segmented policy prescriptions as the interlinkages between the two are low.

Large companies in India, by strategic choice, mainly serve the richest 20 per cent of the households (or intermediaries who serve them), and sometimes

selectively extend their target markets to some parts of the next richest 20 per cent households. The small turnovers, relative to the \$5 trillion gross domestic product (GDP) goal, of leading consumer facing companies across sectors tell this story. Large companies do not choose to serve mass-market India because they do not like its income demographics and the resultant difficult demand structure — that is, a lot of people or entities earning and spending a little bit each that adds up to a lot, but with vulnerable incomes and with the resultant painful challenge of having to design businesses that can balance consumer demands of price and performance with the company's profitability. Luckily for them, because of the skew in education and capabilities, aided by the slowing economy during Covid, their chosen segment has got richer. One cannot fault their strategic logic of "when you can kiss the prince, why kiss the frog and wait for it to transform into a prince". Ditto for multinational companies.

The "small" sector, earlier called the "unorganised" sector, had acquired agility, customer centricity and sophistication in the last 20 years, belying that label and demonstrating that Indians are fabulous learners, and have embraced digital utility, learning and productivity tools. Their share in many sectors is almost half the total sector value. This small sector got hit by demonetisation, increased regulatory compliance, Covid, and banks getting more prudent in their lending.

Mass-market consumers and small businesses in India are served by small suppliers, mostly localised, and by imports from China and similar low-cost markets, and distributed through wholesalers, small retailers, pavement popups and a few large retail chains as well as by tiny hotels (lodges), micro construction contractors, micro food services and so on.

How strong is the linkage between the two ponds?



RAMA BIJAPURKAR



HOW LONG CAN THE MOON BE CAGED?: Voices of Indian Political Prisoners
Authors: Suchitra Vijayan and Francesca Recchia
Publisher: Context
Pages: 312
Price: ₹599

sectors like machinery and transport have retained their GVC and trade dynamism. New age and high-tech sectors like artificial intelligence, green transition and semiconductors have seen high demand, though these have also been the target of trade and industrial interventions. Among these, electric vehicles and solar panels reveal an opportunity for EMEs, as the evident trade reallocation and distribution across more suppliers in these sectors indicate a more competitive market. Battery production, however, continues to be concentrated among a few suppliers. These sectoral developments are still in process and will likely evolve further given the continued geopolitical uncertainty and the growing weakness of the multilateral rules-based trade order.

In this context, the following trade policy measures will assist India in taking advantage of the emerging opportunities.

First, the tariff rates review should be undertaken with the final objective of aligning India's import tariffs in the manufacturing sector with the comparator set of EMEs, such as Asean. A time schedule for achieving this goal should be laid out over the next six months. Lower import tariffs will help enhance export competitiveness, which is the ultimate test of manufacturing competitiveness.

Second, a pre-specified timeline for reducing tariffs will also lend an element of predictability to India's trade policy and help attract export-oriented foreign direct investment (FDI), which is efficiency-seeking. The priority should be to attract FDI from GVC lead firms, which continue to be mainly in advanced economies. Their design and innovation capabilities will assist technological transfer and diffusion, which, in turn, will contribute to enhancing manufacturing productivity.

Third, given that trade in deep trade agreements is relatively more robust in times of crisis, India needs to prioritise the inclusion of deeper provisions in its FTAs. The FTA design and negotiating strategy, however, needs to be context-appropriate. This is necessitated by the growing tendency of regional trade blocs in North America and the EU to secure trade within the region by adopting discriminatory trade instruments/ measures vis-a-vis the rest of the world.

In North America, the US legislated IRA is an explicitly exclusionist trade policy instrument, motivated to enhance intra-regional trade and GVCs as also trade with its FTA partners. India does not have an FTA with the US and the current political dispensation as well as the ongoing Presidential election discourse has given no indication of a change in their trade policy stance. The EU has implemented the CBAM, which is projected as a virtuous trade instrument creating a "global common good" but will potentially increase intra-EU trade while imposing compliance costs on developing economies like India. CBAM is also likely to be adopted by other countries, including the UK. The Asean, in comparison, offers opportunities for enhanced trade dynamism and GVC integration while following the multilateral rules-based trade order.

Therefore, the move towards a more open trade policy in India's Budget 2024 needs to be broadened and deepened in the coming year.

The writer is senior fellow, CSEP, professor, SIS, JNU (on leave) and author of India's Trade Policy in the 21st Century, Routledge, London, 2022. The views are personal

The writer is a business adviser in the area of customer-based business strategy, a thought leader, and a researcher on India's consumer economy





OPINION

The
Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

A great wall against China

The Quad maritime agreement may help India contain Chinese aggression, but normalisation of New Delhi's relations with Beijing needs a push from the highest levels of government

China found no direct mention in the joint statement of the Quad foreign ministers who met in Tokyo, but many of the document's assertions — from the reiteration of the commitment to a free and open Indo-Pacific to the creation of a regional order where “no country dominates” the South China Sea — were a direct response to Beijing's increasingly aggressive actions across the region. Quad also agreed to expand its maritime domain awareness initiative to the Indian Ocean and to continue the rollout of open radio access network or Open RAN telecommunications in the Pacific Islands — both moves aimed at offering alternatives to countries to make their own choices free of coercion or hidden disadvantages. Quad also emphasised that the Arbitral Tribunal's award of July 2016, which rejected China's expansive maritime claims in the South China Sea as having no basis in international law, should be the foundation for peacefully resolving territorial disputes.

Quad's moves came at a time when the India-China relationship, in the words of external affairs minister S Jaishankar, continues to be “not normal”. In addition to China's efforts at stalling the bilateral dialogue aimed at disengagement and de-escalation on the Line of Actual Control (LAC), more and more evidence has emerged of Chinese troops digging in for the long haul along the disputed border to tie down a large number of Indian troops. This has included the creation of dual-use infrastructure such as airports and railway lines, and military infrastructure such as the bridge across the Pangong Lake, a short distance from the LAC in a region illegally occupied by China for six decades. Beijing has also stepped up its activities in New Delhi's sphere of influence, including the neighbourhood and the Indian Ocean. Despite two-way trade ballooning to \$118 billion, it remains skewed in China's favour, mainly because of India's dependence on Chinese raw materials and China's reluctance to open up its markets to Indian goods. But trade can hardly be the panacea for the instability that currently characterises the India-China relationship. Jaishankar's meetings this month with Wang Yi, his Chinese counterpart, only resulted in reiteration of stated positions. With engagements at the military and diplomatic levels yielding virtually nothing, it is time perhaps for an engagement at the highest levels of the political leadership of the two countries to come to an understanding on much-needed de-escalation.

The wages of ignoring Western Ghats' frailty

Another year. Another monsoon characterised by extremes. And another landslide in Wayanad. It's a familiar script — but repetition and familiarity do not make the tragedy any less in scale. For years, it has been clear that the Western Ghats were prone to such disasters. In 2011, the Western Ghats Ecology Expert Panel, which was constituted by the Union government and chaired by ecologist and academic Madhav Gadgil, recommended that 75% of the 129,037 sq. km of the Western Ghats — spanning Gujarat, Maharashtra, Karnataka, Goa and Kerala — be declared an environmentally sensitive area because of its dense, rich forests and large number of endemic flora and fauna. The panel's recommendations were not implemented. Instead, each of the states seem to have engaged in a familiar but worrying race for development that often revolved around large construction projects. These projects required cutting into mountains, adding to the existing problem of illegal quarrying that is rampant in many parts of the Western Ghats (including in Kerala).

The climate crisis has only made things worse. The higher probability of extreme weather events — rainfall of a quantum seen once in a century is now seen twice in a decade — means higher likelihood of landslides in regions already ravaged by development, planned and unplanned, legal and illegal. Even as they improve their abilities to respond, governments should rethink their existing development paradigm in ecologically-sensitive zones. The Gadgil committee's report was not implemented because its recommendations were considered too extreme. Given what has happened in the 13 years since, governments may now end up having to do more to prevent a repeat of the Wayanad landslide.

SC upholds federalism in mining tax ruling

The apex court's judgment recognises that there is unquestionably an unevenness in the Constitution's division of fiscal powers. But this cannot be an excuse to permit a further dilution of authority otherwise vested in the states

On July 25, a nine-judge bench of the Supreme Court (SC) provided a fillip to the much-belaugered condition of Indian federalism. Through an 8:1 judgment, the Court, in *Mineral Area Development Authority v. Steel Authority of India*, recognised the power of state governments to levy taxes on mineral rights. In doing so, it shored up the fiscal autonomy of regional units, which has been subject to repeated onslaughts throughout India's history.

Our jurisprudence on federalism has largely been predicated on the idea that the Constitution contains a unitary drift, a predisposition towards the Union government. Indeed, the SC has often described India as a quasi-federal State. It may be difficult to quibble with this understanding in and by itself. But our courts have also used this construal as a means to rule in favour of the Union in disputes over constitutional clauses. The argument

goes thus: Because the Constitution, read as a whole, tilts the division of power towards the Centre, any ambiguity over the allocation of authority must also be resolved against the states.

In *Mineral Area Development Authority*, the SC has somewhat bucked this trend. Eight out of the nine judges on the bench, speaking through Chief Justice of India (CJI) DY Chandrachud (with Justice BV Nagarathna dissenting), ruled that state governments possessed an independent and unfettered power to tax mines and minerals. The Court found that this authority flowed from two separate entries in the state list, contained in the Constitution's Seventh Schedule: Entry 49, which speaks of taxes on lands and buildings, and Entry 50, which speaks of taxes on mineral rights, subject to limitations imposed by parliamentary law relating to mineral development.

The government of India and a raft of mining corporations argued that the power of the states to tax minerals was constrained by the Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act). This legislation was enacted under Entry 54 of the Union list, which accords to Parliament an exclusive power to regulate mines and mineral development to the extent that it is expedient in the public interest.

The MMDR Act determines and levies a royalty that is payable by a leaseholder to the owner of the mine — whether that is the government or

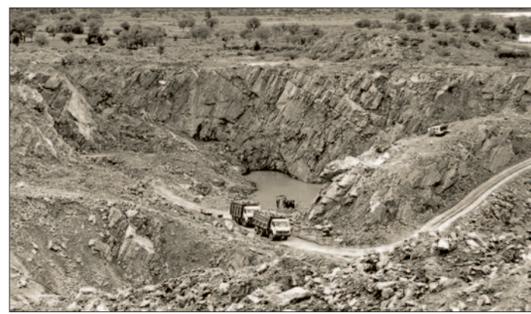
a private landlord. It was argued that this royalty was in the nature of a tax, in that it was an exaction made by the government in the exercise of its statutory power.

Even otherwise, since the MMDR Act constituted a complete code, in terms of levies, charges, and demands that bear a nexus to mineral rights, it was argued that it also effectively barred state governments from imposing a tax of their own over the same rights.

The majority, through the CJI, disagreed. It recognised the long-established criteria that a levy must fulfil to qualify as a tax. One, there must be a compulsory exaction of money by a public authority; two, the levy must be imposed under statutory power without the taxpayer's consent; three, the demand must be enforceable by law; and four, the imposition must be made for public purpose to meet the state's general expenses.

A royalty under the MMDR, the court found, did not meet any of these criteria. This is because, in reality, it is nothing but compensation that is paid for the loss suffered by the owner of the value of the minerals. And the liability to pay royalty arises not under the statute, but under the contractual conditions of the mining lease.

No doubt, the rates of royalty are prescribed under the MMDR Act. But that, by itself, wrote CJI Chandrachud, did not make it a compulsory exaction, since first, the compulsion stems from contractual obligations; second, the demand is not made by a public



The government and a raft of mining corporations argued that the power of the states to tax minerals was constrained by the MMDR Act

HT ARCHIVE

authority, but the lessor; and third, the payment itself is not for any public purpose but in lieu of consideration. Having held thus, the Court re-affirmed the basic principle that subject matters of taxation are delineated in distinct entries under Schedule VII of the Constitution and a tax can never be traced to a non-taxing entry. What is more, the taxing powers of Parliament and the state legislatures are always mutually exclusive, that is there can never be any overlap in the granting of such authority.

On a close reading of the Constitution's text, the majority found that the power to tax mineral rights could only be traced to entries 49 and 50 in the state list, and even here, the two entries dealt with separate subjects of taxation. The former — which was in no way conditional to the exercise of any of Parliament's powers — accorded state governments the express power to tax land, and a mineral-bearing land would certainly fall within the description of “land”. The latter afforded state governments a clear power to tax mineral rights. This power, the Court ruled, was traceable only to this entry and the general authority to regulate mines, granted to Parliament, can, under no circumstances, include a power to levy a tax.

In ruling this way, the Court was also quite cognisant of the philosophy

of fiscal federalism underlining the Constitution. There was unquestionably an unevenness in the Constitution's division of power. But this cannot be an excuse to permit a further dilution of authority otherwise vested in the states. To permit such erosion, wrote the CJI, would have an impact on the ability of states to raise revenues, impeding, in the process, their ability “to invest in physical infrastructure, health, education, human capacity, and research and development.”

The balance of power between the Union and the states is already heavily skewed. The Constitution's bare text contains in it a forbidding asymmetry. The job of the courts — and the majority in *Mineral Area Development Authority* is mindful of this — is to ensure that this distortion isn't worsened through acts of interpretation.

Quite to the contrary, our courts must do everything within their powers to ensure that the few rights that the states are granted are well-protected, not just in areas concerning fiscal autonomy, but in other areas too where the state's powers have come under relentless peril. For, as the Court recognises here, “the Indian states are sovereigns within the legislative competence assigned to them.”

Subhrit Parthasarathy is a lawyer. The views expressed are personal

Rapture and frustration for Indian indie cinema

In a scenario that gets repeat play in *Sthal* a.k.a. *A Match*, Savita Daulatrao Wadhare sits facing a gaggle of men in her home in rural Maharashtra. Clad in a sari, her gaze lowered as they scrutinise her, she responds meekly to their interrogation.

“What is your name?”
“What is your date of birth?”
“What is your height?”

It is a situation familiar to Indian women from families that take an unevolved route to arranged marriages. Once the men finish quizzing her, and polish off tea and snacks, they negotiate a dowry with her father as they leave. No one asks for her opinion on the proceedings.

Writer-director Jayant Digambar Somalkar's *Sthal* (Marathi) is not the first film to spotlight India's arranged marriage bazaar. It is, however, one of the starkest representations of the merciless microscope under which women are placed as they are paraded with soul-crushing regularity before potential husbands and their clans. Savita's ambitions extend beyond marriage. Her parents nevertheless thrust her into this skewed market in which she is akin to a product for sale, but she must pay to be purchased.

The humiliation and cruel social pressure heaped on Savita (played by Nandini Chikhe) are at the centre of *Sthal*, which has just been declared the first runner-up in the FIPRESCI-India Grand Prix for Best Indian Films of 2023. The winner of this selection by FIPRESCI-India — a chapter of the International Federation of Film Critics (FIPRESCI) — is the Malayalam film *Aattam*. The Garo-language *Rapture* a.k.a. *Rimdogitanga* is the second runner-up.

As a FIPRESCI-India member, I am thrilled at the array of beautiful films from which we got to choose. I'm also frustrated. Because although the three honourees have had an impressive festival run in 2023-24, only one is available for mainstream public viewing in India: *Aattam*, which was theatrically released this January, is now on Amazon Prime Video, but *Sthal* and *Rapture* have not reached theatres or streaming platforms so far. Therein lies a tale of independent Indian cinema's struggles.

Director Anand Ekarshi's *Aattam*, set in Kerala, is about a drama troupe's response when its only woman actor (Zarin Shihab) is molested by one of their own. Dominic Megam Sangma's *Rapture* revolves around a Meghalaya village where fear caused by a youth's disappearance becomes a cover for xenophobia and violence. What these thematically disparate films have in common are ultra-naturalistic storytelling, artistic sensibilities undiluted by commerce, and producers who are not profit-fixated studios. *Aattam*'s casting is distinct from the other

SOME INDEPENDENT FILMMAKERS COMBAT THE GATEKEEPING AT THEATRES BY GETTING A STAR OR TWO IN THEIR CAST TO MAKE A PROJECT MORE SELLABLE

two though — the popular star Vinay Forrt plays one of its main characters, while Kalabhavan Shajohn, a well-known character artist in commercial Malayalam cinema, has a significant supporting part. This does not mean the indie-spirited, unconventional *Aattam* had it easy, but it does underline the reality that a couple of high-profile figures in a cast could be advantageous in an exhibition ecosystem heavily weighted against such films.

Sthal and *Rapture* both premiered at reputed international festivals and have earned critical acclaim and prestigious awards in India and abroad. *Rapture* was even released in theatres across France this summer after it was picked up by a French distributor. You might think Indian exhibitors are waiting to grab these films, but that is not the case.

In the past approximately 15 years, theatres in India have gradually risen above their Hindi-centricity that earlier confined films of all other languages to states or regions in which they are primarily spoken. The initial improvement in the system was painfully slow, but Covid yielded dramatic changes when an unprecedented proportion of the audience was exposed to films across Indian languages on online platforms while confined to their homes during lockdowns. This made the long-running stagnation in mainstream Hindi cinema glaringly apparent. Unaccustomed as Hindi filmmakers are to competing on a somewhat level playing field with the rest of the country, they floundered further, thus compelling theatres to offer more space to other Indian cinemas.

As heartening as these developments may be, the parallel truth is that the chief beneficiaries of this language renaissance have been films by comparatively big producers with budgets to cast stars and promote their works. Exhibitors remain unadventurous. Result: Small-budget indies in all languages, including Hindi, remain marginalised. Anamika Haksar's *Ghode Ko Jalebi Khilane Le Ja Riya Hoon* (Hindi, 2022) is among a tiny handful of indies that have made it to theatres since the pandemic.

Some independent filmmakers combat the gatekeeping at theatres by getting a star or two in their cast to make a project more sellable. Some try to find influential distributors or seek out prominent names as presenters to generate curiosity about their films. Some have taken a direct-to-streaming path. As it happens, streaming majors, though less resistant to independent cinema than theatres, do their own version of questionable gatekeeping, often avoiding films that are too experimental, contentious or niche in their dictionary.

The consequence is that for every *Aattam* coming to Indian theatres and online against all odds, scores of cinematic gems like *Sthal* and *Rapture* are yet to get there.

Anna MM Vetticad is an award-winning journalist and author of *The Adventures of an Intrepid Film Critic*. She specialises in the intersection of cinema with feminist and other socio-political concerns.

The views expressed are personal

{ LAI CHING-TE } TAIWANESE PRESIDENT

I want to emphasise that a threat from China to any country is a threat to the world. Taiwan will do everything to join democratic partners to uphold the umbrella of democracy



A logistics impetus for jobs, led by e-commerce

We are living in the age of digital commerce, and Indian customers are demanding a greater selection of products at low costs and speedy delivery. This is possible only when a robust supply chain supports digital commerce. Interestingly, while e-commerce is only about 10-11 years old in India, it has been able to solve this puzzle, largely due to the efforts of the government and private players who have leveraged existing ecosystems and built the latest technologies. According to the latest Economic Survey, this concerted effort has resulted in India ranking 22nd in international shipments. No wonder a large logistics infrastructure supporting the growing online commerce sector in India is a big livelihood generator, even for communities that were traditionally underserved. The government sees this sector as a contributor to economic growth, a belief that resonated in the recent budget through Logistics Ease Across Different States (LEADS) and the Jan Vishwas Bill 2.0. A vibrant e-commerce sector, including its logistics side, is vital to realising the goal of Viksit Bharat by 2027, given the millions of jobs it creates.

India's e-commerce sector has been spurred on by a confluence of factors, including government initiatives, reduced smartphone and data plan prices, and a significant shift in consumer behaviour. This growth is not just limited to major urban centres but is also organically expanding to tier II cities and smaller towns. This has generated an insatiable demand for efficient logistics services. Timely and effective delivery has become critical to customer satisfaction, prompting logistics companies to invest in advanced technologies and infrastructure. Automated warehouses, distribution centres, and innovative delivery models have emerged to address the evolving needs of the e-commerce supply chain.

The logistics industry in India, largely driven by e-commerce, is now a major contributor to the economy, accounting for approximately 14% of the country's GDP and employing over 22 million people. However, the Indian economy needs to generate an average of nearly 7.85 million jobs annually till 2030 in the non-farm sector to cater to the rising workforce, according to the Economic Survey. The good news is that the Indian logistics market, set to reach \$484.43 billion by 2029, has the potential to generate these jobs. The role of e-commerce platforms will assume a critical proportion as

the gig workforce is expected to expand to 6.7% of the non-agricultural workforce or 4.1% of the total livelihood in India. E-commerce is poised to generate approximately 10 million jobs by 2027 in various roles including transportation, warehousing, and value-added services like packaging and inventory management.

We are also seeing the phenomenal rise of direct-to-consumer brands, and this is further driving logistics companies to expand their networks to serve these new markets. Hence, the logistics sector, particularly the last-mile delivery segment, can become a significant employment generator, with the current gig workforce of 7.7 million in India expected to triple to 23.5 million by 2030. This growth will largely be driven by the rising demand for delivery personnel in the e-commerce and quick commerce sectors. Notably, 80% of flexi workers in India are in the 21-30 age group, with an average salary of ₹20,000-22,000 a month.

This e-commerce-driven growth in logistics is not without its challenges. The sector faces high operational costs, complex last-mile delivery in diverse geographies, as well as high attrition rates. However, these present opportunities for innovation. Companies are leveraging technology to streamline operations, improve workforce management, and enhance customer experience. The focus is on creating more fulfilling career paths within the logistics sector, potentially reducing the stigma associated with certain roles.

As e-commerce continues to grow, the logistics sector is poised for further evolution. The demand for seamless, efficient logistics setups will continue, driving investments in technology and infrastructure. To make the job more effective, we can expect more automation in warehouses, increased use of data analytics for demand forecasting and route optimisation, and a greater emphasis on sustainable logistics practices, such as electric delivery vehicles and solar-powered warehouses. This evolution underscores the symbiotic relationship between e-commerce and logistics, highlighting the need for continual adaptation and innovation. As India aims to become a \$5-trillion economy by 2030, the logistics sector, powered by e-commerce, will undoubtedly play a crucial role in achieving this ambitious target, driving both employment and economic growth.

Abhinav Singh is vice president (operations), Amazon India. The views expressed are personal


OUR VIEW


Surrogate advertising is easy to spot and outlaw

There's no grey zone in the use of a surrogate campaign to sell something other than what's advertised upfront. To clamp down on this devious device, India will have to ban it entirely

One remarkable aspect of Kingfisher having gone out of business as an airline is the fact that we can still be invited to "get high" on Kingfisher. While it refers to a colourful bird, the carrier took its name from a popular brand of beer marketed by the same UB Group. Until it folded up, this group's aviation play was clearly a business in its own right. Even so, it was a case of 'brand synergy' (in B-school speak) as much as surrogate advertising, defined as a campaign for one thing on the face of it and something else in its market effect. As a brand, if Kingfisher retains space in people's memory, some of the credit is due to an impression left by UB's high-profile aviation venture. The name was painted large across its aircraft exteriors, with every flight assuring it visibility of a kind unseen since the zeppelin era of advertising. This airborne medium was even more snazzy, if anything, as planes flew around airing the brand's visual cues and attracting eyeballs. Today, despite the UB Group's woes, the alcoholic beverage that sells under that label has proven so resilient against a freshly brewed wave of rivalry that even Heineken, UB's Dutch equity partner, should thank those flights. The point, though, is this: Should an airline called Kingfisher ever have been allowed into Indian skies?

If the answer is yes, then we will find it hard to police surrogacy in advertising, a practice that may not always be outright deception, but is often too clever by half. As reported by *Mint*, India's ministry of consumer affairs has draft rules under review that aim to curb advertisements which mask what they're out to hawk. That such ads pervade online spaces and TV airwaves is beyond doubt. All kinds of party knick-

knacks, from tumblers and ice-boxes to music playlists and fashion attire, have been launched under brand insignia shared with fluids that can't be advertised openly because they contain alcohol. Since these low-key launches are decoys, typically, with token production runs just to prove their existence, one regulatory proposal involves asking businesses to report the market availability and sales volumes of advertised items. If that's not strict enough, companies might even be asked to issue public notices of such data. This approach may sound like a crackdown, but it isn't. Any leeway for 'genuine' brand extensions would have *ad hoc* calls being taken by officials, spelling scope for another inspector raj. As we've seen before, grey zones can generate black money.

More pertinently, Kingfisher Airlines was a *bona fide* business. Its tickets were available and it had sales volumes (at least till it didn't). Its rise and fall left a trail of damage, but it also catapulted a brand of beer to extraordinary levels of popular recall across the country. Sure, aviation is too expensive a sector for a rational investor to use solely as a beer mask, but we can't deny the surrogacy that was at play. It's the same with other media. Regardless of the stated aims of an ad campaign, it either plays a surrogate role or it doesn't. As with pregnancy, it's either-or. To end the practice, policy will also need to place principle above pretence. The only clear-cut way out would be to ban the advertising of anything that shares its brand identity or appeal with an item that must be denied publicity in public interest. An all-out ban, in other words, is the only earnest way to tackle a problem that has outlasted every regime's restraints so far. And, no, in retrospect, a beer brand should not have been cleared for take-off.

MADAN SABNAVIS



is chief economist at Bank of Baroda and author of 'Corporate Quirks: The Darker Side of the Sun'.

Thomas Piketty became famous for his seminal work that was published in a book titled *Capital in the Twenty First Century*. In this book, he focused on developed countries, especially the US, where he traced the growth of inequality. His concern was not so much with income than wealth, and here too, he distinguished between inherited and earned wealth. He advocated a tax on the rich who had such 'capital.'

Closer home, his work on inequality in India that came out earlier this year drew considerable umbrage, as critics tore into his data and methodology and concluded that his information and analysis were faulty. His recommendation of a wealth tax, however has remained on the discussion table.

A close look at the latest budget proposals on taxation suggests that Piketty's idea has played in the background. First, the budget has increased India's capital gains tax in terms of both long- and short-term rates. The broad justification given, besides the ideology of tax simplicity, is that it is gener-

ally higher-income groups that deal in asset markets and hence the hikes do not really affect common citizens. Higher rates should make little difference to the rich.

Second, removal of the indexation benefit on sales of property has also been justified on grounds of equity. The government has stated that for properties of lower value that have been held for longer time periods, the new tax structure will have a lower outflow. However, for the rich who deal in high-value real estate, the tax payable on capital gains will be higher—though even this extra burden can be absorbed, given their wealth.

Third, buyback proceeds in the hands of the recipient are to be taxed, which will affect richer groups who own corporate shares in bulk. This also brings in parity with other income earned from assets, like share dividends. This is what Piketty flagged in his book, arguing that the stock options awarded by American CEOs to themselves should be taxed at a high rate. The budget's buyback move is similar in spirit.

All these measures can be interpreted as being baby steps to tax richer classes that can't really complain. If this approach has to be extended to other areas, some interesting options emerge. The rich put large sums of money into shares, real estate, art, designer

clothes, jewellery, fancy watches, vehicles and other things they can own. There is good reason to impose a surcharge on all property purchases above a threshold of, say, ₹10 crore. These rates can escalate, just as they do on income earned. This will either curtail ostentatious consumption or increase revenue. In a similar vein, states can raise stamp duty rates.

The rich are known to splurge on automobiles which could stretch to aircraft too. Here too, the GST Council could consider a much higher rate than the present slabs (with 28% as the highest rate) for vehicles priced above, say, ₹50 lakh. As all these taxes are progressive and would fund redistribution, they'd serve a valid purpose.

The redistribution part also deserves a review, probably even drastic rationalization. For this exercise, consider a few data points. The budget's outlay for India's free-food scheme aimed at the needy, which covers 800 million people and was recently extended by five years, is close to ₹2 trillion, which is about ₹2,500 per head. Is

there any adverse selection here? Non-needy users? This is pertinent when juxtaposed with employment data. The central bank's KLEMS data-base shows 643 million people employed in 2023-24. Given a population of around 1.4 billion, this means that 757 million people were dependent on the employed, a count that includes children, senior citizens and jobless youth.

India's dependency ratio appears low.

The free-food scheme dates back to the covid pandemic. But, interestingly, KLEMS data shows that employment grew 5.1% and 3.1% in 2020-21 and 2021-22, respectively. So the commonly held view that jobs were lost during these years was unfounded.

It happened in some sectors, but overall employment increased. Even if agriculture is excluded, as it could involve disguised unemployment, employment growth was 4.2% and 3.8% respectively. Therefore, India's job distress was overstated, which also means that there is scope for a roll-back of the free-food benefit.

The Survey on Unincorporated Sector Enterprises for 2022-23 says we had around 110 million employed in the non-agricultural space. Their average emoluments were at ₹1.1 lakh per informal hired worker, compared to ₹2.45 lakh for formal-sector employees. India's per capita GDP is around ₹2.11 lakh. One could sieve this data by using provident-fund enrolment data and PAN numbers to pick those in need of government assistance. This can help us rationalize budgetary allocations in the coming years. Intuitively, by removing every 100 million workers who do not require food support, the government can save ₹25,000 crore. This would release resources that could be channelled into other social-welfare schemes, such as education or health facilities at government-aided establishments that require improvement in quality.

To conclude, we have compelling reasons to extend the Piketty argument and tax all ostentatious spending by the rich. This will reduce consumption or increase revenue (or some combination of both). In parallel, more effective targeting of welfare schemes can help release funds that could be channelled to other programmes. This way, the quality of the budget will also improve.

These are the author's personal views.

MY VIEW | ON THE OTHER HAND

Here's why we could do with our version of the Li Keqiang index

Official data isn't always as helpful as a well-taken cross-sectional snapshot of the actual economy



VIVEK KAUL is the author of 'Bad Money'.

On the first of every month, the ministry of finance would publish the gross collections of GST, along with a breakup of the intake. This happened routinely every month. But on 1 July, the gross GST collections for June were not officially published as a press release. The mop-up for June stood at ₹1.74 trillion. This figure was made available to reporters informally. Why has this happened?

GST collections in India have improved significantly over the last three years. In 2021-22, 2022-23 and 2023-24, they rose by 30.8%, 21.4% and 11.8%, respectively. One of the major reasons for this is better compliance.

Now, did higher GST collections lead to an impression among householders that they are paying higher indirect taxes while their incomes aren't going up, or at least not as fast as before? For a government that places great importance on managing the policy narrative that prevails, this could explain monthly GST figures not being shared.

Or is there some other reason at work? GST collections in May grew at 9.96%—the first time their growth fell below 10% since June 2021. Growth in June 2024, based on the data informally shared, stood at around 7.8%. Does the government now expect GST growth to get closer to nominal GDP growth? Has better compliance run out of juice, given that year-on-year growth in GST

collections has slowed down? And this could mean regular GST data releases won't support the narrative of a strong economy, like in the past? Well, on these questions, your guess is as good as mine.

Indeed, GST figures are not the only example of the government taking it easy on the data front. The decennial population census that was scheduled in 2021 has still not happened. Census data is a very important input for policy decisions that impact a large part of the population (or at least should be). As economist Jean Drèze wrote recently in *The Indian Express*: "There is a danger of serious confusion and even conflict, for instance around the coverage of food subsidies, the delimitation of constituencies and resource allocation."

Or let's take the case of employment numbers released by the Reserve Bank of India (RBI). It estimates that from the end of 2018-19 up to the end of 2023-24, close to 151 million jobs were created. As per central bank data, more than 31 million jobs were created even during the pandemic year 2020-21.

This goes against plenty of other evidence on offer, from a slowdown in two-wheeler sales to continued demand for work under the Mahatma Gandhi National Rural Employment Guarantee Scheme even after the pandemic, significantly lower tele-density figures, and a significantly lower number of passengers carrying out non-suburban railway travel than in pre-covid years. All these figures suggest that there are problems on the income front, which suggests a problem on the jobs front.

So, how does one explain the creation of close to 151 million jobs? As economist Madan Sabnavis told *Mint*: "The data shows there was growth in employment even during the two pandemic years... It is a bit hard to reconcile." Or, as Amit Basole, head of the Centre for Sustainable Employment at Azim Premji University, told *Business Standard*: "There is a large increase coming from agriculture and from self-employ-

ment, which includes own account work or unpaid family work."

While this might explain why RBI's jobs data doesn't pass a basic smell test, what is really needed is more detailed and more regular jobs data, which the country currently lacks.

But then, the regular collection and publishing of jobs data might just go against the narrative of a strong economy that the government appears keen to project all the time. Or, as Raghuram Rajan and Rohit Lamba write in *Breaking the Mould: Reimagining India's Economic Future*: "For instance, the sparse data on poor job growth can be buried by an avalanche of inaugurations and announcements, so that an illusion of robust job growth is maintained."

So, where does this leave us? It's time that regular observers of the Indian economy construct a Keqiang index of their own.

In 2010, *The Economist* created a 'Keqiang index' for the Chinese economy. It was named after Li Keqiang, who at that point of time was the deputy prime minister of China. He would become prime minister in 2013 and stay on until March 2023. Li Keqiang liked looking at indicators like railway cargo volume, electricity consumption and loans disbursed by banks in order to get an indication of which way the Chinese economy was really headed. These numbers were real numbers and not theoretical constructs like gross domestic product (GDP).

In a similar style, serious observers of the Indian economy need to look at a broader set of data—numbers like two-wheeler sales, non-suburban rail travel, smartphone sales, tele-density, work demand under the work-guarantee scheme and net sales of listed and unlisted companies, along with the parameters that go into the Keqiang index and the commentary provided by fast moving consumer goods companies on their financial results—if they are not doing so already. Getting a rounded picture isn't an easy task.

10 YEARS AGO

JUST A THOUGHT

A good advertisement is one which sells the product without drawing attention to itself.

DAVID OGILVY

THEIR VIEW

Has Piketty cast a taxation shadow on India's budget?

MADAN SABNAVIS



is chief economist at Bank of Baroda and author of 'Corporate Quirks: The Darker Side of the Sun'.

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MY VIEW | CAFE ECONOMICS

MINT CURATOR

FRBM rethink: Aim for clarity in India's fiscal policy framework

We need a fiscal council to offer independent estimates of the public debt trajectory if it's to be our new anchor of fiscal policy



NIRANJAN RAJADHYAKSHA
is executive director at Artha India Research Advisors.

India is moving towards a new fiscal policy framework. Finance minister Nirmala Sitharaman said in the Union budget announced earlier this month that after 2025-26, the government will try to keep the fiscal deficit at a level "such that the central government debt will be on a declining path as a percentage of GDP." What does this mean?

India currently has a fiscal law that expects the Union government to keep its annual fiscal deficit below 3% of gross domestic product (GDP). So government borrowing in any given year cannot exceed that limit, to rein in profligate budgeting. However, a rigid limit on government borrowing can be counterproductive in some situations. For example, during a pandemic, when the treasury must step in to support a shrinking economy. The fiscal law thus has an escape clause that provides the government with some welcome flexibility in the way it conducts fiscal policy, rather than being tied to mindless austerity when it is least needed.

The design of our Fiscal Responsibility and Budget Management (FRBM) law, which got a stamp of approval from Parliament in 2003, is modelled on similar legislation in many other countries. Its passage was a remarkable moment in India's political economy, when the political system decided to subject itself to legal boundaries for the conduct of fiscal policy, while also helping participants in the economy make better decisions because of more predictable government budgets.

There has since been a global shift to what is often called a second generation of fiscal rules. These have been based on the principle that what actually matters for a country is sustainable public finances over the medium term, rather than the bottomline of every annual budget—a focus on the stock of public debt rather than the flow of government borrowing. It is not yet clear whether the government will seek to introduce a new fiscal law, amend the existing one, or change its strategy within the existing legal framework.

An FRBM review committee headed by N.K. Singh had said in its 2017 report that India needs a new fiscal paradigm for the 21st century. Central to this new paradigm should be the ratio of public debt to GDP as the new anchor of fiscal policy. The annual fiscal deficit would still matter, since public debt is the accumulation of what a government borrows every year to cover its financial gap. In technical language, annual government borrowing would be the operating target, while the public debt ratio would be the intermediate target of Indian fiscal policy. The statement by the finance minister in her budget speech is a reflection of such thinking.

What will that mean in practice? There are two issues to consider here for everyone ranging from consumers to companies and investors. First, will a



shift from the annual fiscal deficit to the public debt ratio change how the government manages its finances? This question matters because the finance minister has indicated that the Union government wants its public debt to be on a declining path. It is currently around 58% of GDP, or 18 percentage points higher than what the original FRBM law identified as the ideal level.

The mathematics of public debt tells us that there are two ways in which the public debt ratio of any country can come down. First, when nominal GDP growth is higher than the cost of government borrowing. Second, through an explicit policy that cuts the primary deficit of the government. Much depends on how these two factors combine. A country with a large growth-interest rate differential has to do less work in its annual budget. And a country with a small growth-interest rate differential has to focus more on fiscal austerity.

India has historically allowed high growth to take care of its public debt challenges. However, the N.K. Singh committee warned that this should not lead to the breezy conclusion that our public debt problems will be solved automatically through high nominal GDP growth. Fiscal policy will have to do some heavy lifting.

"In the Indian case, rather than fiscal prudence, it is in fact a favourable interest rate growth differ-

ential arising from high growth rates and relatively low interest rates that has facilitated the consolidation of debt. A negative interest growth differential, however, cannot be a long-run equilibrium, and may not persist over time. The trend has already begun to slope upwards, which may make it difficult to sustain India's debt in the long run," the committee said in its report. What was said in 2017 is true even today.

The second issue is communication. It is easy to convey fiscal policy intentions to the private sector through an annual deficit target. Getting across the message on a sustainable public debt ratio will be more difficult, especially in a credible manner. It entails a shift from fiscal accounting to fiscal projections, and the latter will necessarily be an estimate based on opaque assumptions about the future.

The accepted solution is a fiscal council akin to the bipartisan Congressional Budget Office (CBO) in the US. Such an institution will not decide fiscal policy, or how much to tax and spend, which is the sovereign right of an elected government. However, it can provide independent estimates of the public debt trajectory, the new anchor of Indian fiscal policy. These estimates should be released publicly to improve the credibility of the next generation of fiscal rules.

Reduced hype around GenAI is a welcome pause for breath

A market correction focuses attention on the technology's real value



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Stocks like Nvidia and Microsoft have come off their AI-driven highs. REUTERS

Is Generative AI worth the money? Tech leaders like Microsoft chief technology officer Kevin Scott says costs will come down and capabilities improve, but as Wall Street heads toward correction territory—Nvidia and Microsoft, two stocks that have ridden the AI wave, are down more than 15% and 8% respectively since 10 July—enterprises are grappling with a deeper problem: How do they put AI to use and measure the return on that investment?

Confusion over the answer has led to discomfort, sparked by bearish reports from Goldman Sachs and Sequoia Capital questioning whether GenAI will make as much money as the market seems to think. AI capital expenditure will reach between \$600 billion and \$1 trillion in the coming years, the reports estimate, and spending on infotech will rise 8% this year, according to Gartner.

If investors are taking a breather, that's good. As my colleague John Authers recently argued about Big Tech stocks, corrections can be healthy when a market position has been extreme. The AI-driven market boom and jump in capital spending at companies like Alphabet and Tesla has happened far too quickly, benefiting those who didn't always deserve the rally. A senior AI executive at a large tech company recently told me point blank that artificial intelligence had become overblown in the market. He'd lived through several hype cycles before, he added, and this one was no different.

There are differences from the dotcom boom and bust. Businesses are looking at tangible outcomes more than they were in the early 2000s, when the focus was more speculative and based on market potential. Metrics for success are focused on efficiency gains and cost savings instead of grabbing eyeballs. And businesses are using more sophisticated risk models and arguably more rigorous return-on-investment calculations because they've learned hard lessons from the dotcom era.

The nagging problem for GenAI is that tech firms have set expectations too high by marketing the technology as a magical general-purpose solution that can enhance business processes. It often cannot right away. Some companies are also rolling out gizmos without showing employees how to use them effectively. That's always a mistake. Give a power tool to someone with training and they can build a treehouse; give it to an amateur and we get a mess.

But even while the process is often fitful, GenAI is taking hold in several markets. In the video games industry, major studios

like Activision Blizzard are using it for concept art and asset generation, leading in some cases to widespread layoffs, as a *Wired* investigation found.

JPMorgan Chase CEO Jamie Dimon recently told *Bloomberg News* that the bank was putting AI into all of its processes—"trading, hedging, research, every app, every database"—sometimes to replace humans. Payments company Klarna Bank said earlier this year that its customer service chatbot did the work of 700 customer service reps, meaning it could reduce the number of contractors it regularly hired, saving it \$40 million a year. TravelPerk, a startup for booking corporate travel, says its margins have grown to 70% from less than 40% since it started using generative AI last year.

Analyzing AI's return on investment is difficult. It involves taking abstract values like efficiency and productivity and turning them into numbers. Take CNH Industrial, a farming and construction equipment manufacturer. It has been using an AI-powered chatbot to guide its service technicians on repairs, and to help its software developers write code, according to a profile on CIO.com. It's easier to measure success on the first project (did customer satisfaction scores go up?), but not so much for the second (did coders log how much time they saved?).

And don't forget that AI is also a controversial technology. Klarna's CEO Sebastian Siemiatkowski got some blowback from users of X when he posted details about how the company's AI assistant "performs the equivalent job of 700 full time agents." Some suggested it was callous to celebrate the displacement of so many workers. If companies find that GenAI is helping their bottom line, they might not always want to talk about it.

Businesses and investors risk going too far in dismissing generative AI as all hype, especially if that means they'll neglect some of its more insidious traits around the perpetuation of bias, copyright infringement and the erosion of human agency. The current market scepticism is healthy and much needed—but in at least in some markets, including customer service, marketing, gaming and other creative industries, it's also clear that generative AI is here to stay. ©BLOOMBERG

MY VIEW | EX MACHINA

Marconi's message for the AI age: Tech sharing works

RAHUL MATTHAN



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Towards the end of 1901, Guglielmo Marconi set out to conduct an ambitious experiment. At the time, it was believed that since electromagnetic waves (like light) travelled in straight lines, radio waves could not be used to transmit messages across large distances—much like how even the most powerful telescope could not catch visual signals from places located beyond the earth's horizon.

Marconi set out to prove them wrong. He installed a massive (70-metre high) cone antenna on the Poldhu Cove in Cornwall, UK, from which he planned to transmit a message in morse code to receiving equipment he had set up at Signal Hill in Newfoundland on the other side of the Atlantic Ocean. At 12:30pm on 12 December 1901, Marconi heard three faint but distinct clicks over his headphones at the receiving station at Signal Hill (corresponding to the letter 'S' in morse code). With that he proved that it was, in fact, possible to communicate wirelessly across the Atlantic Ocean, and in doing

so, launched the modern telecommunication revolution.

Even though he is widely credited as the inventor of radio communication, Marconi's Grand Transatlantic experiment would not have been possible without the contributions of Jagdish Chandra Bose, one of India's finest scientists. In 1899, Bose invented the "iron-mercury-iron coherer," the first device that was capable of continuously detecting radio frequency signals. While coherer technology had been around for a while, Bose's coherer was the first that was self-restoring, allowing for the continuous detection of radio signals without the need to manually reset the device after each signal is detected. This continuous signal processing capability remains, to this day, a critical feature of modern mobile communication devices.

Bose refused to patent his invention, firm in his belief that scientific knowledge must be freely exchanged. It was as a direct result of this philanthropic approach that Marconi was able to incorporate that coherer design into his Signal Hill receiving station. The rest, as they say, is history.

Marconi was not, however, of a similar mind. Not only did he refuse to acknowledge Bose's contribution, he intentionally obfuscated the details of how he came upon his

coherer technology. From the moment it was clear that his experiment was a success, he understood the commercial significance of the radio communication technology he had invented. From that moment on, he not only took great pains to secure all intellectual property rights over his invention, he aggressively enforced them in various ways.

He refused to sell his equipment to customers, insisting that they lease it from him instead. What's more, even after leasing equipment from him, customers could only use operators under Marconi's employment to operate the equipment. He also insisted that transatlantic vessels on which his radio equipment was installed could only communicate with other similarly fitted vessels, further cementing his monopoly by refusing to allow any other competing technology to inter-operate with his.

Given how focused he was on short-term commercial gains, the fact that these measures would hinder broader scientific

research in radio technology did not seem to matter to him. As a result of this, however, innovation in radio technology stalled, remaining restricted to spark-gap technology until about 1912, even though continuous wave technologies offered lower interference, more efficient use of radio spectrum and the ability to carry audio information, enabling voice and music broadcasting.

New inventions always build on the innovations that came before them. Continued scientific progress thrives in an environment of open scientific collaboration.

While intellectual property laws offer inventors some sort of temporary legal monopoly over their ideas for long enough to recoup their investments in research, over the long-term scientific progress will only take place if we can all collaborate in a scientifically permissive environment. Unless we enable this sort of an approach, it will be impossible for us to conduct inter-disciplinary research where experts from different

fields come together in order to tackle larger and more complex problems.

The discussion around open innovation has, in recent times, resurfaced in the context of artificial intelligence (AI). Most of the large language models available for use today are proprietary. Information about these models and their training are treated as a closely guarded secret by the companies that have created them. Leading AI companies and investors defend this approach, claiming that AI is a dangerous technology that needs to be controlled, given the harm it can cause.

While it is possible that some of these fears may be true, I cannot help but think that it is a bit self-serving. As if, having secured a first-mover advantage, these companies are looking to pull the ladder up behind them by insinuating that they and only they have the technical knowledge required to keep the world safe from the harms that AI can cause.

Be that as it may, history has shown that no good comes of limiting access to new technologies and inventions. In fact, to the contrary, every time we have opened up new and seemingly dangerous technologies by letting their innards into the public domain, the more we've benefited from the many ways in which they are used.

Technologies held closely tend to slow down the pace of innovation and diffusion of benefits



THE EDITORIAL PAGE

WORDLY WISE
FOR LANGUAGE LIES AT THE ROOT OF HUMAN IDENTITY, AND TO TAMPER WITH THAT IS EITHER POETRY OR TREASON. — TERRY EAGLETON

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA
BECAUSE THE TRUTH INVOLVES US ALL

Caste questions for Rahul

A public culture where invocation of caste becomes a substitute for serious thinking will not serve social justice



PRATAP BHANU MEHTA

URBAN NIGHTMARE

Coaching-centre tragedy points to a culture of civic irregularities that thrives on vulnerabilities of desperate, middle-class complacencies

WHAT IS IT that a big city offers? Economic opportunities that promise a better life for the innumerable hopefuls who crowd its streets; and the infrastructure to keep pace with the changing landscape of aspirations. This is the seductive promise, too, of the central government's Smart Cities Mission. This is what had drawn UPSC aspirants Shreya Yadav, Nevin Dalwin and Tanya Soni from Uttar Pradesh, Kerala and Telangana to the national capital to study at Rau's IAS Study Centre in Old Rajinder Nagar. Their deaths by drowning in the Centre's basement can be laid squarely on the abject failure of the Capital's civic governance, in a shambles owing to a deep-rooted institutional apathy and pervasive and unchecked civic irregularities across the city.

The aftermath of the tragedy points to a predictable script, and a deeper systemic malaise. The political blame game drowns out the anguish of the bereaved and the protests of the vulnerable, offering only a token justice as consolation: A handful of coaching centres operating in violation of rules have been sealed, encroachments over drains bulldozed and a high-level probe committee set up. The arrests so far include the owner of the basement, the coaching centre's CEO and coordinator, and also, bizarrely, the driver of an SUV who purportedly drove through the waterlogged street, contributing to the Centre's gates breaking. There are wider complacencies. The inadequacies of urban planning to accommodate a growing city and the failure of civic authorities to ensure, for instance, that storm drains are desilted or building-by-laws adhered to. Across Delhi, a flourishing basement economy recklessly flouts by-laws and fire-safety norms; illegal constructions capitalise on the vulnerabilities of the desperate and the collusion of the middle class, and survival and greed make room for each other in cramped unsafe hovels. It is a story true of most of urban India, and the anomaly is made sharper in the national capital where the structure of governance is further subverted and distorted by tussles between the ruling AAP and the Lieutenant Governor appointed by the BJP-led Centre, making it harder to fix accountability.

According to the World Bank, India's cities and towns will house 40 per cent of its population by 2036. By 2041, Delhi's population alone is expected to reach 28-30 million. It will mean that thousands of hopefuls such as Yadav, Dalwin, Soni and Nilesh Rai — another UPSC aspirant who died by electrocution on a waterlogged street in South Patel Nagar just a week before the Old Rajinder Nagar tragedy — will continue to make their way to the capital to chase their dreams. It will require not a ruinous, decaying civic apparatus but a purposeful overhaul of the physical, institutional, social and economic infrastructure to welcome them in. In Delhi, this would mean greater devolution of power, stricter lines of accountability, more attention to changing needs and contexts in urban planning, beginning with the Draft Delhi Master Plan, 2041, that came out in 2021 but still awaits notification. What it cannot allow for is further complicity in the death of young dreams.

IT IS AN obvious fact that caste is still the oppressive social reality of India. Despite far-reaching changes in our economy, politics and society, caste identity structures opportunity, licenses discrimination and sanctions violence to a degree that ought to be unconscionable for any democracy. Caste also mutilates our sense of self, sets limits to our empathy, allows us to tolerate too many practices that still degrade human beings. It creates barriers to common citizenship, common institutions and inclusive economic life.

It is also true that one mode of dealing with this reality amongst the privileged is avoidance: A refusal to see the degree to which caste still matters and often, worse, a propensity to make a source of accumulated caste advantage into a source of entitlement. Recently, there are even more strains of caste apologetics floating around, as if some vanished varna system would make the historical realities of caste less oppressive.

It is also natural, therefore, that caste will be an axis of political mobilisation. In part, it has to be, because its reality has to be recognised and taken into account, if it is to be overcome. There is also no doubt that Indian society needs extensive affirmative action to make our economy and society more inclusive, though how these should be designed can be debated. It is also natural that politicians ought to try and find ways of drawing attention to caste injustice, or shake us out of a syndrome that makes caste invisible. Sometimes contradictions have to be sharpened before progress can be made. It is an open question what rhetorical strategies and occasions work best to draw attention to this reality.

Even if one acknowledges the force of this context, there was something disconcerting about the way in which caste was invoked in Parliament by Rahul Gandhi in his speech on the budget, waving a photograph of the ministers and officers, who had prepared the budget, ritually cooking the halwa, and asking how many Dalits and OBCs were in the picture, as if suggesting it is the caste identity of those who made the budget that determines its validity. In the larger context of caste

oppression, this might seem like a minor transgression. But it's the kind of rhetorical performance that has itself become a diversion: Invoking caste in a way that is at best a cheap rhetorical trick. The way in which it is named represents as much a diversion from social justice under the guise of drawing attention to it.

It is true that as a matter of sociological fact in contemporary India, no one can claim to be "above caste" as it were — that claim can also disguise a privilege. The general argument that professions need to be more inclusive goes without saying. But what does it mean to create a public culture where every individual civil servant, every individual judge, every individual teacher, every individual journalist's caste is called out no matter what the occasion, as Rahul Gandhi is almost on the verge of doing? One of the greatest corruptions of intellectual life we have seen in this country is an increasing culture in Indian universities where the prefix "savarna" before a professor or a book is meant to somehow exhaust a full consideration of what is being said. The collapse of reason and identity that is authorised in the name of social justice does far more damage to the cause of social justice than its proponents realise. In the name of social justice, this calling out of identity each time enacts, be it for different purposes, the same insidious logic of caste it is trying to displace. People can only be their caste, nothing else; the most salient feature about them is their caste, and their standing on any subject will be a function of their caste. I get the argument that we might want to signal that the budget serves the cause of the privileged. But that argument would be true irrespective of who made it, as if a bad budget might be legitimised if backward castes made it (as it often is, in many states).

But this is a diversionary tactic for other reasons. It cannot be sincerely meant. If the caste of sincere civil servants is suggestively used to impugn the budget, then what of the leader of the Opposition himself? If one wants to play the caste game this way, it will have to be said that there is something deeply

insincere about a *savarna* calling out the caste of individual civil servants or ministers to signal his own virtue on this score. This kind of calling out of individuals' caste uses a ploy that logically ought to undermine the standing of those who use it. That suspicion is reinforced by the rhetorical conflation in the invocations of caste. Again, there was the breezy conflation of Dalit and OBC histories, making the complexity of caste invisible even in the guise of naming it.

Yes, the project of building an inclusive society has to take caste into account, and sometimes it might be prudent politics. But it is also equally true that caste has become an over-determined, lazy catch-all explanation for everything, and frankly, increasingly a cover for a range of bad decisions. If it is true that many privileged avoid confronting the realities of caste. It is equally true that many of those who invoke caste seek cures for the ill of social justice in a set of policies that do little to address the underlying causes of deprivation. Caste politics has become social justice on the cheap, and a diversion from the complex task we face.

Rahul Gandhi's transformation as a leader has been quite remarkable. The confidence, empathy, dedication, ease with people, and the stand against hate that he exudes is a breath of fresh air with enormous transformative potential. But it would be a pity if this politics of hope once again lands up in the suffocating cul-de-sac of caste. A debilitating competition between smaller and smaller identities, a public culture where invocation of caste becomes a substitute for serious thinking, a constant impugning of the standing of individuals on account of their identity, will not serve the cause of social justice or healthy institutions. It may be safer than Hindutva. But in its own way, this politics also peddles a suffocating political future. The dismantling of caste will not take place by its cynical uses, the cheap use of identity is often a symptom of intellectual bankruptcy and perhaps even lack of honesty.

The writer is contributing editor, The Indian Express

TIGHTROPE IN THE WIND

Quad foreign ministers' statement, proposed Indian delegation to Ukraine, underline Delhi's growing challenges

THE JOINT STATEMENT at the end of the meeting of the Quad foreign ministers — the Quadrilateral Security Dialogue comprising the US, Australia, Japan and India — assumes added significance in the current moment. Ever since Russia's invasion of Ukraine over two years ago, Delhi has had to walk, often against the wind, a diplomatic tightrope. The sharpening differences between the West and Russia-China and within Europe and the US, coupled with the uncertainty around what the results of the American presidential election might mean for European security, and the hard lines being drawn currently, make this balancing act all the more difficult.

The Quad statement must be read against the background of an increasingly aggressive China — in the Indo-Pacific as well as along the Line of Actual Control with India. India's endorsement of "a free and open Indo-Pacific, vowing to work towards a region where no country dominates others and each state is free from coercion in all its forms", comes as no surprise. The forum is also a way for its members to share technologies and develop common strategies for the region. The statement also expressed "deepest concern over the war raging in Ukraine including its terrible and tragic humanitarian consequences. We reiterate the need for a comprehensive, just, and lasting peace in line with international law, consistent with the purposes and principles of the UN Charter, including respect for sovereignty and territorial integrity". The reference to "sovereignty and territorial integrity" is for India a way to assuage concerns about PM Modi's Moscow visit expressed by Ukraine President Volodymyr Zelenskyy and US officials. External Affairs Minister S Jaishankar spoke of his long association with the grouping as a way to put a face and story to Delhi's commitment to the Quad. India is also set to send a high-level delegation to Kyiv in August.

The fact is that New Delhi's primary concern is to secure the interests of its citizens. But its backing "territorial integrity" is not merely paying lip service: It is a matter of principle on the boundaries with Pakistan and China as much as it is in Europe. Its commitment to peace, too, has been a long-standing position as has the principle of independence in foreign policy. Jaishankar told reporters that India's issues with China must be solved bilaterally, without third parties getting involved. But despite these anchors, "multi-alignment" will only get more challenging. Donald Trump's return to the White House could mean a very different scenario in Europe and perhaps a greater focus on containing China. For now, however, going ahead, the foreign office must continue to be nimble and responsive, as it has been so far.



GURU PRAKASH

GIVING BIHAR ITS DUE

Allocation of funds in budget can help balance regional development

SINCE THE ANNOUNCEMENT of the 2024 Budget, Bihar has taken centre stage. Most opinions and social media memes on it revolve around Finance Minister Nirmala Sitharaman's speech dedicating the "first 25 minutes" to either Bihar and/or Andhra Pradesh as a result of coalition pressure on the BJP. Regardless, as a proud Bihari, I applaud the BJP-led NDA government's commitment to Bihar and eastern India.

Deeper scrutiny will reveal that the allocation for Bihar continues the BJP-led NDA government's earlier agenda. The FM declared in February — months before the election results — that the development of eastern India would take precedence this time. She specifically mentioned Bihar, Andhra Pradesh, West Bengal, and Odisha. The East's empowerment is a key component of PM Modi's vision for India's overall empowerment. In several of his speeches and election rallies (2014, 2019, 2024), PM Modi has reiterated the need to not just look at eastern India's development but also aid it.

The FM announced the ambitious and bipartisan Purvodaya plan, which aims to empower five states: Two, where the BJP is not in power, Jharkhand and West Bengal; two, where the BJP is in a healthy coalition with the TDP in Andhra Pradesh and the JDU in Bihar; and one where it has resoundingly come to power, Odisha.

The Government of India has allocated Rs 37,500 crore to infrastructure, road, and airport projects, and funds to mitigate flood damage in Bihar. The budget also includes the development of important sites like the

Vishnupad Temple, Mahabodhi Temple, Nalanda, and the Kashi Vishwanath Corridor. The Nalanda University campus, which was recently inaugurated by the Prime Minister, serves as a significant symbol of soft power for both the country and the state of Bihar. The Government of India will also facilitate Bihar's requests to multilateral financial institutions.

The Centre has announced an investment in road and airport infrastructure, and most importantly, allocated funds to mitigate flood concerns in Bihar. Through this vision and action, it has shown that it cares for Bihar and believes in tackling historical challenges in the state. By allocating financial resources to eastern states, the Government of India seeks to balance regional development. Bihar has lagged behind its western and southern counterparts. The partnership between the Centre, led by PM Modi, and the Government of Bihar, led by CM Nitish Kumar, will be critical to the implementation of the various projects so that the people of Bihar reap the rewards. These projects and announcements have the potential to transform Gaya into an industrial hub. Through these measures, it also seeks to marry culture and development in the state.

PRS Legislative Research data estimated that in 2021-22, the agriculture, manufacturing, and services sectors contributed 26 per cent, 15 per cent, and 59 per cent to Bihar's economy, respectively, at current prices. Following implementation, the aforementioned investments will substantially improve the contribution of these sectors. The services sector also stands to gain tremendously in reimagining the state's tourism landscape.

Beyond caste issues, development is the core agenda. Such investments aim to address the deep-rooted problem of poverty in Bihar. Data from the Bihar government shows that a substantial number of people live and work outside the state.

When implementing these projects for long-term gains, both governments and civil society must consider how they can motivate individuals to pursue opportunities in Bihar. I came across a World Bank study that described market access and connectivity as one of the pain points that has curbed the state's development. The study also stated that both state and national highways in Bihar are in poor condition and require significant repair. And that many villages remain disconnected due to a lack of road connectivity. Hence, funds for road infrastructure are welcome. Implementation and quality audits are key.

Despite the ongoing developmental challenges, the Centre's policy decisions, as reflected in the budget, can lead to significant progress in Bihar. No doubt, all of these budgetary announcements are also for political dividends. The state's NDA government, under the leadership of Nitish Kumar, is well-positioned to campaign for reelection in 2025.

Unfortunately, the one word that often comes to mind when one mentions Bihar is: Crime, poverty, unemployment, etc. With this budget, development, culture, and investments come into the picture. I hope this will be remembered for a very long time.

The writer is an academic and national spokesperson, BJP

SLAY AND SURVIVE

Gen Z is reshaping the English language. Even the Cambridge Dictionary acknowledges this

IYKYK. AND IF you don't, consult the Cambridge Dictionary, which should now be the go-to source for older generations who complain about the obtuseness of Gen Z-speak. The first generation to grow up entirely in the internet era has reshaped language to such an extent that venerable institutions like the Cambridge Dictionary have had to take note, adding 3,200 new words to the 1.5 billion already officially recognised. Among the words and phrases that made the cut are "the ick" (sudden dislike or disgust), "boop" (gentle, affectionate touch on the nose), "chef's kiss" (perfect), "IYKYK" (if you know, you know) and several gaming terms.

The criteria for inclusion, according to the dictionary's editors, is "staying power". Considering that slang from previous generations has more or less disappeared from everyday language — does anyone really use, or even understand, "the bee's knees" anymore? — the fact that over 3,000 Gen Z words are believed to have the longevity to outlast those who coined them speaks of deeper changes in how language is used today. A notable — and polarising — feature has been the tendency to dispense with formal language, allowing slang to cross over into official settings — for example, the use of work email sign-offs like "lukewarm regards", "stay hydrated queens" or "live, laugh, leave me alone".

It could be argued that such a casual attitude to language even in the most serious of settings is only to be expected from a generation that has come of age in a time of great instability. The unique frustration of growing up in a time of pandemic, wars and record-high unemployment and temperatures demands a unique vocabulary. To be able to collectively express "the ick" about the state of the world today may be one way for young people to "slay, serve, survive".



AUGUST 1, 1984, FORTY YEARS AGO

13 MLAs DISQUALIFIED

A CONSTITUTIONAL CRISIS seems to be developing with the Jammu and Kashmir Assembly Speaker, Wali Mohammad Itoo, disqualifying 13 legislators of the National Conference who had extended their support to G M Shah, Chief Minister, and the state High Court ruling that MLAs had not incurred any disqualification.

J&K HC JUDGMENT

THE ACTING CHIEF Justice of the Jammu and Kashmir High Court Adarsh Sein Anand held that the 13 ministers of the State

Government led by G M Shah have not incurred disqualification from the state Assembly under the Jammu and Kashmir Anti-Defection Law. Therefore, he dismissed the reference of the Speaker to the court, Justice Anand said.

INDIA AT OLYMPICS

INDIA HAD A poor day at the Olympics, except for the 5-1 hockey win over the United States. In other matches in India's pool, Australia beat Malaysia 5-0 and West Germany beat Spain 3-1. In shooting, Baljit Singh Kharab came 32nd in free pistol, while Randhir Singh was trailing at the 5th

position in trapshooting on the first day of the three-day event with a score of 66 out of 75.

UP TO GET NEW CM?

UNION INDUSTRY MINISTER N D Tiwari has been told to rush back home from Vienna amidst speculations of an immediate change in the leadership of the UP Congress (I) legislature party. Commerce Minister Vishwanath Pratap Singh has been told to go to Vienna to attend the UNIDO conference. Congress circles are rife with rumours that N D Tiwari will be asked to assume chief ministership of UP.

THE IDEAS PAGE

Not somebody else's war

Prime Minister Narendra Modi's recent visit to Moscow and his planned trip to Kyiv next month provide an opportunity to intensify Delhi's peace diplomacy in Ukraine



RAJA MANDALA
BY C RAJA MOHAN

PRIME MINISTER NARENDRA MODI'S likely visit to Ukraine next month should mark a reconfiguration of India's approach to European security. Although political rivalries among European powers have shaped the evolution of modern India and Asia, European geopolitics has fallen off India's strategic radar in recent decades.

The war in Ukraine, however, has put the question of Europe right at the top of India's international agenda. India's public discourse has treated the Ukraine question either as a "pressure point" from the West or as a moment for solidarity with Russia. Delhi should instead see the war in Ukraine as an imperative for long overdue re-engagement with European peace and security. To be sure, India has in the last few years stepped up its political and diplomatic engagement with Europe, a leading economic partner, and an important source of technology—civilian and military. It now needs to lend a strategic character to it.

The last decade and more have seen Delhi recalibrate its strategy to Asia and its waters—the Indo-Pacific—as well as reorganise its approach to the Middle East. But Europe has remained outside the effort to redraw India's mental maps. Since the end of the Cold War, Delhi had little reason to think of a peaceful and integrating Europe in geopolitical terms.

India's "non-strategic" thinking on Europe was reinforced by Europe's "mercantilism". Although Europe proclaimed the ambition to be a "geopolitical actor", it could not shake off its strong bias towards trade and commerce. Both the European and Indian complacency have been shaken to the core by the Russian invasion of Ukraine.

A resentful Russia feels cheated out of the agreements signed at the end of the Cold War and has raised the stakes for restructuring the European security order. It is willing to play hardball to achieve its objectives.

Meanwhile, the US, which stepped out to assist Ukraine after the invasion, faces serious internal divisions on how to approach the end game. Sections of the Republican Party are opposed to the present course in Ukraine. Some want to escalate, and others de-escalate. Many in the US want Europe to take greater responsibility for defending their region against Russia and relieve America to focus on Asia.

Europe's problem of dealing with a changing America is complicated by deep internal divisions on how to deal with the Russian question. Two historically neutral countries—Finland and Sweden—have joined NATO amid their growing sense of threat from Russia. But two NATO members—Hungary and Turkey—have sought to pursue their own paths to dealing with the war in Ukraine. Many European political parties on both the left and right are in favour of a compromise with Moscow.

To make matters worse, Europe is torn between criticising China for its material support of the Russian invasion of Ukraine and pleading with Beijing to restrain Moscow. Put



CR Sasikumar

simply, Europe is facing hard geopolitical dilemmas. Answers to Europe's problem lie in building its own defence capacity; but that can only be done over the longer term, assuming there is unity and seriousness of purpose.

The return of war to Europe has created multiple economic challenges for India. It has also complicated India's security challenges. If its relationship with Russia has come under the political scanner in the West, Beijing's growing ties with Moscow and its strategic forays into Europe have introduced new uncertainty into India's security calculus.

India, however, has not dismissed the Ukraine conflict as somebody else's war in a distant land. Although it has not been at the forefront of the global diplomacy on Ukraine, Prime Minister Narendra Modi's recent visit to Moscow and his planned trip to Kyiv next month provide an opportunity to intensify India's peace diplomacy in Ukraine.

Some analysts will say the Ukraine war is not ready for a resolution. Although both Moscow and Kyiv are paying a high price for the conflict that is now two-and-a-half years old, neither is ready to make big moves for peace. They may be tired but not exhausted—one of the conditions for peace negotiations. Moscow and Ukraine would also want to see the outcome of the US elections, a major variable shaping war and peace in Ukraine.

Should Delhi invest its political and diplomatic capital in supporting the peace efforts in Ukraine? Sceptics would say that the impact of any Indian peace effort would be marginal. But supporting the peace process, even in a limited way, would be worthwhile given the implications of the war for the Indian economy and security. Limiting the conflict

Should Delhi invest its political and diplomatic capital in supporting the peace efforts in Ukraine? Sceptics would say that the impact of any Indian peace effort would be marginal. But supporting the peace process, even in a limited way, would be worthwhile given the implications of the war for the Indian economy and security. Limiting the conflict

between India's old friend Russia and its new partners in the West is in India's long-term interest. History of great power conflict in our region reminds us that China will always be the main beneficiary of a conflict between Russia and the West.

Even more important, Delhi's peace diplomacy in Ukraine will be a crucial step towards India's strategic re-engagement with European security. It marks an end to the long Indo-European geopolitical holiday. In the colonial era, the Indian princes sought to exploit European rivalry in the Subcontinent to secure their freedom of action. As Great Britain consolidated its position, sections of the Indian nationalists worked with European powers—France, Germany, and Russia—to defeat British rule. Imperial Germany, for example, supported the formation of the first provisional government of India in Kabul in 1915.

Britain relied on Indian troops to defeat rival powers in the First and Second World Wars. One million Indian soldiers participated in the First and two million in the Second. The Cold War and the post-Cold War era saw the steady diminution of India's strategic engagement with Europe. The conflict in Europe is unlikely to end with a ceasefire in Ukraine. It will be quite a while until a new European security order is constructed. Asian powers like China, Japan and South Korea are now actively involved with European security. India has even higher stakes in European geopolitics.

The writer is visiting research professor at the Institute of South Asian Studies and contributing editor on international affairs for The Indian Express

The not young

As India becomes an ageing society, significant gaps in access to pensions, health services and social care need to be addressed



RAMA V BARU

MUCH OF THE public discourse on Indian demographics focuses on the youth bulge and the challenge of utilising the "demographic dividend". What does not get equal attention is that India is also ageing, given rising life expectancy, which has implications for social security for older persons. It is estimated that the proportion of older persons in the total population will increase from 8.6 per cent in 2011 to 20.8 per cent in 2050. Inter-state variations are reflected in the age structure of the population, including the ageing experience. Most states in the southern region and select northern states such as Himachal Pradesh and Punjab reported a higher share of elderly population than the national average in 2021. This gap is expected to widen by 2036.

A significant feature of East and South Asian societies is the rapidity of ageing compared to the experience of Western countries. The magnitude of the increase in the proportion of older persons witnessed over a hundred years in the West has occurred in a mere 20-30 years in South and East Asia. The rapidity of this movement in middle and low-middle-income countries is especially challenging given the inadequate social protection for the elderly, including pensions, access to health and social-care services. Rapid changes in family structures, with the spread of nuclear families, also pose a challenge.

Several East Asian countries have acknowledged this reality and evolved policies to address it. They have integrated health and social care through financial investments, including a variety of insurance schemes, and have strengthened these institutions at the community level. The needs of older persons do not have a similar level of visibility or policy priority in India. Unlike the East and South East Asian countries, India does not have a universal public pension scheme, health insurance or social-care provisioning, with some health insurance and social welfare schemes targeted only at older persons below the poverty line. Available macro data and a few micro studies highlight inequalities in the availability, accessibility, affordability and acceptability of the services and support needed by older persons.

There is a need to understand older persons' felt needs from the demand side of the equation. Based on this, one would have to assess the supply side in terms of social protection, insurance schemes, and health and social-care institutions. Given the fractured landscape of financing and provisioning of the required services, one needs to first define the ecosystem of care and then offer a guide to policy planning.

According to the Longitudinal Ageing Survey in India (LASI), those above 60 years suffer from multiple morbidities due to non-communicable diseases that include diabetes, hypertension and cardiovascular conditions. The survey highlights the variations

in the social determinants of the health and well-being of older persons. Geographical location, class, caste and gender, work and pensions are important determinants for perceived quality of life. A large proportion of older persons, especially those who continue to work and that too in the unorganised sector, are ineligible for pension or other forms of income support.

While it is well known that the proportion of older persons is higher in rural areas as compared to urban areas, it is assumed that the former fare better largely due to the support offered by family and community.

The Helpage India Report 2024, 'Ageing in India: Exploring Preparedness and Response to Care Challenges', carried out across 10 states and 20 cities, highlights the gaps in access to financial security, health and social care. The cross-sectional survey covered Tier I and Tier II cities. Its findings highlight the poor coverage of social pensions, which were largely skewed to the middle classes in government service. As a result, older persons reportedly felt financially insecure and were dependent on their family members for support. Access to government health insurance like the Ayushman Bharat Programme is seen as being limited to those below the poverty line. Other government insurance programmes like the Central Government Health Scheme (CGHS) or the Employment State Insurance Scheme (ESIS) cover only government employees and those in the organised sector. Older persons face difficulties in claiming insurance due to long processing times, claim deductions and rejections.

Both the LASI survey and the Helpage India Report highlight the burden of multiple morbidities due to one or more Non-Communicable Diseases (NCDs). As the disease burden increases with age, the ability to manage activities of daily living reduces. At this stage, the elderly require both physical and emotional support that is mostly provided by family members. Given the changes in family structure in urban areas, the stress of caregiving falls on women in the household. In households where adult children have migrated for work, older persons often live on their own.

Middle-class families are generally able to afford hired domestic help for elderly care, including nursing care. Institutional support outside the realm of family and home-based care, in the form of retirement communities and long-term and end-of-life care, is poorly developed in India in the public, private and non-profit sectors. The upper-middle class and the rich are able to access the newly emerging retirement communities that provide a range of services for health and social care. The problem is acute for the lower-middle class and the urban and rural poor.

Public policy must unpackage the multiple axes of inequalities in access to financial security, health and social care of older persons. As India becomes an ageing society there are significant gaps in access to pensions, health services and social care for older persons that need to be addressed. Even as the country seeks to encash the "demographic dividend" it must pay attention to healthy ageing.

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RSS smoke and mirrors

Its claim of being a cultural organisation hides truth about its political power



PAWAN KHERA

IN THE LEAD-UP to its 100th year, Narendra Modi gave a birthday gift to the RSS. Amidst speculations of a deepening rift between the RSS and the Modi-Shah-controlled BJP, the NDA government withdrew the 1966 order that prohibits government employees from participating in RSS activities.

Is this an olive branch, considering the inexplicable statement made by J P Nadda, almost declaring independence from the RSS in the middle of the Lok Sabha elections? Whatever the motive behind the move, the RSS has now become a state within the state—much like the dreaded Schutzstaffel.

This comes on top of several cultural institutions, grants and appointments going to people and organisations belonging to or close to the RSS. From Sainik Schools to campus capture; from bureaucracy to UPSC and NTA, the RSS now infiltrates every facet of our lives, undermining merit for ideology.

The hydra-headed slippery organisation called the RSS has always been highly secretive. Behind the benign facade of social service and cultural revivalism, it has been involved in fanning communal divisions and widening cultural fault lines with the sole objective of controlling political power for its electoral arm, the BJP. The Sangh has often been viewed with suspicion because it is an unregistered organisation which has no membership register and no account books. Disowning those forces that get caught indulging in undesirable activities becomes easy in the absence of a publicly

available membership register.

Following Mahatma Gandhi's assassination, Sardar Patel imposed a ban on the RSS. The notification dated February 4, 1948, banning the RSS said, "Undesirable and even dangerous activities have been carried on by members of the Sangh... individual members of the Rashtriya Swayamsevak Sangh have indulged in acts of violence involving arson, robbery, dacoity and murder and have collected illicit arms and ammunition. They have been found circulating leaflets exhorting people to resort to terrorist methods, to collect firearms, to create disaffection against the government and suborn the police and the military. These activities have been carried on under a cloak of secrecy."

M S Golwalkar kept trying to negotiate with Sardar Patel and in these negotiations, Patel demanded, as a precondition, that the RSS adopt a written constitution. Golwalkar began a *satyagraha* on December 9, 1948. Later, RSS leaders Bhaiyajji Dani, Eknath Ranade and Balasaheb Deoras suspended the *satyagraha* in January 1949 and wrote the draft constitution with the help of TR Venkatarama Sastri of the Servants of India Society. Patel approved the draft and lifted the ban on July 11, 1949. The conditions accepted by the RSS included: The rejection of secrecy and violence, respect for the Indian flag and the Indian Constitution and adoption of a non-political, cultural role.

The preamble of the RSS constitution states that "till now" the organisation had "no

written constitution" but has now become "expedient" in "the present changed conditions". Article 4(b) states that the Sangh "as such, has no politics".

The RSS, in its written undertaking given to Sardar Patel, clearly said it will remain a cultural organisation and not participate in political activities. However, immediately after the ban was lifted, the RSS started internal brainstorming to have a political outfit of its own as no political party had come to its defence when the ban was imposed on it. The Jana Sangh was born out of these deliberations. It remained an open secret that the Jana Sangh and later the BJP were totally governed, controlled and driven by the RSS in its typical smoke-and-mirrors fashion.

On June 4, 2005, then-president of the BJP L K Advani along with his family visited the mausoleum of M A Jinnah in Pakistan and hailed him as a secular leader and an architect of Hindu-Muslim unity. A miffed RSS directly intervened and got Advani to resign from his post. Later, Advani himself confirmed the direct intervention of the RSS in politically driving the BJP. In September 2005, at the national executive of the BJP in Chennai, Advani lamented that the "impression had gained ground" that the BJP could take "no decision" without the consent of the RSS. "This perception, we hold, will do no good either to the Party or to the RSS. The RSS must be concerned that such a perception will dwarf its greater mission of man-making and nation-building." In 2013, when an upset Advani resigned

from party positions following the announcement of Narendra Modi as the chief of the campaign panel, the RSS again intervened and "asked" Advani to respect the decision of the BJP Parliamentary Board.

Do these examples show RSS as a cultural organisation? The RSS is as cultural as Spic Macay is political. The question is, should organisations with virtually no accountability be allowed to decide the destiny of the nation? If a Spic Macay or a Chinmaya Mission do not get to decide who would be the prime ministerial candidate of a party, why should the RSS do so and still call itself a cultural organisation?

The recent order of the government removing the ban on government employees from participating in the activities of the RSS will spell doom for whatever remains of a free and fair bureaucracy. From now on, just the attire of a bureaucrat will ensure his posting to the position and place of his choice. Reward and punishment will both be decided by the local shakha. Will government employees who must uphold the Constitution, be able to do so without fear of upsetting the shakha karyawah, nagar karyawah, zilla karyawah or a vibhag karyawah? Will the Indian National Congress be allowed to use any of its frontal organisations to officially infiltrate government offices?

The writer is chairman, media and publicity department, Indian National Congress

LETTERS TO THE EDITOR

FIX ACCOUNTABILITY

THIS REFERS TO the article, 'For profit, no learning' (IE, July 30). A coaching centre's use of its basement for commercial activities cannot be possible without the knowledge of top officials. They must be held accountable for their failure to perform their duties. The complaint filed by students calling for action fell on deaf ears. The incident points to the rampant mushrooming of coaching centres and study circles in the absence of any regulation. Politicians who are choosing to point fingers instead of doing anything constructive would do well to introspect.

SH Quadri, Bikaner

A QUIET BURIAL

THIS REFERS TO the article, 'No islands in this land' (IE, July 30). It's baffling that Karnataka has come up with this regressive Bill. A similar law passed by the BJP government in Haryana was declared unconstitutional and struck down by the Punjab and Haryana High Court in 2023. The state cannot direct private employers to do what is forbidden under the Constitution. Amid the fierce competition between states over investments, Karnataka would be well advised to give the Bill a quiet burial.

SS Paul, Nadia

PREPARATION IS KEY

THIS REFERS TO the editorial, 'At a standstill' (IE, July 30). Devastating flooding has become the staple in Maharashtra. Mumbai's woes are compounded by the rising high tide. Timely and proactive action and consultations with experts and the National Disaster Response Force can prevent loss of life. Addressing this would ensure there is no avoidable drain on national assets too. Remedial measures must urgently be adopted: Flood water drains and canals should be made functional and flood barriers put in place. It is the primary responsibility of the local administration to protect people.

Subhash Vaid, New Delhi

Opinion

WEDNESDAY, JULY 31, 2024



HITTING BULLSEYE
Vice president Jagdeep Dhankhar

“Manu Bhaker's extraordinary accomplishment of winning two medals ever in a single Olympics by an Indian is truly commendable! Best wishes to her and Sarabjot for their future endeavours”

The Chinese conundrum

India must show greater strategic intent than caution in importing capital from the dragon

THERE HAVE BEEN voices within the government urging greater caution to the latest Economic Survey's proposal to consider the right balance between importing goods and importing capital from China. On Tuesday, commerce and industry minister Piyush Goyal said there was no rethinking in the government to support foreign direct investment (FDI) from China and that the Survey was just a report that always speaks about new ideas. Though the vice-chairman of NITI Aayog has urged the need for a clearer set of guidelines for approving Chinese FDI, India's policy choices in this regard are no doubt complicated by the continuing face-off on the Sino-Indian border since April 2020. It is not business as usual for the bilateral economic relationship as there has been an intensified screening of FDI proposals from countries sharing land borders with India obviously targeting China.

But the Survey's proposals must be seriously considered as India has so far not been able to impose severe costs on the dragon for its border transgressions. Chinese companies continue to invest and have found a way around restrictions. The government, for its part, maintains that there is no blanket ban on anything Chinese and that it allows what is in its best national interests. However, there is a need for greater strategic intent as the dragon dominates global supply chains. It has a near-monopoly on the production and processing of critical and rare earth minerals, which has a major bearing on India's renewable energy production. China is India's top import partner, and the trade deficit with China has been growing as the country accounts for only 0.37% of the total FDI equity inflow reported in India from April 2000 to March 2024.

But Chinese manufactured goods are so cheap that they can still enter the domestic market despite import restrictions. The overcapacity in steel, for instance, has led to a collapse in global steel prices that has pressured our domestic producers. The dragon has already started retaliating against these restrictions by blocking India's access to solar equipment. For such reasons, isn't it a better alternative to allow China to invest more in the country? The warrant to do so is that FDI interest from the mainland remains strong and proposals have been cleared depending on whether they add value to the country's manufacturing capacity. Applications seeking approval for investments of over ₹1 trillion have been filed since the curbs were imposed in April 2020, half of which have been cleared. This is indeed good news and must translate into actual investments. The ₹50,000 crore of cleared proposals since April 2020 must be seen in the context of FDI inflows from China and Hong Kong. Over this period, ₹976 crore of equity inflows had come in from China.

The cumulative inflows from April 2000 to March 2024 amounted to ₹16,088 crore. From Hong Kong, inflows amounted to ₹2,672 crore since the curbs were imposed as against total investments of ₹29,893 crore from April 2000 to March 2024 according to the department for promotion of industry and internal trade. The cleared proposals obviously represent a much larger magnitude than the actual inflows since April 2020, indicating a much more robust intent to invest in the country. Far from indicating a shutdown of Chinese investments as feared, they point to India's continued attractiveness as a destination for FDI. All of this should be definitely welcomed.

SKILLING FOR AI

INTEGRATION OF AI INTO DIVERSE SECTORS WILL REQUIRE A WORKFORCE SKILLED IN HARDWARE

AI hardware: India's next leap

S RAMADORAI

Former CEO and MD, Tata Consultancy Services



build a state-of-the-art semiconductor fab facility in Dholera, Gujarat, in partnership with Taiwan's Powerchip Semiconductor Manufacturing Corporation, marks a landmark in our journey. The upcoming fab supported by an investment of ₹91,000 crore (~\$11 billion) will provide an unprecedented platform for cutting-edge research and technological development. It is expected to create over 20,000 skilled jobs, underscoring our commitment to enhance our capabilities in becoming a key player in the semiconductor ecosystem.

These developments resonate deeply with my own hardware experiences at TCS five decades ago, when we worked with the then most advanced mainframes to establish our trademark computer-aided software engineering. In 2007, with the support of Tata Sons, we embarked on a historic journey to create Eka, India's first more-than-100-teraflop supercomputer within a limited budget, which featured among the top four supercomputers. Eka was not just a technological marvel; it was a testament to India's growing prowess in high-performance computing and ability to achieve the extraordinary. Eka saw several important applications subsequently — from the launch of India's moon vehicle Chandrayaan by the Indian Space Research Organisation to developing new nanofluids to creating India's first fully-animated 3D feature film.

India boasts a significant portion of the global STEM talent pool, which we must leverage to maintain our competitive edge in the AI space

of supercomputers, is propelled by continuous advancements in semiconductor technology. The global demand for AI-specific hardware — ranging from training accelerators to inference chips — is soaring. Specialised chips designed for specific applications such as power management, telecommunications, digital signal processing, cryptographic acceleration, and so on are becoming increasingly critical. Advancements in ASICs, material science, and potential quantum computing integrations signify a paradigm shift. The industry's focus on integrating heterogeneous computing elements — combining GPUs and NPUs on a single chip — presents opportunities towards maximising efficiency and performance for diverse AI workloads. AI-optimised field-programmable gate arrays are providing programming flexibility and adaptability to meet the needs of evolving AI systems in edge computing models. Moreover, neuromorphic chips that mimic the human brain's neural structures are enabling autonomous adaptation in applications such as robotics and complex sensor networks. With such endless possibilities, the success of innovation hinges on the availability of skilled talent who can drive these advancements towards greater good.

Education and entrepreneurship

India boasts a significant portion of the global science, technology, engineering, and mathematics talent pool, which we must leverage to maintain our

competitive edge. By focusing on developing specialised skills and learning ecosystems for very large-scale integration design, ASICs, and semiconductor technology, we can ensure our workforce is well-equipped to drive the next wave of AI advancements. Moreover, the integration of AI into diverse sectors will require a skilled workforce capable of leveraging AI hardware to address complex challenges and seize opportunities.

The start-up ecosystem, entrepreneurship, and policy support are equally critical. Government initiatives such as the Chips to Startup programme, the Atal Incubation Centre T-Hub Foundation, and the MoU between India and the European Commission on working arrangements on semiconductors ecosystems are commendable steps towards fostering a vibrant environment of research and innovation, and international cooperation. The Semicon India Design Linked Incentive scheme is offering financial incentives and infrastructure support to start-ups at various stages of semiconductor design development for integrated circuits, chipsets, and system on chips. Moreover, the government's plan to set up a cluster of 25,000 GPUs as part of the India AI programme can provide considerable impetus to AI innovation.

India stands at a pivotal moment in its technological journey. The future of AI hardware holds great promise, and our ability to harness this potential will depend on our collective efforts to invest in cutting-edge technologies and nurture our talent. Our efforts in AI hardware development and deployment can spur a new era of India's growth, similar to the software and IT revolution. As we forge ahead with new ventures in semiconductor manufacturing, let us remember that the path to greatness is paved with vision, innovation, and an unwavering commitment to excellence. By embracing these principles, India can not only solidify its position as a global contributor to AI and semiconductor technology, but also drive transformative change across industries and economies worldwide.

China looms large over EV maker Lucid's graphite deal

GRAPHITE, THE STUFF in pencils, doesn't typically feature in thrillers; that's reserved for the likes of uranium and gold. So, one doesn't expect a senator talking about it at a somewhat obscure press conference to lead with the line: "The dictators are on the march."

That was Dan Sullivan of Alaska, a Republican who sits on the Senate's Armed Services Committee. He was speaking in a nondescript meeting room at Capitol Hill last week at the announcement of a deal between Graphite One Inc., a start-up conducting a feasibility study on a major graphite deposit in Alaska — the largest in North America — and Lucid Group Inc., a maker of high-end electric vehicles.

As a commercial agreement, this is a crucial step for two companies with big ambitions but still with much to prove. Sullivan was reminding the audience of the deal's wider significance. Just the night before, and thousands of miles away in the skies over the Bering Sea, he said, US and Canadian fighter jets had intercepted a combined Russian-Chinese bomber patrol in international airspace close to Alaska, the first time those two countries had conducted such a joint drill on North America's Arctic doorstep.

Graphite, prized for its inertness, is at the centre of the tightening convergence between control of critical minerals, the energy transition, and national security.

A form of carbon, graphite is the largest ingredient by weight in an EV battery, constituting most of the anode (the electrode that takes in and holds lithium ions during charging and releases them when energy is needed). China's grip on the global graphite supply chain, both in terms of production and refining, is the tightest of all the major critical minerals needed for batteries. The US hasn't mined graphite for many decades. The deal between Graphite One and Lucid marks the first time a US source of graphite would be supplying a US manufacturer of EVs.

However, all US EV makers face the prospect of tightening conditions on crucial subsidies for batteries — thereby raising their cost — when current waivers on using materials sourced from China expire in 2027. By agreeing, conditionally, to take a fifth of the Ohio plant's phase 1 output, Lucid helps a potential domestic supplier in its effort to secure project financing. Graphite One's shares jumped by a third on Thursday, when the announcement came.

Given the yawning gap in Republican and Democratic positions on energy transition, it would be premature to play up the bipartisan aspect here. But the conflation of reshoring production, including for clean tech and its inputs, with meeting China's strategic challenge seems to be catching on both sides of the aisle. It is something you'll find not just across the Alaska delegation but also in the White House's green strategy and an effort by Republican Senator Bill Cassidy of Louisiana to contain China, and boost US exports, via carbon — sorry, "pollution" — tariffs.

As current waivers from local content requirements for graphite demonstrate, however, extricating supply chains from China while simultaneously boosting take-up of clean technologies presents an enormous dilemma. Viewed simply through the prism of cost, competing with Chinese producers enjoying a two-decade head start and Beijing's industrial policy is almost impossible to justify, especially to commercially minded bankers. Yet the strategic challenge presented by China, especially in tandem with an outright hostile Russia, cannot be brushed aside.

Hence, building the US critical minerals and cleantech supply chain necessarily entails a mixture of strategic government backing and private funding to get it off the ground. Disparate as they seem, there's a direct, and darkening, line between that stand-off in the skies near Alaska and Graphite One's deal with Lucid, and not only because of the uncanny timing. The transition of our global energy system and the transition to a new era of geopolitical contest are increasingly inseparable.

Rajasthan needs power reforms



VP SINGH PRADEEP S MEHTA

Respective former Punjab governor, and secretary-general, CUTS International

If thermal power is expected to remain the mainstay for the foreseeable future, the state must pursue sensible action for a long-term cost-effective strategy

CARRYING COALS TO Newcastle is the closest metaphor to Rajasthan importing coal from the distant Chhattisgarh for thermal power stations in the state. What would make more sense is that Rajasthan could promote power plants at the pithead and carry power through the national grid.

Fortuitously, the coal ministry is planning such pithead plants with a capacity of 5,000 megawatt (Mw) in the coalfields of Chhattisgarh, Odisha, and Jharkhand with a total generation capacity of 30 gigawatt (Gw) through partnerships with public and private sector players. What Rajasthan could do is establish power plants around coal mines and auction them to the private sector for tariff-based bids. An ever-increasing electricity demand, coupled with inefficient utilities, paints a lacklustre future, underscoring the need for immediate and comprehensive reforms in the state's power sector.

Rajasthan is a leading solar power producer, contributing 28% of India's total utility-scale solar power capacity. The state is poised to play a crucial role in achieving the national goal of 50% installed capacity from renewable energy (RE) by 2030. Despite this promising outlook, the electricity demand and supply situation in Rajasthan lacks resilience.

As of May, Rajasthan had a peak power demand of 17.56 Gw and an installed RE capacity of 28 Gw, suggesting the state is power-surplus and meets its daytime demand entirely through RE. However, distribution utilities have not been able to meet their renewable purchase obligations (RPOs). Each year, the state scrambles for coal, resorting to ad hoc measures to secure the necessary supply to meet power demand.

The failure to fulfil RPOs stems from the lack of confidence power producers have in state utilities, due to their poor financial health and a history of delayed or non-payments. The grim state of power utilities is reflected in the 12th Integrated Report on Power Distribution Utilities (Discoms), which ranks Ajmer discom at 17th, Jaipur at 23rd, and Jodhpur at 35th out of 53 utilities evaluated. Many solar parks fall under the Jodhpur discom area. The role of the state electricity regulatory commission in ensuring discoms' compliance with RPOs is also a concern that requires further examination and fixing of responsibility.

Without RPO compliance, thermal power remains the major source of electricity in a state with no coal reserves. Most of its coal is transported from Chhattisgarh or imported, significantly increasing the landing cost of coal. In 2024 alone, the Rajasthan Rajya Vidyut Utpadan Nigam (RUVNL) is set to procure 0.4 million metric tonnes of imported coal at ₹12,780 per tonne, resulting in an additional financial burden of ₹430 crore. This expense is likely to translate into a fuel surcharge of ₹0.35-0.4 per unit for consumers.

Recent trends indicate a substantial increase in electricity consumption, from

over 8.2 gigawatt hours (Gwh) in May 2023 to over 10.3 Gwh this May, marking a year-on-year increase of over 25%. This rising demand, driven by a growing economy and the effects of climate change, exacerbates the reliance on thermal power due to the poor state of utilities.

The interstate transmission network can be utilised to evacuate power from pithead plants to Rajasthan. The Centre has recently approved a new power transmission scheme to evacuate 4.5 Gw of RE from Rajasthan with a financial outlay of ₹1.22 billion. Similar expansion of transmission lines can be made to evacuate power from pithead plants, ensuring power at reasonable prices and reducing exposure to the volatility of international coal prices by lessening the need for imports.

Making regulators accountable to ensure discom compliance with RPO norms could significantly increase RE penetration. Further, to assure payment to producers escrow facilities need to be built in, to build confidence and reduce reliance on thermal power. The Rajasthan Solar Policy 2023 aims for 90 Gw of RE by 2030, but absorbing this magnitude of energy necessitates revitalising the regulatory framework governing discoms.

There is a need to look at nuclear energy too. The Mahi Banswara nuclear power plant, proposed by the department of atomic energy in 2018, has seen little progress. A joint venture (JV) between the

NTPC and the Nuclear Power Corporation of India has been planned to develop 2,800 Mw of nuclear energy. Expediting this project is crucial for Rajasthan and India in achieving their clean energy commitments.

Lignite-based electricity generation also offers a promising avenue to enhance energy security, given Rajasthan's substantial lignite resources of 6.5 billion tonnes. The 250 Mw Giral power plant in Barmer and the 135 Mw VS power plant in Bikaner, operational since the early 2010s under the RUVNL, serve as significant examples. Besides, a JV between NLC India Limited and the Rajasthan government is underway to develop a 125 Mw lignite-based power plant in Bikaner.

However, despite advancements in fossil fuel technologies like the integrated gasification combined cycle, these plants fall short of RE sources such as solar and wind in terms of economic viability and environmental benefits. Therefore, a balanced approach is crucial to address both energy security and the imperative to reduce greenhouse gas emissions.

If thermal power is expected to remain the mainstay of power generation in Rajasthan for the foreseeable future, the state must pursue sensible action to ensure a long-term cost-effective strategy, such as pithead plants on a public-private partnership basis, to develop resource supply chain resilience.

With contributions by Akash Sharma and Pracheta Acharya, CUTS International

LETTERS TO THE EDITOR

Bhaker's Olympics double an inspiration

Kudos to ace shooter Manu Bhaker for scripting history when she became the first Indian since Independence to win two medals at the same Olympics. Bhaker and her partner Sarabjot Singh secured bronze in the 10 m air pistol mixed team event (she earlier won bronze in the women's

individual 10 m air pistol event). The Indian pair defeated the Koreans 16-10 to earn the country its second medal at the quadrennial showpiece. In another Paris Olympics, British-Indian athlete Norman Pritchard had won two silver medals in 200 m sprint and 200 m hurdles in 1900. One has to appreciate Bhaker's composure. Despite the hype generated, she did not get distracted. Every Indian

should be proud and the youth can look at her as a source of inspiration. —Bidyut Kumar Chatterjee, Faridabad

Internship for youths

The aim to provide internships to 10 million youths is a welcome initiative. However, there should be clear guidelines on the basic qualification criteria and in which domains can internship be imparted for smooth

implementation of the scheme. The idea should be to assist the interns in finding long-term job opportunities and not merely earning internships. So the quality of input is most critical in this scheme. All 500 companies chosen must share their views and expectations with the government. —Bal Govind, Noida

Write to us at feletters@expressindia.com



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

— Rammath Goenka

COACHING CENTRES: TOO BIG A TRADE TO BE LEFT UNREGULATED

THE mushrooming of coaching centres needs to be reined in. While the burgeoning coaching industry offers employment to lakhs of people, its unchecked growth has led to many mishaps that the education system can ill afford. Their unchecked growth has assumed the proportion of a menace that poses risks to the education system as well as students. The latest incident in Delhi, where three students died due to flooding of a 'study circle' located in a building's basement is only the tip of the iceberg. More troubling issues have surfaced in the not-too-distant past. Coaching centres have also been at the centre of several question paper leaks as well as other irregularities in exams as consequential as the National Eligibility cum Entrance Test. The coaching industry in India is estimated to be a ₹50,000-60,000-crore business and is expected to touch the ₹1.5 lakh crore mark in the next five years.

Almost all this growth has been unregulated. In January this year, the Union education ministry came up with a set of guidelines for the sector. The norms have specific requirements in terms of infrastructure and safety for each coaching centre. They urge registering each institute to bring them into the legal framework, maintaining a healthy teacher-students ratio, a minimum admission age, and curriculums to be followed. The guidelines are comprehensive and, at times, even overarching. But the sector needs a more basic set of implementable norms for providing a healthy environment to students. While the central government issued the guidelines, it is the state and local governments that need to ensure their implementation. Most other laws that have a bearing on the industry are also local.

There is much at stake. Most coaching institutes train students for admission in a few select educational institutes or get through the tough civil services exams. So the competition is ruthless. The entry of online tuition companies has made the space even more competitive. Therefore, the need to stay ahead of others forces coaching institutes to resort to unfair and unscrupulous means. India also needs to have an education policy that tries to reduce the dependence of students on coaching centres to pass some exams to gain admission into reputed institutes. The need, in part, is also to have a much higher budgetary allocation than the current 2 percent of the GDP.

RULES NEEDED TO ENSURE PAYING GUESTS' SAFETY

LAST week, a chilling murder sent shockwaves through Bengaluru. An armed young man walked into a paying guest accommodation in upmarket Koramangala, pulled a woman out of her room and stabbed her to death. No one came forward to help the woman or stop the man, who simply ran out. Kriti Kumari, a 24-year-old from Bihar, paid the price for trying to protect a friend from her abusive boyfriend, Abhishek Ghosi, who was eventually nabbed from his hometown in Madhya Pradesh. Kriti is one of the lakhs of young women who migrate to Bengaluru for work and live in PG facilities that are notorious for their lack of safety and regulation. Theft is common, and vagrants are known to enter and sometimes molest women.

The murder has turned the spotlight on the over 5,000 PG facilities that have mushroomed across Bengaluru and accommodate around 4.5 lakh employees. A typical PG setup has rows of cramped rooms, shared toilets, basic food, and little or no security by way of a guard to screen visitors, or a biometric entry system. For the landlord, it is a good business with few restrictions. While the Bruhat Bengaluru Mahanagara Palike and Bengaluru police have laid down guidelines to regulate PG setups, the Bengaluru PG Owners' Association claims that around 60 percent of them are running illegally. Registration of inmates and their family members, with identity cards and photographs, is mandatory; the police have set up a portal to record the details. Guidelines are in place to regulate access, including a visitors' log and preventing entry of unauthorised people, but these are followed more in the breach.

The outcry has prompted the authorities to take a relook at this largely *laissez faire* sector. A defensive Home Minister G Parameshwara claimed that nearly 7,000 cameras have been installed in public places and women cops are patrolling city streets. The police commissioner is reviewing security at PG facilities, especially those occupied by women. BBMP Chief Commissioner Tushar Girinath has admitted that many PG setups are overfull, resulting in hygiene and security issues, and it is tough to monitor each one. If Bengaluru is to retain its image of a fairly safe city for working women, it is up to civic authorities to evolve a stringent system of security and introduce checks while issuing trade licences, to ensure that PG accommodations are professionally run.

QUICK TAKE

TEACH ABOUT CHANDIPURA

THE Chandipura virus is causing the worst encephalitis outbreak in the country in over two decades. The pathogen, which causes swelling in the brain and mostly affects children under 15, claimed 183 lives in Andhra Pradesh in 2003. This year, of the 56 lives lost to viral encephalitis in Gujarat within a month, at least 14 were caused by this virus. It is spread by vectors such as sandflies, ticks and mosquitoes. There is no vaccine or antiviral drug available to fight it. The only measures are vector control and hygiene awareness. Schools need to conduct annual awareness drives on a virus that almost exclusively targets children.

ACCORDING to the Union government, June 25, the day on which the third national Emergency was proclaimed, will be observed as Samvidhan Hatya Diwas. The new parliament session also revived thoughts on India's 1975 Emergency that lasted for about 21 months. Sugata Srinivasaraju has reflected on the topic in a recent article in this newspaper. The discourse requires to be taken forward.

India's first two proclamations—in 1962 and 1971—were justified by the exigencies of the Indo-China and Indo-Pak wars, respectively. The third one, however, was clearly a political decision taken by Prime Minister Indira Gandhi alleging internal disturbance. The text of the Constitution, coupled with the context of the political and economic challenges in the country during that time, enabled the regime to take the extreme step. As per Article 352 of the Constitution as it stood then, a perception of 'internal disturbance' was enough for the executive to undo democracy and to suspend the fundamental rights of the people. Dissent became an offence and thousands were incarcerated during these dark days, often without trial.

Emergency powers are essentially constitutional safeguards to maintain the sovereignty of the nation. The purpose is to protect the nation, and not the government or the rulers of the day. Yet, across the world those in power have invoked such provisions, which are either statutory or constitutional, to remain in power. In India, though it was "constitutional", it resulted in patently unconstitutional results. It was an instance of 'constitutional dictatorship', as Christophe Jaffrelot and Pratinav Anil put it.

The people of India voted against it and voted out the Congress. The subsequent Janata government changed the text of Article 352. According to the amended provision, which came into force on June 20, 1979, apart from war or external aggression, only armed rebellion could be the reason for proclamation of Emergency. Parliament imposed more riders on the executive's Emergency powers. According to the amended Article 358, restriction on freedoms under Article 19 could be made only on the grounds of war or external aggression. Article 359 indicates that right to move the court for enforcement of rights as per Article 20 (protection in respect of conviction for offence) and Article 21 (protection of life and personal liberty) cannot be suspended at all. This was a parliamentary course correction.

When the present regime invokes the

India's third Emergency curtailed human rights in a massive way. What has happened in the recent past is not comparable for a variety of reasons

WHY IT'S CRUCIAL TO REVISIT THE 1975 EMERGENCY

KALEESWARAM RAJ

Lawyer, Supreme Court of India



MANDAR PARODKAR

Emergency again, an analysis of its own track record in preserving the country's constitutional values and fundamental rights is clearly due. There is a striking hypocrisy in the anti-Emergency rhetoric of some right-wing groups that even compromised their position by surrendering before Indira Gandhi's dictatorship during the relevant period.

Many think that from 2014 to the 2024 elections, India was under an "undeclared Emergency". Such a simplified version of the political process is neither correct nor accurate. Merely because of the common factors of abuse of power and suppression of dissent or dissidents, it does not follow that what prevailed after 2014 was a *de facto* Emergency.

It was a different process—may be

with some common traits. It is essential not to confuse an abuse of the constitutional provision on Emergency powers with a systematic destabilisation of the Constitution. To understand this dissimilarity, one needs to note that they happened on two different occasions, in two different political scenarios, at the behest of two different dispensations that believed in two contrasting ideologies.

During the 1975 Emergency, the State did not attempt to create a massive communal polarisation to damage the constitutional value of fraternity. A large-scale division among the people on religious, linguistic or regional grounds was not attempted. It was the consequence of an individualistic obstinacy for power that tried to perpetuate an Indian Bonapart-

4 FACTORS TO INFLUENCE OUR EMISSIONS TRADING SYSTEM

ONE of the much-anticipated news from this year's budget was the financial outlay the Indian government gave to existing clean energy policies such as the promotion of green hydrogen, electric vehicles and rooftop solar systems. However, designing policy instruments that could potentially generate additional revenue for the government to contribute to climate finance while effectively reducing emissions is equally critical.

India's carbon credit and trading scheme (CCTS) is one such policy instrument that will start its pilot phase this year. We delve into the four factors influencing India's carbon price and emissions trading system.

The government launched the Indian carbon market in 2023. It consists of setting up a voluntary or offset market and the national emission trading scheme, dubbed the CCTS. The scheme obligates entities in chosen sectors to reduce their carbon emissions. After a transition period from 2024 to 2026 consisting of select entities, it will become fully operational in 2027.

Experience from other nations—the European Union, New Zealand, and South Korea, which started their emissions trading systems in 2005, 2008, and 2015, respectively—have shown designing an effective trading system is a tricky and continuous process, based on local nuances. For example, the EU had to introduce a market stability reserve 10 years after its ETS came into place because surplus emission allowances led to low carbon prices in the market. And New Zealand is planning to disallow forestry offsets as emission reduction in their ETS. India's journey is going to be unique in itself depending upon the industry's experience and reaction to an emissions market, interaction and complementarity with other energy policies, and how the impact of the market is felt by industries and consumers. Since emission trading schemes will only proliferate as the world goes net-zero, countries in the Global south, aiming for their own trading schemes, will look keenly towards India's experience.

A recent modelling-based assessment by the Council on Energy, Environment and Water shows key factors will influence the design of India's emissions trading system and carbon price.

First, two variables will impact the carbon price. The first is the overall emissions cap. The tighter the overall emissions cap on key sectors, the higher the carbon price. Currently, the government has not an-

AMAN MALIK
Programme Lead, Council on Energy, Environment and Water



VAIBHAV CHATURVEDI
Senior Fellow, Council on Energy, Environment and Water

nounced an overall cap, but it is implicit in the sector-specific targets it plans to set. The second variable is the type and number of industrial sectors in the trading system. This is because different sectors have different marginal abatement costs, i.e., the emission reduction that can be achieved for each dollar of investment. Sectors like the power sector have a low abatement cost, given the lower capital costs for solar and



India is piloting a carbon credit and trading scheme this year with the target of making it fully operational in 2027. Among the things that need close consideration are the carbon pricing mechanism and sector-specific targets

wind generation. On the other hand, sectors like fertiliser have high abatement costs as green alternatives for manufacturing hydrogen are currently very expensive. This implies that whenever the carbon market expands from, say, four to 10 sectors, the carbon price will become higher if the marginal abatement cost across the new sectors is higher, or vice-versa.

Second, sector-specific targets will determine financial transfers across sectors. For example, setting a weak emissions reduction target on a sector with low abatement costs, such as power, will supply a large number of credits from this sector. Our assessment finds that owing to cheaper alternatives to coal—solar and wind—the power sector would emerge as the largest supplier of cost-effective emission reductions when-

ism. Whereas the situation during 2014-24 was the natural consequence of a regime that seemingly questioned the full Constitution's legitimacy. Emergency 1975 was not the outcome of 'any absolutist project, whereas the process of 'deconstitutionalisation' was. While the Congress was apologetic about the Emergency, the BJP remains stubborn about its track record.

During 1975-77, the institutional damage was not as glaring as happened after 2014. The collaboration between political power and economic monopolies during the Emergency was not as glaring as it has been in the recent past. The deconstitutionalisation that has occurred over the last decade has many global parallels, with bigotry creating illiberal-yet-populist regimes in many countries. India's third national Emergency did not display itself as part of any such global phenomenon.

The Emergency curtailed human rights in massive way. But the way governance in the country suffered during 1975-77 was different than the way it has happened over the last decade. The opposition does not fail to remind us that the government repeatedly failed on managing the pandemic, introducing demonetisation, maintaining public structures, running competitive exams, and ensuring youth employment and market fairness. Given that more than two-thirds of the constitutional provisions relate to governance, these features are peculiar to a process of deconstitutionalisation, and not to a state of Emergency.

Let it be emphasised that deconstitutionalisation has enormously impacted the nation's democracy. Draconian laws were used to threaten the freedom of not only some fringe elements, but also that of elected CMs. Often, harassment of minorities became the new normal. The Constitution had an outward appearance, yet in substance it ceased to be the people's experience. Institutions remained structurally intact, though often not functionally. Thus, the present regime's reminder of the third Emergency has lost its moral capital.

As a political experience, the Emergency should motivate us not only to avoid the repetition of what happened in 1975, but also to avert the destabilisation of democracy. The only safeguard against authoritarianism is the politics of coalition, accommodation and inclusiveness. It should be a politics for the future that upholds egalitarianism and fraternity. A discourse on the Emergency becomes complete and meaningful only when it happens with a genuine understanding of constitutionalism.

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(Views are personal)

MAILBAG

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Kargil lessons

Ref: *What Kargil '99 can teach about Jammu today* (Jul 30). Reflecting on the 1999 war reveals the enduring nature of Pakistan's strategies. The infiltration and tactical manoeuvres witnessed in Kargil find parallels in the current insurgent activities in Jammu. A comprehensive approach, blending military vigilance with diplomatic efforts, remains crucial to counter these threats.

Narayanan Kizhumundayur, Thrissur

Fortify laws

Ref: *The need for better criminal laws again* (Jul 29). The article should be an eye opener to the Centre. Right now, we have effective laws like the UAPA. The drawback is the deficiency of punishments and the slow pace of executing them. So it would be better if the existing laws are fortified and the BNSS withdrawn.

Joseph V Thottan, Kottayam

Costly lesson

That three civil service aspirants lost their lives in a coaching centre in Delhi as they were trapped in its basement full of rain water is heart-wrenching. It shows the apathy of officials. They allowed the coaching centre to flounder all safety norms. All the state governments and the Centre should take it as a lesson. Such violations should be dealt with firmly.

DV G Sankara Rao, Vizianagaram

Politicising tragedy

The politicisation of this tragic incident is as usual shifting attention from the main issue. The reported arrest of the van driver who passed through the water on the road is appalling. The real duty of the concerned officials was to block the traffic on this stretch of the road and get the emergency teams deployed for getting the premises vacated. Clearly they had been lacking their duties.

SP Ashta, New Delhi

Shooting motivation

Shooters have taken Indian sports to the next level at the Paris Olympics. It is important for India shooters to do well in shooting if the nation wants to get into double digits on the medal tally. This victory has given our athletes motivation and confidence.

Aditya Kamble, Kalaburagi

Education integrity

Kudos to the Andhra Pradesh government for its decision not to publish photos, messages or colours of political parties in educational material. This ensures the focus remains solely on education, free from political influence. It represents a progressive step towards maintaining the integrity and neutrality of the educational system.

Suresh Badagala, Srikakulam

Banking's Daily Tech, No More Just Service

HR adjustments should lead to more efficiency

As RBI notes as part of a recent report, digital banking is hollowing out mid-tier employees as bigger chunks of the business are handled by tech. Three distinct tech transformations are underway in Indian banking, now among the most digital globally. One, cloud computing, which helps banks to keep costs low. Two, data analytics that offer banks deeper insights into customer behaviour and risk management. Three, generative AI, which is shaping the client interface. Future of banking is decentralised, and that knocks off a considerable part of complex organisation structures banks have built up. There is also the remote existential threat of widespread disintermediation if digital currencies have interest programmed into them. The prospect is remote because of regulatory, not technical, constraints.

These transformations are improving bank balance sheets. But the efficiency gains aren't as much on display in spreads between lending and borrowing rates. Banks have absorbed a wave of financial tech disruptors because of their access to data, but also face continuous disintermediation from capital markets. Regulators are also asking banks to work on their risk management in a new era of high global interest rates. Banking has to gear up from being a service to being embedded into customers' daily interactions. This requires improved banking processes like credit appraisal and tech platforms to deliver them.

This transition is happening in relatively sheltered conditions, with a protective moat against competition from abroad. The country's banking system operates under conservative regulation that complements internal risk management. Changes to bankruptcy resolution have freed up bank capital locked in zombie companies. Financialisation of the economy provides banks a one-off opportunity. HR adjustments to technology transformation should lead to a more efficient and robust banking system in India. Future of banking is already upon us. Indian banks must be ready for the accelerating changes.

I-Day Attendance Shouldn't Be Forced

Pride, like love, can be encouraged, but not imposed. So, when the Cabinet secretary reportedly sends out a directive to GoI secretaries that they ensure all invited officials attend the forthcoming Independence Day celebration at Lal Qila 'without fail' — adding that a 'serious view' will be taken if they 'reabsent' — one wonders how our statutory authorities view something that's supposed to be as unprompted as feelings of national pride.

Such an official letter smacks of a school notice ensuring total attendance of all students at a function. While the intention is well-meant — to fill up seats when the national flag is raised on August 15 at Red Fort and the elected head of government makes his customary address to the nation — as far as messaging goes, the directive seems to underline the continuing 'mai-baap' nature of the Indian state circa 2024. Responding to the notice in a news report, a government official stated without noticing the irony in his words, 'Officials should take pride in attending the national event.'

This push-turned-to-shove notice points to a larger picture of how the Indian state, in rather Soviet fashion, still expects Independence Day — and other national celebratory events — to be celebrated. The spontaneous happy outbursts of a July 14 Bastille Day in France, or a July 4 Independence Day in the US, are, indeed, mirrored in India every August 15. So, instead of making such an occasion onerous by making attendance at state function compulsory, why doesn't the state do what it has done all this while? That is, leave it to fellow citizens to decide how to observe I-Day, and whether or not to attend statutory events out of a sense of duty — something that's different from a sense of pride.

JUST IN JEST
Never mind parliamentary sketch writing, space just shrank for journo

Shown Their Place, Told Their Craft

Perhaps — and we say perhaps only with a maybe — journalists, especially of the political variety, are reluctant to admit that India's press freedom is, as the Venetian advocate Portia would have said, 'strained'. After all, that wouldn't show them up in a good light, would it? Be that as it may, the latest news from the world of political coverage is that on Monday, mediapersons were directed to stick to the media enclosure when covering Parliament. They were told to refrain from speaking to parliamentarians outside the main entrance as has been standard practice. Thankfully, instead of dismissing charges of narrowing the space of parliamentary khabar coverage as 'merely crowd control' measures, Lok Sabha speaker Om Birla reportedly assured that a committee of political parties — much like a parliament of owls — will look into the issue.

For the public at large, this must be much ado about nothing. MPs speak in parliament, journo take it down, outlets will print, upload or air what they say. Easy-peasy. Quite. But the fact that different PoVs, off-the-records, body language... all form parts of nuanced coverage — especially political coverage — may not register for the meme-friendly. Which suits most MPs fine, who prefer stating to answering, addressing to press conferencing. For the sake of being better informed, may the press push back.

CURSOR If India's private sector can't think and do cutting-edge, its public sector needs to

Money Where Our Mouth Is



T K Arun

To maintain strategic autonomy in a geopolitically-riven world, India needs not just to spend more on defence but also to master assorted new technologies, ranging from quantum computing and nano technologies to advanced semiconductors, cybersecurity, space technology, and carbon capture and use. Such competence calls for visionary corporate leaders and a gargantuan appetite for risk-taking and innovation.

When the scale of strategic challenges and techno-economic opportunities calls for a horde of corporate titans, we have just one — and that one makes ornaments and accessories. To occupy the commanding heights of innovation and strategic competence that the timid ambitions of India Inc have fled, India needs a new crop of public enterprises charged with producing the wherewithal of India's strategic autonomy and sustained economic dynamism.

To get rich is glorious, declared Deng Xiaoping, marking complete rupture with the Maoist era of trying to leapfrog from primitive, farm-centred subsistence to socialist modernity dispensing with the rigours of capitalist development and articulation of the economy. Deng elaborated on the thesis with his essentialist definition of the cat as something that catches mice, regardless of its colour. In the decades since, lots of Chinese have achieved glory.

Indian businessmen pursue their dharmas when they create wealth. They, too, have contributed their fair share to the world's growing billionaire numbers. But there is a difference between the wealth creation culture in the two countries. Some Chinese fat cats, at least, seem to look for their mice in the air. Because they see blue-sky opportunities, to which Indian businessmen putting their shoulder to the wheel seem totally oblivious.

Huawei today not just produces pho-



Maybe stop reinventing the wheel?

net and sophisticated gear for 5G networks, but also has designed and built advanced microchips with sub-7 nm circuits, thumbing their nose at US have fled, India needs a new crop of public enterprises charged with producing the wherewithal of India's strategic autonomy and sustained economic dynamism.

Chinese companies are at the cutting edge in RE, in battery technology, and in the chemicals and optical equipment that go into manufacturing microchips. A Chinese company has manufactured a mid-range passenger jet not made by the duopoly of Boeing and Airbus: the C919. Commercial Aircraft Corporation of China (Comac) built the plane with Russian design help, and Franco-American CFM engines. It carries around 200 passengers for flights of dura-

tion up to six hours. The ambition of Indian companies is best measured by their investment in R&D. Amazon, as an individual company, spends upwards of \$80 bn on R&D. India, as an economy, spends about a quarter of that. Of that quarter, the bulk is spent by central and state governments, including via universities. Indian business accounts for 37% of India's R&D expenditure. India ranks 40th on the Global Innovation Index.

In 2010, India spent 0.8% of GDP on R&D. Since then, the rhetoric on R&D has soared, anusan-dhan (research) has joined the ranks of jawan, kisan and vighyan as national heroes — but expenditure has declined to 0.65% of GDP. South Korea spends 4.9% of GDP on R&D. That proportion is 2.43% for China, 3.14% for Germany, 3.3% for Japan, and 3.46% for the US, according to the World Bank.

According to the World Intellectual Property Organisation, the average share of R&D in net sales for the top three companies was 18.5% for the US, 14%

for China, and 13.9% for Switzerland. Corporate diversification strategies reflect their scale of ambition. Birla is moving into jewellery marketing. JSW added paint to its portfolio, and is daring to dream higher; all the way up to airlines. Reliance's R&D expenditure struggles to match the reported spending on Ambani weddings. HDFC Bank struggles to keep its IT system robust enough to not be overwhelmed by customers' digital operations.

Some Chinese fat cats see blue-sky opportunities to which most Indian businessmen seem totally oblivious



Yes, the Tatas are spending a bit on R&D. Adani and Ambani have promised to produce green hydrogen at a price of \$1 a kg, through scale economies, if not by innovation. This does mark signs of life. But not of the vigour India needs.

At the time of Independence, India didn't have a private sector capable of producing steel, power, machine goods, power generation equipment, scientific research in nuclear and space technologies, and other bits of the industrial muscle the country needed to end poverty and ignorance and disease and inequality of opportunity among India's impoverished masses. The state set up enterprises to build the tissues and sinews the nation required for growth and redemption.

Over time, the private sector acquired the capability to produce what the economy needed the state to provide. It became fashionable to condemn cornering of the commanding heights of the economy by the state. Tectonic plates have since shifted. Old peaks that had seemed tall now stand dwarfed by new challenging heights that have cropped up.

India's private sector will continue to play with jewellery and software plugs. The economy and India's geopolitical challenges cannot wait for it to grow up. India needs new public enterprises — now.



THE SPEAKING TREE

Garnished With Love

NARAYANI GANESH

When I was told that the Brahma Kumaris only eat food prepared by them, I did not give it much thought. Later, I did feel that the subject requires some deep reflection. In fact, most spiritual masters and seekers prefer to make the food they eat and there are many reasons for this, besides attention to quality and hygiene. What is the state of your mind when you are performing the act of cooking? Is it calm and happy, or is it irritated and angry?

What you feel as you are engaged in cooking makes a world of difference to the quality of food prepared and its impact on the person who will be consuming that food. The mood you are in when you cook is, I am told, getting transferred to the food being prepared and, in a chain reaction, will also get transmitted to the person eating it.

All my adult life, I have never had another person cook for me, so when I fell ill and had to hire a cook for a short while, I wasn't happy. It's just for a few weeks, I would tell myself. Not that she was a bad cook. It's just that a special ingredient was missing — the loving involvement in the entire process and the intention behind it.

This may sound zany but it really is true. Love is, indeed, a vital ingredient that makes a huge difference in the way your dishes turn out. And a good mood, too. Never cook when angry, for this negative force will get transmitted to the one eating the food, besides rendering the food not so tasty.

Chat Room

Humanity Drowns As Trust Crumbles

Apropos the Edit, 'Infra, Start From the Shaky Ground Level' (July 30), the unfortunate deaths of 3 UPSC aspirants due to flooding at a coaching centre in Delhi have quickly become cannon fodder for politics. The AAP government is accusing the Centre-nominated L-G of neglecting the city's mess, and the BJP is returning the compliment. The flood, caused by clogged drains, could have been avoided had the authorities acted on time. Such incidents are an increasing feature of the localised urban flooding in which human failures play a major role. In fact, in a Union territory with multiple governments, no one is really in charge. The Capital desperately needs an infrastructure upgrade and a crackdown on inefficient bodies.

GREGORY FERNANDES
Mumbai

If the coaching centre in Delhi that trains IAS aspirants is in the news for the wrong reasons, there's Pujja Khedkar who managed to get a disability certificate from a hospital near Pune for 7% locomotor disability that helped her gain entry into the civil services. Along with the news on irregularities in NEET-UG examinations in the past few weeks, one wonders whether we are guiding our children in the right direction by inculcating the desired moral values in them, and, hopefully, these cases do not represent the state of education in the country.

GOPALSWAMY J
Chennai

Sponsoring Stowaways

Apropos 'Warning Shots Fired Over 'Medal Wishes'' by Ratna Bhushan (Jul 30), advertisers spend crores on sponsoring sports persons, and it is only proper to legally challenge the companies that publicly congratulate athletes without sponsoring them. Sponsors help professional sports persons and athletes to meet their training expenses that are massive in this age of hyper-competition, and where foreign coaches, equipment and infrastructure are a necessity to compete with the best. The sponsors need to chastise the companies trying to gain visibility through unfair practices, even as the medal winners must get their due they truly deserve.

SN KABRA
Mumbai

Letters to the editor may be addressed to editet@timesofindia.com

ChatGPT SHAIRI OF THE DAY

In India, it started to rain bronze,
Causing everyone to break into songs.
With medals galore,
They just wanted more,
Cheering, 'Tomorrow, we'll get bronze in ping pong!'

Pre-trial Detention

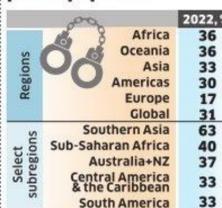
In 2022, around 3.5 million prisoners worldwide were held in pre-trial detention, according to a report by UNODC. The number of unsentenced prisoners increased from 3.1 million in 2012 to 3.5 million in 2022. Percentage-wise, unsentenced prisoner population has remained almost stable at around 30% since 2012. Across global regions, the highest proportion of unsentenced prisoners among the overall prison population is reported in Africa and Oceania. At the subregion level, the percentage was highest for Southern Asia...

Number of persons held in prison, by sentencing status (millions)



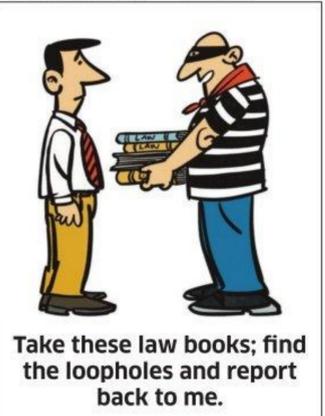
Source: Prison Matters 2024 (UNODC)

Proportion of unsentenced detainees among the prison population



Figs rounded

Bell Curves ■ R Prasad



Take these law books; find the loopholes and report back to me.

Tuck Away, Depositors



Srinivasan Varadarajan & Kanika Pasricha

It's the season for blockbuster deposit schemes as banks rush to shore up their deposit base to sustain a higher credit growth trajectory. The budget has brought tax changes, making households realign their hierarchy of asset class choices. With interest on bank deposits figuring at the bottom of the charts in terms of post-tax efficiency, big deposit schemes to hunt down 'silent' depositors are facing a daunting task.

Growth and composition of household savings have been much debated after the fresh set of data was released. Households are key contributors to savings and investments, with a share in total savings and investments of 61% and 42%, respectively. Hence, households' savings-investment decisions have significant implications for macro and financial stability.

The share of physical savings has risen to 70%, while financial savings are 30%. This trend was last witnessed during the 'taper tantrum' period when macro stability issues came to the fore. It's unsurprising that the increase in physical savings has been largely driven by households buying homes and gold, which have seen a cumulative 50% increase from FY19 to FY23.

Most of the pickup in households' physical savings into real estate is due to easy money conditions post-Covid. Borrowing against existing investments in gold assets for additional investments and consumption has also caused household leverage to increase further. Retail loans for most banks have grown at more than 20% CAGR for the last few

years, and the pricing of loans to these two asset classes is attractive from a borrower perspective. The spread of lending rates on these products, compared to bank term deposit rates, is at historic lows today. Easier availability of these loans and heightened competition among banks have resulted in banks converting their silent depositors into adventurous borrowers.

Cross-selling by banks to their deposit-or base has swung gross customer value (GCV) for a large portion of their customers to be more dependent on their borrowings, currently compared to their deposits, as was in the past. NBFCs joined the party, and their retail loans have grown at a faster pace than banks'. India's household debt-to-GDP level spiked to near-record levels of almost 40% of GDP as of 2023.

Meanwhile, gross financial savings have stayed unchanged at 11-12% of GDP in recent years (except during Covid when it spiked to 15.4%). Within financial savings, there has been a switch away from deposits (FY23 deposits share 37% of financial savings vs 57% a decade ago in FY13) into riskier capital market products, thanks to above-normal returns in recent years. The shift in household savings-investment behaviour has been driven by a hunt for yield due to availability of cheap liquidity and above-average returns across asset classes like



Keep it cool

equities, real estate and gold. How long will such above-normal returns continue? How much leverage can households sustain and service through the cycle if the markets underperform in the coming years? Does this hunt for yield stoked by leverage post any financial stability risk?

Historical market experience shows that whenever asset classes outperform over a certain time, a period of under-performance follows. When markets correct, household finances are more fragile than in the past, with assets increasingly skewed towards volatile market-linked products and higher leverage on the liability side. Correspondingly, the wealth effect will likely be more pronounced, and their behaviour in such conditions will have larger implications for the economy.

No one can predict how long this dream run can continue. The market is slowly digesting RBI's higher-for-longer guidance regarding interest rates. With deposits growth stalling and low-cost Casa (current account/savings account) deposits hard to come by, banks would have to moderate credit growth to maintain healthy balance sheets. Bank results for Q1 FY25 are sending strong signals that FY24 was the trough in terms of slippages, and slippages in the current year will tick up from those levels. Bank stock price movements reflect such concerns.

The stress test for households seems to be around the corner. It's time they focus on conserving capital rather than believing in the hunt for yield. Hopefully, the silent depositor will get her due and move back to allocating more to fixed-income products, irrespective of their tax efficiency. The power of compounding works best if uninterrupted, and households need to rework their savings profile to ensure that it stays that way. Leverage thrills but kills. Time to stay far away from it.

Varadarajan is chairman, and Pasricha is chief economist, Union Bank of India



Introverts Do It Their Way

How's the weather? How're the twins? How's... your existential dread? If you're an introvert, these questions will make you want to crawl under a rock and hibernate. And if you find your introvert friend's behaviour annoying, tune into The Introvert's Bubble, a podcast about introverts and homebodies, and how they look at life in general.

The podcast is not only about understanding this special breed but also a push to make them get out into the world, push their boundaries, and live a fulfilling life without having to change what's fundamentally them.

In this 19-min episode, **Back to Basics of What an Introvert Is**, host Anung Vilay says that the dictionary must change the definition of an introvert — 'a typically reserved or quiet person who tends to be introspective and enjoys spending time alone'.

She argues that loud people everywhere try to tell everyone around what to think, what to do and how to live. These people don't understand that everyone is different. But introverts are not anti-social or wet blankets. They can have great relationships, and just have fun living. And they must be allowed to enjoy their life their way.



A thought for today

Journalism is about bringing people to an event or something that they couldn't attend

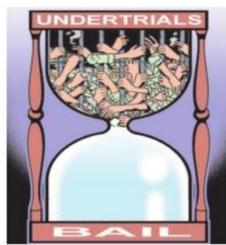
CHRIS MILK, filmmaker

Justice Under Water

Trial courts, as CJI has said, are not applying common sense in bail hearings. Fault lies largely with HCs

In Delhi's basement drowning case, a 50-year-old who drove past the tuition centre, navigating the waterlogged road, was sent to judicial custody for 14 days by Tis Hazari court. Yesterday, court reserved its order on his bail plea. The charge? That the rainwater his SUV displaced aggravated the surge. That cops arrested a passerby rather than pursue those who ignored alerts of the basement's vulnerability, or those officials who've turned away from blatant rule-breaking, says a lot. But perhaps, more extraordinary is the court's reaction. Just what is going on in the name of 'justice'? That the court opted to stay its order on the bail plea exemplifies exactly the kind of court action SC and CJI caution about.

CJI-speak | Days ago, CJI in Bengaluru said judges must have "robust common sense", that unless judges "separate the grain from the chaff in criminal jurisprudence", "just solutions" were unlikely. He said trial courts "play it safe" when they deny bail, pin-



pointing the problem to the "suspicion with which grant of relief is viewed". In 2022, CJI had said there exists a "sense of fear" among district judges that, if not sorted out, would render trial courts "toothless" and higher appellate courts "dysfunctional".

Fear & rebuke | The bottom line is, SC has no power of supervision over HCs, but HCs enjoy such power over trial courts. Trial judges are indeed apprehensive, not least of high courts' adverse remarks and of their orders getting overturned – both of which impact their careers. Recall Kejriwal's bail, granted by a special judge, who took investigators to task in her order, saying the agency wasn't acting without bias. Delhi HC dragged out its overturning of the bail and called the trial court order "perverse". In another money laundering case early July, SC expressed its shock that Delhi HC "casually stayed" a "reasoned order granting bail", without specifying any reason. SC said, "What signals are we sending?"

Internal matter | The signals are that no-bail is trial courts' template. There's another reason for this, which SC articulated in its landmark order in Satender Kumar Antil vs CBI (2022). SC said given the "abysmally low" conviction rate in criminal cases, courts "tend to think that the possibility of conviction being nearer to rarity, bail applications will have to be decided strictly, contrary to legal principles". In essence, denial of bail doubles as punishment. Only HCs can give trial court judges the courage to apply common sense.

Reporting Democracy

The image of press in a glass cage in Parliament speaks to a serious grievance. This needs addressing

Sometimes an image spreads a story, as if it's new, even when it's not. An image of journalists protesting from inside a glass enclosure in Parliament has gone viral this week. Its symbolism is compelling. And it draws attention to an issue that deserves a lot more of the public's attention, because it concerns the free flow of information to them. For journalists who cover the proceedings of Parliament, most of the access that was taken away in March 2020, never got returned. Malls, cinema halls, MPs...Covid restrictions are history everywhere and for everyone. But media freedom to report from Parliament remains heavily fettered.

Media galleries in the new Parliament building have increased seating capacity, but decreased occupancy. Journalists accredited for the job come with multi-level security clearance. The objection is not to more vetting *per se*. Only, how is the new red tape affecting parliamentary reportage? Its one clear outcome has been to seriously cut the press's daily numbers. Critics say this was the goal all

along. Vernacular press, smaller setups, online orgs and the independents are hit extra hard. Younger journalists are no longer able to qualify for a permanent pass. Many senior ones are reduced to watching it all online. That, of course, is quite different from covering proceedings live. Less dense input is bound to affect output too.

As the Editors Guild of India letter to Om Birla points out, "unfettered access to journalists" goes all the way back to the constituent assembly. When other democracies reverted to it post-Covid, why is India holding out? Democracy needs neutral eye-witnesses. Parliament needs the press back in non-pandemic rhythm and numbers. This is how people keep in touch with their representatives, even from the smallest party and remotest constituency. Parliament's presiding officers must ensure press access goes back to *status quo ante*.

Olympic Herstory

Manu Bhaker is the new song of young India

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Starved of Olympic heroes, India often puts the crushing burden of billion-plus expectations on a few sportspersons. When these aren't met, the national mood, especially on social media, turns sullen. Like it happened with the shooting contingent in Tokyo 2020. The national appetite had been whetted by the success of Rajyavardhan Rathore's silver strike in Athens (2004) and Abhinav Bindra's gold in Beijing four years later. More medals followed: Vijay Kumar's silver and Gagan Narang's bronze in London (2012).

But when the squad returned medal-less from Rio and Tokyo, the reaction was acidic. Manu Bhaker was one of the brightest young stars of the Tokyo contingent. A pistol malfunction had led to her early exit. By her own account, she took a long time to repair and restore. It is against this backdrop that the redemption of Bhaker, in which coach Jaspal Rana has played a stellar role, gathers more poignancy. Her double medal haul – the second in tandem with fellow shooter Sarabjot Singh – is matchless. No Indian has won two medals in the same Olympics post-Independence. And she's not done yet. She competes again on Friday.

Bhaker's success sends multiple messages. At a time when our shoulders sag, her performance has boosted the national morale, made us feel better. To the young, who live in a time of recurring paper leaks and who can drown to death even when studying in a city's basement where there is no river or pond in sight, it says, please don't abandon positivity. But the success of the 22-year-old girl from hinterland Haryana, seems to be telling them that it is possible to be the best in spite of all the setbacks that circumstances hurl at us. As she posted in Hindi on social media a year ago, "Destinations do not come to those who have big dreams, but destinations come to those who are stubborn." Heroes and stars can come from any place in India.

Bhaker is the bold face of new brave India, of Girl Power. Her success means life is what you make out of it. Her calmness and maturity after her Olympic success make her a role model for young Indians. She is a national treasure, the new song of India.

Coach Runs Over Dreams

What do deaths of 3 students in a Delhi coaching centre basement tell us? First, that coaching is a business preying on desperate customers. Second, exams with 1% success rate are to blame

Chetan Bhagat



Three students drowning in a flooded basement of their coaching centre in west Delhi was a tragedy waiting to happen. It shone the spotlight on multiple mismanaged areas and unscrupulous practices – poor city drainage system, poor-quality design and construction of Indian buildings, unauthorised and overcrowded coaching centres that have mushroomed all over the country.

A political blame game has started on why city streets get flooded and who allowed illegal coaching centres to function. This column aims to deal with the latter issue. The coaching industry has had explosive growth. An Indian student today cannot survive until they join a coaching centre.

There are coaching centres to get better marks in school, to clear entrance exams for college, to clear job exams and to virtually achieve anything worthwhile academically. There are even coaching centres to join other (more prestigious) coaching centres.

Milking desperation | Childhood is no longer about playing in the park in the evening. Indian childhoods are now spent in basement dungeons of coaching centres, preparing to clear some 1% selection rate exam. And if you get rejected (which 99% of the people will), you are left to fend for yourself. If you have rich parents, fine. If not, well, God help you.

India's coaching classes have spotted a massive opportunity in a sizeable demographic – the desperate Indian student. It is a fantastic market. There are millions of desperate students each year. Just the exam to become a doctor (NEET) had more than 23m test takers this year. Multiply that across various other professions and colleges, and you are talking crores of desperate souls.

If you can offer these desperate souls a chance to crack that great exam, you are like God to them. What's some lakhs of money then that the centres charge?

Roaring business | From a pure business investor point of view, few industries offer what coaching classes do – an endless sea of desperate customers. No surprise that in recent years, venture capital and private equity firms have poured hundreds of millions, if not billions, into the Indian coaching centre business.

The problem is not about coaching classes making money. Every business does. Problems arise when the inherent desperation of the customer leads to all kinds of exploitative, unscrupulous and highly unethical practices.

another body in the classroom or basement. There is 100% more from the new student, by way of fees.

There are no guidelines on how a classroom of a coaching centre should be structured. With investor money backing some of the big institutions, there's pressure to grow – at any cost. And that means pressure to enrol students, good and bad. Maybe this is why China has banned all edtech companies from raising investor money and sought to restructure the sector as a non-profit.

Crying for reform | Reform is long overdue in the Indian coaching industry. The recent incident only sheds light on the terrible conditions students face. The biggest reform must come in the testing system itself. To have an exam where half a percent of people are selected, and students try to game it for two years in a coaching centre dungeon makes no sense.

What are we really screening for? Even with no leaks our entrance exam system needs reform. A more rationalised, less-gameable testing system will automatically stifle the coaching industry and take away its oxygen.

An even bigger reform would be to open up our economy further, so there are a lot more good jobs than we have at the moment. The craze for govt jobs is partly due to the paucity of good private sector jobs – mainly because the economy hasn't been liberalised enough to create massive growth.

Code of conduct | Even as all these big reforms take time, we need urgent regulations for the coaching sector. Knee-jerk, draconian measures like sealing of centres won't help. Rather, we need a code of conduct document for coaching centres, where there are mechanisms in place to avoid exploitation of students and unethical practices.

It is indeed sad that we rob Indian childhoods, make the Indian student go through a rough grind and have created an industry that essentially thrives on monetising the desperate Indian student. Let the recent events be a trigger for reforms, so we can pass the ultimate test for any society: to bring up our children well.



Image is for representational purposes

Unscrupulous practices | The first unethical practice is an open industry secret. That the coaching classes mostly know which prospective new students will never clear a particular entrance exam. Yet, they enrol the child – only because the student is ready to pay. For a while you offer the student hope, only for it to be crushed when he or she doesn't make it.

The second unscrupulous practice is cutting corners, such as squishing in as many students as you can in a class or renting the cheapest facility to teach students. There is zero incremental cost of stuffing

Why Bibi's In A Bit Of Jam In West Asia

As threat of all-out war between Israel & Hezbollah grows, regional extremist groups' asymmetric strategy is hurting Tel Aviv. Here's an explainer on how the tables have turned

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Tensions between Israel and Hezbollah are threatening to boil over into open war after a rocket strike last weekend killed 12 children in Israeli-controlled Golan Heights. The attack was on the Druze Arab town of Majdal Shams. Tel Aviv has blamed the Iran-backed Lebanese militia, Hezbollah, for the attack. The latter, however, denies any involvement. All eyes are now on Israel's response. But Tel Aviv finds itself in a complicated position where regional militias have been using asymmetric tactics to bleed Israel with a million cuts. Here's the latest low-down on the West Asian crisis and why Israel's superior military is finding it challenging to rebuff the attacks.

● Why is Hezbollah attacking Israel?

Hezbollah has been firing rockets into northern Israel since the beginning of the Israeli military operation in Gaza in Oct last year, in solidarity with Hamas and Palestinians. But these strikes have been below a certain threshold, containing the exchanges along the Israel-Lebanon border.

So far, these skirmishes have resulted in 24 civilian and 18 military deaths on the Israeli side, while Hezbollah has listed 383 of its members as having perished from Israeli strikes. Additionally, dozens of civilians and a Lebanese soldier have been killed in Lebanon.

● Will Israeli forces undertake a ground operation in southern Lebanon?

They may – this is what Israeli hawks are demanding – but it will be a big risk for Tel Aviv. Hezbollah is not Hamas. It is a far superior fighting force. The last time Israel and Hezbollah had an open conflict

was in 2006 when the militia conducted raids into northern Israel, provoking an Israeli Defence Forces (IDF) ground invasion of southern Lebanon. That didn't exactly turn out well for Israel. Around 165 Israelis were killed and a couple of IDF soldiers were even captured by Hezbollah. The militant group is believed to be much stronger today. Plus, with the conflict in Gaza ongoing, Tel Aviv will be wary of being dragged into a two-front war after nine months of continuous military hostilities.

● Can't Israel take out the militias in one go?

Highly unlikely. Although Israel has the most technologically advanced military in West Asia, this is asymmetric warfare with simultaneous impact across multiple domains. Hezbollah, Hamas and the Yemeni Houthis – part of Iran's Axis of Resistance – have twigged on to the fact that direct conflict with IDF will be to their disadvantage. However, small-scale but continuous rocket attacks on Israel will seriously stretch IDF resources and even test Israel's famed Iron Dome missile defence system.

This is precisely the kind of strikes that Hezbollah (northern Israel), Hamas (southern Israel), and Houthis (Red Sea) have been carrying out. And Israel doesn't have a clear solution for this without risking a catastrophic all-out regional war.

● What has been the impact of the militias' strategy?

There have been multiple impacts for Israeli economy, military and polity. Economy-wise, the conflict is draining Israel. In May, the governor of Bank of Israel estimated that the Gaza war will incur Israel around \$67bn in defence and civilian costs between 2023 and 2025. He also predicted that the future security budget for Israel will grow permanently with a macroeconomic impact.

This is a huge drag on Israel's high-tech economy. In northern Israel, Hezbollah rocket fire has forced the evacuation of tens of thousands of civilians across scores of border towns, bringing local industry to a standstill.

Thus, the militias' asymmetric rocket attacks are having the same cumulative economic and psychological impact as large-scale strikes. The militias' short-range rockets cost just hundreds of dollars while the longer-range ones are in the low thousands of dollars. But Iron Dome interceptors are estimated to be \$50,000 to \$100,000 each.

Politically, the Gaza war has led to domestic turmoil with sharp polarisation of opinion on its future course. This is best exemplified by the recent storming of Israeli military bases by far-right protesters objecting to the arrest of Israeli reservists suspected of abusing a Hamas prisoner. There's also massive public disagreements over how best to bring back Israeli hostages from Gaza and end the conflict.

● Have the militias turned the tables on Israel?

Looks like it. By carrying out an asymmetric strategy, they have constrained Israel. The Israeli economy is taking a huge hit. Tel Aviv is second-guessing attacking southern Lebanon because it could lead to another Arab-Israeli rupture after Israel invested so much in a normalisation process with Arab states. The outcry over the humanitarian crisis engendered by the Gaza war is growing louder. There were campus protests in US this summer against the war. And the International Court of Justice is hearing a genocide case against Israel. All bad signs for Tel Aviv.

Calvin & Hobbes



A State Of Being Undisturbed By Externalities

Vijay Hashia

I desire the fundamental nature of human existence, or does it inevitably lead to suffering and discontent? The question permeates the essence of every human experience.

The Hellenistic philosopher Epicurus diverges from Friedrich Nietzsche's perspective on desire, which Nietzsche asserts fuels personal growth and affirms life. Nietzsche rejects the notion that desires inevitably lead to suffering, advocating for their role in creativity, self-expression, and the pursuit of excellence. In contrast, Epicurus posited that authentic eudaimonia emanates from fulfilling intrinsic and indispensable needs, fostering a tranquil and contented existence. He asserted that superfluous desires and opulent indulgences detract one from a life of simplicity and serenity.

By extending this philosophical discourse, Lucius Seneca elucidates the Stoic ideal of apatheia, a state of being unperturbed by external contingencies. He advocates for a life guided by reason, wherein one's inner virtues are fortified against the unpredictability of fortune. By cultivating an internal locus of control and surrendering to the destined path of fate, one achieves a state of unwavering composure and contentment, he states. Thus, true contentment arises from fulfilling essential needs, embracing inner virtues, and maintaining equanimity amidst life's uncertainties.

As the adage goes, desire is the greatest deceiver; for it entices humans with fleeting illusions, leading us away from enduring fulfilment and towards perpetual discontent and existential yearning. An individual might want strange and amazing things that don't make him truly

happy in the long run. This liking for unusual desires may reflect unique or unconventional interests, fetishes, or obsessions, which could then stop one from finding deep and lasting happiness, making it difficult to understand what one wants and needs in life.

The paradoxical nature of desires lies in the fact that fulfilling them often leads to temporary satisfaction, yet this fulfilment frequently gives rise to new desires, perpetuating a cycle of craving and discontent. Instead of bringing contentment, the satisfaction of one desire often exposes another, leading to the insatiable and endless nature of human longing.

Driven by insatiable cravings, one may deceive oneself into believing that fulfilment lies in obtaining every whim of abundance and not enduring contentment. An inclination for superfluous

indulgence emerges in this chase from necessity to abundance. This pursuit continuously propels us to seek fulfilment in external possessions and achievements, which is inherently futile because fulfilling one only begets another, leading to an endless cycle of yearning and dissatisfaction.

Like the tortoise, which withdraws its limbs from all sides, let the individuals withdraw their senses from the objects of allure, and then the wisdom becomes steady.

Life's journey is about seeking alignment between aspirations and deeper values, thereby matching dreams with what is genuinely important. Real happiness doesn't come from getting everything we want but from appreciating what we already have. Constantly chasing desires can lead to unhappiness, but focusing on being thankful and enjoying the present can bring true happiness and inner peace.

Sacredspace

I would not look upon anger as something foreign to me that I have to fight...I have to deal with my anger with care, with love, with tenderness, with nonviolence.

Thich Nhat Hanh



THE SPEAKING TREE

The Tribune

ESTABLISHED IN 1881

Governor-CM spat

Centre, states must respect cooperative federalism

GOVERNORS are governors, chief ministers are chief ministers, and never the twain shall meet. Unfortunately, this seems to ring true for several Opposition-ruled states. In Punjab, Gulab Chand Kataria has replaced Banwarilal Purohit as the Governor. This brings to an end an acrimonious chapter that saw Purohit and Chief Minister Bhagwant Mann lock horns over issues such as the convening of an Assembly session and the appointment of vice-chancellors of state-run universities. Taking exception to Purohit's visits to border districts, the CM accused him of running a parallel government and creating an 'atmosphere of conflict'. Purohit, who had resigned in February, citing 'personal reasons', denied that he interfered in the affairs of the state government. He wondered what the fuss was all about and asked Mann not to be afraid of him. Their confrontation, which doubled up as a battle between the Aam Aadmi Party and the BJP, severely impacted governance in the border state.

Mann has promised to work in coordination with the new Governor, but that is easier said than done. Things are no better in some other states where the BJP is not in power, with the CM-Governor dispute inevitably reaching the court's doorstep. Last week, the Supreme Court issued notices to the Kerala and West Bengal governors' offices on separate petitions about Bills kept pending for assent in both states.

Cooperative federalism is enshrined in the Constitution, but it is conspicuous by its absence when governors and CMs are at loggerheads. Some governors have even been called out by the judiciary for exceeding their brief. The Centre, which set up NITI Aayog on the premise that 'strong states make a strong nation', should refrain from weakening particular states by pitting political appointees against elected representatives of the people. Otherwise, the dream of Viksit Bharat will remain just that — a dream.

Education stalemate

Punjab's fiscal crunch & school scheme row

THE conflict between the Punjab Government and the Centre over the Pradhan Mantri Schools for Rising India (PM SHRI) scheme has reached a critical juncture. Punjab initially signed an MoU in 2022 to implement this project aimed at transforming schools into 'exemplar' institutions aligned with the National Education Policy-2020 (NEP). However, the state later withdrew, prioritising its 'Schools of Eminence' initiative, which seeks to revamp 117 government schools and introduce new specialised institutions. This decision has had significant financial repercussions. The Centre withheld Rs 515 crore under the Samagra Shiksha Abhiyan (SSA), funds vital for the state's educational infrastructure. As a result, Punjab has now agreed to implement the PM SHRI scheme, hoping to unlock these crucial funds.

Punjab's predicament underscores a broader issue: the tension between state and Central government priorities in education. While the PM SHRI scheme promises extensive upgrades with a budget of Rs 27,000 crore over five years, it requires states to bear 40 per cent of the costs and align with the NEP. Punjab's reluctance highlights concerns about federal overreach and the imposition of a one-size-fits-all model that may not account for regional nuances and existing state programmes. The impact on Punjab's schools has been stark. For example, as a recent report in *The Tribune* indicates, many government schools in Gurdaspur district are in a state of decay, with 28 out of 90 having no teacher. The withholding of SSA funds exacerbates these issues, affecting thousands of students.

Punjab's eventual compliance with the PM SHRI scheme, driven by financial necessity rather than genuine alignment with Central objectives, raises questions about the effectiveness of such top-down approaches. For meaningful educational reform, there needs to be a collaborative method that respects state initiatives while ensuring support from the Centre. The educational landscape should not become a battleground for political power play.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, THURSDAY, JULY 31, 1924

India and the Labour Party

IT was in February last that Lord Olivier, speaking with all the weight of his authority as Secretary of State for India, declared that His Majesty's Government was convinced that "the proper line towards home rule in India lay in friendly cooperation". He said they were aware of the widespread desire in India that "by some manner of conference, a way forward might be found out of the present difficulties," and that "having themselves the same ultimate aim as the Indian Swarajya party — the substitution of a responsible Indian dominion government for the admittedly transitional political constitution — they were desirous of availing themselves of the disposition towards effectual consultation on various methods of making this approach." The same sentiment has since been repeated more than once both by Lord Olivier himself and by the Under Secretary of State for India, and the public both in England and India has been informed that the matter was under discussion between the Secretary of State and the Government of India. What the Indian public wishes to know is what the result of this somewhat prolonged consideration has been and whether a decision has been arrived at in this vitally important matter. Five months may not be a long time in the life of a nation; it is but a short time to those who are accustomed to think in terms of eternities. But it is surely a long enough time for the two Governments to make up their mind on a matter of this kind. That His Majesty's Government had some very extraordinary ideas on this subject of "effectual consultation" between the Government and the party of self-government has been clear from the outset.

Targeted policies can make exports soar

A paradigm shift from import dependence can make a world of difference

SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

GLOBAL trade flows continue to be sluggish, so India may find the going tough in world markets this year. Merchandise exports in the first quarter (April to June) of the current fiscal showed a marginal growth of about 6 per cent, even as services exports continue to be buoyant. Despite the positive growth data, the medium-term outlook remains uncertain with many potential external headwinds. These include slowing import demand in advanced economies and geopolitical strife affecting worldwide cargo movements. Logistics issues created by the bottlenecks in the Red Sea have already raised shipment costs, while container shortage is another stumbling block. Other issues related to non-tariff barriers could potentially assume grave dimensions. This includes the imposition of new trade rules, especially those linked to climate change and environmental issues. The European Union's decision to impose higher tariffs on high carbon goods like steel, aluminium and cement — the carbon border adjustment mechanism — has already rattled exporters dealing with this major market.

This does not mean that India's exports cannot show an exponential rise in the coming years. There are a few areas where higher investments and facilitation measures have already worked wonders in driving growth. These include mobile phones, toys and defence equipment. The success story of mobiles is well known. The phenomenal rise in exports over the past two years has



GLOBAL VALUE CHAIN: At stake is India's reputation as a trusted supplier. ISTOCK

pushed this country into becoming the sixth largest exporter now from the 23rd rank in 2014. The stimulus has primarily come from two leading global brands, Samsung and Apple. They have made large investments here which have translated into a spurt in domestic output and exports. The toy export story, in contrast, has been highlighted only recently in the Economic Survey. It attributes the rise in toy exports and the shift away from import dependence to a raft of measures launched over the past decade. This includes a national action plan for toys, raising import duties and laying down quality control guidelines. Significantly, there has been an integration into the global value chain for toys along with zero duties in key markets like the UAE and Australia. The end result has been a compound annual growth rate of nearly 16 per cent for toy exports over the past decade. At the same time, the dependence on supplies from China has waned considerably. Its share in toy imports dipped from 94 to 64 per cent over this period. The number of manufacturing units doubled, while the reliance on imported inputs fell from 33 to 12 per cent from 2013 to 2020,

Though India remains the world's leading arms importer, it has shifted gears in recent years to figure among the top 25 arms exporters.

according to the survey.

This may not make the country one of the top toy exporters in the world, but it does show that targeted policies can make a dent in unexpected areas. One must remember that this is an industry utterly dominated by China, which accounts for over 86 per cent of the world's exports.

Yet another area that has witnessed a dramatic turnaround is defence exports. Though India remains the world's leading arms importer, it has shifted gears in recent years to figure among the top 25 arms exporters. The reasons for the change are

said to be simplifying of export procedures and curtailing delays by going with online export authorisations.

Given these success stories, it is clear that specific policy initiatives can play a pivotal role in crafting success on the trade front. Such strategies need to be replicated in other sectors. Agriculture and allied areas, for instance, are recognised as having enormous potential for exports but have not yet fulfilled this promise. The need for agro-processing units in rural areas to enable easy movement of products from farm to factory has been discussed for many years, but there has been little action on the ground.

Apart from processing units for adding value to fruits and vegetables, there is a need for a cold chain infrastructure. This is essential if India is to become a significant player in the global food products trade. Some schemes were launched in 2017 to support the creation of the cold chain, but these are reported to have made progress in only a few states.

Besides providing infrastructural support, giving a boost to agricultural exports will also require a shift in policy approach

to support farmers rather than consumers. For instance, the traditional kneejerk reaction to market fluctuations in prices of commodities like wheat, rice, sugar or onions has always been to curb exports to improve domestic availability. This creates a disadvantage for the country in global markets, making it appear as an unreliable supplier. It also deprives farmers of the benefits of higher market prices. A long-term policy for the export of agricultural products is necessary in order to achieve the twin aims of retaining India's reputation as a trusted supplier as well as of providing remunerative prices to cultivators. While there is admittedly a need to keep food inflation in check, it needs to be done through better long-term management of surplus stocks rather than imposing export bans.

In evolving trade policies, greater attention also needs to be paid to the handicraft sector, which has faced a decline in exports in the last financial year due to recessionary conditions in major advanced economy markets. This is a sector that is also a major employer, especially of artisans and skilled workers. There are numerous government schemes to provide support, but it is still plagued by low wages despite the high level of skills needed for creating handicrafts.

Exports are usually viewed as being dependent on economic conditions in key markets. This is true to a large extent. But it is also true that formulating policies targeting specific sectors can have a dramatic impact, as in the case of toys. One of the key elements in all sectors that have shown a spurt in growth is higher investment. This has been evident for mobile phones, but it has also been so for defence equipment, where the process of indigenisation has entailed sizeable public and private sector investments. A fresh look is thus needed at export policies in order to replicate the remarkable success of these sectors in other areas.

THOUGHT FOR THE DAY

India's trade deficit is because of excess of import over exports. — APJ Abdul Kalam

A saga of courage and camaraderie

PRARTHANA MAGOD

ON July 3, *Kargil War: The Turning Point*, written by my father, the late Col MB Ravindranath (a Vir Chakra awardee), was released. It is about the sweat, tears, strategy, dedication and determination of the fearless warriors of the 1999 war. Lt Gen KT Parneik (ret'd), Governor of Arunachal Pradesh, and Lt Gen Mohinder Puri (ret'd) released the book.

As a young girl in the summer of 1999, I was more interested in toys and games than in understanding that my father was at war, fighting for the nation. Today, 25 years later, I am the proud daughter of a war hero, writing about what the war meant to him and his comrades.

In 1999, the Pakistani army attacked various locations across the LoC; the Indian Army launched a series of counter-attacks to beat back the enemy. Our fathers were in the midst of it and returned victorious to share tales of courage. Dad led 2 RAJ RIF (Rajputana Rifles) during the war, securing the first victory at Tololing on June 13, 1999. It opened the gates to success and is widely accepted as the turning point of the war, turning the tide against Pakistan.

'There is so much to learn from a war for everyone,' dad used to say, and he decided to pen his thoughts. In the midst of writing his book, he passed away in 2018. But, as always, the extended family of a soldier stepped in and fulfilled his dream. The *Chhappans*, dad's course mates from the 56th NDA course, took charge of completing the manuscript. Col David Devasahayam (ret'd), CMD of the Radiant Group, led the initiative; Maj Gen Ajay Sah (ret'd) and Lt Gen JS Sandhu (ret'd) structured and edited the book and took care of its publication. Brig Mohit Saxena (ret'd), one of dad's company commanders during the war, filled in the missing details and provided a first-hand account of the events. Six months of efforts, and *Kargil War: The Turning Point* was ready.

Many attended the book release function to honour and acknowledge dad's exemplary leadership in the battle. Lt Gen Parneik (ret'd), who had commanded 2 RAJ RIF highlighted dad's depiction of the apprehensions and fears of a commanding officer leading his troops to attack, especially where others had failed in previous attacks; the meticulous strategy and planning that goes into an attack; the brave and fearless mindset of the troops; the leadership and dedication displayed by all and many more aspects of the human psyche. Gen Puri (ret'd), who was my father's Division Commander during the war and has written the foreword, recalled dad's leadership, commitment and honest perspective, which inspired trust and comradeship among the warriors of Rajputana Rifles.

It was indeed a beautiful tribute to dad, who cherished gatherings, meeting people, talking and inspiring everyone.

LETTERS TO THE EDITOR

Manu proves her mettle

By clinching two medals for India, Manu Bhaker has won over the whole nation. Her triumph is not merely a testament to her extraordinary shooting prowess but also a befitting reply to those who think girls don't deserve equal opportunities. Besides, it is a reminder that no girl should ever let her gender become a barrier to her ambition. Bhaker's success at the Olympics serves as an inspiration for countless women, encouraging them to pursue their dreams relentlessly. The Olympic double medallist's legacy will undoubtedly inspire generations to come.

SAHLEEN KAUR, LUDHIANA

The shooting star of India

Manu Bhaker, the shooting prodigy from Haryana, has once again showcased her exceptional talent on the global stage by clinching two bronze medals at the Paris Olympics. At just 22 years of age, she has come to embody perseverance and determination. Her ascension to Olympic glory underscores the importance of dedication and hard work in achieving one's dreams, irrespective of age, gender or background. Her success at the Games will motivate the youth to pursue their goals wholeheartedly.

SANJEEV KUMAR GARG, RAMPURA PHUL

Playing politics over deaths

Refer to the editorial 'A tragedy in Delhi'; our leaders are playing politics with the deaths of three IAS aspirants in the flooded basement of a coaching centre in Delhi. The AAP government is pointing fingers at the Centre-nominated Lieutenant Governor. On the other hand, the BJP has pinned the blame for the mishap on AAP and even accused local authorities of ignoring repeated appeals to get the drains in the area cleaned. Indeed, there is no denying that the tragedy could have been averted if the clogging in the drains had been cleared. The civic body officials and other authorities concerned in the Capital must pull up their socks and work towards fixing and upgrading the crumbling infrastructure.

GREGORY FERNANDES, MUMBAI

Ensure a fair investigation

With reference to the news report 'Coaching centre deaths echo in Parl; MHA sets up 5-member

probe panel'; three lives were cut short as rainwater gushed into the basement of an IAS coaching centre in Delhi's Old Rajinder Nagar on Saturday. It was a tragedy waiting to strike. The incident has brought to light the negligence, or rather, complicity, of the authorities concerned. It is a reminder that corruption still runs deep in the system. The fact that so many coaching centres have been running illegally for years raises questions about the possibility of collusion between the operators and local officials. The constitution of a panel to probe the matter is welcome. But it is imperative to make sure that there is no political interference in the investigation and that those responsible for the accident are dealt with strictly.

YOGINDER SINGHAL, LADWA

A matter of faith

Spirituality is a deeply personal and multifaceted aspect of human existence. The Kanwar Yatra, an annual trek to Haridwar undertaken by millions of Shiv bhakts, is a powerful demonstration of spirituality. The pilgrimage, which is rooted in tradition and devotion, underscores the deep faith that the pilgrims have in Lord Shiva. It is incredible how *kanwariyas* brave the elements as they trek hundreds of kilometres to collect holy water from the Ganga. Though the journey is physically exhausting, the Shiv bhakts remain undaunted. The *yatra* is not just a personal spiritual journey but a collective show of faith that unites millions of people from all walks of life and fosters a sense of solidarity among them.

RAJENDER KUMAR SHARMA, DEHRADUN

A tainted election in Venezuela

Nicolás Maduro has been declared the winner in Venezuela's disputed presidential election. The poll outcome has sparked widespread protests in the country. Allegations of irregularities and a lack of transparency undermine the credibility of the electoral process. It is vital for the global community to closely monitor the events unfolding in Venezuela. World leaders and observers must stand for free and fair polls that respect the will of the Venezuelan people.

RIDDHAM SODA, HAPUR

Changing dynamics in South Asia keep India on toes



GURJIT SINGH
FORMER AMBASSADOR

THE unrest in Bangladesh, where amorphous forces are coming together to challenge the Awami League government, is a matter of concern for India. Since 2009, with Sheikh Hasina at the helm, Bangladesh's relations with India have improved significantly.

But instability in Bangladesh can be a tipping point in India's neighbourhood. SAARC (South Asian Association for Regional Cooperation) is in deep freeze. And the same is the case with India's relationship with Pakistan, whose efforts to cause disturbances in the union territory of Jammu and Kashmir continue unabated. Since the Taliban takeover in 2021, India's diplomatic relations with Afghanistan have not been raised to a level where they are tantamount to a recognition of the regime.

With the emergence of President Mohamed Muizzu in the Maldives and his victory in the parliamentary elections, India has to live with his administration despite its anti-India stance.

A common thread running through these countries is the

China factor. Beijing tends to support their regimes and stoke anti-India sentiments. As a result, India has been working with countries on the Bay of Bengal coast and trying to strengthen regional cooperation, particularly through BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation). Headquartered in Bangladesh, BIMSTEC is now a bigger responsibility for India. Recently, there was a change of government in Nepal, a BIMSTEC country. The minority Maoists are out, and the Nepali Congress is in power, which should be considered a slightly positive gain for India.

However, KP Sharma Oli's return as the Prime Minister blunts the advantage of the Maoists' ouster, as Oli is known to be anti-India. He is one of those neighbourhood politicians who like to play the China card against India.

Further, India has paid a heavy price for providing relief and debt settlement solutions to keep Sri Lanka afloat. President Ranil Wickremesinghe is well-disposed towards India. However, his United National Party is in a minority, having only one seat in Parliament and living on the largesse of a divided ruling class. A presidential election is due in September. While Wickremesinghe remains the most plausible candidate, which party will back him and whose candidate will win remains open to question. He needs to



OUTREACH: Bangladesh has provided China with many opportunities for the supply of defence equipment, economic engagement and infrastructure-building. REUTERS

marshal a set of political parties behind him which will also possibly win a majority in the parliamentary elections that will follow. Otherwise, he will again be a President with a Parliament not beholden to him. Some parties in Sri Lanka also play the anti-India card and use China to foment such sentiments. Economic and cultural largesse offered in times of distress act as a soothing balm in these countries. But when elections come, anti-India sentiments can help a party draw more votes than it would get if the nation has friendly ties with New Delhi.

Another country in India's neighbourhood, Myanmar, is also in dire straits. The situation has only worsened since the military coup. India has kept up a delicate balancing act to safeguard its security by engaging with the junta while

Americans have the luxury of viewing South Asia through a moralistic prism, whereas, for India, it is a strategic call.

also maintaining partial ties with the democratic forces.

ASEAN is divided on how to deal with Myanmar. Among the ASEAN members that would rather engage with Myanmar than isolate it are Thailand, Cambodia, Laos and Vietnam. India has engaged with them. But for India, Myanmar is more of a neighbourhood problem and less of an ASEAN issue. Therefore, there is a perception in the region that Bangladesh has been our most stable and friendly neighbour.

Dhaka has provided Beijing with many opportunities for the supply of defence equipment, economic engagement and infrastructure-building. But Bangladesh has taken the trouble to ensure that its engagement with China does not create security concerns

for India. Further, Bangladesh has given India a level playing field to the extent that it is the largest recipient of Indian credit lines, and several infrastructure projects are in progress there.

For many years, India thought of Myanmar as the route of connectivity with the North-East. That is why the Kaladan Multi-Modal Transit Transport Project and the tri-lateral highway project were launched. At that time, concerns over Bangladeshi instability and its hostile attitude towards India made New Delhi look at Myanmar as the bridge to the North-East. Besides, Myanmar's domestic situation has not helped matters. And since 2009, India-Bangladesh relations have gone from strength to strength.

Therefore, Bangladesh has emerged as the bridge with the North-East in recent years, particularly since the conditions in Myanmar are not conducive to the completion of ongoing infrastructure projects. If the situation worsens in Bangladesh, India will have reasons to worry.

The congruence of Pakistani and Chinese interests in supporting a non-Awami League government, which is more open to them, is evident. Hasina had cut short her recent visit to China for unspecified reasons. Perhaps she was not fully satisfied with what the Chinese were able to offer. Of late, she has been more receptive to

infrastructure support from Japan and India.

Further, Hasina has drawn America's ire since the Americans have alleged that the elections in Bangladesh were not free and fair. The Americans have the luxury of viewing South Asia through a moralistic prism, whereas, for India, it is a strategic call. This tests the limitations of the India-US partnership.

Like in Nepal, Myanmar and Sri Lanka, India is playing a low-key role in Bangladesh, trying to engage all parties and to be seen as supportive of the country rather than a particular party. But when a certain party, like the one in Bangladesh, stays in power for a long time, ties with the country often come to be seen as an engagement with that ruling party. Therefore, India needs to diversify its engagement with other political parties and emerging interest groups that seem to be calling the shots. India does not want to be seen as interfering in the internal affairs of its neighbours. But then, these affairs should also be better handled and not allowed to become platforms for anti-India tirades.

The challenge for India comes shortly after it hosted a BIMSTEC retreat in order to foster regional cooperation. There will be testing times for Indian diplomacy in the neighbourhood in the next few months.

Indigenous fighter programme remains a work in progress



ABHIJIT BHATTACHARYYA
LIFE MEMBER, AERONAUTICAL SOCIETY OF INDIA

WHEN the Vice Chief of the Indian Air Force (IAF), Air Marshal AP Singh, publicly states that "Aatmanirbharta (self-reliance) shouldn't be a buzzword at the cost of the nation's defence and should be pursued holistically in letter and spirit", the matter needs a close look. The Air Marshal has tried to bring to the nation's notice the acute shortage of fighters and consequential under-strength of the IAF — 31 squadrons against the sanctioned strength of 42.

So, where does the problem lie? How to sort things out? What are the options for the government and the IAF? Since the focus is on Aatmanirbharta, it points to a deficiency in indigenous fighter production and a diminishing fleet resulting in reduced fighting capability of the Air Force. One, therefore, has to link indigenous fighter production to the big picture.

The most critical aspect of the indigenous fighter pro-

gramme of any country is the engine/power plant of the flying machine, without which it is a non-starter. There are broadly nine manufactured sub-units/instruments which need to be interfaced to make a machine fly; fuselage, flying controls, structure, landing gear, power plant (engine), systems, avionics, equipment and armament. With the modern computer-aided design and computer-aided maintenance, Indian engineers and technologists surely can do eight out of nine jobs efficiently. Nevertheless, it's the power plant which constitutes the most challenging task, requiring sustained research and development by the best of brains and test-flying. Thus, just as no Rolls Royce is Rolls Royce without a matching engine, a fighter without a power plant at best could be an exciting item on display in a park or a museum for those aspiring to be pilots.

India, therefore, has its task cut out with regard to an aero-engine. India does have a full-fledged fighter engine-manufacturing Gas Turbine Research Establishment in Bengaluru. However, going by the list of fighter users, as gleaned from the last 50 years' editions of the annual *Jane's All the World's Aircraft* (JAWA) and the recently launched *Janes Aero-Engines*, it transpires that no single-engine fighter today can be considered useful if its thrust is less



ESSENTIAL: The quality and efficiency of the engine make the machine airworthy and a potential victor. ISTOCK

than 30,000 pounds static and without additional power generated by the afterburner during critical air-to-air missions. Unfortunately, JAWA reports that the 'performance ratings' of "India's first indigenously produced jet engine" Kaveri are "maximum dry 11,462-pound static thrust" and "maximum 19,000-pound static thrust with afterburner" (static thrust is the thrust developed by an airplane engine that is at rest with respect to the earth and the surrounding air). That would certainly pose problems pertaining to aerial power-to-weight combat for IAF pilots, being below par by modern fighter standards, notwithstanding different roles for different fighters.

The IAF squadron's single-engine Mirage-2000, imported

India's indigenous fighter engine enterprise has reached a 'now or never' stage.

from France in 1985, has the Snecma M53 power plant's 21,385-pound static thrust, making it a potent "single-seat interceptor and air superiority fighter". What helped America's General Dynamics F-16 with one Pratt & Whitney F100-PW-200 engine succeed in the military market and combat missions was essentially the generation of 25,000-pound static thrust, which has gone up exponentially to ensure its longevity and durability — having been in ops for almost 50 years. F-16 production changed hands from General Dynamics to Lockheed Martin, but it now has two engine makers: the 29,100-pound static thrust Pratt & Whitney F100-PW-229 and General Electric's 29,588-pound static thrust F110-GE-129 power plant.

Fast-forward to the 21st century. Lockheed Martin's multirole F35 single Pratt & Whitney power plant generates 40,000-pound-plus thrust, making it one of the heaviest 'maximum take-off weight' fighter of 15,785 tonnes in the single-engine category with an impressive maximum payload of 8,165 tonnes. The quality and efficiency of the engine make the machine airworthy and a potential victor.

The fundamental feature of the fighter, therefore, is the engine. The superiority of the single power plant's thrust and quality enhance the craft's payload, range, armament and avionics, and give it the ability to out-endure the weaker and feeble engine in the air. This is the reason no country parts with its high-tech engine for any customer, however big the order of the fighters.

The Air Marshal must have been in agony because without doubt India has missed the fighter tech bus. Yet, the vision of Jawaharlal Nehru, India's first Prime Minister, had helped India make a splendid start as famous German aeronautics expert Kurt Tank was invited to design and develop HF-24 Marut, the first indigenous single-seat twin-engine ground attack fighter in 1956 at Hindustan Aeronautics Ltd, Bengaluru. It was one of the finest chapters for the IAF, which

formed three squadrons of HF-24 Marut- 10, 31 and 220 and operated during the 1971 India-Pakistan war without a single loss. Subsequently, the slide began. After the 1977 election defeat of Indira Gandhi, her successor shut India's promising combat craft programme. Consequently, it took six long years for an indigenous fighter enterprise to re-emerge in 1983 as the 'Light Combat Aircraft' during Indira's tenure as PM. If the government of the day pushes back India's indigenous fighter programme, don't blame outsiders.

Today, India's indigenous fighter engine enterprise has reached a 'now or never' stage. But then, who will cooperate with India? Theoretically, though, there are 23 aviation engine-producing countries; let's not count the US and China — the former for imposing impossible terms and the latter for being hostile since the 1950s. That leaves only Europe and Russia as potential partners for the fighter engine. The latter has its own priorities amid the Ukraine war, but Europe is bound to be a tough customer. Hence, the combat aero engine has to be linked with any Free Trade Agreement between the West and India. Nothing else could be of any use to India, especially if one takes Delhi for granted for one-way trade traffic.

QUICK CROSSWORD SU DO KU FORECAST

QUICK CROSSWORD

ACROSS

- Put aside (6)
- Support to prevent falling (4,2)
- Advise (7)
- To change (5)
- Build (5)
- River of East Africa (7)
- Having important implications (3-8)
- Striker of a bell (7)
- Prefix for English (5)
- A body of soldiers (5)
- Precise moment (7)
- Push roughly (6)
- Large non-venomous snake (6)

DOWN

- Type of small packet (6)
- To dodge (5)
- Caller (7)
- Sphere (5)
- Repeated decorative design (7)
- Allow as possible (6)
- To pioneer (5,1,5)
- Puzzled (2,1,4)
- Gossip (7)
- Put an end to (6)
- Made liquid by heat (6)
- Student (5)
- A symbolic diagram (5)

Yesterday's solution

Across: 1 Gastric, 5 Stung, 8 In no time at all, 9 Titan, 10 Intrude, 11 Demean, 12 Beaten, 15 Panache, 17 Verge, 19 Sooner or later, 20 Taste, 21 Tepidly.

Down: 1 Guilt, 2 Sanctimonious, 3 Rotunda, 4 Commit, 5 Start, 6 Unadulterated, 7 Gallon, 11 Deposit, 13 Envelop, 14 Resort, 16 Crepe, 18 Early.

SU DO KU

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

V. EASY

YESTERDAY'S SOLUTION

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

CALENDAR

JULY 31, 2024, WEDNESDAY

- Shaka Samvat 1946
- Shravan Shaka 9
- Shravan Parvishite 16
- Hijari 1446
- Krishna Paksha Tithi 11, up to 3.56 pm
- Dhruva Yoga up to 2.14 pm
- Rohini Nakshatra up to 10.13 am
- Moon enters Gemini sign 10.16 pm

FORECAST

| CITY | WEDNESDAY THURSDAY | |
|------------|--------------------|-----|
| | MAX | MIN |
| Chandigarh | 36 | 30 |
| New Delhi | 35 | 28 |
| Amritsar | 36 | 30 |
| Bathinda | 35 | 29 |
| Jalandhar | 35 | 30 |
| Ludhiana | 35 | 29 |
| Bhiwani | 34 | 29 |
| Hisar | 36 | 30 |
| Sirsa | 37 | 30 |
| Dharamsala | 29 | 20 |
| Manali | 27 | 17 |
| Shimla | 24 | 17 |
| Srinagar | 30 | 21 |
| Jammu | 34 | 26 |
| Kargil | 32 | 16 |
| Leh | 31 | 15 |
| Dehradun | 34 | 25 |
| Mussoorie | 22 | 17 |

TEMPERATURE IN °C



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PAPER WITH PASSION

Taking on the dragon

S Jaishankar admits strained relations with China but rules out third-party mediation

In what can be construed as a candid admission by External Affairs Minister S Jaishankar, he has categorically stated that relations between India and China are not on an even keel. His recent statement underscores the ongoing diplomatic tension between India and China. Even earlier he had said that China is a bigger economy, implying that we should think twice before acting against China. The Minister's assessment of the current state of the India-China relationship highlights the challenges that persist despite various diplomatic efforts and high-level engagements. One of the key aspects of Jaishankar's statement was his firm rejection of third-party mediation in resolving the disputes with China. The Foreign Minister emphasised that India prefers to handle its issues with China bilaterally, without external intervention. This stance aligns with India's long-standing policy of managing its international relations directly. Jaishankar's comments reflect India's approach to maintaining sovereignty and autonomy in its foreign policy. By ruling out third-party mediation, India is signalling its intention to address its differences with China through direct dialogue and negotiation. This position underscores India's commitment to resolving disputes through established diplomatic channels while rejecting external influence that might complicate or hinder the process.

Prime Minister Modi had personally taken a keen interest in resolving the issue but to no avail. Chinese Premier Xi was invited and given a grand welcome but that did not break ice and the tension on borders continued. In the complex web of geopolitics, India has drifted closer to the US which wants to use India to

contain Chinese influence, naturally much to the consternation of China. The Chinese unease is reflected in its actions on the border which had remained peaceful from 1962 to 2017 when the Doklam incident happened. India-China relations are complex and multifaceted, influenced by historical, political, economic, and strategic factors. The two countries share a long border. The most notable conflict occurred in 1962 when the Sino-Indian War broke out over border disputes in the Aksai Chin region. Ironically trade relations between the two countries have grown despite border disputes. China is one of India's largest trading partners. However, recent years have seen border skirmishes and strategic rivalries. In recent years, the relationship has been marked by both cooperation and contention. The Doklam skirmish in 2017 was a prominent example of border tensions. The confrontation occurred in the Doklam plateau, an area disputed between China and Bhutan. Additionally, the 2020 clashes in the Galwan Valley further highlighted ongoing tensions. Despite these challenges, India and China have continued to engage diplomatically and economically. Both nations must recognise the importance of managing their differences while pursuing mutual benefits, given their significant roles in the global economy and regional geopolitics.

PICTALK



Clouds hover over the hill town of Shimla

Kolkata's healthcare transformation into world-class medical facilities

Over the past two decades, Kolkata's medical facilities have transformed significantly, reducing the exodus of patients to Chennai and Vellore

The hordes of medical pilgrims filling up berths in Coromandel Express and Madras Mail have thinned substantially over the years, as Kolkata's private healthcare sector scrambles to make up for lost time. Kolkata was not always best served in matters of healthcare, and for patients with serious ailments and often with not-so-serious conditions, Chennai, Vellore or Mumbai were the default destinations. It was also a matter of perception as most Kolkatans believed they would receive superior care in outstation hospitals only. However, the healthcare landscape in Kolkata has been undergoing a paradigm shift over the past two decades, riding the tailwinds of private sector initiatives, as the bed count continues to soar. The availability of able doctors was never a problem in the city and now that the pool of healthcare experts has increased significantly with a steady reverse traffic of medical practitioners coming back from the NHS in the UK and other advanced countries' health systems to cater to the growing demand



back in their hometown. Over time, the city has gradually regained its confidence in its private hospitals seeing that they aren't short of modern facilities and latest equipment anymore. The faith is beginning to trickle back, ounce by ounce, and the Coromandel isn't as packed with south-bound patients as before. Of course, it hasn't happened overnight, and there is still a long way to go. Kolkata's progress in terms of private sector participation is in sync with the national scenario as analysts say between 2016 and now, the country's healthcare industry has grown at a CAGR of 22% and the Centre's allocation of Rs 90,658.63 crore for the sector in the interim Budget for 2024-25 reflects this uptrend. However, restora-

tion of faith in any service, not the least healthcare delivery, takes a lot of commitment and meticulous planning. After all, like any other customer, a patient has a retail choice and can switch allegiance if expectations are not met.

It is well known that a big and significant milestone in this medical makeover of Kolkata was the unveiling of the Rabindranath Tagore International Institute of Cardiac Sciences in 2000 by Narayana Health Group's Founder, Dr. Devi Shetty. This set the ball rolling and many other world class hospitals started their services in Kolkata. It was the flagship venture of the founder which he started in his favourite city, Kolkata.

The journey began over two decades ago with a single speciality hospital and has grown into a network of four super-speciality hospitals in Kolkata. Now Kolkata can boast of super-speciality tertiary care, these facilities offer over 35 specialities such as Cancer Care, Mother & Child Care, and Orthopaedics. The healthcare sector in India, serving a vast population of

Honouring the legacy of Bal Gangadhar Tilak



RAJDEEP PATHAK

As the nation commemorates Tilak's 168th birth anniversary, we reflect on his profound influence on the independence movement and his contributions as a reformer

In 1921, Mahatma Gandhi's visit to the Nellore district marked a significant moment in India's freedom movement. He inaugurated the Satyagraha Ashram in Pallepadu and delivered significant speeches at the Town Hall and V.R. College. At the Rebala Lakshmi Narasa Reddy Town Hall, he unveiled a portrait of his political mentor, Bal Gangadhar Tilak, emphasizing Tilak's profound patriotism and leadership, which galvanized the freedom movement. Gandhi extolled Tilak's legacy, invoking the ideals of "Swaraj" (self-rule) and characterizing the Non-Cooperation Movement as an act of 'self-purification'. He urged contributions to the 'Tilak Swaraj Fund', established in 1920, to support educational institutions, Khadi promotion, and Swadeshi efforts. It was a successful mobilized mission. July 23, 2024, marked the 168th birth anniversary of Bal Gangadhar Tilak, also revered as "Lokmanya" and "The Lion of Maharashtra".

This is for his dual role, as a freedom fighter and social reformer. His impact has also been underscored by notable figures, such as British journalist Valentine Chirol who termed him "the father of Indian unrest," while, Jawaharlal Nehru hailed him as "the father of the Indian revolution" and Mahatma Gandhi recognized him as "the Maker of Modern India." A distinguished Sanskrit scholar and thinker, Tilak was also a visionary leader. Sri Aurobindo, in his collection of Tilak's writings and speeches, emphasized Tilak's transformative influence on the Indian National Congress, reshaping it from its occidental characteristics to embrace mass participation in the freedom struggle.

In "The Intellectual Biography of Bal Gangadhar Tilak" published in the 'Journal of Research in Humanities and Social Science', Raj Hans Ojha, contends that "The story of Tilak is the story of India's Swaraj, of the Indian National Congress, coming to its adulthood, and of the rise of Indian masses for the first time in quest of 'Home Rule' and 'Independence' Lokmanya Tilak believed that "Swaraj is the foun-



ation and not the height of our future prosperity. We have to build a new nation, develop a new character, live the principles, which we advocate, faith in spiritual values, love of country and tolerance for views from which we differ.' Tilak's intellectual contributions were many. His works such as, "The Orion and Research into The Antiquity of The Vedas" (1893) and "The Arctic Home of Vedas" (1901), complemented his political activism. Despite his devotion to independence, he expressed a preference for academia, a path cut short by his untimely death on August 1, 1920, at age 64. His educational contributions are equally noteworthy.

He co-founded institutions like the 'New English School', the 'Deccan Society for Education', and 'Fergusson College', and presented a comprehensive educational blueprint to the Hunter Commission (1882 & 1919). Bal Gangadhar Tilak was a strategist, transcending the roles of an idealist and philosopher, and his multifaceted contributions continue to resonate in India's historical and educational landscape. As a formidable journalist, Tilak was renowned for his fearless and impartial stance in his weekly publication, 'Kesari'. He championed a rigorous



HE WAS AMONG THE FIRST MAINSTREAM POLITICAL LEADERS IN INDIA TO ACKNOWLEDGE THAT "THE NATION THINKS NOT WITH THE BRAIN BUT WITH AN OVERHEATED HEART. IT IS ONLY IN THE THROES OF TUMULT THAT NATIONS ARE BORN"

approach to journalism, asserting that 'Kesari' would boldly address all issues, resisting the prevailing trend of appeasing the British and embodying its namesake's courage. Bal Gangadhar Tilak also leveraged his paper 'Mahratha Advocate for the People, drawing upon Hindu scriptures and the Bhagavad Gita to support his arguments.

His profound contributions as a patriot, scholar, and politician had a significant impact on Mahatma Gandhi, who, in a March 4, 1905, article, lauded Lokmanya's scholarship, particularly his astronomical findings that traced Indian scriptures to over 10,000 years old, recognizing him as a luminary whose intellectual influence extended beyond national borders. Bal Gangadhar Tilak was imprisoned in 1908. He strongly believed that "There are higher powers that rule the destiny of things and it may be the will of providence that the cause I represent may prosper more by my suffering than by my remaining free." Gandhi and Tilak had great mutual respect for one another.

In his reflections in The Indian Opinion, Gandhi praised Tilak for his readiness to endure suffering for the cause of India's freedom. While they were ideologically different in their thoughts and actions, both

Lokmanya Tilak and Mohandas Karamchand Gandhi fought for one cause, which was 'freedom'. Mahatma Gandhi maintained a profound respect for Tilak's contributions and acknowledged his unparalleled influence and the reverence he commanded among the masses. In his tributes and public statements, Gandhi consistently lauded Tilak's selfless service, burning patriotism, and magnetic leadership. Tilak's mantra, "Swaraj is our birthright, and I shall have it", resonated deeply with Mahatma Gandhi, who adapted it to his philosophy of truth and non-violence, and thus, Tilak's assertive nationalism blended with Gandhi's principles of peaceful resistance. Mahadev Desai, recalls Mahatma Gandhi's views on Lokmanya Tilak, which he expressed on 24 July 1934 at Cawnpore (Kanpur today), in one of the meetings. Mahatma Gandhi said: "If Tilak Maharaj taught us that 'swaraj is our birthright', he also taught us that 'selfless service' is the key to win it. Selfless service may have been in existence before Tilak came, but he was who systematized it." Tilak's life was a demonstration of this great ideal of Karma Yoga.

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

LETTERS TO THE EDITOR

UNAUTHORISED PG MUSHROOMING

Madam — Paying guest accommodations (PG) for women have made headlines following the brutal murder of a woman in one such facility located in a posh Bengaluru locality. It is crucial to take strict action against unauthorized PGs. The police argue that without a formal complaint, securing PGs is not inherently their responsibility, and this claim is understandable. Nonetheless, increased patrolling in sensitive areas where these accommodations are situated should not be overlooked. Thus, the responsibility for ensuring the safety and security of female residents falls on the PG owners. It is alarming to note that many PGs in India lack security guards. Security personnel should undergo rigorous frisk searches seeking entry into PGs. The importance of a biometric fingerprint system for all entrants cannot be overstated. Additionally, providing kitchens that prepare hygienic food is essential to prevent women from frequently venturing out for meals, enhancing their safety. Troublemakers such as hawkers and beggars should be kept at bay. Regular presence and unwavering supervision by the owners at the PGs can significantly boost residents' morale. Overall, a collective commitment is vital.

Ganapathi Bhat | Akola

USE OF TRIBALS IN THE SCHOOL NAMES

Madam — The Madras High Court has strongly criticised the Tamil Nadu government for using the term "Tribal" in the names of government schools. This issue arose with schools in the Kalvarayan Hills being named "Government Tribal Residential School." The court rightly observed that this terminology is inappropriate, especially for a secular government. The use of caste or community names in school titles is astonishing and deemed unacceptable by the court. The court emphasised that labeling a school as a "Tribal School" could stigmatise the children attending it, making them feel their school is inferior to others. This could lead to an inferiority complex among the

Grand spectacle of Paris Olympics



The Paris Olympics 2024 have begun, filling the city with excitement and drawing visitors from around the world to witness this grand sporting event. While the Olympic games promise thrilling spectacles, Paris offers many other activities to enrich your visit. If you're a food enthusiast with a penchant for history, indulge in iconic Parisian bites

that offer a delightful journey through time and taste. Wander through charming streets and savor culinary delights that are integral to Parisian culture. For those seeking unique experiences, venture beyond the usual tourist spots and discover offbeat attractions that provide a different perspective on the city.

Additionally, Paris offers various free activities that allow you to enjoy the city's charm without breaking the bank. From serene parks to historical landmarks, there's no shortage of cost-free ways to immerse yourself in the Parisian ambience. Lastly, don't miss out on the must-see attractions that define Paris. Iconic sites such as the Eiffel Tower, the Louvre, and Notre-Dame Cathedral are timeless treasures that captivate visitors.

Jayanthi Subramaniam | Mumbai

students. Caste and community play a significant role in the political arena as vote banks.

The caste system is deeply entrenched in government policies and programs, leading to reverse discrimination. The principle of "all are equal in law" is often neglected, with reservation in education and employment based on caste. Some states have defied the Supreme Court's directive to limit reservations to 50 percent, extending them to over 75 percent, which adversely affects merit. If some communities feel deprived of fair representation in education and employment, the government may consider pro-rata reservations for all communities as a solution.

KV Seetharamaiah | Bengaluru

THE ROLE OF GOVERNORS

Madam — Since independence, our country has undergone significant changes. While we have adopted many new governance systems, we still retain some from our colonial past. One such legacy is the role of governors acting as representatives of the President in all states, a practice that

continues unchanged. Recently, the Supreme Court agreed to consider separate petitions from opposition-ruled Kerala and West Bengal. These petitions allege that the respective governors refused to assent to bills passed by their assemblies. This is not an isolated incident; similar cases have been brought before the Hon'ble Supreme Court numerous times. West Bengal, for example, claimed in its petition that the Governor had withheld assent to eight bills. I believe the position of governors has never been impartial in this country. The office has become increasingly politicized; a study found that between 1950 and 2015, only a quarter of governors completed a five-year term, with 37 percent serving less than a year. Defying traditions, governors are typically appointed by the ruling party without consulting the elected state government, leading to strained relations between federal and state governments.

Jang Bahadur Singh | Jamshedpur

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CURIOUS MINDS ENGINEER CHANGE

Mental re-engineering can infuse life with renewed vigor and purpose



RAVI VALLURI

Often, conventional and commonplace way of thinking only results in clambering the ladder. A person leading a ho-hum existence cannot re-engineer his/her personality. Tale of an old man Aeon's ago, lived an elderly gentleman who in the winter of his life decided to embark on a spiritual journey to transfigure his personality. The pater now embarked on the spiritual sojourn and enrolled in a monastery. Upon completing his tutelage, armed with various nuances of Zen teachings, he left for his small town. He stepped out of the portals of the temple of knowledge and involuntarily slipped into a rivulet. "Oh, the old monk falls in the river!" chortled some young tutees.

He was to dramatically declare that the re-engineering processes and techniques he acquired had enabled him to accommodate water into himself and not the other way around. "We are shaped by our thoughts, we become what we think. When the mind is pure, joy follows like a shadow that never leaves," said Gautama Buddha. The thought process, thinking patterns, building blocks of thought, organised thinking and goal direction are five keys to re-engineer the mind to metamorphose and refashion our lives. An ingenious individual to re-engineer his life has to change the existing pattern. He should begin by identifying the problem. In the swaths of his mind, such a process represents and delineates the problem; as he/she is mindful and discerning, solutions and a set of sub-goals are outlined. The quick-witted individual then selects the balm for the misadventure and executes it with precision.

The human mind is now brim-full of ideas and it is time to evaluate the outcome and once again rethink and redefine problems and arrive at new solutions. It was the time of Sakhyia Muni Gautama Buddha when an animated group of denizens were involved in a rambunctious argument about Divinity and various religions. In sheer exasperation, they arrived at the feet of Lord Buddha. The Compassionate and Enlightened One smiled and ruminated for a while. Lord Buddha then asked his disciples to arrange for an elephant and for four persons to be blindfolded. And so, it happened that the first of the blindfolded persons felt the elephant's leg and exclaimed that God appeared as a pillar. The second person



touched the elephant's tummy and opined that Almighty God was a wall. The third gentleman stroked the elephant's ear and observed that God was a piece of cloth. The fourth man grazed the tail and described that God was a piece of rope. Once again, the group of four was engaged in a raging debate on the form of Almighty God. After the exercise was completed, Buddha asked the assembled disciples and citizens. The four blindfolded individuals felt the same elephant, but provided varying answers, so what could be the correct answer? The episode just proved that no one individual or thought process is complete. One should always be prepared to accept that one might be correct in parts and that other streams of thought could be complementary. Techniques for training the spiritually inclined can re-engineer their lives by undertaking the bouquet of courses imparted by the Art of Living, or pursue Vipassana; attempting to mutate their minds through the practice of yoga, pranayama and meditation. Others have a logical bent of mind and charter a different path.

They need to develop a passion, take up a sport, and read inspirational literature among other things. But it is elemental and foundational to re-engineer the mind and thought processes at regular intervals to live life with gusto.

(The writer is the CEO of Chhattisgarh East Railway Ltd. and Chhattisgarh East West Railway Ltd. He is a faculty of the Art of Living; views are personal)

Balanced budget reflects Modi's vision of 'Vikasit Bharat'



K S TOMAR

PM Modi's "self-reliant India" vision is central to the 2024-25 Union Budget. It boosts domestic production, supports SMEs, and fosters innovation to reduce import dependency

Prime Minister Modi's vision of a "self-reliant India" (Atmanirbhar Bharat) is a recurring theme in the budget. This vision emphasizes self-sufficiency in critical sectors such as agriculture, manufacturing, and technology. The budget outlines measures to boost domestic production, support small and medium-sized enterprises (SMEs), and encourage innovation. These initiatives are designed to reduce import dependency and create a robust, self-sustaining economy. At the same time, the budget reflects Modi's understanding of India's interconnectedness with the global economy. The focus on enhancing India's export competitiveness, attracting foreign direct investment (FDI), and participating in global value chains underscores the dual approach of strengthening domestic capabilities while engaging with the global market.

This balanced approach is crucial for India to navigate the challenges and opportunities of an increasingly complex global economic landscape. The Union Budget, a cornerstone of the country's economic planning, may serve as a reflection of the government's strategic priorities and vision for the future. It is being billed as a path-breaking foundation of Reforms for the next 5 years. According to some experts, under the leadership of Prime Minister, Narendra Modi, the budget has been targeted to foster economic growth, address social inequalities, and position India as a key player on the global stage. The latest budget unveiled amidst a backdrop of global economic uncertainty, showcases a balanced approach, combining domestic development with an international outlook.

CHALLENGES BEFORE FM

In light of the 2024-25 Union Budget, the BJP-led central government faces scrutiny over its dealings with opposition-ruled states, which allege discrimination in fund allocation and policy implementation. Experts say that Central Schemes and Fund Allocation; The Budget reveals a 15% increase in allocations for flagship schemes such as the Pradhan Mantri Awas Yojana (PMAY) and Ayushman Bharat. However, opposition states argue that their share of these funds does not reflect their proportionate needs. For instance, Tamil Nadu has claimed that despite a significant allocation under PMAY, delays in fund release and implementation hinder effective utilization. The central government's response involves reiterating the equitable distribution based on various factors, but opposition states view these explanations sceptically. Implementation Issues; Critics point to inefficiencies in scheme implementation as evidence of discrimination. The opposition-ruled states have raised concerns about delays and insufficient execution of these schemes.

The central government needs to ensure that these funds are utilized efficiently and that implementation is monitored closely to address these grievances. Political Dynamics; Allegations of political bias also come into play. Opposition leaders argue that central agencies are used to target political rivals, exacerbating feelings of discrimination. With the BJP's political rivals accusing it of manipulating central resources, the government must navigate these complex political dynamics carefully.

STEPS TO ADDRESS THE CONCERNS



THE BUDGET REVEALS A 15% INCREASE IN ALLOCATIONS FOR FLAGSHIP SCHEMES SUCH AS THE PRADHAN MANTRI AWAS YOJANA (PMAY) AND AYUSHMAN BHARAT. HOWEVER, OPPOSITION STATES ARGUE THAT THEIR SHARE OF THESE FUNDS DOES NOT REFLECT THEIR PROPORTIONATE NEEDS

To mitigate allegations of discrimination, the central government should adopt multiple strategies which include Enhanced Transparency; Provide detailed reports on fund allocations and expenditures to ensure transparency and address concerns of inequitable distribution. The focus should be on the efficient and timely execution of central schemes, particularly in opposition-ruled states, to demonstrate commitment to equitable development. The Centre must engage in regular discussions with opposition state governments to address grievances and ensure that their concerns are heard and addressed. A Balanced Approach for Sustainable Growth; The Indian Union Budget, under the leadership of Modi, presents a balanced blueprint for growth, combining a focus on domestic development with a strategic international outlook. The emphasis on infrastructure, healthcare, education, and financial inclusion reflects the government's commitment to inclusive growth.

At the same time, the focus on global partnerships, defence manufacturing, and renewable energy highlights India's aspirations to be a key player on the world stage. Domestic Positives: A Focus on Inclusive Development; The budget's primary focus is on inclusive growth, ensuring that the benefits of economic development reach all sections of society. A significant allocation has been made towards infrastructure development, including roads, railways, and digital infrastructure. This not only promises to create jobs but also lays the groundwork for long-term economic resilience. The emphasis on renewable energy and green technology is another forward-looking aspect, aligning with global trends towards sustainability. Healthcare and educa-

tion have not received substantial attention. The substantial increase in funding for public health infrastructure is a must, especially after the lessons learned from the COVID-19 pandemic. Additionally, investments in education, particularly in digital and vocational training, will equip the younger generation with skills for the future job market. This focus on human capital development is critical for sustaining economic growth in the long term. The government's commitment to financial inclusion continues with initiatives to expand the reach of banking and financial services to rural areas. This effort is crucial for integrating rural populations into the formal economy, enhancing their economic opportunities, and reducing regional disparities. Moreover, targeted welfare schemes for farmers, women, and marginalized communities underscore the government's intent to address social inequalities and ensure a more equitable distribution of resources. Extreme evidence of a discriminatory approach exhibited in the union budget estimates for 2024-24 pertains to the allocation of Rs 11,500 crore for flood mitigation to Bihar whereas Himachal as well as Uttarakhand faced unprecedented catastrophe in July/August 2023 which suffered extensive damages to the tune of over Rs 12,000 crore and Rs 4,000 crore respectively but figures have not been mentioned in the budget.

Himachal government is in a quandary as 550 lives were lost and rehabilitation of lakhs of hapless people had been undertaken by the state government by making provision of Rs 650 crore hence expected a liberal Special Package from the union finance minister who preferred to just give an assurance about financial assistance to the state but no allocation

of the budget. Inordinate delay in the announcement of a "Special Package" had affected relief and rehabilitation works though the state demanded immediate help of Rs 9,042 crore from the centre in Aug 2023. Chief Minister, Sukhvinder Singh Sukhu regretted the apathy of the centre which gave nothing for one year. The finance minister skipped Punjab also which witnessed devastation owing to heavy rains and floods in 21 out of 23 districts and damages were more than Rs 1,680 crore. About 70 lives were lost and the state government has been demanding financial assistance which has been ignored in this budget. Contrary to it, Bihar has been chosen for special treatment and the finance minister allocated Rs 11,500 crore for flood mitigation which is being interpreted as a Reward for helping BHP to form a government after its reduced strength in Lok Sabha. Experts say that Bihar has been India's most flood-prone state with 76% of the population of north Bihar living under recurring threat of devastating floods for decades hence it deserves a special package but not by ignoring other states that suffer an identical natural disaster every year. As India navigates the challenges of a post-pandemic world, the budget's provisions for economic resilience, social equity, and environmental sustainability provide a solid foundation for future growth. Modi's vision of a self-reliant India resonates throughout the budget, offering a roadmap for the country's economic and strategic aspirations. This holistic approach, balancing domestic priorities with international engagement, positions India well for a sustainable and prosperous future.

(The writer is a political analyst and senior journalist based in Shimla; views are personal)

How persistence and empathy can cure tuberculosis

Tuberculosis is a 'curable infectious disease linked to inequities, it is therefore crucial to invest in partnerships that address these disparities with empathy

A year ago 20-year-old Tahira was convinced she was going to die. A fever that refused to go accompanied by a persistent cough, a loss in appetite and extreme weakness had confined her to the bed for months. Her husband, a rickshaw puller, had neither the means nor the time to take her to a doctor. It was only when her brother came to visit her in Kolkata and saw her failing health that he decided to take matters into his own hands. He brought Tahira back with him to her natal house in Seemapuri, Delhi. This decision was to save her life. Around this time, Humana People to People India (HPPPI), a not-for-profit, was reaching out with information and guidance on tuberculosis (TB)



SWAPNA MAJUMDAR

as a part of their Project LEAD (Leveraging Educating, Advocating to Disrupt TB transmission). Working in close coordination with the government's National TB Elimination Programme (NTEP), LEAD focussed on the oft-ignored and overlooked marginalized communities living in low-grade urban slums, the homeless and migratory population in four cities, Delhi, Mumbai, Howrah and Hyderabad.

Persistence Pays When LEAD field officer Shanti met Tahira, she immediately knew what had to be done. First, she was taken for a chest X-ray. When it showed Tahira presumptive for TB, sputum microscopy was conducted which confirmed TB. Once this became clear, the diagnosis was reconfirmed through the WHO-recommended molecular test via the Cartridge-Based Nucleic Acid Amplification Test (CBNAAT) and drug susceptibility test via Line Probe Assay (LPA) provided free at the government GTB Hospital. The drug susceptibility test is done to ensure that the TB bacteria (Bacillus Mycobacterium Tuberculosis), that infects a person is not resistant to the medicines they are treated with.

Realising there was no time to waste, Shanti quickly enabled her registration on Ni-Akshay, the government's NTEP real-time patient management web system, so that her card could be made and her treatment started the same day. As a trained worker, Shanti knew time was of the essence and treatment adherence critical. So, for the next six months, Shanti would become Tahira's shadow. She kept a watchful eye and followed up doggedly with 40 visits to ensure Tahira didn't miss out or falter in sticking to the drug regimen. Her persistence paid off when Tahira tested negative a couple of months ago and is now completely cured. The Techno CATTB being an infectious disease, early detection and



treatment is vital especially as it spreads when persons with the illness expel the bacteria into the air, mostly by coughing. Here is where technology can play a role. Cough Against TB (CAT) an innovative application AI-powered cough-sound-based screening tool to assess the likelihood of pulmonary TB developed by Wadhvani AI, resulted in a 10.8% presumptive rate and a positivity yield of 15.6%.

One of the important outcomes of using CAT was its detection of asymptomatic cases, which otherwise would have been missed. While technology has been an enabling tool, the real success of screening over 600,000 individuals, identifying 3,182 people with TB (PwTB), and supporting 98% of them in Delhi with treatment adherence has been due to the commitment and compassion shown by the women field workers. The project findings at the end of the one-year project indicate that the female field officers proved to be more effective than their male counterparts in TB awareness and screening because of their empathy. A Human Touch How a human touch can make all the difference was seen in Tahira's

case. Shanti's support to Tahira during her challenging treatment journey was not just by counselling but also through food ration supplements every month through her contacts with an NGO. Additionally, she also linked her to NTEP's Ni-Akshay Poshan Yojana, the government scheme to provide Rs 500 per month for PwTB to buy food. Deploying women now cured of TB as activists and field workers have also worked wonders to reach out to those who fall through the cracks. They know what it means to live with TB and the societal stigma that have to face. Their determination to help others in similar situations has boosted early detection and treatment. It is a known fact that those most at risk are people residing in poorly ven-

tilated and overcrowded conditions, suffering from malnutrition and diseases and with limited access to healthcare. Project LEAD has shown that women field officers are more successful in persuading TB screening and treatment adherence among the vulnerable and marginalized because of their understanding and sensitivity. TB researchers Dr Anurag Bhargava, Dr Madhukar Pai and Dr Madhvi Bhargava reiterate that TB is a "curable" infectious disease linked to inequities, it is even more imperative to invest in more partnerships that bridge these inequalities with empathy.

(The author is a journalist writing on development and gender. The views are expressed are personal)

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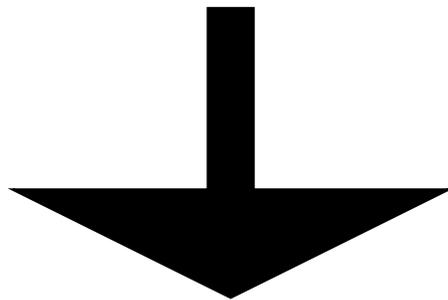
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