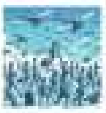
Go Forth and Multiply (Income)

Skills, GDP key to closing income gap



Didi's Absurdist 'Ekla Cholo' Governance

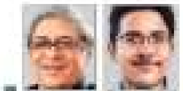
JUST IN JEST

Leave speed and quantity to those with a knack for it, while...

Slowness Is Gaining Ground (With a Few)

Embrace debt-to-GDP ratio, instead of rigid deficit targets, for charting a sustainable fiscal path

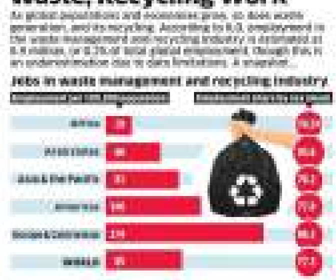
No Tilting at the Windmills



Bibek Debroy & Aditya Sinha

ChatGPT SHAIRI OF THE DAY

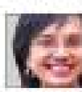
Waste, Recycling Work



Bell Curves

If music be the food of the market, play it on the speaker!

Our Boys With US Toys

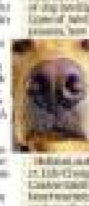


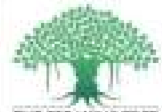
Seema Sirohi

LETTER FROM WASHINGTON

PEAS IN A PODCAST

Decoding Woof Power





THE SPEAKING TREE

The World is My Oyster

Chat Room

For a Volodymyr, Vladimir Defrost

The Right Jab at The Right Job

Root for a More Equal Kauntest

Opinion

INDO-BRAZILIAN TIES

Union external affairs minister S Jaishankar

Our strategic partnership... spans a very wide range of domains, from defence, space and security, including cyber to trade and investment, oil and natural gas, biofuels, agriculture, animal husbandry, food processing, health and medicine, traditional medicine, science, technology, culture and people-to-people relations

Democratising lending

Unified Lending Interface will go a long way in delivering credit to the underserved sectors, but there are challenges

IN AUGUST LAST year, the Reserve Bank of India (RBI) launched a pilot project for a public tech platform for frictionless credit, aimed at bringing about efficiency in the lending process in terms of reduction of costs, quicker disbursement, and scalability. Named Unified Lending Interface (ULI), the platform will be launched nationally "in due course", RBI Governor Shaktikanta Das announced on Tuesday. The plan is in sync with the central bank embracing the concept of digital public infrastructure (DPI) which encourages the financial sector players to create and provide innovative solutions in payments, credit, and other financial activities. The ULI architecture, developed by the Reserve Bank Innovation Hub, has common and standardised APIs (application programming interface), designed for a "plug-and-play" approach to ensure digital access to information from diverse sources.

For digital credit delivery, the data required for credit appraisal are available with different entities like central and state governments, account aggregators, banks, credit information companies, and digital identity authorities. However, these data sets, which include even land records, are in separate systems, creating hindrance in timely delivery of rule-based lending. The new ULI platform aligns with India's broader DPI strategy, which includes the JAM trinity — Jan Dhan accounts, Aadhaar, and mobile phones. The integration of ULI into this existing framework is expected to enhance its impact further by addressing the credit needs of underserved segments.

There isn't any doubt that ULI is needed in India, where credit delivery is still quite time-consuming, especially to medium and small manufacturing enterprises (MSMEs), which are the country's second-largest job creator after agriculture, contribute a third of the GDP, and 45% of national exports. The credit gap in the sector was pegged at ₹20-25 trillion by a report of the Expert Committee on MSMEs headed by former Sebi Chairman UK Sinha in 2019. The figure is estimated to have gone up to ₹28 trillion now. To some extent, the government's measures such as priority sector lending status and Emergency Credit Line Guarantee Scheme to support businesses have helped.

But the jury is still out on whether the ULI will live up to the RBI governor's promise of it being "a revolutionary step". CareEdge Ratings has summed up the major stumbling blocks for MSMEs in accessing formal credit: requirement for collateral, the seasonal nature of business of MSMEs, lack of awareness and financial literacy, and lack of credit history and financial record. Except for the last one, the rest is beyond ULI's ambit. While easy credit will become a lot quicker, the problem for lenders will be recovery, particularly during an unexpected economic downturn. Typically, small borrowers are the ones whose cash flows get impacted at the first hint of an economic turmoil.

While talking about ULI, Das has drawn parallels to the transformative impact UPI has had on the payments ecosystem. But there is a crucial difference. ULI was a response to the nation's patchwork of rules and paperwork for payments, and the goal was to make transfers easier and safer by allowing multiple bank accounts on the same mobile platform for individual and business use alike. ULI will be an entirely different kettle of fish as it has recovery risk associated with it. That is where the financial entities will have to step in with much more robust recovery mechanisms.

Banking the unbanked: Jan Dhan@10

A DAY BEFORE the 10th anniversary of the launch of Jan Dhan or no-frills bank account, Reserve Bank of India Governor Shaktikanta Das signalled the nearing roll-out of the Unified Lending Interface (ULI), a digital innovation that looks to put into production universal access to credit.

"Last year, we launched the pilot of a technology platform which enables frictionless credit. From now on, we propose to call it ULI. This platform facilitates seamless and consent-based flow of digital information, including even land records of various states, from multiple data service providers to lenders. This cuts down the time taken for credit appraisal, especially for smaller and rural borrowers," Das said on Monday.

Effectively, after solving the challenge of being the most unbanked nation 10 years ago — the proportion of banked adults grew from 30% in 2014 to 80% at present — India is poised to address the lack of universal credit. Its strategy of investing in digital public infrastructure by developing Aadhaar is paying off. Among other things, it enabled banking the unbanked.

The launch of Aadhaar, India's first digital public good (DPG), in 2009 solved the fundamental problem of identity. Once it was given statutory recognition in 2016 and the guardrails for protecting data were in place, Aadhaar became the foundation for digital innovation based on open networks — as opposed to the walled-garden approach adopted by Big Tech that denied interoperability among platforms and thereby severely restricted consumers.

Its first use in doing public good at scale was in implementing the Pradhan Mantri Jan Dhan Yojana (PMJDY), especially after the government-enabled eKYC which made it possible to onboard new customers online.

These bank accounts, free of cost to the customer, have proved to be a game changer for financial inclusion. Statistics shared by the ministry of finance reveal: more than 531.4 million beneficiaries banked since 2014; 55.6% Jan Dhan accounts are owned by women; in rural India, the proportion of bank accounts held by women is even higher at 66.6%; 361.4 million PMJDY accounts now have RuPay debit cards.

ANIL PADMANABHAN

The author is a senior journalist

According to a research paper published by the Bank for International Settlements (BIS), the bank of central banks headquartered in Basel, Switzerland, this scale of financial inclusion will normally take a country 47 years to achieve.

It would also require a country's per capita income to grow from $5,000 to $20,000. India achieved this makeover in nine years and its per capita income grew from around $1,500 to $2,700. The BIS paper argues that PMJDY reduced the exclusion of marginalised groups, particularly women.

"The increase in financial inclusion was also accompanied by a sharp reduction in the exclusion of marginalised groups more generally. The gender gap — the difference between the shares of men and women with a bank account — diminished from 17% in 2011 to 6% in 2017. Similarly, the inclusion difference between those in and out of the labour force fell from 18% to 9%; between those with secondary education and those without from 29% to 10%; and between rich and poor from 14% to 5%. The gaps are now all less than world levels."

The political economy of this achievement is very significant: In 10 years 500 million people have gone from being outside the formal economy looking in to become stakeholders in the Indian economy and invested in its growth.

The government accelerated this process of empowerment, by combining an individual's Jan Dhan account with their Aadhaar and mobile. This trinity was given a moniker: JAM. What JAM did was to triangulate a beneficiary to target social welfare spending, akin to creating an economic GPS to directly transfer the funds to an individual's bank account. In 10 years, the government has transferred ₹38.49 trillion.

This Direct Benefit Transfer (DBT) also cut out middlemen and reduced leakages. Cumulatively, the Union government has saved a staggering ₹3 trillion. More importantly, DBT restores the trust quotient of beneficiaries in the system.

At the same time, by operating these accounts, the previously unbanked are creating credit history — setting the stage for accessing credit, using the ULI framework proposed by the RBI governor.

MEDIUM-TERM FRAMEWORK

NEED CLEAR ROAD MAP WHICH SAYS BY 2030, THE TAX SYSTEM WOULD BE OF A CERTAIN TYPE

Revisit tax, expenditure policies

MADAN SABNAVIS

Chief economist, Bank of Baroda

UNTIL 2014, FIXED MATURITY plans were very popular, as long-term capital gains tax was applied if they were held for more than a year. This was changed to three years, creating a lot of disruption. Funds tried to beat this new ruling by rolling over schemes to beyond this duration, as the tax ruling held with retrospective effect. In 2018, equity gains came under the long-term tax ambit but grandfathering was permitted, with January 31 being considered as the date of acquisition for all investments made earlier. While this was irksome, existing holdings were protected.

In 2020, the Budget dealt a blow to all plans for future income in the form of dividend, which became taxable in the hands of the recipient. Needless to say, companies never increased the dividend to compensate shareholders.

In 2023, the indexation benefit on debt mutual funds was withdrawn and all long-term gains made would be added to the income and taxed appropriately. In 2024, this benefit was removed for property, but restored subsequently. Meanwhile, there was a new tax scheme open to individuals, which was devoid of any exemptions but had lower rates. Interestingly, this new system converges into the old one once the income nears the ₹20 lakh per annum mark. Therefore, the discussion on which scheme is better holds only for those whose income falls below this threshold.

Clearly, planning for the future has gotten chaotic, especially if one is doing so for retirement. Also, while evaluating any tax regime, its "direction" and "certainty" are important. What is one to make from these changing tax laws which makes planning income, tax, and future flows hazardous?

If one were to draw patterns on what the system's ideology is, the tax system wants to move to one where there are no exemptions or any deductions that individuals can make. In return, there is a case for lower tax rates over elongated income slabs. Thinking deeper, it does look like that the government would not like to distinguish between short-term and long-term income, as all earnings from any source is an "income". It does appear that at some time, all capital gains will be added to income and taxed accordingly. Even the old tax structure could soon be withdrawn, with everyone moving to the new regime. This looks to be a major takeaway from the developments in the last 10 years or so.

> As the country moves towards attaining certain fiscal goals, it is the expenditure part which gets embedded in the system

In fact, even past finance ministers have been eloquent in their criticism of the EEE system, where the amount invested in, say the PPF, qualifies as a tax deduction, interest earned is tax-exempt, and the final withdrawal is also exempt from any form of tax. This can also probably see the end as the 2021 Budget declared taxation of interest on provident fund earnings above a threshold mark. The rationale every time is that it is only the rich who pay tax, making it an equitable system.

There are always two sides to the argument. The purpose here is not to get into semantics, as there are several countries which follow different approaches that can be quoted to justify the present transition. What is needed is a medium-term tax policy (MTTP) where the ultimate goal is clearly spelt out. There needs to be a clear road map which says, for example, that by 2030, the tax system would be of a certain type. As a corollary, the system will gravitate towards this goal over the next few years. A sunset clause needs to be announced to be fair to taxpayers.

This will be helpful for individuals to take decisions on savings and investment. If it is stated upfront that ideally all gains on equities and debt will be treated as income, one can invest keeping this in mind. The same holds for pension contributions. This is necessary for not just individuals, but also the market, so that there is clarity on the tax on any earnings or gains.

On the expenditure side too, similar conundrums arise. Several programmes have been launched for different purposes where the allocations are really large. As the country moves towards attaining certain fiscal goals, which can be stated either as deficit numbers or debt parameters, it is the expenditure part which gets embedded in the system as they become intractable.

Besides, when there is talk of becoming a developed country, clearly, such largesse would not be justified, as they would not be required. Even today, based on the Reserve Bank of India's KLEMS data and the household consumption surveys carried out by the National Sample Survey Office, there are strong arguments for reviewing the beneficiaries of these programmes. If the levels of poverty are down to a low single digit and myriad jobs are being created as per the Employees' Provident Fund Organisation data, there is also a justification for having a sunset clause for these programmes.

This means that along with an MTTP, there should be a medium-term expenditure policy, which states clearly that there would be a glide path to reducing the allocations under these programmes. It would start with a more focused targeting of the beneficiaries and then move to the stage where the allocations are rationalised substantially. This will be useful because it is not possible to lower the free food programme to say 100 or 200 million, or do away with the PM-Kisan Scheme in one stroke. By following the glide path, there can be a smooth transition.

The government has been focusing a lot on improving the ease of doing business parameter, which has helped investors a lot. But at the individual level, there also needs to be certainty provided to taxpayers, for which such medium-term frameworks will be extremely useful.

Views are personal

Pathways to plug medical education gaps

SIDDHARTHA BHATTACHARYA
BRAJESH SINGH

Respectively secretary general, NATHEALTH and president, Arthur D Little India

Although private colleges have more undergraduate seats than govt ones, they can help bridge the demand-supply gap for specialists

INDIA'S DOCTOR-TO-POPULATION ratio has improved to 0.9:1,000, nearing the World Health Organization's recommended 1:1,000. But around one-third of the population is short of doctors, and we have only 0.2 specialists per 1,000 people. This shortage is particularly acute in community health centres, crucial in rural areas. Addressing issues in education and skill training such as infrastructure gap, poorly leveraged private sector, and lack of digital technology usage are critical. There are additional challenges in nursing including low compensation, lack of career pathways, and high attrition rates.

While the government has announced new medical colleges and All India Institutes of Medical Sciences across the country, upgrading existing colleges and using hospital infrastructure are practical options. A Centre for Social and Economic Progress study shows that the number of medical colleges and seats have increased over the past decade mainly due to the growth of government medical colleges and relaxed norms for setting up new ones. Yet, 57% districts do not have a medical college. In 2022, 17.6 lakh candidates took the National Eligibility-cum-Entrance Test, with 56.3% qualifying, but only 12% got seats in medical colleges, according to the National Testing Agency.

Between 2015-16 and 2023-24, postgraduate seats doubled, most of them in government colleges. Private colleges tend to favour Diplomate of National Board (DNB) seats. Introduced by the Centre in 1975 to address shortage of doctors and teaching faculty, the DNB course emphasises practical training. DNB makes up 19.7% of the postgraduate seats, with 67% offered by private institutions.

Although private colleges have more undergraduate seats than government ones, they have the potential to help bridge the demand-supply gap for specialists. This is where DNB seats can play a crucial role. A study by NATHEALTH shows that DNB has an additional demand potential of 7,500 seats in private hospitals with over 200 beds. There are around 3.7 lakh beds in private hospitals with 200-plus beds. But the total count can go up to 7.5 lakh if hospitals with 100-200 beds are included. The private sector has an allocation of 9,000 DNB seats, but that is not fully utilised. If hospitals with over 100 beds are considered, the DNB seats could go up to 35,000 (with an error margin of 10%).

> Upgrading existing colleges and using hospital infrastructure are practical options to address the shortage of medical seats

While there is a big opportunity to grow DNB seat availability, certain barriers need to be overcome. Among them are the distribution of approved DNB seats and penetration across specialties. The National Board of Examinations (NBE), which awards the DNB postgraduate degree, needs to tweak guidelines, and reduce cumbersome processes for wider penetration.

Private hospitals also face challenges in meeting infrastructural compliance (additional laboratory, library, faculty stipends) while increasing DNB seats. Given the shortage of specialists, it is crucial to re-evaluate the demand based on patient influx and prioritise optimal utilisation of resources.

Perception is another hurdle that needs to be changed to make DNB more widely acceptable. Incentivising the intake of DNB, and flexibility on additional infrastructure for incremental seats will boost private sector participation.

To increase the number of specialists, leveraging the DNB programme is vital. Ensuring seats are filled with candidates matching demand with specialisation is key. The NBE should create a strong marketing arm to promote the DNB programme, counsel students, and build support among them. Addressing student concerns about infrequent assessments or delayed re-examinations is also necessary.

The annual tuition fee for DNB could be raised by 50-75% and all outstanding dues need to be settled within 30 days. Another step could be to ensure a minimum 33% stipend cost offset for each new DNB seat compared to the previous year's baseline. The additional funds generated can be used to strengthen academic infrastructure, increase faculty, etc. It will also be better for private hospitals to adopt the practice of public ones that require candidates to sign bonds. A reasonable percentage of capacity can be mandated to ensure all hospitals consider DNB-certified specialists as part- or full-time consultants. The medical education policy could be changed to allow part-time/contractual doctors to fulfil part of the staffing criteria and enable standalone centres to offer DNB programmes. A hub-and-spoke model enabling small district hospitals to offer DNB programmes with large private hospitals could also help produce more specialists.

Designating hospital chains exceeding a specified minimum DNB seat threshold as centres of excellence would be a huge boost. Allowing foreign direct investment (FDI) in higher medical education will enhance resources, expand the supply pool, improve technical proficiency, introduce modern simulators, refine pedagogy, strengthen faculties, and foster global partnerships. Besides, exploring alternative financing options such as loans and interest subvention schemes is necessary to ease seat expansion.

Another way of stimulating the DNB programme is to set up innovation and simulation centres along with start-up hubs, involving faculty to enhance the learning experience. The government should facilitate the seamless mobility of faculty between medical colleges and hospitals offering DNB programmes, both in the public and private sectors. If implemented, these measures could give India's healthcare system a much-needed shot in the arm.

LETTERS TO THE EDITOR

Potential to transform small businesses

The innovative unified lending interface will cater to the working capital needs in agriculture and micro, small and medium enterprise sectors, which have to sometimes depend on unscrupulous lenders and malicious apps. It will revolutionise the small businesses on the technology ladder with a unified banking system on digital infrastructure, without exploitation. This interface will use fintech at banks' level but reduce the load on non-banking finance corporations. While banks are extensively diversifying into multi-level financing for small, medium and large-scale enterprises with a robust digital infrastructure, the branch-level banking should also provide entrepreneurial consultations from experts, whom banks should now employ or hire.

—Vinod Johri, Delhi

Digital footprints and digital trash

Apropos of "Dealing with a data deluge" (*FE*, August 27), with more digital transactions, the availability of data is bound to rise exponentially. However, to claim that most of it is rubbish can be contested. While it may be true for generative artificial intelligence companies, it may be of use to others. Data analytics has become the favourite destination for tech students because it is most likely to replace mining for precious minerals. A data purge may be required after a certain time, but my experience of clearing up old papers has been such that every time I clear up my desk, after a few days, something comes up which needs the disposed papers. The same could happen in the digital world.

—Anthony Henriques, Maharashtra

●Write to us at feletters@expressindia.com

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| OUR TAKE |

Avoid haste on shift to core CPI

Aligning inflation targeting with core instead of headline inflation needs a sound method to capture core inflation expectations first

Should India's inflation targeting framework target the headline Consumer Price Index (CPI) or just its core, namely, the non-food non-fuel part? This year's *Economic Survey* set the cat among the (monetary policy) pigeons by arguing that the latter might be better than the former, and a report in HT suggests that the government is working on reconstituting CPI with a lower weightage of food. Is this a good idea?

Inflation targeting, at a theoretical level, is supposed to use interest rates to maintain a healthy balance between inflation and growth. [illegible]

Civic agencies must shed bovine lethargy

[illegible]

Ensuring Awas Yojana success in the big cities

There is a need to work on multiple fronts, from making institutional credit more accessible for EWS households to addressing land challenges for private sector partners in affordable housing

Dattaprita Roy

Roshni Kundu

[illegible]

Adding life to the years of the nation's elderly

Abha Jaiswal

[illegible]

| KEIR STARMER | PRIME MINISTER OF THE UK

The riots in the UK didn't just betray the sickness, they also revealed the cure, found not in the cynical conflict of populism but in the coming together of a country

HT

Why Xi's anti-graft action is targeting minor parties

Shikha Aggarwal

[illegible]

[illegible]

WORDLY WISE

IS HE NOT SACRED, EVEN TO THE GODS, THE WANDERING MAN WHO COMES IN WEARINESS?

— HOMER

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

BACK TO POLITICS

Congress, National Conference alliance in J&K will have to surmount differences over abrogation of Article 370

AFTER THE ELECTION Commission of India announced the dates for elections to the Jammu & Kashmir Assembly on August 16, politics with all its drama has returned to the region. Except for one seat in Kashmir and four in Jammu – where there will be a "friendly contest" between the allies – the National Conference (NC) and Congress have reached a seat-sharing arrangement. The NC will contest 51, Congress 32 and the CPM and J&K Panthers Party one each. On the face of it, Congress seems to have got the better end of the deal. Its political presence in the region has greatly diminished since 2014, exacerbated by the exit of stalwart and former CM, Ghulam Nabi Azad. While most of the seats allotted to it are in Jammu, Congress will work to gain a foothold over a broader swathe of the erstwhile state. For the NC, it is a chance to regain relevance and become the major player in electoral politics in the Valley and beyond. Former CM and NC leader Omar Abdullah told this newspaper earlier this month that "No, I am not contesting... I am not going to sit outside the waiting room of the LG and, ask him, 'Sir, please sign the file'". That he is now rethinking this position underlines the exigencies of electoral politics post the abrogation of Article 370.

Still, the NC-Congress alliance, like many others, is marked by contradictions. The NC has suggested that, if elected, it may bring a resolution in the Assembly against the abrogation of Article 370 even as it knows that it cannot move the clock back. The Congress – for the sake of its national politics, if nothing else – does not share this position. Managing such differences will be challenging. Congress's K C Venugopal has said that a Common Minimum Programme will guide the alliance if it comes to power. And while much water has flown in the Jhelum since 2018, it might be useful to remember that the BJP-PDP government too had an Agenda for the Alliance that promised not to revoke special status.

Both major constituents of the last elected government of the erstwhile state of J&K appear, for the moment, to be on the back foot. The BJP withdrew its first list of candidates hours after its release, reportedly due to protests and objections from within the party over ticket distribution. The PDP, part of the INDIA bloc at the national level, has been isolated in J&K. From a vote share of 22.67 per cent in the 2014 assembly elections, it was down to 8.48 per cent in the 2024 general elections and won no seats. The PDP's rise owed much to its founder, Mufti Mohammad Sayeed reimagining state politics and its relationship with the broader national picture. In the changed scenario after August 5, 2019, it remains to be seen if his daughter, his political successor, can do the same. All this may add to the uncertainty in the run-up to elections but what is clear is that politics is coming back — and that's an unambiguous positive.

WEATHER RESILIENCE

India Meteorological Department's upgrade is much needed. Initiative should tap into research at IITs and other institutes

THE WEATHER FORECASTING upgrade planned by the India Meteorological Department (IMD) is long overdue. In the past 10 years, the IMD's ability to make long-range predictions over broad regions has improved appreciably. Yet, there are several days when predictions go wrong, especially during the southwest and northeast monsoons. The challenge today is not to predict average rainfall or temperature over the season, month or week. Extreme weather events that usually occurred once in a few decades now threaten people's lives and livelihoods throughout the year. Weather forecasters need to find ways to alert farmers, municipal authorities, and office and schoolgoers about copious rainfall at hyper-local levels. Climate-induced vagaries have triggered disasters like the recent landslides in Wayanad and lake bursts in Sikkim and Uttarakhand last year. Administrators have often been caught off guard by the fury of the elements. Last year, when Kalyanapattinum in Tamil Nadu's Thoothukudi district experienced an entire season's rainfall in a day, Chief Minister M K Stalin blamed the IMD for not issuing advance alerts. The problem is that predicting such intense rainfall is virtually impossible today. States such as Kerala, Odisha and Maharashtra have sought the help of private agencies to augment IMD's information. However, the fact remains that large gaps in knowledge will have to be plugged to make the country climate-resilient.

While the previous improvements in IMD focused primarily on augmenting infrastructure, the latest endeavour will be directed at developing computer simulated models tailored to local specifics. This would require data collectors to narrow their focus to district, block, panchayat, village or even ward and street-levels. The scientists will also need to be equipped with a denser network of measuring instruments. Recent research has shown that AI can improve the accuracy of weather forecasts. The IMD has reportedly digitised the country's weather records going back to more than a century. AI could be used to sift through this corpus to generate knowledge and help forecasters issue timely alerts. The met department would also do well to tap into research conducted in universities and institutions. Scientists at IIT Bombay, for example, used cutting-edge computing technologies this year to predict rainfall in the city with greater accuracy than the IMD. Another ongoing project at IIT Mandi hones into soil characteristics to predict landslides.

Mainstreaming information on erratic weather would also require communicators conversant with local economic and cultural idiosyncrasies. The information will need to be disseminated to the most vulnerable. The IMD's endeavour will be closely watched.

A PLOT TWIST

A Roman burglar broke into a home and settled down with a book. That is the story

IN GREEK MYTHOLOGY, Hermes packs in quite a punch. He's the god of thieves, traders and travellers, of language and sleep. In his role as the herald and messenger of the Olympians, he is also the bridge between gods and men. It is unknown if the 38-year-old burglar, apprehended in Rome's upscale art nouveau Prati district after a botched attempt, knew of Hermes, or of his Roman counterpart, Mercury. There is equally little information about his knowledge of Greek mythology or its Roman equivalent. But what can be inferred is that he wasn't averse to experiencing for himself the dichotomous pulls of his patron saint. After all, it isn't every day that a man breaking into a home resists the temptation of larceny and settles down with a book instead.

The tome in question that the aged homeowner found the intruder immersed in was Giovanni Nucci's *The Gods at Six O'Clock*, a retelling of the Iliad from the perspective of the gods. Perhaps, it was the Olympians' repeated emphasis that gods and men are equal parts good and evil that appealed to the burglar. Perhaps, it was curiosity over a world that circumstances had kept out of his reach. Whatever it may have been, his interception after an alarm was raised meant that the book remained unfinished. Nucci has offered to send a copy to the man in custody as a fitting finale to a "surreal story… full of humanity".

For all those lamenting the death of the written word in a world overtaken by the screen, there is, perhaps, a glimmer of a silver lining in the Roman burglar's story. In a world riven with sharp inequalities, it speaks of literature's potential to offer respite and an intellectual interlude that transcends one's material precarity. It also speaks for a kind of insouciance that the mischief-making Greek gods would have approved of. After all, a moment of quiet, a plan gone wrong and chaos — isn't that the setting they most thrived in?

Nightmare for aam aadmi

Delhi is a case study in misgovernance. It deserves better

VINAI KUMAR SAXENA

DELHI HAS BECOME the second most populous city in the world after Tokyo. At a staggering 35 million, it has more people than the combined population of Australia and New Zealand. The UN World Urbanisation Prospects Report suggests that, in a decade, Delhi, with a projected population of 43 million, would surpass Tokyo. However, is the city's infrastructure ready for this overcrowded future?

This monsoon should have been a sobering experience for the political leaders who promised a Parisian makeover for Delhi. The complete collapse of civic infrastructure exposed the maladministration in the city. UPSC aspirants drowned to death in a basement which illegally doubled up as a library. Children died while playing in a flooded ground. A mother died in a valiant attempt to rescue her child from drowning in an open drain. Youngsters were electrocuted after touching live fallen wires. Yet, the political establishment has the audacity to create a myth of dazzling achievements, with full-page advertisements. Angry citizens are now asking: Where has the taxpayer's money vanished?

Over 40 per cent of Delhi's residents languish in squalor. Unauthorised colonies and slum clusters have proliferated with active political patronage. Connivance between corrupt officials and the land mafia has made a mockery of the master plan. People are lured into spending a lifetime of savings on fraudulent transactions and illegal construction. Hundreds of cramped multi-storeyed tenements have sprung up without roads, drainage, sewage or sanitation. Sporadic half-hearted attempts of retrofitting have added to the chaos. Colonies in low-lying areas routinely get submerged every monsoon. Drinking water on tap is a trickle and the tanker mafia rules the roost. Garbage is strewn along roads and in housing colonies. At several places, a mesh of power lines hangs dangerously.

Delhi's rural population, less than 3 per cent, lives on the margins. They are largely ignored as a political vote bank. Two-thirds of the villages do not have piped gas supply. Just over half of the city population lives in the so-called "planned" parts. The situation here is no better. Drains overflow into streets revealing gross neglect of desilting. Choked sewer lines burst open with unfailing regularity. Open drains become death traps for pedestrians and even the heart of the Capital has potholed roads.

> The elected government shrugs off responsibility and always finds a convenient alibi. If the water supply runs low, Haryana is to blame. If there is excess release in Yamuna due to heavy downpour in the hills, even then Haryana is to blame. Bad air quality is attributed to stubble burning in neighbouring states. If no other excuse comes to mind, the blame is passed on to the Lieutenant Governor for posting bad officers. On other occasions, the bureaucracy is publicly berated.

The city government is not investing enough to build new roads, drains, water treatment- and storage facilities and sewage treatment plants. Can abject failures of governance be hidden behind mere populist propaganda on the "Delhi model" of governance? A revenue surplus state 10 years ago, Delhi risks getting caught in a debt trap. There is not enough money for routine repairs and maintenance. That is why sewer lines are choked, drains are overflowing, buses routinely break down and roads are potholed.

In the last decade, water treatment capacity grew just over 4 per cent, while Delhi's population has grown by 15 per cent. In normal circumstances, there is a shortfall of 290 million gallons per day. The unaccounted-for water — theft, leakage and non-paid dues — is as high as 58 per cent. Even if the supply is increased, it would amount to pumping water into a leaking bucket. Over the last decade, the Delhi government has spent Rs 28,000 crore for the water sector — apparently all has gone down the drain. No serious efforts have been made to plug the leaks or build storage capacities. Even the canal which carries water from Haryana was breached this year. The attitude towards neighbouring states is one of open hostility.

The much propagated "Delhi Health Model" is a sham. Mohalla clinics which recruit "walk-in doctors" run on a perverse model of incentives to inflate patient footfall. Over 20 new hospital facilities are being constructed, at a cost of Rs 8,000 crore. The entire focus is on construction, without an iota of effort on the budget, the need for creating 38,000 posts and procuring modern medical equipment. Over the next few months, some of these buildings will be ready and stand out as mausoleums of neglect.

Delhi's collapse has benefitted neighbouring cities — Gurugram, Noida, and Greater Noida. Corporate houses prefer to establish their offices in these cities even with costlier real estate. High-end apartments, malls, educational institutions and universities have relocated to other parts of NCR.

Delhi has the third worst air quality in the world. The hill-sized mounds of garbage at Gazipur, Okhla and Bhalswa are a blot on the national capital. Solid waste management in most parts of the city, barring the New Delhi area, presents a horrific sight. Yamuna, the lifeline of water supply to the city, has become an open sewer. Twenty-two open drains discharge untreated sewage directly into the river. Thousands of crores of public money have been spent over the last decade in the name of a farcical cleanup.

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Delhi, as the national Capital, has a special status in the Indian Constitution. There has always been a degree of tension between the political aspirations of the elected government and the LG, who represents the Centre. In the past, these used to be ironed out through dialogue and discussion. A healthy consensus in the interest of development has defined the relationship between the chief minister and the LG. Somewhere down the line, this democratic compact was broken. Today, the elected government is positively hostile towards every other administrative agency. It routinely knocks on the doors of the High Court and Supreme Court on petty matters.

The Chief Minister is in judicial custody. Citizens are held hostage. Governance is in a free fall as ministers obsess over press conferences while the real aam aadmi suffers in silence. It is high time for introspection and course correction. The national Capital of a global power deserves better.

The writer is Lieutenant Governor of Delhi

A SYSTEM TO BANK ON

PM Jan Dhan Yojana has accelerated financial inclusion, reduced inequalities

SOUMYA KANTI GHOSH

FINANCIAL INCLUSION HAS been a key tool used by policymakers and governments globally to reduce inequalities, strengthen livelihoods of people at the bottom of the pyramid, and spur growth. For more inclusive growth, the government, on August 28, 2014, took a step to include all unbanked households in a time-bound manner, with the help of technology (the JAM trinity), and devised a mass financial inclusion scheme — the Pradhan Mantri Jan Dhan Yojana (PMJDY). The scheme was devised in two phases to provide banking facilities to 7.5 crore unbanked households.

Today, more than 80 per cent of adults have a formal financial account, compared to around 50 per cent in 2011. India has done exceedingly well, anchoring the financial inclusion drive from a global perspective. The gender gap in account ownership has been significantly reduced through the basic savings bank deposit accounts aimed at individuals (rather than the household approach adopted earlier). So far, banks have opened around 53 crore PMJDY accounts with a balance of Rs 2.31 lakh crore, increasing more than three times from 14.7 crore accounts with Rs 15,670 crore deposits in March 2015. This has largely been led by public sector banks who contribute around 78 per cent of these accounts. The average account balance in PMJDY accounts has jumped over four times to Rs 4,352 in August 2024 from Rs 1,065 in March 2015. If we look at the PMJDY data in detail, 81.2 per cent are operative accounts, 55.6 per cent belong to women and 66.6 per cent are in rural and semi-urban areas. UP has opened the highest number of PMJDY accounts (9.4 crore), followed by Bihar (6 crore).

> Jan Dhan accounts not only have many positive aspects like insurance coverage, overdraft facility, and impact on saving habits, they also have social implications. Our research has found that UP, Maharashtra and Haryana have witnessed a lagged impact of the usage of PMJDY accounts and thefts have decreased. West Bengal, Tamil Nadu and Kerala have seen a continuing impact since the beginning, while Gujarat and Karnataka have also witnessed a favourable impact.

Jan Dhan accounts not only have many positive aspects like insurance coverage, overdraft facility, and impact on saving habits, they also have social implications. Our research has found that UP, Maharashtra and Haryana have witnessed a lagged impact of the usage of PMJDY accounts and thefts have decreased. West Bengal, Tamil Nadu and Kerala have seen a continuing impact since the beginning, while Gujarat and Karnataka have also witnessed a favourable impact. Additionally, we also observed that there is both a statistically significant and an economically meaningful drop in consumption of intoxicants such as alcohol and tobacco products in states where more PMJDY accounts were opened.

During the last decade, Rs 38.49 lakh crore has been transferred via DBT, and Rs 3.48 lakh crore of leakages have been plugged. Additionally, it has helped in digitalisation, e-commerce and payment systems. As of July 2024, India has recorded a massive 55.7 billion UPI transactions. Going forward, we have identified four major pillars covering both supply-side and demand-side interventions to address the current barriers to financial inclusion.

First, there is a need to strengthen the ecosystem and enablers that drive financial inclusion. We need to focus on promoting private-sector involvement in financial inclusion through partnerships. We need to enhance the capacities of individuals and small enterprises through incubation and imparting financial literacy, and promote gender-inclusive financial services and programmes.

Second, there is a need to increase penetration of financial products and services like micro-insurance and credit in a cost-effective manner. But, overzealousness to provide credit to new PMJDY entrants should not result in over-indebtedness. In this regard, the recently launched Unified Lending Interface will be a game changer in providing credit-products as it aims to make the lending process more efficient in terms of cost reduction, quicker disbursement, and scalability.

Third, we need to focus on strengthening the consumer protection framework to maintain the trust of consumers in new and complex digital products and devise inclusive regulations and policies that maintain a fine balance between protection and innovation.

Fourth, the people who are part of the PMJDY are those who are new to the financial system. Many of them have seasonal and erratic income streams. Many have only a meagre amount to save and their needs are widely different from those of regular consumers. All these necessitate a customer-centric product design, taking into consideration the lifecycle needs of customers at every stage.

The PMJDY account holders have entered the formal financial system after a lot of push and prod and it is imperative that future government programmes explore the interlinkage of PMJDY accounts with beneficiaries of other government schemes to have a holistic approach to continued economic empowerment at the bottom of the pyramid.

The writer is member, 16th Finance Commission, and group chief economic advisor, SBI. Views are personal

INDIAN EXPRESS

AUGUST 28, 1984, FORTY YEARS AGO

PROPOSAL FOR PM

MRS GANDHI IS seriously thinking of making a drastic change in the country's Constitution. An eminent lawyer of Calcutta has drafted a presidential form and handed it over to an important Union Minister, to be placed before the Prime Minister. According to sources, a former vice President, a reputed lawyer, met the lawyer during his visits to the city.

ULTIMATUM IN HOUSE

THE STEERING COMMITTEE of opposition parties has given an ultimatum to the new Andhra Pradesh governor S D Sharma for convening the state legislative assembly within 48 hours to enable the deposed chief minister N T Rama Rao to prove his strength on the floor of the House. Rama Rao said all his supporters were prepared to attend the House "voluntarily".

POSSIBLE AMENDMENT

IF THE DEBATE started by a group of Congress (I) MPs headed by Minister for Fertilisers and Chemicals Vasant Sathe for a presidential form of government meets with a favourable response nationally, there may be an attempt to amend the constitution suitably by calling another session of Parliament before the forthcoming elections.

PAK ROLE IN HIJACKING

A GOVERNMENT STATEMENT and Rajya Sabha members made references to Pakistan's role in dealing with the hijacked Indian Airlines aircraft. There was no sign of the hijackers having firearms between Chandigarh and Lahore. Pakistan allowed the hijacked aircraft to leave Karachi even though PM Indira Gandhi had asked President Zia to ensure the safety of all.

THE IDEAS PAGE

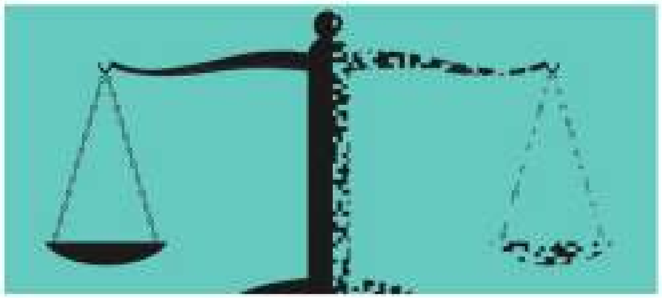
WHAT THE OTHERS SAY

"As long as that cycle is sustained, and the unconscionable plight of Palestinians in Gaza is allowed to continue, the dangers of a regional conflagration — whether by accident or design — will grow. This weekend's eruption on Israel's northern border... represents another threshold crossed."
— THE GUARDIAN

The Nyaya Sanhita we need

The redrafted criminal codes should have reflected changes in society and technology

AMIT DESAI



C R Sasikumar

AT THE TURN of the millennium, the rise of Gen Z, Millennials, Zillennials, and others marked a significant shift in our cultural consciousness. The youth, driven by substantial economic growth, the internet revolution, and aspirations for start-ups and unicorns, began reshaping India's economic landscape. This technological surge transformed lifestyles, fuelled the telecom revolution, and triggered an infrastructure boom.

Legislative advancements became essential in this new, borderless world to benefit and protect the people of India. The Aadhaar Act, GST, Companies Act, Food Safety Act, Insolvency and Bankruptcy Code, Telecom Act, and the Prevention of Money Laundering Act reflect the evolving governance and economic thought. India's burgeoning stature in the global economy became a source of national pride. The Digital India initiative and the Covid-19 pandemic revolutionised the judiciary with video conference hearings, e-filings, and AI-driven legal practices. These advancements aimed to enhance efficiency, transparency, and accountability, symbolising a new era of legal empowerment.

However, do all things need to change?

This question looms over the triumvirate of laws impacting India's criminal justice system. The old laws, recently replaced, were established in the early 19th century, a time of significant transformation, upheaval, and the birth of ideas that shaped our nation's legal framework. These laws were enacted during a period of intellectual ferment and reform, aiming for codification and uniformity amidst the inconsistencies of penal laws and procedures across British India. The 1st Law Commission of India, led by Jurist Lord Macaulay, undertook the initial work. His approach to legal drafting emphasised "uniformity where you can have it, diversity where you must have it, but in all cases certainty," a principle that underpins all laws.

Returning to the question of change, the IPC addresses offences against the ordinary rules of morality and human behaviour. Crimes against the human body, women and children, property, or the administration of justice have existed for centuries and will persist for centuries. "Murder" will always be "murder," regardless of the section number; it is not a colonial offence. Was there a need for change?

Interestingly, the BNS retains large portions of the IPC, introducing only 19 additional offences, none of which are new but drawn from other legislation. The BNSS introduces merely nine new sections, and the BSA has only two new sections. Some amendments have been made to several existing provisions. Consequently, there are no changes relevant to the evolving society and changing behaviours.

The 21st century thrives in a world driven by technology, the internet, readily available knowledge and AI. Geopolitical borders have largely dissolved, prompting governments to redefine their sovereign reach over this medium. We inhabit an environment that is "cyber", "virtual", "digital", "electronic" and "data" driven. The world is now phygital (physical plus digital). A person's castle includes not just their physical home but also their Facebook, Instagram, WhatsApp and other social media accounts, containing their most private thoughts and information. Biometrics, once personal, are now stored on servers and susceptible to theft.

The popular Netflix series *Jamtara* exposes a cybercrime hub in remote rural Jharkhand. The National Cyber Crime Reporting Portal of the Government of India recognises new-age crimes such as cyber bullying, stalking, sexting, email phishing, email hacking, impersonating profiles, online and social media crimes, online job fraud, online matrimonial fraud, intimidating emails, online gambling, and online trafficking. There are also deep fakes, and many more.

Yet, the BNS does not address these cyber aspects of crime. The terms "data" or "virtual" are absent, with "digital" appearing only once in Section 2(8), defining "document". "Cyber" is mentioned only in the context of "organised crimes" in Section 111, without defining cybercrimes. "Electronic" is referenced only in relation to "electronic records /documents/signatures".

It is unfortunate that data theft is not yet an offence since "data" may not fall under the definition of "property" within the BNS.

Change is inevitable and necessary, but not everything needs to change. Criminal law, evolved and legislated in the physical world, need not have been re-enacted. It has stood the test of time, evolving as social mores and societal demands required.

What the 21st century needed was a Bharatiya Abashi (virtual)/Digital Dand Sanhita or Bharatiya Abashi Nyaya Sanhita.

The Bangladesh Central Bank $100 million fraud was a technological hack into its computer system, with funds laundered instantly through its banking system to banks outside the country. AI-generated fake vocals of established singers like Drake, or the misuse of deepfake technology to generate fake voices of famous personalities like Amitabh Bachchan, or even videos like those of Rashmika Mandanna, are the crimes of this era. Complainants struggle in courts to ascertain whether intimidating emails fall within the framework of Sections 354 and 509 of the IPC. Companies grapple with defining theft of their data, be it intellectual property like designs or confidential information, under Section 378 of the IPC. We will soon be testing the implications of immoral and illegal behaviour in Meta and on Avatars. But all this is left for another day. This was where change was necessary.

> The popular Netflix series 'Jamtara' exposes a cybercrime hub in remote rural Jharkhand. The National Cyber Crime Reporting Portal of the Government of India recognises new-age crimes such as cyber bullying, stalking, sexting, email phishing, email hacking, impersonating profiles, online and social media crimes, online job fraud, online matrimonial fraud, intimidating emails, online gambling, and online trafficking. There are also deep fakes, and many more. Yet, the BNS does not address these cyber aspects of crime.

When laws are drafted, especially those with penal consequences, there must be clarity and precision to prevent confusion, uncertainty, and potential misuse. Terrorism and organised crimes, borrowed from Section 15 of UAPA and Section 3 of MCOCA, are incorporated without the protections provided in their primary legislation. The decision to invoke terrorism under BNS is left to the discretion of an officer of the rank of SP and above, without any guidance, leading to arbitrariness and potential misuse. Concepts of "economic security" and "economic offences" are incorporated without definition, risking their application to commercial frauds, which could impact legitimate business and economic activity. The power to invoke these provisions is with local police officers across thousands of police stations. Misuse for extraneous reasons is well known to the judicial system. Unfortunately, there are no checks on any misuse of power in the legislation.

BNS, in its objectives, states that various offences have been made gender-neutral. However, "rape" remains gender-specific despite Section 377 IPC not being re-enacted. Bestiality is now no longer a crime. BNS also creates a new offence of attempting to commit suicide to compel or restrain from applying lawful power, which could be used against political dissent. Hunger strikes, a significant part of our history, could unnecessarily fall under this provision. This will affect political agitation, a fundamental right.

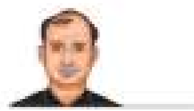
Technology outpaces the drafting of legislation. A quarter century is nearly over and we are yet to articulate a Sanhita for these dramatic changes in criminal behaviour. It is thus necessary to remember Justice Bhagwati's observation, "…If the bark that protects the tree fails to grow and expand along with the tree, it will either choke the tree or if it is a living tree, it will shed that bark and grow a new living bark for itself… Law must therefore constantly be on the move adapting itself to the fast-changing society and not lag behind."

The legislative opportunity ought to have embraced these changes.

The writer is a senior advocate

A failure on two fronts

Government-funded pension increases burden on state exchequer, favours a small, vocal minority at expense of majority of workers, uncovered elderly



MUKESH KUMAR ANAND

IN MARCH 2023, a committee was announced to review the New Pension Scheme (NPS) for civilian employees of the Union government. Based on the review report, the government has revised the rules guiding retirement benefits of those mandatorily channelled into the NPS. The revised rules ostensibly reconfirm the intent of a pre-funded system for old age income support (OAIS) out of a corpus grown during work life in individual retirement accounts. These accounts are to be managed professionally under the oversight of the Pension Fund Regulatory and Development Authority (PFRDA). All states, except West Bengal, had also acceded to the NPS. But since the beginning of 2023, governments in at least five other states have either jumped off that bandwagon or declared such an intent.

The revised rules announced as the Unified Pension Scheme (UPS) closely harmonise benefits for ceding employees with those flowing from the Old Pension Scheme (OPS). But the UPS raises the co-contribution rate for the government to 18.5 per cent (from currently 14 per cent, and from 10 per cent when first introduced). The co-contribution by the government on account of current employees only ratchets up the trend in expenditure on pension and other retirement benefits (PORB) of the current pensioners from the OPS. This yields little to advance the core objectives for the pension system reform to, one, curtail the ballooning burden of public expenditure on PORB, and, two, serve the as yet unserved/underserved by widening the inclusion of workers and coverage of the elderly with institutional access to OAIS.

The strategy adopted in 2003 minimised the concern with the first objective as one that could be solved merely through financial intermediation. It also underplayed the workers' concern about the certainty of the pension (deferred compensation) amount or the additional burden due to government co-contribution in the NPS (now UPS). But, the failure to address the second objective is more severe as even under the most liberal assumptions, at least 80 per cent of workers (exceeding 380 million) are yet not included in the institutional OAIS system and at least 60 per cent of the elderly (exceeding 85 million) do not draw OAIS from public expenditure.

The proportion of elderly people in the population hovers around 10 per cent. The expenditure by the general government on the OAIS system (including social pensions) constitutes a similar proportion. While this component of public expenditure is essentially a transfer only to the elderly, they also benefit from other avenues of public expenditure to varying degrees. Aggregate public expenditure (if it could be linked to age-cohorts in some inter-generational accounting framework) in India may therefore be weighing in favour of the elderly.

Of far greater import, however, is the concern with intra-generational equity of public expenditure on OAIS as more than three-fourths of it only benefits less than one-seventh of the elderly constituting ceding workers (or their survivors) from government service.

Inroads to sustainably widen worker participation and elderly coverage in a low-middle-income economy like India entails sustaining incentives with additional and targeted allocation of public resources. Thus, while the two objectives for pension reform are ostensibly disjoint, in India success along the second objective is complementary to success along the first. That in turn implies only reallocation of the extant draught of public resources away from the ceding government workers and targeted towards widening the inclusion of workers and elderly. Yet, the harmonised shrill of the collective voice of barely 3.5 per cent of all workers who are employed by the government at all levels continues to ring loud. And, unfortunately, the voice of the large majority that is excluded from the OAIS system remains muted and therefore has been ignored all along.

In 2020-21, more than 9 per cent of general government expenditure was circumscribed by the ex-workers (or their kin) from the government. It can hardly be justifiable to deny benefits to those already covered, but it also appears immoral if provisions determining retirement benefits constitute an overreach and/or violate basic tenets to reward work contribution under amiable conditions. For example, provision for encashment of earned leaves dilutes the object of mandating earned leaves that is intended to promote work-life balance; lump-sum commutation of pension that, in effect, connotes an advance drawal of a fraction of future stream of income, but should it be admissible if drawing a salary advance is repugnant; the absence of a stipulation on the minimum age for drawing benefits intended for OAIS could start flowing in even before reaching the age of 40 years; considering only peak emoluments as the basis for deferred compensation; and indexation of pensioners benefits to current workers' emoluments. Graded elimination of the overreach from these provisions should be the core of reform proposals. These not only affect the draught on public resources but also perniciously influence incentives for participation, engagement, and exit from the labour market.

The government's announcement comes across as aggressive posturing to defend the course of pension reforms initiated in 2003 and restore the relevance of PFRDA that had started to vane with some states resolving to exit the NPS. However, unlike the enthusiasm whipped up about two decades ago that enabled the states to hop on to the bandwagon then, this time around there is likely to be expressed reluctance in some states to repeat that act. Indeed, that can only foment their resolve to revert completely to the OPS. But, the biggest loser in the process would be the vast majority of excluded workers and uncovered elderly. Their collective voice must be amplified to enable the rewriting of a social contract for enhancing inter- and intra-generational equity attributes of public expenditure on OAIS.

The writer is Associate Professor, NIPFP. Views are personal

A more representative House

People's voice is being heard, despite efforts to undermine Parliament

SUPRIYA SULE

THE 2024 LOK Sabha elections stripped the BJP of its majority in a clear display of the people's dissatisfaction with its governance. Many of us had hoped that the government would recognise this as an opportunity for course correction, turning away from its authoritarian mode of running Parliament — and, by extension, the nation.

In many ways, this new Parliament has, from its very first session, proven to be far different from the two that came before it. The more balanced composition of the Lower House has made it difficult for the government to bulldoze legislation or throttle the voices of the Opposition, which now has a leader whose post and privileges are legally defined. We have seen this play out in recent weeks, as the government was forced to hastily take back decisions it initially hailed as transformative, such as allowing lateral entry into government jobs while bypassing reservation.

Parliamentary committees will also now represent a greater diversity of thought. Perhaps more importantly, the route to amending crucial provisions of the Constitution in furtherance of a political agenda has been firmly closed off.

This session, the trend of spending less and less time debating the Union Budget was reversed, and it was discussed for over 27 hours. Although the majority of the Budget was still passed without discussion, the Demands for Grants of several ministries were taken up individually, a major improvement from the 2023-24 Budget, when not a single one was. Happily, no MP was suspended, though it is unfortunate that several members, particularly in the Upper House, were threatened with the same.

By contrast, the term of the 17th Lok Sabha was marked by the most egregious assaults on parliamentary democracy that India has seen. In the Winter Session of 2023, 146 Opposition MPs were suspended for questioning the government on the security breach in the Lower House and farmer-related issues. Only a few months prior, a Member belonging to the ruling party escaped even the mildest of reproofs for subjecting a fellow MP to communal slurs. With nearly two-thirds of the Opposition absent, several important bills, including the three new criminal laws, were passed with little meaningful debate.

While its penultimate session before the elections saw Parliament's dysfunction reach its nadir, this was merely a culmination of the deterioration of the legislature in the preceding five years. Of the 172 bills that were passed by both Houses between 2019 and 2024, nearly half were discussed for less than two hours. The proportion of bills referred to Committees decreased from 71 per cent during the 15th Lok Sabha to 16 per cent during the 17th Lok Sabha.

Yet, if this session of Parliament has been far more democratic and conducive to productive debate than the last, it is because the Opposition's numerical strength has allowed it to wrest the power it is due as the voice of the people of India.

As far as the government's own initiatives towards restoring the lost dignity of Parliament are concerned, they are as superficial as the Union Budget's politically-motivated agenda.

Perhaps its most unparliamentary act has been its continued tendency to leak bills, particularly those on contentious issues, for political narrative building, before they are officially made available to MPs themselves. This session, the press got hold of details of the Waqf (Amendment) Bill days before it was circulated among MPs, even though the Budget Session was in full swing at the time. The introduction of the Bill was opposed by myself and dozens of other MPs, including certain allies of the BJP, which resulted in it being referred to a Joint Parliamentary Committee. It is sad that the examination of bills by committees, once a routine procedure, is now only conducted when the government believes that it will not be able to bulldoze them through the Parliament. The consultation process for the Broadcasting Regulation Bill, another transformative piece of legislation that would have far-reaching consequences for "broadcasters" — a category that, according to the Bill's definition, includes everyone from OTT platforms to social media content creators — has been similarly opaque.

The NDA government has also patently ignored the INDIA bloc's call to reserve one day each week to discuss an agenda proposed by the Opposition and four hours per week for matters of urgent public importance. Many of us have found ourselves unable to raise issues crucial to our constituencies due to a paucity of time. When we have attempted to discuss matters of national importance, such as irregularities in the NEET examination, we have been shut down.

The post of the Deputy Speaker, which has traditionally been occupied by an MP who does not belong to the ruling party, was left vacant during the entirety of the 17th Lok Sabha. It was widely anticipated that this session, the government would make a return to parliamentary tradition and elect a Deputy Speaker. The fact that it has not yet done so, is a sad indication that the government intends to continue to sideline the Opposition's concerns.

The manner in which Parliament is covered by the media and made accessible to those who elected it is perhaps even more restricted now. The visual of journalists crowded into a glass enclosure away from the business of the Parliament is not one that will be forgotten easily. It all reeks of a larger plan to let go of the tradition of Parliament that allowed the media, and by extension the people of India to be participants in the legislative process, not just distant observers.

Unfortunately, the story outside Parliament is no different; be it suppressing the voice of protesters demanding justice for assault against schoolgirls by mass registering FIRs or by shutting down the internet in violation of personal liberty, the goal remains to curb dissent and information. However, one can hit the snooze button for only so long.

The writer is Member of Parliament, NCP (Sharadchandra Pawar)

LETTERS TO THE EDITOR

TIME FOR ACTION

THIS REFERS TO the editorial, 'Setting green terms' (IE, August 27). The US is responsible for the majority of greenhouse gas emissions today. But it has managed to evade responsibility. Developing and underdeveloped countries have paid the price instead. Climatic issues are put on the back burner as soon as the election fever subsides. The Kamala Harris-Tim Walz response is no surprise. To them, this is about an election, not about preparing for an increasingly volatile future. India too has faced several protests such as the Chipko, Bishnoi movements, the Narmada Bachao Andolan, Save Aarey, etc. With deaths related to climate change multiplying, it is time each country plays its part. Passing the baton of responsibilities will do no good.

Ramanpreet, *via email*

PENSION DONE RIGHT

THIS REFERS TO the article, 'A win-win on pension' (IE, August 27). The decision to introduce the UPS in place of the NPS for central government employees will address key concerns. UPS guarantees a regular pension, with an assured sum of Rs 10,000 for those who have put in at least 10 years of service. The employees are also entitled to gratuity. Introducing the NPS feature of employee contribution of 10 per cent with a government share of 18.5 per cent as against the present contribution of 14 per cent would make UPS a win-win for the employees. The Opposition's criticism that it is "old wine in a new bottle," does not stand. The UPS has more positive features.

S S Paul, *Nadia*

A CHANCE AT CHANGE

THIS REFERS TO the editorial, 'Steps in a journey' (IE, August 27). The Justice K Hema Committee report contains disturbing revelations about the state of affairs in the Malayalam film industry. The report deals with inequities that disadvantage women in the industry, including sexual harassment, the lack of essential facilities and accommodation at the shooting spot which violate their right to privacy; and disparity in remuneration. Nothing will change unless the state is involved in creating an equitable workspace. Each of the issues raised must be taken cognisance of and acted upon. Like the #MeToo movement, Justice Hema's report has the potential to enable scores of women to speak up. It befits the state to ensure that their complaints are not ignored, or worse still, used against them.

Sanjay Chopra, *Mohali*

OUR VIEW

Heed stock option rules in both letter and spirit

Paytm should blame its questionable ESOP allotment to its founder for the market jolt it got on Monday. Employee stock option plans are designed to incentivize professional recruits

The shares of Paytm's owner One97 Communications tumbled by almost 10% in intraday trading on Monday. The company rushed to clarify that it wasn't under fresh regulatory scrutiny, but the payments platform had only the dismal optics of its own past actions to blame for taut nerves among investors. Although One97 has denied having received a new show-cause notice from the Securities and Exchange Board of India (Sebi), its 2021 issuance of employee stock options to founder-CEO Vijay Shekhar Sharma continues to haunt it, evidently. The business, which went public almost three years ago, is trying to settle the case through a mechanism that lets a listed firm pay a penalty or face a market ban, depending on the gravity of the alleged violation, in lieu of the matter being closed without it having to accept or deny the charges. Even if this effort fructifies, the cloud this episode has cast on its image is unlikely to lift.

One97 is accused of having violated a Sebi rule for Employee Stock Ownership Plans (ESOPs) that bars promoters from being awarded stock options. Under this norm, a shareholder with over a tenth of a listed company's equity pie cannot claim non-promoter status and is not entitled to an ESOP award. As reported, Sharma had owned around 9% of the firm's equity, a figure on which the award's defence appears to rest, primarily. But then, that was just his directly owned stake. Notably, levels of ownership and control are not always the same. Sharma has additional shares owned indirectly via a family trust that would take his interest above the Sebi cutoff. Plus, Sharma last year struck a complex offshore deal with Antfin Holding BV that reportedly gave him an added 10.3% of One97's voting rights and effectively made him its single largest owner. All counted, he has a significantly large interest in the firm he founded, and by all accounts, his authority over the business as its prime mover has been high all along. That One97 has been under Sebi's scanner for possibly having misled public investors over Sharma's role should not surprise anyone. Even if we split hair over when exactly he held what stake and delve into the minutiae of rule compliance, it is amply clear that Sharma's tag as a 'promoter' cannot be shaken off in investor perception.

As far as investors are concerned, both the letter and spirit of the rules matter. The purpose of an ESOP is well known. The idea is to grant salaried professionals the option of claiming a slice of equity at a preset price so that they strive to deliver a performance that would raise its value over time. It's an incentive designed to align the interests of recruits with those of owners, as both would be enriched by growth in the company's market valuation. It was not meant for promoters, who are invested in the business to begin with and usually retain such large stakes that they need no extra motivation to help make it perform better. An ESOP award to anyone with a substantial chunk of ownership is therefore likely to raise investor eyebrows for falling afoul of the idea's spirit, regardless of the fine print. While the Paytm case is yet to reach a conclusion, the reputational damage incurred by its questionable ESOP allotment should serve as a warning to other startups looking to list their shares for public trading. Investors at large expect listed companies to be governed well. And shareholder value is best increased by adhering to the spirit as much as the letter of business rules.

MY VIEW | ON THE OTHER HAND

Stock prices risk dropping but it isn't likely to occur one fine day

The few who recall past crashes forget that even a recovery could be followed by a prolonged slump

VIVEK KAUL

is the author of 'Bad Money'

Individual investors in India have taken to the stock market like never before. Recent data shared by the National Stock Exchange tells us that our registered investor base, as measured through unique permanent account numbers (PANs), crossed 100 million on 8 August.

In comparison, at the end of March 2020, this count was 31 million. This jumped to 40 million as of March 2021, 59.4 million as of March 2022, 72.7 million as of March 2023 and 87.8 million as of March 2024 before reaching 100 million. While not all unique registered investors are individuals, such a huge jump couldn't have come without them. Also, India's stock market now has more youngsters than before. As of March 2020, people under 30 made up around 23.0% of all registered investors. As of July, this stood at 39.9%, with the median age of investors falling from 38 to 32. Further, the number of unique mutual fund (MF) investors now stands at 50 million, a bulk of them individuals.

Now, if one were to plot this increase in unique investors against the NSE 500 index, one would see a strong correlation: as the stock market has gone from strength to strength, it has attracted newer investors. As new investors have bought stocks, the stock market has risen further, and that has attracted even more new investors. Individual ownership of Indian stocks is now very close to that of foreign institutional investors (FIIs). As of June 2024, individual investors owned 9.6% of the NSE's listed stocks. They also owned 7.8% indirectly through MFs. So, in total, they own 17.4% of NSE-listed stocks. In comparison, FIIs own 17.8%, a very small gap. The gap was 7.1% as of March 2021.

So, what does this tell us? How individual investors behave has become a crucial determinant of which way the stock market will go. From April to August, FIIs have invested just ₹6,367 crore in Indian stocks; nonetheless, the NSE 500 index has still gone up 19.8%. This is primarily because of individual investors pouring money in stocks.

Second, the number of registered investors has gone from 40 to 100 million in a span of a little under four-and-a-half years. Given this, about 60% of our investors have very little memory of anything that happened in the stock market before 2020. They have only seen the stock market go up and hence probably expect it to keep going up.

Third, that lack of any appreciation of the past has led to what the economist Robert Shiller calls "new-era thinking," a belief that a whole new phase is upon us and that this time is different, as a result of which "little attention is paid to 'what-ifs,' even if they have substantial probability" of happening. So, talking about not putting all your eggs in one basket as an investment strategy does not go down well in this new era. The new generation has not seen a stock market crash and therefore does not appreciate the importance of being prepared for one.

Fourth, new-era economic thinking has allowed many of those in the business of managing other people's money (OPM) to link investing in Indian stocks with sentiments of nationalism, egging retail investors to buy more and more stocks even at excessive valuations.

Fifth, it has allowed promoters of firms to sell stakes and take some money off the table. A recent news report in *The Economic Times* pointed out that in 2024, promoters of over 200 companies have sold shares worth ₹97,000 crore. It has also let venture capital-funded loss-making firms with terrible financials to sell shares at excessive valuations and get listed on the stock market, riding that wave of nationalism and new-era thinking.

Sixth, it has led many individual investors to pay insufficient attention to the earnings data of companies. During April to June, the net sales of more than 3,300 listed non-financial firms grew just 5.6% and their profits after tax shrank 4.2%. The stock market has completely ignored this.

Finally, it leaves us with the question of how this boom will end. Quite a few OPM wallahs have started talking about excessive valuations. Nonetheless, it's worth remembering that the future, while explainable in hindsight, remains almost impossible to predict exactly.

Also, as Shiller writes: "Stock prices are essentially formed in the minds of the millions of investors who buy and sell stocks, and it is unlikely that so many people would simultaneously arrive at sudden and enduring changes in their long-run perceptions."

So, what does this mean? Shiller offers the example of the stock market crash of 1929. In the broad memory of people, it looked like something that happened just over a couple of days. But what people don't remember is that the US stock market had recovered almost all its lost ground in early 1930. As he writes: "The significance of 1929 is not the one-day drops in October, but the fact that that year marked the beginning of the end: the beginning of the three-year period that reversed much of the stock market gains of the 1920s. The same is true of other stock market drops."

Given this, whatever happens to Indian stocks, it is unlikely to happen one fine day, though that's how people may remember it in the years to come.

10 YEARS AGO

MINT METRIC

by Bibek Debroy

A man in UP lost his vehicle,
But the cops were very idle.
Before the complaint was complete,
They wanted one kilo of sweet.
Reportedly jalebis eased the file.

THEIR VIEW

An either-or approach won't help quell food inflation

TULSI JAYAKUMAR

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Recently released Consumer Price Index-Combined (CPI-C) data shows that food inflation, driven by pulses, vegetables and cereals, is outpacing general CPI inflation. While the latter is 3.54%, food inflation is significantly higher at 5.06%.

The relationship between retail and food inflation has been a matter of considerable debate, especially in light of the 2024 Economic Survey's suggestion that food inflation should no longer be included in the inflation target, since it is largely supply-driven. In the latest Reserve Bank of India (RBI) *Bulletin* released on 19 August, RBI authors Patra, John and George have countered this argument. They demonstrate that food inflation significantly and positively influences inflationary expectations.

India's monetary policy is guided by a flexible inflation-targeting framework, under which RBI seeks to keep inflation at 4% with a permissible deviation of plus or minus 2%. Based on monthly data from the ministry of statistics and programme implementation, we undertook an analysis of the relationship between the CPI-C and food inflation for the decade April 2014 to July 2024. We found that CPI inflation exceeded 6% in 34 of the 124 months studied (27% of the time), while in two months it was less than 2%. On the other hand, in 52 of the 124 months (42% of the time), food inflation was above 6%. Notably, in 20 months, food inflation was below 2%, of which seven months recorded negative inflation, while 13 months recorded positive but under 2% inflation.

These figures underscore the disproportionate impact of food prices and their volatility on overall inflation, reinforcing the argument that food prices remain a critical factor in shaping monetary policy outcomes.

A more granular analysis reveals that food inflation was actually below the CPI-C rate in 64 of the 124 months, while in one month both were the same. Thus, in 52.4% of the months, food inflation remained equal to or below the retail rate, with the peak negative deviation taking a value of (-)4.51 percentage points; and 59 of the 124 months had food inflation exceeding the general rate, with a peak positive deviation of 4.8 points.

What can one make of these findings? Over the past decade, food has contributed to the overall volatility of prices. However, food inflation has not remained above the CPI-C rate continuously. It appears that the huge deviations between retail and food inflation (both positive and negative) may be partially explained by supply-side factors, including monsoon vagaries, crop failures and government-set minimum support prices (MSPs). Excess demand, especially for food sub-groups such as oils and fats, spices and meat and fish, has contributed more to high average inflation than other sub-groups.

We next juxtaposed RBI data on inflationary expectations—both median three-month ahead and median one-year ahead data—available for December 2015 to July 2024, to examine the relationship between inflation and inflationary expectations. Interestingly, even in the months when food inflation was negative, inflationary expectations (for both time spans) were significantly higher than actual inflation. For instance, in June 2017, when current inflation was 1.46% and food inflation was -1.17%, inflation expected three months ahead was 7.9% and one-year ahead was 8.6%—5.1 and 5.9 times the actual rates.

Only concerted efforts by India's central bank and the government can achieve what's needed

From December 2015 to July 2024, the average three-month ahead inflationary expectation has been twice the actual inflation, while the average one-year ahead expectation has been 2.2 times actual inflation.

These findings have important policy implications. Monetary policy will need to be used to reduce the impact of food-led inflation on actual inflation, the resultant inflationary expectations and the second-round effects on inflation. While inflation has moved away from the 2-6% target band's upper limit set under India's inflation-targeting framework only 27% of the time, inflationary expectations have remained 'unanchored' throughout this period, with expectations hovering above 7.2% and 7.8% respectively on both time-ahead scales. Over the span of December 2015 to July 2024, peak inflationary expectations for the three-month ahead and one-year ahead period touched 12.3% and 12.8% respectively. A central bank monetary policy that disregards food inflation, which so clearly drives inflationary expectations, will not be seen as credible, which could lead to those expectations getting unanchored even more. This would risk setting off a vicious cycle of high inflationary expectations followed by higher trend inflation.

Equally, the government will need to put in place a set of measures to reduce the impact of supply-side factors on food price volatility. The Centre should stop its intervention in agricultural markets through its policy of MSPs and let market forces determine food prices. This will reduce the distortion of production decisions. Government expenditure should instead be deployed towards raising agricultural productivity through better use of technology and irrigation. The government could also implement measures to reduce the gap between what farmers receive and what is paid by households by eliminating middlemen.

There is no either-or solution to India's food-price problem. Only a concerted effort by the government on the supply-side and RBI through its monetary policy can tackle persistent and vexatious food inflation.

These are the author's personal views.

MY VIEW | CAFE ECONOMICS

We need global cooperation to absorb the second China shock

Current responses to China's export aggression are costly. It's better to heed Keynes' advice on mutual trade-gap adjustments

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ISTOCKPHOTO

The world is now grappling with a second China shock. Exports of manufactured goods from that country have soared in recent quarters. This tsunami is no longer restricted to simpler stuff such as textiles that China once dominated. It now has heft in sophisticated goods such as electric vehicles (EVs), semiconductors, lithium batteries and photovoltaic cells.

The first China shock was unleashed in the first decade of this century, following China's entry to the World Trade Organization in 2001. The initial surge in Chinese exports was based on low wage costs as well as an undervalued currency. That is why many believed the shock would eventually dissipate as wage costs increased and the Chinese currency appreciated in tandem with economic development.

The sheer scale of Chinese exports in that decade sent its current account surplus soaring to a peak of 10.1% of gross domestic product (GDP) immediately before the North Atlantic financial crisis. It also undermined manufacturing activity in many other countries. There is now enough reason to ask whether the hypothesis that developing countries such as India were "prematurely deindustrializing" was a structural inevitability or the impact of the extraordinary economic transformation of a large country such as China.

A recent report in the *Wall Street Journal* asks why China is starting a new trade war. The renewed Chinese drive for more exports of manufactured goods comes after Beijing's plan to shift from exports to domestic demand as the country's main driver of economic growth did not pan out as expected. The Chinese leadership had hoped that a greater dependence on domestic demand would also create strategic resilience for their country. However, the Chinese economy has lost momentum over the past decade. The main vehicle of higher domestic demand turned out to be a construction mania that led to a recent bust in China's housing market.

So it is back to exports now.

The Chinese reply is that exports are just what is shipped out to the rest of the world after meeting robust domestic demand. Chinese Premier Li Qiang said in June that China was winning in global markets not because of government subsidies. The sheer scale of its production facilities helps drive down costs. In other words, it is a matter of productivity rather than trade policy. Though China's trade surplus is nowhere near the peak it reached in 2007, it has been assiduously climbing since 2018.

Led by the US, many countries have responded with higher tariffs on Chinese imports, government subsidies to support domestic manufacturing and the occasional outright ban. The rising tide of protectionism—partly for geopolitical reasons and partly for economic ones—will inevitably impose efficiency costs on national economies, especially in a world of complex global supply chains that need open borders so that inputs can be shipped across the world with minimal friction.

New trade tensions once again highlight the risks of an unbalanced world economy, with some countries running habitual current account surpluses while others have structural deficits. This takes us back to a turning point in economic history 80 years ago—the conference held at Bretton Woods in 1944 that helped design the global economic system at the end of World War II. John Maynard Keynes and Harry Dexter White were the two dominant voices at Bretton Woods, though even smaller delegations such as the Indian one made their presence felt. The underlying intent was to avoid the mistakes of the previous three decades, which led the world down the abyss of economic collapse, trade protectionism and totalitarianism.

In a recent paper on the Bretton Woods monetary system, which eventually unravelled in 1973, Paola Subacchi and David Vines have identified four themes that the world's leading economies need to cooperate on in our times: a satisfactory level of global aggregate demand that can avoid the twin pitfalls of unemployment and high inflation; workable processes for the adjustment of current account balances; financing the development needs of less developed economies; and an open international trading system. Subacchi and Vines say that these are the same points that Keynes thought were necessary in 1944 for a new world economic order.

The first two—full employment of resources combined with a satisfactory balance of payments—matter in the context of the new trade war. China has pursued policies that suppress domestic demand, create excess savings and then push exports through government subsidies. Keynes himself argued that large current account surpluses were threats to global economic stability as much as large current account deficits were. So the burden of adjustment should fall on both sets of countries equally, using fiscal policy and exchange rate policies that his student James Meade later explained through a more formal economic model.

The idea that the burden of macroeconomic adjustment should be a responsibility of countries with large current account surpluses as well has contemporary relevance, even though we live in a different era of market-determined exchange rates and free capital flows, neither of which was an element in the 1944 plan decided at Bretton Woods.

The use of industrial policy in response to Chinese industrial policy is a valid response, especially in sectors that have geopolitical relevance. But industrial policy as well as higher import tariffs are not costless for countries using them to counter China. There is also a broader macroeconomic problem that Keynes had quite rightly identified decades ago—that the burden of adjustment should not fall only on countries with current account deficits.

MINT CURATOR

India needs more than public protests to tackle old attitudes

The country's institutions require reforms to assure women safety

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Demonstrations make it clear that Indians want meaningful change. AFP

Protests against sexual violence have taken place across India to demand more protection for women, helping raise much-needed awareness about an epidemic of rape. But to tackle the pervasive culture of misogyny in a society that's still fiercely patriarchal, reform needs to start with the top echelons of institutions, such as the courts and police force.

It won't be easy to address norms that have been in place for centuries. While education and better policies can help, more women need to be elected and appointed to top jobs, both in politics and the corporate world (scores for women's representation in ministerial positions at 6.9% and in parliament at 17.2% remain relatively low, according to the WEF's *Global Gender Gap* report for 2024). Instituting change from within these largely male bastions of power will help to improve India's reputation at a time when foreign investors are looking closely at the economic powerhouse.

The brutal act that prompted the protest marches was the rape and murder of a 31-year-old trainee doctor on 9 August at a government hospital in Kolkata. It was reminiscent of the 2012 gang rape and murder of a 23-year-old physiotherapy student on a New Delhi bus. Back then, massive demonstrations occurred across the nation and a commission was set up to reconsider laws on sexual crimes. The government passed tougher laws on rape, including the death penalty for repeat offenders. The legislation also provided for jail terms for police officers who fail to record an initial complaint lodged by an assaulted woman.

The policy changes were an improvement and recognize that lawmakers must act. But it didn't stop violence against women. In fact, it's getting worse. In 2022, 445,256 cases of crime against women were registered, around 32,000 of them rapes, up from about 28,000 in 2020. In 2011, a woman was raped every 20 minutes, according to government data. That rose to about every 16 minutes by 2021.

India is not the only country with a patriarchal culture that favours men. However, it is one where it seems that those in power have been turning a blind eye to violence against women for too long. A report from the National Crime Records Bureau has categories including Murder With Rape/Gang Rape, Dowry Deaths, Abetment to Suicide of Women, Acid Attack and Cruelty by Husband or His Relatives.

Despite economic advances, the picture for women isn't improving. India ranked 129 out of 146 countries on the Global Gender Gap Index 2024. Nine-in-10 Indians agree with the notion that a wife must always obey her husband, including nearly two-thirds who completely agree with this sentiment, according to a 2022 survey by Pew Research Center.

It all starts at home. Families tend to place a higher value on sons than daughters, because of a perception that they can help to financially support parents in old age, although many working women do this too. Then there's the matter of dowries for brides. Despite being outlawed since 1961, they are still prevalent, even among the educated middle class.

Passing new laws won't address these issues because of inherent flaws within the system. "Law enforcement personnel are misogynistic and overburdened—they neither have the will nor the capacity to help women," Poulami Roychowdhury, associate professor of sociology at Brown University, told me. "Policymakers need to implement police reforms and add judges to the benches, and make public spaces like hospitals, schools and other institutions where women are at risk, safer."

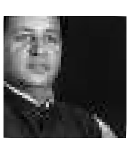
The judicial system is notoriously backlogged. For many women, this adds to the stigma of reporting a sexual assault, because of the long delay they face in getting any form of justice. The largely male police force must also change—women make up just under 11%. In 2022, the *India Justice Report* said it'd take 24 years to reach the police target of 33% female representation.

Given a society that has long adhered to deeply ingrained views on the roles of men and women, it is not surprising that men are disproportionately represented in government and corporate positions of power. That makes it an uphill battle and a missed opportunity to acknowledge the value that women contribute to business. India could increase GDP by $770 billion by 2025 if it gets more women to work and boost equality, McKinsey Global Institute estimated. The female contribution to GDP is 18%, one of the world's lowest, reflecting the fact that women make up only 25% of the labour force. People power has brought attention to the plight of women in India, but for meaningful change, policymakers need to reform the institutions that can directly improve the lives of half the population. Women in the world's largest democracy deserve that.

MY VIEW | EX MACHINA

Our biodiversity is a treasure chest: Handle it with care

RAHUL MATTHAN



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We are witnessing the birth of a remarkable new discipline called synthetic biology, a brand new field of study that leverages advances in genetic engineering and bio-computing to develop new biological systems that have been designed to perform specific functions. According to Boston Consulting Group, synthetic biology will, by the end of the decade, account for more than a third of global output—nearly $30 trillion in value. This will force businesses in sectors as diverse as health and beauty, fashion and textiles, food and agriculture, and mining and construction to come to terms with such significant disruption that it could upend the ways in which they have traditionally functioned.

There are a number of different applications to which synthetic biology is being put. In the fashion industry, it has allowed us to experiment with a wide range of new fabrics and materials. Fashion brands like Hermes have already started using mycelium (the root structures of mushrooms) to create pliable new substances to substitute the leather that is usually used to make bags. Others have genetically engineered yeast to produce modified forms of collagen that produce new fabrics with improved strength, stretchability and durability and which can be designed with specific requirements, such as tear resistance or thickness, in mind.

In a previous article, I wrote about how we should soon be able to produce artificial meat at scale, significantly reducing the environmental impact of our current industrial approach to animal husbandry. We can similarly engineer microbial products to directly convert nitrogen from the air. This means all we need to do is introduce these microbes into the soil and we will be able to significantly reduce our dependence on artificial fertilizers.

In the mining industry, advances in synthetic biology now offer more environment-friendly ways to extract valuable metals like copper, uranium and gold from the ore mined from the ground. Instead of using chemicals like cyanide to extract the required metals from their ores (generating toxic effluents and vast quantities of waste), by deploying genetically engineered micro-organisms to bio-leach the ore, we could significantly lower the operating costs of mining and also improve the sector's yields.

Despite the progress we have witnessed so far, the continued growth of synthetic biology will be highly dependent on the availability of data. So as to design new biological pathways, researchers need access to data on protein structures and their interactions, as well as computational models of biological pathways and genetic regulation, but above all, access to bioinformatic resources that will allow them to advance their research.

India can be at the forefront of synthetic biology if we get our policies and investment priorities right

Much of this data resides in the biological resources of 17 'mega-diverse' countries, those with exceptional biodiversity: high levels of endemism and diversity of species and ecosystems, i.e., plus significant ecological processes and functions.

Since almost all mega-diverse countries have in the past suffered the depredations of colonial aggrandisement, they consider their genetic resources to be national assets whose benefits must be adequately secured, so that they can be utilized for their own benefit. This has given rise to the notion of genetic sovereignty—that local populations should have the sole right to determine how the commercial and scientific value of their unique genetic profiles should be realized.

These fears are not unfounded. It is likely that wealthy nations and corporations that currently control almost all cutting edge research in the field will stand to benefit the most from progress in this field, while its environmental and economic risks will likely impact vulnerable populations disproportionately.

We must address these concerns even as we find ways to unlock the potential of all that synthetic biology has to offer. Progress must be made in an equitable way that benefits all. To that end, we should put in place measures that will ensure clear communication on the scope of synthetic biology activities, so that the public is kept well informed of possible outcomes, both positive and negative. We need to ensure accountability so that all organizations involved in the field's research and development (R&D) can be held responsible for the societal and environmental outcomes of their activities. Above all, we need to ensure effective engagement across a broad range of stakeholders so that decisions made in this field can be informed through a plurality of viewpoints and contexts.

The Convention on Biological Diversity and subsequent Nagoya Protocol have already put in place legal frameworks around which benefits arising from non-human genetic resources could be shared. In response, several countries have established access- and benefit-sharing agreements so that the use of genetic resources and associated traditional knowledge can serve common purposes. Others have adopted measures that value their genetic heritage and traditional knowledge appropriately in order to make way for their future use.

Given that India is one of the world's 17 mega-diverse countries, it is critical that we actively engage with developments in the sector so that we can ensure that our rich biodiversity resources are harnessed for the global good. But above all, we need to encourage R&D investments in this sector so that we can benefit from the diversity we have been blessed with.

NEW DELHI | WEDNESDAY | AUGUST 28, 2024

the pioneer

Opinion 06

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PAPER WITH PASSION

Step in the right direction

Modi Govt launches assured pension scheme for Central Govt Employees, amid concerns of financial implications

The Modi Government has announced the fixed pension scheme for the central government employees. This must be music to the ears of central employees who were not happy with the ongoing market-linked pension scheme and were demanding its scrapping, In a significant policy shift, the Indian government has approved a new pension scheme guaranteeing central government employees 50% of their base salary as a pension. This move marks a departure from the current National Pension Scheme (NPS), which links payouts to market returns. The newly introduced Unified Pension Scheme (UPS) is set to be implemented from April 1, 2025, and will impact over two million federal employees. The shift towards the UPS stems from growing dissatisfaction with the NPS, which was adopted in 2004 as part of a broader fiscal reform. Under the NPS, employees contribute 10% of their base salary, and the government adds 14%, with the eventual pension amount depending on the market returns from investments, primarily in federal debt. However, as some states began reverting to the older, more fiscally burdensome system of guaranteed pensions, the Modi government faced mounting pressure to reassess the NPS.

The decision to approve the UPS aligns with demands from trade unions and the Opposition parties, who have long advocated for a guaranteed minimum pension. The issue gained political traction during recent general elections, where the lack of pension security under the NPS became a contentious topic. The UPS guarantees that employees who have completed at least 25 years of service will receive 50% of their base salary, calculated over the last 12 months before retirement, as a pension. This assured payout provides a safety for retirees, addressing concerns about the volatility of market-linked pensions. While the UPS offers greater security for employees, it also imposes a significant financial burden on the government. The expected cost to the exchequer for the fiscal year 2024-25 is approximately Rs 62.5 billion. This annual expenditure is likely to fluctuate based on the number of employees retiring each year. However, the shift to the UPS raises several concerns. First, the financial sustainability of the scheme is a critical issue. The guaranteed nature of the pension could strain government finances, especially if economic growth slows or tax revenues decline. Additionally, the UPS may lead to disparities between central and state government employees. Moreover, there is a risk that the shift back to a defined benefit pension system could set a precedent for other sectors, potentially leading to broader demands for similar guarantees. This could exacerbate fiscal challenges, particularly in a country where social welfare spending is already under pressure. As India prepares to implement the UPS in 2025, careful management and ongoing evaluation will be essential to ensure that the benefits of the scheme are balanced against its fiscal impact.

PICTALK

A painter gives final touches to the Goddess Durga's idol ahead of Durga pooja, in Kolkata PTI

A new standard for global populism

SHIVAJI SARKAR

Kamala prioritises the everyday citizen over corporate interests and her message is getting traction not only in the US but across the globe

The global economic landscape could shift dramatically if the US Democratic Party's presidential nominee, Kamala Harris, succeeds in implementing her bold stance on prices and corporate control. This move could send shockwaves across the world, compelling nations like India to reconsider their current economic models—just as they did during the liberalization era when corporate power surged. It appears the tide is turning, as people worldwide demand freedom from the manipulative tactics that drive up prices. Harris's message is clear: Americans can no longer tolerate skyrocketing costs. Her aggressive, populist economic agenda aims to rein in corporate power and lower the cost of living, potentially setting a new standard for global economic policies.

A 74-year-old Indian blogger after a lavish Indian corporate marriage in July blurted out on X-twitter, "In my 74 years, I have not seen, or even heard of, a more tasteless, egotistical or pretentious wedding than the recent, 24X7 televised extravaganza.

The perversity and its real portent lie elsewhere."It lies in the way money was expended, at a time when the average Indian has never been worse off economically, when inequality and unemployment have reached record heights, when 67 percent of the GST is paid by 50 percent of its poorest citizens, when the top 1 percent control 40 percent of the country's wealth, when 800 million people have to be provided free/ subsidized foodgrains to survive".

Not much different is the weekend speech of Harris. She says, "We know that many Americans don't yet feel that progress in their lives. Costs are still too high and it feels too hard to get ahead."

No wonder Republican nominee Donald Trump calls her too liberal.It seems so similar to the echoes of severe price rises and joblessness during the June Lok Sabha elections in India amid rows of mutton, muslim, mandir and mujra, mehngai and berojgari. Yes, Indians and Americans need food, a minimum quality of life and freedom from organised oppression.Indians are certainly more concerned because with whatever rank in the world economy, it is nowhere near the US.

If the American economy is not in good shape, Indians can at best be convalescing, post-COVID-19. But the stranglehold of the honchos in India is more gripping than in the US, which has strong anti-trust laws despite the protests from the big. Indian policies suit the big shops more with quite a few trillions being waved off in taxes and other benefits, including tailoring national and stock market policies.

Harris instead, despite being the Vice President of the USA, empathising with the American people, says, "The bills add up. Food, rent, gas, back-to-school clothes, prescription medication. After that, for many families, there's not much left at the end of the month. As president, I will take on the high costs that matter most to most Americans."

Those words any Indian voter would love to hear from their leaders. It follows a dozen proposals for improving the lives of Americans. Some like 3 million new housing units to the people seemingly have been picked up from Indian political party manifestos. Like India's PM Avas, she proposes to provide up to $25,000 in down payment support for a million first-time home buyers.

> AMERICANS CAN NO LONGER TOLERATE SKYROCKETING COSTS. HER AGGRESSIVE, POPULIST ECONOMIC AGENDA AIMS TO REIN IN CORPORATE POWER AND LOWER THE COST OF LIVING, POTENTIALLY SETTING A NEW STANDARD FOR GLOBAL ECONOMIC POLICIES

An addition is tax incentives for builders, who build affordable rental housing. It could be a welcome scenario for most Indians.As now being debated in India on capital gains tax indexation or also rentals, Harris is keen on preventing corporate landlords from using algorithmic price-setting tools to increase rents by large margins. It is gradually becoming a problem in areas in the national capital regions of Noida, Gurgaon, Delhi's Dwarka, Bengaluru, and Chennai. India has just started feeling it.Medical costs and health insurance fraud are the worst in the US. Many Indian companies now have emulated it.

Medical expenses are increasing in India and the US.

Both countries are discussing it intensely and often end up saying the United Kingdom has the best medical facilities. Harris promises to eliminate medical debt for millions of Americans, possibly by using federal funds to buy and forgive outstanding debt from health providers. She wants to limit Americans' annual out-of-pocket spending on prescription drugs to $2,000. Thousands of kilometres apart the conditions are so similar! The one difference is that India wants to repeat the US insurance follies and they are trying to change it.

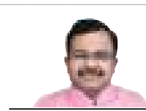
Though in some cases like PM JanAushadhi, India is doing better in providing generic medicines at low prices. Harris does not have that option and says would cap the out-of-pocket cost of insulin at $35 per month for all.As direct benefit pensions are given to kisans in India, Harris would give a child tax credit that would provide $6,000 per child to families for the first year of a baby's life.

Indian budgetary novelties introduced as direct benefits or pensions in various ways have fascinated Harris. Each of Harris's proposals, whether in terms of food, medicine, housing or child care is "populist", involving government intervention against corporate interests on behalf of consumers.

Socialism, direct or indirect, despite big companies ruling the roost, is returning to world politics. What Harris does may just create a flutter, but countries like India, who claim to be the next global leaders, have to trudge more cautiously to safeguard the poor, farmers and the working class.Harris has borrowed quite a few of it from the Indian budget. Now it is India's turn to ensure how it could check the corporates to serve people's interests. The world is changing and India's populism is winning big one's heart.

(The author is a freelance writer and columnist; views are personal)

The risk of monetising public education



BIJU DHARMAPALAN

Commercialisation of these institutions undermines their core mission which is to provide inclusive, affordable high-quality education to all

The Vice-Chancellor of JNU , Prof. C Santhishree D Pandit recently remarked that the country's top university is facing a financial crunch with little regular income generated from its resources. The VC has decided to repurpose the university's properties with private participation. This culture of looking at public academic institutions as a source of revenue has been rhyming among our policymakers during the past several years.

One reason is the huge prime land area holding maintained by the public sector institutions and another is the change in the shift in societal perception. Today's society evaluates everything based on money. The primary objective of public sector academic institutions is to offer an inclusive and excellent education to all sections of the population. Central to these institutions is the concept of education as a public good—a valuable asset that has advantages for society as a whole, rather than solely for individuals. Education, in this view, is not simply a product that can be purchased and

sold, but rather a profound process that moulds individuals into knowledgeable, reflective members of society who are capable of making meaningful contributions to the collective welfare.

Their value should be assessed based on the number of enlightened minds generated by these institutions. As we can see it's these enlightened minds who are driving the wheel of the government machinery, and the nation's progress. Public sector academic institutions have been under growing pressure in recent decades to implement business-oriented strategies, which include prioritising income creation. The transition has been prompted by several circumstances, such as decreases in government financing, increasing operational expenses, and the expanding impact of market ideology in public policy. Consequently, numerous public universities and colleges have resorted to alternate sources of income, such as raising tuition fees, extending online programs, providing executive education courses, renting out spaces and forming alliances with private industry.

Private parties, if allowed to rent out spaces, should work closely with the academic and research community of the university. It should also help in imparting knowledge and transformation to students.In many NITs, the guest house rate has been increased tenfold, as mandated by the policymakers.

Unfortunately, people who visit these institutions including academicians and parents of students have to pay more than what is the market rate in that area. Although these initiatives can offer significant financial support, they also pose a potential threat of altering the core purpose of public sector institutions. It can be detrimental to maintaining high academic standards and fostering a wide range of intellectual perspectives.

Additionally, it can generate pressures to give higher priority to programs and research areas that provide greater profits, perhaps overlooking subjects that are less financially rewarding but equally crucial for societal progress. It is vital to provide students with a well-rounded education that encourages critical thinking and broad-based knowledge.

Public sector academic institutions hold a distinct and crucial role in maintaining the social fabric of the nation. Their objective is not to earn financial gain but rather to generate enlightened minds capable of critical thinking, and contribute to the development of the nation.

The great minds working in every field, including the bureaucrats and political leaders are groomed by these public sector institutions. For this to continue, we should not put a price tag on every facility a public sector university offers to the student or society at large.

(The writer is an adjunct faculty at the National Institute of Advanced Studies; views are personal)

LETTERS TO THE EDITOR

CELEBRATING KRISHNA'S BIRTH

Madam — Krishna Janmashtami, the birthday of Lord Krishna, is a joyous celebration that embodies the triumph of love and divine joy over evil and negativity. This auspicious occasion marks the arrival of Krishna, the eighth avatar of Lord Vishnu, who brought hope and redemption to a world plagued by darkness and despair.

As devotees around the world honor Krishna's birth, they are reminded of his profound teachings in the Bhagavad Gita, which emphasize the importance of spiritual growth, self-realization, and the eternal victory of good over evil. Through vibrant festivities, soulful bhajans, and heartfelt pujas, Krishna Janmashtami celebrates the unconditional love and divine joy that Krishna embodies, inspiring devotees to embrace their own spiritual journey and revel in the bliss of the divine.

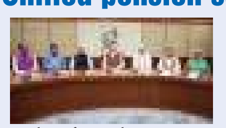
Purva Pandya | Ujjain

STALIN'S NEW MOVE

Madam — As against the Sanatana Dharma before the Lok Sabha elections, the DMK has changed its stand now by a mix in the Dravidian model by supporting the individual's faith of choice and wanting to help them in their religious pursuits. By inaugurating the two day Global Muthamizhil Murugan Conference, the Chief Minister of TN M K Stalin is bringing in a new colour other than black and red as he's well aware that this will help him in the forthcoming assembly elections to woo the votes of the Hindus by using the Murugan card to play to DMK's advantage. We welcome this change and are happy if something good for the people happens from the leadership of M K Stalin whom I respect for his flexibility of principle if he finds something worth it. One hopes Stalin's new found alliance with the Lord Murugan may bestow the blessings for the people for the prosperity of the state.

A P Thiruvadi| *Chnnai*

Unified pension scheme launched



This refers to the news report, "Unprecedent Unified Pension Scheme by Modi Government" (August 25). Though driven by the huge political pressure after jolts in recently held Lok Sabha polls, the NDA Government's decision to roll out a new guaranteed Unified Pension Scheme for its employees is a step in right direction. In fact, pension is a social welfare measure which is granted to ensure that a retired employee lives with dignity in his old age. Reversing its 21 year old pension reforms partially, the Government has introduced OPS features like assured pensions, inflation-linked

adjustments, family pensions, and a guaranteed minimum pension in the UPS. Employees are still required to contribute 10% of their basic pay and dearness allowance to UPS remains

only major difference between the OPS and the UPS. The government will also contribute to the UPS, which will increase from 14% (currently contributed to NPS) to 18.5%. Thus, the UPS will lead to higher burden on the exchequer. Thus, it remains to be seen whether state governments adopt the UPS, which certainly would not augur well for their financial health.

Manoj Parashar | *Ghaziabad*

PM MODI BROKERS PEACE

Madam — Modi's visit to Kyiv will strengthen India-Ukraine bilateral relationship.Like with Russia in March 24 Modi is likely to have had the message of peace with Zelenskyy about ending the war and restoring peace.The catch is both Russia and Ukraine are not keen in fighting any further but both wanting to end the war on their own terms.Kyiv does not want to compromise on it's sovereignty and territorial integrity which could lead to an instability and and even a revolution in Ukraine.

Kyiv wants to retrieve all the Ukrainian territory occupied by Russia something that Russia is unwilling to do.The US and NATO have rejected Russia's demand to end the war.Under this situation it is extremely unlikely that a peace can be brokered by PM Modi as an one off attempt.Unlike other leaders of the world PM Modi enjoys a special relationship with Putin who in his words has called Modi as his best friend.India also in none of the resolutions passed by the UN has gone against Moscow.While on the same lines has been maintaining good equation with Zelenskyy (post his ire after having a hug with Putin in March 24) through telephone calls and the sidelines meetings in summits.With Modi's Aug 23 personal visit and signing of the trade agreements and India's commitment to be on the side of the PEACE and just a not a neutral country one can expect PM Modi will make attempts for a peace talk between the two warring leaders.Besides, PM Modi's initiative also takes care of the growing Chinese influence in the region and places India at par with it if not above, India must be more proactive in the region to safeguard its own interests. With US already started feeling the heat of recession and a leadership change in the offing one can see the light at the end of the tunnel!

Gopalaswamy J | *Chennai*

Send your feedback to:
letterstopioneer@gmail.com

The Statesman
Incorporating and directly descended from THE FRIEND OF INDIA - Founded 1818

Green Dilemma

As the world shifts towards a greener future, the demand for lithium ~ a critical component in electric vehicle batteries and renewable energy storage ~ has skyrocketed. Chile, home to one of the largest lithium reserves in the world, has been at the forefront of this supply chain. However, a deeper look into the environmental impact of lithium extraction reveals a startling reality. Chile's Atacama salt flat, a unique and fragile ecosystem, is slowly sinking due to the intensive mining practices that fuel our green ambitions. The sinking of the Atacama salt flat is not a mere anomaly; it is a direct consequence of the extraction of lithium-rich brine. According to recent studies, the southwest part of the salt flat, where lithium mining is most intense, is subsiding at a rate of 1 to 2 cm per year. While this may seem insignificant at first glance, the long-term implications are alarming.

The extraction process, which relies on pumping vast amounts of brine from beneath the salt flat, is outpacing the natural recharge of the aquifers. This imbalance is causing the earth's surface to gradually sink, potentially leading to irreversible changes in the region's geology. The environmental costs of lithium extraction extend beyond subsidence. The Atacama region is one of the driest places on Earth, and water is a precious resource. The traditional method of lithium extraction involves evaporating large quantities of brine, resulting in the loss of 90 per cent of the water to the atmosphere. This not only depletes the region's scarce water resources but also threatens the livelihoods of local communities and wildlife that depend on the limited freshwater supply.

Indigenous communities living in the Atacama have long voiced concerns about the impact of lithium mining on their environment and way of life. For them, the depletion of freshwater and brine is not just an environmental issue. It is a matter of survival. The region's unique flora and fauna, some of which are found nowhere else on Earth, are also at risk as their habitats shrink and water becomes scarcer. While there is hope that new technologies, such as Direct Lithium Extraction, could mitigate some of the environmental impacts by re-injecting groundwater after lithium is extracted, this solution is still in the experimental stage. The challenge remains to balance the growing demand for lithium with the need to protect the fragile ecosystems and communities that lie in its path.

As the world accelerates towards a future powered by renewable energy, it is imperative to recognise that not all green technologies are without environmental costs. The extraction of lithium, while essential for the energy transition, must be managed with caution and responsibility. Policymakers, industry leaders, and consumers alike must prioritise sustainable practices and consider the broader impacts of resource extraction on vulnerable ecosystems. Chile's Atacama salt flat serves as a reminder that the pursuit of a green future cannot come at the expense of the environment and the people who depend on it.

Food Crisis

India's food security challenge is no longer just about rising food prices. It encompasses the very availability and accessibility of nutritious food for the most vulnerable segments of the population. Despite being an agricultural powerhouse, the country faces a paradox where increasing food production has not translated into better nutrition for its citizens. This crisis demands a deeper analysis beyond economic metrics and price indices, focusing on the structural issues that perpetuate under-nutrition and threaten future food supplies. One of the core issues stems from the legacy of the Green Revolution, which emphasised the mass production of cereals like rice and wheat. While this helped India achieve food self-sufficiency, it also skewed the country's dietary patterns.

The Public Distribution System (PDS), which distributes these staple grains to the poor, overlooks the importance of a balanced diet. As a result, essential nutrients from pulses, fruits, and vegetables remain out of reach for many low-income households. This nutritional imbalance is a significant factor behind India's persistent malnutrition rates, which are among the highest in the world. Recent data paints a grim picture. The Global Hunger Index ranked India 111th out of 125 countries in 2023, indicating a worsening situation. Despite incremental improvements in some areas, such as the reduction of stunting and wasting among children, progress has been painfully slow.

If this trend continues, it could take decades to bring nutrition to acceptable levels. Moreover, the rise in anaemia among children and women further underscores the depth of the nutritional crisis. Compounding these issues is the growing impact of climate change on India's agricultural sector. Extreme weather events, such as droughts and floods, have already started affecting crop yields, particularly for wheat and rice. The recent decline in rice production, coupled with the government's decision to ban non-Basmati rice exports, highlights the fragility of India's food supply. While this move was aimed at stabilising domestic prices, it has had far-reaching consequences for global food markets, especially in African countries that rely on Indian rice imports.

Looking ahead, the situation could worsen. India's population is projected to continue growing, reaching over 1.7 billion by 2050. To meet the rising demand, the country must either significantly increase agricultural productivity or expand its cultivated areas. However, both options face considerable challenges. The degradation of arable land due to erosion and salinisation, along with depleting water resources, are major obstacles to sustainable agricultural growth.

India's food security crisis is rooted in structural inequalities, inadequate nutritional policies, and environmental challenges. Addressing this crisis requires a multifaceted approach that prioritises both the quantity and quality of food, ensures equitable access, and builds resilience against climate change. Without urgent and sustained efforts, the country risks not only exacerbating under-nutrition but also jeopardising its future food security.

Back to Reality

Unemployment is discussed at many places in the Survey, with an entire chapter discussing the employment scenario. But sadly, the discussion focuses more on issues like AI, and challenges of the future, and shies away from addressing the dire employment problem facing Indian youth. The Survey has suggested certain sectors like food processing and healthcare for creating jobs and has put the entire onus on the private sector for generating employment

Publication of the Annual Economic Survey, a day before the Union Budget, is a much-awaited event. Offering rare insights into the Government's economic thinking and giving a snapshot of the Indian Economy, together with a SWOT analysis, every word of the Economic Survey is precious to serious students of economics. The spirit and thinking behind the Budget can be perfectly understood by perusing the Economic Survey, because both documents are drafted by the same set of economists. Painstaking research, unbiased statistics and unmatched scholarship ensure that the Economic Survey remains of interest long after the corresponding year's Budget is forgotten.

The Economic Survey of 2016-17 summarised these desiderata in the following words: "It (Economic Survey) must possess a rare combination of gifts .... No part of man's nature or his institutions must be entirely outside its regard. It must be purposeful and disinterested in a simultaneous mood, its authors as aloof and incorruptible as artists, yet sometimes as near to earth as politicians." Economic Survey 2016-17 went on to note that such was the popularity of the previous year's Survey, that it had been pirated and was being sold on Amazon.

However, last year's Economic Survey ~ a pre-election document that ignored hard realities, and stretched facts and logic to justify Government policies ~ was a significant exception. The current Survey is a welcome change from the last one; insights and scholarship are back, making one wonder if both Surveys were drafted by the same set of people. Compared to last year's Survey, the present Survey is much more topical, not shying away from discussing current problems, like the worrying levels of inflation and unemployment, slow uptick in manufacturing and exports etc.

Some of the topics dealt with by the current Economic Survey remain identical to earlier Surveys; the first chapter examines the state of the Indian economy, and subsequent chapters analyse India's medium-term economic outlook, fiscal policy trajectory and so on. However, treatment of most topics is somewhat short on original thinking and long on verbiage.

While some of the earlier Surveys will be long-remembered for their insights like the Twin Balance Sheet Problem in the Economic Survey 2015-16 or the highly original Eight Interesting Facts About India in Economic Survey 2016-17 or Tracking Development through Satellite Images and Cartography in Economic Survey 2021-22, the current Economic Survey does not display acuity of such high order.

The unduly optimistic tone of Economic Survey 2023-24 jars at times. Facts not conforming to the authors' narrative are sometimes not mentioned at all, or deliberately obfuscated, an example being the chapter on India's social sector (Chapter 7) that does not bifurcate social sector expenditure between the Centre and States, which would have revealed that the Centre's spending on Health and Education was declining in percentage terms.

In the chapters on State of the Economy and Monetary Management and Financial Intermediation, the positive outcomes of the new Corporate Insolvency Resolution Process are highlighted, but the Survey omits to mention clearly the average 69 per cent haircut to lenders in the process, or the delays that occur in insolvency resolution in many cases. To be fair, unlike the earlier Survey that even commended the Finance Minister's highly controversial statement "it is not that the Indian Rupee has weakened, but it is the US dollar that has strengthened," the current Survey avoids defending the indefensible.

Chapter 9: Agriculture and Food Management: Plenty of Upside Left If We Get It Right: reads like a Department of Agriculture handout, faithfully recounting the hundreds of schemes floated by the Central Government and the money spent thereupon. But the authors are silent about the fact that agricultural growth had been resilient despite no major initiative to boost production, or the almost zero additional budgetary support from the Centre. The chapter also does not mention anything about the short-lived Farming Acts, that caused such furore amongst farmers. Systemic problems like fragmentation of land holdings, are mentioned in passing but no solution has been suggested.

Another chapter 'Prices and Inflation' mentions many instances in which exports of agricultural commodities were curbed, but the Survey fails to point out that such restrictions are one of the main reasons that make Indian agriculture unremunerative. Incidentally, the Survey goes on to suggest recasting of the Consumer Price Index, so that inflation is not seen to grow

The Survey can be credited with rare prescience also. On page 144, the Survey suggested that we should overturn the earlier ban on Chinese capital investment and source FDI from China. Within no time, we find the Government approving the import of Chinese capital, a clear case of business interests trumping defence interests, that too without any public debate.

Unemployment is discussed at many places in the Survey, with an entire chapter, Employment and Skill Development: Towards Quality, discussing the employment scenario. But sadly, the discussion focuses more on issues like AI, and challenges of the future, and shies away from addressing the dire employment problem facing Indian youth. The Survey has suggested certain sectors like food processing and healthcare for creating jobs and has put the entire onus on the private sector for generating employment. The basis of many conclusions of this chapter could be flawed because the Survey has used only indirect Government data (the Government has done away with employment statistics since 2017-18), ignoring reliable statistics from reputed private sources like Centre for Monitoring Indian Economy (CMIE).

DEVENDRA SAKSENA

The writer is a retired Principal Chief Commissioner of Income-Tax

Interestingly, at another place while discussing the importance of statistics and the role of the Ministry of Statistics and Programme Implementation, the Survey has observed: "A sound and dynamic statistical system is the cornerstone for an informed citizenry, data-driven policies and decision-making."

This statement certainly does not gel with the Government's approach of restricting publishing of statistics, a prime example being the indefinitely delayed decennial Census. A redeeming feature is that the Survey also ignores Reserve Bank statistics on employment, which claimed that 4.7 crore jobs were created in the last two years.

Another topic running almost throughout the Survey is climate change, with its mention at many places, and a detailed discussion on climate change encompassing two whole chapters. Here again, the treatment is academic, with a focus on global climate change and prescriptions for combating climate change at the global level. Happenings nearer home are pointedly ignored, with nary a mention of the landslides, horrendous forest fires, floods and heatwaves that have ravaged our country in the last few years.

At places, the Survey does talk about afforestation, but at the same time views delayed clearances for mining in forests, as an impediment to progress. Also, there is no mention of the unstated Government policy of putting Ease of Doing Business over environmental concerns, and amending the law, if it stands in the way, prime examples being amendments to various Acts like the Environment (Protection) Act, 1986; Forest (Conservation) Act, 1980; Wildlife Protection Act, 1972; Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution) Act, 1981 and Indian Forest Act, 1927, were amended, as also the Environment Impact Notification and the Coastal Regulation Zone Notification.

In conclusion, the Survey states: "The tripartite compact that this country needs to become a developed nation amidst emerging unprecedented global challenges is for governments to trust and let go, for the private sector to reciprocate the trust with long-term thinking and fair conduct and for the public to take responsibility for their finances and their physical and mental health."

All the above assumptions are counterintuitive; all Governments believe in control, most private enterprises try only to maximise current profits, and straitened circumstances force most individuals into a day-t0-day existence. Yet, after Independence, the country has moved steadily forward, which is a tribute to the vision of our leaders and the native genius of Indians.

Analysing the Economic Survey, one feels that much more original thinking and effort will be required to define a roadmap to catapult India into the comity of developed nations. As American architect, systems theorist, writer, designer, inventor, philosopher, and futurist, R. Buckminster Fuller had said: "You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete."

A MEMBER OF THE ANN

ASIAN VOICES

Stopping sexual abuse

The Senate investigation into the alleged sexual harassment of an actor has forced the entertainment industry to confront its darker side in the open. But it has also exposed how victims of sexual abuse are treated, particularly by public servants who are expected to protect and respect their rights.

Sen. Jinggoy Estrada was criticized on social media for being harsh and insensitive to 23-year-old actor Sandro Muhlach who appeared via Zoom in a hearing of the Senate committee on public information and mass media last Aug. 19. The committee is looking into the policies of television networks and artists management agencies concerning sexual abuse and harassment complaints as an offshoot of the case Muhlach had earlier filed against Jojo Nones and Richard Cruz, independent contractors of GMA Network.

Muhlach, when prodded to share details of the alleged assault, hesitated, with his lawyer explaining that it was difficult for the actor to do so and that he had to muster courage just to appear before the committee. This appeared to have upset Estrada who threatened to walk out if Muhlach would not speak up. "Alam niyo, 'pag hindi natin tatapusin ito, hahaba nang hahaba ito. You're wasting our time here," the senator said.In the same hearing, another artist, Gerald Santos, also testified that he was sexually abused in 2005 ~ when he was only 15 years old ~ by a musical director of the network. Santos was asked why it took

INQUIRER

him 19 years to come forward. Sexual abuse and harassment are a reality in the workplace, not only in the movie and TV industry. But victims often hesitate to come forward and instead choose to remain silent because they end up being blamed and shamed, or even lose job opportunities. In the case of artists like Muhlach and Santos, they also have to relive their trauma before the public and, given the high-profile industry they work in, they will be identified with this for the rest of their lives. To be sure, they are not the first celebrities to come forward. The Hollywood #MeToo movement, which gained prominence in 2017, raised awareness about the sexual harassment and abuse of women and extended the discussion beyond the entertainment industry to everyday life and ordinary people.

A few days ago, a program manager at TV5 was terminated over a sexual abuse complaint filed by a 22-year-old news researcher. These abuses, as Estrada, a former actor himself, acknowledged, have been "ongoing for so long" but only whispered and discussed in secrecy within the industry. Indeed, the Senate investigation is noteworthy because it brings into the open discussions about the abuses that happen behind the scenes and could promote awareness and vigilance in other workplaces. However, those who lead such investigations must exercise sensitivity and undergo training on trauma to better handle such cases. After all, the Senate investigation is not meant to satisfy the public's morbid curiosity and hunger for gossip and scandal, but ~ as stated in the committee's briefer ~ to review the entertainment industry's policies and mechanisms to address incidents or complaints of abuse and harassment and look at the potential criminal or civil liability of TV networks for abuses committed by affiliated artist management agencies.

IN MEMORIAM

GUHA SAILENDRA NATH — Our sincere homage on your 28th death anniversary. — Dr. Santanu (son), Samayita (grandchild), relatives and friends. B-16, Subodh Park, Kolkata-70. Phone: 033 24103640.

LETTERS TO THE EDITOR editor@thestatesman.com

Indian imperative

SIR, I would like to refer to the insightful article of Anand Kumar entitled "The foreign hand" carried in today's edition on developments in Bangladesh in the larger context of the power games of the US and China in South Asia.

In my view what Britain pushed through in August 1947 was "a three state solution" of the Hindu-Muslim problem of India and not a "two State" one as commonly perceived, because implicit in the Partition scheme was an unstated "Indian guarantee" of support to the functioning of East Pakistan under the Karachi-based central Pakistani authority. This was evident from the Indian agreement allowing for quite some time "over flights" of Pakistan Airways across India to East Pakistan, supply of coal, operations of railway systems and commodity trade.

The emergence of Bangladesh was therefore "natural", and has led to expanded and deepened economic cooperation which in my view will not be altered given the strong linkages such as supply of power to Bangladesh from India or Indian access to seaports in Bangladesh, and expanding bilateral trade which is now worth US$ 15 billion.

Further, given the fact that Pakistan has a population of 25 crores now and Bangladesh just 17 crores ~ a reversal of the demographic situation at the time of Partition, chances of rebirth of the idea of one Pakistan is just not there, because Pakistan is now reckoned as another "failed state".

Further, given the role of the civil society in Bangladesh - Grameen Bank and positive social development indicators such as high literacy especially among the women, and increasing participation of women in workplaces ~ chances of a takeover by Islamic political groups do not appear to be strong.

We must also note that Bangladesh is the only Muslim-dominated state in the world that doesn't share land borders with any other Muslim state which will impose geopolitical and economic compulsions on her policy makers apart from trade and ecological imperatives of being a part of the Bengal delta which cannot be altered.

It will therefore demand cooperation with India in her own interests, notwithstanding any US or Chinese "strategic" interests.

Yours, etc., Rangan Dutta,
Noida, 25 August.

ADVANCING UNDERSTANDING

SIR, India's Chandrayaan-3 mission has significantly advanced our understanding of the Moon's geological history. The mission's primary objective was to explore the lunar surface and gather data that could shed light on its composition and formation.

During its nine-day mission, the Pragyan rover traversed 103 meters and analyzed the regolith at 23 different locations. This extensive analysis revealed a uniform elemental composition, predominantly consisting of ferroan anorthosite rock. This discovery is crucial as it provides evidence supporting the theory that the Moon's surface was once covered by a global molten magma ocean.

The findings from Chandrayaan-3 have been published in the prestigious journal *Nature*, highlighting their scientific importance. The research, led by Santosh Vadawale and his team at the Physical Research Laboratory in Ahmedabad, has provided new insights into the Moon's formation. According to their analysis, the uniform composition of the regolith suggests that a massive impact event, likely involving Earth, led to the creation of the Moon. This impact would have generated enough heat to create a global magma ocean, which eventually solidified to form the lunar crust we observe today.

One of the most significant aspects of this discovery is its implication for our understanding of planetary formation and evolution. The evidence of a global magma ocean on the Moon supports the giant impact hypothesis, which posits that the Moon was formed from the debris of a colossal collision between Earth and a Mars-sized body.

This theory has been a cornerstone of lunar science, and the data from Chandrayaan-3 provides robust support for it. By confirming the presence of ferroan anorthosite rock, the mission has helped to validate this widely accepted model of the Moon's origin.

The success of Chandrayaan-3 also underscores the capabilities of India's space programme and its contributions to global scientific knowledge. The mission's achievements demonstrate the effectiveness of ISRO's technology and the expertise of its scientists.

The data collected by the Pragyan rover not only enhances our understanding of the Moon but also sets the stage for future lunar exploration. These findings will inform the planning and execution of subsequent missions, both by India and other space-faring nations, as they seek to uncover more about the Moon's history and its potential resources.

Yours, etc., Amarjeet Kumar,
Hazaribagh, 23 August.

CONTRAPUNTO

The good thing about survivors is that there are so many of us

-EDANA BURKE

She Said, He Quit...Then?

Even when women, like in Mollywood now, get a hearing, their wait for real redressal continues

Dollars Leaving America

After a poor decade, emerging economies, including India, are witnessing a revival. Global investors may not have taken the cue yet, but this has dramatic implications for capital flows

Ruchir Sharma

Street Message

RG Kar protests are now also the first of many tough political tests of Mamata's hold on Bengal voters

Gender Justice: Call On Our Conscience, And Wallets Too

Kolkata rape-murder has created a groundswell for women's safety. Philanthropists stepping in to help organisations in the field have an important role to play if change is to happen

Abnormally speaking

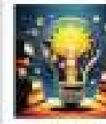
'The law of averages ensures that there's no such thing as what we call 'normalcy'

Jug Suraiya

secondopinion

Calvin & Hobbes

Sacredspace



Transforming Our Reality Through Soul Consciousness

THE SPEAKING TREE

The Tribune
ESTABLISHED IN 1881

Bail, but still in jail

Supreme Court reiterates humane approach

A large number of undertrials not being able to get out of prison despite being granted bail remains a matter of concern — 5,000 undertrials, according to one estimate. It's one reason why jails are overcrowded and overwhelmingly populated by people from the underprivileged sections. Last year, the Supreme Court issued a slew of directions, asking courts to consider modifying the conditions of furnishing bonds and sureties. Preparing a report on the socio-economic circumstances of such inmates, it was indicated, would help relax these conditions. The apex court has now again asked judges not to shut their eyes to the hard realities of life. Its observation could not be more explicit — to grant bail and thereafter impose excessive conditions is to take away with the left hand what is given with the right. A more humane approach has to be institutionalised.

That bail is the rule and refusal an exception has been forcefully reiterated by the Supreme Court in recent judgments. Bail, it held, should be granted if a case is made out for personal liberty even if the offence is one under the UAPA (Unlawful Activities Prevention Act). The legislation, which punishes terror acts, has often been labelled draconian. Describing the right to speedy trial and liberty as sacrosanct, the apex court did not shy away from suggesting that trial courts and high courts were attempting to play safe while granting bail.

The justice system continues to be plagued by delays at every level. If 'smooth prisoner' is a [illegible] flaw, so is the aspect of undertrials languishing in jails even after grant of bail. The lack of awareness and legal literacy adds to the distress.

Rusty promises

Modi's anti-corruption myth crumbles

PRIME Minister Narendra Modi's slogan 'na khaunga, na khane dunga' (will neither be corrupt nor let anyone be corrupt) once served as a rallying cry against the entrenched corruption in the political system. It propelled him to power, painting him as a crusader against graft. Yet, recent incidents, such as the collapse of the Chhatrapati Shivaji Maharaj statue in Maharashtra and the leaking roof of the new Parliament building in New Delhi, cast a long shadow over this claim, exposing the crumbling foundations of the much-touted 'Modi model'.

The 35-foot statue, unveiled with fanfare by Modi himself less than a year ago, lies in ruins, a victim of rusted nuts and bolts. This monumental blunder is not merely a case of shoddy workmanship; it is emblematic of the rot that has set in at the core of the government's projects. The contractors, conveniently linked to those in power, stands accused of collusion, fraud and endangering public safety, while the government scrambles to shift the blame onto anything but its own negligence. The steel used in the statue had already begun to rust; yet, despite repeated warnings, no action was taken. Then there is the new Parliament building, a symbol of Modi's ambition to reshape India's democratic institutions. Constructed at an exorbitant cost of nearly Rs 1,000 crore, the building was quickly reduced to a laughing stock when a video emerged showing water leaking through its roof.

Modi's tenure has been marked by grand announcements and mega projects, but beneath the surface lies a pattern of cutting corners, favouritism and a blatant disregard for quality and accountability. The government that promised to end corruption has become a factory of half-baked, poorly executed projects, all the while shirking its responsibility from dire consequences. The irony is stark.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, THURSDAY, AUGUST 28, 1924

Bengal ministers' salaries

THE Swarajists in the Bengal Legislative Council scored one of their greatest victories by their success in throwing out the demand for the ministers' salaries at the Tuesday sitting of the Council in the face of odds, one of which was the decision arrived at by the Muslim party to support the demand. In the course of the speech, which he made in moving the reconsideration of the demand for the ministers' salaries, Mr James Donald, apart from some fallacious arguments which he put forward in support of his motion, also repeated the threat, that was held out by the Times, of retransferring the transferred departments to the reserved side. He said: "In refusing the salaries of the ministers, the Council has gone beyond the spirit of the Constitution. Had the present ministers not consented to carry on, it would have been necessary to have recourse to the provisions of the Transferred Subjects Temporary Administration Rules. Those rules provide for the administration of Transferred Subjects in the absence of ministers. This again contemplates the appointment of ministers in the absence of provision for the payment of ministers. If the Council continues to withhold such provision, such administration would be prolonged to such an extent and would be so much more than temporary that recourse would have to be taken to measures such as the transfer to the reserved list of the transferred subjects, a proceeding on the whole object of the Reforms. I cannot believe that this Council would seriously contemplate a reversal to the old constitution and the loss of the power and responsibilities which have been conferred on the Legislature."

Regulate e-commerce with foolproof policy

Govt should focus on ways to make companies more accountable to consumers

SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

HEADSTRONG: Kirana stores still have a prominent place in the country's retail arena. [illegible]

INDIA's online retail market has not expanded as rapidly as that of other countries despite the growing levels of Internet penetration. The share of e-commerce in the total retail market is a paltry 6 per cent compared to nearly 46 per cent in China, 22 per cent in the US and 18 per cent in the European Union (EU). It is in this backdrop that one must view the criticism of the widening role of e-retail by Commerce Minister Piyush Goyal at an event recently. Though he softened his stance subsequently, the initial comments indicated deep concern over the impact of online sales on brick-and-mortar shops, especially the country's widespread network of kirana stores.

He was also unhappy over the findings of a report presented there about the relatively low impact of e-commerce on offline stores. In contrast, he felt the economy could be heading for up to 50 per cent share of e-commerce in the retail segment. Other studies, however, corroborate the findings that online sales are a marginal player in the economy, at least for the time being. A study carried out by the Boston Consulting Group (BCG) and the Retailers Association of India (RAI) earlier this year noted that the share of e-commerce in the total retail market has grown from 4 per cent in 2019 to 6 per cent in 2023. It forecast that this would reach 11 to 15 per cent by 2030.

The potential, as is often pointed out, remains huge in this country but the e-commerce growth rate declined slightly last year. From 22 to 31 per cent rise over the period from 2019 to 2022, it fell to 18 per cent in 2023, according to the BCG-RAI study. Even so, it is clear that e-retail has not had the expected disastrous effect on traditional brick-and-mortar shops. No wonder there has been little comment on the issue either from the Swadeshi Jagran Manch or the Confederation of All India Traders in recent times, barring the latest statements of support for Goyal's stance. Both the remarks — as RSS affiliate — and the traders' body were at one time vociferous lobbyists seeking protection for the country's physical retail markets.

The fact is that kirana stores or the neighbourhood grocery vendors still have a pre-eminent place in the country's retail arena. The study by the Pahle India Foundation that was commented on by Goyal found that the advent of e-commerce has not signalled the growth of traditional retail. It noted that e-retail has spurred the move towards digital sales, increasing customer satisfaction, home delivery and after-sales service. Many stores are looking to expand their footprint. The study projects that e-commerce will reach 12 per cent of total retail sales by 2030, a far cry from the 50 per cent envisaged by the Commerce Minister.

Yet, he cannot be faulted for expressing concern over predatory pricing and B2C business to consumer sales by online platforms in violation of existing guidelines. The former issue has been raised earlier as well as in regard to deep discounts offered on marketing platforms like Amazon and Flipkart. The question of predatory pricing has gone up to the Competition Commission but could not be resolved since companies must have a dominant position in the market to be considered in this light.

As for B2C sales, this is prohibited for online marketplaces which are meant to be platforms for sale of products made by sellers or companies. The unfortunate reality is that online entities had created their own subsidiaries and were selling in violation of guidelines. Though such items have apparently now been delisted from the online platforms, there is still concern that their products are being given undue prominence on the sites.

> The stress on operating within the provisions of the law is unexceptionable.

The entire gamut of these issues needs to be clarified in the proposed new e-commerce policy, which has been in the works for several years now. The proposals are being debated by at least three ministries as well as the Niti Aayog. The Department of Industrial Promotion, the Consumer Affairs Ministry and the Ministries of Electronics and Information Technology are all involved in the process. The discussions have gone on for far too long. A final view must be taken soon, especially since the World Trade Organisation (WTO) is also holding talks on global e-commerce.

One of the critical aspects being discussed at the WTO as well at the domestic policy level is the issue of data protection and privacy. This country has been seeking that the algorithms behind e-commerce websites be made available to it. This has been raised at the WTO too where India has sought data localisation and technology transfer.

Other countries have moved much more quickly to take a view on the issues of market dominance and data protection. The EU has been the leader in this regard. It adopted the Digital Markets Act last year to curb the market dominance of Big Tech with violations punishable with fines up to 10 per cent of a company's global sales. It also laid down the General Data Protection Regulation in 2018. Companies must now ask for consent when they collect personal information and may no longer use data from several sources to profile people against their will.

It is for the government to focus on ways to make e-commerce companies more accountable to consumers as this is a sector that is going to expand rapidly. Even over the impact on the enormous physical retail network of this country — valued at roughly $800 billion — need to be finally kept aside. There is no reason that both the brick-and-mortar infrastructure and e-retail cannot grow together in this extremely large marketplace. It is reassuring to know that Goyal has also commented on the beneficial aspects of e-commerce in terms of improving technology and innovation as well as providing quick delivery and convenience to consumers. The stress on operating within the provisions of the law is unexceptionable. The onus is on the government to provide detailed rules and guidelines for this sunrise sector in the form of a comprehensive e-commerce policy.

THOUGHT FOR THE DAY

> I'm sceptical of any mission that has advertisers at its centrepiece. — Jeff Bezos

Haryana, holidays and humour

JAGDEEP S CHOHAN

DESPITE its small geographical size, Haryana has made a great contribution to national life. While its feats in sports are well known, its contribution to the electoral field in the form of 'Aaya Ram, Gaya Ram' is not remembered by many. Another popular feature of Haryana social life is its rustic humour.

Two political parties (the BJP and the INLD) have written to the Election Commission of India (ECI), seeking the postponement of the Assembly elections in Haryana because the announced date falls between holidays due to festivals, weekends, etc. This makes the ECI's job very difficult as it has to find time to organise the polls in a state which thrives on festivals!

The ECI is, of course, adept at this thing, as shown by what the Chief Election Commissioner said while announcing the Haryana elections: There was heavy rainfall in Maharashtra, so BLO (booth-level officers) are yet to complete their work. Several festivals had to be factored in, such as Ganesh Chaturthi, Pitru Paksha, Navratri and Diwali. Everything put together, this is what we thought we could bend in two elections (Haryana and J&K) at a time.

Haryana has a parallel to Pitru Paksha, and there are local festivals — Mavi Paksha, Pitru Paksha, Pahl Paksha, Dodri Paksha, Bahu Paksha and Saali Paksha — in various parts of the state on different dates, depending on local customs reflecting the high status that women have in Haryanvi society. Then there are wrestling competitions called dangal, spurred by the popularity of Aamir Khan's film of that name; they are now held separately for men and women, and follow a very strict calendar, allowing the wrestlers to take part in them, something like various phases of elections that are long names ranging in four locations.

Also, there is the new-found love for travel that Haryanvis have imbibed from Bengalis and Gujaratis. While most residents of Gurugram, Panchkula and Faridabad head to Himachal Pradesh on weekends, particularly the long ones, others descend on those three places to enjoy big-city comforts and privileges. The well-heeled ones, of course, leave for Bangkok, Singapore, Kuala Lumpur, Colombo, Kathmandu and Thimphu. Villages wear a deserted look and the city-dweller has to be content with, if they have at gone to visit their relatives in western Uttar Pradesh, Punjab and Rajasthan.

Last but not least, the two political parties have done a great service to Haryana. It could be called a great act of humour, as its finest rustic or farm cooking. They have combined two major areas of Haryana's expertise: politics and humour. This is something political commentators have long recognised, but lost it in the context of an election as a new high for both activities that are essential to our existence. Humanity should be grateful to them for their denial.

LETTERS TO THE EDITOR

Need to rein in Israel's excesses

The editorial 'Israel vs Hezbollah' rightly condemns Israel's unprovoked attack on the militant group. US presidential candidate Kamala Harris' pledge of continued military aid to Israel is fuelling tensions in West Asia. Israel's onslaught on the Hezbollah, based on unverified claims, jeopardises regional security and stability. The UN's tepid response, limited to mere warnings, emboldens Tel Aviv's recklessness. Besides, the lack of action on the part of the international community is unacceptable. A stronger, unified demand for accountability is necessary to rein in Israel's excesses and prevent a full-scale crisis in the region.

CHANCHAL S MANN, UNA

Not in the name of God

Refer to the editorial 'Faith or folly?'; the incident underscores the dangers of superstition. When will people understand that true faith is about love and compassion? Faith should never be defined by violence. Those struggling with mental health problems should seek help from medical professionals or psychologists. Further, it is crucial that parties and spiritual leaders quit engaging in harmful practices in the name of God. Life is precious. It must not be sacrificed at the altar of misguided faith.

HARLEEN KAUR, LUDHIANA

Kangana's vitriolic remarks

Apropos of the front-page news report 'Not authorised, BJP tells off Kangana on farm stir remark'; the loud-mouthed parliamentarian's vitriolic remarks on protests are aimed at maligning the image of the entire farming community. This is an attempt to undercut the stirs' movement and the cause that they are protesting for. Naturally, if the stir kept its momentum and public support, the Centre will get the upper hand. And their demands may remain unmet. The silence of top BJP leaders on the farmers' concerns and the ridiculous remarks made by the Mandi MP is alarming.

PREM SINGH DAHIYA, ROHTAK

She must choose her words wisely

Mandi MP Kangana Ranaut's remarks blaming the farmers' stir to the uprising in Bangladesh are highly irresponsible and unwarranted. Notably, this is not the first time that she has made such outrageous comments. She has a knack for making statements that spark controversy. But the fact that even the BJP has distanced itself from her recent comments is telling. She must realise her responsibility as a lawmaker and choose her words wisely. Though there were some instances of violence during the farmers' stir, their movement remained largely peaceful. In any case, Kangana has no business commenting on matters concerning the farmers of Punjab.

BHUPIN LALL, ZIRAKPUR

Violation of religious freedom

Some farm leaders from Punjab who were heading to participate in the sugarcane dispute organised in Tamil Nadu and Puducherry claimed on Monday that they were denied permission to board the plane because they had been carrying kirpans. This was a clear violation of their religious freedom and constitutional rights. The kirpan is not just a religious symbol but also an integral part of the Sikh identity. The decision to stop the farm leaders from boarding the flight over the symbol reflects a misunderstanding of religious practices and reflects the officials' lack of respect for Sikhism. Such action undermines India's secular values and the right to practise one's faith. Those responsible for the fiasco must tender an unconditional apology to the Sikh community.

BIKRAM SINGH, PATIALA

New districts, same story

The Central Government's decision to create five new districts in Ladakh, pushing the total number to seven, has sparked significant concern in the region. While the move may improve administrative efficiency, it fails to address the core issue: the local residents' demand for special status to protect Ladakh's unique cultural and environmental identity. Further, the creation of new districts does not allay fears of potential exploitation or erosion of autonomy. The government must grant special status to Ladakh as a priority to ensure sustainable development in the region.

SAHIBSHA KAPOOR, BY MAIL

Letters to the Editor, typed in double space, should not exceed the 200-word limit. These should be cogently written and can be sent by e-mail to: letters@tribunemail.com