

[OUR TAKE]

Two democracies, common interests

Shared values define India's ties with US, but the two need a conversation on immigration & trade

It's official. President Donald Trump announced Tuesday that Prime Minister Narendra Modi will be visiting the United States (US) in February. Earlier, both leaders reiterated their commitment to enhancing what they termed a "mutually beneficial and trusted partnership". India-US relations have warmed in the past few years to such an extent that they are expected to be firewalled from the change of guard in Washington, and Trump's MAGA (Make America Great Again) project and multiple policy reversals, which have unsettled the global order and America's relations with its neighbours, partners, and friends and foes alike. There is broad convergence in both the capitals on the big issues including support for a rules-based global order, peace in Ukraine, the need to diversify supply chains beyond China, an open seas policy, and the security of the Indo-Pacific. The Biden administration was accommodative of India's pursuit of an independent foreign policy, especially its privileging of energy security, and the advocacy of Global South's interests in the management of the climate crisis.

However, both leaders may now need a frank conversation on a host of issues that resonate with their respective domestic constituencies. For instance, Trump 2.0 is focussed on curbing immigration and tilting trade ties in America's favour. While New Delhi has said it will cooperate with Washington on stopping illegal migration (India is among the top source countries for illegal migration into the US), the MAGA constituency's approach to the H-1B visa programme may trigger negative sentiments. Here, New Delhi must emphasise that H-1B visa holders, Indian students in the US, and Indian companies contribute significantly to the American economy. Indian students, the largest segment among foreign students in the US, contributed roughly over \$10 billion and helped create over 100,000 jobs in the US—in just one academic year. Similarly, a Confederation of Indian Industries survey discovered that 163 Indian companies invested \$40 billion by 2023, and created 425,000 jobs, in the US. India-US bilateral trade is estimated at \$190 billion and favours India. Trump's threat to weaponise tariffs to change it in America's favour may see pressure on India to liberalise its market for American agri-produce. India will need to evaluate the trade-off as it pursues critical and emerging technologies from Washington.

That Modi's Washington visit was announced in the backdrop of Delhi and Beijing agreeing on a host of measures—among them the restarting of direct flights between India and China, enhancing people-to-people contact, and the resumption of the Kailash-Mansarovar Yatra—is significant. Smart foreign policy is about prioritising national interest and balancing relations with both friends and foes.

Signs of more than a recovery in learning

Findings of the Annual Status of Education Report (ASER) 2024 point to a robust recovery from the learning loss incurred in the Covid years. Extended school shutdowns, digital hurdles—lack of access to hardware/connectivity and know-how among teachers and households—and unready systems marked much of the academic years 2020-21 and 2021-22. As a result, learning gains steadily built over the past couple of decades saw significant erosion. While ASER 2022 painted a mournful picture, ASER 2024 reassures that things are back on track and, quite encouragingly, the progress is led by government schools, which historically have been magnets for criticism.

Reading ability—one proxy being the percentage of Standard III students able to read Standard II level text—is back to the pre-pandemic level of 27%, having fallen to 20.5% in ASER 2022. Government schools recorded a sharp improvement, reaching 23.4%, up not just from ASER 2022's 16.3% but also the pre-pandemic peak of 20.9%. Private schools recovered some ground but are yet to reach their pre-pandemic peak. The arithmetic learning indicators indicate much more than a recovery, registering substantial increases over the pre-pandemic peak. Here, too, government schools lead.

This turnaround may have been ushered in by the Foundational Literacy and Numeracy focus of the National Education Policy (NEP), 2020. Shifting gears from teaching only the cream of the class to teaching at each student at her level is starting to pay off. That said, there is still a significant gap to overcome, given an overwhelming portion of the student population still suffers from learning deficiencies. How NEP enables building on present gains will be its true test.

Potential targets for the Union Budget

Spending the allocated FY25 capex in the near term, preserving the quality of the fisc, and going ahead with next-generation reforms, along with sticking to the consolidation roadmap, will be the cornerstones of Budget FY26

The macro backdrop to the upcoming budget is somewhat different from the last two years when the importance of fiscal consolidation was not a matter of much debate. This year, there are multiple budget priorities that might sometimes be conflicting. Arresting a cyclical slowdown early and preserving macro-stability through a credible fiscal consolidation roadmap will likely be the twin pillars of the FY26 budget math. Rising global uncertainties could pose some challenges in meeting these twin objectives. On top of it, near-term asset market volatility probably warrants a conservative approach to budget making. However, beyond the math, the budget can outline the reform initiatives in different areas that will be pushed forward over the next few years, supporting the structural growth outlook.

It is expected that the government will better its FY25 fiscal deficit target of 4.9% of Gross Domestic Product (GDP). While this is a positive

setup for the promised consolidation to 4.5% of the GDP by FY26, there is some argument over whether the government should skip the compression for a year to support growth. We think that even if the government opts for the fiscal consolidation path in FY26, a judicious frontloading of the available fiscal space in FY25 itself could provide the near-term impetus to growth. Union government capex growth could be higher than 30% year-on-year in the last quarter of FY25, given that it has been sluggish in the earlier part of the year. This spending, in turn, could have a positive impact on consumption as the cash flows through the economy. Given the understanding that GDP growth has started improving modestly from the December quarter, at this point, a "fiscal nudge" of this kind might be good enough to bring the economy back on track rather than a big "fiscal boost" in the FY26 Budget.

There could be multiple motivations to reach the 4.5% GDP target in FY26 despite some growth headwinds. This will be the normalisation of the fiscal boost that was given during Covid when the deficit went up to 9.2% of the GDP. To improve the quality of the fisc, the government had also brought substantial off-budget spending into the budget. Adjusting for these accounting changes, 4.5% would be broadly consistent with pre-Covid fiscal deficit levels, reflecting a return to normalcy. A

deficit at 4.5% levels would put public debt-to-GDP ratio on a comfortably downward trajectory, which is the stated government fiscal objective. Meeting the promised fiscal deficit target, even under somewhat challenging conditions, would improve the credibility of the fiscal process for investors and rating agencies. A Centre deficit of at least 4.5% is also needed to take the overall general government deficit to 7% of GDP, a criterion for rating upgrade mentioned by rating agencies. In the

event, a lower government deficit could create borrowing space for the private sector to accelerate the private investment cycle. On the other hand, relatively conservative fiscal policy should open up the space for some monetary easing—liquidity, lower rates, and relaxation of macro-prudential measures.

There could be various paths to achieving the desired fiscal consolidation, but a compression through a fall in the revenue-expenditure-to-GDP ratio is likely to improve the quality of the fisc further. In fact, the government has opted for this path consistently in the post-Covid fiscal consolidation and maintained its focus on increasing public capex. Despite the possibility that the government might fall short of its budgeted capex spending in FY25, the FY26 capex spending growth target could still be pegged at close to 15%. On the other hand, the increase in revenue spending on items such as



Urban consumption slowdown has led to chatter around a disposable income boost for the consuming class through income tax concessions.

defence, subsidies, salaries, and home affairs does not always need to match the nominal GDP growth, leading to a decline in the revenue-expenditure-to-GDP ratio. That way, there is no need for explicit expenditure cuts on any particular item to achieve consolidation.

On the revenue collection side, the budget is likely to assume that the nominal GDP growth will be pushed back above 10%, after two years of below 10% nominal growth. With elevated tax revenue buoyancy, an above 10% nominal GDP growth can sustain the tax-to-GDP ratio at close to an all-time high. However, there is some uncertainty around non-tax revenues such as the Reserve Bank of India (RBI) dividend to the government. Urban consumption slowdown has increased market chatter around a disposable income boost for the consuming class through income tax concessions. It is likely that there has been some increased personal income tax liability, despite tax rates remaining broadly stable. Nonetheless, given the fiscal constraints and intent to move towards the simplified new income tax regime, the fiscal cost of any income tax relief will likely be limited to below 0.1% of GDP.

Even if the space for an explicit fiscal stimulus is not available, the budget is likely to continue with the pol-

icy focus on human capital development. Manufacturing and infrastructure have been the other two areas of emphasis. To that end, more measures in improving the ease of doing business through simplification of direct taxation, re-evaluation of the import duty structure, pushing forward with the next generation reforms to improve factor (labour, land) productivity and increased attention to research and development (R&D) spends could be considered to grab the manufacturing opportunity arising from the global supply-chain diversification. On the infrastructure front, the government might look to diversify capex by increasing allocation for sectors like urban development, water, housing, and clean energy, and by improving the execution capabilities and directional thrust in traditional capex-intensive sectors such as roads and railways.

The cornerstone of the FY26 budget could be spending the allocated FY25 capex in the near term, preserving the quality of the fisc, delivering on the consolidation roadmap, and emphasising the next-generation reforms to boost structural growth.

Samiran Chakraborty is managing director and chief economist, India, Citigroup. The views expressed are personal.



Samiran Chakraborty

New G2 at the UN: Beijing budgets to win influence

At the end of 2024 saw the rise of a new era in the United States (US), it appears to have happened at its creation, the United Nations (UN), too, making China a near equal of the US. On Christmas Eve, the UNGA adopted a new scale of assessments for the UN's regular budget, cutting China's share to 20% and making it almost equal to that of the US, which has capped its share at 22% for years.

The regular budget of the UN, pegged at \$3.7 billion for 2025, though small in absolute terms, finances the main UN Secretariat and salaries of key UN personnel and hence its influence can hardly be overstated. In fact, the assessed level is an indicator of the relevance of individual member-states in the power game of nations, the UN.

Since its inception nearly 80 years ago, the top contributors to the UN have been western nations. This naturally saw them lead the thinking at the UN, not only through the power play that money brings but also through the placement of their people at various key places in the UN Secretariat.

Germany and Japan were "enemies" in 1945 but once they bounced back into the western order by the mid-1980s, they too joined the circle of big paymasters. No doubt, in the aftermath of the collapse of the USSR, a major attempt was made to make them permanent members of the Security Council following the dictum, one who pays calls the shots. This "reform" of the UNSC was only stalled by the adroitness of Indian diplomats, who roped in Brazil and reached out to the developing world leaving Germany and Japan little option but to be part of the G-4 on UNSC reform.

The rise of China has now been noted for years but its importance at the global high table needs to be now seen as more than the Security Council veto. It now challenges the US-led western hegemony and suggests a certain G2 in the global order no matter that the US is headquarterd in New York and there is still a significant difference in economic and strategic power between the US and China, including in the US's overall contributions to the UN system through its

funds, programmes and specialised agencies. With President Trump having inaugurated and heralding a "greater, stronger and far more exceptional (America)", hopefully, the China challenge at the UN will light up a lamp at the White House and elicit a response other than cutting back on its contribution or withdrawing as is being done for the WHO and the Paris Agreement on Climate Change. These moves, though portrayed as a strategy for the organisation to "listen", result in a vacuum in leadership for which now contender stands in the shadows. For India, of course, a G2-type scenario at the UN raises major concerns about multipolarity and a certain overbearing influence of China at the UN.

In determining the scale of assessment, the UN goes by two broad criteria—a country's share of global GDP and a discount for low per-capita income countries. India, which has the latter's benefit and contributes just about 1% of the UN's budget.

For years, the accepted theory in India, including by officials like this author, was that not availing of the low per-capita income discount would only mean paying into coffers where the power would continue to be western and P5-dominated. However, now India is the largest country in the world and the fifth largest economy on its way to becoming the third largest one. Our aspirations for a seat on the global high table, rightly, mirror these facts so matter that we have a long way to go in becoming a rich country.

India has been at the forefront of reform of the UNSC with the addition of its permanent membership. While such a reform with veto seems a tough one, especially given likely Chinese opposition, there are possibilities to be explored, short of the veto, even for a permanent seat through negotiations and pushing the biggies to realise that having India inside the tent was better for them. The formation of the G20 is a case in point. The key to all this, of course, is to be a country that assumes responsibility, diplomatic jargon that means pay. This must be for the regular budget and not voluntary contributions, which India also makes but which go towards areas of direct interest to it.

The higher contribution also allows seeing the induction of our senior and qualified people for policy-level placements in the UN, not just on their own merit but as nominees of India, a major plus in the UN system. This, indeed, is the practice followed by the major players—the US has long held the job of undersecretary-general for political affairs and the French, the one for peacekeeping. In recent times, the Chinese have claimed the economic and social affairs department. Similarly, the Russians, the UK, the Germans, and the Japanese all have their people in key UN slots.

The rise of China as a paymaster at the UN and our major interest in a place at the global high table would appear to demand a rethink on paying into the UN.

Manjiv Singh Puri is a former deputy permanent representative of India to the UN. The views expressed are personal.



Manjiv Singh Puri



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DONALD TRUMP | PRESIDENT OF THE UNITED STATES

China's DeepSeek should be a wake-up call for our industries that we need to be laser-focused on competing to win.



Trump 2.0 could still be an opportunity for Indian tech

Donald Trump's second term as president of the United States (US) marks a pivotal moment in global politics, with a reigning narrative that the world order has undergone a profound transformation. It may seem more apparent now, but the reality is that these shifts have been years in the making. In today's fragmented world, globalisation has receded as nations prioritise advancing domestic agendas over a unified, interconnected global vision. Meanwhile, multilateral organisations that have long been the guardians of the global order find themselves at a crossroads and face an imperative to redefine their relevance.

Over the years, India and the US have significantly strengthened their strategic partnership across key sectors, leveraging platforms like Quad. The partnership between the two nations in the technology front extends beyond information and communication technology, to emerging fields like Artificial Intelligence (AI), cybersecurity, and semi-conductors. However, today's global landscape, nations must craft value propositions for mutually beneficial partnerships. The following are key areas for strategic focus:

Distinguishing immigration from skilled labour mobility: Trump's focus on restricting illegal immigration, including ending birthright citizenship, has assumed a more concrete form with his executive orders on the same. This move could impact nations such as Mexico that share borders with the US as well as India given many Indians continue to reside in the US, pursuing the American Dream.

Immigration remains a sensitive topic for nations as they navigate the complex balance between the internal imperatives of jobs, resources, identity, and culture. However, skilled labour mobility requires clear differentiation from immigration. With ageing demographics and talent shortages in several developed economies, businesses must access global talent to drive innovation. Just as Covid highlighted supply-chain resilience, today's era emphasises strategic planning for the talent value chain.

Over the years, Indian technology companies have significantly expanded their localisation initiatives, hiring from US universities and collaborating with state governments to step up skilling programmes. While non-immigrant visas like H-1B address critical skill gaps and benefit both nations, most tech companies in India expect only marginal impact from potential changes. However, the Trump administra-

tion will do well to remember that the imperative of skilled labour mobility is intertwined with the future of innovation and should not be a victim of the immigration challenges.

The strategic imperatives of AI: Trump repealed a 2023 executive order requiring AI developers to report activities to the commerce department, originally aimed at mitigating AI risks to consumers, workers, and national security. While the US prioritises high-tech innovation with \$500 billion in AI investments by players such as OpenAI, revoking this oversight measure raises misuse concerns. As a tech-forward nation, we have an opportunity to discuss both the vast potential and the unforeseen risks of AI. The absence of a unified approach could create challenges for companies operating in both countries, needing to navigate varied compliance regimes.

Sustainability and diversity, equity and inclusion (DEI): Technology does not operate in isolation, and the external environment, particularly the climate crisis, poses significant challenges. The US withdrawal from the Paris Accord and Green New Deal undermines global climate efforts and poses challenges for committed nations such as India. As energy demands rise with digitalisation, the tech sector is vital to any sustainability effort.

An equally compelling discussion around DEI throws up the question: Has the emphasis on DEI as an organisational charter overshadowed efforts to truly embed equity and inclusion within a merit-based framework? Nations are shaped not just by policies but by the collective brainpower of their people. True progress requires going beyond quotas or reservations and actively fostering environments that empower equality. The tech industry, not just in India but across all economies, must prioritise inclusivity, enabling everyone to contribute, innovate, and thrive equally.

While there are uncertainties, an important consideration is the fact that the US market is at a bifurcation stage. Businesses remain optimistic as jobs get created, the dollar strengthens, and foreign investments and stock markets hit new highs. For India, these trends signal a potential rise in tech spending after a few years of stagnation. India must strategically navigate the shifting US-led order by advancing AI, strengthening R&D, and fostering collaboration.

Rajesh Nambiar is president, NASSCOM. The views expressed are personal.



Rajesh Nambiar



Recalibrating US-India ties

India-US relations face a shift as India tackles trade, immigration, amid Trump's 'America First' policy

As Prime Minister Narendra Modi and US President Donald Trump engage in dialogue to strengthen bilateral relations, the future of US-India ties appears poised at a critical juncture. Modi's commitment to global peace, prosperity and security, paired with Trump's vision of 'America First', highlights a partnership that must balance shared strategic goals with diverging domestic priorities. India and the US have cultivated a robust Comprehensive Global Strategic Partnership over the years, encompassing key areas like defence, technology, energy and counterterrorism. President Trump's emphasis on India increasing its procurement of American-made security equipment underscores Washington's aim to deepen defence collaboration. With Modi's planned visit to the White House and continued diplomatic exchanges, both nations are set to expand their cooperation in these critical domains. However, this partnership extends beyond bilateral gains. Modi and Trump's discussions on global challenges, including tensions in West Asia and the ongoing conflict in Ukraine, highlight their shared interest in playing pivotal roles on the global stage.



Trade remains a contentious issue, with Trump's protectionist policies, including potential tariff hikes, posing a challenge to India. The US President's focus on achieving a 'fair bilateral trading relationship' reflects his administration's concerns about trade imbalances. India, on the other hand, seeks to protect its economic interests while fostering a mutually beneficial partnership. Negotiating these trade tensions will require careful diplomacy, as both nations aim to preserve the benefits of their economic ties. The potential for increased investment, innovation and job creation through collaboration in sectors like renewable energy and space exploration offers a promising path forward. Immigration has emerged as yet another critical point of discussion. Trump's crackdown on illegal migrants and emphasis on tighter border controls have direct implications for India, one of the largest sources of irregular immigration outside Latin America. The US has identified approximately 18,000 Indian nationals for deportation, a figure India has cautiously addressed while advocating for a systematic verification process. Moreover, visa delays for Indian nationals have raised concerns, particularly as India is a significant contributor to the US tech workforce. Balancing Trump's domestic priorities with the need for a skilled global workforce will be essential to sustaining the mutually beneficial flow of talent and innovation. The relationship between India and the US is at once ripe with potential and fraught with challenges. While Trump's 'Make America Great Again' agenda and Modi's vision for a self-reliant India may occasionally clash, their shared goals of security, economic growth, and technological advancement offer ample ground for collaboration. As the world's largest democracies, India and the US have a unique opportunity to lead by example in addressing global challenges.

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PICTALK



Folk artists take part in a procession on the eve of the unveiling of 'Bhuvaneshwari Devi' statue, in Bengaluru

Trump's America: A reality check for the Desis



BHOPIINDER SINGH

In Trump's transactional world no group, not even the perceived 'model minority,' is immune from the fallout of his unpredictable policies

It's not Elon Musk's early frustrations with President Donald Trump handing over the crucial project to build America's AI (Artificial Intelligence) infrastructure to rival Sam Altman-led 'StarGate', that ought to worry us, but the fate of fellow Trumpeter, Vivek Ramaswamy, that rings closer home. During the campaign trail, the racist Trump was busy mocking minority ethnicities and religions, the Indian-American Desis, seemed smug in assuming that somehow, they were a cut above the other minorities. The purported personal equation between Trump and the Indian Prime Minister was bandied as proof of the special treatment, that awaited India and Indians.

Names of a few Indian-Americans in the new Trump administration (especially of Vivek Ramaswamy in the Department of Government Efficiency or DOGE) were showcased as proofs of Trump's affection for the world's largest democracy. The lazy and simplistic assumption was that he'd be tough on the likes of China and Pakistan, hence pro-India. But the cold reality of dealing with the unpredictable politics of Trump hit much earlier than even anticipated by commentators who had been warning of Trump's ascendancy, despite many shortcomings of the Democrats under Joe Biden. For starters, Chinese President Xi Jinping got an invite to attend the swearing-in of President Trump, but the Indian Prime Minister didn't.

Soon thereafter Trump kept peppering his Make America Great Again (MAGA) spiel with threats of tariff spikes against traditional allies like Canada, Denmark, Mexico etc., (including naming India) but recently suggested that he'd rather not impose tariffs against China - this after promising up to 60% tariffs against China during the campaign! He flipped. Soon thereafter, the Indian-American community was hit the hardest of all immigrant communities by the direct implications of the executive order ending birthright citizenship. Chances for many Indians working under H-1B (work), H-4

(dependent), L (intra-company transfer) and F (student) got jeopardized, as amongst the largest and fastest-growing immigrant groups in the US. With all assumed equations besetting Washington DC and Delhi, it seems fall acorn with little scope for Delhi to counter-influence a policy measure, that impacts it, more than anyone else. Such radical disruptions were certainly not the norm in the Biden era.

The supposed leverage of a voluble Vivek Ramaswamy with a Trump also seems to have come a cropper, given the mystery surrounding Vivek's sudden decision to leave DOGE. Having invested a lot of personal stake, content, and pride, in supporting the Trump ascendancy to power (clearly prematurely), Vivek is at pains to deny that his ouster has anything to do with him having defended the immigration position after calling some, 'lazy Americans'.

To add insult to injury of being forced into grandstanding, a journalist has just released a video of Vivek's text confirming his departure from Trump, due to the same. The ostensible bid for Ohio Governorship (if true) is an afterthought and wasn't the intention, even a week earlier. That for a Trump, anyone is completely dispensable once a purpose has been served, be it



IT IS A LESSON THAT VIVEK RAMASWAMY OR EVEN ELON MUSK WILL WAKE UP TO, AS IN THE INDIFFERENT AND TRANSACTIONAL WORLDVIEW OF A TRUMP, TOPICAL RELEVANCE IS ALL THAT MATTERS TO THE AUTHOR OF THE 'ART OF DEAL'

an individual, cause, country, or even a supportive Indian-American like Vivek, seems true. Anyone can be thrown under the bus, irrespective of their ethnicity or personal chemistry. A telling tweet by Vivek on 26th Dec 2024 captures his nuanced position on the contentious immigration issue (as wishfully believed by many Indian-Americans to be the first amongst the equals within minorities, owing to our unique culture and work ethics). He had commented, "The reason top tech companies often hire foreign-born & first-generation engineers over 'native' Americans isn't because of an innate American IQ deficit (a lazy & wrong explanation). A key part of it comes down to the c-word: culture".

The underlying suggestion is that Indians do not suffer from the supposed 'Wokeism' of the Democrats as Indians do not have "a culture that celebrates the prom queen over the much olympiad champ, or the jock over the valedictorian", hence would escape the prying eyes of a Trump targeting immigrants. While it is true that Trump has spoken about the logic of 'meritocracy' in extending citizenship - it is equally true that in applying his power of potential misuse, he hasn't spared or protected the interests of the Indian-

American community which did tick most of the qualifying boxes defined by Trump. The hard truth is that Trump has no special affinity or even intention of any preferential treatment to Indian Americans or India if his conduct in the initial few days of his Presidency is anything to go by. The fact is, the one-time star of the TV series 'Apprentice' is more famous for his heartless line "You're fired" than for any historical demonstration of empathetic leadership. Ultimately, it is a lesson that Vivek Ramaswamy or even Elon Musk will wake up to, as in the indifferent and transactional worldview of a Trump, topical relevance is all that matters to the author of the 'Art of Deal' (that too, ghostwritten). Those eagerly waiting for a decisive and assertive POTUS in Trump who would do wonders for India, need to brace for some discomforting reality check. Biden had limitations and undeniable failings, but he wasn't a bull in a China shop or necessarily anti-India, ever. With Trump, you never know, as Indians or India don't seem anything special, at least for now.

(The writer, a military veteran, is a former Lt Governor of Andaman & Nicobar Islands and Puducherry. The views expressed are personal)

LETTERS TO THE EDITOR

CHINA TAKES ON AI

Madam — Less than a week after his swearing-in ceremony, US President Trump said that the private sector would invest \$500 billion in AI technology, making the US the most advanced country in the world and creating jobs for millions. Just a week after this statement, the US stock market crashed on Monday, January 27. The reason behind this was the DeepSeek app launched by China last week, which became the most downloaded free app in the US, beating rivals including ChatGPT. DeepSeek was reportedly developed at a fraction of the cost of its competitors, raising questions about the future of America's AI dominance and the scale of investment planned by US firms. AI leader Nvidia's share price sank 17 per cent, and it lost about \$593 billion in stock market value, according to market experts, the biggest one-day loss ever for a company on Wall Street. I was wondering if Mr. Trump, who has just given a 75-day extension to China's app TikTok, will be able to show his displeasure with China and announce a 100 per cent import duty on it instead of 60 per cent. But it doesn't seem that Trump will be able to deal with China the way he deals with Mexico and Colombia. That's why he has refrained from imposing the previously announced 60 per cent import duty. On the contrary, he is advising his American tech companies that 'this is a wake-up call for you guys.' Despite limited access to advanced hardware, DeepSeek's ability to compete with American models shows that software simplicity and data efficiency can compensate for hardware constraints, and underestimating China in any field can be a cause of embarrassment for anyone.

Jang Bahadur Singh | Jamshedpur

CRACKDOWN ON FRAUD CALLS

Madam — The Indian government's steps to curb fraudulent international calls are a significant and commendable effort in

India-China border talks



The visit to Beijing by the foreign secretary, Vikramjit Misra and a series of high-level meetings between the officials of India and China meant to bring some normalcy back to their ties after years of heightened tensions. While these hectic parleys demonstrate intent on both sides to try to build on the momentum from the border pullback, the recent crises in their relationship have deepened mutual

distrust that will not pass away with a few meetings. The past few months have seen India raise concerns about a new Chinese plan to build the world's largest dam in Tibet on the upstream part of what India calls the Brahmaputra. New Delhi fears that the dam could allow Beijing to weaponise water, either by denying India adequate water or by unleashing floods. The Quad grouping, which met in Washington on the margins of the swearing-in ceremony of Donald Trump, issued a statement that was more overtly critical of China and its territorial ambitions in the Indo-Pacific than has been the norm. No one expects New Delhi and Beijing to be best friends. But they do not need to be enemies either.

N Sadhasiva Reddy | Bengaluru

realm of digital security.

R K Jain | Barwani

SMRITI MANDHANA WINS ICC AWARD

Madam — India's star batter Smriti Mandhana was adjudged as the ICC Women's ODI Cricketer of the Year 2024, the global body announcement. Mandhana had a memorable outing with the bat in 2024. She smashed 747 runs this year with the help of four centuries and three fifties in 13 games. She set new batting standards in ODIs, scoring more runs than she ever had before in a calendar year. She also tested herself with the ball in hand and ended up taking a wicket as well. The 28-year-old now has equalled New Zealand batter Suzie Bates' record of winning the ICC Women's ODI Cricketer of the Year on multiple occasions. Mandhana won her ICC Women's ODI Cricketer of the Year award in 2018.

Jayanthi Subramaniam | Mumbai

Send your feedback to: letterstopioneer@gmail.com

Simulation-based learning: Transforming emergency medical training

By replicating real-world medical emergencies, this innovative training method bridges the gap between theoretical knowledge and practical expertise



SARBAJIT SWAIKA

Simulation refers to the imitation of real-world processes or systems for training, education, or evaluation purposes. In emergency medical training, simulation creates realistic scenarios that replicate medical emergencies, allowing healthcare providers to practice and refine their skills in a safe, controlled environment. The implementation of Competency-Based Medical Education (CBME) by the National Medical Council (NMC) has shown that simulation significantly enhances clinical competence for both undergraduate and postgraduate medical students. One of the most significant advantages of simulation is that it enables learners to practice handling critical and high-stakes situations without risking patient safety. This is particularly important in emergencies, where errors can have severe consequences. By engaging in simulated scenarios, participants can repeatedly practice emergency protocols, improve technical skills such as intubation and defibrillation, and gain confidence in their abilities.



Simulations replicate the high-pressure environment of real emergencies, helping individuals develop the ability to make rapid, informed decisions under stress. They also provide a risk-free setting to identify and correct mistakes, enabling participants to learn how to prevent such errors in real-life situations. Additionally, exposure to diverse scenarios prepares learners to adapt to unexpected complications effectively. Teamwork plays a critical role in emergency medical training, and simulation emphasises the importance of collaboration and communication. Learners develop skills in articulating observations, providing updates, and con-

veying instructions clearly, which are essential in high-pressure situations. Simulation allows team members to define roles, such as team leader or airway manager and practice seamless coordination. Through repeated practice, team-based simulations foster trust, cohesion, and an understanding of each member's strengths, weaknesses and working styles. Structured debriefing sessions after simulations promote a culture of continuous learning by encouraging open discussions about successes and areas for improvement. These sessions help build leadership and followership skills, enabling team

leaders to hone their abilities while fostering supportive and adaptive team dynamics. The benefits of simulation extend to faster and more efficient responses in real emergencies, reduced stress and burnout for healthcare providers and improved patient care outcomes. Familiarity with high-stakes scenarios enables teams to act cohesively and manage stress more effectively, ensuring better results in critical situations.

Simulation learning is an essential tool for building individual competence and strengthening medical teams. In a field where zero-error tolerance is crucial, particularly in emergency departments, simulation-based learning equips medical students with both confidence and competence. The future of medical education lies in recognising the importance of practical skills alongside theoretical knowledge, making simulation a cornerstone of training programmes.

(The writer is professor & HOD, Dr D Y Patil Hospital College, Hospital & Research Centre, Pimpri, Pune; views are personal)

comment

THOUGHT
FOR THE DAY

Law is order, and good law is good order — Aristotle, Greek philosopher and polymath

Authorities must weed out illegal autorickshaws

The upcoming fare hike for kaali-peeli taxis and autos has evinced a number of reactions from Mumbaikars. A report in this paper highlighted the views of people on the fare increase and its impact, especially on daily commuters.

The bigger takeaway though was that several problems needed to be looked at and addressed through the fare hike. Bus services at some high-density spots like near offices and stations have been whittled

down and commuters are hard-pressed to get buses.

Autorickshaw drivers are charging passengers arbitrarily. While there is a fixed rate, people are oblivious and the share auto syndicate continues to operate with impunity and hold commuters to ransom. Then, in certain pockets of the city, even non-share autos charge a 'fixed, exorbitant fare' of their own. The leader of a rickshaw union himself said that illegal autorickshaw drivers are charging

₹100 for a minimum fare trip. The point here is that people when they board, do not know whether this is some kind of legal or illegal rickshaw. So, it is up to the traffic authorities to weed out the illegals and stamp out vehicles that are not running on meters. When the leader of the union himself says this is going on then, imagine the plight of the common person and how powerless they are. Refusals to ply are now becoming more common.

The fare hike will also see the familiar confusion—recalibrating meters, the absence of new fare cards, drivers making excuses—citing the changes—and inevitable arguments with clueless or outraged commuters. The kaali-peelis are such an integral part of our commuting landscape. Mumbai prides itself on safety and accessibility because of its public transport. Let leaders fix these problems with speed and determination.

How Ahmedabad got so good!

MS
WORD



Mayank Shekhar

You might think we're from the UK, but we're actually from Ahmedabad," joked Coldplay's joyous frontman, Chris Martin, towards the finale of his first concert at Narendra Modi Stadium on January 25, 2024.

Having spoken a bit of Gujarati, Hindi earlier, Martin introduced his bandmates—Jonny Buckland (on guitar), Guy Berryman (bass), Will Champion (drums)—as residents of Ahmedabad, with detailed descriptions/addresses of where in the city they're from!

Anywhere else, the sheer sense of recognition of those locations would have local audiences cheer on madly in unison! I felt the response kinda muted.

The reason is, most of Coldplay's fans at Modi stadium were, in fact, not Amdavadis, not even Gujaratis.

True for Coldplay in Mumbai too. Wherein, apparently, only about 30 per cent of the crowd was from Maharashtra; 25 per cent, Mumbai; 15-17 per cent, Karnataka (chiefly, Bengaluru); another 15 to 17 per cent from NCR (Delhi, Gurugram, Noida).

As Ashish Hemrajani from the event-organiser and ticketing app, BookMyShow, put it to CNBC-TV18's Shereen Bhan, "The situation in Ahmedabad was [even] more different. The 'transactors' (ticket-holders) came from every single state and Union territory in India. Only 15 per cent from Gujarat; 85 per cent, outsiders!"

I see these stats in real-time on Indian rail. That is, on my 1.40 am, special Coldplay train, from Ahmedabad to Bandra (Terminus), in Mumbai—that's already had three gigs of the London band.

The coaches, tattered AC-III tier and chair-cars, seem prehistoric. Food is, of course, off the table. Aisles are packed, down to coach-attendants' berths. Nobody's complaining.

These passengers would've first arrived at the dry Ahmedabad, attempting to score liquor permits for pre-gaming at the concert. Which

What makes Coldplay such a pan-India phenomenon that they just performed the world's largest ticketed concert, in history—let alone their own, or India's?



The British alternative rock band Coldplay at the Narendra Modi Stadium at Motera in Ahmedabad, Gujarat. PIC/INSTAGRAM/COLDPLAY

takes half a day, sometimes, if it arrives at all. Bootleggers are probably better options.

Chris Martin had to face no such issue. He's a teetotaler.

I could spot empty whiskey bottles around the parking lot of ND Mall, three-four kilometres from Modi stadium, which is the marathon distance many would've undertaken before/after the show.

As with religion, Indians take entertainment seriously enough to struggle/suffer for it. They always have. I wasn't at Coldplay, because they were in Ahmedabad. But because, I already was (for a family function).

That said, do we know anything from living memory, like the quarter-million nomadic, inter-city backpacking, Kumbh Mela-like phenomenon—making Coldplay in India, the world's largest ticketed concert in history, in 2025?

How's that? I don't know. Hence, asking aloud.

It's a band that debuted in 2000, when millennials were still on Walkmans. But Internet had largely exploded. So did social media, about half a decade later, and that's my first guess.

It places Coldplay among the first retro, top bands, to acquire relevance, simultaneously between generations, as they dropped albums—even collaborating with Noel Gallagher (Oasis), at one end, to BTS, at the other.

This happenstance of a continually refreshed Spotify/YouTube playlist skipped equally huge classic rock groups, say, U2, or Roger Waters (Pink Floyd). I've been to Mumbai concerts of both. They were largely for the country of old men/women.

You could see everyone, from kids, including my 14-year-old nephew, to geriatrics, although mostly 30-somethings, fair gender-ratio, for Coldplay in Ahmedabad. Each with their own memories, recent or distant. For, what's music, if not core memory?

It probably helps that soulful songwriter Martin's messaging—leading the cheeriest band ever, with great compositions—is largely on fellowship/camaraderie; both real, and cosmic. I know it's generic.

But it's in the generic that universal love resides. Getting too specific gets you on the edge of the debatably political. Like those rages against the machine, that we usually identified with rock bands, back in the day.

Does this enduringly mainstream legacy then explain how Coldplay, live, is several times taller than them on the current/weekly music charts? No.

Coldplay simply know how to put on the greatest show. Surely, you've seen their Insta reels. They've been on 'Music of the Spheres' tour since March 2022.

It feels unreal as you step into the stadium with over a lakh fans wearing LED wristbands changing colours with every song, as balloons and heart/star-shaped confetti envelope the air, throughout a tight act, where Martin interacts individually with some audiences.

He makes you feel special. You wanna be there. Even if to say, you were. The FOMO feels right. This vibe is beyond music.

Besides tourism plus pilgrimage, I think Indians have lately travelled between cities, mainly for big-ticket cricket. Not a surprise that when Martin teases Ahmedabad crowds with an early exit; nobody yells the usual, "Once more..."

They go, "Coldplaaay, Coldplaaay..." Exactly like, "Saachiin, Saachiin..." Narendra Modi is also a cricket stadium. I'm gonna attribute some of this hitherto-unseen enthusiasm to a post-pandemic world.

You go to any big city in the world—having noticed this, from São Paulo to Singapore, London, New York, Mumbai—streets on weeknights seem significantly quieter than they were before COVID-19. Even fewer people in theatres for regular movies.

This doesn't mean they prefer being indoors. It shows they value their going out more. It has to be something truly special! Tickets disappear in seconds then. As do tables at beyond-expensive restaurants/clubs.

Prices, locations/cities don't matter. That's Coldplay-effect. Template's set. We'll witness more.

Mayank Shekhar attempts to make sense of mass culture. He tweets @mayankw14 Send your feedback to mailbag@mid-day.com

LETTERS

Favour major firms rather than dubious contractors

Apropos of 'Gone in nine months! Contractor told to fix broken Aarey road', corruption dominates our country, leading to poor infrastructure from dubious contractors bribing officials. Tendering must prioritise top firms such as L&T, ensuring lasting, high-quality projects despite higher costs.

S N KABRA

Did BMC inspect the road before opening it for use?

A newly built road in Aarey Milk Colony developed cracks within nine months. Is this the norm? Were BMC officials inspecting it during construction or before opening it to motorists? These questions need answers.

MELVILLE X D'SOUZA

New auto and taxi fares will cause arguments

This refers to 'Fare, unfair or staple fare?' The odd fare of ₹26 and ₹31 for autos and taxis will lead to arguments making the one-rupee coin a bone of contention between the cabbie and commuter.

ROBERT CASTELLINO

Those concerned must ensure Bumrah stays fit

This refers to 'Bumrah is ICC's best male cricketer for 2024'. Calling Bumrah a national treasure isn't an exaggeration. His workload must be carefully managed to ensure he stays fit and fresh for crucial upcoming series.

BAL GOVIND

have your say!



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Upcoming local body, GHMC polls a litmus test for Cong in Telangana

THE Congress party in Telangana appears to be facing significant challenges in maintaining coherence and focus. Internal conflicts, public missteps by its leaders, and a lack of clarity in strategy are contributing to a growing perception of disarray.

By allowing itself to be drawn into controversies surrounding central schemes and engaging in excessive Modi-bashing, the Congress risks playing into the BJP's narrative. It is widely known that most states rename various welfare schemes funded by the Centre, implementing them under the names of local leaders. However, the BJP and Congress have recently dashed over naming certain schemes after Indira Gandhi. The BJP insists that the government cannot remove the photo of

name of Prime Minister Narendra Modi from housing schemes and free rice schemes. Meanwhile, Congress leaders, echoing Rahul Gandhi's rhetoric, argue that the BJP has not made the sacrifices for the country that the Congress has, referencing the latter's role in the Independence movement.

The BJP alleges that the state government seeks to project housing and free rice schemes as initiatives funded solely from its revenue, thereby obscuring the Centre's contributions. While the BJP aims to attract moderate voters and economically weaker sections, the Congress's strategy of outright antagonism could alienate these groups.

Excessive eagerness by Congress leaders to please the high command in New Delhi risks backfir-

ing, potentially harming the state's interests. This behaviour creates confusion among voters, damages the party's credibility, and leaves it vulnerable to counterattacks by both the BJP and the Bharat Rashtra Samithi (BRS).

While valid criticism of the central government is essential, relentless targeting of the Prime Minister may conflict with the approach of Telangana Congress chief A. Revanth Reddy. As a party leader, Reddy aligns with the Congress's political critique of Modi and the BJP. However, in matters of governance, he has maintained cordial relations with the Union government. This delicate balance could be undermined by contradictory statements or unruly behaviour from Congress leaders in the state. If party leaders con-

tinue to focus on Modi-bashing as their primary strategy against the BJP, Reddy's leadership could be strained. Reports suggest growing discord among Congress leaders in Telangana, with many prioritising their standing with the All-India Congress Committee (AICC) over cohesive state-level strategies. Even after a year in power, several leaders appear to struggle with managing the departments they oversee, reflecting poorly on the party's administrative capabilities.

The upcoming local body and Greater Hyderabad Municipal Corporation (GHMC) elections will serve as a litmus test for the Congress in Telangana. A strong performance could bolster its position, while a poor showing would demoralise the cadre and provide ammunition for rivals to question

the party's relevance in the state.

Failure in these elections could erode voter confidence, weaken the morale of party workers, and exacerbate internal divisions. Such an outcome would further strengthen the BJP's and BRS's grip on Telangana's political landscape, leaving the Congress struggling to remain relevant.

To address these challenges, the Congress must reflect on its strategies, prioritise grassroots organisation, and craft a strong, united narrative. Without a coherent plan for the upcoming polls, the party risks losing further ground in Telangana. A focus on effective governance, disciplined leadership, and meaningful engagement with voters is essential for the Congress to reclaim its footing in the state's political arena.

LETTERS

Disregard of right to life

INDIA has the highest rates of snakebite deaths in the world. Experts say that a lot more must be done to save human lives. Since right to life is constitutional right, apex court now asked centre to do needful to solve this vital problem. Action plan on war footing must be undertaken by centre and states so as to ensure availability of anti-Venom vaccine in rural areas also.

B. Veerakumaran Thampi, Pattom, Thiruvananthapuram

New UGC guidelines disastrous

THE entity of UGC is likely arbitrary and it is losing hope of people. The new guidelines infringe on the rights of many states, indirectly impose centre's powers on Universities to paralyse its educational standards, increase political influence and may lead to decline of Universities. UGC guidelines damages Universities' reputation and increase the political influence of the centre. Subsequently Changes may take place in Ph.D admissions excluding SET examinations and then higher education could remain only a dream for poor people. Therefore the new guidelines have to be squashed.

Rajesh Indigena, Hyderabad

JPC nod to Waqf Bill is not the end

THE manner in which the JPC on Waqf Bill adopted the amendments proposed by the ruling NDA members and rejected those proposed by the opposition members smacks of foul play if not coercion, as alleged by other opposition leaders. The NDA is desperately trying to push the Waqf Bill at the earliest as it wants to get the proposed amendments adopted in order to save more lands belonging to Hindus go under Waqf, because the earlier Waqf Act was considered draconian by the NDA as there was no recourse to courts where Waqf laid claim on any particular piece of land. The passing of amendments to the Waqf Bill by the JPC is not the end. The Bill should be adopted in the parliament, after due discussions, in both houses, for the President to sign. With the entire opposition parties vehemently opposing the amendments proposed by the ruling NDA, it would be next to impossible for the Bill's smooth passage.

Govardhana Myneddu, Vijayawada

Wild fires or greed fires?

In the US state of California, from January 1 to date, there have been 241 incidents of wildfires, burning 40,000 acres of land. These fires are spreading at a rate of 30 acres per minute. Such incidents occur every year, leading to the depletion of forests. However, the exploitation of nature by people driven by greed and profit continues unabated. On one hand, we talk about protecting and conserving the environment, but on the other hand, incidents like these, fueled by human greed, are causing permanent damage to the environment.

Dr Jitesh Murti, Kutch, Gujarat

Nature is all powerful

TIMELY article by Vanam Jwala Narasimha Rao equating the Los Angeles catastrophic fire accident to the wild fire in Mahabharata "LA fires akin to Khandava Dahana" (Hans 28-01-25). LA fire is accidental while Khandava Dahana is intentional. Arjuna was requested by Agnideva to burn the forest as mounds of ghee was poured by Rishis during performance of yagnas in this area. LA fire left many a dead and injured lakhs of crores of ruffes loss. LA is the land filled with Hollywood artists. A terrific fight was witnessed between two natural Panchabhutas elements Agni and Varuna. Agni flared up to new heights and could not be controlled despite spraying of water by Fire Department, but finally the inferno was extinguished after Varun pours torrential water in the form of rain from the sky. Advancement of science and technology cannot rise to the level of powerful nature which is embedded with Panchabhutas.

N Ramalakshmi, Secunderabad

Lack method to address fiscal crisis

THE Niti Aayog Fiscal Health Index reveals huge variations in budgets across states, with Odisha leading and Punjab trailing. Given rising debt-to-GDP ratios, in particular in states such as Punjab and West Bengal, what a specific steps should be implemented to make sure for a long time fiscal health? How can states strike a deal between the need for social assistance and the desire for fiscal fusion? A thorough method is required to solve these crucial issues.

Anshu Bharti, Begusarai, Bihar

thehansreader@gmail.com

Changing jobs is worth considering if workplace is toxic

TIMOTHY COLIN BEDNALL/
KATHRYN PAGE
MELBOURNE

RETURNING to work after a summer break can be jarring, especially for the many workers dissatisfied with their jobs. Almost half report high levels of job-related stress. Dissatisfaction can be tied to an unhealthy, even toxic workplace where negative behaviour and poor leadership harm employee well-being and productivity. Key indicators include bullying, harassment, lack of trust, poor communication and high job strain.

The impact of toxic workplaces: If you think your workplace is toxic, it is worth considering the impact it is having on your mental health. You might also consider how committed your organisation is to supporting its employees' mental health. Toxicity can develop gradually through subtle patterns of micro-management, exclusion, or eroding morale. These dynamics create a draining environment that undermines individual wellbeing and business success. As well as affecting employees' mental health, there is growing evidence workplace stress may lead to serious physical health problems, such as cardiovascular disease.

According to Safe Work Australia, mental health-related workers' compensation claims have increased by over a third since 2017-2018. In 2021-2022, there were 11,700 accepted claims relating to mental health conditions. These cases proved highly costly for employers, with the median compensation paid being AUD\$58,615. The International Standards Organisation released a global standard in 2021 to help manage psychological health and safety risks in workplaces. A number of countries, including Canada and Australia, have introduced laws and standards holding employers responsible for preventing and managing work-related stress. To support a safe workplace, some researchers (including one of the authors) have recommended an integrated, multidisciplinary approach to ensure companies respond appropriately to mental health risks.

What your employer is doing in the following three areas can show how committed they are to protecting mental health.

1. Preventing, minimising or managing the negatives Most work, health and safety legislation and standards in Australia relate to protecting employees from physical



If the workplace is toxic, toxicity can develop gradually through subtle patterns of micro-management, exclusion, or eroding morale. These dynamics create a draining environment that undermines individual wellbeing and business success. As well as affecting employees' mental health, there is growing evidence workplace stress may lead to serious physical health problems, such as cardiovascular disease.

hazards, including slips, trips and falls. More recently, attention has turned to psychosocial hazards. Safe Work Australia and Comcare, as well as state and territory regulators, keep a list of common hazards. These include bullying, excessive workload, low job control, lack of role clarity and exposure to traumatic events, for example, witnessing an accident. These lists are not exhaustive and there are some problems unique to specific jobs. For instance, teachers are often isolated from their colleagues, face big administrative loads and sometimes have to deal with abusive

students and/or parents. Most employers can make necessary improvements including creating fairer workloads, redefining job roles and providing more support to individual employees.

2. Responding to employee mental health issues Despite efforts to minimise the impact of psychosocial hazards, some employees will nonetheless experience mental health issues. Employers should not try to treat an employee's mental health problems. They should support them and direct them to appropriate mental health care. Managers can also help by identifying signs of distress, hav-

ing sensitive conversations with workers about the impact of mental illness and making reasonable changes to their roles. Giving employees access to support services through employee assistance programmes, which can offer confidential short-term counselling, can also help. Establishing a critical incident investigation procedure for events that have compromised employee mental health can help identify the cause of incidents and shape responses.

3. Promoting the positive As well as managing the negative aspects of work, organisations can create conditions that promote employee mental health and wellbeing. One approach for doing this is to provide flexible working arrangements, such as hybrid work, which can offer employees greater choice in work location and scheduling. Another approach involves fostering social connectedness and inclusion among employees. This could involve team-building, social events and opportunities for employees to build relationships. Leaders can also promote a culture of psychological safety – where employees feel able to bring their au-

(The Conversation)

50 years on, full promise of Int'l Women's Year stays fulfilled

MARIAN SAWER
SYDNEY

IN December 1972, the same month the Whitlam government was first elected, the United Nations General Assembly proclaimed 1975 as International Women's Year (IYW). This set in train a series of world-changing events, in which Australia was to play a significant part. The aim of IYW was to end discrimination against women and enable them to participate fully in economic, social and political life. Fifty years later, such participation has become an indicator of development and good governance. But the full promise of International Women's Year has yet to be fulfilled, hampered by pushback and the scourge of gender-based violence. Dubbed "the greatest consciousness-raising event in history", the UN's first World Conference on Women took place in Mexico City in June 1975. Consciousness-raising had been part of the repertoire of women's liberation. Now it was taken up by government and intergovernmental bodies. The Mexico City conference was agenda-setting in many ways.

The Australian government delegation, led by Elizabeth Reid, helped introduce the world of multilateral diplomacy to the language of the women's movement. As Reid said: "We argued that, whenever the words 'racism', 'colonialism' and 'neo-colonialism' occurred in documents of the conference, so too should 'sexism', a term that had not to that date appeared in United Nations documents or debates." Reid held the position of women's adviser to the prime minister. In this pioneering role, she had been able to obtain government commitment and funding for Australia's own national consciousness-raising exer-

cise during IYW.

A wide range of small grants promoted attitudinal change – "the revolution in our heads" – whether in traditional women's organisations, churches and unions, or through providing help such as Gestetner machines to the new women's centres. IYW grants explicitly did not include the new women's services, including refuges, women's health centres and rape crisis centres. Their funding was now regarded as an ongoing responsibility for government, rather than suitable for one-off grants. IYW began in Australia with a televised conversation on New Year's Day between Reid and Governor-General John Kerr about hopes and aspirations for the year. On International Women's Day (March 8), Prime Minister Gough Whitlam's speech emphasised the need for attitudinal change: Both men and women must be made aware of our habitual patterns of prejudice which we often do not see as such but whose existence manifests itself in our language and our behaviour. The Australian postal service celebrated the day by releasing a stamp featuring the IYW symbol, showing the spirit of women breaking free of their traditional bonds. At Reid's suggestion, IYW materials, including the symbol, were printed in the purple, green and white first adopted by Emmeline Pankhurst in 1908 and now known as the suffragette colours.

Policy power: Inside government, Reid had introduced the idea that all Cabinet submissions needed to be analysed for gender impact. After the Mexico City conference, this idea became part of new international norms of governance. Following the adoption at the conference of the World Plan of Action, the idea that governments needed special-



ised policy machinery to promote gender equality was disseminated around the world. Given the amount of ground to be covered, IYW was expanded to a UN Decade for Women (1976-85). By the end of it, 127 countries had established some form of government machinery to advance the status of women. Each of the successive UN world conferences (Copenhagen 1980, Nairobi 1985, Beijing 1995) generated new plans of action and strengthened systems of reporting by governments. The Fourth World Conference on Women in Beijing was a high point. Its "platform for action" provided further impetus for what was now called "gender mainstreaming". By 2018, every country recognised by the UN except North Korea had established government machinery for this purpose. The global diffusion of this policy innovation was unprecedented in its rapidity. At the same time, Australia took the lead in another best-practice innovation. In 1984, the Commonwealth government pioneered what became known as "gender budgeting". This required departments to disaggregate the ways particular budgetary decisions affected men and women. As feminist economists pointed out, when the economic and social division of labour was taken into ac-

count, no budgetary decision could be assumed to be gender-neutral. Governments had emphasised special programs for women, a relatively small part of annual budgets rather than the more substantial impact on women of macro-economic policy. Standard-setting bodies such as the OECD helped promote gender budgeting as the best way to ensure such decisions did not inadvertently increase rather than reduce gender gaps. By 2022, gender budgeting had been taken up around the world, including in 61 per cent of OECD countries. Now that it had become an international marker of good governance, Australian governments were also reintroducing it after a period of abeyance.

Momentum built: In addition to such policy transfer, new frameworks were being adopted internationally. Following IYW, the UN Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) was adopted in 1979. CEDAW became known as the international bill of rights for women, and has been ratified by 189 countries. This is more than any other UN Convention except that on the rights of the child. All state parties to CEDAW were required to submit periodic reports to the UN on its implementation. Non-

government organisations were encouraged to provide shadow reports to inform the questioning of government representatives. This oversight and dialogue relating to gender equality became part of the norm-building work of the UN. However, this very success at international and regional levels helped fuel "anti-gender movements" that gathered strength after 1995. No more world conferences on women were held, for fear there would be slippage from the standards achieved in Beijing. In Australia, the leveraging of international standards to promote gender equality has been muted in deference to populist politics. It became common to present the business case rather than the social justice case for gender-equality policy, even the cost to the economy of gender-based violence (estimated by KPMG to be \$26 billion in 2015-16).

The battle continues: Fifty years after IYW, Australia is making up some lost ground in areas such as paid parental leave, work value in the care economy, and recognition of the ways economic policy affects women differently from men. However, all of this remains precarious, with issues of gender equality too readily rejected as part of a "woke agenda". The world has become a different place from when the Australian government delegation set out to introduce the UN to the concept of sexism. In Western democracies, women have surged into male domains such as parliaments. Australia now has an almost equal number of women and men in its Cabinet (11 out of 23 members). But along with very different expectations has come the resentment too often being mobilised by the kind of populist politics we will likely see more of in this election year.

(The Conversation)



The Free Press Journal
Founder Editor: S. Sadasanand

Consensus missing on Waqf board

The report of the Joint Parliamentary Committee (JPC) on the draft law to regulate Waqf properties, after considering 572 proposed amendments, is a textbook example of how parliamentary committees can sometimes fall short of their intended purpose. Instead of delivering meaningful reforms through consensus, the committee churned out decisions shaped purely by partisan allegiances. Waqf, an integral part of Islamic jurisprudence, allows Muslims to donate or bequeath property for philanthropic purposes like setting up hospitals, educational institutions, and hostels for the underprivileged. These properties are meant to serve as perpetual public goods, immune to commercial exploitation. However, the current system of Waqf management has faced widespread criticism, including from within the Muslim community, for inefficiencies, corruption, and underutilisation of properties.

Given this context, the government's push to streamline Waqf administration could have been a step forward. But skepticism persists, particularly among Muslims, who fear that the amendments are a covert attempt to usurp Waqf properties. Such fears are fuelled by widespread misinformation about the board's ability to arbitrarily claim land as Waqf, claims often debunked by examples like the continued ownership of India's most expensive residential property in Mumbai.

The JPC, chaired by Jagdambika Pal, consisted of 26 members, with 16 from the BJP and its allies and 10 from the Congress and other opposition parties. Pal's admission that none of the 14 accepted amendments that were suggested by the Opposition speaks volumes about the partisan nature of the committee's deliberations. Had the members engaged in constructive debate and embraced a spirit of give-and-take, the report could have recommended balanced amendments acceptable to all stakeholders. Instead, the strict political voting pattern highlights a troubling question: What is the point of referring draft laws to committees if their functioning mirrors the adversarial atmosphere of the legislative floor?

One notable recommendation of the JPC was the appointment of a senior official above the rank of district magistrate to adjudicate property disputes involving Waqf boards and the government. While this could bring greater accountability, it is not nearly enough to address the systemic concerns surrounding Waqf management. Reforming Waqf laws is not inherently problematic, but the process must be transparent, inclusive, and driven by public interest. Without meaningful dialogue and consensus, legislative changes risk being seen as exercises in political manoeuvring rather than genuine governance reforms. All is not lost, however, as the government can still make necessary changes before presenting the Bill in Parliament.

Tigers, tribals and troubles

The recent death of a tigress at Pancharakolli in Wynad district, following the gruesome killing of a tribal woman, brings both relief and deeper concerns. While forest officials ruled out human intervention in the tigress' death, its demise after a week of public panic has raised urgent questions about human-wildlife conflict in Kerala's shrinking forests. This unfortunate episode exemplifies the precarious balance between conservation and community safety. As Jim Corbett famously observed, tigers do not naturally target humans, resorting to such behaviour only when old age, injury, or loss of prey compels them to do so. The necropsy report confirmed that this tigress was indeed the one that attacked the woman, likely driven to desperation by territorial disputes or food scarcity. Kerala's wildlife officials are correct in asserting that the tigress was not part of the official tiger population, a claim that ironically highlights the questionable management of forest boundaries and animal tracking.

The increasing encroachment of humans into forest lands, coupled with lax conservation measures, fuels these conflicts. Over the last decade alone, wild animals have killed 51 people in this area, with eight victims falling to tigers. While conservationists like Maneka Gandhi may protest from distant Delhi, dismissing the concerns of frightened villagers, it is those living on the forest fringes who endure the terrifying reality of man-eaters prowling their backyards. Their fears are not misplaced but stem from years of unaddressed dangers. A sustainable solution requires more than reactive measures like culling permissions or protests. Stakeholders, including the government, forest officials, environmentalists, and local communities must collaborate to ensure that both people and wildlife can coexist. Protecting wild animals while expanding safe habitats for them is the only path forward. Lost more tragedies remind us of the price of neglect.

A sustainable solution requires more than reactive measures like culling permissions.



Here There & Everywhere
SAYANTAN GHOSH

As India approaches another electoral milestone, the once-promising INDIA Bloc, formed to counter the BJP's political dominance, appears to be unravelling. What began as a strategic coalition of opposition parties during the 2024 general elections has now devolved into a fragmented grouping, riddled with internal contradictions and clashing ambitions. The upcoming Delhi Assembly elections could potentially be a pivotal moment for this coalition, posing existential questions about its future.

The INDIA Bloc, which initially brought together diverse political entities under a shared banner, now finds itself split into two distinct factions. On one side is the Aam Aadmi Party (AAP), led by Arvind Kejriwal, and on the other is the Congress, a former ally in the 2024 Lok Sabha elections. This division has come to the forefront as the two factions face off in the Delhi elections, their direct contest underscoring the fragile nature of the alliance.

The AAP has garnered support from prominent regional players such as the Trinamool Congress (TMC), the Samajwadi Party, and Sharad Pawar's NCP faction, resulting in the Congress facing increasing isolation. The growing fissures were starkly highlighted when Rahul Gandhi openly criticised



Fuzzy Logic
ROHIT CHANDAVARKAR

Maharashtra's Deputy Chief Minister, Ajit Pawar, who handles the finance portfolio, now has the unenviable task of preparing the state's annual budget for the next financial year and has given indications this week that he will have to take many tough and unpleasant decisions. This means the budget will obviously have new and additional taxes on commodities, services and products of various categories. The state's budget size is in the range of Rs7 Lakh crores, and it has been running in deficit year after year as the revenues are just unable to match the expenses. This poses many financial challenges for Maharashtra, and it is clear that the burden is mainly because of the challenges of urbanisation and agrarian failure. The main challenge of urbanisation is that of forced migration, putting a huge burden on the state's economy.

Maharashtra's last budget, presented in an election year, was very special for the state because the

Delhi elections: for the INDIA Bloc, it's a question of survival

INDIA Bloc's survival hinges on its ability to adapt to evolving political realities. This requires addressing internal conflicts

Kejriwal, equating him with Prime Minister Narendra Modi — a sharp departure from the Congress's earlier reluctance to target AAP directly. This public confrontation reflects the growing mistrust and hostility within the opposition ranks, eroding the Bloc's cohesion.

Delhi is not the only place where the INDIA Bloc is fracturing. Across the country, regional parties have grown disillusioned with the Congress's perceived high-handedness. Despite its improved performance in the 2024 Lok Sabha elections, Congress has struggled to maintain harmony with its allies, particularly in states like Haryana and Maharashtra.

The AAP, in Haryana, attempted to create a united opposition front, but Congress's lack of enthusiasm hindered this effort. Similarly, in Maharashtra, the Congress's rigid stance on seat-sharing within the Maha Vikas Aghadi (MVA) alienated its partners, resulting in a lacklustre performance that weakened the coalition. Such instances of inflexibility have frustrated regional parties, which are increasingly wary of aligning with a Congress that appears unwilling to accommodate their interests.

If the Congress hopes to maintain its leadership role within the INDIA Bloc, it must recalibrate its strategy to prioritise collaboration and mutual respect. Without a willingness to share power and adapt to the realities of regional

politics, the Bloc's unity will remain tenuous at best.

The Delhi Assembly elections hold particular significance as a barometer for the INDIA Bloc's future. Beyond the immediate battle between the AAP, Congress, and the BJP, the election results will reveal whether the opposition alliance can overcome its internal contradictions and present a unified strategy in the face of mounting challenges. Should AAP emerge victorious, it would likely cement its position as a leading force within the opposition, further isolating the Congress. Conversely, if Congress manages to cut into AAP's voter base, tensions within the Bloc could escalate, prompting AAP to reconsider its participation in the alliance. Such a scenario could lead to the Bloc's disintegration, with individual parties prioritising their regional interests over collective goals.

One of the INDIA Bloc's fundamental weaknesses is its lack of a cohesive leadership structure. Initially, the alliance's decentralised approach allowed state-level leaders to make decisions based on local dynamics. While this model aimed to accommodate the diverse interests of its members, it has resulted in a fragmented strategy and an inability to present a unified vision.

Congress leader Sachin Pilot has called for a stronger alternative to challenge the BJP, but this vision

remains unrealised due to the absence of a clear leadership framework. Without a central figure or coherent strategy to guide the Bloc, its efforts to counter the BJP's dominance appear disjointed and ineffective.

The INDIA Bloc's survival hinges on its ability to adapt to evolving political realities. This requires addressing internal conflicts and presenting a compelling narrative that resonates with voters. Issues such as economic inequality, social justice, and democratic governance must take center stage in the Bloc's agenda. Additionally, it must counter the BJP's narrative of nationalism and development, which has been pivotal in shaping public opinion.

To achieve this, the Bloc's leaders must prioritise dialogue, compromise, and collective action. The focus should be on building trust among its members and crafting a shared vision that transcends individual ambitions. Only then can the alliance hope to present a credible alternative to the BJP.

The INDIA Bloc's challenges are not merely a matter of political strategy but also a test of democratic integrity. The alliance was formed with the stated goal of upholding the principles of democracy and pluralism, offering a counterbalance to what it views as the BJP's authoritarian tendencies. Its potential disintegration would weaken the opposition and under-

mine the democratic process, leaving voters with fewer alternatives and a less vibrant political landscape.

The INDIA Bloc finds itself at a crucial juncture as the Delhi elections draw near. The leaders of the INDIA Bloc must acknowledge that unity and cooperation are not only essential for electoral success but also fundamental to the well-being of India's democracy. The alliance's future depends on its ability to resolve internal contradictions and work toward a common goal.

For the Congress, this means shedding its high-handed approach and embracing a more inclusive leadership style. For regional parties, it requires balancing state-level priorities with the broader objective of opposing the BJP. And for AAP, it involves finding a way to coexist with the Congress, despite their differences.

The Delhi Assembly elections will ultimately test the viability of the INDIA Bloc. Whether the alliance can navigate its internal challenges and emerge stronger will determine not only its electoral prospects but also the future trajectory of India's opposition politics. The stakes are significant, not only for the Bloc but also for the nation's democratic fabric.

The author, a columnist and research scholar, teaches journalism at St. Xavier's College (Autonomous), Kolhata. His handle on X is @sayantan_gh.

Agrarian crisis, forced migration may burden Maharashtra

As the state finance minister prepares for Maharashtra's annual budget, more taxes look inevitable in the next financial year

Ruling state not only faced the election of 48 Lok Sabha seats but also the state assembly in a state having India's largest legislatures. No wonder the budget last year was full of freebies and giveaways, such as the Direct Benefit Transfer scheme for women from the economically deprived classes. The Maharashtra Lok Sabha election, too, was a burden of Rs 45 thousand crore on the state budget. The government also announced a 50% discount for women travelling in state transport buses. The finance minister also announced a discount scheme for farmers using electric water pumps of low consumption and some schemes for students of a particular category, taking the overall burden to beyond Rs 84 thousand crores!

Elections are now over. Many observers feel that the desired effects of the Direct Benefit Transfer (DBT) schemes for women and farmers yielded the results and gave Mahayuti a thumping majority in the state assembly. But now it is time to face the hard reality of meeting the challenges posed by

this additional expenditure from the state coffers. The Maharashtra State Road Transport Corporation, popularly known as the ST bus service, announced a 15% hike in travel tickets last week, giving an indication of things to come in the state budget. It is time, to face the hard economic reality and brace for new taxes that the state is likely to impose. Bringing in yet another possible inflationary trend.

Two main reasons according to many government insiders for this economic crisis are very clear but unavoidable. First, is the agrarian crisis, which continues to affect the state despite a reasonably good monsoon last year; and second, is the constant influx of migration into Maharashtra, creating huge problems of urbanisation and putting stress on the state's economy.

Just last week, the farmers in Maharashtra experienced a glut in the tomato market. Maharashtra is India's largest tomato producer, and it supplies the commodity to the entire north of India and eastern parts of the country. The wholesale prices of tomatoes fell to

Rs. 5 per kilo in the Narayanganj market in Western Maharashtra, India's largest tomato wholesale centre. A similar trend was seen among sugarcane farmers of south Maharashtra last year. Many farmers have openly announced that agriculture is just not sustainable for them in the current price structure. The situation has brought in a recessionary trend in the agrarian sector.

While the rural farm sector faces these challenges, urban Maharashtra is struggling with a different problem. Maharashtra now accounts for the largest migration. According to recent figures, there are now close to 90 lakh migrant workers living in the state. No other state has such a large number of migrants. Lack of jobs in various parts of the country is the reason behind people moving to Maharashtra leading to rising unemployment here.

Unfortunately, none of the large political parties or leaders seem to be addressing these problems. Last week, there was a lot of debate in the media about political parties

from both sides of the divide competing either for juicy portfolios or for positions as guardian ministers of large districts. But nobody seems to be talking about the problems that are now threatening the economic welfare of Maharashtra. The state is now spending close to 60% of its revenue on government salaries and pensions, leaving very little funds for developmental work. Rural irrigation schemes, construction of new roads in rural areas and other similar projects are getting hampered. The construction of big highways has been virtually privatised, and citizens have to pay tolls for the use of those highways; health care has been largely privatised, and so has education. The state political leadership made tall promises ahead of the election season last year, meeting most of those is going to be harder and harder in the coming months and years!

Rohit Chandavarkar is a senior journalist who has worked for 31 years with various leading newspaper brands and television channels in Mumbai and Pune.

LETTERS TO THE EDITOR

Dear reader, We are eager to know your opinions, comments and suggestions. Write to letters@fpj.co.in with the title of the letter in the subject line. Using small mail? Send your letters to The Free Press Journal, Free Press House, 215 Free Press Marg, Nariman Point, Mumbai 400021.

President above party politics

Presidents and governors, once they assume office, should stay above party politics. The President promoting ONCE and glorifying the changes made in the criminal laws makes it clear that party affinity continues to dominate the mind. Even if the ruling dispensation commits anything wrong, it is for the President to correct the same. Even before the concerned parliament committee concludes discussion and presents its report, such a message from the President may play an influencing role, which is not proper.

A.G. Rajmohan, Anantapur

Budget 2025

The budget 2025 should focus on inclusive growth and sustainable development. Increased allocations for healthcare and education are essential to strengthen public welfare. Investments in renewable energy and green infrastructure will ensure envi-

ronmental sustainability and economic growth. Special attention should be given to boosting the manufacturing sector through incentives, thereby generating employment opportunities. Chitransha Sharma, Ujaan

Strategic move or regional turmoil?

U.S. President Donald Trump's suggestion to relocate Palestinian refugees from Gaza and his decision to lift restrictions on 2,000-pound bomb sales to Israel reflect his unapologetically pro-Israel foreign policy. While his actions align with his 'America First' approach, prioritising allies' immediate security needs, they risk exacerbating tensions in the Middle East. Proposing the displacement of Palestinians undermines their historical ties to Gaza and could deepen regional instability. Gopalaswamy J. Mylapore

Mandana makes history

India's Smriti Mandhana has been adjudged the ICC Women's ODI Crick-

eter of the Year 2024. Mandhana smashed 747 runs this year with the help of four centuries and three fifties in 13 games. She has now equaled Suzie Bates' record of winning the ICC Women's ODI Cricketer of the Year on multiple occasions. Earlier, she had won the ICC Women's ODI Cricketer of the Year award in 2018.

Jayanthi Subramaniam, Mumbai

Embrace playfulness

There are simple ways to keep humour at the heart of your marriage and daily life. Light-hearted teasing or silly moments can keep the relationship exciting and fresh. Reminisce about amusing mishaps or moments that made you laugh together. Don't take everything too seriously. Being able to laugh at your own mistakes shows humility and resilience.

M.R. Jayanthi, Vashi

Unwarranted hike

Steep hike in taxi, auto fare was unwarranted. The base fare hike will make

these modes of transport unaffordable for many people. The government should improve public transport, like BEST bus services and local train commuters, so that people use them as alternatives to taxis and autos wherever possible. Most taxis and autos run on CNG, which is cheaper than other fuel, and fare hikes are unwarranted.

S.N. Kabra, Mumbai

Occupational hazard

Fortunately, the Maharashtra was not bought by infomys or L&T. Imagine the flying crew working for 70-90 hours! With most of the time being spent midair, the crew would then have showered their love on the family only with a notional flying kiss. People hoping to land a job in aviation need to keep such occupational hazards in mind before applying.

A.P. Thiruvadi, Thirunagar

Ban freebies

Freebies are immoral, invidious and insidious. They are tantamount to open



Air pollution

Air pollution, a constant and growing threat to the health and well-being of Delhi's residents, has reached alarming levels. Yet, despite its grave consequences, it is strikingly absent from most of the election manifestos.

This shows that political parties often follow voter preferences or media coverage, focusing on issues that are already in the public discourse, rather than addressing emerging or long-standing problems like air quality.

Sanjay Chopra, Mohali

bribes. Ultimately, the voters will suffer if they fall prey to such freebie gimmicks. Also, it is undemocratic to purchase votes by offering something as a quid pro quo. Therefore, I

request the Election Commission to ban parties indulging in freebies. The candidates soliciting votes for freebies must be debarred from contesting.

Lakshman Sundar, Vashi



Opinion

WEDNESDAY, JANUARY 29, 2025

Bailing out RINL

Besides political-economy compulsions, this also reflects changed approach to the P word

BUDGET 2025 IS likely to reflect a steadily lowering of ambition on big-ticket privatisation or strategic disinvestments that were announced with much fanfare in Budget 2022. L'Affaire Rashtriya Ispat Nigam Ltd (RINL) — a state-owned enterprise operating the 7.3 million tonnes per annum steel plant in Vizag — exemplifies the National Democratic Alliance (NDA) regime's waning appetite for the P word. In January 2021, the cabinet committee on economic affairs approved its privatisation but four years later, it has cleared a ₹11,440-crore revival package. The government has also decided to put on hold privatisation of nine state-owned units, besides closing down nine ailing central public sector enterprises. All of this is in sharp contrast to Budget 2022 when it announced a sweeping agenda on privatisation which included Air India, BPCL, Shipping Corporation of India, Container Corporation of India, IDBI Bank, BEMIL, Pawan Hans, Neelachal Ispat Nigam Ltd, besides two public sector banks and a general insurance company. However, barring Air India and Neelachal Ispat Nigam Ltd which went to the Tata Group and the recent sale of Ferro Scrap Nigam to a Japanese company, the other transactions are on the back burner.

Strategic disinvestments therefore are in abeyance despite the government's stated intention that it has no business to be in business. The U-turn on RINL reflects political-economy compulsions of the ruling dispensation that now depends on regional allies in Andhra Pradesh and Bihar. RINL is the first shore-based integrated producer of steel based in Andhra whose chief minister is more interested in its revival than privatisation. So, too, do thousands of workers of the steel plant. While RINL's package provides a fresh lease of life — reflecting the Centre's "holistic" approach towards public capital management — the big question is, how far will it go to revive the beleaguered steel maker? Or is it merely to enhance its valuation for privatisation in the future?

While the package will help RINL pay employees' salary arrears including monthly salary bill and enable full production with two blast furnaces in January and three blast furnaces in August, it does not address the important reasons why it is in such a bad shape financially. RINL's travails include the lack of a captive mine for iron ore and coal, cyclical markets, and a liquidity problem. Financial viability is not possible when it is forced to buy iron ore at market prices which are 10 times costlier than from captive sources. While the government has backtracked on the P word, RINL's fortunes will not revive with the bailout. A solution that has been discussed at the Centre would be to merge it with the state-owned Steel Authority of India Ltd which has captive sources of raw materials to help RINL lower unit cost of steel production and achieve better capacity utilisation, which hit 63% last year.

There is also a precedent for this when HPL was taken over by another state-owned entity, Oil and Natural Gas Corporation, in FY18. REC too was taken over by the state-owned Power Finance Corporation in FY19. Once RINL becomes viable, more resources can be devoted to modernisation by replacing its blast furnaces with electric arc furnaces to reduce emissions. As it produces long products like wire rods, billets, rebars, and rounds, RINL definitely can be an integral part of the NDA's \$1.4-trillion infrastructure push for growth which is highly steel-intensive in nature.

Nvidia stock crash solves a Wall Street puzzle

DEEPEEK, A CHINESE artificial intelligence start-up, has developed a model that can apparently answer questions as well as any chatbot in the US. It might even help answer a long-running question on Wall Street without being asked.

For many years, so-called quality stocks in the US, which are essentially shares of the most highly profitable companies, have been among the best performing investments. The MSCI USA Quality Index has returned an enviable 13% year since 2013, including dividends, nearly 2 percentage points a year better than the S&P 500 Index.

Technology giants such as Nvidia, Microsoft, and Alphabet, recently catapulted by AI's promise, have been a big part of quality's success. And here lies the question: In a mostly efficient market like that of the US, where risk and return are supposed to be closely related, why should investors earn above market returns for owning the most stable, dominant, and profitable companies?

Monday's tech rout in which about \$590 billion was erased from Nvidia's market capitalisation has brought this question back to the fore.

It's true that higher profitability translates into a higher payoff for investors, all things equal, but investors usually pay a premium to own more profitable firms. I've included in my analysis the Russell 1000 Growth Index as a stand-in for quality in part because there's significant overlap between the two, particularly at the top. Both include tech heavyweights Nvidia, Microsoft, Alphabet, Apple, and Meta Platforms, though growth has a higher weighting toward them at 43% than quality's 26%.

Growth, however, offers a longer history and a useful contrast with value, whereas there isn't a ready-made basket of stocks that represents the other side of quality. The growth index is expected to achieve a return on equity of 34% this year, but at a price of 34 times forward earnings. The quality index offers only a slightly better tradeoff, with an expected ROE of 32% in exchange for 28 times earnings. Compare that with the Russell 1000 Value Index, which is expected to produce an ROE of just 12% but can be had for nearly half the earnings multiple.

As those numbers show, after accounting for both profitability and valuation, investors mostly get what they pay for, so it's not entirely clear which basket of stocks is the best bet. Yet in the tech-fuelled era, the quality index has beaten the S&P 500 by 2 percentage points a year since 1994 through December, the longest period for which its performance is available, and every time over rolling 10-year periods.

It may seem as if quality is a sure winner, but the emergence of DeepSeek, and its obvious potential disruption of US tech giants, suggests otherwise. It hints that quality investors are paid to take more risk, much the way stock investors are paid a premium relative to safe bonds or bond investors relative to stable cash.

The naked problem with abnormally high profits is that they're not sustainable — most people wouldn't recognise the names of the most profitable companies from 50 or 100 years ago. There are many pitfalls awaiting fat profits, and here are two: They tend to attract regulators, as Microsoft learned in the 1990s and Alphabet has experienced more recently. DeepSeek highlights a second, and potentially more lethal one, which is that high profits — or the potential for them from innovations such as AI — attract competitors eager to take market share.

The risks lie in not knowing when the party will end. Once disruption is evident, stocks can reprice quickly to reflect the expected loss of profits well into the future. That's particularly true for high-valuation companies such as Nvidia where much of the price is dependent on rosy future growth. The declines can be sudden and steep.

If the losses among tech stocks continue, some perspective will help. Since 1995, growth's forward price-earnings ratio has been about 46% higher than value's on average. Even after the DeepSeek sell-off on Monday, growth trades at a 72% premium to value, well higher than the historical average and comparable to the premium just before the tech sell-off in 2022. When disruptions get serious, growth has even been known to trade at a discount to value, as it did during the 2008 financial crisis.

So, it's too soon to say if DeepSeek will dethrone Big Tech. But it's a good time to be reminded that the outsized returns investors have enjoyed from quality stocks are probably not a free lunch, even if the risk is hard to see and even harder to anticipate.



NIR KAISSAR
@nirkaissar

THE ECONOMIC POLICY FRAMEWORK PROPOSED IN FY25 BUDGET MUST REST ON FOUNDATIONAL PILLARS

A path to tangible outcomes

THE UNION BUDGET for 2024-25 proposed an Economic Policy Framework to drive India's economic agenda. For this framework to deliver tangible outcomes within India's unique context, it must rest on six foundational pillars.

Care for time value of money: The framework gets life through economic laws. Most of them assign distinct roles to both authorities and private parties. Typically, they impose mandatory timelines on private parties, often with severe consequences for delays. However, the same rigour is rarely applied to authorities. Timelines, where prescribed for authorities, are generally directory, with no consequences for non-compliance. Delays in approving transactions, issuing licences, enforcing contracts, resolving disputes, or concluding enforcement actions, undermine the economic value at stake.

To address this, decisions such as approvals, licences and appointments must adhere to strict timelines, with provisions for deemed approvals if the authority fails to comply. A noteworthy example is the recent amendment to the Competition Act, 2002, where combinations are deemed approved if the authority does not decide within 21 days of receiving a notice. Economic laws must mandate timelines for every activity of an authority: investigations concluded within X days; charge sheets filed within Y days of completion of investigation; trials completed within Z days of charge sheet filing; appeals disposed of within Q days of filing, with consequences for the failure.

Just as the law penalises individuals for obstructing public servants in discharging their duties, a failure by authorities to deliver services within prescribed timelines should be viewed as an obstruction to business and subject to penalties. A shift from open-ended, discretionary timelines to mandatory, enforceable deadlines, backed by provisions for deemed approvals, will instill a sense of the time value of money among the authorities.

Win hearts and minds: People often

grow accustomed to a way of life, no matter how flawed, and instinctively resist change. Every change inevitably creates both winners and losers. Those benefitting from the old order may resist change, often with ideological support. This has led to rollback, stalling, or indefinite postponement of several economic laws. A notable recent example was the withdrawal of three farm laws. While announcing the withdrawal, the Prime Minister Narendra Modi said: "Our government brought in the new laws with good intentions... But we have not been able to explain (their benefits) to some farmers."

This highlights a crucial insight: marketing reforms is just as vital as reforms themselves. For any deep reform to succeed, it must be carefully designed, effectively packaged, and persuasively marketed. The process should begin by generating demand for reforms among stakeholders. The next step is to design the legal instrument to translate the reforms into actionable measures. In 2014, the government advised all ministries to conduct public consultations before making any legislation. The Competition Act now mandates public consultation before the regulator makes any regulations. It should be mandatory for every economic law to undergo public consultation. This process should include an impact assessment, outlining the likely impact of the proposed legislation, and the associated costs of compliance and enforcement. Once the law is enacted, advocacy should position it as a reform for, and of, the stakeholders, ensuring a sense of ownership and align-

ment with their interests. **Evidence-based policy:** The strength of EPF lies in its capacity to measure, analyse, and adjust to the evolving needs of the economy. This evidence-based approach enables policymakers to understand the trade-offs of their decisions, build stakeholder confidence, and identify inefficiencies or areas requiring adjustment. Ex-ante and ex-post assessments are crucial, as they allow policymakers to anticipate impacts and make necessary corrections after the law is enacted.

Evidence-based policy-making requires: (a) availability of relevant, accurate, comprehensive, and timely data for informed decision-making; (b) availability of robust indices and metrics to measure and monitor the efficiency of resource use, the effectiveness of policies, and longitudinal and cross-sectional impacts; (c) technical expertise with state agencies to use advanced tools and frameworks such as regulatory impact assessments and public consultation indices; and (d) a culture of transparency and accountability to ensure that policies serve the public interest and are responsive to feedback.

Sole objective: An economic law should focus on a single, clear objective. The Tinbergen Rule, named after the first Nobel laureate in economic sciences, emphasises that each policy instrument should correspond to a distinct objective. Attempting to address multiple objectives with a single instrument often results in ineffective or conflicting outcomes. It is akin to "killing more than one bird with

one stone" when the birds are flying in opposite directions.

Institutions matter: The 2024 Nobel laureates in economic sciences (Daron Acemoglu, Simon Johnson, and James Robinson) argue that the differences in prosperity among nations stem from differences in institutions. The effectiveness of economic policies is directly tied to the strength of the institutions that host them. Without robust, well-functioning institutions, even well-crafted policies may fail to deliver their intended outcomes.

Consider, for instance, a law that aims to prevent the abuse of a dominant position. This presupposes the existence of high-quality rule-of-law institutions capable of detecting market dominance and abuse. However, if these institutions are weak or absent, the objective will be undermined. It is therefore essential to address institutional gaps, fortify existing ones, and adapt them to meet the evolving needs of the economy. A strategic approach could prioritise the development and fortification of key institutions, using scientific metrics to monitor their health, and initiate corrective actions at the earliest signs of deterioration.

Bridging execution gaps: While the legislature enacts laws to address economic challenges, the responsibility for implementing them rests largely with the executive and the judiciary (including regulators and tribunals). These entities may not always align with the legislature's urgency or intent, resulting in execution gaps. Take the Insolvency and Bankruptcy Code, 2016. As of 2023, it is available only for corporate entities, leaving a vast majority of potential beneficiaries excluded. The resolution process often takes four times longer than prescribed, primarily due to capacity constraints within the state.

Bridging this gap requires a seamless alignment of vision and action across the legislature, executive, and judiciary. Structured programmes could be introduced to bring the uninitiated up to speed on each new economic law. Regular dialogues, such as biennial reviews of every economic law, could foster collaboration, address concerns, and improve execution.

Could Trump end up with a limp dollar?



JAMAL MECKLAI

CEO, Mecklai Financial
www.mecklai.com

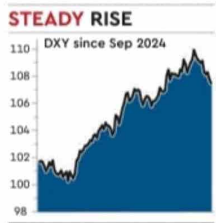
On a trade-weighted basis, the dollar is at close to the highest level it has ever been. Thus, on an objective basis, a decline would not be surprising

THE DOLLAR HAS corrected quite dramatically since January 20 following the collapse, "psychic rumour" of the fact it had been rising steadily (by about 6%) since September last year when it began to appear that Trump would win the election and, on the day he took office, it turned sharply lower.

The DXY is now down more than 2.5% in less than a week, and technical analysts are scratching their heads as they see a possible run much lower as the further decline could open up an expanding range of head and shoulders patterns that could take the DXY down all the way to below 100. If, for instance, it was to fall a little more, correct upwards slightly, and then fall below the neckline that would be formed at 106.90, it would open the technical road to a decline to 103.80. In turn, this could set up another head and shoulders with the head at 110 and the drop aimed at around 97.

To be sure, technical analyses, like any "scientific" analysis of markets, or, for that matter, anything else, often turn out to be full of holes. But I point this out since it is in sharp contrast to most widely held views, and in markets, as (again) in life, you need to recognise that anything can happen.

Turning to the US economy, it has been going from strength to strength, even



STEADY RISE
DXY since Sep 2024

before Trump's America first policies have seen the light of day. In reflection, the Dow has seen a wild tear and is approaching its all-time high, having risen by over 3% since Trump took office. The general consensus is apparently that the stronger US economy would attract and sustain investment flows. To be sure, inflation remains problematic and the bond market, while it corrected hopefully (with yields dipping from their recent peaks), remains on guard.

Of course, there is no hard and fast market rule that if an economy is strong, its currency will naturally be strong as well. And although it is certainly possible the

dollar may turn upwards again, I note that the Orange-Orchard has loudly been demanding lower — and much lower — interest rates, since he knows much more about interest rates than the Fed, who is understandably concerned about the slow progress on bringing inflation under control. Trump's bellowing on interest rates recalls (most recently) Turkey's Erdogan who, in 2021, fired his central bank governor for raising interest rates to control inflation. The new governor brought rates down below 10% before Erdogan, but, by 2023, rates started to rise again, peaking at near 45% as inflation climbed to above 60%. I was in Istanbul recently and everyone (and his sister) was super concerned about the cost of living.

Now I know that this sounds like science fiction in the US context, but it provides an indicator of what can happen if institutions are overridden. And while US institutions are, as yet, still sound and strong, Trump is Trump and he knows best.

Coming back to the dollar, I note that in markets nothing goes on in one direction forever and the fact is that, on a trade-weighted basis, the dollar is at close to the highest level it has ever been. Thus, on an objective basis, a decline would not be surprising. Of course, the kind of decline I illustrated above would be quite dramatic, but my intention is only to

point out a weaker dollar is not an outlandish possibility.

Dollar weakness would not be such a bad thing for the world economy. Chances are the currencies of some of the US trading partners — China, the European Union, Japan — would likely strengthen in concert, which may give Trump pause on his tariff madness — since a weaker dollar would — over time — reduce the yawning US trade deficit that has been causing so many of Trump's bad dreams. The trick of course, is the phrase "over time" and, as we all know, our boy is in a tearing hurry. Nonetheless, it may make the tariff game a little less insane.

Bringing it back home, even if the dollar does weaken, it does not (again) automatically mean the rupee would strengthen. First off, the rupee's correlation with the DXY is not very high. At its peak it has seldom reached even 50%. Secondly, and perhaps more relevant, I am not sure inflows are going to pick up in a hurry anytime soon because (a) Trump is around and his policies are certain to be uncertain, (b) Indian interest rates are set to trend lower quite soon, and (c) the Reserve Bank of India will use any opportunity to buy dollars to rebuild its reserves.

We would likely see a continued increase in rupee volatility but within a relatively narrow, but widening, band.

LETTERS TO THE EDITOR

Fiscal health of states

The NITI Aayog Fiscal Health Index 2025 reveals huge variations in Budgets across states, with Odisha emerging as the top scorer and Punjab trailing at the bottom. Given the rising debt-to-GDP ratios, in particular in states such as Punjab and West Bengal, specific steps should be deliberated upon and implemented to make sure fiscal health improves in the long run. How can states strike a

deal between the need for social assistance and the desire for fiscal fusion? A thorough method is required to resolve such questions.

—Anshu Bharti, Begusarai

Using religion for political gain

Congress President Mallikarjun Kharge's remark that taking a dip in the Ganga will not end poverty has sparked a heated debate. Taking a dip

in the holy river, otherwise a ritual observed by millions over millennia, has become a "faith statement" for right-wing politicians. It is evident that they see it as a photo-op for political gain. The Congress president's remark was against the conscious public display of faith by the likes of home minister Amit Shah and Uttar Pradesh Chief Minister Yogi Adityanath. Politicisation of religion hurts our secular democracy. Kharge made it clear that he had no intention of

offending religious sensibilities. If leaders who profess to represent or safeguard Christianity or Islam do a religious act to win the support of the poor sections in their communities without doing anything tangible, the remark applies to them too. Kharge is not against Hinduism, as the Bharatiya Janata Party, say, against their leaders using religion for political gain.

—G David Milton, Marathocad

Write to us at letters@expressindia.com

As US steps on the gas, India must spread its bets

RAJAN MATHAI

With the mantra of 'Drill baby drill', and expedited regulatory clearances, United States President Donald Trump and his followers believe he can unleash a wave of increased US oil and gas production. Whether we in India believe that or not, decisions made in Washington will impact our lives.

Almost 90% of our crude oil requirements come from abroad. Oil makes up 25-30% of our total import bills, and imports keep increasing every year. Despite efforts at energy transition, oil and natural gas remain vital not just for transport but for cooking, electricity, chemicals, pharmaceuticals, plastics, etc. — all the stuff of modern civilisation. Not to forget defence and national security.

The US is already the world's largest oil producer, with output at record levels of over 13.2 million barrels per day (bpd). This is 70% higher than a decade ago when

the surge in production of shale/tight oil and gas really took off in the US. This kept global prices in check, though OPEC+ made repeated efforts to raise prices by curtailing output. Despite this favourable external factor, petrol and diesel prices in India remained high throughout. But that is because nearly half the cost consists of taxes being squeezed out of us citizens by the Union and state governments!

In the US, petrol prices are a more politically sensitive issue. Trump campaigned with the promise of lowering inflation in fuel costs by increasing oil production as an emergency, which he has now declared. However, investment decisions are not made in the White House, but in the boardrooms of oil companies; and at present, the latter seem to want to maximise shareholder returns, not production. Market analysts say that US output may rise by only 300,000 bpd this year, based on earlier investments in advanced drilling techniques. This is why Trump is now

asking Saudi Arabia, which has 3 million bpd spare capacity, to increase production! In 2022, Western sanctions imposed on Russian oil led to a spike in prices of globally traded oil.

India's place in the Indo-Pacific strategies of the US and the European Union, and some astute diplomacy, enabled us to retain access to relatively cheap oil imports from Russia without getting entangled in sanctions. However, the outgoing Joe Biden administration left with a parting kick a few weeks ago, by extending sanctions to two of the largest Russian oil exporters, and tightening the web of sanctions against shipping and insurance for carriage of Russian oil. Whether we can continue buying Russian oil with hefty discounts as we did in 2024 (bringing our total import bill down from \$157 billion in 2023 to \$122bn) is not clear. But our oil importing companies have already reduced purchases.

Lifting of Western sanctions on Russia, will require a negotiated settlement of

the Ukraine war; and is likely to take time. Meanwhile, the exclusion of Russian oil from world markets will keep prices elevated, putting pressure on large importers like India and China. Oil markets are now keeping a wary eye on the Trump administration's evolving policy on Iran.

Sofar Trump has surprised Washington by excluding some of the prominent anti-Iran hawks who want to tighten sanctions on the Iranian economy. If these elements, whose aspiration is regime change in Tehran, were to get access to positions of power, West Asia could face greater tensions, perhaps even another round of war. Market analysts believe such a scenario could send oil prices spiralling upwards, to \$100 per barrel from the present \$70-75 range.

India today imports almost 5 million bpd and has the dubious distinction of being the highest source of incremental demand; i.e. the country importing the largest number of additional barrels. A crisis in the Gulf would raise oil prices sharply,

drive up the cost of living even higher, and throw budgetary assumptions (currently being cooked in New Delhi) out of gear. It will increase our trade deficit, with resulting adverse effects on rupee-exchange rates raising all import bills.

Diversification of suppliers, and increasing strategic stockpiles are part of a solution. More substantively, we must curtail the overwhelming dependence on imports which are expected to increase to 6 million bpd by 2035, and in the long run reduce the use of oil through faster transition to electric vehicles, as China has done. For over a decade, India's domestic production has been declining every year due to low investment caused by penal taxes and obstructive regulations strangling our oil industry. Despite declarations of reform, production is now 20% lower than in 2013. A pragmatic minister, Hardeep Singh Puri, is, however, bringing some change. The recent announcement of ONGC roping in BP to enhance production from Mumbai

High, marks a step in the right direction. We also need to recognise that the US drive for higher natural gas production has a new strategic objective. The massive increase in electricity required to feed the phenomenal demand of fast-growing data centres, AI applications, and EVs, has upended calculations of electricity demand growth worldwide. Projected future requirements are shooting upwards. Gas-based power plants are seen as viable sources for a quick increase in large-scale electricity generation. Nuclear and solar energy will also be used, but nuclear is long gestation, and solar requires storage.

As US accelerates huge new ventures into AI, it is also 'stepping on the gas' India's plan to build a gas-based economy is timely. Increased domestic production, and firm supply links from the Gulf should be priorities.

(The writer is former Foreign Secretary of India and High Commissioner to the United Kingdom)

How did a little-known Chinese start-up cause the markets and US tech giants to quake? Here's what to know

CADE METZ

Tech stocks tumbled. Giant companies such as Meta and Nvidia faced a barrage of questions about their future. And tech executives took to social media to proclaim their fears. And it was all because of a little-known Chinese artificial intelligence startup called DeepSeek.

DeepSeek caused waves all over the world on January 27 as one of its accomplishments — having created a very powerful AI model with far less money than many AI experts thought possible — raised a host of questions, including whether US companies were even competitive in AI anymore.

DeepSeek is 'AI's Sputnik moment,' Marc Andreessen, a tech venture capitalist, posted on social media on January 26. How could a company that few people had heard of have such an effect?

What is DeepSeek?

DeepSeek is a startup founded and owned by the Chinese stock trading firm High-Flyer. Its goal is to build AI technologies along the lines of OpenAI's ChatGPT or Google's Gemini. By 2021, DeepSeek had acquired thousands of computer chips from the US chipmaker Nvidia, which are a fundamental part of any effort to create powerful AI systems.

In China, the startup is known for grabbing young and talented AI researchers from top universities, promising high salaries and an opportunity to work on cutting-edge research projects. Both High-Flyer and DeepSeek are run by Liang Wenfeng, a Chinese entrepreneur.

Over the past few years, DeepSeek has released several large language models, which is the kind of technology that underpins chatbots such as ChatGPT and Gemini. On January 10, it released its first free chatbot app, which was based on a new model called DeepSeek-V3.

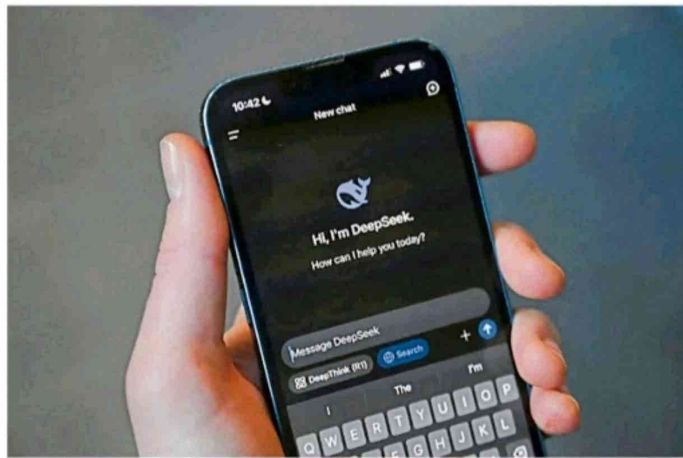
Why did the stock market react to it now?

When DeepSeek introduced its DeepSeek-V3 model the day after Christmas, it matched the abilities of the best chatbots from US companies such as OpenAI and Google. That alone would have been impressive. But the team behind the new system also revealed a bigger step forward. In a research paper explaining how it built the technology, DeepSeek said it used only a fraction of the computer chips that leading AI companies relied on to train their systems. The world's top companies typically train their chatbots with supercomputers that use as many as 16,000 chips or more. DeepSeek's engineers said they needed only about 2,000 Nvidia chips.

Why is that important?

Since late 2022, when OpenAI set off the AI boom, the prevailing notion had been that the most powerful AI systems could not be built without investing billions of dollars in specialized AI chips. That would mean that only the biggest tech companies — such as Microsoft, Google and Meta, all of which are based in the United States — could afford to build the leading technologies.

But DeepSeek's engineers said they needed only about \$6 million in raw computing power to train their new



Nr

How DeepSeek's tech challenges US dominance

system. That was roughly 10 times less than what Meta spent building its latest AI technology.

How did DeepSeek make it with fewer AI chips?

Top AI engineers in the United States say that DeepSeek's research paper laid out clever and impressive ways of building AI technology with fewer chips.

In short, the startup's engineers demonstrated a more efficient way of analyzing data using the chips. Leading AI systems learn their skills by pinpointing patterns in huge amounts of data, including text, images and sounds. DeepSeek described a way of spreading this data analysis across several specialized AI models — what researchers call a 'mixture of experts' method — while minimising the time lost by moving data from place to place.

Others have used similar methods before, but moving information between the models tended to reduce efficiency. DeepSeek did this in a way that allowed it to use less computing power.

"It has become very clear that other companies, not just someone like OpenAI, can build these kinds of systems," said Tim Dettmers, a researcher at the Allen Institute for Artificial Intelligence in Seattle and a professor of computer science at Carnegie Mellon University who specialises in building efficient AI systems. "DeepSeek used methods that anyone can duplicate."

DeepSeek's research paper raised questions about whether big US companies could maintain a significant lead in

AI. Many experts believe that AI technology will become a commodity, with many companies selling much the same product.

Is it as good as OpenAI and Google? DeepSeek-V3 can answer questions, solve logic problems and write its own computer programs as effectively as anything already on the market, according to standard benchmark tests.

Just before DeepSeek released its technology, OpenAI had unveiled a new system, called OpenAI o3, which seemed more powerful than DeepSeek-V3. But OpenAI has not released this system to the wider public.

OpenAI o3 was designed to "reason" through problems involving math, science and computer programming. Many experts pointed out that DeepSeek had not built a reasoning model along these lines, which is seen as the future of AI.

Then, on January 20, DeepSeek released its own reasoning model called DeepSeek R1, and it, too, impressed the experts. That eventually sent US investors and others into a panic late last week and over the weekend as they realized the importance of DeepSeek's new technology.

US tech giants are building data centres with specialised AI chips. Does this still matter, given what DeepSeek has done? Yes, it still matters.

Large numbers of AI chips can still help companies in many ways. With more chips, they can run more experiments as they explore new ways of building AI. In other words, more chips can still give companies a technical and

competitive advantage.

More chips will also be needed to operate the new breed of "reasoning" AI models, experts said. These require more computing power when people and businesses use them.

To maintain the US lead in the global AI race, the Biden administration had put in place rules limiting the number of powerful chips that could be sold to China and other rivals. Does DeepSeek's tech mean that China is now ahead of the US in AI? No. The world has not yet seen OpenAI's o3 model, and its performance on standard benchmark tests was more impressive than anything else on the market. But experts are concerned that China is jumping ahead on open-source AI systems.

Like many other companies, DeepSeek has "open sourced" its latest AI system, which means that it has shared the underlying computer code with other businesses and researchers. This is part of the reason DeepSeek and others in China have been able to build competitive AI systems so quickly and inexpensively.

In the AI world, open source first gathered steam in 2023 when Meta freely shared an AI system called Llama. At the time, many assumed that the open-source ecosystem would flourish only if companies such as Meta — giant firms with huge data centers filled with specialised chips — continued to open source their technologies. But DeepSeek and others have shown that this ecosystem can thrive in ways that extend beyond the American tech giants.

The New York Times

Music alone shall live

MELANIE P. KUMAR

In school there was a Round Song, which went like this: *All things shall perish from under the sky. Music alone shall live, never shall die.*

A Round can be described as a musical composition with a limited canon in which multiple voices take up the same melody while starting it at different times and yet managing to achieve a perfectly harmonious blend.

With Republic Day and Sarvodaya Day occurring in January, one cannot help but speculate about what Mahatma Gandhi might have thought about the lines of the above Rounder. He would probably have added one word, which would be religious music never shall die.

For Gandhi, the art form that appealed the most was music with a religious bent to it.

While the Mahatma was deeply invested in the religion that he was born into, his heart was of a secular nature, which wished to take the good and the best from all the religions of the world. He observed, "Though I am a Hindu, or even because I am a devout Hindu, I have no difficulty in appreciating the hymns of other religions."

Hence it is no surprise that he was drawn to Christian music, and his interest in it continued till the end of his life. This is why, on commemorative occasions for the Mahatma, hymns like *Abide with Me*, *Lead Kindly Light*, and *Nearer My God to Thee*, regularly figure.

While a prisoner at the Aga Khan Palace in Pune, Gandhi requested for a Christian hymnbook. He later wrote to a Quaker friend that whenever he was "in the midst of a raging fire," he often fell back on humming the hymn, *Rock of Ages*. He also wrote elsewhere, "Having had intimate contact with many Christians, I came to realise that some of the hymns even as a youngster."

This thought will likely resonate with many Indians who were exposed to these hymns taught in Christian institutions and learnt to appreciate them, as they sang them on several occasions.

Gandhi elaborated that among the Christian hymns, *Lead Kindly Light*, written by Cardinal John Henry Newman in 1833, held the greatest appeal, especially these lines: *Keep Thou my feet! I do not ask to see the distant scene (One step enough for me)*

But at the heart of all this pettiness is probably the awareness that both *Abide With Me* and the idea of Gandhi will abide. (The author is an independent writer)

almost became a mantra for the Mahatma. He suggested to those around him to also meditate on the words of this hymn, which Gandhians who try to emulate his philosophy follow to this day.

The hymn assumed a special space in the Ashram's prayers, with Hindu, Muslim, Christian supporters of the independence movement singing the hymn either in English or in the Gujarati translation, *Premal Jyoti* (The Light of Love), every Friday evening, "the day of Jesus' crucifixion," as explained by Gandhi. From 1916, until a month before his passing, the Mahatma referred regularly to *Lead Kindly Light* in his writings. This hymn appears around 70 times in *The Collected Works of Mahatma Gandhi*.

It's clear that Newman's hymn played a definitive role in the philosophical underpinnings of the Satyagraha movement while revealing Gandhi's commitment to religious pluralism.

Gandhi had other favourite hymns that were from Kabir, Tulsidas, Surdas, Tagore, and verses from the Gita or the Upanishads. He revealed that nothing elated him so much as "the music of the Gita or the Ramayana by Tulsidas." Among his special favourites, of course, were Narsinh Mehta's *Vaishnava Janato Tene Khye* and *Raghnupathi Raghuw Rajaram*, both of which were sung daily at Gandhi's prayer meetings and reverberate in Gandhian Ashrams even today.

In the last few years, the controversy over "Ishwar Allah," not being part of the original *Ram Dhan*, keeps raising its hydra head, but Gandhi had a purpose in opting for this version, keeping in mind the idea of a secular India that had space for people of all religions.

In the past few years, another of Gandhi's favourite hymns, *Abide with Me*, has been axed from the Beating the Retreat ceremony on account of its link with India's colonial past. If that be the case, why not remove the colonial anachronisms like gubernatorial posts and all the cruel, archaic British laws related to sedition, cleverly packaged with unpronounceable names, especially for states south of the Vindhyas?

Well, there is no end to learning and you can pick up from any incident, and at any time.

OUR PAGES OF HISTORY

50 YEARS AGO: JANUARY 1975

Urban ceiling Bill to come up before Parliament soon

New Delhi, January 28: A Bill on ceiling on urban property would be brought before Parliament soon, Union Minister of State for Works and Housing Mohan Dhar said here today. Authoritative sources said the Bill had already been finalised and would be discussed by the Political Affairs Committee of the Cabinet before being introduced in Parliament. Mr. Dhar said a meeting of the expert group on national urbanisation policy that rapid urbanisation had led to disproportionate concentration of urban properties.

25 YEARS AGO: JANUARY 2000

STF tortured us, tribals tell NHRC

Cobichettyapaya (TN), Jan 28: Many tribals from the forest areas on Karnataka-Tamil Nadu border narrated their harrowing tales of alleged sexual harassment, inhuman torture and illegal detention by the Special Task Force (STF), set up to nab the elusive jungle outlaw Veerappan, before a panel constituted by the NHRC here today. Deposited before the NHRC panel comprising Mr Justice (retd) A S Sadohiva and retired IPS officer Mr Narasimhan, Siddamma said the TN police arrested her husband about four years ago.

Navaratri brings different memories to us. As children, we used visit houses in the neighbourhood with to offer evening prayers to Goddess Durga and also to get a bit of the offerings made to the Goddess.

But a bit of self-learning and the true flavour of festivity came much later in life, when I let the career go by slowly, and became more ponderous on other aspects of life in general, if I may use the word philosophical rather modestly.

I used to pride myself as a man of science and meander about in the many aspects of its frontiers like space-time, quantum physics, entanglement etc. While I have not even

scratched the surface of these areas, with my limited math background, it's a nice distraction to spend time on, especially when you have plenty of it in the evening of your life. So, I was distracted when my wife asked me to accompany her for the Navaratri dance festival in a nearby temple mandap.

I was sitting rather inconspicuously trying to focus on the rather beautiful Abhinayas performed by the young girls.

But all my light hearted and critical scientific observations ended when an angelic young girl came to the

stage and performed for the soulful *Suagatham Krishna* by Jesudhas. It transformed me from my self possessed so called scientific temper to the present reality of an absolutely blissful mix of dance and music. I really don't know what bewitched me more.

Was it the soulful pentatonic Mohanaraga which is also common in many East Asian countries too, or the melodious Jesudas rendering the Raga or the angelic dance by the little child. The sum effect was, I was shattered between the self imposed scientific disposition on one end and the soul stirring performing art on

the other end.

I was even more embarrassed when the organizers asked me to address the audience. In all humility and deep conviction I said "I have no credentials to address this elite group of musicians and dancers here, but one thing I learnt. While science has some methods like reading, writing and thinking, I am absolutely clueless how such great arts like music and dance can be learnt in non verbal languages and performed to elevate the audience to lofty heights of sublimation"

Well, there is no end to learning and you can pick up from any incident, and at any time.

Deep discount

DeepSeek can alter the rules of AI game

The recent release of two open-source artificial intelligence (AI) programmes and chatbots from Chinese company DeepSeek has caused a tectonic shift in perceptions. DeepSeek achieved several large technical breakthroughs in training its R-1 and V-3 algorithms for a claimed cost of around \$5.6 million, which is a fraction of the hundreds of millions required to develop ChatGPT, Grok, Claude, Llama and other large language models (LLMs). The new AI has performance standards rivaling the above products. But it was developed on relatively low-end chips, which cost a lot less than the premium graphic processing units (GPUs) used for ChatGPT. Moreover, it is claimed the training was on a configuration of 2,000 GPUs — a fraction of the size of the chip clusters used to develop ChatGPT.

Since the code is open-source with an applications programming interface (API) made easily available, the code can be checked and modified by anyone and any programmer can write applications around it. It may even be possible to install and run the programme on off-the-shelf computers, and certainly possible to do so in big hyperscaling data centres. OpenAI, Google, Meta, and other AI developers, are likely to incorporate some of the concepts demonstrated by DeepSeek to improve the next generation of generative AI models. The code indicates DeepSeek has developed a more efficient memory management system. It also introduced a couple of other technical wrinkles, which help optimise use of computer resources. This enables DeepSeek to train and work off less powerful hardware while delivering comparable performance to its rivals.

This is a classic example of finding workarounds to cope with constrained resources. It was forced upon DeepSeek due to the fact that the US has successfully cut off supplies of high-end GPUs to China. There are quite a few implications. As such, DeepSeek's success calls the entire concept of US protectionism and denial of high-end computing resources into question. This triggered innovation that produces equivalent performances with fewer resources. Moreover, by going open-source and allowing easy access to an API, DeepSeek has enabled easy proliferation of the algorithms. Despite concerns about data privacy, given Chinese parentage, the chatbot has overtaken ChatGPT in popularity where downloads are concerned. Programmers everywhere will be looking for potential applications riding these models. The dramatic reduction in development costs will also spark more investment in AI R&D.

In geopolitical terms, the United States will have to rethink its strategy of trying to maintain an edge in AI by denying access to computing resources outside the US and a few chosen allies. Now that these new concepts have been released globally via an open source code, it is likely that the next generation of generative AI iterations out of Silicon Valley will be more powerful, but those will also be matched by similar models released elsewhere. In economic terms, DeepSeek has caused an upheaval in the markets. Chipmaker Nvidia, which is at the cutting-edge of AI development, has seen 20 per cent wiped off its market value in a few days (even though DeepSeek was developed on Nvidia chips). Other listed companies and unicorns working in AI have also seen valuation downgrades. India's policymakers should take note. Indian engineers are good at this sort of adaptation. What they may need is incentives. Incentivising AI-related research in India by offering targeted schemes could serve as a powerful accelerator. The rapid scaling up of India's data centre capacity, alongside the substantial domestic market and large digital economy, could make India an excellent test bed.

Personal and political

Uttarakhand's UCC should have been more accommodating

Uttarakhand on Monday formally notified the Uniform Civil Code (UCC), entering the history books as the first Indian state to do so after Independence. Goa was allowed to follow its UCC of the colonial period when it became part of India in 1961. Launching the UCC portal and issuing a notification, Uttarakhand Chief Minister Pushkar Singh Dhami said his administration's objective was to "end discrimination". Mr Dhami has fulfilled a long-standing national project of the Bharatiya Janata Party (BJP) and Uttarakhand may be a test case for other BJP-ruled states. Prima facie, the need for a progressive UCC that does away with the myriad religious personal laws, which govern such consequential matters as marriage, divorce, succession rights, and inheritance, is critical in a modern country. The question is whether Uttarakhand's UCC can be called progressive.

In some respects, the Code recommends itself. Among other things, it has standardised the minimum age for marriage, equalised property inheritance laws across genders, and given children of live-in relationships the same legal rights as those born to married couples. By doing away with such Islamic practices as Iddat and Nikah Halala, both egregious infringements on women's rights, the UCC can claim to promote women's empowerment. In that sense, the complaints from the arbiters of the Muslim Personal Law Board about the UCC may be considered untenable. Nonetheless, the uneasiness of the Muslim community in the state is understandable on account of the religious polarisation that has translated into growing harassment by majoritarian-minded locals. Again, registering a marriage or divorce is unexceptionable in principle but declaring these details on a portal has its own perils, especially for inter-faith couples. Infamous "love jihad" incidents such as the one in Uttarakashi in 2023, when right-wing groups accused Muslim men of preying on Hindu women, since found to be false, have roiled social relations in the state.

But perhaps no element of Uttarakhand's UCC has attracted more controversy than the compulsory registration of live-in relationships — including for people of Uttarakhand living outside the state. The process here is menacing. The couple must register with a registrar, who will verify their details, including whether either partner has been married, is in another live-in relationship, or is a minor. The registrar then issues a certificate, which must be forwarded to the police station of the relevant jurisdiction. The discretionary power of a faceless state bureaucrat to legally intrude into the private decisions and personal morality of Indian citizens is patriarchal, unwarranted, and unjustified, and is likely to attract legal appeals. In particular, it impinges on the choices of people, especially women, who may prefer a live-in relationship with its non-commercial implications (no dowry, for instance) and easier exit route than a marriage. Again, the registration route could be hazardous to the personal safety of inter-faith live-ins. This law is also out of step with the future. Young people entering the professional workforce today are increasingly experimenting with the flexibility of a range of nonconventional relationships outside the institutions of the community-sanctioned arranged marriage. Bringing them within the purview of the patriarchal morality of the state is likely to drive them away. The loser, ultimately, will be Uttarakhand.

The architect of India's financial markets

Of the many reforms that Dr Singh led as FM and PM, the transformation of India's securities markets stands out



The late Dr Manmohan Singh has rightly been lauded for his many contributions that fundamentally changed India. Recognising the critical role of a modern securities market in channelling resources into the real economy, he was the architect who designed and laid its foundation.

This was not only about the creation of a regulator — the Securities and Exchange Board of India (Sebi) — though that was the most important and difficult part. It was about developing an entire ecosystem with the institutions, laws, and the supporting environment required for a modern market. Like the US nuclear deal later, this reform was a fundamental and decisive paradigm shift, not merely tinkering at the margin.

If Indian companies, including tech companies, are poised to do a record number of initial public offerings (IPOs) in India this year, it is because of what began in the early 1990s. That was when Indian industry was coming out of asset-heavy engineering companies and taking the first tentative steps towards earnings-based, tangible asset-light, and human talent-intensive sectors like information technology (IT). This sector relied more on risk capital than debt. As finance minister, Dr Singh used the fallout of the Harshad Mehta scam — primarily linked to the institutional debt markets — to secure Parliamentary approval for an empowered securities market regulator designed to operate at arm's length from the government.

Sebi was enabled by law to issue binding regulations and granted full control over personnel policies to recruit specialists required for this task without requiring approval from the Government of India (GoI). To

carry out its mandate, Sebi also required financial resources. Besides an initial loan from the GoI to set itself up, Sebi was authorised to levy fees on regulated entities and generate its own resources to function in an autonomous manner. All these features were hard-coded in the law in a big departure from prior GoI approval and dependence on government grants that typically characterised Indian public agencies.

Thus, was born the first modern Indian regulator, distinct and separate from a GoI department, statutorily empowered to autonomously regulate its domain. The 1992 Sebi Act did not contain all the elements of this design, but the basic direction was provided by this legislation, and the critical features of a modern regulator had been incorporated into the law by him by 1996. It is noteworthy that he did not try to reform the existing regulator, namely the Controller of Capital Issues, but chose to create a new institution without the burden of undesirable legacy issues.

In parallel, he and his team initiated the creation of institutions and infrastructure needed for the market that Sebi would regulate. The first important constituent of this market was the stock exchange. The dominant Bombay Stock Exchange (BSE) was a mutual owned by brokers and resistant to reforms that were not in their interest. After an initial, short-lived attempt at reforming BSE, the team began work to set up a new modern exchange.

The National Stock Exchange was seeded as a startup by IDBI and was explicitly prohibited from enrolling trading members into its ownership structure. It was registered as a for-profit corporate entity



AARTHIKAM CHINTANAM

K P KRISHNAN

Budget FY26: Dare to be different?

It's that time of the year. India's 2025-26 (FY26) Budget will be presented on February 1, followed closely by the Reserve Bank of India's policy meeting on February 7. Policymakers are facing a particularly complex environment. It's no small act to restart the public capital cycle, boost consumer demand, and press ahead with fiscal consolidation, all while domestic growth is soft, tax revenue growth is slowing, and the overseas environment is uncertain.

Let's start with the global backdrop. Sure, US yields may soften if the Fed cuts in 2025, but the dollar could remain strong as it typically benefits not just from American exceptionalism but also economic uncertainty, like the evolving tariff policies in the US, and unpredictable geopolitics. This is already pressuring emerging market currencies, like the rupee, and could continue to do so.

Back home, growth has fallen to below potential levels of 6.5 per cent. Policy stimulus could help get it back up to 6.5 per cent. But what form should that take: A higher fiscal impulse, or looser monetary policy?

Let's first assess the fiscal environment. In good news, the government will likely outperform on its FY25 fiscal consolidation target, closing the year at 4.8 per cent of gross domestic product (GDP) versus the 4.9 per cent budgeted, led by weaker-than-budgeted public capex due to slower approvals in an election year.

FY26, however, will likely be harder. Weak equity markets in recent months may lower capital gains tax revenue growth. But capex may pick back up as election-led delays are behind us. And this is a good idea because Central capex tends to crowd in state capex. And the capex process not only creates immediate jobs but also capacity to grow faster in the medium term.

Lowering the fiscal deficit to "below 4.5 per cent of GDP" in line with the finance ministry's promise, will then have to come from cuts in current expen-

diture. Cutting spending on subsidies and centrally sponsored schemes may be hard, but not impossible. After all, the latter did fall a while back when the priority was "cleaning up" expenditures, but it has since shot back up in recent years. Time for another spring clean, perhaps.

The silver lining in the Budget math is that because we expect a recovery in high-quality capex, the fiscal stimulus in FY26 may remain neutral, despite fiscal consolidation.

And assuming the fiscal stimulus, at best, is neutral, then stimulus must come from monetary policy. Indeed, things are falling into place there. January's consumer prices are expected to rise just 4.2 per cent from 6.2 per cent in October, helped by a good crop of vegetables. If the wheat harvest is as good as sowing suggests, disinflation could then continue into FY26. True, a weaker rupee will add to inflation, but estimates suggest that average inflation will remain around the 4 per cent target in FY26.

So, what roles can monetary policy play? Several, in our view. We think rate cuts should happen sooner rather than later. We don't expect foreign exchange (FX) weakness as a result, given that many other emerging markets, like Indonesia and South Korea, have eased rates and this hasn't added to FX pressure. The trick is just not to get carried away and ease too much.

Then there is liquidity. Many easing instruments are being put to work already, such as OMO purchases, FX swaps, long-term variable-rate-repos, and a previous cash reserve ratio (CRR) cut. The trick would be to keep using a bit of all instruments, rather than depending too much on any one. And create ample amount of reserve money growth needed to fuel the economy.

And, finally, and most importantly, there's the rupee. A flexible exchange rate and rupee weakness

to ensure better corporate governance. The ownership pattern was designed keeping in mind economic incentives and discourage short-term profit maximisation behaviour, allowing NSI to develop as the first successful demutualised, corporate exchange.

Gentle readers would also recall the telecom and IT sector breakthroughs of early to mid-1990s, which were completely redefining the nature and character of all markets, including financial markets. Strategic use of the emerging telecom infrastructure and IT led to the NSI becoming a pan-India exchange, making the regional exchanges (most of which were badly run) irrelevant. This, however, required moving away from paper to electronic shares, as well as the electronic movement of money. The former required serious legislative changes and the latter required the computerisation of banks.

The Depositories Act, 1996, and the creation of a depository, with a structure similar to that of modern exchanges to avoid conflicts of interest, was the next set of steps that were taken. Here again the same thinking can be seen. A new well-designed and modern depository was the preferred vehicle rather than reforming an existing (public sector) undertaking, which proposed immobilisation of paper shares, as distinct from the more ambitious dematerialisation. The talent sposter in him drew out the visionaries and nation-builders who came from IDBI and engaged in remarkable entrepreneurial innovation and risk-taking to build all these new bodies.

In tandem, the Reserve Bank of India led by C Rangarajan gently stepped upon the pace of public sector banks' computerisation. A little later, when the political climate allowed, the RBI licensed many new private sector banks that were technology-driven from birth.

With the resistor in place and the necessary infrastructure and institutions established, policymakers turned their attention to increasing the number and diversification of market participants, which was essential for the development of deep markets. Changes to the legal framework to allow foreign institutional investors to participate in the Indian equity markets followed. This was a crucial step as India then did not have big institutional investors experienced in analysing and investing in shares of companies that had little to show in terms of assets, other than business plans and human talent.

These foundations laid by him are responsible for India coming up remarkably high on any parameter on the size, depth, regulation, and other metrics that measure the progress of equity markets. Many of the small moves in reforms had started earlier, as far back as 1977. The big change in 1991 was (a) opening up to the world, shedding India's previous suspicion of foreigners, and (b) embracing finance as the new commanding height of the economy, as opposed to the traditional Indian scepticism towards finance.

This journey is now in serious threat of being derailed, and all of us, especially India's political leadership, need to put our shoulders to the wheel to return to a pro-globalisation, pro-finance stance, and focus on building institutions for the financial system.

The author is an honorary senior fellow at the Isaac Centre for Public Policy, and a former civil servant



PRANJUL BHANDARI

The transformative power of disruption



BOOK REVIEW

AJIT BALAKRISHNAN

K Ganesh's book is a well-crafted manual, designed to provide both theoretical insights and practical advice on navigating the ever-changing business environment. The author's background as an entrepreneur, investor, and educator at institutions such as the Indian Institute of Management, Bangalore and the Indian School of Business lends the book an authoritative voice. He is a graduate of the Indian Institute of Management, Calcutta, and has been closely associated with startups such as BigBasket, and BlueStone. His multifaceted experience in the business world combined with his academic prowess makes this book an

inspiring resource for both aspiring entrepreneurs and established business leaders.

The central theme of *Mastering Disruption: A Practical Guide to Understanding New-Age Business Models* is the concept of disruption itself and how it applies to many different business models. Mr Ganesh explains how traditional business models are being upended by innovative startups and technology-driven enterprises. He illustrates the transformative power of disruptive technologies and strategies through a series of case studies and real-world examples.

One of the book's strengths lies in its structured approach to understanding disruption. He walks the reader through a large variety of business models that are current information age has made possible, while breaking down complex concepts, making it easier for readers to grasp the underlying principles. He describes the working principles of platforms and marketplaces, for example, and gives current Indian examples,

delineating the key metrics for each model. He emphasises the importance of agility, adaptability, and foresight in responding to disruptive forces. The book encourages readers to think critically about their business models and to embrace change as an opportunity rather than a threat.

Mr Ganesh's book is not just a theoretical exploration of disruption; it is also a practical guide filled with actionable strategies based on the metrics important for each business model. He provides a road map for businesses to identify the criticality of each of these metrics for each stage of the business. Additionally, Mr Ganesh emphasises the importance of continuous learning and adaptation in the face of disruption. He suggests that businesses should invest in ongoing education and training for their teams to stay ahead of industry trends. By fostering a culture of innovation and agility, companies can better navigate the challenges posed by disruptive forces and seize new opportunities for growth and success.

One of the most valuable aspects of the book is the section on how legacy businesses using traditional business models can transform themselves by leveraging new business models where Mr Ganesh shares his insights on scaling businesses in the face of disruptive forces.

Drawing from his experiences as an entrepreneur and investor, he explains how such transformations can achieve scale. The anecdotes and lessons from his entrepreneurial journey add a personal touch to the narrative, making it relatable and engaging.

To reinforce his points, Mr Ganesh includes a variety of case studies from different industries. These case studies serve as concrete examples of how companies have successfully navigated disruption. The case studies are well

researched and provide valuable insights into the practical applications of the concepts discussed in the book.

Given Mr Ganesh's role as an educator, it is no surprise that the book also has significant educational value. Each chapter ends with a summary of key takeaways and reflection questions, encouraging readers to apply what they have learned to their business contexts.

The book is structured in a way that makes it suitable for use in academic courses on business strategy and entrepreneurship. Mr Ganesh's clear and concise writing style makes complex topics accessible, making it an excellent resource for professional, professional.

The book also has a valuable section devoted to something that only India has and which could be valuable for Indian businesses' growth strategies: The Indian government's investments in Digital Public Infrastructure: Aadhaar, the UPI real-time payment system, the

Government e-Marketplace platform for public procurement and the overall Open Network for Digital Commerce (ONDC). He offers examples on how private startups (Zerodha and BharatPe are two examples) have used this to drive immense growth. Additionally, the book highlights how investments in digital infrastructure have fostered innovation and inclusivity, enabling even small businesses to compete on a large scale. The integration of these systems has streamlined operations, reduced costs, and opened up new avenues for entrepreneurs to explore and expand their ventures.

Mastering Disruption is useful for anyone looking to understand and navigate the complexities of modern business by blending theoretical insights, practical strategies, and real-world examples. The author's expertise and experience shine through every page, offering readers a comprehensive guide to mastering the art of disruption. In summary, this book equips readers with the tools and mindset needed to thrive in an era of constant change.

ajith@rediffmail.com



the hindu businessline.

WEDNESDAY • JANUARY 29, 2025

Easing leasing

New Bill bridges legislative gap in aviation

The Cabinet's recent approval of the Protection and Enforcement of Interests in Aircrafts Objects Bill addresses a gaping legislative anomaly that has plagued India in conflict with global conventions on aircraft leasing. The Bill ratifies the Cape Town Convention (CTC), the global protocol on matters specific to aircraft equipment. The CTC has largely been inoperative in India, one of the largest aviation markets, despite the country having been a signatory to it since 2008 -- because Parliament has not ratified the CTC.



CTC is an essential mechanism to achieve efficient financing of high-value aircraft and partly by lowering the risk of lessors (or owners). In the highly capital-intensive aviation industry, the general practice adopted by airlines is to lease aircraft so that they can develop a fleet without having to make big investments in buying aircraft. Presently, a majority of around 700 passenger commercial aircraft in India are leased. International protocols such as the CTC are necessary to safeguard the interests of the lessors who would otherwise have to deal with high-value aircraft/equipment stranded in foreign territories for prolonged periods without being able to repossess them. But in the absence of ratification, its provisions remained in conflict with domestic statutes including the Civil Procedure Code, the Specific Relief Act, the Companies Act and, most importantly, the Insolvency and Bankruptcy Code (IBC).

Symptomatic of this legislative anomaly was the case of Go First which initiated its voluntary insolvency under IBC which led to a freezing of the airline's assets, including the aircraft. The lessors were prevented from recovering their aircraft as bankruptcy protection superseded the international protocol. Although the government subsequently amended the IBC to exempt transactions involving aircraft, aircraft engines and helicopters from bankruptcy proceedings, it failed to reassure global entities who became increasingly wary of leasing aircraft to Indian airlines. The Aviation Working Group, a global aviation leasing watchdog, placed India on a watchlist with a negative outlook, for not meeting international aircraft possession obligations. The overall impact for the Indian aviation sector was that risk premiums charged by global lessors multiplied and aircraft financing costs rose exponentially. Airlines passed on the enhanced costs to consumers through high air fares.

The legislation proposed now circumvents legal conundrums which have aggrieved global players in India. It would allow settlement of cases between lessors and airlines under CTC provisions. This would lower risk premiums, make airlines' operations cost-effective and hopefully bring down passenger fares. The government hopes it will facilitate India's growth as a leasing financial centre not just for domestic players but for foreign airlines as well. Currently, aircraft leasing business is mostly undertaken through foreign financial centres like Ireland.

POCKET

RAVANKATH



"Rumour is, they can make olive oil with just peanuts!"



The untrammelled power of bureaucracy

The bureaucracy through its rule making ends up subverting legislative intent and government policy

GETTY IMAGES/STOCKMARKET

SIG TAG WITH DUMMY TEXT

Mohandas Pai, the well known businessman and public intellectual, lamented in a recent tweet that "this is a total failure of the political leadership. We elect them to rule over us but they are handing over this power to unelected officials like tax officials, RBI. We want our MPs to rule over us, not the Deep State officials."

This reminded me of something Yashwant Sinha had said way back in 2004 during a seminar on regulatory independence vs Parliament. He told the gathering that while ministers are held to account by Parliament, no one holds the regulatory agencies to account for the mistakes they make and for which the ministers pay the price.

I asked Sinha if this was not like the master-servant relationship in tort law where the master is liable for any damage caused by the servant for an act done in the line of duty. There's a lot of case law on this.

More recently a similar question was raised by Paul Tucker, former deputy governor of the Bank of England and now a professor at Harvard. In a highly applauded book called *Unelected Power*

he questions the enormous power that is wielded by the officials of the British central bank.

But well before he asked the question, it was answered in 1932 by the all powerful Governor of the Bank of England, Montagu Norman. Asked then exactly what Mr Pai has asked now, namely, the relationship between the Reserve Bank of India and the government of India, he famously remarked that the RBI should be like a "Hindoo wife" who advises but does not either insist or act independently.

TARZAN AND JANE
And that's the crux of the problem: delegation of power, and whether such delegation is administrative or policy. This is true of all regulatory agencies. The problem arises when administrative delegation is turned into policy making.

Indeed, that's why the government must remind the regulatory agencies "Me Tarzan, you Jane."

This is what Pai wants Tarzan to tell the tax officials and the regulators that they can't subvert policy by incompetence and *mala fide* intent

The primary concern of the bureaucracy is to avoid accountability. In order that no blame should attach to it, it makes rules to protect itself

because when they do that, it's the government and the legislature that are answerable. But that brings us right back to the master-servant problem. An iconic newspaper owner once told a small group of us employees that if a reporter filed a wrong or half-wrong report, it was he who the ministers called.

That didn't stop him from hiring and using reporters. But we got the message: be careful in your supervision.

And this is what's missing in governance today: adequate but light touch supervision.

One other major problem is the presence, in almost all sectors, of government companies. Since regulators are appointed by the government, delegation doesn't really happen. So when Pai complains that there is too much delegation, it's actually the opposite. These guys are still acting for the government but pretending they are independent. They are an exemplification of Norman's Hindoo wives.

There is of course another massive problem: subversion via rule making. I have been saying this for a long while now to no avail.

The problem is this. Government makes policy. Legislature makes the necessary laws to give that policy legitimacy. But to give the policy effect, it's the bureaucracy that makes the rules.

It is exactly here that the problem lies because the primary concern of the

bureaucracy is to avoid accountability. In order that no blame should attach to it, it makes rules to protect itself. And this defeats both the government's policy and the legislature's intent.

Add to this pervasive incompetence and insensitivity and a mindset that regards illegal gratification as an entitlement of its employment contract. What you get is the core cause of Pai's frustrated rage.

REFORM PROOF
So can our bureaucracy be reformed?

The answer is a big no, perish the thought because once it's done protecting itself, it protects the ministers. Indeed, in many ways, because the ministers depend so much on the bureaucracy, the master-servant relationship gets reversed.

So we go back to the unelected power problem. My solution remains what it was in 2014 when Modi became Prime Minister: abridge the rule-making power of the bureaucracy by closer supervision.

But how is this to be done? One way is to make a law that forbids frequent rule changes.

A rule once made should be left unchanged for at least 15 years. That's how it is in well run countries. Basically, if the policy or the law don't change, nor should the rules. Or if a change becomes unavoidable, it must be done transparently.

There can be other ways, too. But the objective must be to remove the machine gun from the monkey's hands.

Forex reserves: How healthy are India's holdings?

After hitting a record high in September 2024, India's forex reserves have dipped by about \$80 billion

bl.explainer

K Bharat Kumar

How high did the forex reserves go after the pandemic? And why have they fallen again?

India's foreign exchange reserves recorded a drop of \$1.23 billion to \$623.9 billion for the week ended January 17, 2025, according to RBI data.

In the post-Covid years, foreign reserves rose to touch a record high of about \$705 billion in end-September 2024, before beginning to decline.

Much of the decline may be attributed to the Reserve Bank of India intervening in the forex markets to sell US dollars.

This was because the rupee had been under duress since the end of September due to surge in US dollar and US bond yields on expectation of Donald Trump becoming the next US President.

Large foreign portfolio outflows from the equity market increased the pressure on the rupee.

The RBI had to sell the dollar heavily to support the Indian currency in the last quarter of 2024.

The decline in dollar holdings has depleted reserves though this has been mitigated by the increase in the value of its other holdings denominated in US dollars.

The increase in the value of gold has also helped the reserves.

Overall, India's forex reserves have dropped about 11.6 per cent since the September high.

For context, forex reserves declined

about 22 per cent in the fiscal year 2008-09, in the backdrop of the Lehman crisis.

What is a healthy forex reserve level?

One way to measure the health of a country's foreign exchange reserves is to pit it against its imports.

Some economists opine that about 10-12 months' worth of imports would indicate adequate forex holdings.

Calculating the run-rate for the current financial year from data for December 2024, India's 12-month imports would come to about \$909 billion. That would mean our forex reserves would cover just over eight months of imports.

This is if we include the entire reserves of \$623.9 billion. But if we were to take only the foreign currency assets (of \$533 billion) -- that are seen as more liquid than, for example, our gold holdings -- the picture is even less comforting at just over seven months' worth of cover.

The Greenspan-Guidotti rule offers another method for measuring the health of our forex reserves. The postulate requires forex reserves to fully cover the country's short-term external debt (i.e., those with a maturity of one year or less).

Per the report on India's external debt for the quarter ended September 2024, which came out in December, the ratio of short-term debt to foreign exchange reserves was 18.9 per cent at end-September 2024, which is very comfortable. It is more than likely that



FOREX RESERVES. Optimum level

the latest figures would still satisfy the Greenspan-Guidotti rule.

What is the IMF's ARA?

The International Monetary Fund had devised a measurement method to assess emerging markets' foreign exchange adequacy. The Fund calls it the Adequacy Ratio Assessment for Emerging Markets or the ARA EM.

It comprises four components reflecting potential drains on the balance of payments: (i) export income to reflect the potential loss from a drop in external demand or terms of trade shock; (ii) broad money to capture potential residents' capital flight through the liquidation of their highly liquid domestic assets; (iii) short-term debt to reflect debt roll-over risks; and, (iv) other liabilities to reflect other portfolio outflows.

The Fund notes that reserves in the range of 100-150 per cent of the composite metric are considered broadly adequate for precautionary purposes.

According to a recent report by

Nomura, forex reserve holdings are adequate even though RBI has net sold about \$89.4 billion since October 2024. It says, "the RBI's forex reserve adequacy ratio (average of IMF measures under four different forex regimes) has fallen from a recent high of 266 per cent in September 2024, but it is still at about 236 per cent (as per forex reserves data of January 3, 2025)."

It notes that "even under a fixed exchange rate regime, India's reserve adequacy is strong".

Does it mean that we don't need to add to the reserves?

QuantEco Research economist Vivek Kumar says India should be highly conservative in measuring the health of our forex reserves. That is, the more reserves there are, the better -- for the geopolitical situation is causing uncertainty.

"We have not seen this level of uncertainty in geopolitics or geoeconomics for maybe 2-3 decades. In such an environment, it is best to watch all our risk parameters than be selective."

bl.podcast

For more on the topic, tune into our podcast with **Vivek Kumar**, Economist, QuantEco Research
<https://rb.gy/1543br>

Also available on Spotify, Apple Podcasts and YouTube music

● **LETTERS TO EDITOR** Send your letters by email to bl.editor@thehindu.co.in or by post to "Letters to the Editor", The Hindu Business Line, Kasturji Buildings, 859-860, Anna Salai, Chennai 600002.

DeepSeek disruption

China's new AI company, DeepSeek, has created a stir in the global tech industry. Its open-source and low-cost powerful AI models are not only challenging OpenAI, Google, and Meta but also shaping a new direction in the AI world. For India, this is both an opportunity and a challenge. These affordable models present a golden opportunity for start-ups and tech companies, giving a fresh boost to initiatives like Digital India and Atmanirbhar Bharat. However, if indigenous AI research is not prioritized, China's dominance could surpass India's AI industry.

Now is the time for India to strengthen its technological sovereignty.

RK Jain 'Arjinet'
Barwari (M.P.)

A war of wits and skills

Aspropos RBI Governor flags rise in digital frauds' (HBL, January 28), though RBI Governor Sanjay Malhotra may be fully justified in flagging the rise in digital frauds and advise banks to establish robust systems to thwart such attempts, the RBI data show that the number of digital frauds has significantly increased over the last four years. So banks must usher in 'state of art technology' facilitating the

'auto-lagging' of all suspicious financial transactions.

SK Gupta
New Delhi

Farm thrust

This is with reference to, 'Will the Budget resurrect economic dynamism?' (January 28). As the government looks at moving towards its aspirations of a Viksit Bharat by 2047, one of the critical steps would be reforms in the agriculture sector. The upcoming Union Budget should continue the focus on increasing productivity and creating infrastructure in the agriculture sector and enable increase in rural

income. Funding of financial technology solutions, at \$1.9 billion this year, has shrunk for the third year in a row, which needs to be reversed.

Job creation, more than handouts, is a more sustainable way to spur growth. An urban job guarantee scheme with sops for labour-intensive industries is needed.

P Sundara Pandian
Viduthalur (TN)

Healthcare for all

With reference to the article 'Improving Health Security' (January 28), coordination between drug manufacturing countries is

important to achieve healthcare objectives of developing countries like India.

Apart from drug manufacturing, diagnostics and medical aid also need cooperation. Other than India and the US, Japan, Germany, France, UK and Italy have considerable presence in healthcare. These countries should coordinate in the manufacture of bulk drugs, generics and branded drugs in a balanced manner to ensure healthcare reaches majority of population. Rationale is to be brought in on pricing that will supplement drug security.

M Bhaguraman
Mumbai

Semicon sector needs sops

Apart from PLI, Budget should provide tax breaks

Sneha Pal

As February approaches, everyone is looking ahead to the Union Budget 2025. The government's primary focus for this fiscal year is expected to be economic growth and development.

The semiconductor manufacturing industry is a key area of focus in global economic and strategic planning, mainly due to its pivotal role in high-performance computing, the digital economy, national security and more or less, any technological advancement. Given the recent geopolitical developments, including the China-Taiwan issue and growing unrest between China and the West, major semiconductor giants from the West and allied countries like Taiwan, South Korea and Japan are trying to de-risk their investments from China, which presents a significant opportunity for India. With the right policies and infrastructure support, India could position itself as a key player in semiconductor technology.

The Production Linked Incentive (PLI) scheme will likely be extended or expanded in Budget 2025 to encourage more semiconductor manufacturers to establish or expand their operations in India.

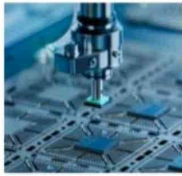
While the PLI scheme is a positive initiative, it may not fully address the multifaceted challenges that the semiconductor industry faces in India. Complementary policies focused on infrastructure, technology development, talent building, and research and development are also required for long-term success.

TAX EXPECTATIONS

In Budget 2025, several schemes can be expected for the semiconductor industry. Below are the key direct tax expectations for the semiconductor manufacturing industry in Budget 2025.

Tax relief for R&D activities: Budget 2025 may propose an increase in tax deductions for semiconductor companies engaged in R&D. This could include a higher rate of weighted deduction (200 per cent or so) for R&D expenditures, making investing in next-generation semiconductor technologies more attractive to domestic players.

Tax holidays or reduced tax rates for semiconductor



RIGHT POLICIES. Can make India a key player in semiconductors

manufacturers: Similar to tax holidays offered in other sectors, Budget 2025 might introduce tax exemptions or reduced tax rates for semiconductor manufacturers setting up new fabrication plants (fabs) or manufacturing units. These could help companies offset the sizeable upfront investment required to establish a manufacturing facility.

Accelerated depreciation on semiconductor manufacturing equipment: Semiconductor manufacturing equipment is often capital-intensive. Budget 2025 may propose accelerated depreciation on equipment used in chip production. This would allow companies to recover their investment more quickly, thereby encouraging the establishment of new production units.

Tax incentives for export-oriented semiconductor companies: Semiconductor manufacturers involved in exporting chips or related technologies might receive special tax incentives in Budget 2025. This could include exemption from taxes on export earnings or a reduction in export duties to make domestic products more competitive in the global market.

Taxation of foreign investments: Considering key factors such as lower operating costs, a dynamic workforce, and strong international diplomacy, India is an attractive destination for companies to invest in and operate.

In countries like India, Foreign Direct Investments (FDI) in semiconductor manufacturing could be incentivised through tax holidays, reduced tax rates, or special rebates on profits derived from semiconductor operations. Budget 2025 might focus on easing FDI regulations to attract more international semiconductor giants to set up manufacturing units in the country.

The writer is Senior Director, Direct Tax, Nexign

THE WIDER ANGLE.

PARAN BALAKRISHNAN

What's Donald done today? That might be a joke on X or it might be a genuine question from a Washington insider, watching Trump rapidly upend the world. Greenland one day, Colombia the next, and it looks like he may seek to grab back the Panama Canal soon. And hey, what about Canada? Will he send troops to make the resource-rich country the 51st star on the US flag? There's no telling where Trump's attention will veer next. One moment, he's demanding Denmark hand over Greenland, the next he's sending combat troops to the US-Mexican border. Then, he's sparking a diplomatic row with Colombia by deporting illegal immigrants in chains while immigration officers scour US cities for more to expel. And let's not even start on H-1B visas and his push to remove birthright citizenship for children born in the US. Infosys alone secured 8,140 H-1Bs between April and September last year. If children of Indian tech workers face uncertain citizenship, could the US lose its appeal for skilled talent? Certainly, many grads must be re-examining career plans in a country that feels less welcoming.

Wall Street hasn't really had much time to react to the whirlwind of Trump actions but it took a nosedive Monday after the shock news that tiny Chinese tech firm DeepSeek, using significantly cheaper chips, has outperformed advanced AI model challenging the dominance of arrogant Silicon Valley giants. Nvidia, with its near-monopoly on high-end AI chips production, saw its value plunge by a staggering \$600 billion, marking a record one-day loss.

Meanwhile, Trump's plans to hammer Mexico and Canada with crippling tariffs are sending shockwaves through allied nations. Across Europe, governments are alarmed and even the super-rich at the Davos summit are rattled. Canada and Mexico, both close Washington allies, only signed US trade agreements last year. Now, the US wants more concessions. As *Financial Times* columnist Gideon Rachman noted, "If all agreements can be ripped up in response to some new grievance or to take advantage of a shift in the balance of

Trump redraws the US playbook

Canada, Greenland, Mexico and Panama on notice as Trump tests the limits of global power with tariffs and threats



power, then no trade deal is secure."

However, Rachman observed a sharply different sentiment in the "global south" — across Africa, the Middle East and Asia, including India — which are welcoming the US's blunt approach. "There'll be no more preaching, the human rights mask is off and the US will say plainly what it wants," said one diplomat. Still, Indian officials are just as baffled as the rest of the world about Trump's next moves.

UNCERTAINTIES REMAIN India is relieved to see pro-India Marco Rubio as Secretary of State. Nobody knows

There's no telling where Trump's attention will veer next. One moment, he's demanding Denmark hand over Greenland, the next he's sending combat troops to the US-Mexican border

where the Trump bludgion might land next. In a conversation with Prime Minister Narendra Modi he suggested India should buy more US arms and lower tariffs. Modi is likely to visit the US soon.

There's guarded optimism though in India's IT sector, though. Trump's policies historically have aimed at driving US economic growth, which could lead to increased IT spending by US-based businesses. The last Trump administration reduced corporate taxes, leaving businesses with more funds to invest in technology and outsourcing. If similar policies return, they could boost demand for Indian IT services. Even under stricter visa regimes, there's recognition of the need for skilled foreign tech workers, and Indian firms could plug the gap. As for birthright citizenship, there's hope it will get bogged down in the courts for years, delaying any immediate worry.

The country angriest about Trump's threats is unquestionably Canada. Trump's plans to slap 25 per cent across-the-board tariffs on Canadian imports have triggered vows of "robust"

counter-tariffs and talk of halting US-bound energy shipments. The US-Canada border, famously the "world's longest undefended border" has symbolised decades of neighbourly cooperation. But some analysts saw trouble brewing. "I've always thought there may come a day when the US says: 'We want your water, your oil, your minerals.' That day might come sooner," says one analyst.

Trump added fuel to the fire by posting on social media an image of the Star-Spangled Banner over both the US and Canada. Fox News host Jesse Watters even aggressively asked Ontario Premier Doug Ford: "What's your problem with the US absorbing Canada?" When Ford replied that Canada is "not for sale," Watters called the remark "personally insulting," adding, "I would consider it would be a privilege to be taken over by the United States of America."

If Trump turns out to be serious about expanding US borders, it's a move that could unite both the global north and south — in agreement that Trump's brand of disruption is bad news.

STATISTALK.

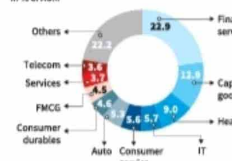
Compiled Dhurajvel Gunasekaran | Graphic: Vivekvaran V

Popular sectors among PMS managers

When constructing their portfolio, fund managers of Portfolio Management Services (PMS) usually follow a bottom-up strategy. However, they also consider the sectors that these stocks are part of to assess how the shifting macro and other environments can affect their portfolio. We take a look at the popular sectors that the PMS managers believe have promising prospects. The top four sectors — financial services, capital goods, healthcare and IT — comprised about half of the PMS industry's assets as of December 2024.

Sector-wise break-up of PMS strategies

in % of AUM



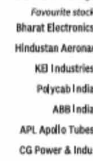
Financial services

Number of strategies held



Capital goods

Number of strategies held



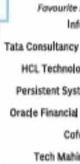
Healthcare

Number of strategies held



IT

Number of strategies held



Source: FitchPMS PMS Radar

thehindubusinessline.

TWENTY YEARS AGO TODAY.

January 29, 2005

P&G to buy Gillette for \$57 b

Procter & Gamble Co, the biggest US household-goods maker, plans to buy Gillette Co for \$57 billion (₹2,50,800 crore), adding the world's bestselling line of men's razors to brands including Pampers diapers and Olay skin creams.

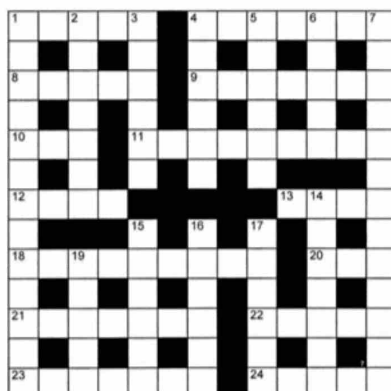
Provident funds allowed to invest 5 pc in equities

In a landmark development the Government has allowed all non-Government provident funds, superannuation funds and gratuity funds to invest in equity market. As per the revised guidelines, these funds can now invest up to five per cent of their total portfolio in shares of companies that have an investment grade debt rating from at least two credit rating agencies.

PSB officials may be out of CVC, CBI purview

The public sector banking industry might not be the same very soon with the proposed new autonomy package promising to usher banks into a new world of freedom. Some of the issues under the Government's consideration are removing bank officials from the purview of the CVC and the CBI, freedom to determine compensation packages for specialised staff including differential salary packages and a go-ahead to the acquisition of private companies.

BL TWO-WAY CROSSWORD 2620



EASY

ACROSS

1. Abrupt, rough mannered (5)
4. Dissolves in stomach (7)
8. Prevent, ward off (5)
9. Drinking-glass (7)
10. Acted; swindled (3)
11. In a high degree, good (9)
12. Wife of knight, (4)
13. Engagement of gears (4)
18. Halved, and halved again (9)
20. Bottle-top (3)
21. Attempt at escaping accusation (7)
22. Girl's name (5)
23. Long locks (7)
24. Rope attached to sail (5)

DOWN

1. Bombastic in speech (13)
2. Turned upside-down (7)
3. Shackles, restraint (6)
4. Separate from, unfasten (6)
5. Play, using money (6)
6. Find answer to problem (5)
7. Go farther, conceding, than rule allows (7,1,5)
14. Put in with one's letter (7)
15. Indoor flight of steps (6)
16. Pig sounds (6)
17. A beautiful youth (6)
19. No longer sleeping (5)

NOT SO EASY

ACROSS

1. Rug shaken very loudly with an abrupt manner (5)
4. Assimilates such books as have been abridged (7)
8. Turn away when an animal surgeon holds retriever's head (5)
9. Acrobatic performer provides glass for a pigeon (7)
10. Swindled one back and forth (3)
11. Be so good as to do very well before Easter (9)
12. Find her in the three card trick (4)
13. Stocking threadwork seen when hems are adjusted (4)
18. Was divided in four for having lodgings assigned (9)
20. Tell a better story of what may be ahead of a schoolboy (3)
21. The escaping of no one, bar being put back (7)
22. One will lament the return of this girl (5)
23. Long hair one emphasises there's no beginning to (7)
24. Is it this piece of paper printer puts to bed? (5)

DOWN

1. Lodger quit, and Ann turned bombastic in her utterance (13)
2. Dude perhaps took writer in and turned him over (7)
3. Abstainer broke free from this restraint (6)
4. Death awkward when about a hundred: send on special service (6)
5. Risk a half-blue being engaged in sport (6)
6. About five flatfish may provide the answer (5)
7. Make a concession in a top way after time in prison (7,1,5)
16. Once Les has worked it out, put it in with one's letter (7)
15. Steps that may be taken, in case (6)
16. Sounds like a pig, being strung out (6)
17. Fuss when offence is given up by handsome young man (6)
19. A thing a ship creates if it's vigilant (5)

SOLUTION: BL TWO-WAY CROSSWORD 2619

ACROSS 1. Free-wheeled B. Elate 9. Succeed 10. Skittle 11. Navel 12. Augurs 14. Cat-nap 18. Paint 19. Tailboy 21. Nowhere 23. Maize 24. Out-of-pocket

DOWN 1. Freesia 2. Erasing 3. Wheat 4. Easter 5. Lucinda 6. Dye 7. Model 13. Retreat 15. Niblick 16. Payment 17. Itself 18. Pants 20. Limbo 22. Who

THE ASIAN AGE

29 JANUARY 2025

Small steps by India, China to defrost & normalise ties

The day that President Xi Jinping led Prime Minister Narendra Modi towards the spotlight for the photo opportunity in Kazan, Russia, in October 2024 had engendered the biggest breakthrough towards taking the frost out of India-China ties. There was a signal to read in Mr Xi taking the lead that China was serious this time in its advocacy of peace to go beyond the border dispute, which itself may be nearer to satisfactory resolution as the disengagement process has been completed in the last of the friction spots in Demchok and Depsang.

It is the promise of that day, spent on the sidelines of the BRICS summit, that is blossoming into a time of peace in stepping into which India may be signalling now that it is prepared to go well beyond the "trust but verify" phase that saw it hold up steps to resume direct flights and visas, besides facilitating the resumption of the Kailash Mansarovar Yatra.

The number of Kailash pilgrims may be minuscule when measured against the three billion people that the two countries host and who represent nearly 40 per cent of the world's population. But the Yatra's symbolism is very high given the sentiment attached to the strenuous journey Indians undertake to visit the holy sites. A demand for direct flights has been in the air for a while now in both countries and the Chinese would also like to see the Indian visa process ease somewhat to accommodate more of its citizens.

The normalisation process is to resume with meetings at different levels and they would be part of the more wholesome efforts that may have been given an impetus at the meeting of special representatives last December when a six-point consensus was arrived at and again at the meetings the foreign secretary Vikram Misri held with two high Chinese officials in foreign minister, Wang Yi, and the minister of the international department of the Communist Party of China Liu Jianchao this week.

The presence of the foreign minister Wang Yi at the December and January meetings with the NSA Doval and foreign secretary Misri carry clear signs that the peace thrust is coming from the very top of the Chinese hierarchy. That it took a while to get the ball rolling may be owed to Indian misgivings over the border situation, the troop buildup and the soldier numbers on the frontier.

Meanwhile, another sticking point had arrived to dampen the calls for peace with China approving the construction of the world's largest dam in Tibet on the Brahmaputra (named Yarlung Zangbo). It is to be read as another positive sign that both sides agreed at the vice-ministerial meeting to continue cooperation, including sharing hydrological data on cross-border rivers and hold a new round of meetings.

It does appear that a tranquil border as a metaphor for peace between the two most populous nations of the world is not looking as improbable as it did even a few months ago when the sticking points in the details of patrolling had seemed insurmountable. The 75th year of India-China ties is to be marked by ceremonial events, but it is the promise of an honest peace after nearly five years of tension in the aftermath of skirmishes leading to loss of lives of soldiers on both sides that should be welcomed heartily now.

DeepSeek one-ups ChatGPT

An announcement by one-year-old Chinese startup DeepSeek about its new artificial intelligence assistant has sent shockwaves in stock markets around the world, making investors pour by several trillions of dollars in just a couple of days.

The issue at stake is not the introduction of a new AI assistant, but the money that went into designing it. When ChatGPT, the world's first AI assistant, was rolled out, it was believed to cost several billions of dollars. However, DeepSeek declared that it achieved the feat in just a few millions, which debunked the idea of American superiority in advanced technologies.

DeepSeek also ended the long-lasting myth of American exclusivity on advanced technologies, which boosted the market capitalisation of the American technology focused stock exchange Nasdaq 100 by \$14 trillion—four times the size of Indian economy—in just two years.

When the whole premise of betting on US technology stocks was found hyped and without basis, the shock and bewilderment among investors is but natural. It also raises questions over the Western world's ability to compete with developing countries like China or India.

Though India's work on its own AI model BharatGPT, which is based on large language model, is still in progress, its space missions like Chandrayaan have successfully shown the world that Indians could do what Americans did at the fraction of their cost.

Some American technology commentators and Tesla founder Elon Musk have expressed doubts about the reliability of the cost numbers declared by the Chinese startup and the cost of data learning by AI in pittance compared to the overall cost involved in building the infrastructure.

However, when seven of the top 10 research universities in the world are from China, as per Nature Research Leaders Index, any country can ignore it at its own peril. India must focus on technology, instead of mere optics.

THE ASIAN AGE

RASHMI MITTER

Editor

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R. S. Sankaran

Printer & Designer

Deepak Kumar



Smartphone skills growing as digital divide gets bridged across rural India

With India's technological landscape undergoing a massive transformation, digital literacy has become an important determinant of opportunities in the 21st century. This is reflected in the UN Sustainable Development Goal (SDG) Target 4.4, which aims to enhance youth and adult skills for employment and entrepreneurship by 2030, with specific indicators measuring ICT (4.4.1) and digital literacy proficiency (4.4.2). India's Comprehensive Life Skills Framework similarly recognises digital skills as "foundational skills", placing them alongside core competencies like literacy and numeracy. In India, the National Education Policy 2020 and Digital India mission represent crucial frameworks for addressing digital literacy. The Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGSY) stands out as a flagship programme specifically designed to make one person in every rural family digitally literate. Therefore, understanding youth's digital readiness and capacity to leverage the emerging technological opportunities becomes crucial for India's future economic and social development.

As mobile devices become increasingly affordable and internet connectivity expands, rural youth in villages are increasingly engaging with the digital world. The recently released Annual Status of Education Report (ASER) 2024 provides a nuanced picture of this transformation, highlighting both remarkable progress and challenges facing youth in rural communities. The digital component of ASER survey was first developed for the ASER 2023 survey focusing on "Beyond Basics", that explored internet access and assess digital literacy among rural youth aged 14-18. ASER 2023 surveyed 34,745 participants across 26 districts in 26 states across rural India. The digital tasks were designed to be rapid, easy to administer, and engaging. The assessment was designed for smartphones rather than computers, given their higher penetration in rural communities. The findings provided an insightful picture of digital literacy among rural Indian youth, highlighting their digital engagement and skills. The ASER 2024 survey revealed that 90% of rural youth aged 14-18 have used a smartphone in the last 12 months, up from 80% in 2023. This indicates a significant increase in digital access and usage among rural youth.

ASER 2024 reveals a significant digital transformation among rural Indian youth aged 14-18, highlighting widespread smartphone access with internet connectivity and emerging digital skills. The report shows that a majority of rural youth (90 per cent) have a smartphone at home, and around two-thirds of them could bring a smartphone with good connectivity. A striking 82 per cent of youth reported knowing how to use smartphones, and among these 31 per cent own a personal device. Males and older children report higher smartphone availability and ownership than females and young children. Among smartphone users, over 75 per cent reported engaging with social media during the last week of the survey, and 57 per cent utilised digital platforms for educational purposes. The report also shed light on digital safety awareness, revealing that while a greater number of youth reported social media usage, their understanding of online safety remains limited. Specifically, 62 per cent can block profiles, 55 per cent can set privacy, and 51 per cent know how to change passwords. The findings highlight an important observation: While digital safety knowledge is suboptimal with females being particularly vulnerable online, there is no gender disparity in education-related digital activities. In addition to the self-reported questionnaire, the ASER 2024 survey administered digital tasks orally with a text prompt shown to youth with smartphones. Youth demonstrated higher proficiency in finding YouTube videos (87 per cent), followed by information browsing (79 per cent), and alarm setting (77 per cent). Among those who could find a given video on YouTube, around 92 per cent could share it with a friend. As expected, the performance

on digital tasks also varies by youth gender and age, where males and older youth outperform females and younger youth. These findings reflect youths' growing digital literacy and their ability to navigate the Internet, find information and use device functionalities with increasing confidence. The report also highlights state-wise disparities in smartphone usage and digital literacy where Kerala performs best in all of these indicators, followed by Sikkim. The ASER 2024 findings reveal both the achievements and challenges in rural India's digital landscape. While youth demonstrate high smartphone usage and digital literacy, significant gaps remain in digital skills and readiness to adapt to an increasingly digital-dependent world. Specialised efforts are needed to close the gender and regional gap in digital readiness. To formulate digital policies, and to plan and design remedial programmes, large-scale data will be crucial. Ultimately, digital literacy represents more than technological proficiency—it is a pathway to empowerment, offering rural youth the tools to navigate, learn and grow in an increasingly interconnected world.

Dr Deepak Kumar is an applied micro-economist who heads the research & statistics unit at the ASER Centre, New Delhi

Subhani



Will fallout at home, abroad restrain Trump disruption?



K.C. Singh

Trump 2.0 isn't the old Trump plus scowl. He is a determined disruptor shaping the US as per the MAGA agenda. India can play along as mass disruptors can get undermined quickly.

Immediately after his January 20 inauguration as America's 47th President, Donald Trump unleashed a flurry of executive orders, both to undo his predecessor Joe Biden's policies but also to "Make America Great Again". He will to rule autocratically was manifest.

His remaking of America covers immigration, justice, bureaucracy, race relations, gender, trade, defence, foreign relations and the environment. He threatens to buy, annex or occupy territory ranging from Greenland to Canada and the Panama Canal. But his diverse coalition of supporters were captivated into supporting him as he echoed their concerns and prejudices. The test will come quickly as people expect their economic conditions to improve and immigration to control.

He acted quickly on immigration, barring birthright citizenship and starting the deportation of illegal aliens, encountering some hurdles. A federal judge stayed the birthright citizenship ban orders, which representatives of some Democratic-run states challenged in the courts.

Columbia refused permission to US military aircraft carrying deportees. Mr Trump's racial targeting and tariffs on Colombian exports, including coffee and fresh flowers. Equally suddenly, the issue was reversed. Colombia's President Gustavo Petro, however, tweeted a message to Mr Trump, underscoring America's racial targeting and rejecting Mr Trump's pro-il policies as they will "wipe out the human species".

Having tolerated past torture, he said he resented "white slavers" like Mr Trump. He noted that the Panama Canal's land was Colombian, and thus it belongs to them. President Petro's nationalistic rage sets a precedent and an early warning to Mr Trump: unilateralism has a diplomatic cost.

will Mr Trump now moderate his anti-immigrant crusade to avoid a severe global fallout? If so, India's illegal immigrants, numbering over 700,000, may not be massively targeted if Mr Trump approves a symbolic and limited series of deportations. The Indian government has indicated its willingness to accept deportees, already sheltered.

Global concern lingers over Mr Trump's threat of universal tariffs of 10 per cent on all imports, with China, Mexico and Canada facing higher rates. In addition to imbalanced trade, China allegedly exports fentanyl precursors while the other two facilitate illegal immigration and fentanyl smuggling. The Indian government must prepare to lower tariffs on US goods to appease Mr Trump. Not inviting Prime Minister Narendra Modi for his inauguration and speaking on the phone only a week later raises some questions. Is Mr Trump nursing some personal hurt, perhaps about Mr Modi not meeting him last year despite Mr Trump publicly announcing it; or perhaps India is a lower diplomatic priority for Mr Trump, focused mainly on China, Russia and Israel? TikTok's deferred ban and presidential candidate Elon Musk's move to China ties, due to Tesla's electric vehicle manufacturing there, indicates some back-channel messaging.

If US-China relations normalise, India may lose, as the Chinese rise and potential rivalry with the US has driven the US to strengthen India technologically and militarily. However, even in 2017, Mr Trump first warmly hosted Chinese President Xi Jinping at Mar-a-Lago. The relationship subsequently went downhill, especially after the outbreak of the Covid-19 pandemic.

By abandoning WHO and the Paris climate agreement, Mr Trump is damaging multilateralism. China has the resources to stop it, as should India. India and China both want freer global trade and reformed multilateralism. This may be motivating China to begin de-escalating the Ladakh border situation, caused by Chinese incursions in 2020. The first visit by an Indian foreign secretary to Beijing, since then, indicates some Chinese rethink. Thus, Mr Trump's disruptive threats may be compelling China to tactically engage India.

Mr Trump inherited two major global crises: the Ukraine and Gaza wars. He has boasted he could end the Ukraine war in one day. He skipped even mentioning it in his inaugural speech. In his predecessor's presence he took credit for the Gaza ceasefire and hostage release. He has politely urged Russian President Vladimir Putin to end the war or face serious sanctions. Simultaneously, he urged the Gulf oil producers to help lower oil prices by ramping up production. Logically that could put pressure on Mr Putin, but the Gulf rulers may not comply. If sanctions follow, the US under Mr Trump may be unwilling to make an exception for India buying discounted Russian oil. India imports 80 per cent of that oil during April-October were 40 per cent of its total oil imports.

On Israel-Palestine relations, Mr Trump first claimed credit for the Gaza ceasefire, then withdrew sanctions on far-right figures in Israel and settler groups in the West Bank. Consequently, they began rampaging in occupied territories targeting Palestinians. Finally, Mr Trump urged Egypt and Jordan to

take more Palestinian refugees to enable Gaza's depopulation. Again, it sounds logical as most housing destroyed by Israeli bombs and Israel wanting to demolish the tunnel system fully, people need to move to safer camps. However, the Palestinian experience has been that Israel refutes re-entry to refugees evicted from their properties. Unwilling to enter this mess, Jordan rejected the proposal.

The US aims to give Israel space and control in the West Bank and Gaza so that it agrees to a national Palestinian state, mostly in the West Bank, pocketed by Israeli settlements. Jared Kushner, Mr Trump's son-in-law, drafted a 2020 US peace plan with Palestinian displacement into Egypt's Sinai. The US hoped that would facilitate Saudi Arabia joining the Abraham Accords, created during Mr Trump's first term, which normalised Israel's relations with Bahrain and the UAE initially, in 2020. That agreement was to create an Iran-containing Middle Eastern alliance.

Mr Trump rolling back America's green economy initiatives of President Joe Biden will negatively impact the world. With Elon Musk encouraging neo-Nazi party Alternative for Germany (AfD) and Mr Trump inviting to the inauguration only right-wing heads of governments of Argentina, Hungary and Italy illustrates the threat to the domestic politics of NATO allies. Increasingly demanding Canada's merger with the US is a course unfriendly approach to a long-time ally. Mr Trump's time is limited, with the US mid-term elections due in 2026. The Indian government should realise that theatrical shows and flattery alone may no longer work.

Trump 2.0 isn't the old Trump plus scowl. He is a determined disruptor shaping the US as per the MAGA agenda with the world and allies sidelined. India can play along as mass disruptors can get undermined quickly when their unwieldy domestic alliance shatters and foreign allies circle their wagons.

The writer is a former secretary in the external affairs ministry. He tweets at @siambhaskingh.

LETTERS UNSUNG HEROES

For the last few years, a trend has been established to confer the Padma Awards on unsung heroes. This year, too, was the same. The services of a 102-year-old female social worker were recognised. A 101-year-old woman freedom fighter, Libia Lobo Sardesai, who set up an underground radio station during the Goa liberation struggle, a 96-year-old woman shadow puppetry master from Karnataka and a 70-year-old visually impaired homeopathic doctor from Maharashtra are among 30 "unsung heroes" who were chosen for the Padma Shri award on the eve of Republic Day.

Yashpal Raihan
Jalandhar

EC MUST ACT NOW!

APPROPOS the news report "Atishi: BJP using unfair tactics to avoid poll defeat" (Jan. 28), I am shocked beyond measure to learn that the ruling party at the Centre could stoop so low as to deliberately disrupt Delhi's water supply to ensure the defeat of the AAP. This is a criminal offence and the EC cannot deny its constitutional responsibility to verify the veracity of the complaint before any unfortunate incident occurs due to the alleged mixing of poison in the water. The Election Commission must give a patient hearing to Delhi chief minister Atishi and get to the bottom of the matter without any delay.

Arun Gupta
Kolkata

COLLATERAL DAMAGE

THE MUMBAI police have not exactly covered themselves with glory in the investigations of the attack on Saif Ali Khan and the CM Devendra Fadnis is bound to face some chit music from the political opponents and also the general public. Contradictory statements are emanating about the fingerprints of Shaiful Islam not matching with those found at the scene of attack. Forty police teams are said to be tracking the crime. In the process, a poor fellow is said to have lost his job as well as his soon-to-be bride because of the opprobrium of his arrest. Can the Mumbai police find the real attacker and somehow restore the faith of the people? And who and how are those who blundered in arresting a wrong individual going to compensate for his mental agony?

Anthony Henriques
Mumbai



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

— Ramnath Goenka

REJUVENATION AND DIVESTMENT OF PSUs CAN GO TOGETHER

HERE has been a perceptible slowing of disinvestment of public sector units in recent years. At such a time, the government seems to be planning to boost investment in a few PSUs that have remained unsold. A recent report quoting government documents says that the Union government has a blueprint to commit nearly ₹13,000 crore to revive two state-owned units it had earlier failed to sell. Divestment plans have also been put on hold for nine state-run units including Madras Fertilizers, MMTC and Hudco. In a sharp departure from the Nehruvian legacy of perceiving state enterprises as the 'commanding heights of the economy', Finance Minister Nirmala Sitharaman in 2021 declared the government would exit or shut down non-strategic PSUs, except in a few core sectors such as power, petroleum, transport and defence.

Divestment targets have often been missed: in the last four years, they have been successively scaled back. So far in 2024-25, PSU stake sales have brought in ₹9,000 crore, compared to the budgetary target of ₹50,000 crore. Look at it another way: the government has mostly preferred to sell off minority stakes, while holding on to ownership in other enterprises. Of the ₹420 lakh crore raised from disinvestment in the 10 years till the end of 2023, ₹3.15 lakh crore was accounted for by the sale of minority stakes.

There is no doubt public enterprises serve an important economic and social purpose. Divestment cannot be an ideological formula. A case-by-case appraisal is the best way forward. There is no option but to divest or close companies that have become a drain on the exchequer. For instance, there was no way the government could turn around Air India, which was ₹61,000 crore in the red at the time of the sell-off. In an interview in 2016, Prime Minister Narendra Modi had said: "In any developing country in the world, both the public sector and the private sector have a very important role to play. You can't suddenly get rid of the public sector, nor should you." A great number of our PSUs have immense asset value and most turn in profits. Financial pundits should cease to look at PSU divestment as 'budgetary income', and instead see how the more promising among them can be nurtured.

REIN IN PROFITEERING MICROFIN INSTITUTIONS

A fear of microfinance companies demanding repayment of loans has gripped rural Karnataka—so much so that some have fled from home or ended their lives. Stories of distress have come in from several districts including Chamarajanagar, Kodagu, Haveri and Belagavi. A woman in Magadi town on Bengaluru's outskirts claimed that a company staffer was harassing her to sell her daughters' kidneys to clear her loans; the woman has already sold one of her own kidneys to repay a part. There are allegations of recovery agents stalking women borrowers and even seizing properties, forcing families to desert home and hearth.

The spate of suicides and migration has turned the focus on the state government's inability to rein in microfinance institutions (MFIs), some of which have morphed into loan sharks. Chief Minister Siddaramaiah met microfinance officials, announced stern steps against those adopting criminal methods to recover loans, and promised a new law to protect borrowers. The police have been directed to file criminal charges against those employing unlawful pressure; helplines have been set up, too. Karnataka has 31 licensed MFIs with ₹59,367 crore in loans given to 1.07 crore accounts. Some of these institutions are allegedly violating interest norms and upper credit limits set by the RBI. While the central bank set a ₹2-lakh credit limit, some MFIs are giving up to ₹6 lakh, forcing the poor into a debt trap. Meanwhile, the business has grown manifold in the state—from 42 lakh clients in 2013 to 1 crore in 2022.

The state government is blaming the RBI for failing to set stringent checks. With the central bank deregulating interest rates in 2022, MFIs now charge 15.45-26 percent interest per year. This borders on the usurious compared to home and auto loans. It is ironic that MFIs, set up to disburse collateral-free microloans with the aim of alleviating poverty, empowering women and giving an entrepreneurial boost to the rural economy, have been given a free hand at profiteering. To curb such practices, the state plans to strengthen the Karnataka Microfinance Institutions (Regulation of Money-Lending) Bill. It should also negotiate an upper limit on MFI interest rates. A change in attitude is required, as the borrowers are largely unlettered people with unsteady incomes. It is cruel to leave them at the mercy of loan sharks.

QUICK TAKE

TIME TO BE PRECISE

OF all the 'one nation' campaigns, the one aiming at 'one time' may seem the oddest. After all, we do have the Indian Standard Time, which is calculated along the longitude at Mirzapur in Uttar Pradesh. The days when Chennai, Kolkata and Mumbai had their own times are long gone, as is former Assam CM Tarun Gogoi's call to revert to 'Bagan time' of the tea estates. The government is now working with the National Physical Laboratory and Isro to disseminate IST with an accuracy of microseconds from five metrology labs. Given that such precision is vital for sectors as diverse as navigation, telecom, power, banking and digital governance, it's indeed a step towards greater security and efficiency.

In an 1849 essay Thomas Carlyle described economics as the 'dismal science'. Attempts to elevate the discipline involves the use of mathematics and statistics, which John Maynard Keynes thought was limited by its assumptions and simplifications usually hidden in unhelpful symbols and equations. Fellow economist Kenneth Boulding concluded that quantitative tools brought both 'rigor' and 'mortality' to economics.

While much of economics only provides employment for economists and is a veneer of learning to decision making, some tenets are indeed insightful.

First, supply and demand of goods and services is the basis of life and economic activity. Around 60 percent of global national income is driven by consumption. While policymakers focus on maintaining the right level of demand, the supply of essentials like water, food, energy and minerals is increasingly constrained. Inability to produce sufficient raw materials is hampering the transition to lower-emission power generation.

The price of a product is where supply and demand equate in a market-clearing equilibrium. So a growing imbalance between demand and supply is likely to underpin increasing price pressures for many products.

Price sends off signals, with high prices decreasing demand and bringing new supply online to match it. It leads to boom-bust cycles as markets try to reach a sustainable balance. Businesses consolidate and try to lower competition, creating barriers for new entrants, by means fair or foul, to optimise profits. Oligopolies or monopolies in industries like technology, retailing, telecom and airlines manage supply to maintain prices. Items where demand increases as the price increases—called Veblen goods—explain the perverse characteristics of luxury products where affluent consumers purchase high-priced items as a status symbol.

Second, externalities. These are positive or negative side effects of economic actions that affect a third party not directly related. Investment in healthcare, education, infrastructure and research and development improves general workforce quality, productivity, civic participation and quality of life for society at large.

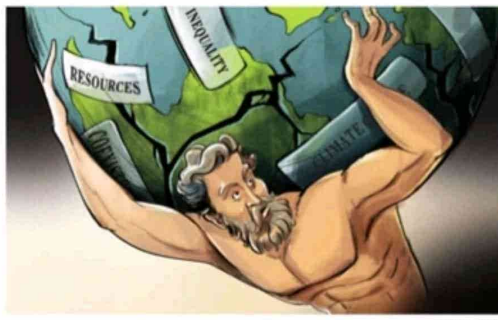
Negative externalities include detrimental effects of human activities, like pollution. Mining has frequent environment consequences, responsibility for which is transferred by private enterprises to the general population. Carbon emissions are the negative impact of insatiable human

Economics assumes rational decisions and efficient markets, though the world does not work that way. Yet, some tenets of the discipline hold up an essential mirror to human behaviour

MAKING SENSE OF INSENSIBILITY WITH THE DISMAL SCIENCE

SATYAJIT DAS

Former banker and author of *The Age of Stagnation*



MANISH PRADHAN

demand for energy. Private consumption decisions such as use of a private vehicle rather than public transport exacerbates climatic changes. Good government requires measures to enhance the positive and minimise the negative externalities.

Third, the 'tragedy of the commons'. The controversial concept argues that unfettered access to a finite, valuable resource will lead to overuse, and its destruction will continue as users who exercise restraint will be supplanted by other users who are unwilling to curb their activities. Examples include pollution of the air, land, waterways and even space, as well as over-exploitation like in land clearing and logging.

Overfishing of international waters has left almost 90 percent of all fish

species with unsustainable populations. Aquaculture, a response to falling fish stock, perversely creates its own side-effects damaging habitats from nutrient and antibiotic runoffs.

Climate change is another example where Earth is used without regard for the impact on neighbours and future populations. Overpopulation of the planet, because every individual has the right to choose the number of its offspring, is the ultimate tragedy.

Fourth, the 'free rider' problem—overburdening of a shared resource by overuse by people who do not pay a fair share. It is related to, but is different from, the tragedy of the commons. Individuals in the commons deplete a resource in accordance with their personal interest,

HOW ASEAN CAN RIDE OUT THE TRUMP 2.0 CHALLENGE

SHANKARI SUNDARAMAN

Professor at School of International Studies, Jawahar Nalanda University



ASIAN AXIS

Indonesia will continue to play a role in addressing issues of green energy technology and climate change globally, too. Prabowo's visit to New Delhi will deepen bilateral ties. For both nations, security of the Indo-Pacific is based on



Maintaining the centrality of ASEAN will be difficult with Donald Trump in power, as he did not even appoint an ambassador to the bloc during his last tenure. The roles of Prabowo Subianto-led Indonesia and Malaysia will be critical within the group as it negotiates the rising China-US tensions

international law and rules, providing a stable architecture. Strengthening bilateral ties at this time will allow them to contribute to regional stability even as the Trump 2.0 era sees an exacerbation of tensions in the region.

Second, Malaysia will be the chair of ASEAN for 2025 and will be focusing on maintaining regional economic growth as a key priority. The region is continuing to recover from the impact of the pandemic. The ASEAN Comprehensive Recovery Framework is focusing on areas like public health, deepening economic integration and strengthening intra-regional initiatives to address the recovery process.

For Malaysia, the challenge will be

tackling tariff-related disruptions and imposition of punitive measures. Maintaining the centrality of ASEAN processes will be difficult, especially as the earlier Trump administration did not even appoint an ASEAN ambassador, undermining the importance of the grouping. ASEAN's core multilateral processes will likely face pressure, for example, the East Asia Summit and the ASEAN Defence Ministers Meeting-Plus. Without the participation of major powers, these initiatives will remain inconsequential in their agendas.

While the Joe Biden administration gave equal importance to all these, the Trump administration may place a higher priority on the Quad mechanism. The Indo-Pacific Economic Framework (IPEF) initiated under Biden had a flexible approach, letting countries opt for any of the four pillars—trade, supply chains, green energy and a fair economy. With the emphasis on multilateralism itself reducing under Trump, the IPEF may not evolve further.

For the Indo-Pacific, the issue of major power rivalry is almost a given. ASEAN's concerns revolve around how implications of this will impact the region. How will states within ASEAN re-adjust to the shifting priorities? How will ASEAN manage great power tensions over the next four years?

There will undoubtedly be a layering of security options in the region. With bilateral tensions between the US and China once again dominating the scene, the focus on evolving multiple layers in the regional architecture will be the key to addressing issues of common concern. The capacity of ASEAN to exhibit dynamism in its centrality and evolve mechanisms such as a possible ASEAN Quad dialogue may address some core concerns, even as it copes with rising tension in its backyard.

(Views are personal) (shankari@mail.jnu.ac.in)

MAILBAG

WRITE TO: letters@newindianexpress.com

Interstate cooperation

Ref: Fiscal prudence: Odisha and other states can learn from each other (Jan 28). The editorial discusses principles for sustainable economic health and presents a road map to achieve this. All states must understand the importance of sharing knowledge, working together and adopting best practices. **NR Jagannath, Bengaluru**

Boosting Odisha

The state is rich, yet the people are poor. Coal royalty and GST returns have been impactful. What is required now is a boost to agricultural production and industrial exploration to continue with the advantage. **Sachidanand Satpathy, Sambalpur**

Root cause

Ref: Need to shift gears after a decade of Beti Bachao (Jan 28). Despite progress in education and health, the sex ratio at birth remains skewed. It's time to take the bull by the horns and address the root causes of gender inequality. The government must think outside the box and implement policies that promote pay parity and women's employment. **Raju Kolluru, Kakinada**

Regional peace

Ref: India and China agree to resume Kalash Mansarovar Yatra (Jan 28). It is a welcome note that India and China are resuming the Kalash Mansarovar Yatra. Both nations coming together on many bilateral platforms will bring peace in the region. It will definitely help safeguard the rights and interests of the Global South. **V Rajesh Mohan Rao, Thalassery**

Waqt amendments

Ref: Waqt Bill gets JPC nod with 14 amendments (Jan 28). It is good to know that the joint parliamentary committee examining the Waqt (Amendment) Bill 2024 adopted all 14 amendments proposed by members of the ruling NDA and rejected every change suggested by the opposition. Committee chairman Jagadamba Pal has had a tough time as the opposition members tried every method to scuttle the bill. **K V Raghavan, Wayanad**

National code

Ref: U'Khad 1st state to implement UCC, portal launched (Jan 28). Uttarakhand's move to implement the Uniform Civil Code needs to be applauded. However, since the constitutional directive is to have a UCC throughout the territory of India, it would be appropriate for the Union government to enact such a code through parliament rather than each state enacting a separate code for the state. **K R Jayaprakash Rao, Mysuru**

The Statesman

incorporating and directly descended
from THE FRIEND OF INDIA - Founded 1818

Maritime Resolve

The growing maritime partnership between India and Indonesia reflects a broader regional alignment to counter increasing Chinese assertiveness in the South China Sea. The call by the leaders of both nations to resolve disputes in accordance with international law, particularly the United Nations Convention on the Law of the Sea (UNCLOS), signals a unified approach to ensuring stability in the Indo-Pacific. China's expansive claims in the South China Sea, marked by its "nine-dash line," overlap with the exclusive economic zones of several nations, including Indonesia. This unilateral assertion of sovereignty, coupled with aggressive actions like blocking ships and deploying water cannons, has heightened tensions. Indonesia, though not a claimant in the traditional disputes, has repeatedly rejected China's territorial claims that encroach on its exclusive economic zone in the Natuna Islands region. India's stance on the matter has been consistent and principled. As a nation committed to a rules-based international order, India has supported Asean nations in maintaining their sovereignty and maritime rights. The reiteration of these principles during the Indonesian President's recent visit reinforces New Delhi's resolve to protect freedom of navigation and the lawful use of the seas. This partnership underscores the shared understanding that a stable maritime domain is vital not only for regional security but also for the economic prosperity of billions of people dependent on these waters. This partnership also aligns with India's broader Indo-Pacific vision, which emphasises inclusivity, security, and economic growth. By backing the full implementation of the Declaration on the Conduct of Parties in the South China Sea and urging the early conclusion of a substantive Code of Conduct, India and Indonesia are sending a clear message: the region must adhere to established international norms, and unilateral actions will not go unchallenged. Beyond geopolitics, the collaboration has economic undertones. Both nations have emphasised the use of local currencies for bilateral trade, aiming to reduce dependence on the US dollar and strengthen financial integration. This move not only deepens economic ties but also underscores the strategic importance of reducing external vulnerabilities in an increasingly uncertain global environment. India and Indonesia's alignment is significant not just bilaterally but regionally. It reflects the growing need for middle powers to take the lead in ensuring regional stability. As China seeks to expand its influence and American conduct becomes whimsical, partnerships like this become critical in balancing power dynamics. The shared emphasis on maritime security, freedom of navigation, and adherence to international law sets a template for other nations in the region to follow. In the larger context, this cooperation highlights the importance of multilateralism and collective action. The South China Sea disputes are not just about territorial claims — they represent a contest for control over critical trade routes and natural resources. By standing together, India and Indonesia demonstrate that mid-sized nations can collectively counter-balance larger powers, ensuring that regional stability is maintained and the rule of law prevails.

Yoon indicted

The indictment of South Korea's impeached President on charges of insurrection marks a historic and sobering moment for the nation. Yoon Suk Yeol's attempt to impose martial law in December was a dramatic escalation of political overreach, plunging the country into its deepest political crisis in decades. The charge of insurrection — a crime punishable by life imprisonment or even death — reflects the gravity of his actions and their implications for South Korea's democratic fabric. Mr Yoon's declaration of martial law, ostensibly to protect the nation from "anti-state" forces, was less about national security and more about clinging to power. Faced with mounting corruption scandals, deadlock over a budget bill, and investigations into his cabinet ministers, Mr Yoon chose to circumvent the democratic process. His televised announcement, which sought to suspend parliamentary activity and tighten control over the media, added up to an audacious power grab that exposed the fragility of South Korea's democratic institutions when tested by authoritarian impulses. Yet, what followed was a testament to the resilience of South Korean democracy. Within hours of his declaration, Parliament convened in an emergency session. In an extraordinary show of unity, lawmakers from across the political spectrum — including members of Mr Yoon's own party — voted to block the martial law order. This decisive action not only halted Mr Yoon's attempt to consolidate power but also reaffirmed the strength of institutional checks and balances in a moment of crisis. The aftermath, however, has been anything but orderly. Mr Yoon's impeachment on December 14 led to weeks of political unrest and public protests. His refusal to cooperate with investigators, followed by a dramatic standoff between his supporters and authorities, underscored the polarisation within South Korean society. While tens of thousands of his loyalists demanded his reinstatement, many others viewed his actions as a betrayal of the democratic principles that underpin the nation's governance. Now, as Mr Yoon faces trial alongside his former defense minister and senior military officials, South Korea must grapple with the broader implications of this crisis. The indictment is not just about punishing a leader's misconduct; it is about reinforcing the rule of law and ensuring accountability at the highest levels of power. The trial will serve as a critical test of the judiciary's independence and the country's commitment to justice. At its core, this crisis highlights the perils of eroding democratic norms. It serves as a stark reminder that leaders, regardless of their mandate, cannot place themselves above the constitution. South Korea's ability to navigate this turmoil and emerge stronger will depend on the collective resolve of its institutions and citizens to defend the principles of democracy. This chapter in South Korea's history is a cautionary tale, not just for the nation but for democracies everywhere: vigilance, accountability, and institutional strength are the bedrock of a thriving system.

Budget Imperatives

The current economic landscape in India presents both opportunities and challenges, requiring a delicate balance between growth-oriented policies and inclusive development. A comprehensive approach to economic governance could involve reassessing tax structures, promoting innovation across sectors, and strengthening regional economic cooperation both at home and abroad. Additionally, our policymakers must remain vigilant about global economic trends



In India, January every year ushers in a euphoric moment for professionals and businessmen alike due to the old debate built around the general budget with a largely reductionist approach focussed mainly on the income tax ceiling. The purpose here, however, is to broaden our understanding of the dynamics of India's evolving political economy, and its current trend and direction, because a vibrant democracy without creative efforts to reset economic governance is inconceivable.

It is a daunting challenge before the nation because without innovative reforms not only will our growth curve plateau but also the equity aspect, even within an overall neoliberal competitive scenario, will be scuttled. At the same time, we need to be cautious that now the new anxiety of HMPV virus might engulf the Chinese economy. Moreover, the situation in Bangladesh might challenge expected performance of sub-regional groupings like BBIN, BIMSTEC, apart from India's Look East Policy. As a result, efforts to tow foreign investment may not be as successful at the moment.

The current economic landscape in India presents both opportunities and challenges, requiring a delicate balance between growth-oriented policies and inclusive development. A comprehensive approach to economic governance could involve reassessing tax structures, promoting innovation across sectors, and strengthening regional economic cooperation both at home and abroad. Additionally, our policymakers must remain vigilant about global economic trends, now inseparable from health and geopolitical concerns that could potentially impact India's economic trajectory and foreign investment prospects.

On the other hand, India's economic health will depend not on short-term adjustments like the central bank's repo rate, but on long-term vision. Since the 18th Lok Sabha election in early 2024, when the BJP's majority got shrunk considerably, it will be interesting to see how the party comes up with a reformist or conservative quip protectionist stance through budgetary policies. Despite speculation, it seems settled that the party will navigate choppy waters to boost venture funding for start-ups in new sectors like e-vehicles and biotech, while synergising with capital expenditure for robust infrastructure development in trying to accomplish a V-shaped economic recovery post-pandemic through a combination of new projects like freight corridors and even by promoting spiritual tourism.

Even the current discourse on "One Nation One Election" is floated on the pretext that it will be immensely cost-saving for the nation. The potential shift in the BJP's policy approach due to a reduced majority is likely to lead to a delicate balance between populist measures and macroeconomic reforms. This delicate balance may influence key infrastructure projects and their implementation timelines, potentially affecting the pace of economic recovery.

Here it won't be too much to remember

how our pharma industries helped save millions of lives worldwide during the Covid-19 crisis. Hence the government needs to encourage the development of valuable yet low-cost drugs as innovation in therapeutics and bioinformatics. Simultaneously we cannot forget the role of NGOs and SHGs working in remote localities who complement government in service delivery and reduce pressure on public institutions, hence requiring reinforcement to enhance their position.

So, the empowerment of the economy may thrive from SEZs but people attach



The writers are, respectively, Professor and Head, Department of Political Science, Bidhan Chandra University, Purulia, and Assistant Professor of Political Science, Samantnagar College, Barabara

more value to support structures that provide them social and psychological relief without which restoring trust is impossible. Hence the government has to think out of the box to ensure accountability as a vital prerequisite to good governance in a holistic sense. Since we are talking about the political economy of the Indian state, let's look at the dynamics of our federal setup, which has gone from centralized to bargain-oriented flexibility which is also important for the Centre from a socioeconomic perspective.

In today's competitive political perspective, unilateral central directives to the states and manoeuvring through fiscal mechanisms can be counterproductive for the Centre especially in the age of coalition politics. This might not only affect performance of the states but it can also make them resentful and weaponise the state autonomy issue.

What is also noteworthy here is the role of tribal-dominated states in India's central region and Northeast which likewise need central assistance through budgetary support as an economic development strategy and also as a concession to regional elites who always demand more policy space. It is good to see their own agency as these states in India increasingly take up new initiatives such as the Backward Region Development scheme, and at the same time try to promote the conditions for doing business.

This shift in federal dynamics has enabled tribal political elites as intermediaries to negotiate more effectively with both the Centre and local stakeholders, balancing development priorities with regional interests. As a result, in India states are becoming more proactive in addressing economic disparities through targeted schemes while simultaneously fostering a business-friendly

environment to attract investments and promote growth. This promotional aspect has to be kept in mind in the upcoming budget, that is, to facilitate reforms with incentives and the need to negotiate with the regional elites, taking into account state-level realities, caste, class and tradition-stricken communities populating constituencies, so that their approach and response to market-friendly reforms could be favourably mobilized. For example, land maps, the Land Acquisition Act, a domain of the state, are an important tool for private investment, of course, without fomenting grassroots resentment.

So, while a vision like "Viksit Bharat 2047" could be an ambitious rhetoric on the part of the central leadership, we have to be pragmatic to situate our proposed reforms within a framework of multiculturalism and a regionalist discourse. Today this discourse is not always conciliatory towards the Centre. Also we cannot just go on talking about meeting regional demands and reaching out to the emerging East Asian or Central Asian markets without addressing our own "demographic dividend" or the need to check infiltration from the immediate neighbourhood. We understand the historic roots of such contemporary issues but the Centre is answerable on why the share of educated youth among all unemployed people is steadily increasing or, as noted development economist Jean Dreze has stated, that there is no significant growth of real wages in India since 2014. Going by this parameter can we be complacent? As many economists surmise, a K-shaped economic pattern is becoming conspicuous in which a hiatus between the rich and poor gets intensified. So, while the discourse of one-after-another connectivity projects sounds alluring, in real terms it cannot be miraculous. If two other common issues — those of corruption and politicization of institutions — are added, the balloon of budgetary euphoria may end up in despondency.

Of course, there are some bright spots, such as Kerala that qualifies as an exceptional state in many ways. Its Human Development Index is the highest in the country, for example, its literacy rate is higher than the national average. This outstanding performance is largely due to the high level of political awareness and political participation of people, the roots of which go back to the late 19th century. The state provides a unique model of social democracy, incorporating aspects of a "welfare state".

The BJP's two complete terms have demonstrated that its fiscal strategy has been narrow to some extent while genuine social welfare programmes ought to get priority. In its third term, although substantial changes to the Central government's fiscal approach are unlikely, it would be wise for the administration to consider course correction. The government should implement fundamental adjustments to create a long-term fiscal plan that ensures inclusive development while modernising institutions like the NITI Aayog as an impetus to an enlightened view of things.

A MEMBER OF THE ANN ASIA NEWS NETWORK

ASIAN VOICES

UNDP looks forward to addressing most pressing challenges with Viet Nam in new development phase

For over four decades, UNDP has supported Viet Nam in the achievement of its national development goals. Today, this means supporting Viet Nam in the promotion of a dynamic and expanding economy. An economy that is inclusive, environmentally sustainable, and effectively governed.

As we move into the second quarter of the 21st century, the challenges Viet Nam faces are increasingly complex, reflecting a world economy that is becoming ever more competitive, interdependent, and dynamic. Geopolitical tensions and uncertainties around trade add a further layer of complexity.

Following several years of slower economic growth, General Secretary Tô Lâm has brought a new energy and urgency to Viet Nam's socioeconomic development agenda, including the dual goals of becoming a high-income economy and reaching net zero emissions by 2050.

During the October meetings with UNDP's global leadership in New York, the General Secretary notably recognised UNDP's past contributions to Viet Nam's development, as well as its potential for future contributions, underscoring the significance of the partnership.

Looking more closely, we see an alignment between many of UNDP's

Viet Nam News

global objectives and Viet Nam's development priorities. These include the further reduction of poverty, expanding access to decent work, increasing economic resilience to climate change, strengthening effective, accountable and inclusive institutions, and advancing gender equity across all sectors.

Currently, UNDP works with national authorities across many of these policy areas, including the promotion of inclusive economic growth, innovation, digitalisation, climate resilience, energy transition, the rule of law, development finance, and strengthening of essential social services. As Viet Nam embarks on a new development phase, UNDP looks forward to deepening this partnership and addressing the country's most pressing challenges together.

While Viet Nam's economy has regained momentum, sustaining rapid growth will require deliberate measures to achieve significant transformations across an array of key areas, including institutional reforms, technological upgrading, the movement into higher-value manufacturing and service activities, and long-overdue breakthroughs in the development of private enterprises.

All of this will occur within an economy that is and will continue to undergo rapid spatial and socio-demographic transformations, owing to a confluence of factors, including climate change, migration, urbanisation, and population aging.

For Viet Nam to achieve inclusive and sustainable growth in this context, it needs to invest in the development of managerial and technological capacities within and outside the state, develop a green growth model that creates equitably shared benefits for the population, and promote a more open and inclusive governance system.

The latter includes further strengthening Viet Nam's institutional rule of law, to ensure vulnerable populations can access justice and have their rights protected at a time of rapid — and at times disruptive — transformation.

As Viet Nam's leaders have pointed out, now is the time for the country to address longstanding bottlenecks in infrastructure and energy, to promote the development of a more skilled workforce, and to develop social policies that better support the socioeconomic security and development capabilities of the country's population.

LETTERS TO THE EDITOR

editor@thestatesman.com

Citizenship

SIR, Recently, a case related to birthright citizenship in the United States has sparked a constitutional debate. A court declared an order by President Donald Trump, aimed at limiting birthright citizenship, unconstitutional within just three days.

The purpose of Trump's order was to make the process of obtaining American citizenship more stringent. However, the court clarified that the order violated the 14th Amendment of the U.S. Constitution, which grants citizenship rights based on one's place of birth.

The Department of Justice

has planned to appeal the court's decision, potentially complicating the matter further.

Birthright citizenship, also referred to as "jus soli" (right of the soil), is a significant provision enshrined in the U.S. Constitution. This principle not only fosters diversity in American society but also ensures equal rights for every individual.

This issue is not limited to the U.S. alone. It raises the broader question of whether fundamental rights such as citizenship should be subjected to political or legal restrictions in modern times.

The matter is crucial not only for the protection of constitutional rights but also for safeguarding

human rights.

Ultimately, this case could influence the definition of citizenship not just in American society but on a global scale.

Yours, etc., R K Jain "Arjeeet", Barwani (M.P.), 25 January.

LINE CROSSED

SIR, Political parties are at present in the "win at any cost" mode. Unfortunately this cost will have to be borne mostly by the middle class salaried tax payer.

States are finding it difficult to finance the many schemes intended for beneficiaries who had voted for them. At present there is a kind of competitive populism going on which is hurting the economy.

FOULING THE AIR

SIR, Apart from the freebie list which is getting longer and longer by the day, the Delhi election has become a contest in negativity. Each party is trying to blame the other in the darkest of colours instead of spelling out its agenda for development and ease of living in the capital region.

The slanging matches that take place on our TV screens do not indicate that our politicians are serious in improving the status quo in the NCR.

In keeping with the freebie list, the "debates" (read, foul mouthings) are getting more and more vituperative and more and more personal by the day. Our politicians have turned bitter enemies instead of remaining political adversaries.

Yours, etc., Avinash Godbole, Dewas, 25 January.

Citizens must put pressure on the political class to stop such allurments. Or else the SC has to step in. There is a thin line between welfare schemes and freebies which parties must not cross. Yours, etc., Anthony Henriques, Mumbai, 25 January.

Start DeepSeeking, India, Clock's Ticking

Move fast, set up a dedicated AI ministry

The AI genie is out of the bottle with a Chinese startup releasing an open-source version, DeepSeek, trained at a fraction of the cost of models under development by US technology giants. This is China's opportunity to crow over the apparent stranglehold Silicon Valley and Wall Street have on AI development. Questions remain on the quality of DeepSeek's output and its computing costs. But investors globally have had a wake-up and smell the Philz Coffee call over innovation in AI. The field has just become enormously wide if DeepSeek's claims on development cost and time are established. Expect a burst of innovation around the world for a truly transformative technology.

The Chinese example also serves as a wake-up call to governments elsewhere, including here in India, to get their AI act together. China has a fairly evolved regulatory structure in place to allow for ethical development of AI. Its technology companies like Baidu and ByteDance have their own LLMs. The country is making its breakthroughs despite a throttled supply of advanced chips needed for the purpose because of sanctions. Beijing is emerging from a position of follower in the AI race. The efficacy of Washington's semiconductor export curbs is questionable.

India needs to move fast to avoid the effects of Chinese advances reinforcing US anti-proliferation efforts. It helps that Indian engineers support US technology innovation. Silicon Valley may have to increase its reliance on them to stay ahead in the race. But India has to ready the regulatory scaffolding and divert capital into developing local LLMs. The country needs an agency — in fact, a ministry, as we have argued before — to build capacity, develop safeguards, allocate computing power and democratise access. Time lost in securing data privacy has to be made up in intensified engagement between tech developers and lawmakers over the ethics of AI. Business processes need to be retooled to incorporate the technology within acceptable levels of job displacement. The clock is ticking.

Learn to Catch Up On the Digital Lag

A comprehensive, citizen-driven national report on India's primary education system provides a vital perspective on how effectively taxpayer money is being utilised to educate and empower Gen Next — and building the foundation for a resilient economy. On Tuesday, Pratham released its Annual Status of Education Report (ASER) 2024, just days before the budget. It highlights areas where government priorities should focus. ASER's central takeaway is clear: demand for education is immense.

NEP 2020 calls for universal early childhood education and quality care for children from birth to 6 years. ASER data shows over 80% of rural children aged 3-4 are enrolled in pre-primary institutions. At the elementary level (ages 6-14), enrolment and foundational skills in reading and arithmetic have improved across all grades compared to 2022. Basic school infrastructure has expanded, and NIPUN (National Initiative for Proficiency in Reading with Understanding and Numeracy) Bharat now covers most schools. Encouragingly, government school students in classes 1-8 have surpassed pre-pandemic levels in reading and maths skills, underscoring the importance of sustained state investment.

For the first time, ASER included a section on digital literacy among 14-16-year-olds. Here, a critical gap is revealed: gender disparities in access to smartphones and digital skills. Addressing this gap is urgent in a world where digital literacy is as essential as foundational education. Without timely intervention, these disparities will widen, undermining efforts to equip all students for the digital age. Proper budgeting and targeted policies are crucial to ensure digital skills receive the attention they deserve, fostering an equitable, well-rounded education system.



JUST IN JEST

Phone calls are really invasion of privacy pretending to be communication

Why Call When You Can Jolly Well Text?

You may fault Gen Z for many things — like turning avocado toast into a personality, or taking pronouns and hedging one's bets. But their disdain for phone calls... Honestly, they're definitely onto something. Phone calls are the digital equivalent of someone showing up unannounced at your house: intrusive, awkward, and requiring you to scramble to sound presentable. It's nightmares from the '80s when relatives would just turn up at your parents' door. In the digital now, Gen Z really knows what's up. 61% of them prefer texting. Frankly, the other 39% probably just forgot to turn off Do Not Disturb. According to a 2024 Uswitch survey, 61% of those aged 18-34 prefer a text to a call, and 23% never bother answering. Such is the pervasiveness of phone call anxiety that a college in Nottingham recently launched coaching sessions for teenagers with 'telephobia'. Can you blame them? The ringing sound alone triggers fight-or-flight mode. And video calls? The worst offender. Suddenly, it's not just your voice under scrutiny but your entire face, background and state of your hair. Video calls are essentially a performance review. Let's call (text?) it what it is: phone calls are an invasion of privacy disguised as communication. Want to reach me? Drop a text. Want to see me? Fix and appo and let's catch up soon. Let's keep it civilised.

DeepSeek's frugal model shows a more profitable, market-rewarding GenAI solution than TechBro AI

Disruptor From the Deep



Subimal Bhattacharjee

The generative AI ecosystem, once dominated by a handful of major US tech players — OpenAI, Nvidia, Alphabet, Anthropic, Microsoft and Meta — is undergoing a seismic shift. Emergence of the Hangzhou-based DeepSeek's frugal and fast, funded by Chinese hedge fund High Flyer, is forcing established platforms and models to recalibrate their strategies, technologies and — as was evident in Monday's tumble on the bourses for US Big Tech — market positioning.

As the GenAI space becomes increasingly crowded, competition will drive innovation at an unprecedented pace. But this turbo evolution also raises questions about sustainability, investment trends and the possibility of an AI bubble.

DeepSeek, established in May 2023, has quickly gained attention for its ability to deliver high-quality outputs with remarkable efficiency. Unlike most of its predecessors, the AI company, developing open-source LLMs, has focused on optimising its models for specific industries like healthcare, finance and creative arts, rather than pursuing a one-size-fits-all approach. This specialisation has allowed DeepSeek to carve out a niche in the market, challenging the dominance of general-purpose models like OpenAI's GPT-4 and Google DeepMind's Gemini.

One of the key ways DeepSeek is impacting the ecosystem is by pushing the boundaries of cost efficiency and scalability. Its models are designed to operate with lower computational requirements, making them more accessible to smaller enterprises and startups. This democratisation of AI tools is forcing larger platforms to rethink their pricing strategies and resource allocation. OpenAI and Google, for instance, have begun offering tiered pricing models and lightweight versions of their flagship products to remain competitive.

The presence of DeepSeek and other emerging AI platforms is compelling established players to recalibrate their models:



AI aho!

► **Particularity matters** A growing emphasis on fine-tuning models for specific use cases. While general-purpose models like GPT-4 have been the gold standard, the market is increasingly demanding specialised solutions. For example, OpenAI has introduced custom GPTs that allow users to tailor the model for specific tasks. Gemini is exploring industry-specific adaptations.

► **Size matters** Competition is driving improvements in model efficiency. Training and running LLMs is notoriously resource-intensive. But DeepSeek's success with leaner models has shown that size isn't everything. Companies are now investing in techniques like model pruning, quantisation and distillation to reduce computational costs without sacrificing performance. This trend is not only making AI more accessible but also more environ-

mentally sustainable.

► **Multitask edge** DeepSeek's rise is accelerating the integration of multi-modal capabilities. While text-based models have dominated the GenAI landscape, there is a growing demand for models that can seamlessly handle text, images, audio and video. Platforms like OpenAI and Google are racing to enhance their multimodal offerings, with DeepSeek also exploring this space. This shift is opening up new possibilities for applications in fields like content creation, education and entertainment.

The GenAI boom has attracted staggering levels of investment. In 2024 alone, VC funding for AI startups surpassed \$30 bn, with DeepSeek, OpenAI and Anthropic leading the charge. Established tech giants like Microsoft, Alphabet and Amazon are also pouring billions into AI R&D, betting on the tech-

nology's transformative potential.

This influx of massive capital has sparked concerns about an AI bubble. Valuations of some AI startups are reaching astronomical levels, often based on speculative projections rather than tangible revenue. For instance, OpenAI's valuation soared to over \$80 bn despite generating relatively modest revenue. Similarly, DeepSeek's rapid rise has been fuelled by investor enthusiasm, raising questions about whether its valuation is sustainable in the long-term reckoning.

Parallels to the dotcom bubble of the late 1990s are hard to ignore. During that era, companies with little more than a website and a 'bold vision' attracted massive investments — only to collapse when the market corrected. While GenAI has undeniable potential, the current hype cycle could lead to similar reckoning.

Many startups are focusing on flashy demos and viral marketing rather than building robust, scalable business models. When the hype subsides, only those with solid fundamentals are likely to survive.

That said, there are reasons to believe that the AI boom is not purely speculative. Unlike the dotcom era, GenAI is already delivering tangible value across industries. From automating customer service to accelerating drug discovery, the tech is proving its worth. Moreover, the infrastructure supporting AI — cloud computing, data storage and specialised hardware — is far more mature than the internet infrastructure of the 1990s. This foundation could help sustain the AI ecosystem even if a correction occurs.

As the GenAI ecosystem continues to evolve, presence of DeepSeek and other newcomers is positive for the industry. Competition is driving faster advancements, greater accessibility and stronger focus on ethical considerations. However, the sector must navigate the challenges of over-investment and hype with caution.

For investors, the key will be to differentiate between companies with sustainable business models and those riding the wave of hype. For developers, focus should be on building specialised, efficient and ethical AI solutions that address real-world problems. And for regulators, prioritising transparency in a framework that fosters innovation while mitigating risks. A tricky task for all ahead.

The writer is a tech policy analyst



Power of Mouna

KV RAGUPATHI

Conversations shape much of what we think, and much of what we believe outlines the world and ourselves. However, we can uncover a richer, more profound universe if we access stillness or silence, mouna.

It represents the concept of refraining from speaking. But it isn't. Mouna allows us to simply watch and observe activity of the mind without getting involved in its antics. When we observe our thoughts and how they activate our emotions and drive our behaviour without getting involved, eventually, the mind gradually calms down a little and something precious — a sharp awareness — arises from deep within.

It is through mouna that we can begin to hear beyond what our ears can hear. It starts with the exterior practice of not talking and gradually develops into a profound inner listening in which we can listen to the universe's message.

A reality that is even more complete and richer than our mind's can process is revealed when we are able to let go of some of our mind-based identity through mouna and find solace in this knowledge. Together, our entire planet orchestrates the grand symphony of all life.

It is through mouna that we can begin to hear beyond what our ears can hear. It starts with the exterior practice of not talking and gradually develops into a profound inner listening in which we can listen to the universe's message.

Mouna Ameyara will be observed on January 29



Animals Are Magic

If you're enchanted by James Herriot's magical world of animals and tales as a vet for all creatures great and small, don't miss Animal, a beautifully produced NYT podcast series. Host Sam Anderson explores our connection to animals, urging us to appreciate them while they're here.

Beyond cuddles and laughter, animals teach us in the moment and confront us with mortality. As Anderson notes, 'Animal lovers can measure their lives in cats and dogs and birds and lizards and gerbils and fish — all the creatures we've gathered around us to thicken the texture of our days, but there have to be mourn once we've lost them.'

Take the golden dachshund, another a golden dachshund with infinite life. It begins with Mango, Anderson's daughter's pet hamster. When Mango went missing, the humans gave up — except Walnut. The lazy boy-turned-detective sniffed at a gap in the wall. Finally, his persistence paid off: Mango emerged.

Anderson reminds us of the magic animals bring to our lives, saying, 'We humans think we're superior, but animals are magic.' Truer words have never been spoken, meowed, woofed, tweeted...

Chat Room

Ace I-T Base, Cut GST Rate

Budget day is almost here. The Union budget can rejuvenate many sectors of the economy that have been hit by growth. The re is, in fact, concern over the disproportionate burden placed on the middle-income group and a view that IT concessions and due to IT. Merely adding increase in I-T returns and, of this, 60% file nil tax. To compensate, we look at indirect taxes that affect the lowest income strata the most. GST alone outstrips I-T revenue, and herein rates need to be lowered and rationalised. We need only 3 GST rates: 3%, 6%, 12%. With acknowledged increase in the affluence of the upper strata, even lowering the luxury tax to 38% is logical. After all, we should encourage increased consumption at higher income levels to propel economic growth.

R Narayanan
Navi Mumbai

Health Insurance Needs Bitter Pill



Arun Gupta

Health insurance is meant to be a safety net. But over the past three years, it has become an unsustainable financial burden. This hike far exceeds medical inflation or any logical adjustment. It's not just a personal grievance but also emblematic of a larger systemic issue: a regulatory framework that facilitates grievances but fails to enforce accountability.

Insurance Regulatory and Development Authority (Irda) is mandated to protect policyholders' interests and adjudicate disputes. Its guidelines state that insurers cannot charge premiums for at least three years unless there is a significant change in risk factors or claims experience. Yet, in practice, insurers justify hikes with vague references to 'loss ratios' or 'medical inflation'. Consumers, meanwhile, are left with little clarity about what constitutes a 'significant change'.

Perhaps Irda has forgotten its duty. This approach creates a systemic loophole, reducing the regulator to a passive facilitator rather than an enforcer. For senior citizens reliant on fixed incomes, such failures in regulation are more than frustrating. They are a direct threat to their ability to access affordable healthcare.

India's health insurance market is reportedly booming, with non-life insurers collecting over ₹1 tn in premiums in FY24, a 20.2% increase from the previous year. But this growth may not be sustainable if rising premiums alienate consumers.

Special premium hikes, especially in group health insurance schemes, risk reversing gains in insurance adoption. Vulnerable groups, including senior citizens, may opt out of coverage altogether, undermining financial inclusion goals.

Along with increasing premiums, policyholders face another alarming trend: rising claim rejections. In FY24, reports suggest that insurers rejected health claims totalling ₹6,000 cr — a 19% increase from the previous year. A recent LocalCircles survey revealed

that 45% of policyholders faced difficulties with claims, including rejected claims and partial approvals. This dual burden of paying more while receiving less erodes trust and discourages long-term participation in the insurance market.

According to Irda, health insurance accounts for the largest out-of-pocket (OOP) expenditure for families. Premium hikes exacerbate this burden, reducing disposable income and stalling consumption.

For a country where four-fifths of health expenditures are OOP, the lack of a robust public health system makes citizens even more vulnerable. It is also reported that hospitals have started charging non-insured persons more, increasing the economic burden.

To restore trust and ensure market sustainability, regulators and insurers must address these systemic issues with the following reforms:

► **Mandate transparency** Insurers must provide a detailed, publicly audited breakdown of factors driving premium hikes, including claims experience and administrative costs.

► **Cap annual premium increases** Introduce regulatory caps on premium hikes, especially for group policies and senior citizens.

► **Strengthen adjudication powers** Empower Irda to not only facilitate grievances but also adjudicate them, with the authority to impose penalties for exploitative practices.

► **Enhance consumer representation** Establish advisory panels that include consumer voices in regulatory decisions.

Health insurance is not just a financial product; it's also a promise of security and trust. When insurers exploit this promise, and regulators confine themselves to facilitation, the entire system risks collapse.

The health insurance market must balance growth with fairness. For millions of policyholders, this is not just a matter of affordability but also a matter of survival. An underlying factor is an unregulated health system, which Irda must consider as a priority in the upcoming Union budget if the expansion of health insurance is to be seen as a way forward.

The writer is former member, PM's Council on India's Nutrition Challenges

Make Hay When Sun Isn't Shining



Naina Lal Kidwai

The budget comes at a time when consumer demand remains tepid, private capex shows no signs of picking up, and geopolitical threats to exports are evident. Some expectations: ► **Right balance Economic Survey** 2023-24 projected India to grow at 6.5-7%. Estimates suggest the year will end at about 6.5%. Fiscal deficit may end at 4.9% while maintaining the promised glide path to 4.5% next year.

Economists note that the recent equity market decline is impacting capital gains tax revenues. Preliminary analysis shows that about one-third of the previous year's rise in tax to GDP ratio came from equity market gains. Despite this, they believe the fiscal deficit target of 4.9% is achievable, largely due to subsidised expenditure growth, recorded at 3% y-o-y year-to-date in November, against a budgeted 9% for FY25. Capex has also lagged, falling 12% y-o-y in the same period, compared to a budgeted 17% increase.

If tax revenue growth is slowing and expenditure growth is weaker than budgeted, the fiscal deficit target will likely be met — but for reasons different from those anticipated. However, it is crucial to ensure sufficient expenditure to support growth. Govt's continued investment in infra will be vital to sustaining growth momentum. The capital infusion in Budget 2024 was ₹1.11 lakh cr. Fitch has proposed increasing capex in FY26 by 15% over FY25.

► **Reduce taxes** Tax reduction can boost demand, as inflationary pressures ease. Encouraging savings. Govt has taken a step towards simplification by cutting TDS rates on several payments from 5% to 2%. Further streamlining TDS/TCS rates into a simple 2- or 3-tier structure could help minimise disputes. Tax demands and refunds continue to be an issue. Setting up a new independent forum will build confidence among taxpayers to come forth to settle matters, instead of pursuing litigation.

► **Export push** With FDI inflows recovering gradually and portfolio investments sluggish, Prantjal Bhattacharya predicts BoP surplus could shrink

from an annualised \$50 bn over the past two years to the 10-year average of \$25 bn. Sustained focus on exports and reducing import dependencies, as advocated by Govt, remains crucial.

► **Sustaining sustainability** India has a target of achieving 'net zero' by 2070. To meet this goal, a national vision document is essential, outlining clear objectives, strategies and initiatives to promote circular practices across sectors. Reviewing the priority sector lending (PSL) framework to include climate adaptation and risk mitigation activities — like clean transportation, EV charging infra, sustainable water and waste management, and recycling — could drive progress.

Budget allocations for Swachh Bharat Mission (SBM) have supported rural sanitation (over ₹1 cr) and increased focus on urban sanitation (₹5 cr since 2023-24). However, addressing climate vulnerabilities that threaten WASH (water, sanitation, hygiene) infra, like floods, droughts and contamination, is critical.

To build resilience, a dedicated budget for climate-adaptive infra, community solutions, capacity building, and integrated waste and water management is recommended. This investment will protect sanitation gains and ensure uninterrupted WASH services.

► **Public health booster** Public

healthcare expenditure reached 2.1% of GDP in FY23, significantly below the OECD and BRICS averages of 7.6% and 3.6%, respectively. Strengthening healthcare infra, ensuring equitable access and advancing towards universal health coverage (UHC) goals are essential. Import duties on life-saving equipment could be reduced. Also, increasing the depreciation rate for such equipment from 10% to 60% would account for their short lifespan and rapid technological advancements.

To meet rising healthcare demands under Ayushman Bharat, Govt could consider allowing CSR funds for establishing and maintaining women's dormitories and daycare costs and lives.

► **Working women** Commuting and childcare costs often a barrier for women in the manufacturing sector. Govt could consider allowing CSR funds for establishing and maintaining women's dormitories and daycare costs and lives.

► **Jobbing** Encouraging job creation and skilling, and extending employment-linked benefits are crucial to addressing unemployment and unlocking the demographic dividend.

The writer is a non-executive chair, Redshift & Co, India

Get prepared

S S SAXENA

Almost every day, we read news about ghastly and fatal crashes on the roads across the country. It is a fact that for most of us, a road journey, short or long, is no longer safe in India. Our careful and safe driving - following traffic norms - does not help us because of just a few irresponsible, aggressive and unmanageable drivers, who somehow manage to get away from the clutches of the law, leaving the majority of us who follow the rules, disgusted, frustrated and helpless.

It is scary to remain exposed to danger from reckless high speed and abrupt lane-changing driving by some road users. How long can just a few unprofessional drivers, boisterous brats and rogues, who at times get drunk and drive, be allowed to make the roads unsafe and hazardous for the majority of law abiding commuters, cyclists, pedestrians and innocent passengers in buses etc?

Knee-jerk traffic drives against dark glasses, over speeding, jumping red lights, not wearing helmets, not having pollution certificates and displaying caste symbols on the rear windscreen etc. by the authorities appear comical now; they add more salt to wounds than provide any assurance or sense of safety to most of us.

However, the story at road crossings, roads within the cities including highways etc. becomes totally different during visits of VIPs. Suddenly, traffic police and patrol vehicles appear at all busy intersections, city roads and even on highways. Traffic becomes disciplined and flows the way it ought to move all the time. During such times, most of us feel safe and secure to drive. One wonders why the same protection is not extended on all days. Why is our right to safety and security not being ensured? Why are the State and Central Governments not tackling the issue boldly and with an iron fist? Where is the rule of law, one naturally wonders!

Just a look at the data available

on road accidents in our country for the year 2022 highlights the consequences of apathy and knee-jerk action by authorities in enforcing traffic rules. There were 461,312 reported cases of road accidents resulting in 168,491 fatalities with 443,366 persons getting seriously injured.

Significantly, the accidents have consistently registered an upward trend registering an increase of 11.9 per cent in accidents, 9.4 per cent in fatalities, and 15.3 per cent in injuries compared to the previous year. Not only this, about 39 per cent of road accidents and 36 per cent of fatalities have been recorded on National Highways with State Highways following closely.

At the same time, data available from World Health Organization (WHO) for road accidents across the world shows a downward trend despite higher density of vehicles as compared to India.

The key causes for the staggering number of road accidents mentioned above have been identified as follows. Out of these, just about the first three or four causes have also been acknowledged by WHO as being the main reasons for worldwide road crashes:

- Over speeding (72.3 per cent of accidents and 71.25 per cent of deaths in India as per the above data).
- Drunken driving.
- Not Using Seat belts.
- Unsafe Road Conditions.
- Driving on the wrong side (5.4 per cent of deaths as per the above data).
- Distracted driving (using mobile phones).
- Jumping red lights.
- Aggressive lane changing at high speeds.
- Abruptly braking to avoid potholes.
- Overloading.
- Poorly maintained vehicles with worn-out tires.
- Lack of and at times uneducated drivers and yet holding valid licenses.

The irony is that about 67 per cent of these accidents have happened on straight roads while accidents on curved and steep climbing roads etc. account for just 13.8 per cent.



The most alarming findings from the same data point show about 66.55 per cent deaths of those between the age group of 18 and 45 and the shocking figure of about 83 per cent of deaths involving people in the working age group of 18 to 60 years.

It is time our Governments at the Centre and in states wake up to address the growing deadly menace on our roads seriously, and with a zero tolerance enforcement strategy. There is an urgent need for the presence of alert and professionally trained traffic

police personnel and patrol cars at all crossings, intersections and roads for on all days with no let up on holidays and Sundays.

The time seems to be up for educating and counselling errant drivers. The punishment must be immediate, including very heavy fines, on-the-spot impounding of vehicles and speedy fast track trials to ensure justice and greater deterrence. The errant drivers need to be caught and punished.

There is an equal need for ensuring roads are free from potholes, encroachments and stray cattle. At the same time, availability of post crash professional medical care with trained medical staff is vital.

Do we need another "tryst with destiny" to liberate us from this agony running amok on our roads? It has

become almost a nightmare to drive in cities and on highways. Most of the time smooth flow of traffic gets impeded by those trying to race ahead, criss-crossing at high speed and aggressively throwing other commuters off guard. It is equally appalling to note that most of the National/State highways and roads in the cities remain in a dilapidated condition with potholes forcing drivers to keep changing lanes and also apply sudden brakes to avoid getting into a ditch.

The question remains - How can we wake our Governments up and force them to muster courage as well as have the will to discharge the basic responsibility of tackling a hazardous traffic pandemic?

(The writer is a retired Air Commodore, VSM, of the Indian Air Force.)

OCCASIONAL NOTE

THE interim Note on the postponement of the Cologne evacuation is a very unsatisfactory document. Feel-ing is acute in Germany, and it is the essence of prudence and consideration to let not only the Germans themselves but the whole world know the charges and the evidence that the Commission of Control offers. The evacuation was due by treaty on January 10, and on January 26 the Allied Powers can do no more than promise to address the German Government "in due course," and meanwhile to "abide by the terms of the Treaty" without discussion or further explanation. Apparently they hold the view that the enumeration of the clauses of the Versailles Treaty and the German Government is reported not to have observed is sufficient for the time. It is easy for Germany to retort that the delay in evacuation was first decided on and the reasons subsequently discovered, and it would be contrary to nature if the Germans were not suspicious. The French by still insisting that the evacuation must be the summer. The British Government has refused to countenance the Ruhr occupation, but at the same time lets Germany think that the decision about Cologne is not unconnected with that occupation. The only solution of the unhappy situation is for the Allies to inform Germany clearly and promptly what still remains to be done, and the new date by which it must be done. Then the opinion of the whole world will pronounce judgment.

NEWS ITEMS

EUROPEANS' DESIRE

SERVING INDIA'S BEST INTERESTS

COLONEL Crawford said: I desire to associate myself and my colleagues with the new feeling amongst us, that our deliberations should be governed on all occasions by a desire to serve the best interests of the country; and though we may happen to find ourselves in opposition to the views expressed by other political parties in this Assembly or by the Government, and express those views with all the force and emphasis at our command, we should not on those grounds be looked upon as suspect, but should be given the credit of an honest desire to serve India of which we claim, by the right of past services, the status of full citizenship, and I know my colleagues are convinced that the interests not only of our own but of all communities are identical with the interests of India. To-day some of us are giving practical proof of our intention to associate ourselves with Indian interests by joining in a deputation to His Excellency the Viceroy in an endeavour to secure a just settlement of the difficulties with which Indians in South Africa are at the moment faced. The views of my community on the subject of the Bengal Ordinance are already known to the Government and to the members of this House. The grant to the Executive of extraordinary powers of the nature of the Ordinance are more repugnant to us than our long traditions of freedom and personal liberty than they can ever be to any other members of this House, who have but learned the meaning of freedom under the protection of the British flag.

LORD GRENFELL DEAD

REMARKABLE MILITARY CAREER

(BRITISH OFFICIAL WIRELESS)
LEAFIELD (OXFORD), JAN. 27.
Field Marshal Lord Grenfell, who died today at the age of 84, had a remarkable military career.

He took part in the Zulu war, the Kaffir war, the Egyptian expedition of 1882 and the Nile expedition two years later.

One of the picturesque incidents of his career was in 1888, during the siege of Suakin, the Eastern Sudan by Osman Digna. With a comparatively small force General Grenfell, as he then was, marched beyond the entrenchments protecting the town and attacked the dervishes, driving them from trenches which they had held for six months, during which they had been a constant source of annoyance to the garrison.

Lord Grenfell was Sirdar of the Egyptian Army from 1895 to 1892 and later became Inspector-General of Auxiliary Forces at the War Office and Inspector-General of Recruiting. He commanded the forces in Egypt in 1897-98, was Governor and Commander-in-Chief of Malta from 1899 to 1903, and Commander-in-Chief in Ireland from 1904 to 1908, in which year he was promoted Field Marshal.

NAVAL CONFERENCE

MEETING OF ADMIRALS IN SINGAPORE

REUTERS understands that a conference of the Admirals of the China, East Indies and Australia squadrons has been arranged to take place at Singapore within the next few weeks, with the object of exchanging views on the naval situation.

This is according to pre-war practice when such meetings were held annually. There is no question of formulating policy, which is the province of Ministers in London. Therefore the meeting is a matter of ordinary routine and of no special significance.

Besides H. M. S. Hawkins, now at Hong-Kong, the Chatham, now at Port Blair, and an Australian warship, either the Brisbane or Sydney, will attend. New Zealand may also be represented.

Thai same-sex marriages open a door

VITIT MUNTHARBORN

January 23 was a historic day for Thailand and Southeast Asia. As a result of the new Thai law amending the longstanding Thai Civil and Commercial Code (taking effect 120 days after its enactment), same-sex couples are able to register their marriage and enjoy full rights and duties as spouses without gender discrimination. This is also a first for a Southeast Asian country. It is a great cause for celebration, cherishing love and friendship in gender diversity. It is also time to consider the "next steps".

In effect, nearly seventy sections of the Civil Code have been amended to delete binary wording such as man-woman, husbands-wives, male-female fiancée. Instead, gender-neutral terms are now in place; those terms include "persons" (or depending on the translation, "individuals", "spouses", and "engaged couples"). There is now equal footing for all in marital matters, irrespective of gender. This pertains to engagement and marriage relations, in particular the interdependence between couples in looking after each other, property related ownership, dissolution of marriages and engagements, adoptions and inheritance. The new law has also raised the minimum age of marriage from the previous 17 years old to 18 years old.

In such a setting, there remain some interesting queries which deserve clarification. Does the new law benefit same-sex foreigners who wish to register their marriage in Thailand? Has the binary categorisation of man-woman been extended completely or not under the new law? Does the law apply to the four Southern provinces

of Thailand where Islamic law prevails on family and inheritance in regard to Muslims? How many other laws need to be reformed relating to gender discrimination after January 23?

Answers can be provided to most of those questions as follows. Yes, foreign couples, irrespective of gender, will be able to register their marriage in Thailand. However, foreigners have to provide proof that they are not already married. Of note is that bigamy is illegal in Thailand, although there is flexibility in relation to the four provinces mentioned.

There is residual binary categorisation even after the recent reforms. Section 1453 of the amended Code still stipulates that after the male spouse dies or after the dissolution of the marriage, the female spouse is not allowed to remarry another man until 310 days have passed. This is to prevent confusion in regard to possible pregnancy of the woman and related paternity questions. However, the woman can remarry if she is marrying the previous husband again; if she has already given birth; if there is evidence that she is not pregnant; or if there is a judicial order allowing the marriage.

The adjusted law excludes the four Southern provinces from their application and this follows the general legal situation which avoids overlap with Islamic law in that region; that specific law applies to the relationship between Muslim couples in their marital and family relationships.

As for forward-looking reforms, some 50 laws, ranging from nationality law to labour law, will have to be amended to delete the binary wording and replace it with gender-neutral terms. Two areas of Thai law need urgent attention: Surrogacy so as to

respond to the desire of same-sex couples to have children and gender identity recognition to enable transgender persons to affirm their gender and change their identification documents.

The Thai law on surrogacy dates from 2015. The law is called: The Protection for Children Born through Assisted Reproductive Technologies (ART) Act. Since that year, commercial surrogacy has been banned and this has affected especially foreign couples who wish to enter into a contract with Thai women, with the latter acting as surrogates. However, that law opened the door to "altruistic surrogacy" whereby for humanitarian considerations, asking another woman to be a surrogate to enable a child to be born thereafter is possible subject to various conditions.

First, the couple seeking the surrogacy must have Thai nationality - or at least one spouse is Thai, married for three years before seeking the help of a surrogate. Based on the egg of the wife, the sperm of the husband or the embryo emanating from their fusion, the born child is considered to be that of the couple. Valid surrogacy is thus due to this mix: 1) egg of wife and sperm of husband; 2) egg of wife and sperm of donor, not of the husband; 3) sperm of husband and egg of donor, not of wife. The egg of the surrogate must not be used in the process.

Second, the process is intra-familial; the surrogate must be a blood relative of one or other of the couple seeking the surrogacy, for instance, the sister of the latter. The surrogate cannot be the parents or children of that couple. However, altruistic surrogacy is only allowed in regard to the traditional couple of (male) husband and (female) wife.



What is now needed is to reform that law so as to delete the binary classification to enable same-sex couples to seek the help of a surrogate.

The other key law needed is a law to recognise gender identity, especially linked with transgender persons. Importantly, while sex is a biological condition assigned at birth, gender is a social construct based on autonomy-identity, not based on biology. Key issues include the following: Does a person need to have a medical operation/surgery to prove change of gender? Does the person need to go through counselling? Does the person need a certificate from a psychiatrist to affirm their gender identity? What is the minimum age for a person in this case?

International trends provide some of the answers, although not everything is crystal clear. UN mechanisms advocate against coercive medical operation; gender identity

affirmation should not depend on such operation. Gender identity is a natural state of affairs and not a pathological condition!

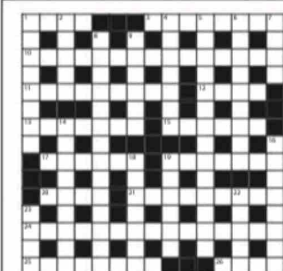
Several countries with a broad mind set, such as Argentina and Malta, do not require counselling or a psychological certificate for gender affirmation. However, internationally there is still no agreement on the minimum age for a person to affirm the preferred gender, with the related issue of access to medical assistance (such as hormone treatment and "puberty blockers"). The various draft laws in Thailand vary between 15 and 18 as the minimum age.

A sense of inclusivity, based on progressive, reasoned and constructive debate, is the preferred pathway, inspired by the spirit of "humanity in diversity".

The Jakarta Post/ANN

CROSSWORD

NO-293055



YESTERDAY'S SOLUTION



ACROSS

- 1 Regret taking away European politician's seat (4)
- 2 Picks pockets craving initially for food (4-6)
- 3 Whip has complaints about Conservative's deeds (15)
- 4 Second vehicle left a bike race next to island, notes man! (9)
- 5 Strange sacrifices back at home for god (4)
- 6 Crowded square increased in temperature (7)
- 7 Suggested conclusion in article with very reasonable editor (8)
- 8 Stopped girl squeezing bottom? On the contrary (6)
- 9 Follow tips from sports trainers and reveal heavenly body (14)
- 10 Cheese from France went bad on a regular basis (4)
- 11 Wrong rock concert sir succeeded leaving (9)
- 12 Harry is sensitive in covering Queen's curiosity (15)
- 13 Master almost enthusiastic about head's resignation (6)
- 14 Basho describes penning poems (10)
- 15 Judge again concerned with (4)

DOWN

- 1 Delighted overdue book's lost (6)
- 2 See Raab struggling with question put in precarious position? (9)
- 3 Declares in favour of exams (6)
- 4 Rubbish is said about English flowers (7)
- 5 Cold in river on Italian craft (6)
- 6 This compiler brought 40 aim to improve (5)
- 7 Passion reduced with male for company (4)
- 8 morons' start of sentences (8)
- 9 Drink instant tea (5)
- 10 Aggressive horde that is surrounding Liberal (7)
- 11 Typical places where children might play? (6,2,6)
- 12 Optimistic about working with female before sign of current depression (9)
- 13 Average portion of miso soup (2-2)
- 14 Carrying out naughty child, lament tone 1 affected (14)

NOTE: Figures in parentheses denote the number of letters in the words required. (By arrangement with The Independent, London)

FIRST COLUMN

THE PATH TO BEING TRULY SPECIAL

We all want to feel special, but often our desires and decisions lead us astray



AJIT KUMAR BISHNOI

We all want to be special. There is nothing wrong with such thinking, but most of us do not desire properly or decide sensibly. In this article, I will shed some light on how to do both of these wisely. What should we desire? This must be in sync with our circumstances and capabilities. Imagine desiring to become very rich while doing a small business. Similarly, desiring to become famous anytime soon while being a club-level sportsperson is not wise.

We will be disappointed only. Persons not blessed with good looks should accept their limitations and focus on what capabilities they have been blessed with. There was a dark and not-so-good-looking actress in the USA; she only got small roles. But she acted so well that she became a household name. A social worker in India decided to help tribals. He moved in with them. He became very famous and very special. However, something awaits all of us; which is not so difficult either. This is simply to become a devotee of God, and He will make us special.

I will write more about it in this article. The same wisdom should



be used in decision-making. When there is a choice between being good and not so good, what should we choose? The same logic applies to following dharma and staying within 'maryada' (limits). We know what these are, but are very causal about controlling ourselves. Succumbing to negative emotions like anger, lust, greed, hate, etc., is so easy. What it does is to make us very ordinary. We have been taught to be disciplined in eating, sleeping, entertainment and what we do and how much. Are we prepared to do that? If we are keen on becoming special, we have to.

A similar yardstick is required in choosing goals. Are they good in the long term? Or, the short-term is easy? What will you choose? Regarding usefulness to others, we should be very sincere. If we wish to be special in the eyes of others, this is the 'mantra'. Lastly, if we really and truly wish to be special, be dutiful; do all duties as best as possible. This will be the starting point in pleasing God, who is everything. After the efforts of many births, a yogi in the end becomes wise and he takes My shelter. A great soul, who considers Lord Vasudeva thus as everything is very rare. (The Bhagavad-Geeta verse #7.19) What will happen then? You will be rewarded like you cannot imagine. Because God is the controller of what happens to us. Begin doing some easy spiritual practices, which suit your nature.

I have a large photo of Lord Krishna, which I have hung on the right side of my bed. I spend a lot of time looking at the Lord, while I gently chant Krishna, Krishna, Krishna....What has happened? I have become special. God guides me when I pray for His guidance and help. Isn't God omniscient? He knows what will work. God helps us as only He can, being the controller. I am beginning to feel secure. Fears and anxieties are reducing. There is more peace. I can tolerate better what I must. Physical health is improving. There is steady progress, which is very satisfying. I feel that I have become special. This is possible for one and all. Nothing mentioned in this article is very difficult. One just has to be determined. Then, one can enjoy the status of being special.

(The writer is a spiritual teacher; views are personal)

Budget 2025: Prioritise health education for a stronger India

With over 40 per cent of India's population under 25, empowering youth with physical and mental is a vital investment in the nation's future



RAHUL MEHRA



As the Union Budget for 2025 approaches, expectations run high across various sectors. Among these, education - specifically health education - deserves special attention. To ensure the holistic development of our youth, the government must consider allocating funds for the integration of health education into school curricula. Such an initiative will not only address immediate concerns but also align with the aspirational vision of Viksit Bharat 2047, where a healthy population becomes the cornerstone of a developed nation. With the Union Budget 2025 at the stage of finalisation, it is time to prioritise health education.

Allocating funds to this cause is not merely an educational reform; it is an investment in India's future. It is stated time and again, including in the National Education Policy, that it is critical to allocate public investment in education from the current over 4.5 per cent to about 6 per cent of total budgetary allocation. Besides this, the Government must consider designing schemes that ensure health education is imparted to children at an early stage to be able to build a healthy society. Development is not merely economic or technological - it is also social, cultural and, above all, human.

A nation's progress depends on the health of its people, and with over 40 per cent of India's population under 25, ensuring the health and wellbeing of its youth is critical. This cannot be achieved without systematically integrating health education into our school curricula. Our goal is to improve student's health knowledge and more importantly, their health behavior. The urgency for such an intervention is rooted in troubling realities. Studies indicate that 30-40 per cent of Indian students face serious mental health challenges. A Global School

Health Survey (GSHS) conducted as far back as 2007 revealed that more than 25 per cent of students aged 13-17 experienced periods of deep sadness or hopelessness, often disrupting their daily activities. These numbers have only worsened in the years since, as highlighted by small-scale studies and the alarming rise in student suicides. Ignoring the mental and physical health of students today will lead to grave consequences for the nation tomorrow.

The contrast between India and nations that give primacy to health education is stark. In the United States, the Youth Risk Behaviour Survey (YRBS) collects data every two years on the health behaviours of high school students. This data informs evidence-based interventions and policies that address mental health, substance abuse, nutrition, and other critical issues. Many US states mandate health education, covering mental, physical, and social health literacy. Similarly, countries like the United Kingdom and Canada have integrated health education into their school curricula, starting at the primary level.

India, however, lacks a comprehensive approach. While physical education is emphasised in schools, the broader concept of health education, encompassing mental and social wellbeing, is largely absent. The much-lauded National Education Policy (NEP) 2020 only touches upon physical health, failing to address the critical need for a holistic health education framework. Why does this matter? Because healthy individuals contribute to a healthier economy. Poor health not only

reduces productivity but also pushes families into financial crises due to high medical expenses.

India's average life expectancy in 'full health' is a mere 60 years, significantly lower than that of many Asian countries, including Japan (74 years) and China (69 years). A healthy lifestyle, ingrained early, can change this trajectory. Countries like Japan provide valuable lessons. Their emphasis on hygiene, nutrition and physical activity is embedded in their cultural fabric. Children grow up practising these habits, resulting in a population that enjoys a higher quality of life and longer years of productive health.

India, with its rich traditions of yoga and Ayurveda, has the cultural foundations to promote such a shift. However, without institutionalising health education, these remain underutilised. Introducing health education as a mandatory subject in schools can address this gap.

A comprehensive curriculum must include modules on physical fitness, mental health resilience, nutrition, social interaction and technology use. For instance, students could learn the importance of balanced diets, strategies to cope with academic pressure, and the benefits of physical activities and mindfulness practices.

The curriculum should also emphasise practical life skills, such as decision-making, interpersonal communication, and self-advocacy, to prepare students for real-world challenges. A structured approach is essential. First, the government must design a standardised health education curriculum with clear performance

benchmarks. Students' progress should be evaluated at key stages, such as the end of classes 6, 8, and 10. Second, teachers need specialised training to effectively deliver this curriculum. Public-private partnerships can play a crucial role in addressing resource gaps and providing innovative solutions.

Importantly, this initiative aligns seamlessly with the vision of Prime Minister Narendra Modi's Viksit Bharat 2047. A healthy India is a productive India. By equipping the younger generation with the knowledge and skills to prioritise their wellbeing, we are not only improving individual lives but also strengthening the nation's human capital, driving economic growth, and enhancing societal happiness.

Beyond the classroom, the ripple effects of mandatory health education can be transformative. A population that understands the value of preventive care will reduce the burden on India's healthcare system. Families will adopt healthier lifestyles, and communities will benefit from reduced rates of lifestyle-related diseases, such as diabetes, hypertension, and heart ailments.

The road to Viksit Bharat 2047 is paved with initiatives that prioritise people over policies, and action over aspirations. Health education is not just a subject; it is a foundation for a stronger, healthier, and more prosperous India.

(The writer is UNESCO Chair for Global Health & Education and Chairman of, Tarang Health Alliance. Views expressed are personal)

A NATION'S PROGRESS DEPENDS ON THE HEALTH OF ITS PEOPLE, AND WITH OVER 40 PER CENT OF INDIA'S POPULATION UNDER 25, ENSURING THE HEALTH AND WELLBEING OF ITS YOUTH IS CRITICAL

How restoring forests can combat climate change and empower communities

Reforestation stands as both a climate action imperative and a cornerstone for building sustainable future

Amid escalating climate change, reforestation has come to be one of the most effective, nature-driven methods to combat environmental degradation and enhance climate resilience. Beyond absorbing carbon dioxide, forests support livelihoods, stabilise ecosystems, and foster sustainable communities. Reforestation efforts are crucial in countering global warming and providing essential resources that not only support communities but also manufacturing and trade.

However, as research indicates, India in the past two decades has lost nearly 414-kilo hectares of humid primary forest which made up 18 per cent of its total tree loss. This highlights an urgent need to prioritise reforestation, not



SHWETA RAWAT

just as a climate action tool but also as a cornerstone for community development.

Reforestation's Dual Role: Climate Action and Community Resilience Forests have an immense capacity to capture and store carbon dioxide from the atmosphere, thus reducing the greenhouse effect.

The UN's Intergovernmental Panel on Climate Change, established in 1988 estimates that reforestation and afforestation could account for up to 30 per cent of the carbon reduction required to limit global warming. Additionally, forests regulate microclimates, mitigating the urban heat island effect and stabilising local weather patterns crucial for agriculture. Reforestation plays a crucial role in combating desertification, which poses a significant threat to food security, water availability and livelihoods. Forests help anchor the soil, replenish organic matter, and improve water retention, thereby enhancing agricultural productivity and water access, particularly in ecologically fragile regions. According to

the India State of Forest Report 2021 (ISFR), tribal and rural communities living in these areas face high vulnerability but also exhibit remarkable climate resilience.

For these communities, reforestation is a game-changer as it can help prevent and even undo desertification by stabilising the soil using tree roots, which reduces wind and water erosion. Furthermore, forests help replenish organic material in the soil, leading to improved water retention and increased fertility which can lead to environmental regeneration and socio-economic stability.

Community-driven Reforestation: A Proven Model Even with rapid urbanisation, India's conservation ethos has a rich legacy of pro-



tecting nature. Be it the collective Chipko movement of the 1970s or the inspirational restoration of more than 1300 acres of Brahmaputra's Forest by Jadav Payeng, the Forest Man of India, the success of any reforestation effort hinges on community and local participation.

With the input of individuals and stakeholders from communities, any conservation project remains culturally relevant, ecologically sound and

economically beneficial. Take Aravalli Hills Afforestation Project as an example for instance. By involving Village Forest Protection Committees, the project rejuvenated over 151,390 hectares of degraded land and built nearly 200 water storage dams to support wildlife, boosting biodiversity and tiger populations in Sariska Sanctuary. With an impressive 87 per cent tree survival rate, the initiative balanced environmental restoration with tangible social benefits such as job creation and improved livelihoods. This model demonstrates that sustainable reforestation thrives on collaboration, community empowerment, and measurable impact. Partnerships for a Greener Future To scale reforestation

efforts, collaboration is key. Governments, philanthropies, non-profits and businesses must unite to amplify impact. For instance, non-profits can mobilise grassroots participation and bring cultural insights. Corporations can leverage resources for large-scale projects while fulfilling sustainability commitments. Local governments can ensure policy alignment and provide regulatory support. Together, these stakeholders can create integrated strategies that combine ecological restoration with community upliftment. Initiatives like the National Afforestation Programme and the Green India Mission lay a solid foundation, but partnerships can catalyse progress. Reforestation for Generations to Come

Reforestation offers a rare synergy—mitigating climate change while addressing critical challenges like water scarcity, food insecurity and rural poverty. It is not merely an environmental solution but a pathway to holistic development. By fostering meaningful partnerships with non-profits, businesses, and communities, and aligning efforts with governmental initiatives.

The time to act is now. With a shared vision and commitment, we can restore forests not just as carbon sinks but as vibrant ecosystems that sustain life and empower generations. A greener, more resilient future is within our reach—if we plant the seeds today. (The writer is chairperson and founder, The Hans Foundation; views are personal)



Telangana Today
FOR LOCAL TO GLOBAL NEWS

06

VIEWPOINT

HYDERABAD, Tuesday, December 31, 2024



SIMON TAUFEL
Former ICC Elite Panel umpire

“The third umpire did the right thing and went back to the clear deflection and overruled the umpire field. So, in my view correct decision (Yashvir Jaiswal's dismissal) made



PEMA KHANDU
Arunachal Pradesh Chief Minister

We envision a future where Arunachal Pradesh's youth become job creators instead of job-seekers. The govt is focused on quality education instead of just improving literacy rate



PRIYANKA GANDHI VADRA
Congress leader and Waryand MP

Students were tortured for second time in 3 days in Bihar. It is govt's job to stop corruption and paper leaks. But instead, students are being prevented from raising their voices

”

Boeing nosediving

Death of all but two of the 181 passengers aboard the Boeing 737-800 operated by Jeju airlines while attempting to bellyland in Muan, South Korea did not just go down as the worst air disaster in the annals of aviation history. It also symbolised the sinking reputation of Boeing, the behemoth of the airline industry. If the Muan air disaster engaged the world's attention, another incident in the Trop of Norway involving the same Boeing aircraft caused much stir among aviation circles. Mercifully, the pilots of KLI204, on their way to Amsterdam from Oslo, found to their dismay a hydraulic failure shortly after take-off. Halting the climb at 5,000 feet, the pilots diverted the plane to Sandefjord Airport in Torp. They did manage to land, but the plane skidded off the runway onto the grass and stopped. The grit and determination of the pilots ensured there were no injuries to the passengers, but hours later another 737-800 operated by Jeju Airlines bellylanded after the landing gear malfunction and 179 deaths have been reported so far. These two air disasters almost spell doom for Boeing, which has been beset with several problems including investigations into company functioning, safety issues and even a strike by the machinists of the company that ultimately made it lose billions of dollars. In the last few years, Boeing, the American bellwether of the airline industry, has seen turbulent times. Missing bolts caused a panel to blow out of a Boeing 737 Max in January forcing another emergency landing with a gaping hole in its fuselage.

It is the time the US bellwether stopped in its tracks, took stock of the situation and came out with a revival plan

Mercifully, there were no casualties among passengers, but the prestige of the aviation giant suffered an irreparable dent. Added to the woes were earlier incidents of 737 max crashes off the coast of Indonesia and in Ethiopia in 2018 and 2019, respectively, that left 346 people dead. The 7-week strike by Boeing technicians crippled the production of best-sellers like the 777 and 767 cargo planes. The company had offered pay raises of 38% over four years to the striking workers.

Air safety is of paramount importance. Malfunction of any of the millions of parts that go into the mammoth jets could lead to massive loss of life and also affect the company's fortunes. Boeing had already suffered its share of problems from facing charges of corporate fraud to devastating disclosures of compromises on safety issues by whistleblowers. It is time for the company to stop in its tracks, take stock of the situation and come out with a revival plan that not only includes winning over the trust of its employees but also bringing about a culture shift in the company's functioning and winning over the trust of its customers. It's like the split-second decisions expected to be taken by the pilot after the aircraft suffered hydraulic failures and then hit by a bird strike. The Boeing CEO's decision could now either save the company or crashland it. “Mayday...Mayday...Mayday”

New Delhi's near abroad needs renewed focus for its own interests and regional stability



MONISH TOURANGRAM

As the curtains came down on 2024 and the winter cold descended on India's capital, the new Sri Lankan leader, President Anura Kumara Dissanayake, came with a renewed promise of warmth in India-Sri Lanka relations. This will soon be followed in the New Year, with the Sri Lankan President setting foot on China, to engage with yet another crucial partner in Colombo's politics, security and economics. This duality or rather the practice of autonomy among India's neighbours has become an operational challenge for New Delhi's foreign policy in its immediate neighbourhood.

While the case of China-Pakistan nexus is more categorically detrimental to India's interest in the region, other neighbours exhibit complex behaviours of geopolitics and geo-economics requiring more dexterity for New Delhi to deal with. Moreover, extra-regional powers like the United States may be distant in geography but not in strategy.

Post its withdrawal from Afghanistan, the US has a free hand to play in South Asia, which calls for honest dialogue between New Delhi and Washington. Therefore, even as India's global and regional aspirations rise in the Indo-Pacific and the Global South, its near abroad needs renewed focus for the sake of its own interests and for regional stability at large.

Arc of Influence

India's arc of influence abroad has certainly gained ground beyond any iota of doubt, and its voices from Prime Minister Narendra Modi to Foreign Minister S Jaishankar are not only being heard but consulted on major questions of war and peace in the international system. No doubt, in purely material terms of economic and military indices, the United States and



China stand apart from most other countries, but it is also equally true that in today's growing bipolar world, solutions to major global problems cannot ignore the role of India.

Despite the lack of an immediate outcome, Modi's welcomed visits to both Moscow and Kyiv show India's ability to, at least, provide a bridge in a deeply divided world. Major issues of global concern from the regional conflicts in Ukraine and West Asia to climate change and financial restructuring, multilateral platforms like the G20, BRICS and COP29 cannot hope to become relevant without India's input and active participation.

The growing animosity between the US and Russia, the growing rivalry between the US and China, and the rising alliance between China and Russia are pushing the world to a West and anti-West divide. However, New Delhi, at least, makes an effort to project the views of a non-West world that is not an antagonist to the West, thus representing the views of much of the Global South spreading across Asia, Latin America and Africa.

The new focus and discourse on the Global South, which got much-needed limelight during India's G20 presidency last year, is thirsty for growth and development. They need aid and assistance to weather the storms of the new technological tides and the energy transition underway, and this is where the West or the Non-West, the Global North or the Global South needs to

focus their efforts. Amid global supply chain disruptions and the shifts in how countries, big and small, adapt to them, India has the tall task of rising to the expectations of becoming a leading global power, while responding to the challenges nearest to home, which are the core of its security and economic interests.

Peril in Near Abroad

The chaos and drama of the regime change unfolding in neighbouring Bangladesh pose a clear and present danger to Indian foreign policy as the year comes to an end, before the dawn of a new year with new challenges and opportunities. That New Delhi enjoyed a close working relationship with the previous regime is a fact of the bilateral relationship, but the lesson of the current crisis is for India to remain ahead of the curve as far as its immediate neighbourhood is concerned, and objectively adapt to the fast-changing lanes of South Asian geopolitics.

Myanmar, though not technically a

Creating convergences with like-minded partners and translating them to cooperation in the neighbourhood is the most viable alternative

South Asian country, is one of India's most important neighbours, and the ongoing civil war there, has immediate medium and long-term implications for what transpires in India's north-eastern region, and most particularly now in the inferno engulfing Manipur for more than a year.

Moreover, India's most famed connectivity and infrastructure projects envisioned through its Act East policy such as the International Trilateral Highway and the Kaladan Multimodal Project are inextricably linked to political stability in neighbouring Myanmar, and the protracted uncertainties in the sub-region have put aspirations on hold. The multiple stakeholders in Myanmar, including the military regime, the National Unity Government and a diverse set of ethnic militias, all opposed to the current military rulers, but each carrying their own set of political end goals, complicate matters for India and the sub-region traversing the shared security-economic space of South-Southeast Asia.

Although there is a new turn of leaf in India-Maldives ties, with President Mohamed Muizzu having come on a long reconciliatory trip to New Delhi, after an intense phase of the 'India Out' campaign, the challenge of lending more predictability to India's ties with its neighbours still lurks in the corner.

The case of Nepal remains an intriguing one. Like most South Asian neighbours, its political, economic, cultural and people-to-people ties with India are incommensurate to its relationship with any other external power, including China, which undoubtedly has become a major development and security partner for India's neighbours in continental South Asia and the Indian Ocean region. For instance, Kathmandu recently stepped up to sign its framework agreement with China to move forward on cooperation to implement the latter's Belt and Road Initiative (BRI) projects in Nepal.

India's dilemma in the neighbourhood is a case of the twin asymmetry problem. India's smaller neighbours encounter an asymmetry vis-à-vis India's geographical size and its political, cultural and economic influence. Simultaneously, New Delhi also faces the challenge of dealing with the asymmetry that exists between itself and China's ability to provide material benefits to South Asian countries that desire development and security assistance.

How does India get out of this strait-jacket? Creating convergences with like-minded partners and translating them to cooperation in the neighbourhood is the most viable alternative. Therefore, New Delhi needs to step up honest talks with its strategic partners to find more strategic congruence and prevent misalignment in priorities that end up hurting India's core national interest in its neighbourhood.

(The author is the Director, Kalinga Institute of Indo-Pacific Studies (KIIPS))

Letters to the Editor

Development or nightmare?

Since the Industrial Revolution began in Britain in the 18th century, we have been giving utmost importance to development, aiming to make human life better. In this frenzy, we have become so blinded that we have depleted natural resources. Forests, mountains, rivers, and biodiversity have drastically declined. Meanwhile, even today, indigenous communities living in forests maintain social unity through cooperation, love, and emotions. So, the question arises: Is our development going in the

right direction, or is it merely a nightmare of our own making?

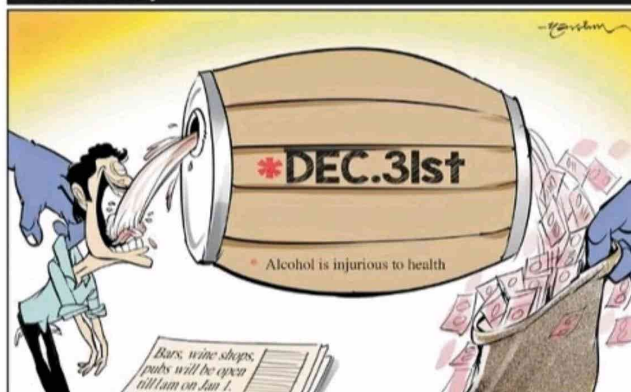
Dr Jitesh Mori,
RUTCH-GURABAT

Rapid strides

India's rapid strides in chess are evident, highlighted by GM Koneru Humpy's triumph at the World Rapid Chess Championship. Her victory, which marks her 2nd title in this event, places her alongside China's Ju Wenjun as the only player to achieve this feat. Meanwhile, India's D Gukesh made history as the youngest ever of the classical format WCC. Together, they reflect a shifting narrative in global chess, one where talent and determination take centre stage, regardless of age.

P V PRAKASH, Mumbai

Cartoon Today



India in the hotspot

■ The Guardian

India mourns former PM Manmohan

India bade farewell to former prime minister Manmohan Singh, the architect of the country's economic transformation, with a state funeral in New Delhi, complete with full honours and a 21-gun salute.

■ The Economist

Why you're not on holiday in India...

Seeing the Taj Mahal was on Bram van der Meij's bucket list. The 75-year-old Dutch-American made the visit, with drivers and guides to ease his way throughout the three-week trip, it should have been the holiday of a lifetime.

■ The Daily Star

Record spectators for 4th Test match

The blockbuster clash against India on Monday became the best-attended Test in Australia's history as fans flocked to the MCG for the final day. Day five of the fourth Test attracted a bumper crowd of 74,362.

OUR VIEW



India needs a strategic reset of ties with China

How far should India's thaw in relations with China go? While this week's patch-up moves are welcome, an economic engagement that serves India well is the real challenge to be met

It has been said that it takes only a minute to rupture ties, but needs years to repair them. The recent meeting between career diplomats from India and China achieved some progress in normalizing relations between the two powerful Asian neighbours, riven by festering border disputes and uneven trade balances. It was the latest in a series of engagements following the October meeting between Prime Minister Narendra Modi and President Xi Jinping after a gap of almost five years. The two nations agreed to resume people-to-people exchanges as a step towards dispelling mistrust on both sides of the 3,500km border. Two developments hold special significance. The first is a resumption of direct flights, once relevant authorities finalize the appropriate framework. Media reports estimate that about 500 direct flights operated every month, linking different cities of the two countries, before border incursions by Chinese troops in 2020 strained relations and snapped all air-links. The second is China's signalling of respect for Indian sensitivities by agreeing to restart the Kailash Mansarovar pilgrimage. Two other subsidiary agreements—to resume media and think-tank interactions as well as cooperation on trans-border rivers—are also critical.

What will be vital in giving a leg-up to the relationship would be addressing concerns in the realm of economic and trade ties. India has an uneven trade balance with China, with the deficit growing every year. The gap widened to over \$85 billion in 2023-24, surpassing previous records and earning notoriety as the largest trade deficit we have vis-à-vis all our trade partners. Beijing has disregarded New Delhi's concerns for years, even as it imposed restrictions on a number of export items in which we have a

competitive advantage (such as active pharmaceutical ingredients), while flooding the Indian market with a variety of Chinese products. This one-way trade flow has another characteristic. It lacks transfers of technology and shared participation in global value chains with investments from within the region. For years, we have demanded that China step up foreign direct investment (FDI) in India to make up for uneven trade. The *Economic Survey* for 2023-24 had also advocated a two-step feint for China: rationalizing imports but welcoming FDI.

Any red carpet rolled out for Chinese investments, though, will have to be nuanced. Beyond limited curbs on FDI in some sectors, Indian strategists must strive to attract investments in high-tech areas, away from sweatshops and low-value assembly lines. Recent revelations of China's technological progress, especially its advances in artificial intelligence (AI) through DeepSeek, hold a important lesson for us. India has long, deep and varied experience in information technology. Ideally, both countries should provide a pan-Asia platform for building and rolling out AI solutions that are free of American or European biases. India and China are also pioneers in frugal innovation, with which DeepSeek has shaken the West, and combining these capabilities could yield valuable breakthroughs in chip technology as well as new standards in clean-tech. Two notes of caution are necessary here. While the cessation of hostilities and enhanced trade ties with China are necessary, India must ensure its multi-faceted relationship with the US is not jeopardized in the process. And we must remember that relations between neighbours can never heal fully unless border issues are resolved once and for all.

THEIR VIEW

CCI order on WhatsApp's use of user data: Its broad thrust is fine

The NCLAT stayed a weak part of it but the case shows how privacy and antitrust issues are linked



VIVEK AGARWAL
is head of competition law practice at DMD Advocates.

On 23 January, the National Company Law Appellate Tribunal (NCLAT) partially stayed an order of the Competition Commission of India (CCI) imposing a penalty of ₹23.14 crore on WhatsApp and its parent company Meta for coercing its users to accept the WhatsApp Privacy Policy of 2021. Compared to its earlier policy of 2016, the 2021 policy expanded the scope of the user data that was being collected and shared with other Meta group companies such as Facebook and Instagram. The CCI noted that personal data of WhatsApp's users was being commercialized by Meta for purposes unrelated to the primary function of WhatsApp.

Unlike its 2016 policy, WhatsApp's 2021 update did not give its users an option to deny such commercialization of their personal data. The CCI held that the 'take-it-or-leave-it' nature of this policy was unfair and violated India's competition law, as it had compelled users to accept expanded data collection terms without any 'opt-out'. The terms of the two policies were also found to be 'vague, broad, and open-ended,' allowing WhatsApp flexibility to expand the scope of data collection at any time. The CCI investigation also found that by acquiring user data from WhatsApp and combining it with data from Facebook and Instagram, Meta strengthened its position in the online

display advertising market. This integration made Meta a data giant, as it could monetize a vast trove of data across multiple platforms in ways that its competitors could not replicate.

Along with the monetary penalty, CCI also imposed a couple of behavioural remedies on Meta to address the anti-competitive effects of its 2021 policy. First, it placed a complete embargo on WhatsApp's ability to share its user data for advertising purposes with Meta companies for five years. Though this seems intended to address the undue advantage Meta gained in the online display advertising market, the CCI order did not provide sound reasoning to justify such an onerous obligation. The ban seemed more punitive than curative. It's no surprise that the NCLAT has stayed it.

The second CCI remedy laid down guidelines for WhatsApp to obtain the consent of its users for sharing their personal data for purposes other than advertising. The reason for not making these guidelines applicable to data shared for advertising was that the first remedy already prohibited it.

The CCI order allowed WhatsApp to keep gathering user data and sharing it with Meta companies to the extent it is necessary for providing WhatsApp services. For other purposes, agreeing to let such data be shared would not be a pre-condition for users to access WhatsApp. While seeking consent, the app would be required to specify the purpose of sharing each category of data and 'prominently' allow users a choice to opt out through its in-app notifications. Users would also get a 'prominent' option to review and modify their choice under the app's settings.

After the end of the five-year embargo, these guidelines would also apply to the WhatsApp data shared with Meta for advertising. However, with NCLAT staying the embargo, WhatsApp must also seek the consent of its users to share their data for advertising. Otherwise, the NCLAT stay order could

inadvertently lead to the commercialization of users' personal data without their consent (at least until the NCLAT passes its final order). To avoid such a fiasco, the CCI must consider approaching the appellate tribunal to clarify that consent guidelines also apply to data shared for advertising purposes.

Another point stood out in the CCI order. Although it made a passing remark that the terms of the 2016 policy were unfair, there was no discussion on Meta's conduct prior to 2021. The fact that the 2016 policy had an opt-out would suggest that user consent was not coerced. But it remains undetermined if Meta's conduct between 2016 and 2021 raised any competition law concerns. The CCI order had mentioned that the terms of the 2016 policy were also expansive and cryptic. This means that, even during the period between 2016 and 2021, Meta could collect more data and commercialize it than what users had consented to. The CCI, however, decided not to look into this issue at all.

This is the first CCI order with a detailed discussion on data privacy issues. It is heartening to see the CCI's willingness to look into privacy issues from a competition law perspective even though digital personal data has a dedicated law for its protection. This position seems consistent with the view emerging globally on the interplay between data protection and competition law.

On 16 January, the European data protection board highlighted the need to promote cooperation between personal data protection and antitrust authorities with a view to protect individuals and increase their choice. The NCLAT stay order also indicates that it is inclined to ensure harmony between competition and data protection laws, insofar as it allowed the parties involved to seek modification of its order if and when the Digital Personal Data Protection Act of 2023 is enforced.

Divyansh Prasad and Rohan Zaveri contributed to this article.

10 YEARS AGO



JUST A THOUGHT

We are not talking about reparations as a tool to empower anybody, they are a tool for [the UK] to atone... Certainly no amount of money can expedite the loss of a loved one. You are not going to figure out the exact amount but the principle is what matters.

SHASHI THAROOR

GUEST VIEW

The Raj extracted \$65 trillion from us: Fact or fiction?

TIRTHANKAR ROY



is professor, economic history, at the London School of Economics

Oxfam, in its report *Takers not Makers*, claims Imperial Britain "extracted" \$65 trillion from India between 1765 and 1900 in today's money, "enough to carpet London with £50 notes" four times over, taking these numbers from calculations others have done before. The origins go back to Dadabhai Naoroji, who, writing 125 years ago, called the outflow a "drain." Oxfam uses the number to support a modern-day movement: a case for reparations Britain should pay India.

Such numbers are more than a criticism of Raj policies. There are plenty of grounds to criticize these. For example, it spent too little on welfare and infrastructure and too much on the army. But extraction data doesn't just put public policy but the entire colonial system to critical scrutiny. It is a case against the combination of colonialism and globalization that made the 19th century special.

Private capital worldwide made heavy use of the open economy protected by the British Empire, with goods, capital, labour and

knowledge transacted more freely than in the mid-20th century, when barriers of all kinds went up. In the 20th century, Marxist intellectuals and nationalists said this capitalism had impoverished India by draining India's surplus to Britain. As global Marxist movements declined in the 1980s and 90s, the drain receded into academic obscurity. Historian Kirti Chaudhuri called the drain theory "confused" economics, "coloured by political feelings." I have criticized it too.

Around 2010, radical critiques of globalization and capitalism returned to campuses, social media and popular histories after the devastating 2008 financial crisis. There was a backlash against Western capitalism, and the drain idea returned to academics. That, however, does not make it sound.

The figure of \$65 trillion is built on three bases. First, in the 1760s, as the East India Company (EIC) started sharing the governance of Bengal with the Nawab's regime, a part of the taxes of Bengal were used to fund business investment (export of textiles). Second, in the 19th century, Indian taxes were used to fund an army that fought imperialist wars. Third, India maintained an export surplus, which went to fund payments to Britain mainly under four heads: debt service, railway guarantees, pensions to expatriate offi-

cers and repatriated profits on private investment. Naoroji said these outflows did not benefit India and happened because the country was a colony. Did he discount the benefits of these transactions?

The EIC's investment of \$60 million around 1800 was a tiny 0.06% of India's GDP. Its textile business generated employment and externalities in India. The real drain was not exports, but the profits upon exports. These transactions were so small, they were almost invisible.

Consider criticism of the army. The British Indian budget, the argument went, paid for an Indian army that fought wars beyond Indian borders, a subsidy Indian taxpayers paid to the Empire. This claim misreads what the land army really did. It was funded by India as a deterrent to potential conflict among its 550 princely states. Similarly, the British state subsidized Indian naval capability. Until World War I, army deployment beyond India caused little controversy. The army protected the huge

diaspora of Indian merchants and workers. Without the empire's military might, we would not get Indians doing business in Hong Kong, Aden, Mombasa or Natal. The War changed the benefit-cost estimates, and in the 1920s, the arrangement ended.

The third point that India's export surplus was a drain is the most bizarre. India had a commodity export surplus, which in effect paid for services purchased by India from Britain. Naoroji thought this was a waste of money. The evidence of this, however, is scarce.

For every outflow from India to Britain, the former got value. In the 19th century, the biggest payments were business related. Foreign investments generated value in India. And the railway network built in India, as recent research shows, created enormous value, even helping end famines. Naoroji thought interest payments on public debt was a waste. But borrowing in the cheapest money market of the world made sense.

Skilled people were hired globally on a

large scale to work in India. Their salaries have been clubbed with the so-called drain. But consider the gains. Between 1860 and 1930, the fourth-largest cotton textile mill industry and the tropical world's largest iron and steel industry emerged in India. Indian merchants who made money on foreign trade invested their profits in industry. Machines and engineers came from Britain and in steel from the US. The medical advances that saw the end of famines and epidemics were owed to scientists studying tropical diseases in India. Technical schools and colleges set up by princely states hired professors and administrators abroad. The only definition by which these payments were a 'drain' was that the value and positive externalities India got may have been overpriced, given cheaper alternatives. If this cannot be shown, 'extraction' is a meaningless word.

The big puzzle of the economic history of colonial India is that a vast number of Indians thought the Empire was a good deal. Some made a lot of money, thanks to the connections it forged. Cotton merchants, mill owners, commodity traders, princely rulers and others gained too. A history that does not ask why so many Indians thought the Raj had something positive to offer them falls short of credibility.

FROM THE ARCHIVES



GETTY IMAGES

Union Budget: understanding its formulation and implications

There are three major components of the Budget – expenditure, receipts and deficit indicators. Depending on the manner in which they are defined, there can be many classifications and indicators of expenditure, receipts and deficits

Zico Dasgupta

Finance Minister Nirmala Sitharaman will present the Union Budget for the upcoming year on Saturday, February 1, 2025. In this article, dated January 31, 2022, Zico Dasgupta helps us understand how to decode the Budget.

The story so far:
The Budget, which will be tabled in Parliament by Finance Minister Nirmala Sitharaman, is the Government's blueprint on expenditures, taxes it plans to levy, and other transactions which affect the economy and lives of citizens.

What are the major components of the Budget?

There are three major components – expenditure, receipts and deficit indicators. Depending on the manner in which they are defined, there can be many classifications and indicators of expenditure, receipts and deficits. Based on their impact on assets and liabilities, total expenditure can be divided into capital and revenue expenditure. Capital expenditure is incurred with the purpose of increasing assets of a durable nature or of reducing recurring liabilities. Consider the expenditure incurred for constructing new schools or new hospitals. All these are classified as capital expenditure as they lead to creation of new assets. Revenue expenditure involves any expenditure that does not add to assets or reduce liabilities. Expenditure on the payment of wages and salaries, subsidies or interest payments would be typically classified as revenue expenditure.

Depending on the manner in which it affects different sectors, expenditure is also classified into (i) general services (ii) economic services, (iii) social services and (iv) grants-in-aid and contribution. The sum of expenditure on economic and social services together form the

development expenditure. Economic services include expenditure on transport, communication, rural development, agricultural and allied sectors. Expenditure on the social sector including education or health is categorised as social services. Again, depending on its effect on asset creation or liability reduction, development expenditure can be further classified as revenue and capital expenditure.

The receipts of the Government have three components – revenue receipts, non-debt capital receipts and debt-creating capital receipts. Revenue receipts involve receipts that are not associated with increase in liabilities and comprise revenue from taxes and non-tax sources. Non-debt receipts are part of capital receipts that do not generate additional liabilities. Recovery of loans and proceeds from disinvestments would be regarded as non-debt receipts since generating revenue from these sources does not directly increase liabilities, or future payment commitments. Debt-creating capital receipts are ones that involve higher liabilities and future payment commitments of the Government. Fiscal deficit by definition is the difference between total expenditure and the sum of revenue receipts and non-debt receipts. It indicates how much the Government is spending in net terms. Since positive fiscal deficits indicate the amount of expenditure over and above revenue and non-debt receipts, it needs to be financed by a debt-creating capital receipt. Primary deficit is the difference between fiscal deficit and interest payments. Revenue deficit is derived by deducting capital expenditure from fiscal deficits.

What are the implications of the Budget on the economy?

The Budget has an implication for aggregate demand of an economy. All Government expenditure generates

aggregate demand in the economy since it involves purchase of private goods and services by the Government sector. All tax and non-tax revenue reduces net income of the private sector and thereby leads to reduction in private and aggregate demand. But except for exceptional circumstances, the GDP, revenue receipt and expenditure typically show a tendency to rise over time. Thus, the trend in absolute value of expenditure and receipts in themselves have little use for meaningful analysis of the Budget. The trend in expenditures and revenue is analysed either by the GDP or as growth rates after accounting for the inflation rate.

Reduction in expenditure GDP ratio or increase in revenue receipt-GDP ratio indicates the Government's policy to reduce aggregate demand and vice-versa. For similar reasons, reduction in fiscal deficit-GDP ratio and primary deficit-GDP ratios indicate Government policy of reducing demand and vice versa.

Since different components of expenditure and revenue can have different effects on income of different classes and social groups, the Budget also has implications for income distribution. For example, revenue expenditure such as employment guarantee schemes or food subsidies can directly boost the income of the poor. Concession in corporate tax may directly and positively affect corporate incomes. Though both a rise in expenditure for employment guarantee schemes or reduction in the corporate tax would widen the fiscal deficit, its implications for income distribution would be different.

What are fiscal rules and how do they affect policy?

Fiscal rules provide specific policy targets on the basis of which fiscal policy is formed. Policy targets can be met by using different policy instruments. There exists no unique fiscal rule that is applied

to all countries. Rather, policy targets are sensitive to the nature of economic theory and depend on the specificity of an economy.

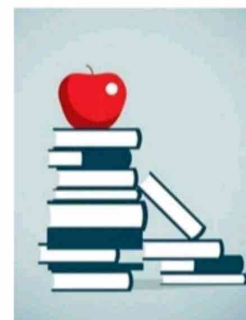
In India's case, its present fiscal rule is guided by the recommendations of the N.K. Singh Committee Report. Allowing for some deviations under exceptional times, it has three policy targets – maintaining a specific level of debt-GDP ratio (stock target), fiscal deficit-GDP ratio (flow target) and revenue deficit-GDP ratio (composition target).

Though both expenditure and revenue receipts can potentially act as policy instruments to meet specific set of fiscal rules, tax-rates within the existing policy framework happen to be determined independent of the expenditure requirement of the economy. Accordingly, in the present institutional framework in India, it is primarily the expenditure which is adjusted to meet the fiscal rules at given tax-rates.

Such an adjustment mechanism has at least two related, but analytically distinct implications for fiscal policy. First, independent of the extent of expenditure needed to stimulate the economy or boost labour income, existing fiscal rules provide a cap on expenditure by imposing the three policy targets. Second, under any situation when the debt-ratio or deficit ratio is greater than the targeted level, expenditure is adjusted in order to meet the policy targets. By implication, independent of the state of the economy and the need for expansionary fiscal policy, existing policy targets may lead the Government to reduce expenditure.

In the midst of the inadequacies of fiscal policy to address the contemporary challenges of unemployment and low output growth rate, the nature and objective of fiscal rules in India would have to be re-examined.

Zico Dasgupta is an Assistant Professor at the School of Arts and Science, Azim Premji University, Bengaluru



FROM THE ARCHIVES

Know your English

K. Subrahmanian
S. Upendran

"The fourth rule is..."
"Before you discuss the fourth rule, please tell me the difference between 'waste' and 'wastage'."
"A lot of people use them as if they were synonyms. They have different meanings. Some think that wastage and waste mean the same but wastage is more impressive! 'Waste' means 'rubbish or refuse', 'useless excess material.' These are the waste products. It is a waste of precious time and energy. Wastage means 'amount that is wasted'. It also means 'loss by use, wear or leakage.' In places where petrol is stored, you must allow for wastage of petrol because of evaporation. Wastage is the result of natural causes. When a person is told that he has wasted something, there is a tone of criticism. 'Waste' implies moral censure. 'Wastage' has no such moral undertones. In commercial language, natural wastage means 'loss of employees because they retire and move to other places and not through redundancy'."

"What is redundancy?"
"Redundancy is 'a state of being redundant.' Redundant means 'not needed, superfluous'. Good writing must be clear and precise: no word should be redundant or vague. Let me read out a passage from Somerset Maugham: 'Some writers who do not think clearly are inclined to suppose that their thoughts have a significance greater than at first sight appears. It is flattering to believe that they are too profound to be expressed so clearly that all who run may read, and very naturally it does not occur to such writers that the fault is with their own minds which have not the faculty of precise reflection. Here again the magic of the written word obtains. It is very easy to persuade oneself that a phrase that one does not quite understand may mean a great deal more than one realises. From this there is only a little way to go to fall into the habit of setting down one's impressions in all their original vagueness. Fools can always be found to discover a hidden sense in them. There is another form of willful obscurity that masquerades as aristocratic exclusiveness. The author wraps his meaning in mystery so that the vulgar shall not participate in it. His soul is a secret garden into which the elect may penetrate only after overcoming a number of perilous obstacles. But this kind of obscurity is not only pretentious: it is shortsighted. For time plays it an odd trick. If the sense is meagre time reduces it to a meaningless verbiage that no one thinks of reading.'"

"Very good. By the way, what's the meaning of 'sendee'?"
"Sendee means a person or a party to whom a thing is sent. It is formed on the analogy of 'vendee', the purchaser".
Published in The Hindu on December 6, 1994.

THE DAILY QUIZ

From the birth of a few famous people to patents, inventions and book releases, here is a quiz on some of them which happened on January 29

Sindhu Nagaraj

QUESTION 1

The phrase "axis of evil" was first used by U.S. President George W. Bush on January 29, 2002. Which countries did he refer to, to pinpoint the common enemies of the U.S.?

QUESTION 2

This American artist, dubbed the queen of all media, was born on this day in 1954. Once, she was the world's only black billionaire. Identify her.

QUESTION 3

This German mechanical engineer patented the first practical automobile powered by an internal-combustion engine. Today, the brand associated with his name is one of the world's largest premium vehicle brands. Name the engineer.

QUESTION 4

The Raven was first attributed to this American writer in print in the New York Evening Mirror on this day in 1845. Which poet wrote it?

QUESTION 5

This Indian activist-journalist from Karnataka was born on this day in 1962. She was murdered outside her home in 2017. At the time of her death, she was known for being a critic of right-wing Hindu extremism. Identify her. What was the name of the newspaper that she worked for as an editor?

QUESTION 6

This American journalist and critic died on this day in 1962. One of his well-known works include this book in which the title has two words: one is his name, and the other is the word "Chrestomathy". Name the first word of his name.



Visual question:
Identify this Russian writer who was born on this day.

Questions and Answers to the previous day's daily quiz: 1. The number of crew members in the Challenger Space Shuttle. This was its primary goal. **Ans: Seven; it was to launch the second Tracking and Data Relay Satellite (TDRS-B)**

2. The female crew member who would have become the first teacher in space. **Ans: Christa Corrigan McAuliffe**. 3. Number of seconds after which the tragedy happened. The last words heard from pilot Michael Smith. **Ans: 73 seconds; 'Uh-oh'**

4. This caused the death of the astronauts. **Ans: Loss of cabin pressure and oxygen deficiency minutes before impact**

5. The connection Neil Armstrong and Sally Ride have with the Challenger disaster. **Ans: They were part of the 'Rogers Commission' that investigated the disaster**

6. Name the Nobel Laureate who demonstrated that loss of O-ring resiliency was the prime cause for the disaster. **Ans: Richard Feynman**

Visual: This astronaut later became the first teacher to go into space. **Ans: Barbara R. Morgan**
Early Birds: Kanchan Sharma| Ashish Nair

Word of the day

Punctilious:

marked by precise accordance to details

Synonyms:

meticulous

Usage: He is punctilious in his attention to rules of etiquette.

Pronunciation: newsth./ve/ punctiliouspro

International Phonetic Alphabet: /pʌŋˈkʃi.əl.i.əs/

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

DeepSeek won't sink U.S. AI titans

Dan Gullagher
feedback@livemint.com

Necessity might be the mother of all invention, but sparking the mother of all selloffs seemed like a stretch.

That wasn't the case Monday morning, though, as U.S. markets opened to fresh fears about DeepSeek. The Chinese artificial-intelligence startup announced a significant breakthrough late last week with AI models that perform nearly on par with advanced U.S. born technology. The rub is that DeepSeek claims to have trained one of its latest models for \$5.6 million in computing costs—a fraction of what is currently spent on this side of the Pacific on the same activity. OpenAI's GPT-4 model that was launched in late 2023 cost more than \$100 million to train, according to Chief Executive Sam Altman. In a podcast last year, Anthropic CEO Dario Amodei said the cost to train some models is approaching \$1 billion.

Such blowout costs have been good news for companies such as Nvidia, Broadcom and Marvell, which have seen their market values surge because of explosive demand for AI chips and services. The high entry price of AI—and sanctions from the U.S. government limiting the sale of advanced AI chips to Chinese companies—also serve as a competitive moat for tech titans such as Microsoft, Amazon, Google and Meta Platforms. They are among the few companies with enough capital to build out expensive AI networks on a large scale.

Hence, DeepSeek's breakthrough sounds like particularly bad news for nearly every company carrying a market capitalization of more than \$1 trillion. Nvidia and Broadcom shares crashed more than 14% by Monday afternoon, leading a chip-sector selloff that clipped more than 8% from the PHILX Semiconductor Index. Microsoft and Google parent Alphabet—the companies seen at the forefront of offering AI-based cloud-computing services—suffered 3% hits during morning trading. The tech-heavy Nasdaq slid 3%, compared to a small gain by the blue-chip Dow Jones Industrial Average.

The selloff seemed excessive. Much remains unknown about DeepSeek's claims, including what sorts of chips the company had access to despite the effect of sanctions. Several chip analysts on Monday disputed the notion that DeepSeek built something on par with advanced U.S.-based AI models at such a low cost. "DeepSeek DID NOT 'build' OpenAI for \$5 million," wrote Stacy Rasgon of Bernstein. "The 'DeepSeek' moment is driving investors to shoot first and ask questions later," wrote Joshua Buchalter of TD



DeepSeek's AI models perform nearly on par with advanced U.S. tech.

Cowen. "While DeepSeek's achievement could be groundbreaking, we question the notion that its feats were done without the use of advanced GPUs to fine tune it," wrote Atif Malik of Citigroup.

More important, such a technical breakthrough is unlikely to cool the AI race or even cut down the funds being poured into it. Addressing the comparison of DeepSeek to Sputnik, Edward Yang of Oppenheimer said the Space Race didn't result in less money going out the door. "Increased competition rarely reduces aggregate spending," he wrote in a note to clients. Pierre Ferragu of New Street Research noted that more advanced "frontier models" will still need to push the technical edge and use the most advanced computing resources, while smaller "lagging edge" models will push to develop more cost-efficient AI features. "DeepSeek is not a game changer, and on the contrary it has seen the industry evolving in the last three years," Ferragu wrote.

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Indeed, DeepSeek's breakthrough comes just as AI spending appears to be getting another leg up. Meta CEO Mark Zuckerberg announced plans on Friday to boost capital spending yet again as much as \$25 billion this year alone. That came on the heels of the Stargate Project involving OpenAI, SoftBank and Oracle that aims to spend as much as \$500 billion on AI infrastructure.

Microsoft, which reports quarterly results on Wednesday, will be the first big tech company with the opportunity to signal whether DeepSeek's breakthrough would deep-six its investment plans. The company expects to spend about \$84 billion in capital spending for the fiscal year ending in June and \$94 billion in the next year, according to consensus estimates from Visible Alpha. So far, the company certainly isn't signaling a plan to pull back on its ambitions.

"As AI gets more efficient and accessible, we will see its use skyrocket, turning it into a commodity we just can't get enough of," wrote Microsoft CEO Satya Nadella in a post on X on Monday morning.

The AI spending war might just be entering a new phase.

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Trump order freezing foreign aid halts programs globally, prompts confusion and rush for waivers

Suspension affects humanitarian programs, counterterrorism efforts and weapons financing

Alexander Ward
Gabriele Steinhilber &
Michael R. Gordon
WASHINGTON, US

Trump administration order pausing almost all foreign aid has left counterterrorism training in Somalia, HIV treatment in Uganda, narcotics interdiction in Colombia, prosthetics for refugees from Myanmar, and many more U.S.-funded overseas assistance programs in sudden limbo.

The Jan. 24 directive stated that the State Department and the U.S. Agency for International Development "shall not provide foreign assistance" until a high-level review of the programs is completed, except to Israel and Egypt and in severe cases where emergency food assistance is needed.

USAID acting Administrator Jason Gray put dozens of agency officials on administrative leave Monday, saying they were suspected of seeking to circumvent Trump's orders. One agency staffer said 57 officials were put on leave.

"We have identified several actions within USAID that appear to be designed to circumvent the President's Executive Orders," Gray said in a message to the agency viewed by *The Wall Street Journal*.

Rather than just pausing new funding, the order instructed U.S. government officials to issue so-called stop-work orders to nongovernmental organizations and aid groups to keep them from using U.S. funding they have already received.

Aid groups said the stop-work orders also prevent them from distributing life-saving supplies, such as early-childhood vaccines or bed nets to prevent malaria, that they have already purchased with U.S. money.

The three-month pause stunned U.S. officials and aid workers, who said the interruption in the roughly \$60 billion foreign-aid budget for this year could severely damage

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reverse years of steady gains against HIV/AIDS. With annual funding of around \$500 million, the President's Emergency Plan for AIDS Relief, or PEPAR, has been providing treatment to most Ugandans living with HIV across 24 districts, according to the Uganda Aids Commission.

Peppar's investments in HIV prevention measures are projected to avert some 190,000 new HIV infections by 2030, according to the health ministry.

"We are trying to discuss with some of our partners to see how to navigate," said Brian Alaganyira, who runs an HIV/AIDS treatment program at the Ark Wellness Hub, a clinic in Central Uganda. "Honestly, we don't know what will happen to our patients."

Because of the State Department's role in overseeing arms transfers, the aid suspension appears to freeze



Trump administration's order instructed officials to issue stop-work orders to aid groups to keep them from using US funding they have already received.

financing that the State Department provides to Taiwan and Ukraine for U.S. weapons, although that is not the only source of arms for those countries.

A State Department spokeswoman said the pause is needed so the agency can ensure the foreign-assistance programs are efficient and support President Trump's "America First" agenda. She didn't respond to questions about which waivers might be granted, the specific programs that are being paused or the implications abroad.

In Uganda, where an estimated 1.43 million people are living with HIV, health authorities have raised the alarm about the abrupt interruption of the funding to reverse years of steady gains against HIV/AIDS.

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In Somalia, the stop-work order has spurred concerns about how a warehouse full of weapons used by government forces in Mogadishu who have undergone U.S. training will be safeguarded. Security has been provided by local nationals employed by a private company under U.S. oversight, people familiar with the matter said.

State Department officials were considering steps Monday to address the problem, but it remains unclear whether a waiver will be issued or if alternative security arrangements will be devised.

Washington's funding has been particularly important in some of the largest humanitarian crises in recent years. Last year, for instance, it contributed 47% to the U.N.'s emergency response plan for Sudan and nearly 70% of that for the Democratic Republic of Congo.

In eastern Syria, U.S.-funded aid groups delivering food, water and sanitation services to a 40,000-person refugee camp halted operations within minutes of Friday's order, three aid workers said.

The Al Hol camp is filled with the families of Islamic State militants and others swept up in the chaos of northeastern Syria during the U.S.-led military campaign against Islamic State. A cut-off of U.S.-funded assistance would encourage the terrorist group's sympathizers to recruit for their cause, the aid workers said.

"When services are canceled, it creates unrest," said a senior aid worker at the camp. "Those who don't have their needs met could be

more susceptible to radicalization." On Monday the State Department issued a waiver that enabled the suspended contracts to be renewed for two weeks, allowing aid workers to once again pay security staff in the sprawling tent city.

The U.S. is by far the world's largest funder of humanitarian aid and one of the largest contributors to foreign assistance more broadly. In 2023, the last year for which internationally comparable figures are available, the U.S. was responsible for \$64.7 billion of the \$223.3 billion in foreign aid provided by rich countries in the Organization for Economic Cooperation and Development, according to the One Campaign.

Trump administration officials said their goal is to ensure that foreign aid benefited the U.S. and American taxpayers. But critics say that freeze could hurt U.S. interests.

In Colombia, the pause threatens to deepen security challenges as the country is seeing a resurgence in cocaine production and guerrilla warfare, all while the Trump administration is pressuring partners to curb drug trafficking.

Colombia is slated to receive \$380 million in 2025 for counterterrorism and economic development initiatives, more than any other country in the Western Hemisphere.

In another conflict zone, people injured in the war in Myanmar are transported by the Thailand-based

Officials said their goal is to ensure aid benefited the U.S. and American taxpayers

Border Health Development Foundation, which also pays for their treatment in Thai hospitals and provides rehabilitation and prostheses for those with permanent disabilities.

The group depends on the State Department's Bureau of Population, Refugees, and Migration for 24% of its budget and received a stop-work order on Sunday, said its director, Mahn Mahn.

The group has already cut food rations to patients in half and reduced the salaries for medical and other staff by 25%. If the aid freeze lasts for longer than 90 days, U.S. fundings

cut off entirely, they will no longer be able to pay for critical medicine or their patients' hospital bills, Mahn Mahn said.

Around 50 amputees currently waiting for prostheses might never receive them. "We can find contingencies for three months, but if it is cut off entirely, they will no longer be able to pay for critical medicine or their patients' hospital bills, Mahn Mahn said.

The State Department is one of the leading funders of Chinese civil society organizations, providing much-needed support to human-rights groups straining against the Chinese Communist Party's crackdown on minorities.

"If the pause becomes a full-fledged stop, Beijing will be overjoyed," said Tom Kellogg, executive director of Georgetown University's Center for Asian Law.

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Returning Gazans take stock of destruction after cease-fire

Abeer Ayyoub, Jared Mahin &
Anat Reisel

When a cease-fire took effect in Gaza this month, Ibrahim Raba'a went back to Jabalia—the scene of rounds of intense fighting between Palestinian militant group Hamas and the Israeli military—to see what had become of his home.

"I was shocked by what I saw. The whole area is destroyed," said Raba'a's 35.

The apartment building that housed his extended family had been reduced to rubble, he said, and the small coffee shop he ran was badly damaged and filled with drifting yellow sand.

Across swaths of the Gaza Strip, the extent of destruction from 15 months of war is so vast that many Palestinians, able to survey the damage for the first time since the fighting stopped, say they don't think

they will be able to return to their homes soon.

Entire neighborhoods have been flattened. There is no running water or electricity in much of the strip. Many dead bodies are believed buried under collapsed buildings. In parts of Jabalia, the landscape was so strewn with debris that it was difficult to find a place to pitch a tent, residents seeking to return said.

The scale of the damage will weigh heavily on rebuilding in the Gaza Strip and likely cast a long shadow over postwar recovery for the Palestinian enclave. If and when there is a durable peace, the challenge of reconstruction in Gaza will rival that of any battlefield in the recent history of warfare.

The only real close historical analogy is the reconstruction of Germany and Japan after World War II, said Robert Pape, a political scientist at the University of Chicago and

an expert on aerial bombing. Over the weekend, President Trump said Gaza "is literally a demolition site right now" and suggested that authorities should "clear out the whole thing," moving Palestinians to Egypt and Jordan temporarily or for the longer term.

The idea was dismissed by Jordan along with Hamas and the Palestinian Authority. Egypt has also long opposed a mass exodus of Palestinians from Gaza.

Israel declared war on Hamas after the militant group led the Oct. 7, 2023, attacks on Israel that authorities say left 1,200 people dead. More than 200 people were kidnapped by militants and taken to Gaza as hostages. Those who remain are being released in stages as part of the cease-fire deal.

The conflict has killed more than 47,000 Palestinians, according to health authorities in Gaza, who don't say how many were combatants. In the area north of Gaza



Many Palestinians don't think they will be able to return to their homes soon due to the extent of destruction from the war.

City that includes Jabalia, 74.2% of buildings likely have been damaged or destroyed, according to an analysis of satellite data by researchers Corey Scher of CUNY Graduate Center and Jamon Van Den Hoek of Oregon State University.

Jabalia was home to many refugees who moved to Gaza as a result of the 1948 war at the creation of Israel. Relatively poor compared with Gaza City, it was also a dense and bustling urban area with apartment blocks, shops, schools and mosques.

Now, returning residents say Jabalia is a lunar landscape of shattered concrete. The skeletons of buildings stand next to mountains of masonry, rebar, door frames and shards of glass. The dust has congealed into mud that covers

the roads.

"You just have to clear up tons and tons of rubble," said Caroline Sandes, an expert on postconflict reconstruction at University College London. "It'll happen because people are resilient always, but it's going to be difficult."

Multiple rounds of fighting in and around Jabalia have been especially intense, with Israel using airstrikes, armor and infantry to attack Hamas militants and what it described as their extensive underground system of tunnels, weapons depots and other infrastructure.

Hamas, whose units in Jabalia were seen as among the best equipped and organized in Gaza, fought back with small arms, artillery and anti-tank missiles. More than 40 Israeli soldiers have been killed in Jabalia and elsewhere in northern Gaza in recent months.

Israeli troops first moved into Jabalia in the early stage of the war after a fierce three-

week-long campaign of airstrikes. A noncommissioned officer in a combat engineering unit who served in Jabalia said the area looked largely intact at that time.

By the time the soldier returned to the city in October last year, the area was almost totally destroyed, he said. Photos he shared with *The Wall Street Journal*, including drone imagery, showed soldiers walking and driving vehicles around the ruined remains of houses and piles of debris and garbage.

"We completely flattened Jabalia. 100% of the buildings are uninhabitable," he told *The Journal* this month, before the cease-fire went into effect.

Asked about the sergeant major's claims, the Israeli military said it operated in Jabalia "against the Hamas Northern Gaza Brigades" terrorist infrastructure and operatives who have systematically exploited civilian centers. The military also said, "In certain cases, entire

neighborhoods in the Gaza Strip are converted into combat complexes, which are utilized for ambushes, housing command and control centers, weapon warehouses, combat tunnels, observation posts, firing positions, booby-trapped houses, and for setting explosives in the streets."

Zuhair Motawaq, a 55-year-old gardener from Jabalia, left his fourth-floor apartment in the city early last year following an evacuation order from the Israeli army. The family took shelter in a school in Gaza City.

When he went back last Sunday after the cease-fire, he found that where his building had stood there was nothing but rubble and muddy earth. The building had been bombed, and the rubble later bulldozed by Gaza authorities to clear a path for people to walk through the area.

"It's all rubble and sand," he said. "We are below zero."

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Substantive equality in child marriage laws

In *Sanjay Chaudhary v. Goudan* (2024), the Allahabad High Court annulled the marriage of a couple, who got married when the man was 12 and the woman was nine, under the Prohibition of Child Marriage Act (PCMA), 2006. While the man had filed a petition for divorce when he was 20 years, 10 months and 28 days old, he later amended his plea for nullification of the marriage under Section 3 of the PCMA. This allows any party who got married as a child to seek annulment of the marriage as long as the petition is filed within two years of attaining majority.

Artificial differentiation

While 'child' in PCMA means a girl below 18 years and a boy below 21 years of age, under the Majority Act, 1875, majority is attained on completing the age of 18 years, without any distinction between men and women. A literal reading of the provisions of the PCMA thus suggests that both male and female parties can seek annulment before they attain 20 years of age. The question that arises is whether the male party can annul the marriage at 23 years or 20 years, due to the gender-based difference in the minimum age of marriage.

In 2011, the Madras High Court in *T. Sivakumar v. The Inspector of Police* held that a literal interpretation will create an unfair disadvantage for males married at 20 who, despite being married below the legal age, would not be able to annul their marriage, and thus interpreted the age limit for annulment for males to be 23. Now, the Allahabad High Court in *Sanjay Chaudhary* has countered this by reasoning that male parties entering into a marriage after attaining 18 years cannot claim ignorance of law or incapacity, as a male above 18 years is criminalised under PCMA for marrying a female child. The Allahabad High Court noted that the difference in the minimum age of marriage stems from patriarchal



Anindita Pattanayak

Legal Researcher at Enfold Proactive Health Trust



Swagata Raha

Director-Research at Enfold Proactive Health Trust

Men are given more time than women to exit a child marriage. This calls for a uniform age for marriage at 18, not 21

notions that expect men to be older and financially responsible in a marriage, while women are perceived as secondary partners and child-bearers. It opined that having the same age limit, i.e., within 20 years of age, to file a nullity petition is aligned with the principle of gender equality.

Despite these observations, the Allahabad High Court felt bound by the Supreme Court's observation in *Independent Thought v. Union of India* (2017), which mentioned that men could file annulment petitions till the age of 23 years. Consequently, the Allahabad High Court annulled the child marriage, and the wife, aggrieved by this ruling, has appealed before the Supreme Court. While the Supreme Court will decide the age limit for boys and men to file nullity petitions under the PCMA, the High Court's reasoning strikes at gendered assumptions that may require re-examining the legal age for marriage.

In *Independent Thought*, the issue before the Supreme Court was the constitutionality of the marital rape exception in respect of wives below 18 years, and not the age limit for filing a nullity petition under the PCMA. Its observation that "a male child can get the marriage annulled before attaining the age of 23 years" was made without examining in detail annulment under the PCMA. This interpretation results in a substantive unfair disadvantage, giving males more time than females to exit a child marriage, leaving wives unprotected and disproportionately affected, which undermines the central objective of the PCMA to protect and advance women's education and

A case for no difference

This case exemplifies the need for an uniform age of marriage in India, but raising it to 21, as was proposed in the now-lapsed Prohibition of Child Marriage (Amendment) Bill, 2021, to delay pregnancy and marriage, and advance women's education and

health, will do more harm than good. Indian laws recognise 18 as the age at which all major civil and political rights take effect such as voting, buying and selling property, and entering into contracts, among others. To delay the civil right to enter into marriage and blur the distinction between adults and children would deprive adults between 18-21 years of their right to life, liberty, decisional autonomy, privacy, and dignity. A 2024 study by Enfold Proactive Health Trust and Civic Data Lab, based on 174 PCMA judgments from three States, revealed that 49.4% of these marriages were self-initiated, with the girls' families lodging complaints in 80% of these cases as opposed to families reporting it in only 30.9% of arranged or forced marriages. Raising the age of marriage will further extend state and parental control over the agency of women to be with a partner of their choice. It will also place them at greater risk of deprivation of social protection and health services as they may fear criminal repercussions if their child marriage is reported. It will result in more arrests, detention, breakdown of families, and institutionalisation of young people, at a significant socio-economic and health cost, and overburden the criminal justice system. Gender equality and improved health maternal outcomes can be better achieved through less restrictive and more substantive alternatives such as access to free and compulsory education till 18 years, social security schemes, barrier free access to health services, and comprehensive sexuality education.

An opportunity

This is an opportunity to examine the injustice in women's access to annulment arising from different minimum ages for marriage, consider an increase in the time limit for seeking annulment, and prescribe 18 as the uniform age of marriage for all genders.

A case of troubled waters

Many questions have been raised over the Godavari-Banakachera project

STATE OF PLAY

G.V.R. Subba Rao

subbarao.govavarapu@thehindu.co.in

The Andhra Pradesh government's ambitious plan to link the waters of the Godavari and Krishna has become controversial.

Touted by Chief Minister Chandrababu Naidu as a "game changer", the Godavari-Banakachera project aims to provide drinking water to 80 lakh people and ensure an additional 7.5 lakh acres of irrigated land. It is estimated to cost ₹80,112 crore and is expected to be completed in three years.

The Telangana government has protested against the project. According to the Andhra Pradesh Reorganisation Act, 2014, if any State wants to build a project on any river in these two States, it must inform the Godavari River Management Board and the Krishna River Management Board as well as the neighbouring State. Telangana argues that Andhra Pradesh took up the project without providing this information.

The division of water resources has been a source of friction between Telangana and Andhra Pradesh ever since the bifurcation of Andhra Pradesh in 2014. Telangana, which is upstream, asserts its right to use waters of the Krishna river for projects such as the Palamuru-Rangareddy Lift Irrigation Scheme, while Andhra Pradesh believes that these initiatives are detrimental to the flow downstream and would potentially impact projects such as Banakachera. Both Andhra Pradesh and Telangana refer to the Andhra Pradesh Reorganisation Act, 2014, to make their case.

Recalling that the Reorgani-



sation Act provides for project-wise allocation of water between the riparian States, Telangana Chief Minister Revanth Reddy has also stated that his government would put up a strong case before the Krishna Water Disputes Tribunal-II for the allocation of Krishna river water to Telangana under Section 3 of the Inter-State River Water Disputes Act (ISRWD), 1956. Telangana contends that the Apex Council set up under the Reorganisation Act also supported the claim for allocation of water between Telangana and Andhra Pradesh, as per Section 3 of ISRWD.

Perhaps expecting such opposition, Mr. Naidu chose his words carefully while speaking of the details of the project. He stressed that the Banakachera project involved the "intra-State linking of rivers" and that the interlinking of rivers is the responsibility of the Union government. He argued that as an aqueduct would be used to transfer waters from the Godavari to the Krishna, there may not be demands from other co-basin States of the Krishna river to share in the supplementation.

The project will be taken up in three segments. The first segment involves diverting water from the Polavaram project to the Krishna river. In the second segment, the government proposes to construct the Bollapalli reservoir

and transfer water. In the third segment, water will be diverted from Bollapalli to Banakachera, which will be the gateway to Rayalaseema.

Mr. Naidu urged the visiting Union Home Minister Amit Shah on January 18 to help Andhra Pradesh complete the project. He told the media that he had already discussed the project with Union Finance Minister Nirmala Sitharaman during his visit to Delhi last December. The ball is now in the Central government's court. If the inter-State water disputes are solved, Andhra Pradesh will be able to take up the project, which is important to the State and particularly to Rayalaseema's drought-prone areas.

The Andhra Pradesh government has said that a hybrid model would be adopted for completion of the project and would involve State and Central funding and private partnerships. It clarified that the project will not be under private control and that the government will "pay annuity" to the investors akin to toll collected by the road users. There are apprehensions that the burden of the annuity will be passed on to the farmers. The government should clear the air on this issue before going ahead with the project.

While the State government has embarked on this project, 86 other irrigation projects remain pending in Andhra Pradesh. The status on the Polavaram project, which is considered the lifeline of Andhra Pradesh, remains unclear. If work on the Banakachera project begins, these pending projects as well as the issues relating to the Polavaram project are likely to be on the back burner. In the next three to four years, discussions will probably centre around the Banakachera project.

Govt. schoolchildren lead recovery in basic skills; private ones lag

Not all States conformed to the national trend. Students in many States are yet to recover from pandemic lows

DATA POINT

Samreen Wani
Vignesh Radhakrishnan

The closure of schools during the COVID-19 pandemic significantly impacted the ability of rural schoolchildren to divide three-digit numbers and read a paragraph in their regional language. The latest data for 2024, published in the Annual Status of Education Report (Rural), broadly indicates that rural schoolchildren have largely recovered from the learning loss experienced during the pandemic. However, the recovery appears uneven when the data are analysed in detail.

To understand the learning losses during the pandemic as well as the post-pandemic recovery, the story used data for Class 5 children from the report. First, while children showed significant improvement in their arithmetic abilities, their progress in reading ability has been less pronounced. Second, government schoolchildren showed strong recovery in reading abilities, with the share of those who can read a paragraph in their regional language reaching pre-pandemic levels. While private schoolchildren have made some progress from the pandemic-induced decline, the share who could read a paragraph in their regional language remained well below pre-pandemic standards.

Chart 1 shows the share of rural schoolchildren in Class 5 who could read a Class 2-level text (a paragraph) in their regional language. The share of government school children who could read the text dropped from 44.2% in 2018 to 38.5% in 2022 and improved to 44.8% in 2024 – a 6.3 percentage point recovery. For private school students, it dropped from 65.4% in 2018 to 56.8% in 2022 and improved to 59.3% in 2024 – only a 2.5-point recovery.

Third, the proportion of children who were able to perform

basic arithmetic operations exceeded pre-pandemic levels among both government and private schools, as per the 2024 data. However, the recovery was stronger among government schoolchildren compared to their private counterparts.

Chart 2 shows the share of rural schoolchildren in Class 5 who could divide three-digit numbers. The share of government school students who could do this declined from 22.7% in 2018 to 21.6% in 2022 and improved to 26.5% in 2024 – a 4.9-point recovery. The share of private school students who could do the same dropped from 39.8% in 2018 to 38.7% in 2022 and improved to 41.8% in 2024 – only a 3.1-point recovery.

Fourth, not all States followed the national trend. There were many patterns and variations in State-level data. Table 3 shows the State-wise share of rural schoolchildren in Class 5 who could read a Class 2-level text (a paragraph) in their regional language in 2018, 2022, and 2024. Table 4 shows the same for those who could divide three-digit numbers. In Table 3, States/Union Territories such as Assam, Haryana, Himachal Pradesh, Jammu and Kashmir, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Uttarakhand, and Tamil Nadu conformed to the national trend. In Andhra Pradesh and Kerala, the share of government schoolchildren who could read did not recover from the pandemic lows. In Bihar, the reading ability of private schoolchildren did not recover. In Chhattisgarh, there was no recovery among government schoolchildren or among private ones.

In Table 4, States such as Karnataka and Madhya Pradesh conformed to the national trend. In Kerala, the share of those who could divide three-digit numbers did not recover from the lows recorded during the pandemic in both private and public schools. In fact, in 2024, the share worsened further in Kerala.

Evaluating student performance

The charts were sourced from the Annual Status of Education Report (Rural) 2024



Chart 1: The share of children in Class 5 who can read Class 2-level text (in %)

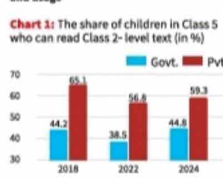


Chart 2: The chart shows share of children in Class 5 who can divide numbers (in %)



Table 3: Shows State-wise data for chart 1

Govt.	Pvt.	State	Year	Govt.	Pvt.
57.1	64.8	Andhra Pradesh	2018	36.7	45.3
37.9	31.5	Andhra Pradesh	2022	27.3	36.4
37.5	38.5	Andhra Pradesh	2024	35.1	38.5
33.5	60.9	Assam	2018	14.4	28.2
29.2	58.7	Assam	2022	10.1	30.3
32.8	55.8	Assam	2024	12	30.9
35.1	78.1	Bihar	2018	24.1	64
37.1	72.4	Bihar	2022	30	67.1
41.2	66.2	Bihar	2024	32.5	67.2
57.1	70.2	Chhattisgarh	2018	26.1	30.2
52.9	68.6	Chhattisgarh	2022	22.8	35
52.3	65.8	Chhattisgarh	2024	22.9	41.5
58.1	78.3	Haryana	2018	34.4	64.5
46.8	71.8	Haryana	2022	27.6	60
53.9	72.9	Haryana	2024	29.4	66.9
74.5	80.4	Himachal Pradesh	2018	51.5	64
60.2	63.1	Himachal Pradesh	2022	38.1	50.5
65.8	68.7	Himachal Pradesh	2024	44	51.8
24.3	69.1	J&K UT	2018	13.6	42.6
18.1	54.9	J&K UT	2022	14	32.1
21.8	60.3	J&K UT	2024	16.3	37.6
29.4	63.5	Jharkhand	2018	15.6	39.6
31.6	66.5	Jharkhand	2022	20.8	52.7
40.3	68.2	Jharkhand	2024	25.5	52.3
47.6	41.8	Karnataka	2018	19.6	23
29.2	34.1	Karnataka	2022	12	17.9
32.8	37.8	Karnataka	2024	19.3	25.6
37.3	81.8	Kerala	2018	33.3	52.5
61.9	69.6	Kerala	2022	20.2	38.2
58.2	71.7	Kerala	2024	12.4	27.6
34.4	63.1	MP	2018	16.5	29.5
29.2	51	MP	2022	15.7	27.4
37.5	58.1	MP	2024	16.9	33.2
66	67.1	Maharashtra	2018	31.7	28
55.7	55	Maharashtra	2022	20.1	18.8
57.9	61.8	Maharashtra	2024	26.1	29.8
68.7	74.4	Punjab	2018	50.1	55.7
59.4	75.5	Punjab	2022	33.3	51.8
60.6	62.2	Punjab	2024	46.3	52.6
39.1	65.8	Rajasthan	2018	14.1	38.1
31.5	57	Rajasthan	2022	6.3	32.8
37.7	63.5	Rajasthan	2024	12.3	37.7
46.3	28.8	Tamil Nadu	2018	27.1	22.2
26	22.4	Tamil Nadu	2022	14.7	15.5
37	32.3	Tamil Nadu	2024	20.2	22.1
36.2	68.8	UP	2018	17	42.9
38.3	63.2	UP	2022	24.5	46.7
50.5	65.6	UP	2024	31.8	51.2
58	72.8	Uttarakhand	2018	26.7	50.9
47.7	62.8	Uttarakhand	2022	23.3	41.8
60.3	71.5	Uttarakhand	2024	35.4	48.9

Table 4: Shows State-wise data for chart 2

Govt.	Pvt.	State	Year	Govt.	Pvt.
57.1	64.8	Andhra Pradesh	2018	36.7	45.3
37.9	31.5	Andhra Pradesh	2022	27.3	36.4
37.5	38.5	Andhra Pradesh	2024	35.1	38.5
33.5	60.9	Assam	2018	14.4	28.2
29.2	58.7	Assam	2022	10.1	30.3
32.8	55.8	Assam	2024	12	30.9
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37.1	72.4	Bihar	2022	30	67.1
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52.9	68.6	Chhattisgarh	2022	22.8	35
52.3	65.8	Chhattisgarh	2024	22.9	41.5
58.1	78.3	Haryana	2018	34.4	64.5
46.8	71.8	Haryana	2022	27.6	60
53.9	72.9	Haryana	2024	29.4	66.9
74.5	80.4	Himachal Pradesh	2018	51.5	64
60.2	63.1	Himachal Pradesh	2022	38.1	50.5
65.8	68.7	Himachal Pradesh	2024	44	51.8
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59.4	75.5	Punjab	2022	33.3	51.8
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39.1	65.8	Rajasthan	2018	14.1	38.1
31.5	57	Rajasthan	2022	6.3	32.8
37.7	63.5	Rajasthan	2024	12.3	37.7
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26	22.4	Tamil Nadu	2022	14.7	15.5
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FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO JANUARY 29, 1975

Canada's abrogation of nuclear export contracts perplexing

New Delhi, Jan. 28: The Indo-Canadian relations have run into further difficulties following the cancellation of the export licences for shipment of nuclear equipment which have remained only suspended after the peaceful Indian nuclear test explosion.

During the recent talks in Delhi, India was given to understand that Canada had merely suspended its nuclear co-operation pending detailed discussions between the two countries on the scope, purpose and implications of the Indian nuclear programme.

The Government of India feels that the abrupt cancellation of the suspended export licences was contrary to the spirit of this assurance. The Canadian Government has taken this unilateral action for whatever reason, before the conclusion of the current series of discussions on the subject. The fact that the ban can be lifted later on, if the two countries are able to arrive at a mutually satisfactory agreement on new safeguard procedures, does not make matters any easier, in India's view, for settling these differences consistent with their respective positions.

The Canadian Prime Minister sent his Political Adviser, Mr. Ivan Head, to Delhi recently for exploratory talks to narrow down the differences and prepare the ground for a negotiated settlement. The two sides embarked on this dialogue, in continuation of the exchanges that had already taken place at the first meeting in Ottawa, with the clear understanding that these talks were more in the nature of friendly discussions than formal negotiations.

A HUNDRED YEARS AGO JANUARY 29, 1925

Sun's rays and wireless

Leaflet (Oxford) Jan. 28: It appears that the solar eclipse last Saturday, undoubtedly had an effect on the reception of wireless signals. Experts of the British Broadcasting Corporation Coy., have been studying reports sent in by listeners and officials. The Company states that although round London the reception showed no variation from the normal, listeners living upwards of 70 miles from London, reported a great change in the strength of signals during the eclipse.

Text & Context

THE HINDU

NEWS IN NUMBERS

The unemployment rate of Spain declined in 2024

10.61 In per cent. Spain's unemployment rate in 2024 went down from 11.76% the previous year. Its economy added 4,68,100 jobs in the last 12 months to reach a total of 21.8 million, the highest level ever registered. *AP*

Murder charges filed against 'pro-Sheikh Hasina' journalists

140 Human Rights Watch said that under Muhammad Yunus' interim administration, the police had "returned to the abusive practices that characterised the previous government" to target Hasina's supporters, filing charges against tens of thousands of people. *AP*

People killed in clash between pro-Rwandan forces, Congo army

17 Clashes in the eastern Democratic Republic of Congo's besieged city of Goma have killed at least 17 people and wounded nearly 370, hospital sources said on Monday, as the Congolese military fought to hold off M23 forces backed by the Rwandan army. *AP*

Losses faced by Boeing since fatal aircraft crashes in 2019

35 In \$ billion. Boeing posted a fourth-quarter loss of \$3.8 billion as a machinists strike and other problems continued to plague the troubled aircraft manufacturer. Boeing has lost more than \$35 billion since 2019 following the crashes of two then-new Max jets that killed 346 people. *AP*

Number of people dead due to a platform collapse in U.P.

7 Seven people died and about 60 others were injured on Tuesday after a wooden platform collapsed during a religious gathering in northern India. The incident happened in the Baghat district where hundreds of devotees from the Jain faith had gathered at a temple. *AP*

COMPILED BY THE HINDU DATA TEAM

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The impact of classifying denotified tribes

How many denotified, semi-nomadic, and nomadic tribes have been comprehensively categorised by the Anthropological Survey of India and Tribal Research Institutes? What will be the impact on SC, ST and OBC reservations? How many communities were classified for the first time ever?

EXPLAINER

Abhinav Lakshman

The story so far:

The Anthropological Survey of India (AnSI) and Tribal Research Institutes (TRI) across the country have for the first time comprehensively categorised 268 denotified, semi-nomadic, and nomadic tribes that were thought to have never been classified before. After a three-year study, the AnSI and TRIs have recommended the inclusion of 179 of these communities in the Scheduled Castes, Scheduled Tribes, and Other Backward Classes lists. At least 85 of these communities are being recommended for a classification for the first time ever. The study also found that 63 communities that had never been classified were "not traceable" anymore — meaning that they had likely assimilated into larger communities, changed their names, or migrated to other States.

Why was the study needed?

Ever since the Criminal Tribes Act of 1924 was repealed in August 1949, after which communities notified as "criminal" had been denotified, successive commissions have tried to classify these communities, starting with the First Backward Classes Commission headed by Kaka Kalelkar. Since then, the Lokur Committee (1965), the Mandal Commission (1980), the Renke Commission (2008), and the Idatte Commission (2017) have tried to classify such tribes across the country. However, they have fallen short of being able to identify all such communities.

The last commission tasked with this was the one headed by Bhikhi Ramji Idatte, which submitted its report in December 2017. In this report, it had listed a total of over 1,200 denotified, semi-nomadic, and nomadic tribes across the country, apart from which, it said there were 267 communities that had never been classified. The Idatte Commission's report



Official recognition: Members of the Adi tribe in Siang, Arunachal Pradesh on January 28. *ANI*

had noted that previous commissions had never been able to classify these communities, recommending strongly that the classification work be completed as soon as possible. To this end, the Prime Minister's Office constituted a Special Committee in February 2019, headed by the Vice Chairperson of the NITI Aayog, consisting of Mr. Idatte, Dr. J.K. Bajaj of the Centre for Policy Studies, and the Director-General of the AnSI as members. This Committee gave the work of classification to the AnSI and TRIs, which began work on the project in February 2020, submitting a report in August 2023.

What is the need for categorisation?

The Parliamentary Standing Committee on Social Justice and Empowerment had in a December 2022 report said that it had repeatedly flagged the government's

"inability to take necessary action" on the speedy categorisation of these communities. "Delay in locating them would increase their suffering and they would not be able to get benefits of the prevailing schemes meant for the welfare of SC/STs," the House panel said.

S. Narayan, Professor Emeritus at the Institute of Social Sciences in New Delhi pointed out that the issue with wrong categorisation began with some of the first Censuses ever conducted by colonial administrations. "There were many instances of tribes being classified as castes and vice versa. Many of it may have had political considerations behind it and this continued after Independence as well." He added that while the act of including communities in SC, ST, OBC lists may be political, when one applies an anthropological lens to it, the

classifications are bound to be different.

Further, community activists and experts like Dr. B.K. Lodhi, who also assisted the Idatte Commission in its work, said that in the absence of a complete list of denotified, semi-nomadic, and nomadic communities across the country, it has been very difficult to organise the communities and its peoples. "Some are classified as SC, ST, OBC, some of this is also incorrect. And beyond this, there are hundreds that have not been classified."

What will be the impact?

Now that almost all denotified, nomadic, and semi-nomadic tribes are closer to being classified than ever before, one impact has been political. Community activists across U.P., Haryana, Madhya Pradesh, and Gujarat are pushing hard to question the premise of classifying these communities as SC, ST, and OBC altogether, with an eye on reservations.

Within the Development and Welfare Board for De-notified, Nomadic and Semi-Nomadic Communities, there are now two strands of thoughts. One calls for the completion of the classification process so that all denotified, nomadic, and semi-nomadic tribes get benefits meant for them as per the classification of SC, ST, or OBC, including that of reservation. The other calls for creating a separate classification altogether — for denotified tribes in the form of a Schedule in the Constitution. Secondly, depending on what action the government takes on the recommendations on this study, it will make it easier for State governments to initiate the process of inclusion if they so decide to do it.

What next?

While the AnSI and TRIs have completed the ethnographic study, this report remains with the Special Committee headed by the Vice-Chairperson of the NITI Aayog. Officials have said that this committee is now "scrutinising" the recommendations and will soon prepare a final report, on which the Government will take a call.

THE GIST

Ever since the Criminal Tribes Act of 1924 was repealed in August 1949, after which communities notified as "criminal" had been denotified, successive commissions have tried to classify these communities.

Community activists across U.P., Haryana, Madhya Pradesh, and Gujarat are pushing hard to question the premise of classifying these communities as SC, ST, and OBC altogether, with an eye on reservations.

While the AnSI and TRIs have completed the ethnographic study, this report remains with the Special Committee headed by the Vice-Chairperson of the NITI Aayog.

Is Trump's order on birthright citizenship constitutional?

What does the 14th amendment of the U.S. Constitution state? On what grounds has U.S. District Judge John Coughenour blocked President Trump's executive order?

Kartik Singh

The story so far:

In January 23, U.S. District Judge John Coughenour in Seattle blocked President Trump's executive order attempting to curb 'birthright citizenship'.

What is birthright citizenship?

Birthright citizenship is a legal principle that grants automatic citizenship to individuals born within a country's territory, regardless of their parents' citizenship status. In the U.S., this right is enshrined in the 14th amendment of the Constitution, ratified in 1868, which states: "All persons born or naturalized in the United States and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside." The 14th amendment was the hard-won result of a prolonged legal

and political struggle to abolish slavery and advance racial equality. It directly overturned the infamous *Dred Scott* versus *Sandford* (1857) judgment, which had denied citizenship to African Americans.

Nations worldwide largely determine citizenship through two principles — "jus soli" (right of the soil), which grants citizenship by birthplace, or "jus sanguinis" (right of blood), which grants it by familial descent. The U.S. employs both. The jus soli principle was reinforced in *United States versus Wong Kim Ark* (1898), which upheld the citizenship of a man born in California to Chinese parents despite the 1882 Chinese Exclusion Act barring their naturalisation. This ruling solidified birth in the U.S. as the primary basis for citizenship, irrespective of parental status.

What does Trump's order say?

Trump's executive order reinterprets the

14th amendment, arguing that birthright citizenship excludes persons born in the U.S. but not "subject to the jurisdiction thereof". The administration interprets this to mean that children born in the U.S. to undocumented parents or parents with temporary legal status, such as tourists or foreign students, are not automatically granted citizenship unless at least one parent is a U.S. citizen or lawful permanent resident.

The administration's interpretation hinges on the phrase "subject to the jurisdiction thereof," claiming it excludes children of non-citizens. However, this contradicts historical and legal precedent. The order also narrowly defines "mother" and "father" as "female biological progenitor" and "male biological progenitor," excluding transgender and queer parents from its scope. The administration justifies the order as necessary, arguing that birthright

citizenship encourages 'unauthorised immigration', draining 'public resources'.

Why did the judge block the order?

U.S. District Judge John Coughenour issued a temporary restraining order halting the enforcement of the executive order, nationwide. He described the order as "blatantly unconstitutional", remarking, "I've been on the bench for over four decades. I can't remember another case where the question presented was as clear as this one is".

During a hearing in Seattle, Judge Coughenour questioned Justice Department attorney Brett Shumate, expressing his disbelief saying "Frankly, I have difficulty understanding how a member of the bar could state unequivocally that this is a constitutional order. It just boggles my mind". The ruling came in response to a legal challenge brought forth by four States.

President Trump could also pursue a 'constitutional amendment' to revise the law. According to Article V of the U.S. Constitution, an amendment can be proposed by two-thirds of both houses of Congress or two-thirds of the States and must then be ratified by three-fourths of the States. Meanwhile, other legal challenges are underway, signalling that the final resolution may ultimately rest with the U.S. Supreme Court.

Kartik Singh is a final year student at RGNUL, Patiala, Punjab.

THE GIST

Birthright citizenship is a legal principle that grants automatic citizenship to individuals born within a country's territory. In the U.S., this right is enshrined in the 14th amendment of the Constitution.

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THEIR VIEW

MINT CURATOR

Budgeting to achieve outcomes: Let 'Pay for results' lead the way

Linking expenditure with outcomes will effect the behavioural shifts India needs and enhance the efficacy of budget outlays



AMITABH KANT & MOHIT BAHRI
are, respectively, India's G20 Sherpa and former CEO, Niti Aayog; and co-founder, GDI Partners

India's budget for 2024-25 estimates the Union government's spending to be around ₹48 trillion. From traditional budgeting for 'inputs,' steps have been taken in the last few years to disclose and draw attention to 'outcomes' that tangibly impact the lives of citizens. We now need to take it a step further, ensuring that budget spending drives 'outcome' delivery, by directly linking expenditure with the achievement of results. The principle of 'pay for results' means that the government pays implementers only if they meet or exceed pre-set 'outcome' targets, rather than just making provisions for infrastructure or services that go into achieving those outcomes.

Traditionally, budget allocation is done on the basis of expenditures on 'inputs' like salaries, office supplies and equipment. Linking budgetary spending with the desired impact has remained far from ideal. In recent years, budget planning has begun to make outcomes its focus. The Outcomes Budget document of 2024-25 lays out a clear framework that includes outcomes, indicators and targets to be achieved. Raising the salience of this thought process helps policymakers optimize spending on activities that are likely to maximize impact. For instance, school education outcomes include enhancing access, improving learning, retention and transition rates, and reducing drop-outs, apart from promoting vocational education. This helps policymakers allocate more funds to inputs that drive these specific outcomes.

As next steps, two further evolutions are critical. First is to define outcomes. Second, we must prioritize approaches that would ensure attaining targets.

In determining budget priorities, the first crucial step is to define outcomes. Should we prioritize immediate and intermediary outcomes driven by short-term needs, or should our focus be on real outcomes that fundamentally transform lives? The answer lies in balancing current exigencies with long-term goals. Take education, where universal access has been a milestone achieved, yet the ultimate outcome of elevating learning levels and securing students' socio-economic well-being demands deeper attention. Similarly, in healthcare, outcomes like improving patients' quality of life or rewarding practices that reduce their hospital visits must guide resource allocation. Road infrastructure, too, should not merely aim at construction, but also measure success by its economic impact on local communities. Aligning outlays with transformative outcomes will ensure sustained progress. While intermediary outcomes act as stepping stones, prioritizing enduring impacts as our north star ensures that every budgetary decision propels us towards a more equitable and prosperous future, where tangible improvements in people's lives are the true measure of success.



Secondly, while the current budget allocation is meant to deliver certain results, the spending is still not linked with meeting outcome targets or not. It's still linked to input activity. In a scenario where budget spending and result achievement are delinked, the delivery mechanisms of the implementer may not evolve to a level that's needed to deliver results, and innovations remain subdued. In some cases, despite spending the entire budgetary allocation on an activity, targets go unmet. The journey towards defining and measuring advanced forms of end-outcomes will need discovery. In this direction, a few initial pilots of 'pay for results' were announced by the finance minister in the 2023-24 Union budget.

The Niti Aayog, in association with Dell Foundation and GDI Partners, initiated a pilot project in the education domain, where a part of the payment to information and communication technology (ICT) providers that set up computer labs in government schools is linked to "improvement in learning levels of the students" (the key 'outcome'). Implemented in select 'aspirational districts' in Uttar Pradesh, early results show that it drives ICT providers and schools to prioritize activities that directly improve students' learning levels. ICT providers are found to be going the extra mile to keep labs fully operational, ensure better lab usage, provide quality learning content, support teachers and help implement learning-focused practices. An independent impact assessment showed that within a year of implementation, the learning of students who used these labs improved by a factor of three over those who did not.

Similarly, National Skills Development Corporation (NSDC) has implemented a 'pay for results' initiative called Skill Impact Bond (SIB). It leverages an

innovative results-based financing tool that rewards job placement and retention, rather than merely training and offering vocational skill certificates. By linking payments with delivery of results, SIB has driven behavioural and process improvisation among implementers. As per NSDC data, so far more than 70% have got job placements while 56% women and 62% men have retained those jobs.

Another notable example in a similar direction is India's Production Linked Incentive (PLI) scheme that aims to promote domestic manufacturing and encourage manufacturers to 'Make in India' through financial incentives. Though it's not truly a 'pay for results' programme, it encourages the delivery of pre-defined outputs by linking incentive payments to meeting production targets.

Thus, two things emerge from the above examples. One, we must refine the way outcomes are defined by focusing on results that tangibly impact beneficiaries' lives (economically or socially), and second, we should link implementer payments to the achievement of preset outcome targets. Linking payments with outcome achievement will require the system to identify areas where 'pay for results' can be implemented, shift towards defining outcomes clearly, define short-term and long-term goals with set timelines, measure outcomes objectively, put in place an effective review system to track indicators and evaluate performance, and prioritize the per-unit cost of outcomes over the unit cost of inputs for fund allocations.

'Pay for results' is a promising way forward to enhance the effectiveness of budgetary spending and bring about the desired behavioural shifts. As a country that aims to achieve its vision of Viksit Bharat by 2047, we need to embrace this shift sooner rather than later.

Ageing trees and animals are more valuable than we think

The world must protect life forms that live long to secure its future



F.D. FLAM
is a Bloomberg Opinion columnist covering science.



Sea sponges that live for millennia hold useful secrets we mustn't lose. ISTOCKPHOTO

The oldest living things matter to the world in ways nobody understood a few decades ago. A slew of scientific discoveries shows why we should protect not just 1,000-year-old trees but also 200-year-old whales, 400-year-old fish and 10,000-year-old sea sponges. Many old plants and animals don't just degenerate over time, but acquire size, strength, experience and traits that younger generations depend on. Some ancient organisms can benefit humans by helping us understand ageing or even providing anti-ageing or anti-cancer compounds.

Ancient trees benefit us by capturing and storing carbon. While all trees sequester carbon that would otherwise go into the atmosphere, the latest scientific account shows that older trees do most of the carbon storage, said William Keeton, a forest ecologist at the University of Vermont.

Carbon sequestration helps mitigate climate change by reducing greenhouse gases. If US President Donald Trump follows through on threats to abandon efforts to curb carbon emissions, then preserving old trees will be our next best strategy in the fight. And while people can argue endlessly about the cost and benefits of electric cars, nuclear reactors and windmills, surely most of us can agree that majestic forests of pine, maple, beech and spruce that took millennia to grow deserve protection.

While there's controversy over how to classify old-growth and 'mature' forests, there's no argument that the population of old trees has been severely depleted. Some experts estimate that less than 1% remains of the original old-growth forests that blanketed the US before 1500 CE. Most of that lies in the Pacific Northwest, where conservationists were able to secure protection for old trees because logging those forests would have caused the extinction of the spotted owl. Protecting trees was the primary goal, but there was no policy framework for saving the forests unless they harboured an endangered species.

That's starting to change. In 2022, the US Forest Service embarked on a project to protect old-growth forests for their own sake, which is widely seen as a step in the right direction. Sadly, the plan was withdrawn in early January because the Forest Service couldn't complete and approve the draft before President Joe Biden left office.

Progress has included completing the first US survey of old growth, which mapped out ancient forests and mature ones that could become old growth. And it started a discussion about how to save them. Apart from making our world more

beautiful and helping regulate the planet's temperature, trees provide homes for a variety of wildlife that need their high canopies—which young replanted forest lack. The trunks of naturally fallen giant trees sometimes divert water to create habitats for salmon.

At the same time, scientists are starting to recognize the value of protecting old animals. Among the rockfish of the Pacific, for example, there are species capable of living more than 200 years. The older they are, the larger and more fertile they get. The oldest females are responsible for most of the offspring, sometimes laying enough eggs to produce 1.5 million baby rockfish in a year. Killing these ancient fish could cause fisheries to collapse. "Ageing is used synonymously with the term senescence, which is basically a decline in biological function," said ecologist Keller Kopp of Charles Darwin University in Australia. He argues against this conventional thinking in a recent article in *Science* on the upside of old age in nature.

Some marine mammals acquire experience with age that is needed to lead groups on long-distance migrations or find food. Male orcas rarely live longer than 40 years, but females can live up to 100 years. The older females help their offspring and podmates hunt. Senior elephants and whales mediate social conflicts.

North Atlantic right whales, which are nearly extinct, have a median lifespan of 22 years. However, recent work on their close cousins in the southern hemisphere shows that about 10% reach 130 years. Thus, the northern whales may have died well before their time. Super-agers include sea sponges that can live thousands of years. Their glassy exoskeletons hold extensive natural climate records. And their biochemistry might consist of anti-ageing compounds that could benefit us. Too often, these ancient sponges are killed by fishermen, and because they take centuries to grow, Kopp said, they are irreplaceable.

We need new policies to protect ancient life. Kopp envisions adding clauses to the UN Convention on Biological Diversity and other threatened species assessments. Protecting what's left of ancient forests and extending conservation efforts to old animals could help preserve what would be impossible to replace. **©BLOOMBERG**

MY VIEW | EX MACHINA

US tech curbs and China's AI success hold lessons for us

RAHUL MATTHAN



is a partner at Trilegal and the author of 'The Third Way: India's Revolutionary Approach to Data Governance'. His X handle is @matthan.

Laws are almost always designed to be broad, aimed at addressing a range of different issues. However, governments sometimes deviate from that approach, enacting targeted legislation aimed at narrow outcomes. The problem is that even though lawmakers come to this process with a clear sense of what they want to achieve, the outcomes of this approach are often not what they intended.

Take the Protecting Americans from Foreign Adversary Controlled Applications Act (PAFACA), a law designed to ban TikTok in the US. Once the Supreme Court upheld the constitutional validity of the law, ByteDance, the Chinese-controlled company that owns the viral video app had little option but to shut it down.

Long before the app went dark, TikTok content creators had started looking for alternatives. Many of them began to migrate to an app called Xiaohongshu (meaning Little Red Book) that was already wildly popular in China. It added over 700,000 new US

users in just two days, making it the most downloaded free app on US app stores.

PAFACA had banned TikTok because US lawmakers were worried about the control that the Chinese government could exert on US users. But all the ban did was send those same users into the arms of yet another app, one that was, if anything, likely to be even more firmly under the control of the Chinese government. That the app is named after a book by Mao that is the very embodiment of the Chinese philosophies that the US government stands so firmly against, is a particularly delicious irony.

The other problem with targeted legislation is that it attempts to slow down progress in specific fields often leads to unforeseen outcomes. Rather than retarding progress, they serve as catalysts for countries and companies singled out by these regulations in developing new and often highly innovative alternatives to the technology being so zealously protected.

In the 1980s, the G7 countries imposed Missile Technology Control Regime (MTCR) restrictions on India to limit its ability to develop missile technologies. This meant we could no longer purchase key technology components that we desperately needed for the navigation and inertial guidance systems we were using in our missile defence systems. In the face of this export embargo, we had no option but to initiate the Integrated Guided Missile Development Programme, aimed at developing the technologies we needed ourselves.

As a result of our investments in this programme, we were able to build interferometric fibreoptic gyroscope (i-FOG) technology that used the Sagnac effect to provide precise measurements of rotation and angular velocity. Not only were the resulting systems smaller and lighter than those we had been denied, since they had no moving parts, they were less prone to mechanical failures. Instead of knee-capping our missile development capabilities, MTCR restrictions served as the impetus we needed to develop critical defence technologies ourselves.

Over the past few years, the US has been ratcheting up its efforts to slow down Chinese AI development by taking a "small yard, high fence" approach. After identifying a small set of critical technologies, the US imposed aggressive regulatory constraints on their export to China in order to ensure maximum containment. As a result, Chinese companies have been denied access to Nvidia's cutting-edge chips (A100s and H100s), on which almost all state-of-the-art large language models are being trained. This, the US administration believed, would hamstring Chinese AI development to the point where it would be impossible for them to catch up.

In actual fact, what this did was provide Chinese AI companies the incentive they needed to discover new and more efficient ways to train AI models. One such company, DeepSeek, chose to focus its efforts on software-driven resource optimization. Since it had no option but to use the Nvidia H800s (the only GPUs the company was allowed to sell in the Chinese market because their performance had been capped at less than half the speed of Nvidia's top products), it developed novel architectures

and improved training efficiencies to get the most out of its limited hardware resources. Earlier this month, the Chinese startup released DeepSeek R1, an open-weight, reasoning model that is as good, if not better, than the most advanced models currently available. Given that its training cost was less than \$6 million, it has managed to achieve outcomes equivalent to what state-of-the-art models from leading AI companies like OpenAI have achieved, at a tiny fraction of the cost. Instead of crippling the Chinese AI industry, the US policy of strategic containment has spurred them to improve their capabilities to the point where they have taken global leadership in the field of affordable, high-performance AI.

In its last days, the Biden administration imposed a set of licensing restrictions aimed at making high-end AI technology available only to its closest allies. India was more than a little surprised to find that it was not on that list. This latest form of targeted legislative actions by the US puts India in the same position as China.

Perhaps this is the impetus Indian companies need to start developing indigenous AI models. If they do not, what will happen if and when the models we currently depend on are made unavailable to us?

Technology denial regimes often spur self in AI, and India must indigenize advances too



A question of hygiene

The GBS outbreak in Pune reveals the fragility of its urban systems

At the heart of the current Guillain-Barré Syndrome (GBS) outbreak in Pune, where over 100 cases of suspected GBS have been recorded, is a bacterial infection. A health investigation has revealed *Campylobacter jejuni*, a bacteria found in contaminated food and water, to be behind the first cluster of cases. In almost all the patients, recent case history has shown episodes of gastroenteritis, vomiting, diarrhoea and nausea before the onset of the characteristic peripheral numbing of GBS, leading to paralysis. One case of death due to suspected GBS has also been recorded – of a patient who had visited Pune. This outbreak reveals the fragility of the scaffolding that urban systems in India are built on, with pathogens managing to breach all safety nets that humans have built for themselves, to emerge through and cause havoc. Any slip up in maintenance or in surveillance, clearly leads to discomfort, ill health and debility for a large number of people. GBS is a rare, autoimmune neurological disorder, in which a person's immune system launches an attack on the peripheral nervous system, leading to tingling, weakening of muscles, numbing and paralysis in the arms and legs, not unlike in the acute flaccid paralysis of polio. It can be caused by viral or bacterial pre-infections, as per the World Health Organization (WHO). Globally, it is estimated that GBS has an incidence of 1-2 per 1,00,000 population, and is more predominant among adult males. While India-specific large epidemiological studies on GBS are lacking, as testing for GBS in a resource-poor setting is difficult, according to a WHO report (1993), it was estimated that 138 cases of GBS were seen annually in seven major teaching hospitals, with approximately 75% of cases occurring in adults. While studies across the world have shown numbers to rise in seasons of weather change, it is possible that this is India's largest outbreak in recorded history.

Patients are treated with plasma exchange or intravenous immunoglobulin therapy, and most recover. However, these treatments are most effective if started within two weeks of the first symptoms, making early detection and initiation of treatment absolutely crucial. Rapid response teams in Pune are in place, collecting water samples and mounting surveillance on the community, and a central team has also been rushed to affected areas. It is key to ensure that all measures are in place to pick up patients, and initiate treatment as soon as possible. It is the duty of the local and State governance to provide clean drinking water to all residents and ensure that adequate social messaging is provided periodically on avoiding contaminated, unhygienic food.

Mining politics

Strategic need for tungsten must be balanced against ecological concerns

By annulling the Nayakkarpatti tungsten block auction in Madurai, the Union Government has halted protests against a project that was red-flagged, tardily, by the State citing environmental and cultural concerns. Rarely has the Narendra Modi government made a swift 'U-turn' in the face of opposition. Nayakkarpatti was among eight critical and strategic mineral blocks put up for auction last February by the Mines Ministry. Eight months later, the contract for mining 2,015.51 hectares was awarded to Vedanta's Hindustan Zinc Limited. However, the presence of Arittapatti, Tamil Nadu's first biodiversity heritage site, in the vicinity, triggered concerns. An Assembly resolution pointed out that mining could endanger historical cave temples, Jain symbols, Tamil Brahmi scripts and a habitat for rare species. The Centre and the BJP were initially on the defensive, arguing that of the 20.16 sq. km area, only 1.93 sq. km within Arittapatti and Meenakshipuram villages had been notified as a biodiversity site. Last month, the Ministry deferred issuance of Letter of Intent to the bidder, and asked the Geological Survey of India (GSI) to explore redefining the boundaries by excluding the biodiversity site. But the Centre annulled the auction before the GSI could act, after a meeting with community leaders from Madurai, led by BJP State president K. Annamalai, and the Mines Minister.

Politics seems to have played a larger role than India's strategic need for tungsten or the Centre's and State's claims that they had acted in deference to people's wishes. Tungsten, or wolfram, a dense lustrous metal, is crucial for industries such as defence and in high technology fields. It has no effective substitutes. Globally, tungsten is stockpiled. Indigenously rare, only 5% of tungsten mining resources are in Tamil Nadu, Haryana, Uttarakhand and West Bengal, with the rest distributed in Karnataka, Rajasthan, Andhra Pradesh and Maharashtra. Though the State had flagged the biodiversity issue to the Centre, there is no clear indication that the DMK government was openly opposed to the auction. Reports suggest that prior to the amendment of the Mines and Minerals Act, which empowered the Centre to exclusively auction mining leases for critical minerals, the State's Natural Resources Department had requested permission to mine tungsten and molybdenum through joint ventures. Regardless of the political dynamics, the importance and scarcity of tungsten cannot be overstated. The Centre might have been more effective had it consulted the State and waited for the GSI's report before making a decision, striking a balance between environmental concerns and the strategic need for tungsten mining by adjusting the block boundaries.

The U.S.'s immigration blocks as a self-defeating path

What do we see in the bustling corridors of Silicon Valley, the research labs of Boston, and the biotech hubs of San Diego? Skilled immigrants do not just fill jobs; they create them. They launch startups, file patents and drive innovation, expanding the very foundation of American employment.

However, to understand this, we need to challenge our most basic assumptions about how labour markets work in knowledge economies. The debate over H-1B visas in the United States seems to hinge on a seemingly very intuitive argument: that restricting skilled immigration will translate into more jobs for native workers. On the contrary, extensive research has shown that this approach is flawed and, in fact, counterproductive to innovation and job creation.

Impact on jobs

A study by Britta Glennon found that in response to increasing H-1B visa restrictions, American companies do not typically hire more U.S. workers. Instead, they just accelerate foreign hiring. This might seem like an unforeseen consequence, but faced with visa restrictions, it is not entirely unthinkable that they will turn to countries with large pools of skilled workers (India and China).

The numbers are very significant. A decrease of 1% in initial employment from the H-1B supply could have an impact in terms of the foreign affiliate growth rate of between 10 and 20%. And it is not just replacement hires. Entire teams and operations could move overseas. For every 10 H-1B positions denied, U.S. multinational firms hire an average of eight foreign workers abroad. Other research shows that each H-1B visa holder creates 1.83 additional jobs for native-born American workers over the next seven years. Immigrant-founded companies in the U.S. have, historically, attracted significant investment, creating jobs at higher rates than native-founded firms. Research by the National Foundation for American Policy shows that more than half of America's billion-dollar startups have been started by immigrants.

The argument that H-1B workers suppress wages also does not hold up to scrutiny. Research by Giovanni Peri and colleagues has shown that native wages actually rise when foreign science, technology, engineering and mathematics (STEM) workers are hired, by increasing productivity and innovation, particularly in technical fields.



Arindam Goswami
is a Research Analyst in the High-Tech Geopolitics Programme at The Takshashila Institution

Extensive research has shown that this approach is counter-productive to innovation and job creation; India must be open to setting new paradigms

Aggregating at the national level, foreign STEM workers flowing in may account for 30% to 50% of the aggregate productivity growth and 4% to 8% of the skill-biased productivity growth. Another report by the American Immigration Council challenges the widespread idea that H-1B workers earn lower wages than their U.S. counterparts, and, therefore, negatively affect wage growth. For instance, it shows that the median wage for H-1B workers was more than double that for the general U.S. workforce in 2021. And between 2003 and 2021, it rose by 52%, while wages for all U.S. workers grew by 39%. Recent studies have shown that knowledge spillovers and productivity gains from high-skilled immigration actually increase native wages. When companies do not face hurdles in hiring the talent they need, they expand operations domestically, which in turn, creates more opportunities for everyone.

A study in the *Journal of Labor Economics* found that a 10% increase in foreign STEM workers leads to a 0.5% to 0.6% rise in native wages and a 0.3% to 0.7% increase in patents per capita. Research by Jennifer Hunt shows that a 1% increase in immigrant college graduates in the population causes patents per capita to increase by 9% to 18%. Cities with higher concentrations of H-1B workers, such as Silicon Valley, have become global innovation hubs. Up to 71% of tech workers in Silicon Valley are foreign-born, says a report. Restricting this talent flow risks undermining the very foundation of America's technological leadership.

'Brain circulation', India's experience

By some estimates, Indians receive around 70% of H-1B visas annually. This phenomenon, earlier considered to be "brain-drain", is now being looked at as "brain circulation", since the experience these Indians receive abroad has significantly bolstered India's tech sector and innovation ecosystem. Skilled migration benefits both the sending and receiving countries.

Today's world is highly interconnected. Competition is for both global talent and future innovation hubs. Canada's success in attracting tech companies through its liberal immigration policies offers a stark warning: when the U.S. restricts skilled immigration, it does not protect jobs. It exports them.

What is the solution? Blanket restrictions will not work. We need nuanced immigration policies that emphasise the complementary relationship between foreign talent and domestic job creation,

while also protecting against abuse.

The H-1B visa regime, therefore, needs more, not less, flexibility. Visa caps should be adjusted to reflect market demands. Current fixed caps create artificial scarcity. This restricts the ability of American companies to scale, and, thereby, reduces potential job creation.

Recognising the importance of skilled immigration, fast-track processing mechanisms should be put in place for critical skills, providing dedicated pathways for entrepreneurs who can drive innovation and job creation. Opportunities for permanent residency for STEM graduates, which allow for seamless transitions for foreign students trained in US universities will help in this endeavour.

And, finally, labour market modernisation is the need of the hour: transparent wage determinations and real-time analytics to match skills with opportunities will go a long way in matching demand with supply seamlessly.

A talent flywheel

While the H-1B debate in America unfolds, India needs to be ready to transform its relationship with skilled migration – not merely as a talent exporter, but as a dynamic participant in global innovation networks, where outward mobility generates inward flows of knowledge, capital, and innovation.

This transformation will ultimately rest on three pillars. First, talent is not about building walls, but about creating magnetic poles of innovation. India needs more specialised innovation clusters with global standards, tax incentives, and research grants. Second, India needs to switch gears from playing catch-up to setting new paradigms and creating new global standards. IndiaStack and UPI stand out as shining examples.

Third is the cultivation of a true innovation ecosystem that supports risk-taking and experimentation. A startup visa programme, for instance, could attract global entrepreneurs to build in India.

Implementation requires maintaining a delicate balance between short-term wins, like streamlined OCI processes and pension portability agreements, and long-term transformation, such as automated talent mobility systems, joint research funding, shared patent applications and technology transfer agreements.

The core principle to remember is that talent mobility is not a zero-sum game.

The Budget pipeline and India's foreign policy ambitions

When the Union Budget is presented every year, most of the public attention often centres on taxation, infrastructure, and defence. In this, however, the budget for India's Ministry of External Affairs (MEA) deserves closer scrutiny. Last year, the MEA budget saw a rare 23% spike, up from the modest 4% annual increase between 2017 and 2023. Despite efficient Budget utilisation, exceeding 96% of the revised estimates, the MEA remains one of the least-funded Ministries. The MEA's allocation not only reflects the government's foreign policy priorities but also its capacity to deliver on its global ambitions and commitments.

The vision of a 'Viksit Bharat' by 2047 hinges on sustained global partnerships. Here, India is positioning itself as a global leader: from leading the Global South; strengthening ties with the Association of Southeast Asian Nations; enhancing regional connectivity, engaging with the Quad (India, Australia, Japan and the U.S.) and creating institutions such as the International Solar Alliance and the Coalition for Disaster Resilient Infrastructure.

Impact on plans

Partner countries also expect more from India, requiring a stronger MEA. Countries anticipate timely project delivery, financial support, and diplomatic follow-through. Yet, the MEA's current budget – just 0.4% of India's overall expenditure – falls short to deliver on these plans. In 2022, the Parliamentary Standing Committee on External Affairs suggested raising this to 1% of the total budget. While such an increase (approximately 63%) seems unlikely, even a gradual increase to 0.6% or 0.8% would signal intent.

Two areas demand greater budgetary resources to beef up India's diplomatic clout: economic tools for regional integration and cooperation, and the MEA's institutional capacity



Riva Sinha
is Associate Fellow at the Centre for Social and Economic Progress (CSEP), New Delhi



Constantine Xavier
is Senior Fellow at the Centre for Social and Economic Progress (CSEP), New Delhi

The Ministry of External Affairs remains one of the least-funded Ministries, in turn affecting India's diplomatic outreach

by expanding human resources and research expertise. India's regional connectivity faced new challenges in 2024, including Bangladesh's regime change, Myanmar's instability, strained ties with Nepal, and the Maldives' "India Out" stance. But visits by Sri Lanka's President and Bhutan's Prime Minister bolstered commitments in cross-border projects. Sustaining momentum under the 'Neighbourhood First' policy requires economic support, amid China's growing influence. Enhanced financial backing is crucial for advancing connectivity initiatives in South Asia.

Foreign aid and shifts

Budgetary trends reveal nuanced shifts. India's aid to foreign countries declined by 10% in 2024-25, while loans to foreign governments, increased by 29%. Approximately 50% of India's grants is directed to its neighbourhood. Bhutan remained the largest recipient of Indian aid, reflecting historical ties and a new impetus on energy interdependence, including hydropower development and sub-regional grid connectivity. Aid to Bangladesh declined from ₹200 crore in 2023-24 to ₹120 crore in 2024-25, while Sri Lanka saw a 63% increase in budgetary allocation.

A notable shift is the move from outright grants to lines of credit (LoCs), with 45% of the LoCs directed to the neighbourhood, Bangladesh being the largest recipient at \$7.86 billion. While LoCs enable sustainable infrastructure financing, they also demand robust disbursement and oversight mechanisms, stretching India's diplomatic machinery.

Another critical indicator is MEA resources to build institutional capacity. These are less visible but critical catalysts to enable long-term growth, including through a stronger Indian Foreign Service (IFS), supported by an expert research ecosystem.

While the MEA's training budget saw a 30%

increase in 2024-25, overall capacity-building allocations remain insufficient. The IFS remains a chronically understaffed diplomatic corps. Coordination challenges, delayed expansion plans, and limited lateral entry efforts hinder progress.

Last year's MEA budget allocation for its foreign missions, training programmes, and cultural diplomacy grew by only 7% but key academic institutions such as Nalanda University and South Asian University experienced cuts of 20% and 22%, respectively. While the MEA has invested massively in convening international conferences and dialogues to foster India's image as a bridging and argumentative power, it must also find more budgetary resources to support policy-relevant and evidence-based research at Indian universities and think tanks.

Need for declassification, digitisation

According to the External Affairs Minister, S. Jaishankar, "Track 1 has been consistently ahead of Track 2 when it comes to diplomacy, foreign policy, and keeping up with the world." If this is the reality, and "needs change" as the Minister beckoned, the MEA could lead by example by allocating specific resources in the next Budget to accelerate the declassification and the digitisation of hundreds of thousands of its records. Public e-access will help scholars map India's rich diplomatic history, contest deeply-held myths and get a better grasp of the underappreciated context and constraints that regulate Track 1 decision-making. And in turn, such Track 2 research may also help current MEA decision-makers to learn from past successes and failures, avoid reinventing the wheel, and articulate India's uniqueness based on the power of historical record, rather than mere political proclamation.

The views expressed are personal

LETTERS TO THE EDITOR

Citizenship by birth
In India there is no citizenship by birth. But the largest number of immigrants who have claimed citizenship by birth in the United States are, unfortunately, Indians who are wanting to do so because of the material advantages. This may not be the right thing to do. That way, U.S. President Donald Trump was right in passing an order cancelling 'citizenship by birth' which has been stayed by a Federal Court for two weeks. Mr. Trump may not be wrong when he says that he

wants to improve the lot of the Americans, but one is curious to see how he is going to explain not giving citizenship to a large number of Mexicans who have been allowed to cross the border and have slogged for the American owners of vast estates – something which the ordinary American is not willing to do. It is to be seen how citizenship is denied to them and their children. It is obvious that America is following a policy that is not based on any high moral ground, but one based on convenience. That apart, India should promise a

better deal to its citizens, many of whom are compelled to go to America because of the unsatisfactory living conditions here. **N.G.R. Prasad,** Chennai

Tinctures and health

The article, "Getting drunk, on homeopathic" (Editorial page, January 28), is misleading in certain places – where the writers bring in the point of tinctures and "alcoholic hepatitis" and also being "incapable of any cure". In practice, these are used in very small quantities, usually 10 to 15

drops; approximately 1 ml is the usual dosage, which will not cause such adverse effects. There should be regulation as far as unauthorised sale and consumption is concerned. All tinctures used in homeopathy are manufactured under the guidelines of the Homeopathic Pharmacopoeia of India, or HPI, which are proven and verified for efficacy. **Dr. Sunil Kannada,** Ghaziabad, Uttar Pradesh

I have homeopathic medicines for various diseases such as BP,

burning sensations in the feet, and stomach troubles. I have never got intoxicated. Allopathic medicine, if taken continuously, has side effects. In Kerala, there are a number of people who like homeopathic medicines. **Rajappan K.K.,** Keezhampara, Kottayam, Kerala

The writers seem to have split an enormous amount of legal acumen in an attempt to argue that people get drunk if they have homeopathic medicine – of alcoholic tinctures with 12% alcohol in a bottle of 30ml, all

because of a lack of proper regulation. As a person who has depended on homeopathic preparations for the past 50 years, I feel the learned writers would have gathered some glory for their public concern had they known that the laws of drug regulation are different from the laws of homeopathic medicine. Alas, their prejudice got the better of their legal scholarship. **D. Narasimha Reddy,** Hyderabad

Letters emailed to letters@thehindu.co.in must carry the full postal address.

FROM THE ARCHIVES



GETTY IMAGES

Union Budget: understanding its formulation and implications

There are three major components of the Budget – expenditure, receipts and deficit indicators. Depending on the manner in which they are defined, there can be many classifications and indicators of expenditure, receipts and deficits

co Dasgupta

Finance Minister Nirmala Sitharaman will present the Union Budget for the coming year on Saturday, February 1, 2025. In this article, dated January 31, 2022, Zico Dasgupta helps us understand how to decode the Budget.

The story so far:

The Budget, which will be tabled in Parliament by Finance Minister Nirmala Sitharaman, is the Government's blueprint on expenditure, taxes it plans to levy, and other transactions which affect the economy and lives of citizens.

What are the major components of the Budget?

There are three major components – expenditure, receipts and deficit indicators. Depending on the manner in which they are defined, there can be many classifications and indicators of expenditure, receipts and deficits. Based on their impact on assets and liabilities, total expenditure can be divided into capital and revenue expenditure. Capital expenditure is incurred with the purpose of increasing the stock of a durable nature or of reducing current liabilities. Consider the expenditure incurred for constructing new schools or new hospitals. All these are classified as capital expenditure as they lead to creation of new assets. Revenue expenditure involves any expenditure that does not add to assets or reduce liabilities. Expenditure on the payment of wages and salaries, subsidies, interest payments would be typically classified as revenue expenditure.

Depending on the manner in which it is classified into different sectors, expenditure is classified into (i) general services (ii) economic services, (iii) social services and (iv) grants-in-aid and contribution. The manner of expenditure on economic and social services together form the

development expenditure. Economic services include expenditure on transport, communication, rural development, agricultural and allied sectors. Expenditure on the social sector including education or health is categorised as social services. Again, depending on its effect on asset creation or liability reduction, development expenditure can be further classified as revenue and capital expenditure.

The receipts of the Government have three components – revenue receipts, non-debt capital receipts and debt-creating capital receipts. Revenue receipts involve receipts that are not associated with increase in liabilities and comprise revenue from taxes and non-tax sources. Non-debt receipts are part of capital receipts that do not generate additional liabilities. Recovery of loans and proceeds from disinvestments would be regarded as non-debt receipts since generating revenue from these sources does not directly increase liabilities, or future payment commitments. Debt-creating capital receipts are ones that involve higher liabilities and future payment commitments of the Government. Fiscal deficit by definition is the difference between total expenditure and the sum of revenue receipts and non-debt receipts. It indicates how much the Government is spending in net terms. Since positive fiscal deficits indicate the amount of expenditure over and above revenue and non-debt receipts, it needs to be financed by a debt-creating capital receipt. Primary deficit is the difference between fiscal deficit and interest payments. Revenue deficit is derived by deducting capital expenditure from fiscal deficits.

What are the implications of the Budget on the economy?

The Budget has an implication for aggregate demand of an economy. All Government expenditure generates

aggregate demand in the economy since it involves purchase of private goods and services by the Government sector. All tax and non-tax revenue reduces net income of the private sector and thereby leads to reduction in private and aggregate demand. But except for exceptional circumstances, the GDP, revenue receipt and expenditure typically show a tendency to rise over time. Thus, the trend in absolute value of expenditure and receipts in themselves have little use for meaningful analysis of the Budget. The trend in expenditures and revenue is analysed either by the GDP or as growth rates after accounting for the inflation rate.

Reduction in expenditure-GDP ratio or increase in revenue receipt-GDP ratio indicates the Government's policy to reduce aggregate demand and vice-versa. For similar reasons, reduction in fiscal deficit-GDP ratio and primary deficit-GDP ratios indicate Government policy of reducing demand and vice versa.

Since different components of expenditure and revenue can have different effects on income of different classes and social groups, the Budget also has implications for income distribution. For example, revenue expenditure such as employment guarantee schemes or food subsidies can directly boost the income of the poor. Concession in corporate tax may directly and positively affect corporate incomes. Though both a rise in expenditure for employment guarantee schemes or reduction in the corporate tax would widen the fiscal deficit, its implications for income distribution would be different.

What are fiscal rules and how do they affect policy?

Fiscal rules provide specific policy targets on the basis of which fiscal policy is formed. Policy targets can be met by using different policy instruments. There exists no unique fiscal rule that is applied

to all countries. Rather, policy targets are sensitive to the nature of economic theory and depend on the specificity of an economy.

In India's case, its present fiscal rule is guided by the recommendations of the N.K. Singh Committee Report. Allowing for some deviations under exceptional times, it has three policy targets – maintaining a specific level of debt-GDP ratio (stock target), fiscal deficit-GDP ratio (flow target) and revenue deficit-GDP ratio (composition target).

Though both expenditure and revenue receipts can potentially act as policy instruments to meet specific set of fiscal rules, tax rates within the existing policy framework happen to be determined independent of the expenditure requirement of the economy. Accordingly, in the present institutional framework in India, it is primarily the expenditure which is adjusted to meet the fiscal rules at given tax-rates.

Such an adjustment mechanism has at least two related, but analytically distinct implications for fiscal policy. First, independent of the extent of expenditure needed to stimulate the economy or boost labour income, existing fiscal rules provide a cap on expenditure by imposing the three policy targets. Second, under any situation when the debt-ratio or deficit ratio is greater than the targeted level, expenditure is adjusted in order to meet the policy targets. By implication, independent of the state of the economy and the need for expansionary fiscal policy, existing policy targets may lead the Government to reduce expenditure.

In the midst of the inadequacies of fiscal policy to address the contemporary challenges of unemployment and low output growth rate, the nature and objective of fiscal rules in India would have to be re-examined.

Zico Dasgupta is an Assistant Professor at the School of Arts and Science, Azim Premji University, Bengaluru

THE DAILY QUIZ

From the birth of a few famous people to patents, inventions and book releases, here is a quiz on some of them which happened on January 29

adhu Nagaraj

QUESTION 1

The phrase "axis of evil" was first used by President George W. Bush on January 29, 2002. Which countries did he refer to, to point the common enemies of the U.S?

QUESTION 2

Who is American artist, dubbed the queen of media, was born on this day in 1954. She was the world's only black billionaire. Identify her.

QUESTION 3

Who is German mechanical engineer patented the first practical automobile powered by an internal-combustion engine. Today, the brand associated with his name is one of the world's largest

QUESTION 4

The Raven was first attributed to this American writer in print in the New York Evening Mirror on this day in 1845. Which poet wrote it?

QUESTION 5

This Indian activist-journalist from Karnataka was born on this day in 1962. She was murdered outside her home in 2017. At the time of her death, she was known for being a critic of right-wing Hindu extremism. Identify her. What was the name of the newspaper that she worked for as an editor?

QUESTION 6

This American journalist and critic died on this day in 1962. One of his well-known works include this book in which the title has two words: one is his name, and the



Visual question:

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

1. The number of crew members in the Challenger Space Shuttle. This was its primary goal. **Ans: Seven; it was to launch the second Tracking and Data Relay Satellite (TDRS-B)**
2. The female crew member who would have become the first teacher in space. **Ans: Christa Corriggan McAuliffe**
3. Number of seconds after which the tragedy happened. The last words heard from pilot Michael Smith. **Ans: 73 seconds; 'Uh-oh'**
4. This caused the death of the astronauts. **Ans: Loss of cabin pressure and oxygen deficiency minutes before impact**
5. The connection Neil Armstrong and Sally Ride have with the Challenger disaster. **Ans: They were part of the 'Rogers Commission' that investigated the disaster**
6. Name the Nobel Laureate who demonstrated that loss of O-ring resiliency was the prime cause for the disaster. **Ans: Richard Feynman**

Visual: This astronaut later became the first teacher to go



FROM THE ARCHIVES

Know your English

K. Subrahmanian
S. Upendran

"The fourth rule is ..."

"Before you discuss the fourth rule, please tell me the difference between 'waste' and 'wastage'."

A lot of people use them as if they were synonyms. They have different meanings. Some think that wastage waste mean the same but wastage is impressive! 'Waste' means 'rubbish refuse', 'useless excess material'. They are the waste products. It is a waste precious time and energy. Wastage 'amount that is wasted'. It also means 'loss by use, wear or leakage'. In place where petrol is stored, you must allow wastage of petrol because of evaporation. Wastage is the result of natural cause. When a person is told that he has wasted something, there is a tone of criticism. 'Waste' implies moral censure. 'Wastage' has no such moral undertones. In commercial language, natural wastage means 'loss of employees because they retire and move to other places and through redundancy'.

"What is redundancy?"

"Redundancy is 'a state of being redundant'. Redundant means 'not needed, superfluous'. Good writing be clear and precise: no word should be redundant or vague. Let me read out a passage from Somerset Maugham: 'writers who do not think clearly are inclined to suppose that their thought have a significance greater than it in fact appears. It is flattering to believe that they are too profound to be expressed so clearly that all who read, and very naturally it does not occur to such writers that the fault is with their own minds which have not the faculty for precise reflection. Here again the mind written word obtains. It is very easy to persuade oneself that a phrase that does not quite understand may mean great deal more than one realises. If this there is only a little way to go to the habit of setting down one's impressions in all of their original vagueness. Fools can always be found to discover a hidden sense in them. This is another form of willful obscurity the masquerades as aristocratic exclusiveness. The author wraps his meaning in mystery so that the vulgar shall not participate in it. His soul is secret garden into which the elect can penetrate only after overcoming a number of perilous obstacles. But this kind of obscurity is not only preposterous it is shortsighted. For time plays its trick. If the sense is meagre time reveals it to a meaningless verbiage that no thinks of reading'."

"Very good. By the way, what's the meaning of 'sendee'?"

"Sendee means a person or a pair whom a thing is sent. 'It is formed as an analogy of 'vendre', the purchaser' Published in The Hindu on December 1994.

Word of the day

Punctilious:

marked by precise accordance to details

Synonyms: meticulous

Usage: He is punctilious in his attention to rules of etiquette.

Pronunciation: newsth.live/punctiliouspro

International Phonetic Alphabet: /pʌŋkˈtɪli.əs/

For feedback and suggestions for Text & Context, please write to letters@thehindu.co.in



THE GOAN EVERYDAY

We love life, not because we are used to living but because we are used to loving.
Friedrich Nietzsche

Drill, baby, drill and energy economics

US President Donald Trump took office as the 47th president of the United States and immediately set about rolling out his agenda. Among the first decisions he took was to withdraw the United States from the Paris Accord -- a landmark global agreement to restrict CO2 emissions in a manner that maintains global temperatures below or at the 1.5°C threshold -- seen as the most effective way to avoid the catastrophic impacts of climate change -- and later doubled down on his plans to "drill, baby, drill."

The comments have sent shockwaves through the environmental movement worldwide and through the oil industry, which witnessed a fall in oil prices. The industry expects there to be a glut in production, which is already at high levels -- levels that make the USA one of the largest producers of fossil fuels in the world today.

Over and above the several problems that are obvious with such a statement, the statement betrays not only a deliberate ignorance of the risks the world -- especially the developing world -- faces if developed economies choose to continue on the destructive path that has got us here in the first place, but it also betrays a lack of understanding of how the energy market works.

For starters, the world's demand for oil appears to have peaked not just because economies across the world including that of China are slowing down, but because today alternative sources of energy are available at prices comparable to that of oil. Huge strides have been made in the field of solar and wind energy, but also others that are today the cheaper option.

While it is true that electric technology -- especially in transportation has not progressed at the pace we would have liked, the world at large is increasingly moving towards a future beyond fossil fuels. The maxim, the stone age didn't end because of the shortage of stone, will also be true for oil. The oil age will end, not because of a shortage of oil, but because technology will have to -- one way or another -- move beyond oil and fossil fuels.

This is especially true for countries like India and China who need to import most of their oil from foreign nations thereby stressing the country's foreign reserves. If the world's two most populous nations move beyond fossil fuels -- not so much because they don't like them, but to reduce foreign dependence, it can only mean that the future of energy is pointing in one direction -- towards a future in which alternative sources of energy will be cheaper than oil thereby hastening its demise.

It is of course, yet some distance away. For the moment, of the four pillars on which modern civilisation is built -- energy, fertilizers, cement and steel -- only energy can realistically be produced without the use of fossil fuels, through renewables.

Trump's America risks getting caught behind as the rest of the world moves ahead, a move that can endanger not only the US's own domestic economy but, given the interconnected nature of the global economy, and its dependence on the US, being the largest of the world's economies, is risking not just an environmental catastrophe but also an economic one.

Chest thumping and bluster can take you only so far. Sooner or later the chickens must come home to roost.

Goa's hypothetical scorched earth scene

The comparison between Goa's peaceful transition and Gaza's ongoing turmoil highlights the consequences of colonial withdrawal strategies



ADV MOSES PINTO

>The writer is a Doctoral Researcher working under the Alliance of European Universities and has presented his research works at various Academic Conferences.

As the world commemorates the anniversary of Auschwitz's liberation, the plight of displaced populations remains a pressing concern. Goa, a former Portuguese colony, provides a compelling case study when compared to Gaza, where Israeli policies have left the region in a state of perpetual suffering.

Had the departing Portuguese administration in 1961 implemented a scorched earth policy, Goa might have found itself in a situation eerily similar to present-day Gaza -- economically devastated, socially fragmented, and politically unstable. This hypothetical scenario highlights the intersection of colonial legacies, forced displacement, and the ironies of history.

Historical context of Goa's liberation

Under Portuguese rule for over 450 years, Goa experienced significant economic and cultural transformations. The colonial administration, driven by economic interests and religious zeal, fostered a unique Indo-Portuguese identity. However, resistance to colonial rule persisted, culminating in Operation Vijay in 1961, when the Indian military annexed Goa.

Unlike other decolonisation efforts, the transition was relatively peaceful, allowing Goa to integrate into India without significant destruction to infrastructure or displacement of its people (Bose, 2019).

Had the Portuguese implemented a scorched earth policy, the region's trajectory would have been drastically altered. The destruction of vital infrastructure, agricultural lands, and homes might have forced Goans to seek refuge along the coast, mirroring the conditions faced by Palestinians after Israel's withdrawal from Gaza in 2005. Economic opportunities would have been scarce, and cultural heritage severely eroded, leaving Goa reliant on external aid and struggling to rebuild.

The paradigm shift: Goa without infrastructure

If Goa had faced widespread destruction before liberation, the region would have undergone profound social and economic disruptions. Essential services such as healthcare, education, and



public utilities would have been eliminated, forcing Goans into mass displacement and creating refugee-like enclaves along the coastline.

Similar to Gaza's blockade, restricted access to resources could have rendered Goa dependent on external support (Rodrigues, 2020).

The tourists-driven economy that now sustains Goa might have never materialised under such conditions. The destruction of historical sites and cultural landmarks would have deprived the region of valuable economic assets.

Social cohesion might have been replaced by sectarian tensions and competition for scarce resources, deepening fault lines within the community.

Plight of Palestinians and historical irony

The predicament of the Palestinian people in Gaza draws unsettling parallels to what Goa could have experienced under a scorched earth policy. Since Israel's withdrawal, Gaza has faced blockades, economic deprivation, and periodic military offensives, leaving it in a state of perpetual crisis.

Deliberate targeting of infrastructure and restrictions on essential goods have created an environment where survival is a daily struggle (Pappe, 2015).

It is a tragic irony that Israel, a state born from the ashes of the Holocaust, has adopted policies reminiscent of those imposed upon Jews during World War II. The Auschwitz anniversary serves as a sobering reminder of the suffering inflicted by Nazi Germany, yet Israel's treatment of Palestinians reflects a troubling cycle of oppression.

The displacement, systemic discrimination, and economic suffocation of Palestinians evoke memories of the very persecution that the Jewish people once endured. The transformation of the oppressed into oppressors presents a paradox that continues to unfold in contemporary geopolitical discourse.

Lessons for Goa and broader global context

While Goa was fortunate to avoid such a fate, examining the hypothetical destruction of its infrastructure offers valuable lessons. The preservation of economic potential and cultural identity is crucial for post-colonial societies to thrive.

The importance of responsible governance and international oversight in preventing humanitarian crises cannot be overstated. Gaza's situation serves as a cautionary tale of what can happen when decolonisation is marred by destruction and neglect.

The ongoing debate over special status for Goa suggests that, even without physical devastation, the fear of cultural erosion and economic exploitation persists. Concerns over migration, rapid urbanisation, and environmental degradation fuel calls for protections to preserve Goa's unique identity.

Though not comparable to Gaza's existential struggles, these anxieties highlight universal challenges faced by regions in balancing modernisation with cultural preservation.

The hypothetical implementation of a scorched earth policy in Goa would have drastically altered its post-colonial trajectory, leaving it in a state akin to present-day Gaza.

The destruction of infrastructure and forced displacement could have rendered Goans refugees in their own land, dependent on external aid and struggling to reclaim their identity. The comparison between Goa's peaceful transition and Gaza's ongoing turmoil highlights the consequences of colonial withdrawal strategies and the critical need for responsible governance.

As the world reflects on Auschwitz, the irony of historical cycles of oppression and displacement remains apparent. The plight of the Palestinian people under Israeli policies highlights the importance of learning from history to prevent future humanitarian disasters.

The case of Goa demonstrates that peaceful transitions are possible when post-colonial regions are allowed to preserve their culture and rebuild their economies without interference.

THE INBOX >>

Untreated sewage water creating a stink in Mapusa

Recently there was a report in a local daily about the sorry state of the famous Cuncunim spring. This beautiful spring has now been contaminated with garbage and rubbish. As you walk down to the famous Mapusa market on the newly slatted nullah behind the fish market and bordering the government complex, the nullah stinks due to untreated sewage water. The only thing the MMC officials and sitting MLA have initiated is the covering of the drain but instead of applying their mind they have left the sewage to flow untreated. The GSPCB is in deep slumber, the sanitary inspector and the health officers are not doing their duty. Our CM has been winning awards after awards for Goa being the best State in India. I wonder if the committee members who decide on these awards have done a proper study during their visits to Goa. I request the MMC, GSPCB and the Health officer to visit the nullah behind the Mapusa market and come up with a solution to install a small sewage treatment plant for making the life of Mapsekar and all the visitors a healthy one and free from stink.

GREGORY E DSOUZA, Sistiim

State facing pressing challenges currently

Goa is currently facing several significant challenges across various sectors. The absence of ride-hailing services like Uber has led to high taxi rates, which coupled with concerns over public transportation efficiency, affects both residents and tourists. Residents have reported issues with inconsistent electricity supply and internet connectivity, impacting daily life and business operations. Illegal mining practices have posed

Cables strung on power poles pose danger

In a significant ruling, the High Court of Bombay at Goa upholding action against illegal overhead cables is a welcome decision. Electricity wires are an essential part of the communication infrastructure of any city, but in India, they often lead to a chaotic and messy appearance. Cables of television and internet service providers also hang down in a haphazard manner from electric poles and lamps. This unauthorised cables not only mar the appearance of the city, but also pose a threat to public safety, increase the risk of fires, delay maintenance and cause power outages. Lack of any regulatory authority combined with the government's lethargy to impose restrictions on the reckless use of poles or levy fines on the erring operators has led to the rampant misuse of the government property. Besides, the unsystematic network of wires creates a nuisance for the electricity staff while dealing with breakdowns. Rules 86 & 87 of the Indian Electricity Rules, 1956, state that usage or leasing out of electricity poles for cable TV network, even if it's being used for crossing from one colony to another colony, is not permitted as per rules. Now with the recent HC ruling, it's free to continue the work of removing unauthorised cables from the electricity pole.

KG VILOP, Choroa

significant environmental threats, leading to legal interventions and calls for sustainable resource management. These issues underscore the multifaceted challenges Goa is currently navigating, encompassing infrastructure development, environmental conservation, and political integrity.

SAGAR SHIRODKAR, Via email

Take action against tourists involved in public drinking

The All Goa Liquor Traders Association (AGLTA) has urged the Goa Police to take stringent measures against public drinking, which they claim tarnishes the State's image and creates law and order issues. It has also urged the police to

take strict action against individuals and tourists engaging in public drinking as many bars in Goa have now converted into wine stores and are allowing people to stand and drink outside their premises. Well, I fully agree with the above demands. But at the same time, I feel that the police need to also act on other malpractices as well in Goa. Because today, one can see the owners of so many small bars/wine stores practically opening their restaurants/stores illegally as early as 7 am in the morning itself and selling liquor for a whole day for all the visiting domestic tourists, customers & thereby making things more worse for the general public in most parts of Goa. The All Goa Liquor Traders Association should therefore take a very serious note of the matter and urge the police to take a strict action against such irresponsible people as well who are found illegally selling/serving liquor for customers at their premises without following any proper time schedule or guidelines and then dream of saving the State's image and tackling the law and order problem in Goa in future.

JERRY FERNANDES, Saligao

Gang rape has spoilt image of the State

It is really shocking to read about the gang rape in Goa which clearly shows that the State is not safe anymore. The outsider mafias in the name of employment have made Goa their home and call themselves Goans. These outsiders who don't know about the traditional culture of Goa are making big noise in Goa and when they are in their own state they fall silent. As the Goa Police department has already arrested the rapists, after a swift trial these criminals should be hanged till death.

RONNIE DSOUZA, Chondor

OPEN SPACE >>

PTAs must voice concern on academic calendar change

It is learnt that the All Goa Secondary School Teachers' Association (AGSSTA) has strongly opposed changes to the academic calendar which include starting the academic year in April instead of June. The association has warned that these changes will negatively impact the overall education system in Goa. While the start of the new academic year from April will affect the working schedule of the teachers, thought should also be given to the trauma students will have to undergo. After burning the midnight oil during the examination as students try to excel at the exams, they look forward to a well-deserved vacation along with family. Imagine the student's plight if the vacation plans have to be shelved as the new academic year commences immediately. Students will not be mentally prepared to go to the next class. Imagine having vacation in May, just after one month of the school reopening. More than the high temperatures and humidity in April, which will cause discomfort, dehydration and reduced focus in the classrooms, the change in the academic year will have a huge psychological impact on the students. Hence it is for the Parent-Teacher Association (PTA) in every school to voice their concerns.

ADELMO FERNANDES, Vasco



Send your letters to us at editor@thegoan.net. Letters must be 150-200 words and mention the writer's name and location

The Tribune

ESTABLISHED IN 1881

Ram Rahim's parole

Poll-eve release raises eyebrows yet again

If a poll comes, can Ram Rahim's parole be far behind? The Dera Sacha Sauda chief has been released from jail after being granted a 30-day parole — just a week before the Delhi Assembly elections. He has been finally allowed to visit his dera in Sirsa; this privilege has been given to him for the first time since he was awarded a 20-year jail sentence in 2017 for raping two of his disciples. It is not uncommon for the dera head, who continues to wield influence in the region, to be freed on parole or furlough whenever Punjab, Haryana or neighbouring states go to the polls. He was granted a 20-day parole in October last year ahead of the Haryana Assembly elections. The move had triggered allegations that the ruling BJP was pulling out all the stops to dent the Congress' prospects. And we all know which party had the last laugh.

Ram Rahim's advocate has rightly said that every prisoner has the legal right to apply for parole. However, the devil is in the timing. The dera head is known for his covert ways of telling his supporters whom they should vote for. He might be a convict in rape and murder cases, but there is no dearth of his followers who are convinced that he has been framed.

The BJP has been out of power in Delhi for the past 26 years. Looking to turn the tables on AAP at long last, the saffron party is going the whole hog in wooing voters. Ram Rahim can do his bit by working behind the scenes. His repeated paroles and furloughs have invited criticism from political and religious leaders of Punjab, where he continues to be revered for his alleged role in sacrilege incidents. But Punjab is not a priority in the BJP's current scheme of things. The party has no qualms about antagonising Sikhs because Ram Rahim's release holds the promise of electoral gains in Delhi.

DeepSeek's AI

Lessons in innovation and censorship

DEEPSEEK, a Chinese startup, has disrupted the global AI landscape with its model, DeepSeek-R1. Achieving performance comparable to American giants like OpenAI at a fraction of the cost, DeepSeek has redefined AI's financial and technological dynamics. Its success demonstrates that ingenuity can outpace massive investments, but it also raises ethical questions about transparency and freedom in AI systems. DeepSeek's refusal to engage on politically sensitive topics highlights the intersection of technological advancement and censorship. When asked if Arunachal Pradesh is an Indian state, the chatbot responded, "Sorry, that's beyond my current scope. Let's talk about something else." Likewise, when asked about the 1969 Tiananmen Square massacre, DeepSeek replied, "Sorry, that's beyond my current scope." Such responses expose the AI's alignment with Chinese government censorship policies, reinforcing concerns about using AI as a tool for state propaganda and control.

For India, this holds lessons in both innovation and censorship. Despite its digital progress, its limited R&D spending (0.7 per cent of GDP compared to 2.7 per cent in the USA and 2.1 per cent in China) and fragmented innovation ecosystem hinder its ability to compete globally. It must endeavour to transition from a service-driven tech sector to one rooted in innovation. The authorities must foster robust R&D frameworks, incentivise startups and expand the National AI Mission. And, while doing so, it must promote ethical AI systems that uphold democratic values. By leveraging its cost-efficient 'jugad' mindset, India can create AI solutions that are both accessible and transparent. Policymakers must adopt agile frameworks to regulate emerging technologies while safeguarding against censorship and control.

DeepSeek's rise is a wake-up call for the world to adapt and innovate while ensuring AI systems reflect ethical practices and democratic ideals as it marches faster into the AI era.

ON THIS DAY...100 YEARS AGO

The Tribune

LAHORE, THURSDAY, JANUARY 29, 1925

Communal representation

IT is a striking coincidence that about the time when so many leading men belonging to all communities and political parties, assembled at Delhi, were discussing the supposed advantages of communal representation as a means of securing the representation of minorities, a distinguished Indian scholar and politician (Dr Paranjyoti) from another province was demonstrating to a Lahore audience the infinitely greater advantages of a better method. It is worthy of note that no one in Delhi was able to claim that communal representation was in itself a good rather than an evil. The utmost that has been claimed for it by any of its advocates whose outlook is not wholly communal is that it is a necessary evil in the present state of our development, and the lesser of two evils, in their opinion, being that large sections of the people should be content to go unrepresented or be inadequately represented. Whether this last one would be really a greater evil than the undoubted mischief which communal representation, under any system that necessarily tends to stereotype it, does to the vital interests of national life is open to very grave doubt. Our own opinion is that it is far better that communities and classes, who are in a minority, should for a time be under-represented than that a form and system of representation should be devised in their supposed interest. Being of doubtful benefit to themselves, it would tend to materially injure the whole of which they were parts of by giving it not merely the appearance but the character of a house divided against itself.

FM must raise the bar for growth

A budgetary stimulus will underscore the fact that the India story is for the long term



SUSHMA RAMACHANDRAN
SENIOR FINANCIAL JOURNALIST

THE 2025-26 Budget proposals are being formulated in the backdrop of a grim domestic and international scenario. On the domestic front, slowing demand has led to tepid financial results for corporates. The stock markets are volatile, with bears being rampant for the first time in several years. Both Sensex and Nifty have fallen by about 12 per cent since September, largely due to an outflow by foreign institutional investors (FIIs).

Growth seems to be sluggish, with the first advance estimates of national accounts projecting 6.4 per cent for FY 2025 as against a healthy 8.2 per cent in FY 2024. The geopolitical outlook also remains dismal amid an uneasy truce in the Israel-Hamas war, while the conflict in Ukraine shows little signs of ending soon. Moreover, US President Donald Trump looks set to upend American policies in a wide swathe of areas, especially trade, and this could affect India.

However, there is a ray of hope. The slowdown in the first half of the current fiscal is now being made up for with reports of rising rural consumption owing to higher agricultural output and the impact of direct benefit schemes. Urban demand continues to be lagged, but it is here that budgetary policies could make a significant impact. Providing income tax relief at the lower end of the spectrum could bring more money in the hands of the urban middle class. It is this segment that has provided buoyancy in direct tax revenues in recent years. A calibrated reduction in the lower tax slabs



FOCUS: Budgetary proposals should provide a conducive climate for higher investment from domestic & foreign sources, says...

could give a much-needed fillip to urban consumption.

The urgent need to bring about greater simplification and rationalisation of direct taxes cannot be overemphasised. Much has been done in recent years on this score, but an even greater paring of tax rules and regulations is required. Shifting income tax filing to the online route was a major leap in this direction; government websites need to be upgraded to world-class levels as well, given the enormous information technology expertise available in this country.

The Goods and Services Tax (GST) must also be rescued from the maze of Byzantine regulations that are now even being commented upon by the global media. Popcorn tax slabs, symptomatic of the tax bureaucracy's overzealousness, hit the headlines. It may not strictly come under the purview of the Budget, but a signal of intent on ironing out complexities would be welcome.

The focus of Finance Minister Nirmala Sitharaman must be, however, on stimulating economic growth in view of the slowdown in FY2025. The slump in the second quarter

It is a good time to gradually bring down tariff walls built in recent years to protect the domestic industry in view of the 'Make in India' programme.

was largely due to sluggish public spending during the General Election. The effort should be made up for this in FY2026 by ensuring that capital expenditure remains on track so that the engine of growth is revved up yet again. It may ultimately be followed by a much-awaited cut in interest rates by the Reserve Bank of India, thereby providing an even greater momentum to the economy.

There are two key sectors that

can also contribute to a revival in the coming financial year and need greater support. These are micro, small and medium enterprises (MSMEs) and export-linked industries. The MSME sector, one of the most vibrant segments of the economy, faced serious challenges during the Covid-19 pandemic. Credit assistance provided at the time did not ameliorate conditions adequately for these enterprises, which also had to face crippling payment delays from both public and private sectors. A package of measures to provide easier credit and repayment facilities would revitalise a sector that generates an enormous number of jobs.

The export-oriented sector poses greater challenges in the light of the Trump administration's plans to raise tariffs. The extent of tariff hikes on imports are not known yet, but an increase seems inevitable. While tariffs may go up higher for countries like China, there is no certainty that Indian goods will benefit in terms of getting a comparative advantage. Export units need to be given assistance to be able to compete with economies, again like China, where heavy

state subsidies are the norm.

It is also a good time to gradually bring down tariff walls built in recent years to protect the domestic industry in view of the 'Make in India' programme. This is not merely to blunt the attack from the US over high tariffs, but also to align these levies with international levels. Such a move could go a long way towards plugging this country into global supply chains.

In contrast, Trump's new policy directive on oil is likely to have a positive outcome for this country. His exhortation to the American oil industry to drill more could result in higher output and lower prices. World crude rates have already fallen from \$80 to \$78 per barrel since he made these comments. Any price softening will come as a relief by reducing the huge oil import bill and thereby the current account deficit as well.

The proposals should also provide a conducive climate for higher investment, both from domestic and foreign sources. A critical element needing greater attention is the ease of doing business. Even the recent annual corporate summit at Davos became an occasion for several economists to highlight the urgency of improvement in this area. Undoubtedly, much has been done in recent years to cut red tape, but much more work is needed to make it easier to invest and run a business.

As for the volatility in equity markets, the budgetary proposals may not curb short-term trends of FIIs pulling out and moving to places giving higher returns, like the US. But a stimulus to growth will underscore the fact that the India story is there for the long term. It would also ensure that the more viable foreign direct investment flows pick up significantly. The Finance Minister's aim must be to push growth to the range of 7-8 per cent. Only then will it be possible to come closer to the target of becoming a developed economy by 2047.

THOUGHT FOR THE DAY

India is becoming a large middle-income country, too complex & varied to be controlled centrally. —Raghuram Rajan

Playing Monopoly with Trump

RAJNISH WATTAS

AS US President Donald Trump hollered about acquiring Greenland and adding other pieces of land to the American kitty, I was reminded of the childhood game called Trade — better known as Monopoly today.

The board game was very popular and held great fascination for us as children as it enabled us to handle wads of 'currency notes', which were denied to kids by the money-minded adult world. At the start of the game, the 'bank' issued mock banknotes of different denominations to each player and took us to the make-believe world of buying and selling of cities, properties and other assets. One could land in 'jail' too, if the dice turned against you.

Now that Trump has reignited this fantasy — like the good property developer that he is — almost every territory anywhere is meant to be gobbled up. As an early mover, he is a man in a hurry to fill his bag, just like we lesser mortals stuff our 'basket' during the final hours of an Amazon Diwali bumper sale.

Monopoly, as I found out, is popular across the world as an 'economics-themed' game. Various makers create theme games that cater to various age/interest groups. Players roll the dice to move around the board, buying and trading properties and developing them into what ever improves their value.

The other day, I was playing Monopoly with my seven-year-old granddaughter. She insisted on buying Peppa Pig house, Hogwarts Castle (from the Harry Potter series) and the fairytale of Elsa — children's hot favourites. But she also wanted to send me to 'jail' and become the princess of all she surveyed.

Rather than having children as playmates, it will perhaps be more exciting to invite Trump for a round and buy out Las Vegas, Disney Land, Mar-a-Lago and of course, the flagship Trump Tower in Manhattan. Also, I would like to buy out the oil and gas fields of Texas, besides Redwood National and State Parks, Times Square and Silicon Valley. Also on my wish list will be renaming the Harley Davidson bike as 'Phut-Phut' (painted like the erstwhile Chandra Chowk bike taxis) and labelling the burger as a *samosa* of sorts with a Monopoly-empowered flurry of 'Executive orders'.

Amid the acquisition binge, after each new addition, I will regularly break into a jig a la Trump at his inaugural ball, to the tune of let's 'Make America DSD' (MAD)!

In fact, the USA ought to be renamed ULDA — United Land of Desi Americans — as these fellows will be big contributors to the much-touted 'Golden Age' of America. After all, it's the land Christopher Columbus called India — or maybe it was Indies.

Let's roll the dice, let the game begin... buy, baby, buy!

LETTERS TO THE EDITOR

Tahawwur Rana's extradition

Refer to '26/11 probe gets a new lease of life'; the US Supreme Court's go-ahead to the extradition of Tahawwur Rana to India is a significant victory in the fight against terrorism. For years, Rana, a key figure in the 2008 Mumbai terror attacks, has managed to exploit legal loopholes in the US. The court's rejection of this final appeal paves the way for India to bring him to trial. Rana's extradition is a testament to the persistence and diligence of India's legal and diplomatic efforts. Despite multiple rejections of his petitions in various courts, the evidence against him remains irrefutable, underscoring the importance of international cooperation in combating global terrorism.

SANJAY CHOPRA, MOHALI

Reduce administrative expenses

With reference to 'Punjab's plight'; the state, which used to be prosperous, has now finished last on NITI Aayog's fiscal health index. Successive state governments doled out freebies and borrowed funds for meeting debt obligations. The result is that the state is under an unbearable debt burden. The state exchequer is bleeding due to continuous mismatch between revenue receipts and expenditure and needs urgent course correction. The government should take bold decisions to reduce administrative expenses and raise tax revenue. Withdrawing free travel facility and rationalising power subsidy to domestic users and big farmers are among the steps that can be taken.

NIRMALJIT SINGH CHATRAPATHI, KAPURTHALA

Subsidies from taxpayers' money

Apropos of 'Punjab's plight', crores of rupees are being spent on free electricity as subsidy from the taxpayers' money. The electoral promise of Rs 1,000 per month to every woman is yet to be fulfilled. Besides, employees are awaiting the implementation of the Pay Commission recommendations. Freebies and subsidies, while politically appealing, must be carefully considered in view of their long-term economic impact. Moreover, withdrawing a benefit once given, even if unworkable, has its own repercussions.

RAJ KUMAR KAPOOR, ROHAT

Reforms in govt schemes

Refer to 'MGNREGS funds'; this employment scheme is a lifeline for millions of rural households in India, ensuring employment and financial security. However, recurring fund shortages and delayed payments have severely impacted its efficacy. The annual financial crunch has left many workers without timely wages, undermining the scheme's credibility. This not only affects beneficiaries but also raises concerns about the government's commitment to rural welfare. Addressing administrative inefficiencies, ensuring timely fund allocation and streamlining processes are crucial to restore trust and make MGNREGS a robust safety net. Urgent reforms are needed to align its implementation with the evolving needs of rural India.

SHIVKANDU BANSAAL, SHIMLA

Experimentation in education

The frequent experimentation by the UGC in higher educational institutions (HEIs) is not a healthy practice. In the long run, it will prove detrimental to the Indian education system. After Independence, education panels like Radhakrishnan Commission (1948-49), National Education Commission (1964-66) and the National Knowledge Commission (2005) were constituted. After a lot of deliberations and debates, the requisite reforms were incorporated in the Indian higher education system. The changes in education policies, though carried out slowly, were the outcome of discussions. The latest UGC draft rules regarding the appointment of bureaucrats and technocrats as VCs, coupled with interference of Governors, will damage the Indian higher education system.

YK ANAND, CHANDIGARH

Pensioners at receiving end

Refer to the news report 'HC ramps Centre for not implementing SC order on disability pension to armed forces personnel'; it has been observed that the Centre is indifferent to the plight of pensioners, who are made to wage a struggle for even their genuine grievances. Being oblivious to disability pensioners in the defence sector is inexcusable; it warrants deep introspection.

JAGDISH CHANDER, JALANDHAR

The political & social cost of climate crisis



SHYAM SARAN
FORMER FOREIGN SECRETARY
& EX-PM'S SPECIAL ENVOY FOR
CLIMATE CHANGE

WE are fully aware of the consequences of advancing climate change on our planet's ecology, on our economies and our energy, health and food systems. The political and social consequences of unabated climate change and irreversible global warming are less understood and appreciated. These consequences are already changing societies. They are changing political dynamics. Both within countries and beyond, climate change is exacerbating income and wealth inequalities. There are increasing differences in the capacity to cope with higher temperatures, for example, through expensive air-conditioning, the ability and without to move from more inclement to relatively less affected regions and to corner increasingly depleted resources to maintain unsustainable lifestyles longer, even if eventually a ravaged planet will sink all humanity. Some assume that the use of

artificial intelligence will find a way to tackle climate challenge. This is hubris of the worst kind. Time and again, the forces of nature have overwhelmed human artifice and will continue to do so with even greater intensity as the delicate threads that hold life together on our planet are snapped by human exploitation.

Our earth is a tiny speck in the vastness of our Milky Way galaxy. And our galaxy is a speck in the unbounded vastness of the cosmos. Planetary extinction will be an insignificant episode in cosmic time. It is the humility that should engender among humans which is missing and this lies at the heart of the ecological crisis, of which climate change is only an acute manifestation.

How does climate change alter societies? Climate change is changing weather patterns and vast areas of productive farmland. For example, farmlands in Africa, are becoming arid deserts. This triggers large population movements within countries and across borders. Families are disrupted, children suffer from malnutrition and irreparable psychological damage and the whole social fabric begins to disintegrate.

Their vulnerability exposes them to violence and exploitation by a powerful minority, which itself is contested by other such groups. Coercive power becomes the only instrument for holding a community together through fear. Those who migrate across



HOPE BELIED: At the Baku COP, oil-rich nations prevented the reaffirmation of energy shift pledge, Reuters

borders are no less exposed to violence and exploitation and the migration issue becomes, as it has in many western societies, an instrument of political mobilisation through fear of the 'outsider'. The stability of societies in both source countries as well as target countries, is disturbed. As families disintegrate and scatter, their members lose their anchor and identity.

Unstable societies are unequal societies; they are victims of oppression and injustice, they are often violent and cannot sustain a democratic polity. Stability does not mean stagnation. It means orderly change and aspirational societies. A sense of threat from the unfamiliar and fear of the outsider justifies authoritarian governance.

People become complicit in the limitation and even suspension of their own rights even as they applaud the vio-

The world's most powerful corporate entities, which had signed on to promoting the goal of net-zero emissions by 2050, have all walked out of their commitments.

lation of the rights of those they consider 'outsiders'. Populism is an expression of this pathology.

There is no doubt that the climate crisis — as also the larger ecological crisis the world confronts today — is the inevitable consequence of the fossil fuel-based pattern of economic development inaugurated by the industrial revolution of the 18th century. This has progressively become more resource- and energy-intensive and is mainly responsible for accelerating global warming and the larger ecological crisis.

Climate change is the result of greenhouse gases, chiefly carbon dioxide, accumulated in the earth's atmosphere, since the dawn of the industrial age. Carbon dioxide stays in the atmosphere for over a hundred years, diminishing only slowly and current carbon emissions add to that stock.

One measure of the stock is the concept of particles per molecule (ppm) of air. The higher the density of the ppm, the greater the extent of global warming. Before the industrial revolution, there were 260-280 ppm of greenhouse gases in the earth's atmosphere. The figure today is 422. A rise in ppm is associated with a corresponding rise in the global average temperature.

According to the International Panel on Climate Change, which is a gathering of climate scientists from across the world, a level of 450 ppm must not be exceeded in order to limit the global average temperature rise to 2°C by the mid-century. Any rise beyond this would result in irreversible and catastrophic consequences to the planetary ecology. The ppm level is still rising at the rate of 2 ppm per annum, implying that the 450 limit will be breached in 17 years time.

A special IPCC report in 2019 had warned that even a 1.5°C rise would result in several irreversible and dangerous impacts and should not be crossed. But this implies an immediate capping of greenhouse gases, which is no longer a realistic possibility. 2024 was the hottest year on record and this year is expected to set another record.

The impacts are the most severe on ordinary people who cannot afford air-conditioning, have to travel and work in the open and cannot escape to milder locations. Inequality increases in our societies and

this undermines the egalitarianism and sense of fraternity, which is the foundation of any democratic polity.

At the Conference of Parties (COP) to the UNFCCC held in Dubai in 2023, the outcome document acknowledged for the first time that to deal with the climate crisis, we must 'transition away from fossil fuels in energy systems in a just, orderly and equitable manner'.

This landmark decision raised hopes that, finally, the world would adopt the radical measures necessary to prevent further climate change. That hope has been swiftly belied. At the very next COP in Baku in November 2024, oil-producing and exporting nations were successful in preventing the reaffirmation of the energy transition commitment.

Since then, Trump has become the US President and he has once again walked out of the Paris Climate Agreement and promised to allow unrestricted oil and gas exploration and production in the US. The world's most powerful corporate entities, which had signed on to promoting the goal of net-zero emissions by 2050, have all walked out of their commitments.

The looming ecological crisis and the ravaging of the global commons will spare no country, neither rich nor poor. But, in the meantime, the underpinnings of a democratic polity with its commitment to equality, justice and fraternity are becoming its biggest casualty.

A child's failure in school exams is the system's failure



NAVNEET SHARMA
ASSISTANT PROFESSOR,
CENTRAL UNIVERSITY OF HP

A 10-year-old child in class V must be held responsible for her learning outcomes. If her learning outcomes do not meet the 'benchmark' or 'expected level of learning', she must be 'detained'. What should be regarded as the failure of the pedagogy, curriculum and the collective system of schooling has, in effect, been shifted onto the child or the individual learner.

The systematic dilution of the Right to Education (RTE, 2009) through successive amendments and the National Education Policy (NEP-2020) is a testament to this shift. The first amendment granted local governments the authority to ensure class-level learning, prompting 19 state governments to wholly reject the no-detention policy. The recent abrogation of this policy for centrally governed schools is merely another step toward its inevitable denouement.

Over six decades ago, John Holt authored the seminal work, *How Children Fail*.

Since then, the discourse surrounding education has evolved, gradually acknowledging that no learner, irrespective of his/her situation, is intrinsically unwilling to learn — he/she simply does not wish to be taught. A child cannot, with deliberate intent, choose not to learn.

The educational narrative has also moved, to some extent, away from solely emphasising intelligence quotient in favour of a broader understanding of multiple intelligences. There is no child who is inherently 'slow', 'weak', or a 'failure'. Rather, it is the inadequacy of the learning environment that prevents the child from realising his or her full potential. In this sense, it is the failure of the system, not the failure of the child.

Examinations should never serve as instruments of exclusion. Yet, each time we design an exam, we do so with a fixed understanding of merit, deeply rooted in the belief in the 'normal probability curve'. This framework tends to measure and categorise the learner based on rigid, prescriptive standards. Once a student is marked as 'below average' or 'labelled a failure', she is relegated to repeating the grade and the collective gaze of teachers, parents and peers begins to regard her as 'undeserving' or 'fit to fail'.

Multiple studies have revealed that repeating a grade does little to enhance a



FACTORS: Access to quality education is determined by the learner's 'social assets', THEHINDU PHOTO

child's learning outcomes or 'learning abilities'.

The promise of additional resources or strategies for improvement — beyond the superficial provision of 'special attention' or reducing the learner to an object of pity — remains murky at best. Simply revisiting the same syllabus for another year fails to address the core needs of the learner, reinforcing only the hollow logic of 'meritocracy'.

What is considered merit is often dictated by those perched in positions of power. If monkeys were to define 'ability' as the capacity to climb a tree, all fish would inevitably fall short. In much the same way, a learner's abilities are shaped not merely by innate potential but also by their 'cultural capital'.

It is the inadequacy of the learning environment that prevents the child from realising his or her full potential.

As Bourdieu and countless sociologists and psychologists have pointed out, the learner's capacity to learn is intricately tied to their socio-historical, economic and cultural background — factors over which they have little, if any, control.

Access to quality education, a rich curriculum and effective pedagogy is often determined by the learner's 'social assets'. In India, these assets extend beyond gender and physical abilities to encompass religion, caste, language and geography.

The growing clamour for a uniform system of one nation, one education, one curriculum and one examination will only amplify the struggles faced by the already marginalised learn-

ers. Take, for instance, a differently-abled, tribal, Muslim girl in a conflict zone. Her ability to meet the prescribed learning expectations under the normal probability curve is not a matter of will or intellect but of a convergence of obstacles beyond her control.

India, with its vast network of over 15 lakh schools and a student population exceeding 25 crore, paints a paradoxical picture of promise and neglect. Among these, 1.17 lakh schools operate with a single teacher, while a staggering two crore students remain deprived of access to what can truly be called 'quality' education. The teacher-student ratio is alarmingly skewed in several states, with recent reports revealing that 16 per cent of teacher posts lie vacant. This figure includes the patchwork addition of 'contractual' teachers.

If salaries and recruitment processes were indicators of teaching quality, the disparities would be nothing short of scandalous: 23 per cent of schools lack the requisite number of teachers and even more suffer from a deficit of professionally trained educators.

Despite lofty proclamations of education as an 'investment', budgetary allocations have persistently missed the mark, falling far below the recommended six per cent of the GDP. The numbers are

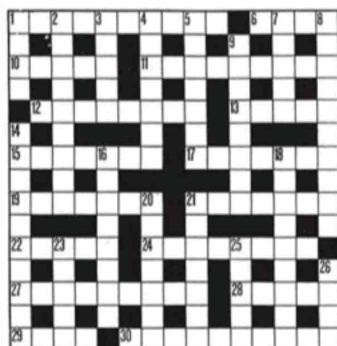
stark — 79 per cent gross enrolment at the secondary level, yet 3.6 crore children remain out of school. To compound this, 11 per cent of the schools function without electricity and 13 per cent are without libraries, eroding the infrastructure critical for holistic learning.

The abolition of the no-detention policy is, therefore, not merely an epistemic injustice, it is also a grave social betrayal. The children who are envisioned as the architects of a developed India by 2047 are, in reality, ensnared in a system that fails them at every level.

This is not a call to abandon the procedures that assess learning, but rather an invitation to reimagine the very constructs of 'pass' and 'fail', of 'retention' and 'detention'. To declare that 'schools are no longer centres of learning but merely mid-day meal distribution hubs' is not only a dismissal of the crushing poverty faced by our people but also a betrayal of the profound human aspiration to cultivate knowledge within these spaces.

The delicate interplay between being a learner and a knower — a dynamic already fragile — risks being irreparably blurred with the dismantling of the no-detention policy. A child may fail as a learner, but under no circumstance should her inherent agency as a knower be stripped away.

QUICK CROSSWORD



ACROSS

- 1 World's fourth largest island (10)
- 6 A national emblem (4)
- 10 To separate (5)
- 11 Harm to reputation (9)
- 12 Unavoidable vision (5,3)
- 13 Slipping sharply (5)
- 15 Utterly wicked (7)
- 17 Without wide variations (7)
- 19 Admit to be true (7)
- 21 To utter (7)
- 22 A heavy very dark wood (5)
- 24 A legislative body (8)
- 27 Military campaign of attack (9)
- 28 Physically weak (5)
- 29 To lunge (4)
- 30 Watchful against danger (2,3,5)

Yesterday's solution

- Across:** 1 Burning, 5 Host, 8 Demagogue, 9 Cox, 10 East, 12 Ballyhoos, 14 Plague, 15 Unroll, 17 All right, 18 Tact, 21 Tie, 22 Assuredly, 24 Mercy, 25 Sharpen.
- Down:** 1 Budget, 2 Ram, 3 Imm, 4 Global, 5 Hard line, 6 In cabots, 7 Tuff, 11 Small beer, 13 Luminary, 14 Phantom, 16 Thesis, 19 Rayon, 20 Area, 23 Dip.

SU DO KU



HARD

YESTERDAY'S SOLUTION

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

CALENDAR

JANUARY 29, 2025, WEDNESDAY	
■ Shaka Samant	1946
■ Magh Shaka	9
■ Magh Purnima	16
■ Hajar	1446
■ Krishna Paksha Tithi 15, up to 6.06 pm	
■ Siddhi Yoga up to 10.22 pm	
■ Uttaraashadha Nakshatra up to 8.21 am	
■ Shravana Nakshatra up to 7.15 am	
■ Moon in Capricorn sign	

FORECAST

SUNSET	WEDNESDAY	THURSDAY	12:54 HRS
CITY	MAX	MIN	
Chandigarh	22	06	
New Delhi	25	08	
Amritsar	20	04	
Bathinda	24	04	
Jalandhar	21	03	
Ludhiana	22	04	
Bhivani	22	06	
Hisar	22	06	
Simsa	23	04	
Dharamsala	19	05	
Manali	16	02	
Shimla	17	08	
Srinagar	10	-01	
Jammu	19	10	
Kargil	-01	-13	
Leh	00	-14	
Dehradun	—	—	
Mussoorie	19	08	

REUTERS & ITC

Trump makes a costly exit

The decision to withdraw the United States from the Paris Climate Agreement was part of a package of measures President Donald Trump announced soon after he assumed office, and all of them will set back the fight against climate change, substantially and psychologically. The US is the second highest emitter and the biggest legacy emitter of greenhouse gases which cause global warming. It is now in the company of Iran, Yemen and Libya which are outside the Paris agreement. Trump's announcement was expected as he had declared his intention during the campaign. He had withdrawn from the Paris agreement in his previous term but it took some time to come into effect as he had done it late in his term. Joe Biden not only reversed it but adopted some more measures to aid the fight against climate change. Trump has reversed all of them, and the decision to exit the Paris Agreement will come into effect within a year.

The record of developed countries in actions to counter climate change and in honouring their commitments to the world community is poor.

The US' performance has also been bad. All countries have delivered below-par results but the failure of the developed countries stands out because they have a greater responsibility and greater resources to deploy for the efforts. The US' withdrawal will particularly hurt for both these reasons. Trump has also rescinded some of Biden's policies. He has rescinded decisions such as the ban on oil exploration in the Arctic. He has reiterated the slogan "drill, baby, drill" and issued orders that will hurt the renewable energy sector. A Biden-era directive that sought to ensure that half of all new vehicles sold in the US by 2030 would be electric has been rescinded. Trump has also ordered the shutdown of government offices and programmes aimed at protecting the poor sections of the population from the climate crisis.

Many of America's states and cities that recognised the threat from climate change had adopted policies and taken decisions at variance with Trump's policies even during his first term. These states had formed coalitions with major companies and institutions to proclaim, "We Are Still In." They may continue with such policies and positions even now. But the absence of the US government in international negotiations on climate actions will be severely felt. Countries are expected to announce more emission reduction targets next month. The UNFCCC will have to work harder to keep the negotiations on course and ensure improved outcomes. The absence of the US from the process will make it much more difficult.

Move to regulate MFIs welcome

The plight of microfinance borrowers in Karnataka is deeply troubling, with three suicides linked to harassment by recovery agents being reported within a short span. Microfinance Institutions (MFIs) were created to provide financial support to the poor for critical needs like health and education, and weddings. However, the reality today is starkly different. Multiple lending, often to individuals who cannot repay, has become a norm. In many cases, borrowers have been pushed into over-indebtedness, taking loans from various companies that far exceed their repayment capacity. Many MFIs are indulging in unethical practices by blatantly flouting the Reserve Bank of India (RBI) guidelines by disbursing loans exceeding Rs 2 lakh per borrower, further pushing borrowers into a debt trap. Coercive recovery tactics, including threats and intimidation, are rampant in the microfinance industry. Many MFIs employ recovery agents with dubious backgrounds who pressure not only the borrowers but also their guarantors. For many, this has led to financial desperation with some feeling there is no escape from this humiliation other than suicide.

Opposition leader R Ashoka has alleged that the government's delay in disbursing loans under various schemes had forced people to borrow from MFIs. The government had released only Rs 643 crore out of the Rs 1,700 crore meant for corporations, resulting in a deficit of Rs 1,057 crore. This gap, according to him, was bridged by MFIs, leading to the present situation. Chief Minister Siddaramaiah has now promised stringent action, and has announced plans to promulgate an ordinance to regulate and crack down on erring MFIs. Deputy Commissioners have been instructed to act on complaints and helplines have been set up for borrowers to report harassment. The response is welcome, though belated. Ideally, routine monitoring of MFIs and their agents should have been a standard practice, preventing the situation from escalating to a crisis.

The problem stems from a systemic failure: inadequate borrower protection and insufficient oversight. MFIs in their pursuit of profit have abandoned the core principles of microfinance. While the goal of microfinance is to empower, the truth is that many borrowers are trapped in debt and despair. The RBI and the state government must take stronger action to protect the vulnerable from these exploitative practices by ensuring that MFIs operate within ethical and legal bounds. They must act swiftly before more lives are ruined. Microfinance should be a lifeline, not a burden that pushes the poor deeper into poverty.

Inadequate borrower protection and insufficient oversight have aggravated the problem

The re-energised Kannada translation ecosystem is part of a broader national renewal

MANISH SABHARWAL
AND RAHUL MATTHAN

Striker Raghavari's new book *Rama Bhima and Soma*, is a remarkable endeavour of translation and rediscovery. It is a powerful demonstration that "Kannada is one of India's most diverse states, as rich in literary and cultural traditions as it is in democratic struggles and political change". The book, part of a re-energised Kannada translation ecosystem, not only rescues us from historical amnesia but contributes significantly to the overdue acceleration in the national identity, culture and soft power infrastructure that is India's translation ecosystem.

Publishing in Kannada translation has been historically robust. Print culture originated early, with newspapers like *Mangaluru Samachara*, founded in 1843 (later *Kannada Samachara*). The Kannada Book Authority has an entire history through *Kannada Pustaka Samikrithi*, *Pustakadhyana Charithre*, and works like the *History of Kannada Literature* by R Narasimacharya are insightful. There have been strong literary movements, like the Pragatishtala and then the modernist Navya, helmed by stalwarts including U R Ananthamurthy, Kannada language publishing today includes presses like Bahuroopi and Chanda Pustaka.

The English translations of authors like Girish Karnad and Vivek Ashanbhai are now widely read (Srinath Perur translated both). However, there is still a gap in the translation of non-fiction. One of Kannada's most significant voices was DR Nagaraj, who, in the 1990s, began using the concept of 'smriti' or 'cultural amnesia' to counter Western preferences for intellectual understanding. While Nagaraj's works are known to an academic Indian Anglophone audience through previous translations of his essays in *The Flaming Feet and Listening to the Loom* (both by Prithvi Datta Chandra Sobhi), his ideas have not perhaps been adequately contended with in the larger Indian mainstream. A forthcoming book by Professor NS Gadgil under the NIF Translation Fellowship, will bring his ambitious posthumously published work *Allamaprabhu Mattu*

Shaive Pruthibe to new audiences.

There is good news in the national translation ecosystem: India's first non-profit, open-access, and crowd-sourced database of Indian translations has been set up by the Ashoka University Centre for Translations and is now searchable at www.bhashavaad.in. Like any open-source living archive, its current dataset—featuring 14,000+ entries, 6,500+ authors, and 7,000+ translators—is a work in progress that will constantly be improved. It is more a river than an ocean. But even at this stage, it answers questions like what is and is not being translated, who is publishing the translations, who is translating, which languages are the most ac-



tive, what the most translated languages are, and many more. It attempts to understand our multilingual landscape: the dynamics between languages, the communities that use them, and the regions they belong to.

Bhashavaad data suggests that the 125 translations in the first five decades of the 20th century leapt to 2,673 in the first two decades of the 21st century. The top ten translated languages are Bengali (7,449), Hindi (1,155), and Marathi (887), followed by Tamil, Malayalam, Urdu, Telugu, Kannada, Sanskrit, and Odia. The top five languages that receive translations outside English (half the story) are Hindi, Gujarati, Kannada, Bengali, and Telugu. A happy discovery is the long tail of translations from Manipuri, Maithili, Kodava, Rajbangshi, Mizo, Kolokor, and Bongcher. The top languages for translation from Sanskrit are English, Gujarati, Hindi, Kannada, and Punjabi.

A work in progress
A search for "Kannada" returns 1,627 results. The "Translated Into" current-

ly features 1,069 titles for Kannada, the third-highest number behind Hindi (2,134) and Gujarati (1,170). In intra-bhasha translation, the pairings found most often for Kannada were translations from Marathi (175, with 127 of these by the same translator, Chandrakant Polale) and Telugu (163). The most-translated authors are S L Bhyappa and Chandrasekhara Kambura.

Bhashavaad, like any database, is helpful but incomplete. However, it will improve as the Kannada ecosystem of public users, authors, and translators add new entries and correct existing ones. Publishers will soon have interactive interfaces to add or modify information. Collaborations with repositories of existing records are being explored, and data collection work continues from catalogues, websites, and library lists.

The questions facing the Kannada publishing and translation ecosystem are simpler but challenging. How do we get more translations for the long tail? How do we increase the translations within Indian languages? How do we get better matching for translators with authors and publishers? How do we improve book discovery and marketing mechanisms for translated books? What is the impact, if any, of tools offered by Artificial Intelligence on translation? What is needed for Indian writing in Indian languages to be accessible more widely within and outside India? These questions are complex, but Indians have natural translation competencies and must lead the world in translation theory, study, and practice.

In the *Chintanale* series he edited for Akshara Prakashan, Nagaraj expanded on the peculiar kind of forgetfulness in which societies forget their structures of thinking: "Thoughts that serve neither as a mirror nor a lamp are not useful." We must reconnect with our languages because they are "seeds and fields—alive as the minds, tongues, throats, bodies, and air they pass through; germinating, growing roots, bearing fruit, evolving like beings". Linguist Claude Hagege suggests that languages are not a collection of words, syntax and semantics but living, breathing organisms holding the connections of a culture. They also offer equal citizenship, identity, and soft power. Kannada's translation ecosystem will help because there is new energy.

(Manish is an entrepreneur; Rahul is a lawyer who volunteers at the New India Foundation)

RIGHT IN THE MIDDLE

Cauvery and Cadbury

Little did I know that the cows would bring more than fresh milk into our lives

M R ANAND

WE had a cow white as milk and a calf brown as chocolate with a teardrop white patch on her forehead. This naughty calf never walked but always gambled. I named the chocolate-like calf Cadbury. It was a festive day when they arrived at our Kanchipuram home. Sweet rice was prepared and shared with neighbours who came to meet the new additions to our family.

A small shed was built in our backyard for the mother and her daughter. A cowherd boy, Kannan, would visit twice a day to milk the cow and tend to their needs. The night following their arrival, my grandfather, Gopalachari, could barely sleep, eagerly awaiting the first

cup of coffee made with Cauvery's fresh milk. At 5 am, Kannan arrived with his cylindrical vessel. After allowing Cadbury to have her share, Kannan started to milk the cow. In less than 20 minutes he handed over the vessel brimming with frothing milk to my grandfather, and in another 20 minutes came out of the kitchen to hand over a brass nutmeg filled with steaming coffee to my grandfather, who was ecstatic when he tasted it.

Every Friday, my grandmother would perform puja to Cauvery and Cadbury. First, a thorough bath followed by applying kunkum and haldi on their foreheads and a meal of jaggery and bananas. The ceremony would conclude with an arati.

Cauvery was a gem of a cow. She never brambled her horns against us. She loved being tickled on her dewlap and would gaze at us with appreciation when we fondled Cadbury, which seemed to say, "Thanks for loving my child."

She was with us for about two years when I had to leave my grandfather's house for Madras (now Chennai) to join my parents. I missed Cauvery and Cadbury dearly. My letters to my grandparents were always about them. Then one day my grandfather wrote to say that he sold Cauvery and Cadbury. "I had to do it because the owner of the house asked us to vacate, and no other house owner was willing to let out his house for a tenant with a cow and a calf," he explained.

I learned so much from my two years association with Cauvery the cow and her calf Cadbury. Even today, I remain grateful to Cauvery not only for her milk but also for the seed of love for animals in general and her beautiful calf Cadbury planted in my heart. Nowadays the subject of cows raises eyebrows. Cow is a motherly being not only for Hindus but also for people of other faiths. She has all the qualifications to be loved by all.

LETTERS TO THE EDITOR

Address the flaws and irregularities in microfinance

Microfinance has not achieved widespread success in any country except Bangladesh, where it was pioneered by Mohammad Yunus, a Nobel laureate. Ironically, not in economics. Initially, microfinance was hailed as a means to reduce poverty, expand financial inclusion, and empower women. However, its popularity has waned, and it is now viewed as a failed development financing tool. In order to mitigate the "micro-

finance menace," governments and central banks must impose stringent regulations that prioritise prudent lending practices and protect vulnerable borrowers from unmanageable debt. The monetary authority must act swiftly to address the flaws and irregularities that have been made public.

KV Chandramouli, Mysuru

Welcome move

Apropos, Uttarakhand becomes first state to implement UCC (Jan 28). Uttarakhand's adoption of a uniform civil code (UCC) is a welcome move. The UCC prioritises individual rights over customary and religious practices, ensuring equal treatment under the law. Uttarakhand can serve as a template for implementing the UCC, which will provide protection from discriminatory practices and promote equality. The mandatory registration of marriage, setting a common age of consent and creating conditions that would make it possi-

ble for individuals to exercise their rights are part of this supra-communal arrangement by law.
N Sadhasiva Reddy, Bengaluru

Uncalled for

Congress President Mallikarjun Kharge's remark about Amit Shah's holy dip in the Ganges is unwarranted and inappropriate. As a public figure, Kharge should respect individual beliefs and refrain from personal attacks. Political leaders must be more cautious in their remarks, as they are role models for the next generation.
Manu P Cherian, Bengaluru

Say no to sound

I refer to 'Loud and clear: Noise not part of religion' (Jan 28). The use of loudspeakers at places of worship has been a contentious issue, with the SC barring their use between 10 pm and 6 am in 2015. The government must convene an all-religion meeting to find an amicable solution.
Kamana Kale, Pune

Our readers are welcome to email letters to: letters@deccanherald.co.in (only letters emailed – not handwritten – will be accepted). All letters must carry the sender's postal address and phone number.

SPEAK OUT

...The opponents are trying to lead society towards anarchy, and the college campus has become the biggest ground for sowing the seeds of anarchy. Efforts are being made to spread anarchy and despair among the youth.



Devendra Fadnis, Maharashtra CM

Old age and treachery will always beat youth and exuberance.

David Mamet

TO BE PRECISE

PM pitches for 'concert economy' in India



IN PERSPECTIVE

Water for wild elephants

Artificial water provisioning during the dry season has proved detrimental to elephant habitats

NISHANT SRINIVASIAH

IN seasons or certain periods that are prone to heat or prolonged droughts, providing water for wild animals may become important for maintaining ecological balance. Access to water ensures hydration, thermoregulation, and sustenance for various species, thereby mitigating the impacts of environmental stressors and promoting biodiversity conservation. While people in urban areas of Karnataka worry about the lack of rain, there is also growing concern for the non-humans in the forested habitats. Often provisioning of water either through tankers or solar powered borewells inside the forests for elephants and other animals to quench their thirst during the dry season is considered an act of benevolence and a critical management tool to arrest deaths due to dehydration. Yet, studies conducted in the forests of southern India and Africa have begun to show that such well-meaning interventions can have unforeseen and detrimental consequences to the elephants and its habitat.

Contrary to popular belief, water availability in human-provisioned water ponds or troughs within the forests of the Eastern Ghats of southern India (a dry zone) appears to have a weak but positive influence on the distribution of elephants during the dry season and has no effect on their distribution in the wet season. Studies further reveal that the decision-making rules of the elephants in the dry zone prioritise accessing areas with high forage availability and avoiding areas with high human activity during this season well over water sources. This may very well be due to the presence of perennial water sources such as the Cauvery and other rivers in the landscape that is used by animals during the wet months of the year. Wild animals such as elephants often resort to digging small pits or wells using their feet, tusks and trunks to access water beneath the surface of dry sandy riverbeds too.

Furthermore, in the Western Ghats, research indicates that elephants exhibit a preference for natural water sources such as rivers and flowing streams during the dry season. Contrary to expectations, elephants are not necessarily drawn to human-made water troughs, highlighting the importance of preserving natural hydrological features in elephant habitats. The artificial provisioning of water may disrupt the behavioural patterns, fracturing the migratory behaviour of elephants who rely on rivers and streams as navigational cues. This disruption may have cascading effects on ecosystem dynamics, leading to habitat degradation and altered vege-

tation patterns. These findings call into question the necessity of artificial water provisioning for elephants, who naturally travel long distances and are migratory in nature.

Preserving natural sources

Evidence from the Kruger National Park in South Africa corroborates the detrimental effects of artificial water provisioning on elephant behaviour and ecosystem health. Artificial water points disrupted the traditional migration patterns, leading to elephants congregating in localised areas and exacerbating habitat degradation. The concentration of elephants around water troughs led to overgrazing and destruction of natural vegetation, further exacerbating ecological sources for vegetation, affecting multiple other species. In the Okavango delta of Botswana, stagnant water in waterbodies became breeding grounds for toxic bacteria such as blue-green algae, posing a lethal threat to elephants. The mass die-off of close to 400 elephants in Botswana attributed to the cyanobacterial poisoning in 2020 by some studies serves as a stark reminder of such perils.

The priority of the forest managers would therefore lie in the preservation of natural water sources to safeguard elephant populations and ecosystem integrity. Ensuring free access to rivers and streams, protecting natural water sources for elephants during the dry season – is paramount. The artificial provisioning of water may also disrupt natural mortality rates, favouring the survival of weaker individuals at the expense of genetic diversity. Under unfavourable weather conditions, natural selection acts as a mechanism for ensuring the survival of the fittest individuals and perpetuating strong genetic lineages. Hence, drying of elephants' natural water sources and is a necessary mechanism through which populations are controlled naturally.

The scientific evidence available thus far indicates that artificial provisioning, while well-intentioned, is the best of intentions, has adverse effects on elephant behaviour, ecosystem dynamics, and genetic fitness. We must therefore re-evaluate current management practices while prioritising the preservation of natural water sources to maintain ecological balance and promote the long-term viability of elephant populations. By refraining from interventions and allowing natural processes to unfold, we can uphold the integrity of ecosystems and ensure the survival of elephants in their natural habitats.

This is all the more true for urbanites, as most of us are dependent on the same river water that these wild animals naturally drink from these harsh perils. A judicious use of water and water conservation plans in the cities can therefore go a long way in helping the non-humans.

(The writer is a post-doctoral fellow, IIS Lab, IIS, Bengaluru)



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EXPLAINED CLIMATE

WHY GREENLAND'S CRYSTAL BLUE LAKES HAVE TURNED BROWN

ALIND CHAUHAN
NEW DELHI, JANUARY 28

A new study has revealed that over 7,500 lakes in west Greenland have turned brown and began emitting carbon due to the extreme weather events of 2022.

The study, 'Abrupt transformation of west Greenland lakes following compound climate extremes associated with atmospheric rivers', was published in the journal *Proceedings of the National Academy of Sciences* last week.

This transformation, which typically takes centuries, occurred at breakneck speed, according to the analysis.

What happened?

Greenland typically experiences snowfall between late August and September. However, warmer temperatures in 2022 resulted in massive rainfall and the thawing of permafrost – frozen ground which often contains a significant amount of organic carbon.

With record rainfall, carbon, iron, magnesium, and other elements trapped in permafrost were washed into the lakes. This transformed their physical, chemical, and biological properties. The dramatic impact was visible by July 2023.

The changing colour also affected phytoplankton, as less sunlight penetrated the water. Phytoplankton typically consume carbon dioxide through photosynthesis on a scale equivalent to forests. With reduced light, this absorption declined as the breakdown of organic mat-



A lake in Isunngua, Greenland.
Wikimedia Commons

ter by other lake organisms increased. The lakes were thus transformed from carbon sinks to sources of carbon dioxide, with their emissions rising 350%.

Why is this significant?

The findings follow another recent study which revealed that the amount of carbon absorbed by land has temporarily collapsed. It included that forests, plants and soil – as a net category – absorbed 0.23 to 0.65 gigatonnes of carbon in 2023, the lowest since 2003.

Notably, Earth's oceans, forests, soils and other natural carbon sinks absorb about half of all human emissions. As these carbon sinks either stop absorbing carbon or become carbon sources, the levels of atmospheric carbon are expected to skyrocket.

The planet is already emitting unprecedented amounts of heat-trapping greenhouse gases into the atmosphere, especially through burning fossil fuels.

EXPLAINED GLOBAL

TRUMP FIRES MANY INSPECTORS GENERAL: WHAT IS THEIR ROLE?

US PRESIDENT Donald Trump fired at least 12 inspectors general on Friday, capping a week of shake-ups in government.

The firings defied a law that requires presidents to give Congress 30 days' advance notice before removing any inspector general, along with reasons for the firing. Two years ago, Congress had strengthened that provision.

Role of Inspectors General

Congress created inspectors general in 1978 as part of a post-Watergate wave of government reforms. The idea was to have independent watchdogs in federal agencies and departments.

Their number has expanded over time. There are now 74 inspectors general throughout the executive branch, although only 36 of them are Senate-confirmed, presidentially appointed officials.

Inspectors general can uncover incompetence or wrongdoing that embarrasses administrations, and presidents have sometimes chafed at their exist-

ence. President Ronald Reagan replaced all Jimmy Carter-appointed inspectors general when he took over in 1981, but he later rehired some of them.

They have traditionally remained nonpartisan officials when new presidents take office. It is rare for presidents to remove them, absent any misconduct.

Who was fired?

Trump had appointed some of the inspectors general believed to have been fired on Friday, and it was unclear what criteria the White House had used for the removals. Senior Trump administration officials also provided different numbers late Friday as to how many had been axed.

Agencies and departments whose watchdogs were said to have been removed included the departments of Agriculture, Commerce, Defense, Education, Interior, Labor, Transportation and Veterans Affairs, along with the Environmental Protection Agency.

THE NYT

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ASER 2024: Enrollment up, what's ahead for early childhood education?

EXPERT EXPLAINS

RUKMINI BANERJI

SINCE 2005, the NGO Pratham has released the Annual Status of Education Report (ASER) to measure basic reading and arithmetic levels among school children, attendance in school and other indicators. The data have revealed broad trends in learning over the years.

The 2024 ASER survey reached 6,49,491 children in 17,997 villages across 605 rural districts. It recorded major gains in the share of children of the pre-primary age group (3 to 5 years) enrolled in some kind of institution (LKG or UKG classes/Anganwadis/others). There were substantial increases in reading and arithmetic levels – an encouraging development after the learning losses during the Covid-19 pandemic. This was also the first full-length ASER survey to record digital literacy among older children (15 and 16 years). Here are the key takeaways from the report on learning outcomes and the outlook.

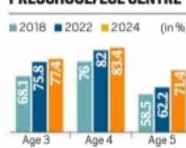
1 Where do the learning levels stand in 2024?

At the elementary level (age 6 to 14 years), covered under the Right to Education Act of 2005, both reading and arithmetic levels have improved for children in all grades in most states. In particular, children in Classes 1 to 3 show significant increases from the 2022 ASER report. For children between 3 to 6 years, two key findings are worth highlighting: first, pre-school coverage rose between 2018 and 2024. ASER data also show that by 2024, the proportion of rural children of age 3 who are enrolled in some kind of early childhood education program was 77.4%.

2 With five years of the 2020 National Education Policy, what has changed for schools?

The NEP introduced structural changes – particularly by including the 3 to 6 age group in the larger picture. The policy underlines that the highest priority will be given to achieving universal Foundational Literacy and Numeracy (FLN). Launched in 2021, the National Initiative for Proficiency in Reading with Understanding and Numeracy (NIPUN Bharat) was aimed at improving these skills. It aims for universal FLN at the end of Class 3 (age 8) by 2026-27.

CHILDREN ENROLLED IN PRESCHOOL/ECE CENTRE



Note: Pre-school coverage includes enrollment in anganwadis, pre-primary classes in govt schools, or private LKG/UKG classes. ECE is Early Childhood Education. Source: ASER 2024

The latest ASER survey found that at the all-India level, 83% of schools said they received directives from the government to implement FLN activities. Around 78% said that at least one teacher in the school had been trained on FLN, while 75% also received relevant learning material.

nural school, you will see a lot more things than before, whether it is building blocks, books or other learning materials.

3 What is the need for focusing on Early Childhood Care and Education (ECCE)?

The NEP states that Class 1 enrollment should happen at age six. This is because going to school too early can be counterproductive. A child has to be cognitively and socially ready to cope with what formal school brings, in terms of curricular expectations or classroom behaviours.

With a focus on ECCE, there is an acknowledgement that you prepare children not just to enter Class 1, but for the three years before that. If you get a child and her family ready for school, you also get the school ready for the children and eventually have the early childhood structure come into place.

A large share of that age group goes to Anganwadis (more than one-third of children aged between 3 and 5, according to the ASER report). Though early childhood education has not received priority at times, quite a few states are now doing specialised training with Anganwadi workers.

Anganwadis have a lot of tasks at hand, such as immunisation and nutrition. But

ther by experts of the state CID or their trained officers. Prints are typically lifted off glass, metal, or plastic surfaces. Usually, only "proper" prints, in which the top third of a finger, with the whorls and arches that form unique patterns in each individual, are considered.

The lifted prints are checked against the prints of the accused either digitally or by a fingerprint expert at the CID. Under the Henry Classification System of sorting fingerprints based on their physiological characteristics (developed by the English police officer Sir Edward Henry), a match of 10 points is considered a positive match, a former official of the fingerprint bureau in the CID said.

Smudged fingerprint samples return an inconclusive result.

Lifting, matching prints

In Maharashtra, fingerprints are lifted ei-

One print is enough

Impact on India, others

The implications of this for countries such as India is that if foundational AI models can be trained relatively cheaply, then it will dramatically lower the entry barrier for nations keen to build models of their own.

The success of DeepSeek and Alibaba models has shown that the fixed cost of building models can be brought down, a vital factor for countries that hope to get into this race but are constrained by resources such as Graphics Processing Unit (GPU) availability or the funding needed for setting up a foundational model from scratch and scrounging for the data that it needs to crunch.

This also comes when there is a debate in India over whether to build a foundational model from scratch or rely on already available open source LLMs to build wrappers on top of them. Infosys co-founder Nandan Nilekani has said India should not focus on building large language models, while others in the AI industry, including Aravind Srinivas, the founder of Perplexity AI, stating that Nilekani's comment "is wrong." "...he's (Nilekani's) wrong on pushing Indians to ignore model training skills and just focus on building on top of existing models. Essential to do both," Srinivas said in a post on X.

Speaking about DeepSeek's breakthrough, he said in another post: "I hope India changes its stance from wanting to reuse models from open-source and instead trying to build muscle to train their models that are not just good for Indic languages but are globally competitive on all benchmarks."

Two other issues could have a bearing on this debate. In its last few days in office, the Biden administration released a regulatory framework controlling the export of AI hardware like Nvidia's graphics processing units. The US government had proposed to create three tiers of countries, with different levels of export control restrictions of AI chips and GPUs. India was bracketed in the middle tier.

New Delhi is currently in the middle of procuring 10,000 GPUs to set up domestic AI computing capacity.

The second is that this comes just ahead of the Paris AI summit, which focuses on the broader agenda of global AI governance, innovation, and on ways of serving the larger public interest. Prime Minister Narendra Modi is set to co-chair the Paris Summit. The elephant in the room at the Summit is likely to be China, and astounding advances made by the country in AI, despite efforts by Washington to thwart this progress.

Multiple individuals, including the victim, could leave prints at the scene of a crime; also, it is not necessary that an accused leave proper prints of all his fingers. Police require a record of just one finger on either hand of an accused to establish their presence at the crime scene.

Prints of all 10 fingers of arrested accused are sent to the CID to check if any one of them matches with those lifted from the scene.

Mumbai Police have said that they are still waiting for the final report of the CID on the prints they have lifted from the crime scene. They have not confirmed how many prints they have sent to the CID.

An official said that under the Bharatiya Nagrik Suraksha Sanhita, investigators are required to make a video recording of the entire panchama process along with time-stamps so as to maintain transparency.

Dr Rukmini Banerji is CEO of Pratham. She spoke to Rishika Singh

13 THE IDEAS PAGE

Making Europe Great Again

Popularity of Donald Trump's 'Make America Great Again' highlights deepening ideological divisions within the West. Delhi must pay attention to its impact on global geopolitics and economy



RAJA-MANDALA
BY C RAJA MOHAN

THE POLITICAL SUCCESS of Donald Trump's "Make America Great Again" movement has sparked hopes for a similar political push in Europe, dubbed "Make Europe Great Again". Like in the US, so in Europe, the objective of the movement is to upturn the current liberal order in Europe — centred on open borders, open markets, and supra-national institutions.

The growing connections between MAGA and MECA conservatives highlight the deepening ideological divisions within the West that are bound to have an impact on the global landscape. Historically, Europe's internal conflicts, such as those between capitalism and communism, have had a profound influence across the world. This time will be no different. While the recent global discourse has often framed debates as "West versus the Rest", or the "North versus the South", the more consequential debates are in fact within the West.

For instance, Western conservatives share common ground with Russian President Vladimir Putin, who promotes Russian nationalism and celebrates traditional Russian culture and values. Similarly, Chinese President Xi Jinping's worldview is rooted in nationalism and a claim to an exceptional Sinic civilisation. Ironically, Russia and China once the champions of enlightenment universalism are aligned more closely with Western conservatism on nationalism, traditional values, and sovereignty. The implications of these connections remain to be seen, but they cut across many presumed fault lines of the international system today.

For now, though, the focus is on the ideological battles within the West. They culminated in Trump's victory in the US elections last year. Europe is now facing its own challenges, including the fallout from Russia's invasion of Ukraine and China's advancements in the auto industry.

Trump is exerting direct pressure on European economic and security policies and even demanding an important part of its territory. His ally, Elon Musk, is using his platform X to challenge the traditional liberal and centrist consensus in European politics by supporting parties labelled as far-right. Recently, Musk has engaged quite vigorously with British and German politicians. He launched a tirade against unneeded immigration and British tolerance of crimes in the name of respecting cultural diversity. In Germany, he has endorsed the Alternative for Germany (AfD), which is currently polling second after the conservative Christian Democratic Union.

These external and internal pressures are poised to reshape the European political landscape this year. Whether this will lead to a "great" Europe remains uncertain, but change is imminent.

European Commission President Ursula von der Leyen asserts that Europe is "already great". Citing its unique social market economy, robust trade sector, and higher living standards compared to global competitors. However, she acknowledges the need for change, stating that Europe has relied on global trade, cheap Russian energy, and US



security for too long. To sustain growth over the next 25 years, Europe must adapt, prompting her to commission a report on European competitiveness from Mario Draghi. Von der Leyen is expected to announce this week a road map to implement some of Draghi report's recommendations.

The relationship between Europe and major powers like Russia, China, and the US is no longer a matter of concern for high-state policy; it is being influenced by public sentiment on the street.

Various European conservative parties are gathering in Brussels this week to find strategies to emulate Trump's electoral and policy success. Although these parties lack a unified platform like the Republican Party, they hope to influence upcoming elections across Europe. While they may not form governments independently, their growing strength has shifted the centrist parties further to the right, weakening the traditional consensus against far-right parties.

Across Europe, right-wing movements are gaining traction due to voter worries about immigration, economic stagnation, cultural identity, and dissatisfaction with the current political order. The collapse of Germany's governing coalition and the upcoming election in France 2025 highlight this urgency. The AfD has capitalised on the German discontent with traditional parties, becoming a serious contender in federal elections. Similar trends are observable in Italy, Poland, and the Netherlands, where right-wing populism is challenging the political mainstream.

European elites used to view their political culture as distinct, if not superior, to that of the US. However, American political influence has increasingly permeated European societies. Trump's MAGA movement has fuelled the resurgence of the far-right in Europe, fostering unprecedented connections between populist forces across the Atlantic.

Trump's success has inspired nationalist movements in the West, offering a model for challenging established political elites. His strong stance against illegal immigration, "woke" ideology, and globalisation resonates with many European leaders. In a region that has bet its future on supra-national European Union, there is a growing desire to reclaim national identity and political autonomy.

Several factors have contributed to the rise of radical right movements in Europe: Economic anxiety: Years of stagnation, worsened by the Covid-19 pandemic and the Ukraine war, have led to inflation, housing shortages, and rising inequality. The right has exploited these issues, promoting protectionist policies and blaming immigrants for economic problems.

Cultural displacement: The influx of migrants has raised fears regarding cultural identity and security. Far-right leaders have intensified these concerns, framing immigrants as threats to national stability.

Disenchantment with the establishment: Many voters view mainstream political parties as elitist and unresponsive. Far-right parties present themselves as alternatives, promising to restore power to the people.

Normalisation of extremist rhetoric: Social media and alternative media have made radical right ideas more mainstream.

Disillusionment with the EU: Many right-wing groups are Eurosceptic, challenging EU policies on migration, climate change, and economic integration. This scepticism threatens collective action on shared challenges.

Similar to the US, traditional structures of Western social, political, and economic organisation are being challenged from the right in Europe. This political upheaval increases the pressure for a new compact between elites and the populace in the West. The outcome of this internal battle in the West will have profound implications for India and the world. With India's rising stakes in the West, Delhi must pay closer attention to the internal political changes within the US and Europe and their impact on the global economy and geopolitics. Additionally, Indian political parties should shed their isolationism, renew their historical connections to Western political parties and engage with emerging forces in Europe and North America.

C R Saikumar

The writer is contributing editor on international affairs for The Indian Express

WHAT THE OTHERS SAY

"DeepSeek's R1 highlights a broader debate over the future of AI: Should it remain locked behind proprietary walls, controlled by a few big corporations, or be 'open sourced' to foster global innovation?" — THE GUARDIAN

India Inc's equity challenge

Corporate sector must step in to ensure that development opportunities are available to all



AJAY PIRAMAL AND DEBOPAM CHAUDHURI

MACROECONOMICS DEFINES GROWTH as the increase in real national income, while economic development is seen as an improvement in the quality of life and living standards. In a pedagogic universe, both are intertwined in a virtuous cycle of prosperity. But in the real world, leakages often weaken this link, amplifying inequality and preventing the equitable distribution of national wealth.

The last decade marked a turning point for India. Strong political will and strategic economic reforms have propelled the nation into an era of high growth. Once considered among the fragile economies, India is now recognised as a beacon of growth. Massive investments in infrastructure, land and labour reforms, constitutional amendments, tax restructuring, and prudent bankruptcy codes have bolstered business conditions. The current administration has significantly shifted India's economic narrative, acknowledging wealth creators as vital stakeholders in the nation's progress — a departure from the socialist mindset post-Independence. With a young, aspirational population and a supportive policy environment, India is poised for a transformative decade. Global institutions such as the IMF, World Bank, and Morgan Stanley predict robust economic growth prospects for the country, spurred by reforms and capital expenditure undertaken over the last decade.

However, there are fissures in India's growth trajectory that must be addressed urgently. These issues threaten to undermine the vision of a developed India (Viksit Bharat) by 2047, where per capita income must rise from \$2,700 to \$15,000. Persistent inequalities remain a significant obstacle to achieving India's economic potential.

A stark illustration of this inequality can be seen geographically. A hypothetical line from New Delhi to Hyderabad on India's map separates the nation into two distinct regions. On one side lie high-income states like Gujarat, Maharashtra, Karnataka, and Tamil Nadu, driving India's global economic presence. On the other, states such as Bihar, Jharkhand, Chhattisgarh, Odisha, and Assam struggle with slow growth and systemic underdevelopment. Official estimates on states' GDP suggests that the per capita income of the rest of India is 2.2 times higher than the average of these five states. What is worrying is this gap seems to have increased over time. From 1.6 times in 2011-12 to 2.2 times by 2021-22. Low-income levels have manifested through other economic indicators in these regions. For example, while these

five states account for 26 per cent of India's workforce, owing to low productivity, they contribute only 11 per cent of GDP. Their maternal mortality rate is as high as 165, compared to the national average of 75, and the SDG target of 70. The poverty rate stands at 23 per cent, more than double the national average of 10 per cent, and far from the SDG target of 0.

Similarly, conditions in the 112 aspirational districts, concentrated largely in these states, remain grim. These districts have Human Development Index scores comparable to some of the weakest sub-Saharan nations. Through the Piramal Foundation's work, several stark realities of these regions have come to light. One, in Assam, during the monsoons, areas known as "Chars" turn into isolated islands, cutting off access to schools and public services. Children endure trips to four-hour journeys to school, crops are destroyed, and poverty becomes acute. Two, in the Balraich district of Uttar Pradesh, children risk leopard attacks on their way to school. Three, in Nagaland's Kiphire district, connectivity is so limited that residents must travel eight to nine hours through treacherous terrain to reach the nearest hospital.

Despite these hurdles, India has made notable progress. Government efforts have significantly reduced multidimensional poverty — from 29.2 per cent in 2013-14 to 11.3 per cent in 2022-23 — lifting 250 million people out of poverty. Approximately Rs 48 lakh crore is spent jointly by central and state governments annually on social sector schemes, addressing health, sanitation, education, and transport.

Yet, the role of the private sector in addressing these inequities remains limited. A stark disparity in Corporate Social Responsibility (CSR) funding highlights this neglect. For instance, Pune, with a population of under one crore, receives Rs 257 crore annually in CSR funds, translating to Rs 375 per capita. In contrast, the 112 aspirational districts, home to 25 crore people, receive only Rs 472 crore, or Rs 19 per capita. This glaring inequity underscores the urgent need for corporations to direct their CSR initiatives toward the underserved regions.

We should see India as a congregation of three distinct population segments. The affluent segment of about 5.6 crore people, the mid-income and aspiring segment of 110 crore people, and the economically weak segment of 20 crore people. There must be focused intervention by both private and public stakeholders to ensure equitable development opportunities are available to all these segments. This can be met by a combination of higher participation of corporate players through their CSR channels in the poorest Indian districts and overhauling government mid-level systems for better delivery of public services. Unless all of India develops equally and quickly, we remain exposed to the risk of under-utilising our demographic dividend and the unique economic opportunity of the China plus strategy.

Piramal is chairman and Chaudhuri is chief economist, Piramal Group



SARJAN SHAH

Money can't buy AI

DeepSeek breakthrough shows big tech need not be built on billions of funds

THE AI INDUSTRY and US technology stocks have been shaken by an extraordinary announcement: A Chinese company has developed and open-sourced a foundational AI model (called DeepSeek) that is equal to or better than the multi-billion-dollar AI models created by global giants like OpenAI and Google DeepMind. What made this announcement even more remarkable was the claim that the model had been developed in just over two months, with a budget of less than \$6 million.

This breakthrough is a direct challenge to the idea that AI progress depends on enormous computational power, vast datasets, and billions in funding. For an industry built on the belief that scale is king, this news may represent the start of a new era — one in which innovation, rather than sheer resources, determines success.

What makes the story even more fascinating is that the Chinese company achieved this milestone under sanctions that restricted its access to advanced chips and cutting-edge hardware. This success raises a critical question: How did China achieve what others, with far more resources, have not?

The AI industry, until now, has been driven by a simple rule: Bigger is better. The belief has been that only companies with deep pockets, massive data centers, and access to the latest GPUs can create state-of-the-art AI models. Companies like OpenAI have poured billions into their models, investing in large-scale GPU

clusters, vast data troves, and years of research. This Chinese breakthrough turns that logic on its head. If high-performing AI can be built quickly and cheaply, the exclusivity of cutting-edge AI disappears. Open-sourcing the model further democratises the playing field, ensuring that anyone — startups, researchers or even small businesses — can build on this technology without needing to match the resources of tech giants. The implications are vast. Companies like Nvidia, which dominate the GPU market, and data centre operators, who are scaling up in response to AI, may find themselves facing difficult questions. If AI progress no longer depends on expensive infrastructure, their value in the ecosystem may decline. Similarly, venture capital investment could pivot away from infrastructure-heavy AI ventures to smaller, leaner companies working on innovative applications.

The Chinese company's success is a testament to the power of necessity-driven innovation. Without access to advanced GPUs or the vast computational resources available to Western labs, Chinese researchers were forced to think differently and find ways to build AI models efficiently. While the exact methods they used are not public, we can hazard some guesses. Instead of making the AI model bigger, the researchers likely focused on making it smarter. This development will send shockwaves across the global AI landscape, and its impact will be felt keenly in countries like India, it

challenges the West's overreliance on massive infrastructure and capital, showing that innovation can thrive even in constrained environments. For emerging economies like ours, this breakthrough is a reminder that necessity often drives the best innovation.

For Western companies like OpenAI, the announcement is a wake-up call. Until now, the assumption was that scaling up — building bigger and more powerful models — was the key to staying ahead. This approach worked because the West had access to the best chips, data centers, and research talent. But if AI progress is no longer tied to brute force, those advantages may count for less.

India, in particular, can draw important lessons from this. If the next phase of AI innovation is about smart design and efficiency rather than about scale, India could become a major player. Our strong base of software talent, frugal engineering mindset, and entrepreneurial ecosystem position us well to capitalise on this shift. The Chinese breakthrough is as much a geopolitical story as it is a technological one. By circumventing the need for Western hardware and capital, China has proven that sanctions can push innovation instead of stifling it. This success will likely embolden other countries facing similar restrictions, accelerating the decentralisation of AI development.

However, this openness also comes with risks. Making such a powerful model freely available raises concerns about misuse. Bad

actors, from rogue states to criminal organisations, could weaponise this technology. Governments around the world, including in India, will need to work together to create frameworks for responsible AI use while balancing innovation and security.

This development represents a turning point in the AI industry. If high-quality foundational models can be built cheaply and quickly, the focus of innovation will shift. Companies will prioritise building smarter, more efficient systems rather than chasing scale. The real value in AI will come from how it is applied, customised, and integrated into real-world solutions. For India, this is an opportunity to rise. If we can embrace this new, leaner approach to AI, we could lead the way in developing applications tailored to our unique challenges, from improving agriculture to modernising healthcare. The next era of AI will not be dominated by brute force but by ingenuity — and that is a game where India can excel.

As the Chinese breakthrough shows, necessity is indeed the mother of invention. By proving that progress does not depend on massive resources, this development offers hope that AI can be a tool for everyone — not just the few with billions to spend. It is a reminder that in the end, intelligence — whether artificial or human — is about thinking differently.

The writer is MD, India for Shield AI, an American UAV company

LETTERS TO THE EDITOR

PRIORITISE HEALTH

THIS REFERS TO the article, "The sporadic sovereigns" (IE, January 28). Air pollution, a growing threat to the health of Delhi's residents, was strikingly absent from most of the election manifestos. In many democracies, political parties might be more focused on winning votes through short-term promises like tackling deep-rooted social complexities. It also points to the fact that voters, while concerned about their immediate needs, might not always prioritise issues like environmental sustainability. In an era of climate change, it's crucial that political leaders show the vision to address these challenges.

Sanjay Chopra, Mohali

DEBT TO REVENUE

THIS REFERS TO the editorial, "Health of states" (IE, January 28). Agricultural-dominated states can accrue major debt relief if they phase out the practice of loan waivers. Instead, focusing on structural changes in agriculture such as climate and soil appropriate crops instead of the traditional rice-wheat cycle, and the untapped potential of farmers, reduce farmer distress and save the exchequer crores in various subsidies. For all states, better loan facilities for farmers and MSMEs will ensure sustainable debt and promotion of economic activity that will in turn generate revenue and resolve debt.

Anany Mishra, Bhubaneswar

ALCARAZ VS SINNER

THIS REFERS TO the editorial, "Alcaraz & Sinner" (IE, January 28). Jannik Sinner's straight set victory over Alexander Zverev made him the first man other than Roger Federer and Rafael Nadal to defend his Wimbledon title this century. While Sinner, on current form, appears above the rest of the tour, he still has to contend with Carlos Alcaraz, his rival and winner of four Slams. The two, who looked set to take over from the Big Three only to be ambushed by Sinner and Alcaraz, have collectively won just one of nine Major finals they have taken part in.

S S Paul, Noida

BAD PRECEDENT

THIS REFERS TO the report, "SC split on verdict, orders Bastar pastor's burial in another village" (IE, January 28). It is strange that a Dalit Christian from Chhattisgarh has to knock on the Supreme Court's door to be able to bury his father in the village graveyard. The two-judge Supreme Court Bench ordered the petitioner to bury his father in a designated Christian graveyard 25 km away. It should be noted that the petitioner's father and aunt were buried in the same village without objection. The precedent created by SC will be troubling for the Christian community.

L K Murrem, New Delhi

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

CLASSROOM SUCCESS

ASER survey shows foundational learning skills have recovered post-pandemic. That's cause for cheer — and redoubling effort

DURING THE COVID-19 pandemic, India had one of the longest school closures in the world. Digital learning locked vast numbers of underprivileged schoolchildren out of the classroom and online classes struggled to replace the experience and quality of teaching in a physical classroom. Last year's Economic Survey pointed out that the gap between class standards and learning levels has widened since the pandemic. It noted that "improving learning outcomes and undoing the Covid-induced learning loss is more urgent than ever". The survey, however, struck a note of optimism: "The education sector is bustling with the across-the-board transformation led by the NEP 2020, which is expected to yield foundational literacy and numeracy (FLN) skills for every child passing the third standard in the near future." The latest ASER report, released on Tuesday, shows that this optimism was not misplaced. It shows that classrooms have not only recovered from the disruption caused by the public health emergency, in several respects, the foundational skills of primary and secondary-level schoolchildren today is much better than even that of their counterparts in the year just before the pandemic.

What is even more heartening is that government schools are at the forefront of this recovery. A large chunk of the credit, as the ASER report points out, should go to the New Education Policy's thrust on improving foundational learning skills. It notes that though states have adapted the NEP's prescriptions in different ways, all of them have adopted the policy's teacher-centric approach. The large-scale rollout of teacher training programmes on foundational skills shows a national commitment towards addressing a longstanding deficit. The training is slowly leaving a mark on the ways teachers relate to students in classrooms. The ASER surveys found that many teachers are now empathetic to the specific needs of students in the early years of school. However, as ASER 2024 indicates, educating educators is still a work in progress. There cannot be a fixed pedagogical template to teach children in all schools even if they are in the same grade — a fact underlined by the NEP as well. Today, teachers seem to have limited opportunities to address classroom-specific challenges. The ASER report, therefore, underlines the importance of post-training support to teachers. Crucially, decisions on what and how to teach are still based primarily on syllabus completion. "Resolving the inherent contradiction between ensuring universal FLN and syllabus completion is a question that the system has yet to reckon with in a systematic way," the ASER report points out.

Today, more than 100 million children are in the foundational learning stage. When these youngsters graduate from school, the country would be at a critical stage in releasing its demographic dividend — that window would then be open for at most another decade and a half. Therefore, while policymakers can justifiably be upbeat about the good news from the ASER survey, they would be mistaken in not reading the report in its entirety. They must give particular attention to the passages that underline the tasks ahead. The future's at stake.

BREAKING THE ICE

Foreign Secretary Vikram Misri's Beijing visit signals a thaw in India-China ties. Security dilemmas, however, remain

THE TALKS IN Beijing between Indian Foreign Secretary Vikram Misri and senior Chinese officials including Foreign Minister Wang Yi are a welcome step in the ongoing normalisation of India-China relations, especially as both countries mark 75 years of diplomatic ties this year. The broader context of Misri's Beijing visit, however, lies in the four-year-long disengagement process which concluded in November last year with the patrolling agreement for Demchok and Depsang — two friction points following China's incursions into eastern Ladakh along the Line of Actual Control (LAC) in 2020. The Chinese military's actions were a direct violation of the confidence-building measures in place at the time, with the crisis escalating into the Galwan Valley clashes which led to the first fatalities on the India-China border since 1975. For the past four years, discussions between the two sides have largely been limited to military issues at the border. This time, however, the talks centred around "people-centric steps".

Direct flights between India and China had been suspended in the early stages of the Covid pandemic and remained halted after Galwan. Both countries have now agreed to resume direct flights and facilitate the issuance of visas. The Kailash-Mansarovar Yatra is also set to resume. Both sides are expected to engage in dialogue over trans-border rivers and share hydrological data. The talks underlined the importance of restoring mutual trust.

Despite these encouraging developments, the prospects for genuine mutual understanding remain uncertain, given the continued large-scale troop deployment by both countries for the fifth consecutive year. India has maintained that "disengagement" should be followed by "de-escalation" and, ultimately, the "de-induction" of the additional forces in eastern Ladakh. The latest disengagement agreements notwithstanding, the "de-escalation" process is yet to commence. Ultimately, India seeks the withdrawal of Chinese troops to their peacetime positions. Another key issue is trade. India continues to face a significant trade deficit with China, which has now surpassed \$100 billion, despite efforts to restrict Chinese imports. There are reports of Chinese authorities clamping down on exports of crucial manufacturing equipment, seemingly to impede the growth of global companies in India. Delhi, therefore, should not be complacent on the China question after the latest round of talks. It is a step forward, but many more steps remain.

WHAT LIES BENEATH

A rediscovered Edvard Munch portrait invites viewers to look beyond the surface and discover new meaning

FEW ARTISTS HAVE been as singularly identified with a piece of existential dread as Edvard Munch and his iterations of *Scream*. Despite this predilection, Munch was an artist of many parts. An oil-on-canvas portrait, to be unveiled in March in London, of a lawyer friend Thor Lütken, offers a glimpse into a softer side of the Norwegian expressionist. Painted in 1892, a year before *Scream*, it reveals a painting-within-a-painting. At the bottom of the canvas, one of the sleeves of Lütken opens up into a tender scene of intimacy: A couple in an embrace against a moonlit backdrop.

Are the figures to be taken face value, as lovers? Or do they depict the contrary truths that run through Munch's works, life and death, hope and despair? Munch is hardly the first artist to have embedded secondary images. For instance, Leonardo da Vinci's *The Virgin and Child with Saint Anne* shows a scene featuring St. Anne, Virgin Mary and infant Jesus. In 2008, an analysis revealed several unfinished sketches on its reverse side, now thought to be elements the artist might have considered adding to the scenery. The *Arnolfini Portrait* by Flemish master Jan van Eyck depicts a wealthy couple but it is complicated by the presence of a mirror that hides other details, including the presence of van Eyck himself and what appears to be a priest solemnising a marriage. The seemingly inconsequential figures become crucial to the painting's larger narrative of personal and social identity.

Contemporary artists, too, have used hidden layers to create narrative depth. American graphic artist Robert Rauschenberg, whose work anticipated the Pop Art movement, and, more recently, Banksy have incorporated the concept not just as a stylistic feature, but as a commentary on the transience of visual culture. Munch's portrait may or may not shed new light on the artist's process, but it highlights an enduring artistic tradition — one that challenges viewers to look beyond the surface and engage with what lies beneath.



WILIMA WADHWA

THIS YEAR ASER went back to almost all rural districts of the country to report on children's schooling status and basic reading and arithmetic levels. Data from ASER 2024 helps track the progress of foundational literacy and numeracy (FLN) skills across the country.

The 2024 report has good news. It shows more than a full recovery from the post-pandemic learning losses. At the all-India level, the proportion of children in Class III who are able to read at the Class-II level, had risen slowly from 23.6 per cent in 2014 to 27.3 per cent in 2018 and then fell drastically to 20.5 per cent in 2022. Two years later, we have a full recovery with the proportion of Class III children reading fluently at 27.1 per cent. We see a similar picture in Class V, with the proportion of children who can read a Class II level text rising from 48 per cent in 2014 to 50.5 per cent in 2018, then falling to 42.8 per cent in 2022, and finally recovering to 48.8 per cent in 2024.

In arithmetic, the learning loss post-pandemic in 2022 was smaller in comparison to reading. The proportion of children in Class III able to do at least subtraction rose from 25.4 per cent in 2014 to 28.2 per cent in 2018 and then fell to 25.9 per cent in 2022. In 2024, this proportion stands at 33.7 per cent — the highest we have seen in the last decade. Similarly, the proportion of children in Class V able to do at least division stands at 30.7 per cent in 2024 — again, much higher than levels in the past many years.

What is remarkable is that this recovery is completely driven by government schools. In rural India, government schools have always lagged behind private schools in terms of learning levels. There is vast literature on the learning differential be-

A recovery, and more

ASER report shows improvement in learning outcomes after pandemic, signals initial success of NEP

What is remarkable is that this recovery is completely driven by government schools. In rural India, government schools have always lagged behind private schools in terms of learning levels. There is vast literature on the learning differential between government and private schools, highlighting the fact that simply comparing learning levels across the two is misleading because of the self-selection effect. Children who go to private schools come from more affluent homes and have more educated parents. Nevertheless, ASER 2024 shows that the recovery has been pronounced in government schools, with learning levels in private schools still below pre-pandemic levels.

In arithmetic, both government and private schools have seen large jumps in learning levels, with 2024 levels surpassing the levels attained in 2022. Here again, the gains in government schools have been far greater than those in private schools. For instance, between 2022 and 2024, the proportion of children able to do subtraction in Class III increased by 36.6 per cent in government schools — from 20.2 per cent to 27.6 per cent — as compared to 10.2 per cent in private schools.

What has led to this sudden improvement in learning levels? We have not seen improvements of this magnitude in the last 20 years since ASER has been presenting data on foundational reading and arithmetic. Everything seems to point towards the National Education Policy (NEP) 2020 and its focus on foundational skills. While this is not the first time that programmes have been introduced to improve learning, what is different is that it is the first time that there has been a systemic national push to improve foundational learning outcomes. Almost all states have shown improvements as compared to 2022. In fact, the low-performing states like Uttar Pradesh, Bihar, Madhya Pradesh, and Tamil Nadu have made a remarkable recovery. For instance, consider the case of Uttar

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Pradesh. In 2014, only 6 per cent of government school Class III children could read a Class II level text. There was steady improvement in the next four years — in 2018, 12.3 per cent of children in government schools could read a Class II level text. UP was one of the few states not to post a learning loss for Class III in 2022, with the proportion rising to 16.4 per cent. In 2024, the proportion of government school children in Class III who are able to read at Class II level is 27.9 per cent. This kind of improvement cannot be labelled just a recovery — it signals a serious focus on improving FLN abilities. This push has borne fruits in arithmetic and in Class V learning levels as well — learning levels in UP government schools have never been higher in the last 20 years.

While the case of UP is remarkable, there are many other success stories as well. High-performing states like Himachal Pradesh and Maharashtra, where almost half the children in Class III in government schools could read at Class II level in 2018, saw a halving of this proportion in 2022, post the Covid pandemic. These states have also posted appreciable learning gains. What is clear is that for the first time, the country is coming together behind one mission of improving FLN among primary school children.

India is a diverse country with a lot of variation across states. For the first time, the NEP has set clear FLN goals for the entire country, and states are finding different pathways to achieve these goals. ASER 2024 data tells the story of these efforts — a story of more than just a recovery.

The writer is director, ASER Centre, Pratham Education Foundation



CHINTAN CHANDRACHUD

ON JANUARY 20, President Trump signed an executive order announcing that it was the policy of the US government that there were only two sexes, and that those sexes were "not changeable". Although the precise implications of that order are unclear, it brings into focus that debates around gender will be a key legal battleground in the US, the UK and other Western democracies.

Recent cases in the US and UK offer some clues about what those debates will look like. In the US, about half of the states have passed laws prohibiting sex-transition procedures in children. That includes Tennessee, which in 2023 prohibited certain medical interventions for the purpose of allowing children to identify with, or live as, an identity different from their biological sex. The three prohibited medical interventions were puberty blockers, cross-sex hormones and sex transition surgeries.

Transgender teenagers and their families, supported by the Joe Biden administration, challenged the Tennessee law claiming that it violated the guarantee of equal protection under the US Constitution. The Sixth Circuit Court of Appeals upheld the law on the basis that it treated all children alike — no child, whether born male or female, was permitted to receive those medical treatments. An appeal to the US Supreme Court was heard in December, and a judgment is expected by the summer.

Turning to the UK, the regulatory landscape has changed dramatically over the last 12 months. Until early 2024, children with gender dysphoria (who consider that their gender identity is different from their biological sex) were routinely prescribed puberty blockers and cross-sex hormones.

THE GENDER BATTLEGROUND

As regulations tighten in US, UK, a complex rights-vs-science debate will emerge

In places where medical treatments for gender dysphoria in children are permitted and a child has consented to treatment, how interventionist should the courts be? The English court concluded that it would only intervene when necessary to protect the child from 'grave and irreversible mental or physical harm'. It is easy to imagine other courts reaching a different conclusion.

In April 2024, an independent review concluded that there was not enough evidence to support the safety or effectiveness of puberty blockers to manage gender dysphoria. Its recommendation to prohibit the use of puberty blockers in children was implemented a few months later. That will remain the law until at least 2027, when another review on the subject is scheduled. The administration of cross-sex hormones remains lawful in the UK, albeit subject to strict conditions.

This debate has also made its way into the English courts. A child that was born female started to identify as male at the age of 12. His parents were separated, and held opposing views about whether medical intervention was appropriate. His father supported treatment for gender dysphoria; his mother did not. The disagreement culminated in the mother filing an application asking the English Court, in effect, to monitor the child's situation (and intervene if necessary). The father opposed the application, on the basis that the proceedings were prolonging the child's distress.

The child was 16 by the time the case reached the English Court of Appeal in late 2024. This gave the child the ability, under English law, to decide whether to accept hormonal treatment, subject to the Court's supervision. Despite that, the Court accepted the mother's application and chose to keep the proceedings alive. It reasoned that the regulatory environment was changing rapidly, and it was possible that the outlook towards cross-sex hormones could also change in the future. The result is that if the child consents to a hormonal treatment in the next two years (until he turns 18), the Court has

the ability to veto that choice.

Three issues arising from these cases are likely to assume significance. First, are laws prohibiting medical interventions to address gender dysphoria discriminatory? They are obviously discriminatory against transgender people in one sense — the Tennessee law, in effect, permits prescribing a testosterone treatment to a cisgender male child, but prohibits a child born female that identifies as a male from getting the same treatment. But the issue is more complicated than that — as per another view, so long as the law is based on scientific evidence, it simply prohibits treatments that are unsupported by adequate evidence.

Second, to what extent should the courts become involved in assessing the scientific evidence on which the law is based? Among the major points of debate at the US Supreme Court hearing was whether the Tennessee law should be subjected to a rigorous level of scrutiny. Judging by the transcript of the proceedings, Tennessee may have won that debate. The English court was similarly careful to observe that questions of policy on the treatment of gender dysphoria are for the medical profession, not the courts.

Third, in places where medical treatments for gender dysphoria in children are permitted and a child has consented to treatment, how interventionist should the courts be? The English court concluded that it would only intervene when necessary to protect the child from "grave and irreversible mental or physical harm". It is easy to imagine other courts reaching a different conclusion.

The writer is a barrister at Brick Court Chambers, London



JANUARY 29, 1985, FORTY YEARS AGO

NEHRU AWARD GIVEN

THE JAWAHARLAL NEHRU Award for International Understanding for 1984 was posthumously conferred on Indira Gandhi by President Zail Singh. Prime Minister Rajiv Gandhi received the award on behalf of his mother in the presence of the Presidents of Tanzania, Mexico and Argentina and Prime Ministers of Sweden and Greece who are in Delhi to attend a summit. The award administered by the ICCR carries with it an amount of Rs 2.5 lakh in cash.

NO NUKES IN SPACE

THE SIX-NATION nuclear disarmament sum-

mit adopted a declaration calling for prevention of an arms race in outer space and a comprehensive test-ban treaty. The declaration, signed by India, Argentina, Greece, Mexico, Sweden and Tanzania — said that outer space must be used for the benefit of mankind as a whole and not a battleground of the future.

GAVASKAR TO CAPTAIN

SUNIL GAVASKAR HAS been retained as the skipper and all-rounder Kapil Dev named the vice-captain of the Indian team for the Benson and Hedges World Cup one-day cricket championship to be held in Australia next month. The following are the other members of the team: K Srikanth, Ravi

Shastri, Azharuddin, Dilip Vengsarkar, Mohinder Amarnath, Ashok Malshe, Chetan Sharma, Manoj Prabhakar, Madan Lal, Roger Binny, Sadanand Vishwanath (wicketkeeper) and L Sivaramakrishnan.

EXCHANGE HALTED

THE ANTICIPATED RELEASE of the 17 Indian fishermen simultaneously with the release of the seven Sri Lankan naval crew did not materialise. The boats of the fishermen could not be towed down from the Sri Lanka since they had become rusty. The Indian Coast Guard vessel which was on its way for the second time but did not proceed further and returned to its base.

