



## Restoring a verdict

Opportunistic defections will likely be punished by the voters

INDIA bloc parties won 10 of the 13 Assembly seats across seven States where by-polls were held on July 10 and the results were announced on July 13. The popular verdict broadly echoes the recent Lok Sabha election results that signalled a fatigue with the Bharatiya Janata Party (BJP). The by-poll results indicate that the BJP's politics is encountering some resistance on the ground. Of particular note is Himachal Pradesh where the Congress won two of the three Assembly seats which fell vacant after three independent legislators joined the BJP after resigning their seats. The government of Chief Minister Sukhvinder Singh Sukhu had teetered on the brink in February after six Congress MLAs, along with these three independents, had voted in favour of a BJP candidate in a Rajya Sabha contest. They were later disqualified from the Assembly after Congress candidate Abhishek Manu Singhvi lost the Rajya Sabha poll. This had brought down the party's tally to 34 in the 68-member House. With its victories in Dehra and Nalagarh, the Congress has returned to its original strength of 40 MLAs. The Sukhu government had won a majority on June 4 when the Congress won four of the six seats that had by-polls along with the 2024 Lok Sabha election. By restoring the numbers of the Congress, the electorate of Himachal Pradesh has rejected the opportunism of the defectors and the overreach of the BJP.

Something similar happened in Uttarakhand too, as the Congress retained the Badrinath seat. The sitting MLA from the seat, Rajendra Singh Bhandari, who had defected to the ruling BJP, was defeated by Congress's Lakhpat Singh Butola. It is not that all defectors are being rejected by the people. The Congress continued to suffer losses in Madhya Pradesh where Kamlesh Pratap Shah, who had switched sides to the BJP, won a tough contest against his former party. The continuing decline of the Congress in the State is a clear message to the party that it needs to look beyond the current local leadership. While the Dravida Munnetra Kazhagam's win in Tamil Nadu's Vikravandi seat further reinforced its position, in West Bengal, the Trinamool Congress (TMC) continued to reign supreme by wresting three seats from the BJP, in Raiganj, Ranaghat Dakshin and Bagda. In all the three seats, MLAs of the saffron party had switched sides to the TMC, which is the ruling party in the State. The TMC also retained the Maniktala seat. In Punjab, the Aam Aadmi party got its pound of flesh from the BJP as it trounced the sitting MLA in Jalandhar West who had defected to the BJP and sought a re-election. All the parties should heed the voice of the people, seek consensus and reduce conflict, and eschew opportunistic defections.

## Unprincipled alliances

There seems to be no end to the instability of coalitions in Nepal

The adage that there are no permanent enemies and no permanent friends, only permanent interests in politics could explain many a twist in shifting political alliances across the democratic world. But it would only be an understatement in Nepali politics, where the art of coalition making has for long been a farce. On Saturday, incumbent Nepal Prime Minister Pushpa Kamal Dahal of the Communist Party of Nepal (Maoist Centre) predictably lost a trust vote, after only 63 of the 275-member House of Representatives backed him, while 194 lawmakers voted against the motion of confidence. The loss was a foregone conclusion after the Communist Party of Nepal (Unified Marxist-Leninist) led by Khadka Prasad Oli – he has been made the Prime Minister again – withdrew support from the CPN(MC)-led government and joined hands with the opposition Nepali Congress, led by Sher Bahadur Deuba. Mr. Dahal had managed to hold his post for close to two years, and after surviving three trust votes – all necessitated by his decision to change partners. The CPN(MC) had formed the government after the November 2022 elections, despite finishing a distant third and Mr. Dahal had managed to do so by exploiting the differences between the Deuba-led NC and the Oli-led CPN (UML). These two parties won 89 and 78 seats, respectively, in 2022, and have now formed a coalition government with the arrangement that Mr. Oli and Mr. Deuba will share the post of Prime Minister, each for half of the remaining term.

Ever since Nepal transitioned from an absolute monarchy to a constitutional one in 1990, and then to a full-fledged republic in 2008, its democratic polity has been marked by instability and constant changes in power, leading to poor governance. Despite the institution of constitutional reforms related to federalism and guaranteed representation for marginalised forces following a civil war and the overthrow of the monarchy, the outcomes have been a perpetuation of the country's status as a "least developed country". It is quite evident that the leadership of the three major parties have shown more interest in sticking to power by any means irrespective of whether they are driven by pre-poll coalitions or not. Besides, the inherent instability in a parliamentary system that reflects social fissures in the country has led to a form of coalition politics that is driven less by ideological or principled considerations and more by a hankering towards power. Such instability and an unprincipled pursuit of power will only result in more disillusionment among the Nepali people with the democratic process. Nepal can perhaps be better off with a presidential system that allows for a directly elected head of state.

The contrasting recent election outcomes a month apart in India and the United Kingdom tell a complicated story. As I pointed out mischievously on social media, "ab ki baar 400 paar" happened – but not in the country whose Prime Minister predicted it. It was Britain's Labour Party that crossed that formidable threshold to record its most impressive win at the expense of the Conservatives, while in India the ruling Bharatiya Janata Party, which had brashly run on that slogan, lost its majority and is now dependent on allies to have a government. In both elections, the voters had a decisive say in cutting the pretensions of ruling parties down to size.

By the end of this year more than 60 countries, with some four billion people, will have held national elections, and pundits are at a loss to discern any common patterns among them. The broad narrative of 2023 was that of "democratic deconsolidation": governments around the world were seen as becoming more authoritarian, less respectful of individual and media freedoms, more unfriendly to autonomous institutions and less restrained by checks and balances on their power.

What Samuel Huntington had described as the "third wave" of democracy – the heady global expansion of democratic governance that took place around the world from the end of the Second World War to the conclusion of the Cold War – had ebbed over the past decade and a half. Freedom House, the American think-tank that studies the state of democracies, announced that global freedom declined for the 17th consecutive year in 2023. The organisation's annual report cited everything from coups against elected leaders in Africa to assaults on journalists in a number of countries (including India).

### Results that are reassuring

Freedom House was not alone. The Economist's Democracy Index told a similar story, while Sweden-based International Institute for Democracy and Electoral Assistance (IDEA), claimed that "across every region of the world, democracy has continued to contract". And yet, voters in India – which Sweden's Varieties of Democracy (V-Dem) Institute, had downgraded to an "electoral autocracy" – surprised the doomsayers by cutting autocrats down to size, while those in the United Kingdom and France



Shashi Tharoor

the fourth-term Lok Sabha Member of Parliament (Congress) for Thiruvananthapuram, a former Under Secretary-General of the United Nations and the Sahitya Akademi award-winning author of 25 books, including 'Pax Indica: India and the World of the 21st Century'

Numerous elected governments appear determined to undermine the core tenets of the democratic project

confirmed that the health of the oldest democracies remained robust.

Thanks to its two-phase electoral system, France produced a mixed result in its parliamentary elections, making a xenophobic far-right party its largest in the first phase and then producing a "hung Parliament" in the second phase, failing to give any of the three main party coalitions a majority to form a government. Tactical arrangements by the left and the centrist forces to prevent a right-wing government by withdrawing candidates in the second phase so that the strongest non-rightist might win each seat, ensured a very different outcome in the second phase from the first.

There is much to be said for an electoral system that brings the self-correcting mechanisms of democracy so visibly alive by insisting that voters are entitled to be represented by someone who commands 51% of the electorate in his or her constituency. But the democracy that invented the term "cohabitation", to reflect the uneasy co-existence of a President and a Prime Minister from opposing political groups, was now left scratching its head as to the nature of the government that would follow.

### The spotlight on America

The nation that claims to be the very oldest of modern democracies, the United States, worries observers for other reasons as it heads into a presidential election in four months with an unappealing choice that I had prefigured in this column a year ago. That the world's richest and most advanced country must choose between a septuagenarian felon (who tried to orchestrate a revolt against the last election results) and an octogenarian whose incoherent debate performance has raised serious questions about his mental decline – a contest cruelly described as "dementia versus the demented" – is depressing enough. But a new poll says that Republican voters are now more sympathetic to the rebels who stormed the U.S. Capitol in January 2021, with over a third of Americans saying Joe Biden's 2020 election win was not legitimate, despite all the evidence to the contrary.

What does this say about the health of democracy in the U.S.? Could another disputed election result provoke violence in the streets again?

Interestingly, it is the newer democracies of the non-western world whose elections this year have given more cause for democratic reassurance. Bangladesh, Bhutan, Taiwan, Indonesia, Senegal, South Korea, India, South Africa and Mexico (in chronological order) have held elections which many feared would lead to uncertain outcomes and prolonged disputes. Yet, all have concluded peacefully and largely uneventfully, and all except one have witnessed a transition to either a new ruler or a new governing arrangement. The one exception is Bangladesh, where Sheikh Hasina has returned to office after an election boycotted by the principal Opposition party.

Pakistan does not figure in this list because of the undemocratic circumstances in which its election took place, with the principal contender jailed and his party outlawed, candidates representing him winning as Independents, allegations of ballot-rigging made even by election officials, and the military overtly calling the shots behind a hapless civilian government. If more countries' elections were like Pakistan's, global fears of a "democratic recession" would indeed be borne out.

### A Pew poll

Still, for all the good electoral news, a Pew poll in 24 countries found support for "representative democracy" sliding, with some 59% respondents "dissatisfied with how their democracy is functioning", three-quarters of those polled feeling that elected officials "don't care" what they think, and mounting support for alternatives to democratic rule: "In 13 countries," noted Pew, "a quarter or more of those surveyed think a system in which a strong leader can make decisions without interference from parliament or the courts is a good form of government."

As columnist Ishaan Tharoor (in the interests of full disclosure, this writer's son) wrote in *The Washington Post* earlier this year, "In society after society, illiberal values and politicians who embrace them are gaining ground. Numerous elected governments seem bent on undermining core tenets of the democratic project, from the freedom of the press to the independence of institutions such as the judiciary to the ability of opposition parties to fairly compete against the ruling establishment."

Democracy's future is far from assured.

# The problem with the Karnataka gig workers Bill

Last month, Karnataka introduced a new Bill, called the draft Karnataka Platform-based Gig Workers (Social Security and Welfare) Bill, 2024, seeking to provide social security and welfare measures for platform-based gig workers in the State. The government shared the draft on July 9. In the recent past, a similar law was also enacted by Rajasthan called the Rajasthan Platform Based Gig Workers (Registration and Welfare) Act, 2023.

The Karnataka Bill has a distinct similarity with the Rajasthan legislation in the sense that both are based on a welfare board model. This model does not address employment relations as such and is more appropriate for self-employed informal workers. In the case of gig work, addressing employment relations is the need of the hour.

### The rise of gig work versus work issues

The number of gig and platform workers is on the rise, more so in the last decade with developments in the app-cab and retail delivery sectors. In its working policy paper on the gig economy, NITI Aayog has made projections of the gig workforce expanding to 23.5 million workers by 2030. Given the overall depressed employment generation scenario, gig work is one sector that is providing a livelihood to an increasingly large number of job-seekers. Such trends are also visible in other countries.

In the recent past, India has seen protests and agitations by gig workers on the issue of revenue sharing, working hours and various other working conditions and terms of employment. It is difficult to solve these issues within the existing legal framework as employment relations in the gig economy are non-existent at worst or complicated at best. The legal framework in labour laws is inherently based on employer-employee relation.

However, in the gig economy, employment relations are subject to demystification as well as complication. Those who run the platform prefer to call themselves as aggregators and consider gig



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It does not address employment relations in gig work, thereby affecting the application of crucial and protective labour laws

workers as independent contractors/workers. Aggregators believe that they are providing the technology and bringing together independent workers and consumers. Independent workers are masters of their own work, according to aggregators.

On the other hand, workers in the gig economy consider aggregators as their employers as the conditions of service and terms of employment are set by the aggregators. For example, in an app-cab operation, the price of the ride is determined by the app/aggregator and the entire ecosystem of working conditions and terms for the ride are decided by the app company only. In this context, gig workers seek fair treatment, improved working conditions, and access to social security as legal entitlement.

### U.K. ruling

In a similar kind of a situation, in Britain, the United Kingdom Supreme Court ruled that Uber is an employer and that the existing labour laws of the U.K. do apply to Uber drivers. In India, gig and platform workers are included in Code on Social Security 2020 as a kind of informal self-employed workers but no mention of such workers has been made in the other three new labour codes, namely Code on Wages, Industrial Relations Code and Occupational Safety, Health and Working Conditions Code. The Rajasthan and Karnataka pieces of legislation are recent additions to this legal landscape.

Like the Rajasthan Act, the Karnataka Bill has also skirted the issue of defining employment relations in gig work. It has preferred the term 'aggregator' for app companies rather than employer. Without the recognition of employment relations, protective labour laws that ensure a minimum wage, occupational safety and health, working hours and leave entitlements, and the right to collective bargaining cannot be applied. These important issues remain unresolved in gig work.

There is no guarantee on minimum earnings from gig work even when a worker is available for

the greater part of the day. There is no regulation on working hours also. There are regular incidents of overworked app cab drivers being involved in accidents late in the night or early in the morning, jeopardising their own lives along with that of passenger.

Employment relations do exist in gig work, and regulations should acknowledge this. Aggregators are the de-facto employers as they set the terms and conditions of employment. While they may present the platform as a tool connecting workers and consumers, they are responsible for designing it and establishing its terms. The platform is merely a tool, and is not an independent entity, making the aggregators the actual employers.

### Core issues

The welfare board model adopted by Rajasthan and Karnataka provides some welfare schemes for gig workers, but it does not replace institutional social security benefits such as provident fund, gratuity, or maternity benefits, which regular workers are legally entitled to. Historically, welfare board models have been poorly implemented, as evidenced by the Construction Workers Welfare Act of 1996 and the Unorganized Workers Social Security Act, where funds were available but inadequately used.

The Karnataka Bill does not address the issue of minimum wages or working hours for gig workers. Section 16 discusses income security regarding payment deductions but does not guarantee a minimum income, wage entitlements, or revenue sharing between aggregators and gig workers. Section 16(2) only requires weekly payments, without specifying a minimum amount.

The proposed Karnataka Bill, like the Code on Social Security, 2020 and the Rajasthan Act 2023, fails to address the employment relationship in the gig economy. This oversight confuses employment relations and absolves employers of legal obligations, making it difficult to fully protect workers' rights.

## LETTERS TO THE EDITOR

### Assassination bid

The former President of the United States, Donald Trump, is fortunate to have had a narrow escape. History is replete with attempts being made on the lives of U.S. Presidents. Other national leaders elsewhere too have been targeted, but for differing reasons. In the Trump incident, political observers have highlighted an increasing and consistent effort at polarisation in the U.S., fed by hateful political rhetoric in the past few years. Mr. Trump, as serving President, would refuse to concede defeat in his bid for

a re-election in 2020. He not only stuck to a theory of conspiracy but also created a partisan following that would recklessly storm into the seat of democracy. The Pennsylvania incident must carry a larger and universal lesson. As a leader grows tall, his onus to public propriety becomes exponential. Else it stands to rapidly fray the sociopolitical fabric of a nation.

R. Narayanan,  
Navi Mumbai

The U.S. has suffered a dent to its image as a non-violent democracy. The attempt is

also an attempt on the inviolable spirit of democracy. The bullet that grazed the ear of Mr. Trump may have actually scored a hit on Joe Biden by possibly killing the prospects of his re-election.

R. Ramakrishnan,  
Chennai

I am no expert in security matters. But even as a layman, I can very well say that there was a huge lapse on the part of the secret service. There are supposed to be drones hovering above and CCTV cameras watching the entire area. If it is an insider job, it is a

dangerous situation.

T. Anand Raj,  
Chennai

### Amoebic encephalitis

I write this letter as a retired (and first) Dean of the Kanyakumari Government Medical College, Tamil Nadu. Amoebic encephalitis is a dangerous communicable disease and causes damage to the brain. As a water-borne disease it can spread while bathing in polluted water bodies. Children are more vulnerable as their resistance is poor. The government must take preventive steps by

chlorinating drinking water sources and advocating safe water use. The cases in Kerala should not be taken lightly. There is a need to protect people who live near water bodies

Dr. Arunachalam,  
Nagercoil, Tamil Nadu

### Wimbledon King

Carlos Alcaraz shrugged off his indifferent form at the right time to beat Novak Djokovic. His class and brand of tennis were matchless as he despatched Djokovic with ease. Here is a champion who is bound to win a substantial number of Grand Slam matches. He

is young, immensely powerful and ruthlessly precise in every facet of the game. The lopsided Wimbledon finals, and one of the most disappointing, showcased his dominance. One feels sorry for Djokovic who could do nothing right against an opponent who meant business. As one celebrates the versatility of Alcaraz, Djokovic's days could be numbered.

V. Lakshmanan,  
Tirupur, Tamil Nadu

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.



# The resurgence of the Samajwadi Party

The Samajwadi Party (SP), forged on October 4, 1992, by Mulayam Singh Yadav, arose from the shards of a schism within the Janata Dal. After its peak in 2012, the party faced a steady decline. In the 1993 Uttar Pradesh Assembly elections, the SP allied with the Bahujan Samaj Party (BSP), audaciously challenging the hegemony of the Congress and the Bharatiya Janata Party (BJP). This coalition succeeded and Mr. Mulayam Singh Yadav became Chief Minister, marking the rise of backward caste politics in U.P.

In the late 1990s and early 2000s, the SP grew stronger, winning 110 seats in the 1996 Assembly polls. Despite internal conflicts, Mr. Mulayam Singh Yadav returned as Chief Minister in 2003 through coalitions. However, in 2007, the SP lost to the BSP under Mayawati. The party rebounded in 2012, winning 224 seats and making Akhilesh Yadav the youngest Chief Minister.

The 2017 Assembly elections were challenging, with the SP winning only 47 seats amid internal strife, most notably the acrimonious spat between Mulayam Singh Yadav and Akhilesh Yadav. The 2019 general elections saw a failed alliance with the BSP. In the 2022 Assembly polls, the SP saw a modest recovery, winning 111 seats under Mr. Akhilesh Yadav's leadership, focusing on alliances, unemployment, and lawlessness.

## Defying predictions

As the 2024 Lok Sabha polls unfolded, the SP and its leader were largely consigned to the political periphery by most commentators. The scepticism only deepened when the SP renewed its alliance with the Congress, a partnership that had flourished spectacularly in the 2017 elections. However, the results defied all prognostications, leaving both the BJP's and SP's supporters incredulous.

The SP won 37 of 62 seats it contested, while the Congress



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secured six of 17 seats. The coalition, including one Trinamool Congress seat in Bhadohi, polled 43.52% of the vote share. The BJP won 33 of 75 seats, with its allies, the Rashtriya Lok Dal and Apna Dal (Soneylal), winning two seats and one seat respectively, together polling 42.67%. The BJP's vote share declined from 2019, while the vote share of the SP-led alliance increased. Significantly, the BSP, led by Mayawati, the tallest Dalit leader and four-term Chief Minister, failed to secure any seats, mirroring its 2014 performance. More alarmingly for the BSP, its vote share diminished to a single digit.

The resurgence of the SP surprised many pollsters and analysts. In Bundelkhand, a former BSP stronghold where the BJP had gained ground since 2014, the SP performed unexpectedly well. Under Mr. Akhilesh Yadav's leadership, the party also reclaimed the Yadav belt, winning back Kannauj, Etawah, and Badaun. He notably regained the prestigious Kannauj seat.

A particularly astonishing outcome was the Faizabad result. The BJP's political strategy in U.P. has been inextricably linked to Ayodhya, yet the party suffered a complete rout in the Ayodhya division. The SP won in Faizabad, Ambedkar Nagar, and Sultanpur, while the Congress clinched Barabanki and Amethi – a seat widely dismissed from the Congress's tally once Kishori Lal Sharma's candidacy was announced. Political pundits had predicted an easy victory for the BJP's Smriti Irani, who ultimately suffered a staggering defeat.

Several prominent BJP figures faced ignominious defeats in the State, including Ajay Mishra Teni from Kheri, Sanjeev Kumar Balyan from Muzaffarnagar, Niranjan Jyoti from Fatehpur, Maneka Gandhi from Sultanpur, and Kaushal Kishore from Mohanlalgarh. The electoral margins for top leaders, including the Prime Minister and Defence Minister, diminished.

Furthermore, the BJP's victory

margin over the SP-Congress alliance is narrower than the votes garnered by the BSP in 16 additional constituencies – Akbarpur, Aligarh, Amroha, Bansaon, Bhadohi, Bijinor, Deoria, Farrukhabad, Fatehpur Sikri, Hardoi, Meerut, Mirzapur, Misrih, Phulpur, Shahjahanpur and Unnao. In constituencies such as Amroha, the BSP siphoned off a portion of Muslim votes and retained a segment of its traditional support, which inadvertently aided the BJP.

The SP's resurgence can be attributed to its emphasis on social egalitarianism and its pledge to 'Save the Constitution'. By transcending the traditional Muslim-Yadav vote bank image, the party made significant inroads among non-Yadav Other Backward Classes (OBCs), a feat that even Mr. Mulayam Singh Yadav struggled to achieve without BSP collaboration. Mr. Akhilesh Yadav's PDA (Pichda, Dalit, and Alpsankhyak) strategy proved efficacious, particularly in attracting Jatavs and Kurmis along with the traditional Muslim-Yadav support. Acknowledging that the Muslim-Yadav demographic comprises roughly one-fourth of the State's population and recognising the imperative to broaden their coalition to counter the formidable BJP, the SP adeptly recalibrated its electoral strategy for a renaissance in U.P.

## A formidable contender

The BJP's aura of invincibility in U.P. now stands questioned. The SP has demonstrated its prowess, posing a formidable challenge to the BJP's dominance. If it can sustain this amalgamation of Muslims, Yadavs, and a significant cohort of Dalits and Kurmis along with some other OBCs, it will be a formidable contender in the 2027 elections. This coalition could very well position the SP as a serious contender for victory. While the BJP might hope for a resurgence of the BSP in the State, the SP will aim to consolidate and entrench its position with the newfound PDA combination.

# In the line of fire

Investigation of the Armstrong case should be handed to an independent agency

## STATE OF PLAY

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Extra-judicial killings may be seen as acts rendering instant justice to appease public outrage and the political opposition following a sensational crime. But these deaths in custody, which the police often claim are acts committed in self-defence, raise serious questions about 'punishments' that are not established by the rule of law and violations of the constitutional right to life, guaranteed under Article 21.

On July 5, armed men posing as food delivery agents hacked the Tamil Nadu president of the Bahujan Samaj Party (BSP), K. Armstrong, to death. Armstrong, 52, was a leader representing the interests of the Scheduled Castes.

Soon after the incident, 11 suspects, eight of whom had surrendered, were arrested by the police. A previous enmity was attributed as the motive for the murder. However, suspecting a larger conspiracy in the crime, supporters of the leader and some political parties demanded investigation by an independent agency.

After the murder drew sharp criticism from civil society on the efficacy of the intelligence machinery and maintenance of law and order, the State government transferred Chennai Police Commissioner Sandeep Rai Rathore and replaced him with Additional Director-General of Police A. Arun.

Early on Sunday, the city woke up to the news that Thiruvengadam, one of the accused taken into custody by the police for interrogation, was shot dead in an 'encounter'. The police stated that Thi-

ruvengadam was being taken to his house so that they could recover the weapons used in the murder. When the escort personnel stopped the vehicle, he allegedly escaped.

The police conducted a search and found Thiruvengadam hiding in the locality. When they tried to arrest him, he opened fire and the police retaliated in self-defence, the police said. It is not clear how Thiruvengadam escaped from a team of armed police personnel and managed to get a gun.

Hours after the incident, CCTV footage of Thiruvengadam and his associates brutally hacking Armstrong to death were shown in various television channels. The footage was released for the first time after the murder.

Deaths in custody are not uncommon in Tamil Nadu. There have been instances of prisoners in remand being gunned down for allegedly attacking the police and trying to escape. In April 2003, two Tamil nationalist ideologues, Rajaram and Saravanan, were shot dead in an 'encounter' by the police. When Rajaram was being escorted from a court to prison in a convoy of vehicles, a private vehicle came to rescue him. After an armed suspect, later identified as Saravanan, opened fire, the escort police retaliated in "self-defence", killing both of them. The police dismissed allegations that the shootout was

staged and Saravanan was already in police custody and maintained that the 'encounter' was genuine.

In November 2010, a driver, Mohanraj, who was accused of kidnapping and murdering two young siblings in Coimbatore, was taken into police custody for questioning. When he was escorted to the crime scene for reconstructing the sequence of events, Mohanraj allegedly snatched a revolver and opened fire, injuring two police personnel. In "retaliation", the police shot him dead. The murder of the two children triggered public anger. After Mohanraj was killed, posters were put up welcoming the police action.

In recent months, there have been at least a dozen 'encounter killings' across the State. Though magisterial inquiries and criminal investigations follow such incidents, the police have not been held guilty.

Rights activists say every extra-judicial killing should be thoroughly investigated in compliance with the guidelines of the National Human Rights Commission as well as the Supreme Court in Peoples Union for Civil Liberties v State of Maharashtra (2014). The Court in that case had observed that Article 21 of the Constitution guaranteed the right to live with dignity. "Any violation of human rights is viewed seriously by this Court as the right to life is the most precious right guaranteed by Article 21... The guarantee... is available to every person and even the State has no authority to violate that right," it said.

The State should hand over investigation to an independent agency and cooperate in a fair and transparent probe. Else, the police force will be left with the dubious distinction of being trigger-happy.

# Which topics are India's researchers publishing papers on?

While India, like the rest of the world, focuses on coronavirus, deep learning, and photocatalysis, it also pays significant attention to nanotechnology

## DATA POINT

**Survesh Kumar Namdeo**  
**Avinash Kumar**  
**Moumita Koley**

Research publications are widely used as a measure of scientific and technological progress. Analysing trends in research also helps guide policy. A brief comparative study of the most researched topics in the *Web of Science*, a scholarly publication database, over the last 20 years and the last five years highlights the research focus of scientists in different countries.

## The chart-topper

'Coronavirus' was the most published research topic in the world in the last five years and in the last two decades. The sheer volume of papers on this subject shows the capacity of the global scientific community to produce relevant scientific knowledge that will help people respond quickly to a crisis.

'Coronavirus' was the most researched topic in India in the last five years and among the top five research topics in the last two decades. It was the most published research topic in the U.S. over the last five years and in the last two decades. But it was conspicuously absent from China's top research topics. This is surprising for two reasons: the SARS-CoV-2 virus was first reported from this country in late 2019; and China, which has emerged as a global scientific superpower in the last two decades, has been contributing an increasing share of the world's papers on several research topics.

Some of the other topics that are widely researched are deep learning, and clean and green energy topics such as photocatalysis, supercapacitors, and oxygen reduction reactions. Deep learning refers to a class of artificial intelligence (AI) algorithms characterised by the use of multiple 'layers', where each layer trans-

forms and/or manipulates the input data in specific ways. Engineers have built facial recognition on phones, speech recognition in digital assistants, and recommendation engines on streaming services using deep learning.

The focus on AI-related research worldwide corresponds to the increasing importance of AI technologies in various sectors. Chinese researchers have produced more than twice as many papers on the topic of AI as have researchers in the U.S., and more than 45% of the world's research output on this subject in the last five years. India's share remains low even if the topic features among the country's top five.

Photocatalysis refers to the acceleration of chemical reactions using light. Scientists are studying it to make new materials and generate clean energy; a particularly important contemporary focus area is green hydrogen. Supercapacitors are energy storage devices that trap and hold energy as electrostatic charge. In contrast, conventional batteries store chemical energy. Supercapacitors are super-powered batteries that can store much more energy and also release it faster. Their applications include electric vehicles, where fast charging is required, and the renewable energy sector. The oxygen reduction reaction is an important process in electrochemistry with a starring role in next-generation energy conversion devices such as fuel cells and metal-air batteries. Research on these topics is evidently driven by researchers in China.

## Comparing the U.S. and China

Overall, China has focused significantly on high-impact technological fields and on the development of new materials. In contrast, the U.S. appears to be facilitating a more diverse approach, addressing health and social well-being through research on topics such as parenting, the human immunodeficiency virus, the SARS-CoV-2

virus, gut microbiota, and programmed cell death (PD-1). Research on PD-1 has the potential to revolutionise how we treat cancer and other diseases by understanding, and then manipulating, the immune system's response. The U.S. National Institute of Health provides more funding for life science and health research than all other civilian research funding agencies of the country. U.S. researchers are also devoting attention to astronomy and astrophysics, presumably because they enjoy greater access to the data produced by NASA missions.

## India's nano focus

The single largest fraction of India's research output is focused on nanotechnology. In particular, nanofluids have applications in heat transfer; silver nanoparticles have applications in antimicrobial and anticancer therapy; and zinc oxide nanoparticles are essential semiconductor materials with applications in electronics, optoelectronics, ceramics, and cosmetics.

The large volume of papers about nanotechnology can be attributed at least in part to the success of the Nano Mission that the Indian government launched in 2007 with the aim of making the country a top research destination on this topic. Other research focus areas are deep learning, photocatalysis, and coronavirus.

India's significant focus on nanotechnology is a sign of a concentrated allocation of resources in areas that may not directly address the immediate needs in health or climate change – at least not yet. Policymakers may examine the agenda-setting process in Indian research or, alternatively, guide nanotechnology towards solutions more closely related to India's Sustainable Development Goals and energy-transition targets.

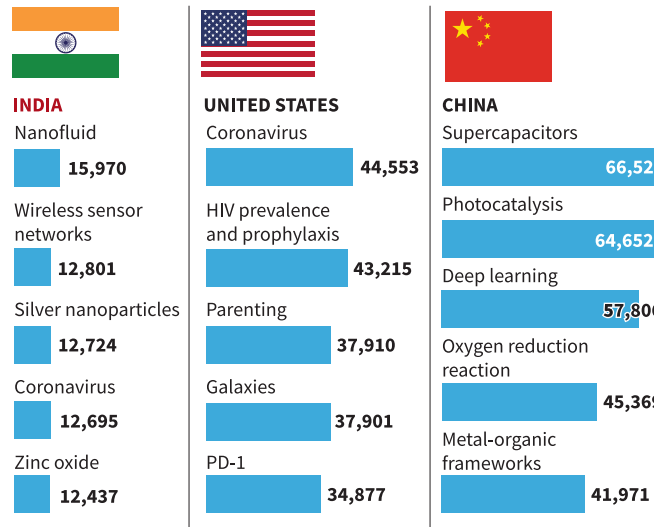
*Survesh Kumar Namdeo is a Senior Research Analyst, Avinash Kumar is a Project Scientist, and Moumita Koley is a Research Associate at the Indian Institute of Science, Bengaluru*

## Hot topics

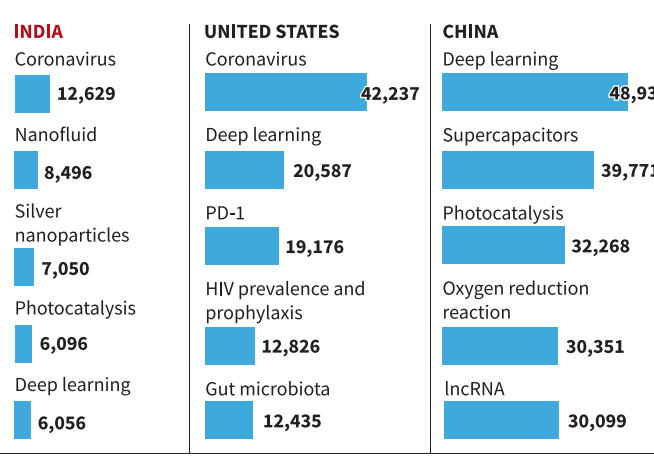
The charts are based on data collated from the Web of Science, a scholarly publication database



**Chart 1** | The chart ranks the five topics under which the highest number of papers were published (2004 - 2023) in select nations



**Chart 2** | The chart ranks the five topics under which the highest number of papers were published (2019 - 2023) in select nations



## FROM THE ARCHIVES

The *Hindu*

FIFTY YEARS AGO JULY 15, 1974

# World mango trade: threat to India's leading position

New Delhi, July 14: India is in danger of losing its pre-eminent position in the world mango trade, a national seminar of mango breeders and experts has cautioned.

Poor efforts at improvement of the varieties of mangoes and lack of modern handling and processing technology are stated to inhibit the popularity of Indian mangoes abroad. Already countries like South Africa, East Africa and Mexico are fast catching up with the world mango market at the expense of India's established position.

The U.K. is reported to have started importing raw mangoes from third countries for processing 'chutney' indigenously.

The seminar – the first all-India seminar on mango and mango culture – jointly organised by the Union Agriculture Ministry and the U.P. Government at Lucknow recently, has suggested immediate measures for the varietal improvement of Indian mangoes to maintain its pre-eminent position in the international market.

The seminar noted the urgent need for breeding new varieties with high pulp-stone ratio for the canning industry's requirement, and for strengthening the post-harvest handling arrangements, keeping in view the demand for Indian mangoes abroad.

It also suggested the setting up of Mango Boards on the pattern of the Coffee Board to take up the integrated development of mango production, storage, processing, transportation and marketing.

A HUNDRED YEARS AGO JULY 15, 1924

## In China

Peking, July 14: The Foreign Office has issued the texts of two Sino-German agreements by which the German bank's property in Peking and Hankow will be restored and the bank will be compensated for the liquidated property elsewhere in China and reinstated on a pre-war footing. China will release German private property of seventy million dollars. Germany will pay China half the value of the released property and as final compensation all of the Government's claims arising from the war.



# Text & Context

THE HINDU

## NEWS IN NUMBERS

**The rise in automobile exports from India in the first quarter**

**15.5** in per cent. Automobile exports from India rose year-on-year to 11.9 lakh units in the June quarter with all verticals, barring three-wheelers, recording growth in shipments, according to Society of Indian Automobile Manufacturers' data. PTI

**Amount invested in equities by FPIs in the first half of this month**

**15,352** in ₹ crore. Foreign portfolio investors infused the amount into Indian equities, driven by the government's commitment to ongoing reforms, low U.S. Federal rates and domestic demand. PTI

**Number of countrymen enslaved in Italy by two Indians**

**33** Two Indian nationals were arrested in Italy's Verona province for allegedly enslaving farm labourers from India, weeks after the death of a Sikh farm worker, according to ANSA. Police seized assets worth 4,75,000 euros from the suspects. PTI

**Loan approved by the IMF to Pakistan to bolster its economy**

**7** in \$ billion. The International Monetary Fund agreed to the loan to Pakistan to bolster its faltering economy, with Islamabad pledging it to be the last time it relied on the IMF. Last year, Pakistan nearly defaulted as the economy shrivelled amid political chaos. AFP

**Number of Palestinians killed in latest Israeli strike**

**90** Israel said it targeted Hamas' military commander in Gaza, killing at least 90 people including children, but Israel Prime Minister Netanyahu said it's uncertain if the commanders were killed. AP

COMPILED BY THE HINDU DATA TEAM

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## On the jurisdiction of the CBI

Is the Central Bureau of Investigation an independent agency or does it come under the control of the Union government? Does the CBI need the permission of the State to carry out investigation in its territory? Which are the States that have withdrawn general consent to the central agency?

### EXPLAINER

Aaratrika Bhaumik

#### The story so far:

The Supreme Court on July 10 upheld the maintainability of the West Bengal government's suit accusing the Union government of "constitutional overreach" by employing the Central Bureau of Investigation (CBI) to register and investigate cases in the State despite its withdrawal of general consent on November 16, 2018. A Bench comprising Justices B.R. Gavai and Sandeep Mehta rejected the Centre's preliminary objections that it was wrongly made a defendant in the suit as it did not control the CBI, which was an "independent agency." Perusing various provisions of the Delhi Special Police Establishment (DSPE) Act, 1946, under which the CBI functions, the Bench concluded "the very establishment, exercise of powers, extension of jurisdiction, the superintendence of the DSPE [Act], all vest with the Government of India." Accordingly, the Court ruled that the suit discloses a valid cause of action and must be heard on merits. It posted the next hearing on August 13.

#### What is general consent?

Under Section 6 of the DSPE Act, the CBI is required to obtain consent from the concerned State government before initiating an investigation within its jurisdiction.

This permission is crucial since "police" and "public order" are subjects that fall within the State List under the seventh schedule of the Constitution. However, no such prior consent is necessary in Union territories or railway areas. General consent is given by States to facilitate the agency's seamless investigation into corruption charges against Central government employees in their territories. However, since 2015, several States such as Chhattisgarh, Jharkhand, Kerala, Mizoram, Punjab, Rajasthan, Telangana, Meghalaya and West Bengal have revoked their general consent alleging that the Centre is misusing the federal agency to unfairly target the Opposition. "In the absence of such an omnibus consent, the CBI will be unable to register any fresh cases in these States without the explicit permission of the respective State governments," P.D.T. Achary, former Secretary General, Lok Sabha told *The Hindu*.

#### What does the case filed by the West Bengal government allege?

In August 2021, the West Bengal government filed an original suit under Article 131 of the Constitution arguing that the actions of the Union government and the involvement of the CBI in the State infringed upon its sovereignty. The suit highlighted that despite the withdrawal of general consent for CBI investigations by the Trinamool Congress government on November 16, 2018, the agency proceeded to register 12 new cases. Deeming this to be a "constitutional overreach," the State sought the annulment of these 12 cases and a restraint on the agency from lodging any further cases.

The framers of the Constitution envisioned such conflicts between the Centre and the States owing to the existing quasi-federal structure and dual polity. As a result, they conferred original and exclusive jurisdiction upon the Supreme Court to address such disputes, under Article 131. For a suit to be maintainable under this provision, two conditions have to be satisfied – it should



GETTY IMAGES

relate to a dispute between the Government of India and one or more State Governments (or) between one or more State Governments, and it must involve a question of law or fact crucial to the determination of legal rights.

In *State Of Karnataka vs Union Of India* (1977), the Supreme Court observed that Article 131 is a feature of federalism and should be "widely and generously interpreted" to advance the intended remedy. Similarly, in *State Of Rajasthan & Ors. vs Union Of India* (1977), the top Court cautioned against taking a very "restrictive or a hyper-technical view of the State's rights."

#### What was the Union government's argument?

Solicitor-General Tushar Mehta, appearing for the Union government, pressed the Court to dismiss West Bengal's suit by raising preliminary objections to its maintainability. He pointed out that original suits under Article 131 of the Constitution exclusively involve the Union and States as parties. "It is the CBI which has registered the cases in question. But the CBI is not a defendant in this suit, and it cannot be made one, as the CBI is not a 'State' under Article 131," Mr. Mehta contended.

He further argued that the CBI was an "independent agency" since it did not function under the direct control of the Union government. "The Union does not supervise the registration of offences or investigation or closure or filing of chargesheet or conviction or acquittal of cases by the CBI," he reasoned. However, later in the proceedings, Mr. Mehta finally conceded that the agency cannot initiate

any investigation without the express authorisation of the Union government under Section 5 of the DSPE Act.

On the contrary, senior advocate Kapil Sibal highlighted that the case extended beyond the Centre's control over the CBI to the fundamental question of whether the agency could disregard a specific notification issued by the West Bengal government in 2018, withdrawing its consent. Mr. Sibal asserted that once a State grants and then withdraws its consent, the CBI lacks jurisdiction to exercise its powers within that State.

#### What did the verdict state?

The Court observed that a bare perusal of the provisions of the DSPE Act reveals that right from the constitution of the CBI, the classes of offences which are to be investigated by it, to its administration and powers, it is the "Central government that it is vitally concerned with."

"Under Section 4 of the DSPE Act, except the offences under the Prevention of Corruption Act, in which the superintendence will be with the Central Vigilance Commission, the superintendence of the DSPE in all other matters would vest with the Central government," Justice Gavai, who authored the verdict, noted. The judge also reminded the Centre that Section 6 of the DSPE Act mandates the prior consent of the State government to a CBI probe within its jurisdiction.

While the Court recognised that the CBI would always be entitled to investigate offences independently, it underscored that this autonomy "would not water down" its administrative control and superintendence that vests

with the Centre. It thus proceeded to conclude that the Solicitor General's argument that the CBI is an "independent agency" holds no water.

The verdict, however, clarified that these observations were only made to meet the preliminary objections raised by the Union government and would not have any bearing on the merits of the suit.

#### What are the implications?

According to Mr. Achary, if the CBI is permitted to initiate investigations in States that have revoked their general consent, it would be an affront to federalism. "This could strain Centre-State relations, particularly since the police is a State subject under the Constitution. Allowing the CBI to register cases would effectively confer upon it the same powers as the State police forces," he adds. While the Supreme Court has so far only addressed the preliminary objections to the maintainability of West Bengal's suit, the constitutional expert pointed out that the final ruling on its merits will have a significant bearing on other similar pending cases.

Another Bench of the top Court is tackling a similar question of law related to the State of Tamil Nadu in the case of Ankit Tiwari, an Enforcement Directorate (ED) officer against whom the Tamil Nadu Directorate of Vigilance and Anti-Corruption had launched a criminal prosecution for bribery. A Bench of Justices Surya Kant and K.V. Viswanathan had recommended judicial oversight over the cross-fire of criminal cases filed between Central agencies like the ED and the police in Opposition-ruled States to protect innocents from prosecution.

### THE GIST

The Supreme Court on July 10 upheld the maintainability of the West Bengal government's suit accusing the Union government of "constitutional overreach" by employing the Central Bureau of Investigation (CBI) to register and investigate cases in the State despite its withdrawal of general consent on November 16, 2018.

Under Section 6 of the DSPE Act, the CBI is required to obtain consent from the concerned State government before initiating an investigation within its jurisdiction.

Solicitor-General Tushar Mehta, appearing for the Union government, pressed the Court to dismiss West Bengal's suit by raising preliminary objections to its maintainability. He argued that the CBI was an "independent agency" since it did not function under the direct control of the Union government.



FROM THE ARCHIVES



GETTY IMAGES

# The Union government's rein on financial transfers to different States

One of the reasons for the States' share in gross revenue declining is that the net tax revenue is arrived at after deducting the revenue collections under cess and surcharge, revenue collections from Union Territories, and tax administration expenditure

L. Jeyaranjan  
R. Srinivasan

On July 11, Tamil Nadu Chief Minister M.K. Stalin alleged that the Union government was withholding funds for the State's Metro rail completion and other vital projects. In this article, dated February 7, 2024, J. Jeyaranjan and R. Srinivasan explain how the government's tax policies reduce aggregate financial transfers to States, weakening cooperative federalism.

Ever since the start of the Fourteenth Finance Commission award period (2015-16), the Union government has been reducing financial transfers to States. This is particularly strange given that the Fourteenth Finance Commission recommended devolving 42% of Union tax revenues to States, which is a clean 10 percentage points increase over the 13th Finance Commission's recommendation. The Fifteenth Finance Commission retained this recommendation of 41%, excluding the devolution to Jammu and Kashmir (J&K) and Ladakh, which were recategorised as Union Territories. If we include the shares of J&K and Ladakh, it should be 42%. The Union government not only reduced the financial transfers to States but also increased its own total revenue to increase its discretionary expenditure. The discretionary expenditures of the Union government are not being routed through the States' Budgets, and, therefore, can impact different States in different ways.

### Some basic math on tax revenue

The Finance Commissions recommend the States' share in the net tax revenue of the Union government. The difference between the gross and the net tax revenue includes collection costs, tax revenue to be assigned to Union territories, and cess and surcharges. Though the Fourteenth and Fifteenth Finance Commissions recommended 42% and 41%, respectively, of the net tax revenue to be the shares of States, the share of the gross tax revenue was just

35% in 2015-16 and 30% in 2023-24 (Budget Estimate). While the gross tax revenue of the Union government increased from ₹14.6 lakh crore in 2015-16 to ₹33.6 lakh crore in 2023-24, the States' share in the Union tax revenue increased from ₹5.1 lakh crore to ₹10.2 lakh crore between these two years. In other words, the gross tax revenue of the Union government more than doubled while the share of States just doubled. Grants-in-aid to States is another statutory grant recommended by the Finance Commission. The grants-in-aid to States declined in absolute amount from ₹1.95 lakh crore in 2015-16 to ₹1.65 lakh crore in 2023-24. Thus, the combined share of the statutory financial transfers in the gross tax revenue of the Union government declined from 48.2% to 35.32%.

One of the reasons for the States' share in gross revenue declining during this period is that the net tax revenue is arrived at after deducting the revenue collections under cess and surcharge, revenue collections from Union Territories, and tax administration expenditure. Among the three factors, revenue collection through cess and surcharge is the highest and increasing. The cess and surcharge collection in 2015-16 was 5.9% (₹85,638 crore) of the gross tax revenue of the Union government, and this ratio increased to 10.8% (₹3.63 lakh crore) in 2023-24. This calculation is excluding the Goods and Services Tax (GST) cess that is collected to compensate for the revenue loss of the States due to implementation of GST till June 2022. The Union government is increasing tax collection under cess and surcharge categories mainly to implement its own schemes in specific sectors, and at the same time, the revenues so raised need not be shared with the States.

### More centralisation of public expenditure

When the financial transfers to States either as tax devolution or grants-in-aid decline on the one hand, or do not increase at least proportionately to increase in gross revenue of the Union

government on the other, the resultant effect is the availability of larger discretionary funds for the Union government to spend. This could affect the equity in distribution of financial resources among States. The Union government has two other routes of direct financial transfers to States, that is, Centrally Sponsored Schemes (CSS) and Central Sector Schemes (CSec Schemes). The Union government influences the priorities of the States through CSS wherein the Union government provides partial funding and another part is to be committed by States. In other words, the Union government proposes the schemes and States implement them, committing their financial resources as well. Between 2015-16 and 2023-24, the allocation for CSS increased from ₹2.04 lakh crore to ₹4.76 lakh crore through 59 CSS. Thus, the Union government compels the State to commit more or less an equivalent quantum of financial resources. Moreover, the actual financial transfers to States under CSS is only ₹3.64 lakh crore (2023-24), retaining nearly ₹1.12 lakh crore of CSS allocation for other expenses.

An important aspect of CSS shared schemes is that the States that can afford to commit matching finances from the State budgets alone can avail of the matching grants. This creates two different effects in terms of inter-State equity in public finances. Wealthy States can afford to commit equivalent finances and leverage Union finances inwards through the implementation of CSS. Less wealthy States will have to commit their borrowed finances in these CSS, thus increasing their own liabilities. These differential trajectories of the public finances of States accentuate inter-State inequality in public finances, the major reason being CSS.

The CSec Schemes are fully funded by the Union government in sectors where the Union government has exclusive legislative or institutional controls. The allocation for CSec Schemes increased from ₹5.21 lakh crore in 2015-16 to ₹14.68 lakh crore in 2023-24 to implement more than 700 schemes. Thus, it is clear the

Union government allocates a larger share of the finances to CSec Schemes. It is quite likely that the Union government can allocate financial resources with a motive to benefit specific States or constituencies through the CSec Schemes. Since the CSec Schemes are directly implemented by the Union government, only ₹60,942 crore is devolved to States under this scheme in 2023-24. The combined allocation for CSS and CSec Schemes in 2023-24 is ₹19.4 lakh crore and only ₹4.25 lakh crore is devolved to States.

### Scope for anti-federal fiscal policies

The financial transfers through CSS and CSec Schemes are non-statutory transfers as they are based on neither any legal provisions nor any formula determined by the Finance Commission. This non-statutory grant forms 12.6% of gross tax revenue. Together with statutory grants, the total financial transfers as a proportion to gross tax revenue were only 47.9% in 2023-24. Further, the non-statutory grants are tied grants, that is, they have to be spent on specific schemes for which the grants are allocated. This reduces the freedom of States in conducting public expenditure. In addition to retaining more than 50% of gross tax revenue, the Union government incurs a fiscal deficit to the extent of 5.9% of GDP. Thus, the Union government wields enormous financial powers with limited expenditure responsibilities.

Further, the Fifteenth Finance Commission noted that the Union government had argued for the downward revision of States' share in Union tax revenue from 42% and the Commission retained the share at 41%. Citing higher expenditure commitments, the Union government may repeat the argument before the Sixteenth Finance Commission. So much for cooperative federalism!

J. Jeyaranjan is Vice-Chairman of the State Planning Commission, Government of Tamil Nadu. R. Srinivasan is Member, State Planning Commission, Government of Tamil Nadu.



KNOW YOUR ENGLISH

## I was jealous of his ability to dance

He was able to reach this position at such a young age as he came from a moneyed family

S. Upendran

"Heard your friend Rajesh has got a great job in Delhi."

"Yes, he has. He'll be making nearly double what he's making here. Also, he..."

"Double? Wow! He must be thrilled!"

"I don't think he really cares about the money. I'm told he comes from a moneyed family."

"Moneyed family? What are you talking about? What does the family have?"

"What many people desire most. Money! When you say that someone is moneyed, what you're suggesting is that the person has a lot of money."

"I'd like to marry someone from the moneyed class. That way I won't have to work anymore."

"Good luck with that! Some of the small towns along the coast depend on the moneyed tourists who visit them during winter. By the way, there are two ways of spelling the word. It can be spelt m.o.n.e.y.e.d, or m.o.n.i.e.d.

Dictionaryaries list both.

"I see. In school, I never thought your neighbour Vikram would amount to anything. He was bad at everything – studies, sports, making conversation, etc. Look at him now!"

"He's an example of a late bloomer."

"Late bloomer? What is that?"

"He's like a flower that blooms much after most others. When you say that he is a 'late bloomer', what you're suggesting is that he became good at something long after he'd been expected to."

"In other words, he becomes good at something much after those around him have become proficient. He's one of the last in his group to become proficient."

"Yes, that's right! This individual's talents are rather slow to develop. Here's an example. As a writer, Shanthi was a late bloomer. She published her first book of poems at the age of 60."

"When he was in school, Yogi's parents worried about him. What they didn't realise was that he was a late bloomer."

"That's a good example! It's also possible to say, 'late developer'. It has the same meaning as 'late bloomer'. It took Sandeep time to figure out what he wanted to specialise in. He was, what I'd like to call, a late developer."

"And look at him today! A lot of people are very jealous about his success."

"That's true. Some of his close friends are jealous of his unbelievable success."

"Jealous of? You mean jealous about, don't you?"

"No, I don't! One is usually 'jealous of something' and not 'jealous about something'. When you're jealous of someone, you are unhappy because the other person has something that you wish to have. Here's an example. When I was in school, I used to be very jealous of my cousin's intelligence."

"Shoba was jealous of her mother's good looks."

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THE DAILY QUIZ

## A quiz on the Golden Jubilee of India's first-ever men's One day International (ODI) played on July 13, 1974

V.V. Ramanan

### QUESTION 1

Where did India make its debut in ODIs, against whom, and what was the result?

### QUESTION 2

Though India suffered a reverse, it had two batters who scored a half-century. One was the skipper Ajit Wadekar (67). Who was the other?

### QUESTION 3

Two players who figured in the match, which was played for the Prudential Trophy, were members of the side that would lift the Prudential World Cup nine years later. Name these two Indian greats.

### QUESTION 4

Which two members of the fabled 'Spin

Quartet' played in the match?

### QUESTION 5

Being the first match, all the 11 Indians who played were debutants. The lone Englishman to make his first appearance was incidentally born in Shimla as his father was a Major with the 2nd Gurkha Rifles. Name the cricketer.

### QUESTION 6

India lost its first two ODIs and its first success came in the 1975 Prudential World Cup against a team which is not a regular International team now. Name the opponent.

### QUESTION 7

The India men have so far played 1,055 ODIs, winning 559 of them. As of June 2024, against which full member of the ICC has India played the most matches (168).



### Visual question:

Name this Englishman who won the Player-of-the match against India. Incidentally, he was also the player-of-the-match in the first-ever ODI in 1971. GETTY IMAGES

### Questions and Answers to the July 12 edition of the daily quiz:

- The reason why world population day falls on July 11. **Ans: It was on July 11, 1987, that the world population count touched five billion**
  - The year in which the last Indian Census was conducted. **Ans: 2011**
  - In the 200 years or so, since the world hit the magic number of one billion in terms of population, it grew \_\_\_\_\_. **Ans: sevenfold**
  - The fertility rate for India as of 2021. **Ans: 1.9**
  - The top three most populous countries in the world. **Ans: United States is at 3. India is at no. 1, and China at no. 2**
- Visual: This continent has the highest rate of population growth. **Ans: Africa**  
**Early Birds:** K.N. Viswanathan| Tamal Biswas| Jyot Prakash

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

## Word of the day

### Ungainly:

lacking grace in movement or posture; difficult to handle especially because of shape

**Synonyms:** gawky, clumsy, awkward

**Usage:** While turtles look ungainly on land, in water they are very agile.

**Pronunciation:** bit.ly/ungainlypro

**International Phonetic Alphabet:** /ʌnˈɡeɪnli/

For feedback and suggestions for Text & Context, please write to [letters@thehindu.co.in](mailto:letters@thehindu.co.in) with the subject 'Text & Context'



the hindu **businessline.**

MONDAY - JULY 15, 2024

## Made for each other

Lavish weddings can have a socio-economic impact

**T**he Ambani wedding extravaganza (Mukesh Ambani's son Anant's marriage with Radhika Merchant on July 12) has set off a 'rich' debate. While one side questions whether such a lavish celebration is kosher in a country where half the individuals spend less than ₹3,000 per month in real terms (2011-12 prices), there is the other which says that an individual has the right to spend his or her money that is rightfully earned in whichever way he or she pleases. There is perhaps much to be said for both sides.



It is a fact that large weddings create a chain of livelihoods, more so in India where the wedding industry is supposed to be the second largest globally after the US. And weddings are private affairs after all with the commentariat having no stake in them. But socio-economic spillovers ought to concern us more than discussion around the event itself. Billionaire events trigger a 'demonstration effect' -- particularly among the burgeoning aspirational class. This could exacerbate indebtedness. A research paper on the impact of such weddings in rural India (by Francis Bloch, Vijayendra Rao and Sonalde Desai) published 20 years ago rings true today. A study by them of rural households in Karnataka finds that lavish celebrations are influenced less by norms in the village than patterns in cities. This is a variant of what sociologist MN Srinivas called 'sanskritisation' -- mobility achieved by imitating the behaviours of families of higher social orders, with the difference that this goes beyond rural India or caste.

According to a report by Motilal Oswal Financial Services, household debt is estimated to have touched 40 per cent of GDP in the December 2023 quarter, led by unsecured personal loans. These loans cannot be linked to weddings, but some of it may be debt-driven consumption by those who believe in 'keeping up with the Joneses'. Leading private banks and NBFCs offer personal loans for weddings, while five-star hotel chains tie up with fintechs to offer 'marry now, pay later' schemes. According to a recent Jefferies report, the Indian wedding industry is estimated to have grown to a staggering ₹10.7-lakh crore. Luxury weddings, ranging between ₹20 lakh and ₹30 lakh, constitute a major segment of the market. These generate livelihoods on a major scale, but compromise the savings even of the fixed-income upper middle class. The Jefferies report concludes that many Indians spend nearly double on weddings as compared to a tangible investment like education.

A 2020 World Bank study documented 40,000 marriages in rural India between 1960 and 2008 and found that dowry was rampant. It is incumbent on influential leaders, whether in politics or business, to be mindful of the consequences of endorsing shock and awe consumption. They should also be aware of the timeless struggle for social reform, led by Jyotiba Phule, Gandhiji, Dayanand Saraswati and others. Gandhiji's dictum of moral restraint and minimalism (*aparigraha*) remains relevant today.

## FROM THE VIEWROOM.

## Farewell Jimmy, and thanks for the memories

B Baskar

Amidst the heroics of 16-year old Lamine Yamal in the ongoing Euros and Jasmine Palolini's run in the Wimbledon, the retirement of a cricketer legend got pushed to the corner of the sports pages.

England's Jimmy Anderson stepped on the cricket field for the 188th and last time, when he played against West Indies in the Lord's Test last week.

For some players their records tell their story whereas for others the numbers don't quite capture their achievements. Anderson belongs to the first category -- a staggering 704 Test wickets at an average of 26.45. For a fast bowler to have lasted till the age of 41 is proof of Anderson's stamina, fitness and determination. Having made his debut in 2003 under Nasser Hussain's captaincy, Anderson has been a constant presence in the English team over the last two decades.

This Lancastrian was not a flamboyant, flashy fast bowler -- he was of the shy, reticent type

who let his seam and swing do the talking. The pace may have dropped in the recent times, as is to be expected, but the line and length were still probing enough to fetch him wickets. Like a lot of bowlers his home record was better than his away record. But he also played a good 66 fewer innings away from home. Also at neutral venues, he had a spectacular average of 20.54.

Anderson's battles against Virat Kohli tell a fascinating tale. In the disastrous 2014 series in England where Kohli flopped, Anderson had got his scalp four times. But in the 2018 series, Kohli got the better of Anderson as he couldn't get Kohli's wicket even once, though India went on to lose the series 1-4.

Anderson recently said that the best batter he bowled against was Sachin Tendulkar, though he did get his wicket nine times in the 14 Tests they played against each other.

Great cricketers don't always get the send off they deserve. But Anderson was an exception. Thanks for the memories, Jimmy.

## Knotty issues in Finance panel transfers

**SHARING RESOURCES.** Centre-State transfers should be based both on equity and entitlement considerations. Better consultation with States is called for



R GOPALAN MC SINGHI

The Finance Commission (FC) constituted with an interval of five years plays a critical role in transfer of resources from the Union to the States to alleviate the asymmetry in powers of raising resources by the constitutional units in federal structure.

The Commission, while transferring resources between the Union and the States (the vertical sharing) also determines the share that would accrue to each State (horizontal sharing) and in doing so looks at the revenue realised (realizable) and the expenditure that would need to be incurred through a normal assessment.

Besides the FC, the Union also transfers resources through Ministries and Departments for specific programmes and schemes. The broad institutional architecture of fiscal transfer could be well understood through the diagram given.

The overall flow of resources is quite significant both from the perspective of the Union and States. While for the Union, transfers constitute nearly half of its gross Revenue Receipts (GRR), for the States, these transfers account for nearly 47 per cent of their revenue receipts. The transfers witnessed an upsurge with the Fourteenth FC, which raised the divisible pool to 42 per cent of taxes (net of cess and surcharge and collection costs).

Notwithstanding the importance of transfers for the Union and the States, three issues are often raised on the constitutionally mandated transfers through FC. These issues indicate that the FC transfers are status quoist and not dynamic; these transfers hardly are able to influence policy paradigm at the level of the States; these transfers are non-transparent; they are just handed down.

These criticisms are not often out of place. Transfers have been status quoist because the criteria governing the transfers have hardly undergone significant changes. Almost equal weight has been allocated to the need and fiscal capacity, with poorer and smaller States

getting a significantly larger share. This should change.

On per capita transfers, against an average transfer of little over ₹8,000 during 2014-22, the range has been varying; from under ₹6,000 to Haryana, Maharashtra and Gujarat to over ₹50,000 for Sikkim, Mizoram and Arunachal Pradesh. Even Goa, a better off State, gets over ₹20,000.

Similarly, transfers from the Union, as per cent to overall revenue receipt of the States, during 2014-2022, have varied from 23.4 per cent for Haryana to 72.9 per cent for Bihar and more than 80 per cent for most smaller North-Eastern States.

## LITTLE POLICY IMPACT

The awards of the FC have hardly been able to influence policy patterns. The Commissions, since the Twelfth FC, have been emphasising fiscal responsibility and setting debt ceiling relative to GSDP.

Twelfth Finance Commission recommended a ceiling of 25 per cent as Debt/GSDP. Fifteenth FC reiterated this in its Fiscal Responsibility recommendations, but the actual debt to GSDP ratio of the States has remained elevated. In 2023-24 (BE), it was 13.9 per cent for Odisha (the lowest) to 47.6 per cent for Punjab. It exceeded 50 per cent for Arunachal Pradesh.

Due to debt waivers, interest subvention and other special programmes by the States, FCs were hardly able to enforce the required fiscal discipline. While the Union Government is equally responsible, as every proposal for borrowing must be agreed to by it, the fiscal situation in some States is nearly crumbling.

Discretionary transfers through Departments are preferable as they are pointed, specific and better targeted and monitored, as compared to such transfers through FCs. However, to relieve the serious debt distress of some

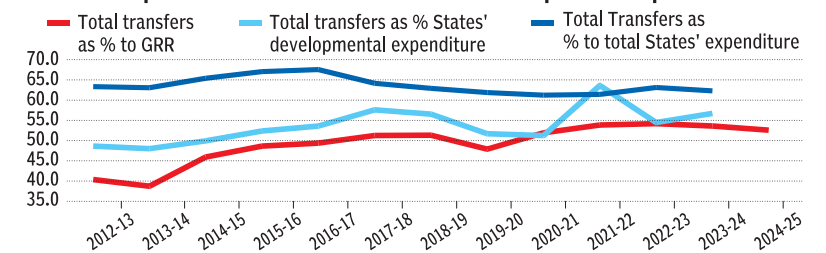
**Transfers have been status quoist because the criteria governing the transfers have hardly undergone significant changes**



## Funding formula

Institution and type of transfers	Method	Rationale
<b>Finance Commission</b>		
Share in Central taxes	Formula based	Vertical equity
Inter State sharing from divisible pool of Central taxes	Formula based	Vertical & horizontal equity
General purpose grants	Based on revenue deficit	Horizontal equity
Special purpose grants	Discretionary sector specific	Merit goods
<b>Central Ministries/ Other agencies</b>		
Special purpose grants	Discretionary Sector specific	Merit goods

## Transfers as per cent to GRR and States' total &amp; developmental expenditure



States, a one-time grant under strict conditionalities is needed. Criteria must be evolved after due consultation with experts and the States. Again, cesses must be merged with the divisible pool.

Non transparency is a complaint made by most States. According to them, while FCs discuss their Memorandum, there is hardly any forum where they can collectively raise their issues and get answers as why their demands are unacceptable.

Similarly, each State usually suggests different criteria for inter-State distribution of divisible pool, but FCs, without getting into the merit of these cases, decide the criteria. Their approach is often seen to be guided by the Union, not from the perspective of the States.

It is not that these apprehensions are unfounded. It is, therefore, important that steps should be taken to remove any apprehensions in the interest of cooperative federalism. For transparency, it may be desirable for the FC to hold inter-State meetings at regional level or with comparable States to convince them of the approach the FC proposes to follow.

It has been observed that as a result of equity considerations dominating weights, the ratio of resource transfers to better off and poor States has remained largely unchanged.

The Twelfth FC did talk of equalisation of revenue expenditure for some merit goods like education and health, but that was not pursued by the later commissions. Given that discretionary transfers are better targeted and monitored, FC transfers could themselves be in two parts, fully equity based, and entitlement based.

It is important that inequality as is being observed in terms of per capita income or expenditure or asset holding are reduced, but mechanism for an appropriate intervention needs to be conceived by the FC. The current approach creates more heartburn than address the needs.

There has often been talk of constituting a mechanism like inter-State GST Council where these issues are discussed, but such a forum where decisions are taken on unanimous basis is not feasible in FCs.

Similarly, an arrangement like that of the Inter State Council is also not very useful. Better inter-State communication, a genuine mix of entitlement with discretion for better monitoring are the key issues and the FC must arrive at a consensus on these.

Gopalan is former Secretary, Economic Affairs, and Singh is former Senior Economic Adviser, Ministry of Finance. Views are personal

## SHORT STORY

RAVIKANTH



## BELOW THE LINE



Anant Ambani ties the knot with Radhika Merchant at the Jio World Convention Centre in Mumbai ANI

## Economic boost

The estimated ₹5,000 crore spent at the Ambani wedding has injected a significant amount of money into the economy, circulating funds that were otherwise sitting idle in bank

accounts. This grand expenditure isn't just about extravagance. It's a textbook example of how high spending can have a ripple effect on the economy, boosting various sectors from hospitality to retail. Critics may frown at this display of wealth, but the truth is, such spending sprees fuel our consumption-driven economy. It's a reminder of capitalism's core: businesses thrive because of consumer demand. While we must balance consumption with sustainability, there's no denying that events like these give a substantial boost to GDP.

## Gaming cos' Budget bet

The online gaming sector is hoping

for a major relief in the upcoming Budget. Industry insiders are abuzz with speculation that the Budget will abolish retrospective taxation on online gaming companies, a move that could bring significant relief. A key panel under the GST Council has already recommended amending the CGST Act to quash past tax demands that arose due to interpretative issues or lack of clarity. This proposal, if incorporated into the Budget, would mean an end to the financial uncertainty that has plagued the industry. With the Budget barely a few days away, online gaming companies are betting big on a favourable decision that could provide them with much-needed stability.

## Runaway brides

Recently media reports highlighted how 11 women reportedly "eloped" with their lovers after they received the first tranche of Pradhan Mantri Awas Yojana (PMAY) money. Post a complaint in one such case, an investigation was launched at the local level. And preliminary findings show there are at least 10 more such instances where women have gone missing after receiving the first tranche of money under PMAY. The scheme is aimed at providing support to poor and lower middle-class households to build a permanent home. And the first tranche disbursed was to the tune of ₹40,000.

## Caught off guard

Social media is a double-edged sword. It can make or destroy a person's image in no time. Recently, the Excise Department of Telangana held a person who made a video on Facebook, explaining to his followers how to safely pack a liquor bottle while travelling. On a tip-off, the Excise cops scrutinised the video and found more than one bottle in the video. On inquiry, they found that the person brought the bottles from Goa and had not paid the relevant taxes. A case was booked. The moral of the story is -- think twice before posting videos on social media. **Our Bureaus**



# 'Misbehaving' economics

When Richard Thaler turned rationality on its head

## KITAB KHANA.

TCA Srinivasa Raghavan

Those who studied advanced economics between 1960 and 2000 were bullied into believing that people were rational and that therefore economics was the study of rational behaviour.

Deep down everyone had our doubts, some more than others.

In the 1980s Amos Tversky and Daniel Kahnemann stood economics on its head: far from being rational optimisers seeking equilibrium, they said, people were irrational and didn't really know what was the best choice.

After 2000 this has become the received wisdom of economics.

One day I found a book with an intriguing name: 'Misbehaving'. It was by Richard Thaler, the economist who wrote 'Nudge'. The paperback only costs about ₹500.

That was 10 years ago. For some reason, I never got around to reading it.

### LIMITS OF 'IRRATIONALITY'

Last month there was a heated discussion on the limits of treating irrational behaviour as the bedrock of economics. So I finally read Thaler's book.

He defines misbehaviour as when people don't behave as economics expects them to: rationally.

The book describes a large number of fascinating experiments and situations where people don't seem to know what they are doing but are happy. Thaler's overall message is clear: the economics of 1960-2000 was a big con in that it was all make-believe.

In one place he says how John Maynard Keynes, the Bible writer of macroeconomics, thought people were actually quite irrational.

He referred to this as animal spirits. His great insight was that widespread ownership of shares makes markets less efficient because in a closely held company the owners have a better sense of the company's intrinsic value.

### PSYCHOLOGY PLAY

Given below are some examples from the book.

Psychology plays a huge part in them. In his very experiment, Thaler found that his students were happier getting 95/137 than 72/100 because they felt better. That's all. They felt better.

Keynes' great insight was that widespread ownership of shares makes markets less efficient because in a closely held company the owners have a better sense of the company's intrinsic value.

Then there's the Groucho Marx theorem's version in economics. Groucho had said he would never want to belong in a club that would admit him.

Likewise in economics a rational person would never buy a stock that another rational person was willing to sell.

This drove a stake through the heart of the efficient market's hypothesis that in such a market the price is always right.

But if the price is right, why trade at all? There's nothing to be gained.

Another crucial finding was that loser stocks yield better returns than winner stocks. I don't have the space here to fully explain what they did.

Suffice it to say that they showed this to be true. So much for the efficient market hypothesis, then, of beating the market.

### POLICY FACTOR

Another finding of huge relevance to India which used tax subsidies to increase savings. Apparently, this is simply not the case. It's far better, instead, to have new but automatic savings plans offered to employees by their employers.

Once again, you need to read the book.

Thaler has another insight that's of direct relevance to India: when there are so many choices to be made, an individual needs to be guided. He calls it "libertarian paternalism".

Basically, you don't reduce choice by making things compulsory.

You leave the right to choose intact and instead make things easier for people to choose.

The book is a virtual treasure trove of highly valuable policy insights that the Finance Ministry would do well to force its officers to read.

It's called "dimag ki batti kholna".

# Indian state and the marginalised

The author documents the many inequities of the Indian state and how some sections have gained by harnessing state power

## BOOK REVIEW.

Uday Balakrishnan

The freedom to move around the country without being watched or questioned has over the years resulted in books that have brought out the gross inequities of the Indian state. The latest one, reviewed here, is Bela Bhatia's 2024 collection of her writings *Forgotten Country - A View from the Margins*.

Bhatia's writings reflect not just her thinking as an involved activist, a concerned citizen, and a scholar, but also those of other perceptive observers of India, among them Ronald Segal in his 1965 tour de force *The Crisis of India*, the Nobel Laureate, VS Naipaul's *An Area of Darkness* and Rajashakar's 2021 work *Despite the State: Why India Lets its People Down and How they Cope*.

Most of the 25 essays appearing in Bhatia's volume were published between 2000 and 2011, a bulk of which — 10 in all — first came out between 2000 and 2006. Very few are from the late 1990s and just five were published between 2013 and 2020.

### FUTURE RELEVANCE

Dated as most of Bhatia's writings in this volume are, they have current and future relevance. Almost all her essays have well-documented accounts of individuals and communities who have been at the receiving end of state directed violence and arbitrariness.

Her essay *Forced Evictions in Narmada* brings out the coercive nature of resettlement programmes associated with large dam projects that rarely get sustained attention in the

media. Bhatia's piece on bonded labour in Baran — Rajasthan — *Of Human Bondage in Baran* first published in 2012, is not out of date. It might surprise most Indians to know that bonded labour persists in the country to this day, with more than a crore of labourers yet to be released and rehabilitated from bondage. The plight of the poor in Bihar and especially its agricultural labourers, is brought out movingly in her essay *The Mazdoors of Bihar*. It is based on her doctoral thesis.

Anyone who has worked in Bihar — and this reviewer has — cannot deny the power of the zamindars who have successfully subverted land reforms or the near-slave like conditions of the Dalits and landless agricultural labourers of that State.

### NAIVETE AND BIAS

However, several of Bhatia's essays such as the one on violence in Kashmir, the insurgencies in different parts of India, including the Naxalite movements, reflect a certain naivete as well as far-Left bias.

Her piece *A Stone in My Hand* on violence in Kashmir is a case in point, where she underestimates the significant role of neighbouring Pakistan and even China in the conflict in the Valley going back to early days of Independence. Likewise with the Naxalites in her essays *On Revolutionary Violence and Salwa Judum and After*.

While it is true that the Naxals and other extremist elements have some support of the communities in which they operate, there is enough evidence to show that such solidarity is neither spontaneous nor just a reaction to state interventions. It is well-documented that external forces have played their part in fomenting



**Title:** India's Forgotten Country -- A View From the Margins

**Author:** Bela Bhatia

**Publisher:** Viking Penguin

**Price:** ₹1,299

### ABOUT THE AUTHOR

**Bela Bhatia lives** in Bastar in south Chhattisgarh, and works there as an independent human rights lawyer, researcher and writer.

unrest and rebellion. But, of course, Bhatia ignores these aspects altogether.

Bhatia's book is well worth reading if only to get a better understanding of how influential social, economic, and political forces in India have harnessed the powers of the state to their

greatest benefit. There are simply too many instances of state directed violence against the poor and the marginalised to ignore.

However, Bhatia seems to live in denial of a universal phenomenon, the power and right of the state to preserve itself with all means at its command. One wonders what would have happened to India if the state had not repeatedly intervened to preserve its unity and territorial integrity.

### SACRIFICES NOT IN VAIN

India's police and armed forces have battled revolts and insurgencies ever since Independence to hold together a diverse country like ours.

This has come at the great cost of thousands of lives of young policemen and soldiers from all parts of the country over 76 years. Such sacrifice remains unacknowledged by Bhatia.

However, the outcomes of such sacrifices have not been in vain for India survived well enough for people to take advantage of a large relatively stable democratic state with a growing economy. Reading Bhatia is instructive. One wonders what the different parts of a fragmented India — the end result of caving in to every separatist demand — would have achieved.

To visualise what an independent Nagaland or Manipur would have been we only need to look at the plight of hopelessly impoverished break-away countries such as Timor Leste and the Republic of South Sudan.

Bhatia's book is well worth reading for its brilliant documentation of the many inequities of the Indian state, but not for her standing up for some questionable entities.

The reviewer taught public policy and contemporary history at IISc, Bengaluru

## NEW READS.

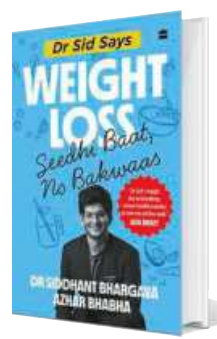


**Title:** Who Said She Can't? -- Inspiring Stories of Pioneering Women Graduates of IIT Bombay

**Author:** Rashmi Bansal

**Publisher:** Bushfire Publishers

**These are the stories** of IITB Gen Zero who ventured into the male dominated world of science and technology.

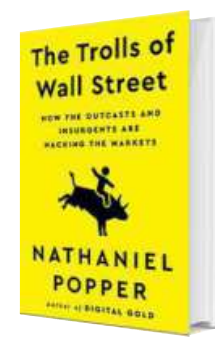


**Title:** Dr Sid Says: Weight Loss. Seedhi Baat, No Bakwaas

**Author:** Siddhant Bhargava

**Publisher:** HarperCollins India

**Practical and intelligent** solutions to a problem that is as universal as it is personal. The secret is a calorie-restrictive diet.



**Title:** The Trolls of Wall Street: How the Outcasts and Insurgents are Hacking the Markets

**Author:** Nathaniel Popper

**Publisher:** Dey Street Books

**A book about** people who made and lost millions, battling each other and Wall Street

## thehindubusinessline.

### TWENTY YEARS AGO TODAY.

July 15, 2004

#### UTI MF seeks exemption on long-term capital gains

UTI Mutual Fund, the country's largest mutual fund, has written to the Finance Ministry seeking to extend the proposal on long-term capital gains tax exemption for securities transactions to mutual funds. It has also suggested that the proposed reduction in rate of short-term capital gains from 20 per cent to 10 per cent be applicable to units of mutual funds.

#### Govt to review NDA's urea distribution policy: Paswan

The new United Progressive Alliance (UPA) Government headed by the Prime Minister, Dr Manmohan Singh, would review the urea distribution policy of the previous National Democratic Alliance Government. This was stated by the Minister for Fertiliser, Chemicals and Steel, Mr Ram Vilas Paswan, here on Wednesday.

#### SBI divests 37 pc in MF arm

State bank of India has decided to divest 37 per cent of its holding in mutual fund arm, SBI Funds Management Pvt Ltd, for an amount in excess of \$35 million. Both parties have signed a memorandum of understanding to this effect, whereby they agreed to enter into all definitive agreements and other ancillary documents subject to regulatory approvals.

### Short take

# EV battery recycling can reduce reliance on China

Rajesh Gupta

India's domestic EV battery recycling industry not only promotes sustainability but also reduces the country's reliance on China.

Domestic recycling of these batteries ensures that valuable materials (lithium, cobalt, nickel) are recovered and reused, reducing the need for new mining operations.

India's democratic framework provides avenues for worker representation, making the domestic battery recycling ecosystem more respectful of ethical and sustainable management practices. The government formulated the Battery Waste

Management Rules, 2022, which mandates Extended Producer Responsibility (EPR), making battery producers responsible for the collection and recycling of used batteries. This policy ensures that manufacturers take an active role in managing the lifecycle of their products, promoting a circular economy. Additionally, the government has introduced financial incentives and formed partnerships to boost the domestic recycling industry.

The domestic recycling industry has the potential to create numerous jobs and stimulate technological advancements.

The first lot of batteries deployed in the initial EVs manufactured in India about 5-7 years ago have started reaching

recycling factories. Consequently, the demand for skilled labour in this sector is increasing rapidly, presenting promising career options for youth and students.

Currently, important technologies deployed in recycling include hydrometallurgy, which involves recovering metals using aqueous solutions, and pyrometallurgy, which uses high-temperature processing to separate materials.

Another promising method is direct recycling, which reuses battery components directly in new batteries. These technologies are constantly evolving, increasing efficiency and reducing the effort required in the recycling process. Recent innovations include the use of microorganisms to

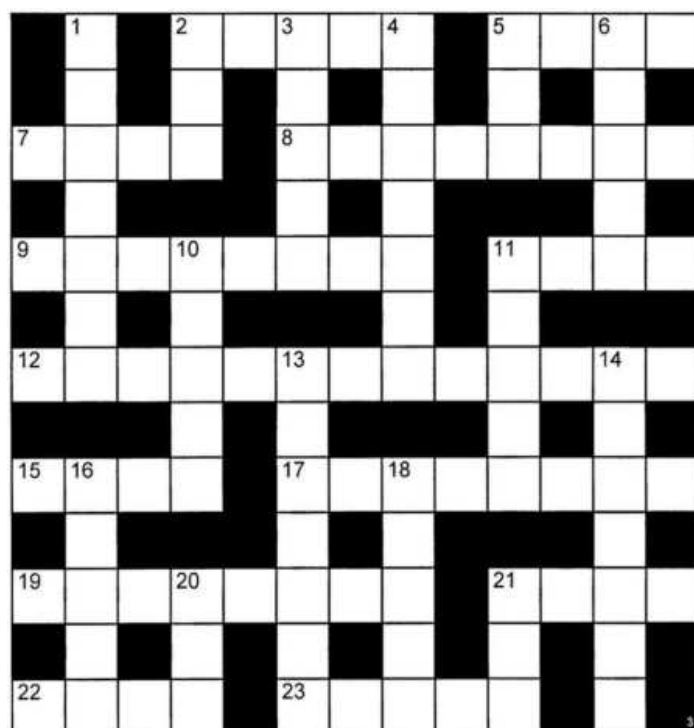
break down components of materials to be recycled.

By building a robust domestic battery recycling industry, India can reduce its reliance on China for critical battery materials. China currently dominates the global battery supply chain, but by investing in domestic recycling infrastructure, India can create a self-sustaining loop where valuable materials are continuously reused within the country.

As the EV market continues to grow, the importance of closing the loop through domestic recycling becomes increasingly evident, paving the way for a more sustainable and self-reliant future.

The writer is Founder & Director, Recyclekaro

## BL TWO-WAY CROSSWORD 2482



### EASY

#### ACROSS

- 02. Concise (5)
- 05. Detest (4)
- 07. Shivering fever (4)
- 08. Unbeliever (8)
- 09. Mule-like (8)
- 11. African river (4)
- 12. Mayonnaise, vinaigrette etc (5,8)
- 15. Light cloud speeding before wind (4)
- 17. Was in arms against authority (8)
- 19. Towards lower slopes (8)
- 21. Volition (4)
- 22. Pile (4)
- 23. Serious; tomb (5)

#### DOWN

- 01. Early evening meal (4,3)
- 02. Comb-maker (3)
- 03. The perfect insect stage (5)
- 04. Money backing (7)
- 05. Owns (3)
- 06. Fabric showing diagonal lines (5)
- 10. Smooth, suave (5)
- 11. Of the nose (5)
- 13. Endearment (7)
- 14. Pine leaves (7)
- 16. Old woman (5)
- 18. Model-making wood (5)
- 20. Snooze (3)
- 21. Misfortune, calamity (3)

### NOT SO EASY

#### ACROSS

- 02. Only half set of underpants prepared for barrister? (5)
- 05. Love the opposite combination of articles (4)
- 07. It makes one sick, being so sketchy when topless (4)
- 08. Not believing a song to be wrong, tick the end off (8)
- 09. Mulish way to put fag out when brought into the world (8)
- 11. River that counts for nothing with the East (4)
- 12. Does it make tomato redden, seeing it? (5,8)
- 15. Copper in heartless sad setting to run before the wind (4)
- 17. Ringer, taken in by mouthpiece, was up in arms (8)
- 19. Who'll din shatter if not on the way up? (8)
- 21. In short, Shakespeare deals with disposal of effects (4)
- 22. A whole lot taken out of the apparatus (4)
- 23. Serious sort of accent the French use (5)

#### DOWN

- 01. Cha up? (4,3)
- 02. Thing with a sting in a bonnet one is obsessed by (3)
- 03. I am endlessly allowed to depart for Butterfly (5)
- 04. Can be upset in the penalty, but finds necessary money (7)
- 05. Being one of the 'haves', he's suffered a change of heart (3)
- 06. Material to work the land around the West (5)
- 10. Orchestra of about fifty can appear smooth (5)
- 11. Nail one out as being put in about the nose (5)
- 13. Grace, perhaps — such a dear! (7)
- 14. Pine trees may drop them, but they have their point (7)
- 16. The old girl has an ice-cream, which is about right (5)
- 18. Wood for modelling, a chunk of which turns up (5)
- 20. Break the top off cloth surface (3)
- 21. Misery waged over European leaders (3)

### SOLUTION: BL TWO-WAY CROSSWORD 2481

**ACROSS** 1. Remuneration 8. Abdicare 9. Star 11. Dodge 12. Immense 13. Earn 15. Asia 19. Tipping 20. Knack 22. Cook 23. Helmsman 24. Safe and sound  
**DOWN** 2. Ended 3. Uncles 4. Entail 5. Intends 6. Nerve-racking 7. Candlesticks 10. Imp 14. Reproof 16. Dip 17. Agreed 18. Akimbo 21. Ammon



## A marker of development

NITI Aayog index suggests progress but also raises questions

The NITI Aayog, the government think tank, has presented a hopeful picture in its latest Sustainable Development Goals (SDGs) India Index with the nation's composite score improving to 71 points (out of 100) from 66 in 2021 and 57 in 2018, the baseline year. The report, which tracks the progress of states and Union Territories (UTs) on 113 indicators aligned with the United Nations' National Indicator Framework, shows that all states and UTs have improved their SDGs with scores ranging from 57 to 79 against a 42-69 range in 2018. In the broad national rankings, 32 states/UTs made the "front-runner category" (scores of 65 to 95) with 10 new entrants. If no state figures in the "aspirant" or lowest category (a score 0-49), no state figured in the highest (score of 100) either. There has been significant progress on 12 of the 16 goals. The most concerning outlier is gender equality, where the needle has hardly moved since 2019-20; India remains firmly in the aspirant category on this SDG.

The report has linked the improved composite score to government welfare programmes and initiatives. If this is the case, a closer look at the disaggregated data suggests that this assistance has been unevenly distributed. The goal of zero hunger is one example. Though the composite score has improved (from 48 to 52), a wide swathe of "aspirant" scorers cuts through the centre of India, from wealthy Gujarat in the west through to Bihar and parts of the Northeast. On quality education, patches of central, east, and north-east India remain at aspirant levels. All of this suggests that programmes providing access to food or schools and educational institutions do not necessarily translate into satisfactory outcomes in all parts of the country. Both these parameters have a direct bearing on the future quality of India's population, as does the relatively slow progress on industry innovation and infrastructure.

Some scores, however, appear to be incompatible with lived experience. India gets a lavish score of 83, up from 29 in 2018, on sustainable cities and communities, which is hard to reconcile with the poor quality of life for most people in Indian cities. This parameter appears to have relied on the degree to which bio-hazard and bio-medical waste is treated, which must surely be just one dimension of creating a sustainable city. Similarly, the enormous leaps recorded in affordable and clean energy — most of India gets a 100 per cent score — skew a picture in which India ranks high among the world's most polluted (read: Fossil fuel emitting) cities and coal does the heavy lifting in power generation.

The NITI Aayog's SDG report is undoubtedly an invaluable exercise in cooperative federalism, and the evidence of a reduction in multi-dimensional poverty is heartening. But the exercise is essentially an inward-looking, comparative picture of the country's social and development progress. When measured against global, even Asian, standards, India lags on almost all parameters. In the latest UN Sustainable Development Report, India ranked 109th out of 193 countries. The report stated only 30 per cent of the SDG targets are on track or have been achieved, and there has been limited progress in 40 per cent of the targets and a worsening situation in 30 per cent. Reconciling these varying pictures may require raising the standards on which states are judged to more realistic levels.

## Defining success

Amazon@30 has lessons for startup ecosystem

Thirty years after starting from Jeff Bezos' garage in Bellevue, Washington, Amazon is now a shopping powerhouse, set to sell an estimated \$550 billion worth of goods online in the US during 2024. Just ahead of its 30th anniversary recently, the biggest e-commerce company hit a market value of \$2 trillion for the first time. In 1994, Mr Bezos had quit his job in an investment bank to "capitalise" on the potential of the internet, putting in \$10,000 from his personal savings to incorporate a company called Cadabra, which was soon changed to Amazon, inspired by the South American river, as the earlier name didn't click. As the Seattle-headquartered e-commerce-to-AWS-to-Prime Video major prepares for the next trillion in market value while integrating its businesses, there are takeaways for the Indian startup world.

The Indian posterboy of e-commerce, Flipkart, was founded by Sachin Bansal and Binny Bansal (not related) and both worked in Amazon before starting their entrepreneurial journey. If Amazon had started as an online bookstore three decades ago, so had Flipkart, founded in 2007. If Amazon turned into a virtual department store soon after, so did Flipkart. While Flipkart's success triggered a startup rush in India, the entrepreneurial ideas in this country have been heavily influenced by the successful models in the West, to a large extent. Flipkart, now owned by the world's largest retailer Walmart, competes with Amazon in India. Even as a large number of Indian startups have been able to raise multiple rounds of funds from marquee foreign investors and join the unicorn and decacorn clubs, the absence of new and original ideas has been a concern. The education system and the regulatory environment in India may have come in the way of creating "garage-based" startups turning into world beaters such as Amazon, Apple, and Google. Startups have been high on the priority list of the government through its "Startup India Initiative", but for them to make a difference there should be regulatory clarity on various fronts including taxation, in addition to a much greater focus on research and innovation. The startup culture in India should get a boost through real ease of doing business, helping entrepreneurs build transformational businesses while creating hundreds of thousands of jobs.

According to the recent data, India has the third-largest startup ecosystem globally with over 127,000 startups. India has produced more than 100 unicorns — privately-owned companies valued at over \$1 billion — but the growth is not being fuelled by Indian investors. While some Indian industrialists have backed startups, the numbers are low. Along with domestic funding and industry backing, institutes of higher learning will play a key role in creating startups that can become a role model for generations. Along with bouquets, Amazon has got brickbats too through its 30-year journey. Its workplace culture has been under scrutiny for being "cut-throat", "inhuman", and "stressful". Its Indian warehouses too are under scrutiny owing to complaints that workers have been denied washroom breaks. In a latest report, a Switzerland-based trade union body, UNI Global Union, has alleged only one of five Amazon warehouse workers in India finds the work environment safe. Some of these concerns must be addressed. Indian startups must learn and build sustainable businesses.

# Maintaining regulatory balance

Besides depositors, investors in bank securities are important stakeholders, and their interests ought to be safeguarded

ILLUSTRATION: AJAY MOHANTY



The financial sector in most of the economies of the world, especially the emerging ones like India, is bank-dominated. Banks are crucial because they facilitate financial inclusion through their outreach, and play an important role in directing credit to desired sectors and help governments achieve various objectives.

The need for a differentiated regulatory architecture for banks is obvious. They operate on an extraordinarily high leverage ratio; are permitted to accept deposits from the public; and have the backing of the central bank as the lender of the last resort.

The masses have faith in the banking system. A run on a bank can have serious economic, social, and political consequences. Naturally, supervising and regulating banks is a serious business in any country. Because of the sheer nature of their job, bank regulators the world over are perceived to be a bit conservative and risk-averse.

That said, at the end of the day, banks are commercial and for-profit entities that not only compete among themselves but also with other lenders and credit providers. They need to have sufficient operational flexibility, keep pace with technological advancements, and encourage innovation.

For the regulator, maintaining a right regulatory balance could prove to be a tricky affair — where and when to tighten regulation and when to let go? Then, there is a constant tussle of choosing between principle-based or rule-based regulation.

Coming to the Indian context, few would disagree that the banking regulator, the Reserve Bank of India (RBI), exercises tight-fisted control over

virtually all the activities of the banks. In addition to the formal regulatory oversight, the RBI influences the banks' workings through informal nudges. In fact, these nudges may often prove to be onerous for banks to comply with.

While regulatory oversight covers a wide range of subjects, this column limits itself to issues relating to banks' board-level appointments and protecting the interests of investors in banks' securities.

The RBI approves the appointments of the chairpersons, managing directors, and directors on the boards of all the private-sector banks, and also their tenures and remuneration. This is irrespective of the size of these banks. Many a time the RBI rejects the candidates for these positions and/or modifies their tenures, as recommended by the banks' management. Besides this, on occasions, the regulator appoints additional directors or its representatives on banks' boards.

At present, the board configurations of the top 10 private-sector banks in the country, in terms of their market cap, depict seven of the 10 chairpersons are either former RBI officers or former civil servants. These categories, supplemented by retired public-sector officers, constitute a significant proportion of the non-executive directors on these banks' boards; this proportion goes up to 50 per cent in one bank. This makes the boards of private-sector banks look quite similar to those of public-sector banks!

An obvious corollary that follows from all this is reduced distance between the regulator and the



AJAY TYAGI & RACHANA BAID

## Costs & time overruns in infrastructure

Social media over the past few weeks has been flooded with news and pictures of bridges collapsing, roofs at airports crashing, newly laid expressways being washed away or developing huge cracks, and rainwater gushing through the roofs of newly built airports and railway stations. Citizens are justifiably concerned about the quality of infrastructure being built, especially since the government has massively stepped up infrastructure spending. Over ₹10 trillion was allotted in each of the last two Budgets, and the level of allocation has been planned to be maintained. The worry, though, isn't merely the quality of the infrastructure being built. A bigger question is the enormous delays that continue to plague the construction of infrastructure projects. This shows up in the data put out by the Ministry of Statistics and Programme Implementation (MoSPI).

As on April 1, 2024, MoSPI was monitoring 1,873 projects — 612 mega projects (₹1,000 crore and above) and 1,261 major projects (₹150-1,000 crore). Of the 1,873, 449 have overshot their sanctioned cost and 779 have suffered delays. These projects were supposed to cost ₹26.87 trillion but the cost, as of now, has shot up to ₹31.88 trillion — an 18.65 per cent jump. Fortunately, the largest outlay is on road projects (1,093 projects being monitored), where the cost overrun has been much less; it is only from ₹8.38 trillion to ₹8.68 trillion. But implementation has gone haywire in the Indian Railways, which has the second-biggest chunk of projects sanctioned. There are 249 railway projects underway, and their original cost of ₹4.44 trillion has ballooned to ₹6.85 trillion till now, a rise of 54 per cent. Another area of massive cost overrun has been water-resources projects, for which the costs have increased 200 per cent. Against the original sanction of ₹23,466 crore, it is estimated these projects will cost ₹69,700 crore. Atomic energy, petroleum, and power are three other areas that have seen large cost overruns.

Now let us turn to delayed projects. Of the 1,873, 701 projects are on time, while 779 have been delayed. Of these, 202 were delayed by 1-12 months, 181 by 13-24 months, 277 by 25-60 months, and 119 by more than 60 months. The average time overrun was a massive 36.04 months or three years. What is worse, the ministry does not have information about the commissioning schedule of as many as 393 projects. In recent years, the government has apparently been working at bringing down this number. Yet, in

2017-18 55 per cent (or 731 projects) of the 1,232 projects being monitored were open-ended, that is they were without any firm date of completion.

Concerned about the delays, in February 2023, the Prime Minister asked all government agencies to complete pre-construction work like shifting utilities and land acquisition well in advance. A national daily quoted the Prime Minister as saying: "Don't you feel the pain of delay (in completing projects)?" Way back, in March 2015, the government had set up PRAGATI, an acronym for "Pro-Active Governance And 'Timely Implementation", which aimed to combine two completely unrelated issues: Redress of public grievances and timely implementation of projects. A government press release at that time said PRAGATI was a uniquely integrating and interactive platform, bundling three latest technologies — digital data management, video-conferencing, and geo-spatial technology for "simultaneously monitoring and reviewing important programmes and projects of the Government of India as well as projects flagged by State Governments". Clearly, PRAGATI has had little impact; only the number of projects with completion dates has increased as against a larger number of open-ended ones earlier.

Among the causes of cost escalation identified

regulated entities. The regulator, taking responsibility for the capabilities and integrity of the top-level personnel in all banks, creates a moral hazard problem, and this is likely to lead to an increased forbearance tendency on the part of the regulator. As a consequence, the regulator may find it difficult to extricate itself from certain possible awkward situations. In the process, it may even risk its credibility.

The RBI may consider taking another look at its policy on appointment matters, and perhaps restrict its role to appointing chairpersons and directors of only the systemically important banks.

Now let's turn to investor protection. Banks have to be necessarily listed in accordance with the regulatory mandate. This is to bring transparency to their functioning and improve corporate governance. However, often listed banks do not make full or timely public disclosures, purportedly to contain the possibility of a run on them, thereby safeguarding the interests of the depositors, or on supposedly financial stability concerns. As a result, investors in banks' securities may not be fully aware of the happenings in those banks. While there could be sensitivities involved, a sudden punitive action by the regulator on a bank may leave the investors high and dry. What is more worrisome is that often the RBI doesn't pass a speaking order against the defaulting bank. Resultantly, even after the regulator's action, the investors may be left guessing without a clear understanding of the issues.

Continuing with the investors' concerns, remember the ongoing litigation relating to ₹8,400 crore worth of AT-1 bonds issued by YES Bank and written off by the administrator appointed by the RBI while reconstituting the bank with investment from State Bank of India and some other banks. AT-1 bonds have a complex structure that goes against the basic financial principle by giving precedence to equity over debt holders in the waterfall. Logically speaking, AT-1 bonds should be so structured that if a distress situation in a bank demands that they be written down, that should be done only after wiping off the common equity Tier-I capital of the bank. The argument that the AT-1 bond is an internationally recognised instrument and is used by banks also in other jurisdictions for raising capital is of little help. In fact, the Credit Suisse collapse last year has many regulators sit up and have a second look at these bonds.

The sum and substance of this discussion is that besides the depositors, the investors in bank securities are important stakeholders, and their interests ought to be adequately safeguarded. The regulator needs to give this a serious thought.

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IRRATIONAL CHOICE  
DEBASHIS BASU

ment had set up PRAGATI, an acronym for "Pro-Active Governance And 'Timely Implementation", which aimed to combine two completely unrelated issues: Redress of public grievances and timely implementation of projects. A government press release at that time said PRAGATI was a uniquely integrating and interactive platform, bundling three latest technologies — digital data management, video-conferencing, and geo-spatial technology for "simultaneously monitoring and reviewing important programmes and projects of the Government of India as well as projects flagged by State Governments". Clearly, PRAGATI has had little impact; only the number of projects with completion dates has increased as against a larger number of open-ended ones earlier.

Among the causes of cost escalation identified

by MoSPI are under-estimating the original cost, changes in rates of foreign exchange and statutory duties, cost of environmental safeguards and rehabilitation measures, land acquisition costs, changes in the scope of projects, and time overruns. The reasons for time overruns are listed as changes in the scope of projects, encroachment, court cases, lack of infrastructure support and linkages, delays in land acquisition, obtaining forest/environment clearances, tieups in project financing, detailed engineering, tendering, ordering and equipment supply, and getting clearances from local authorities.

All these reasons are well known and have existed for decades. No matter which party has been in power, there has been no change in an ecosystem destined to cause cost and time overruns. We should assume all these factors will continue to inflict cost and time overruns in future. Against this background, what happens to the massively increased outlays on defence production, urban infrastructure, railways, renewable energy, transportation, water supply, etc. The central government's capital expenditure as a percentage of total expenditure hit an extraordinary 28 per cent in FY24 from just 14 per cent in FY14. Working within the same legal, social, political, and governance system, delays and cost overruns are only going to increase manifold.

Companies in infrastructure have benefited from the enormous government spending. Many of these companies are listed and their stock prices have seen a steep jump in the past two years. Perversely, delays and cost increases will perhaps help them even more. But they have macroeconomic consequences. Apart from a higher fiscal deficit and inflationary pressures, overruns mean much less funding available for sectors where the money is really needed — primary and secondary education and public health — where India invests too little.

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## Bernie Madoff: Thoughts from the jailhouse



### BOOK REVIEW

ALEXANDRA JACOBS

We don't yet have "Madoff: The Musical," but years after his 2021 death from kidney disease in a federal prison hospital, Bernie the Ponzi-scheming potentate keeps yielding cultural dividends. An experimental film shown at Lincoln Center. A Netflix documentary series, *The Monster of Wall Street*. And now, adding to a fat stack that includes a colouring book and an expose by *New York Times* reporter that generated its own Robert De Niro movie, a new prose probe entitled *Madoff: The Final Word*.

Final? As its own author, Richard Behar, admits: Doubtful. A long-time investigative journalist who has taken on, among other

formidable institutions, the litigious Church of Scientology, Behar spent 15 years seemingly half-shackled to and half-tickled by this, his first book. Along with many, many secondary interviews, he visited Madoff in prison three times; talked to him on the phone about 50 times; and received from him dozens of handwritten letters and hundreds of emails. (He's far from the first or only reporter to have visited the man in the clink, but the passage of time has loosened some auxiliary tongues — though death has stilled others.)

For every dollar he stole, Madoff seems to have generated at least one piece of regular paper. The hoard of 30 million documents he didn't manage to destroy, Behar writes, "is nearly half the size of the printed material collection of the US Library of Congress." The shredding operation Madoff ran starting in the mid-90s, in a Brooklyn facility now called Tuck-It-Away, had burlap bags of the scraps taken to a nearby recycling plant, his secrets "dissolving to mulch."

Who knew he was so eco-conscious?

Behar approaches this towering mountain of material with rigour, but also a certain informality. He delights in its wackier crags, like the auction of Madoff goods, the proceeds going to claw back money for those he'd ripped off, at which even his boxer shorts were for sale. Andres Serrano, the artist known for "Piss Christ," paid \$700 ("which seems crazy cheap") for 22 pairs of the shoes in Bernie's large collection, including leopard-print loafers.

Madoff's reading material in jail, Behar reports, included Leon Uris's 1953 novel *Battle Cry*. But the gruesome deaths of various players in the Madoff saga — the overmedicated multibillionaire floating in a Palm Beach pool; the French financier's office wastebasket filling with blood from his slashed wrists — are more John Grishammy.

*Madoff: The Final Word* carefully explains complicated matters like the turned cheek of JP Morgan Chase, which Behar calls "a gluttonous hydra when it came to Bernie," and the trial of the Madoff Five, but it also includes exclamation points, asides and

expressions like "Poof!" and "amirite." Behar's conversational intimacy — he discloses, for example, that his subject's prison shrink reassured him he was just a compartmentalised, not a sociopath — would have been fortified considerably by footnotes to distinguish between new material and old.

Not until the middle of the book do we learn that Madoff invested money paid for the author's own modest down payment on an apartment; his Aunt Adele was one of those who lost her life savings, which she took remarkably well. "I call Bernie 'My Little Gonif,'" she told him, "using the Yiddish word for a thief or scoundrel. 'A gonif steals someone's lollipop but does it cutely.'"

Behar, too, seems determined to see Madoff's humanity, and the tragedy of his family.

An older son, Mark, died by suicide in 2010, on the anniversary of his father's

arrest; the younger, Andrew, succumbed to lymphoma four years later, and Bernie was not permitted to attend either funeral. "Losing your only children is a life sentence in itself," Behar writes, "but to mourn them from a literal cage has to be unbearable, even for a financial cannibal."

He finds a grim humour in Madoff's widow, Ruth, whose level of

complicity remains undetermined. Behar interviews the lawyer who is trying, so far futilely, to return to her the capnoped marital bed — "shorter than a queen" — and quotes the hard-boiled FBI agent who chides her

for smoking. "Ruth, that's gonna kill you," he says. "If only," she replies.

"No wonder Bernie doesn't mind prison," the agent says later. "She won't shut the [bleep] up."

Perhaps most provocatively, Behar takes chapter-long issue with the characterisation of Madoff's wiped-out clients as "victims," preferring the term "losers." After all, he writes, "these poor unfortunates had been pulling in

massive, impossibly consistent profits without a peep — often for decades."

He's right that investors should conduct due diligence. But there's a weird unacknowledged echo with one of Donald J Trump's favourite disparagements that makes Behar's own, late-in-the-narrative attempt to yoke together Madoff and the former president as avatars of a national mental-health crisis seem shallow.

In a large crowd that includes accountants, key punch operators, secretaries, traders, turncoats, quants, Securities and Exchange Commission officials, lawyers, court officers and the dear departed Aunt Adele — who worked with neuroscientists and calls for a forensic examination of the warped folds of Bernie's brain — the psychiatrist Behar consults seems like a last-minute and somewhat awkward invitee.

Even with various quirks and jerks, though, *Madoff: The Final Word* boils a story of mythic proportions down to a bowlful of golden nuggets. If this is the first time you're being served, so much the better.

The reviewer is a Times book critic and occasional features writer ©2024 The New York Times News Service





## OPINION

The  
**Hindustan Times**  
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{ OUR TAKE }

## Political violence haunts America

The attack may boost Trump's prospects, but the larger story of the US's democratic backsliding and violence should worry the rest of the world

American political history is littered with chapters of violence. Yet, when Donald Trump, former president and the presumptive Republican nominee for president, was shot at a campaign rally on Saturday, it shocked the world's oldest democracy, and with it, the rest of the world. It is a relief that Trump is safe, and leaders across the spectrum have condemned the shooting, with President Joe Biden terming it "sick". Political violence must have no place in any society, and definitely not in a democracy where individuals and political parties compete on the basis of their ideas in an election and the public sphere. Yet, even though the motives of the perpetrator in this particular case aren't clear, the episode shouldn't have come as a shock, perhaps because America's bad political habits are coming back to haunt its polity in at least three distinct ways.

The first is how both sides in the American polity now treat each other as threats to the country. For Democrats, Trump threatens democracy due to his actions in power and after the last elections and his campaign promises now. For Republicans, Biden is a threat to the nation due to his record in office, especially on immigration. The almost apocalyptic manner in which both parties talk about each other has radicalised their respective support bases and opened up the space for political violence. Two, America has a gun epidemic. The easy availability of weapons of all kinds stems from a rigid interpretation of America's constitutional provisions framed in the late 18th century. But this democratisation of tools of violence is an affront to civilised society. It shatters the state's claim of monopoly over violence, leads to frequent mass shootings, and makes it easier for lone wolves and groups to plot violence while making it more difficult for law enforcement to tackle threats. Finally, rampant misinformation and disinformation are now a part of America's political theatre and anarchic media environment. This is an inevitable result of new technology and isn't unique to America, but when combined with its polarised politics and guns, it opens up room for ideological extremism and violence.

That the shooter was a young White man, rather than a person of colour, will help in preventing the episode from worsening the already deep ethnic and racial divisions. Electorally, the attack is likely to help Trump position himself as both a victim and a hero and charge up his base. But beyond the immediate implications, the story of America's democratic backsliding, extremism and violence should worry the rest of the world.

## In Kathmandu, no end to power games

As KP Sharma Oli prepares for his fourth stint as Nepal's Prime Minister (PM), it would be instructive to recall that no premier of that country has completed a full term since 1990. Oli is back after the fall of the government led by former PM Pushpa Kamal Dahal "Prachanda", who couldn't survive a vote of confidence in Parliament after Oli's Communist Party of Nepal-United Marxist-Leninist (CPN-UML) joined hands with Sher Bahadur Deuba's Nepali Congress (NC) joined hands to form a new coalition. The CPN-UML and Nepali Congress, despite being political and ideological rivals, have shared power about half a dozen times in the past.

Occupying the post of PM in Nepal has become akin to a game of musical chairs over the past decade, with most occupants, other than Oli and Dahal, having exceptionally short stints. This political instability, arising mostly from the fractured mandates produced by successive elections, has had wide-ranging impacts on Nepal's economy and overall development. In his last term, Oli had moved his country closer to China and triggered a row with India by issuing a new political map that sought to claim territories controlled by India. The Indian side will be hoping that the presence of the Nepali Congress, which has had long-standing ties with India's political leadership, will help balance the new government's foreign policy stance.

For India, against the backdrop of its strained ties with China, it will be essential that the new dispensation in Kathmandu maintains a balanced position between the two Asian giants. New Delhi will also do well to step up various initiatives aimed at creating physical, transport and energy connectivity between India and Nepal.

## Making deterrence on terrorism work in J&K

The terror strikes in Jammu call for refining India's Pakistan policy. Delhi now has to decide how deterrence can be achieved through a more coercive posture

On July 8, two Army trucks moving on a mountain road near Badnota village in the Kathua district were ambushed by a group of terrorists. In the ensuing firefight, five soldiers were killed and five seriously injured. This was the latest in the series of attacks witnessed in the Jammu region, in areas that were, until recently, regarded as militancy-free.

Terror incidents, though isolated, have now taken place across the entire expanse of Jammu Division, stretching from the Poonch district adjoining Pakistan-occupied Jammu and Kashmir in the west to the Kathua district bordering Punjab and Himachal Pradesh. Most of these attacks are attributed to Pakistani terrorists who have infiltrated the Jammu region in recent months.

The attempt to reignite violence in Jammu appears to be a meticulously planned and deliberate effort. Under relentless pressure in the Kashmir Valley, terrorists have redirected their focus to areas south of the Pir Panjal Range, where the troop density is lower, the terrain more chal-

lenging for the security forces, and the intelligence network is less developed.

These attacks are aimed at countering the government's narrative that terrorism is on its last leg and will be soon eliminated. Many are contesting the claim that normalcy is being restored in Jammu and Kashmir. When their credibility is questioned, governments often find themselves compelled to take action.

Defence secretary Giridhar Aramane expressed his "profound grief on the loss of five brave hearts" and said, "their sacrifice will not go unavenged". Some actions are already visible. Additional forces have been inducted into the Jammu region, patrolling has been intensified, suspects are being questioned in large numbers, and the security grid along the international border in Jammu and Punjab is being reviewed to strengthen counter-infiltration measures. There is also a need to improve human intelligence by enhancing outreach to the local communities. A few dozen terrorists are no match for state power applied effectively. There could be costs, but ultimately, the security forces will prevail, particularly in conditions where local support is limited, as is the case in the Jammu region.

How to deal with Pakistan is the more serious question. It is fairly obvious that the planning for the activation of the new areas has been carried out in Pakistan, and the per-

petrators of the recent attacks across the Jammu region are all from there. In deciding India's response, the objective is also clear — to deter Pakistan from continuing with state-sponsored terrorism against India.

The BJP-led governments have shown resolve in dealing with terrorism and have not hesitated to use the military instrument. Improvement in bilateral ties has been made incumbent on Pakistan stopping the use of terrorists to destabilise Jammu and Kashmir, and cross-border operations have been conducted in 2016 and 2019.

However, it must also be admitted that these policies have had only a limited impact. They have served to assuage public sentiment and demonstrate the state's decisiveness, but beyond imposing caution, have not entirely deterred Pakistan. India now has to decide how deterrence can be achieved through a more

coercive posture. The core component of traditional deterrence is the threat of punitive measures. There will be a stated penalty if Pakistan continues with the actions that we do not want it to take. However, since diplomatic ties are almost non-existent and there is no economic interdependence, little pressure can be put on these areas. We could continue to call out Pakistan for its support of terrorism in international and multilateral forums, but this has yielded few concrete results.



Deependra Singh Hooda

{ GRAND STRATEGY }

Happymon Jacob



## The Chinese tangle in India-Russia relations

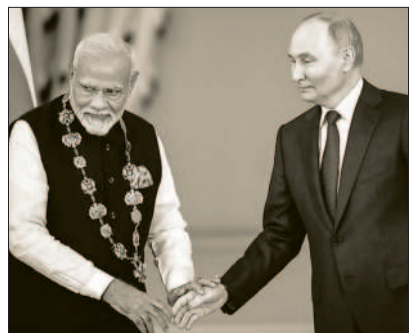
While several factors drove Prime Minister (PM) Narendra Modi's recently concluded visit to Moscow, the predominant one may be China. Since the Ukraine war and in the context of India's growing proximity to the United States (US), New Delhi has been trying to reassure Moscow that the relationship will continue despite the pressure to turn its back on Russia. While that may be true, what has been under analysed is India's need for assurances from Moscow on the China question.

The current Indian stance towards Russia appears to be driven by a set of interrelated beliefs. One, New Delhi believes Russia is winning the war, and being on the winning side is a good strategy from its perspective. Two, there has been negligible pressure from the US on India to alter its stance towards Russia. Three, Western and US engagement with India has only strengthened since the war began, providing no disincentives for India to change its policy.

Europe is on the back foot with the Gaza war having eroded its moral standing. Thus, Europe will not be able to exert significant normative pressure on India in relation to Russia. Thus, there has never been a better time in the recent past to organise the India-Russia summit.

Coming back to the China question, first, at a broader level, China has had a paradoxical influence on India-Russia relations. Chinese aggression is, at least partly, both the reason why New Delhi sticks to Moscow (since giving up on Russia could decisively turn the two against its regional interests) and also why it seeks to diversify beyond Russia (since India needs more strategic partners to address the China challenge), which amounts to a certain amount of disengagement from Moscow.

Second, PM Modi's visit took place in the shadow of the growing Russia-China strategic partnership. The growing number of bilateral visits, uptick in the trade, financial and business relationship, and increasing synergy between the two sides on a variety of strategic issues have not gone unnoticed in New Delhi. Russia has increased engagement with India's neighbours, such as Bangladesh, Myanmar, and Pakistan. While Russia's engagement in India's neighbourhood could help indirectly moderate China's rising influence in the region, such moderation may not be possible without India's active engagement with Rus-



New Delhi must partner Moscow in spaces where interests of Moscow and Beijing fundamentally diverge

sia. Put differently, if China and Russia increasingly synergise their strategies in India's neighbourhood, it could harm India's interests. For India, the best-case scenario is to drive a wedge between Russian and Chinese strategies in the region. But, if that proves to be too ambitious, which may indeed be the case, the second-best scenario is to ensure their strategies do not align against Indian interests.

Third, despite some recent signalling from New Delhi, Beijing has shown little enthusiasm for a rapprochement. Its lack of appetite for resolution worries New Delhi, thereby prompting it to seek assurances from Moscow. We do not know if there are any assurances from the Russian side on the China question, but it is clear that one of India's biggest challenges when it comes to relations with Russia is to get the latter to publicly acknowledge Chinese aggression against India, let alone support India. Likewise, Moscow too will find it hard to get assurances from New Delhi on the latter's relations with the US.

High on symbolism but somewhat low on substance, the current India-Russia relationship is increasingly transactional. Both sides are hedging their bets and subtly signalling redlines, expectations and limitations. New Delhi reassures Moscow that it will not turn its back on Russia while steadfastly getting closer to the latter's rivals and pursuing policies that are not in line with Moscow's interests. New Delhi has maintained Moscow's redlines so far, such as not openly criticising the Russian invasion of Ukraine.

Russia, on the other hand, seeks to maintain its relationship with India while simultaneously strengthening its partnership with China. Moscow faces long-term challenges from Beijing, but they are overlooked given the weight of the short-term benefits. For India, the long-term interests lie with the US, but in the short-term, Russia brings benefits. Both sides recognise the utility and limits of their bilateral strategic partnership. They also acknowledge that the other side will continue to make strategic choices that are contradictory to their own and that they have little power to influence those choices.

Modi's visit underscores the fact that New Delhi realises that trying to align the interests of the two sides that are growing more divergent than ever is futile. In that sense, it makes perfect sense for New Delhi to partner Moscow in spaces where the fundamental interests of Moscow and Beijing diverge, such as Central Asia. We may also see Delhi partnering with Moscow and Beijing when it suits its interests, especially under the ambit of the Shanghai Cooperation Organisation (SCO). Likewise, New Delhi partners with other countries (the US and the West) in spaces where India's interests are in direct competition with those of Russia and China; the Indo-Pacific is an example of such a space. The test of Indian diplomacy lies in managing these competing pulls, pressures, and interests.

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There must be a consistent demonstration of our political will to follow through if Pakistan continues to send terrorists into our territory

This leaves India with the kinetic option, both covert and direct. Many recent writings suggest that India should conduct cross-border strikes and abrogate the ceasefire in place from 2021. These are decisions for the government to make after carefully considering the pros and cons. However, whatever decision is taken must be clearly communicated and should be credible.

The effectiveness of deterrence hinges critically on the credibility of the threats. There must be a consistent demonstration of our resolve and the political will to follow through if Pakistan continues to send terrorists into our territory. It must also be understood that credible threats involve an element of the risk of escalation, and this should be factored into our planning.

Since deterrence is fundamentally an effort to influence the thinking of the opponent, the other side should also see some perceived benefit of compliance. Benefits provide a positive inducement for the adversary to refrain from taking an undesirable action or to comply with specific demands. What kind of inducements India can offer Pakistan (if at all) is a politically sensitive matter that would have to be closely debated in

the inner circles of the government and would depend on affirmative action by Pakistan.

It could be argued that given Pakistan's record of duplicity, inducements have little meaning, and punishment is the only way to influence Rawalpindi's behaviour. However, as Thomas Schilling writes in his classic *Arms and Influence*, "Coercion requires finding a bargain, arranging for him to be better off doing what we want — worse off not doing what we want — when he takes the threatened penalty into account."

India has shown its resolve in dealing with terror emanating from Pakistan but with limited long-term impact. In the face of continuing intransigence from Pakistan, India must now look to refine its strategy.

While India deliberates its options, Pakistan must also deeply reflect on whether its persistent irrationality over the Kashmir issue truly serves the nation's interests or if it risks plunging the country into an even deeper crisis than it currently faces.

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{ ELON MUSK } FOUNDER, TESLA AND SPACEX

We were told AI doom would be a paper clip maximizer, but it's actually going to be Strawberry Fields Forever

(On the news that OpenAI is working on a reasoning technology that is called Strawberry)



{ STRAIGHTFORWARD }

Shashi Shekhar



## Whiff of continuity and a resurgent Opposition

On July 9, Prime Minister (PM) Narendra Modi was in Moscow for a summit with Russian president Vladimir Putin. The previous day, during an informal conversation with Putin, Modi made two significant statements. First, he said: "I have brought with me the love of 140 crore countrymen." Second: "Peace talks do not succeed amid bombs, guns, and bullets." What did Modi mean?

His first statement aimed to tell world leaders that they should not think the mandate his government now has is in any way weaker than what he enjoyed in his first two terms; he still is the all-powerful prime minister of a sovereign nation. Putin acknowledged this sentiment. Now we get to the second statement. Modi used words such as bombs and bullets to signal to the West that India's foreign policy remains unchanged. Those who feel India should align with the US also got a fitting response.

It's vital to mention Quad here. This informal, but crucial strategic group has India, the US, Japan, and Australia as its constituents. The US also proposes to expand the North Atlantic Treaty Organization (NATO) as the grouping celebrates its 75th anniversary. Though India is not a member of NATO, its position as a Quad ally demonstrates its balance of policy.

But I won't discuss foreign policy here. My objective is to discuss the first month of Modi's third term. Modi has accomplished and communicated a lot in just one month.

Let's begin with the creation of the cabinet. Many believed Modi would not be as powerful as in his last tenure, since the BJP no longer has a simple majority in Parliament and would have to accept the demands of his coalition partners while forming the government. There was speculation that the Telugu Desam Party (TDP) and Janata Dal (United) would strike a hard bargain. But the Cabinet Committee on Security, or CCS, the most powerful organ of the Union Cabinet, has remained exactly as it was. Similarly, the portfolios TDP and JD(U) received were not discussed prior to Cabinet formation, nor is it expected in the future.

There were rumours about who would be the Speaker. The selection of Bhartruhari Mahtab, who joined the BJP after leaving the

Biju Janata Dal, as pro-tem speaker was seen as a hint. But Om Birla resumed as Speaker. Birla's last tenure was controversial. He suspended scores of MPs. Rahul Gandhi and Mahua Moitra were dismissed from the Lok Sabha. By picking him, the BJP showed that its strength remains intact. Later, during the motion of thanks to the presidential address, there was a lot of bluster, but neither the government nor the Speaker of the Lok Sabha tumbled.

People saw only one difference between the previous Lok Sabha and this one: The Opposition was more aggressive owing to their better numbers. It is a different matter that the ruling party MPs went to great lengths to respond.

Now let us talk about the BJP. The prime minister and the home minister have held the party in a firm grip. There were rumours that the RSS had issues with it and may intervene this time. But it didn't. The current BJP national president, Jagat Prakash Nadda, is already on an "extension" and continues to make decisions as party president a fortnight past the end of his tenure on June 30. It is almost inevitable that the party will elect a new president in time. Perhaps this is why he has been assigned the critical ministry of health. For sure, Modi-Shah's grip on the party remains strong.

Should we presume that PM Modi is entirely unchallenged?

Modi has exhibited unprecedented confidence at home and abroad, but new anxieties are emerging on the internal front. This month, the finance minister will present the first budget of the third term of Modi. Will there be an imprint on NDA allies on that? If so, what will happen to economic reforms?

Additionally, the rising attacks on security forces in Jammu and Kashmir have raised concerns. With assembly elections scheduled by September, Delhi needs to take prompt decisions. Meanwhile, the Opposition is vehemently criticising the Agnipath scheme, demanding a caste census, and asking questions about unemployment. The BJP and the government will need to address these challenges.

Shashi Shekhar is editor-in-chief, *Hindustan Times*. The views expressed are personal



OUR VIEW



# India's FDI drop is both explainable and fixable

Global conditions played a role in last year's FDI slump but India's ambition of emerging as the world's next big manufacturing hub demands sharper policy responses from the Centre

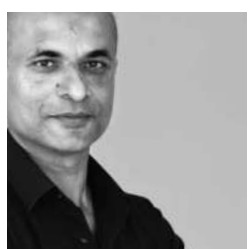
Foreign direct investment (FDI) flows into India have been slowing down, and touched a five-year low of \$44.4 billion in 2023-24, declining steadily from the \$59.6 billion level achieved in 2020-21. Net FDI flows, which account for outbound money too, were \$2 billion in the fourth quarter of 2023-24, compared with \$6.4 billion a year earlier, according to the Reserve Bank of India, even as foreign portfolio inflows were remarkably higher. The drop is not a cause for alarm. Ever since interest rates rose sharply in the rich world (by more than five percentage points in the US), the increased cost of capital has dampened enthusiasm for FDI, especially in emerging markets. FDI flows to China have shrunk too. Yet, it would be imprudent to dismiss India's FDI decline as just a blip.

In the last quarter of 2023-24, India registered a current account surplus, rather than the usual current account deficit (CAD). The CAD measures the extent of foreign savings the economy is able to absorb, to supplement domestic savings and achieve investment levels higher than what would have been possible only on the strength of what we save within the country. During 2023-24, India's CAD moderated to \$23.2 billion (0.7% of GDP) from \$67.0 billion (2.0% of GDP) the previous year on the back of a lower merchandise trade deficit. The economy's inability to absorb external savings at the usual scale signals flagging economic momentum, even if this is out of sync with the robust initial estimate of 8.2% GDP growth in 2023-24. The fact that FDI inflows shrank, even as global businesses were trying to adopt a China-plus-one strategy and reduce their dependence on the People's Republic, suggests that India is not yet seen as the definitive alter-

native to it as the world's factory. Computer software and hardware are still our biggest magnet for global investors, with these sectors receiving more than five times as much as the \$1.5 billion that flowed into automobiles. What this indicates is that New Delhi's vaunted manufacturing plans, promoted with large dollops of subsidy under the production-linked incentive (PLI) scheme, are not drawing as much investment as we hoped. If foreign capital is willing to enter in the guise of portfolio inflows, to take advantage of red-hot asset markets that seemingly promise to turn white hot, rather than cool off, but is reluctant to come as stable direct investment for long-horizon returns, then that is less than a ringing endorsement of India's economic conditions and policy regime.

Perhaps, it is time the government took a close look at all FDI hurdles, apart from merely rejigging existing schemes. Low and convergent import tariffs across the board, instead of crude attempts to favour some sectors with high protection, would ease the inclusion of local factories in supply chains that span borders. Lower barriers could be a starting point to assure investors of a stable and predictable tax regime. Apart from that, India must dispel the impression that enforcement and intelligence agencies serve as political tools, not to mention the perception that some industrial groups are more equal than others in the administration's eyes. If these cause discomfort, joining more free-trade arrangements would do the opposite, especially for export-oriented investment. Concerns of social instability arising from some groups getting left behind also need to be calmed. All this needs urgent attention, even as reforms in education, healthcare and governance need to be pursued for long-term gains.

MANU JOSEPH



is a journalist, novelist, and the creator of the Netflix series, 'Decoupled'

To be healthy is to find the right way to die. This may involve dying later than sooner, but this is only a popular part of it. The right way to die is to be full of life, until the end, the best we can be using the cards we have been dealt.

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to an individual. Their Thrive Ai Health plans to change the behaviour of people by giving information that is highly specific to the person who is using the app. "AI, by using the power of hyper-personalization, can significantly improve these behaviours," they wrote in an essay in *Time* magazine.

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The other assumption, that people want to be healthy, has a layer of truth, but it does not matter. What people want often has nothing to do with what they actually do because what they do is subject to a secret hierarchy of things that they hold dear. People want to be healthy, but what they want more is to eat tasty food, three times a day, every day of the week.

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reason most people are unhealthy is that they are unable to change their behaviour, and that is because they don't have good information about themselves.

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What is the true nature of people? The question is an obsession with Western anthropology, and the answers are usually qualities that people do not exhibit. There is a lot of talk about "hunting" and "gathering." "Picking berries," figures a lot. But then the greatest evidence of what people really are lies in how they are, how they exist. Not in what they

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ple are living much longer, but they are not living with the zest of their ancestors. People are living in a manner that is exactly the wrong way to die. Personally, I would rather leap off a cliff heroically than live the way most people in this world live.

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There is another reason why medicine has disappointed, and this is an unsung reason. Parents have become kinder to children and they are given freedoms to avoid dreary career paths, like hard sciences. Just as the sciences once stole our school geniuses from the arts, then technology stole them from the sciences, something else is stealing them from both tech and sciences. If geniuses are not forced to toil in dreary scientific careers early in their lives, we are in trouble.

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MY VIEW | THE INTERSECTION

# Basic principles for an effective national security set-up in India

The NSA's role needs clarity but it's crucial that the appointee has the prime minister's confidence



**NITIN PAI** is co-founder and director of The Takshashila Institution, an independent centre for research and education in public policy.

Writing in the *Indian Express* last Monday, Sanjaya Baru, former media advisor to prime minister Manmohan Singh, drew attention to the appointment of a new additional national security advisor (NSA) and the restructuring of the reporting relationships among top officials and institutions responsible for national security management. Baru writes that "the absence of any clearly laid out criteria and qualifications for the post and, worse, clearly specified duties and chain of command, has left the question open as to who should be made NSA—a diplomat, a spook, a soldier or a scholar?"

Let me carry the conversation forward from the scholarly perspective of a non-partisan outsider. I am not concerned with which individual is appointed to which office or which service gains an advantage. Similarly, I do not want to make off-hand recommendations on how the national security setup can be restructured. Rather, I want to restate the principles that will make the NSA, National Security Coordination Secretariat (NSCS) and Indian defence and intelligence organizations more effective.

The most important principle is that the NSA must enjoy the confidence and trust of the prime minister. This means that the prime minister should be unconstrained in making the choice.

Given the importance of the NSA's role, prime ministers have a natural incentive in ensuring that the job goes to a highly competent person.

Let me go further and make a point that some may find uncomfortable: if the prime minister feels that the ideological and political inclinations of the NSA are relevant, then that is the leader's prerogative. The NSA is accountable to Parliament and the public through the prime minister.

Second, the NSA should remain an advisor and not have operational or command responsibilities. Operations should be carried out by intelligence or security forces through their respective chains of command. This will ensure that operations are carried out by organizations that have the mandate, resources and expertise to do so, while shielding the political leadership for legitimate reasons. The NSA is not an operational shortcut and should not be treated as one.

Third, the rank assigned to the office of the NSA need not be fixed. Its current occupant has been given a cabinet rank, but previous NSAs have been of minister-of-state and principal secretary ranks. These differences have caused perplexity in the top ranks of government officials, but they have adapted.

Arvind Gupta, a former deputy NSA, writes in his book that "at the best of times, the NSA and other functionaries work together on key issues of national security." And, "On other occasions, he works independently. The NSA can very much define his role."

Whatever the rank, the NSA's power derives from his relationship with the prime minister. So does his effectiveness. Establishment insiders might have a different view on this, but I think the prime minister should have the flexibility of assigning the rank he deems appropriate.

Fourth, it is best that the office of the NSA remains outside the turf of any and all branches of the civil service. It is perhaps the only such position at the

top level of government that is not captured by a service. We have had former Indian Administrative Service (IAS), Indian Foreign Service (IFS) and Indian Police Service (IPS) officers becoming NSAs, and this openness must remain in place. Indeed, it should be possible for capable individuals from outside the government to be appointed to the role. Of course, it will be extremely hard for an outsider to operate effectively in what is the most secretive part of the establishment. Sometimes, though, an outsider is just what secretive establishments need.

Fifth, it is the NSA who should do the prime minister's daily security briefings. The appointment of another security advisor (internal or additional) should not change the accountability equation. At the same time, the additional NSA, chief of defence staff (CDS), the three service chiefs, future theatre commanders and the intelligence chiefs should have direct access to the prime minister when needed. These arrangements make the principal secretary to the prime minister a crucial player in ensuring that the national security system functions smoothly.

Finally, as Baru points out, the duties of various officials and institutions and chains of command have to be clearly specified. Any security system faces its real test during a crisis, when informal work arrangements and formal lines of responsibility play an important role. Controversies around India's official response during the Kargil war, IC-814 hijacking and the 26/11 Mumbai attacks demonstrate this point.

Now, with the growing relevance of cybersecurity, the institution of the CDS system and the prospective creation of theatre commands, the complexity of the national security ecosystem has grown by orders of magnitude compared to 2008, when the terrorist attack of 26/11 took place. It underlines the need for clarity of thought and purpose.



**JUST A THOUGHT**

Health care is vital to all of us for some of the time, but public health is vital to all of us all the time.

C. EVERETT KOOP

MY VIEW | MODERN TIMES

# Why human health is more than a behaviour problem

MANU JOSEPH



is a journalist, novelist, and the creator of the Netflix series, 'Decoupled'

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**The assumption that people are unhealthy because they don't have good information is misguided**





MY VIEW | GENERAL DISEQUILIBRIUM

MINT CURATOR

# The election outcome can offer Sitharaman cues for the budget

The result has pointers on fiscal federalism, job creation and private capital spending that the finance minister may consider



**RAJRISHI SINGHAL**

is a senior journalist and author of the recently released book 'Slip, Stitch and Stumble: The Untold Story of India's Financial Sector Reforms' @rajrishisinghal



The budget is now slightly more than a week away. Finance ministry officials would have already sifted through all the proposals, recommendations and advice received from various quarters, and taken a decision on which ones to retain and which ones to discard. Many proposals and measures are probably already in the oven for final baking; what is probably left are incorporating last-minute proposals from party members, updating data and putting final touches to finance minister Nirmala Sitharaman's commentary.

There is another source that the finance ministry may wish to assess while drawing up the final contours of the new government's first budget: the results of the latest general elections. The ruling party Bharatiya Janata Party (BJP) had claimed in a meeting of its office-bearers that it would increase its 2019 tally of 303 seats by 67 seats to 370 seats; the BJP, instead, lost 63 seats and ended up having to rely on coalition partners for support. The deepest cuts were delivered by Uttar Pradesh, Maharashtra and West Bengal where its tally dropped by more than half.

Much newsprint and airtime has been devoted to analysing the myriad factors leading up to the 2024 Lok Sabha election results. As usual, there is probably not one particular reason but a multi-layered stack of causes. Three factors, among the multiple strands, make for compelling inclusion in the budget-making process.

One is the fact that even though the Lok Sabha elections are national in character, in reality each state follows different voting patterns. This had become an accepted home-truth for over two decades after the late 1980s, when the era of coalition governments began, and persisted for some time thereafter. However, over the past 10 years, the BJP's majority position in Parliament had raised doubts about that thesis. The 2024 general elections seem to indicate that the trend of differentiated approaches has returned, challenging the emerging tenet that the voting behaviour of Indian voters resembles something close to a unified national movement.

This has major implications for fiscal federalism as well, including the central government's use of funds devolution as a bargaining tool. A 4 July report from Motilal Oswal Financial Services on fiscal data from 20 states (representing 93-94% of all states' budgets) highlights central parsimony. The report shows that total fund transfers—tax devolution plus grants—from the Centre to states grew by only 2.5% during 2023-24, against a growth of 4.9% during the previous year. What is even more shocking is the revelation that grants-in-aid from the Centre to states contracted by close

to 22% in 2023-24, compared with a modest 4% growth the previous year. This decline in grant transfers during the year is likely to have affected spending across many social sector schemes.

Grants-in-aid are transferred from central funds to states as per Article 275 of the Constitution. Successive finance commissions have tried to remedy the vertical imbalance between the Centre's taxation powers and states' spending responsibility by recommending a mix of tax devolution and grants. However, states have regularly preferred higher tax devolution, a Constitutional right, over grants, which are perceived to be discriminatory. The 15th finance commission, while recommending almost 20% of transfers as grants, may have ended up strengthening those perceptions (and stoking fears of deepening central powers) by introducing performance criteria as a condition for devolution.

The second strong message coming from voters is anxiety over employment and income. Many pre-budget presentations to the government as well as some research reports have recommended state support for labour-intensive industries such as textiles. The government's production-linked incentive scheme, to be fair, has employment generation as one of the desired outcomes and textiles is included in the scheme. However, the scheme focuses largely on man-made fibres—such as polyester, acrylic and viscose fibres. But man-made fibre manufacturers have over the years automated

their operations to a large extent and reduced the need for additional manpower. In addition, the scheme has shown patchy progress so far, compelling the government to drop hints of extending it to the apparel sector.

While the apparel segment does hold promise, the handloom industry might be better placed to meet the government's ambitions on employment generation. The textiles ministry admitted as much in its 2022-23 annual report: "One of the largest in terms of employment potential, handloom industry, with 23.77 lakh looms, plays a very important role in the country's economy, producing both for domestic as well as international consumption."

The third signal emerging from ballot boxes relates to capital expenditure. The government has been bold in front-loading its infrastructure investments, but has failed to evoke the desired investment response from the private sector that could have generated additional employment. Numerous papers and op-eds have pointed to some of the tangible and intangible hurdles holding back higher private-sector investment, and the government needs to heed these. In addition, to make capital expenditure more effective, the government could also look internally and force some key ministries, such as the ministry for development of northeast states, to spend their allocated capital budget.

# The strike at Samsung is a sign of what our AI future may hold

Worker discontent is something all tech businesses must brace for



**CATHERINE THORBECKE**

is a Bloomberg Opinion columnist covering Asia tech.



The Samsung strike grabbed international headlines for good reason

It was supposed to be a good week for Samsung Electronics Company, with attention focused on the consumer gadgets to be unveiled last Wednesday at its annual summer product event. Instead, the South Korean tech titan is grappling with an unprecedented three-day strike staged by its largest union.

This work stoppage is not about artificial intelligence (AI) taking people's jobs. But the biggest organized labour action in Samsung's 55-year history portends what companies inside and outside the tech industry will soon have to confront on a global scale. As Generative AI technology increasingly threatens to upend entire industries and sow further labour unrest, firms creating this turbulence have an outside responsibility to work with unions and give workers a seat at the table.

How this technology effects the jobs market will likely take years, if not decades, to unfold, but some workers are already feeling the pinch. In Silicon Valley, the very firms racing to create AI recently cut hundreds of thousands of jobs at the same time as company leaders doubled down on multi-billion-dollar investments into it. Beyond the tech sector, the threat of AI to livelihoods brought Hollywood production to a standstill last year as actors and writers went on a high-profile strike.

It's not unheard of for tech companies to team up with labour unions. Industry leader Microsoft announced late last year that it was forming a historic alliance with a coalition of 60 unions to discuss how AI will impact workers. It's a rare example of a tech giant showing foresight and responsibility over how the products it's creating could impact real people's employment prospects.

At Samsung, rank-and-file chip assembly line workers are also now seeing the AI boom make their company richer, and are seeking a clearer method of tying bonus payments to operating profits, among other demands. Samsung last Friday posted a 15-fold increase in profits, buoyed by a rebound in demand for memory chips for data centres and AI development. These rosy earnings come after a difficult last year for its memory chip division.

The work stoppage at Samsung could not come at a more consequential time for the company: The one-time leader lags domestic rival SK Hynix in making high-bandwidth memory chips that can be used for AI. While SK Hynix has benefited from being the main supplier of these semiconductors to AI leader Nvidia, Samsung has yet to get its own HBM chips to pass

Nvidia's qualification checks, and it cannot afford any missteps. SK Hynix shares have rallied more than 60% since the beginning of the year, while Samsung stock is up roughly 10%.

Some union representatives at Samsung have criticized the company for failing to get ahead of the high-end memory chip demand. These feelings of betrayal also underscore the love-hate relationship many Koreans have with their *chaebol*, or large corporations.

Within Asia's fourth-largest economy, those employed at *chaebol* tend to receive higher pay and benefits than most other workers. Many Koreans are also very patriotic and proud of how companies like Samsung and SK Hynix have succeeded globally in the technology sector. Even union workers may not want to put those so closely tied to their nation's economic strength at risk.

Times are changing fast, and businesses need to adapt. In what would have seemed impossible just a few years ago—Samsung took a hardline industrial approach for most of its history and only in 2020 said it would respect workers' rights to organize—the union held a strike and is seeking an additional annual paid day off, changes to the bonus system and other improvements.

Samsung said on Monday that the strike has had no impact on chip output, and markets have so far shrugged off any potential business disruption. But the union is threatening further action later this month if demands are not met, and the optics of thousands of workers rallying amid a monsoon downpour are not great for the country's wealthiest corporation. Organized labour movements tend to inspire each other, and the Samsung strike could spur similar actions across the tech sector in Asia and beyond.

The South Korean electronics company now has a unique opportunity to show global leadership. It can start by working with its own employees as it races to cash in on the AI boom and give the union a proper seat at the table. Developing this relationship now could help empower its workforce and catch up to competition.

And as AI continues to reshape the global labour market, other firms will need to do the same.

THEIR VIEW

# Emerging markets could spring back to global favour

SWANAND KELKAR



is managing partner at Breakout Capital Advisors.

For many years now, emerging-market (EM) assets as a class have got little attention, globally. Data from JPMorgan suggests that over the past year, foreign investors have pulled out over \$36 billion from this asset class. No discussion about EMs is complete without someone pointing out their insipid returns over the past decade—a paltry 3% annualized in US dollars (including dividends). While the composition and computation of the MSCI EM index depress its headline returns somewhat, the broad assertion that EM returns have been forgettable is true. They pale even more in comparison with the S&P500's nearly-13% dollar return over the same period. Global asset allocators have been feeling vindicated in opting for US markets over EMs.

People tend to judge a movie by the size of crowds that come to watch it. By that yardstick, the EM movie seems like a flop, but regular moviegoers will notice that the show has gotten better and promises to improve further. To begin with, the tickets are cheap.

The 12-month forward price-earnings (PE) ratio for EMs is barely 12 times. This is not only cheap versus its own history, it reflects a discount of over 40% to US markets, the widest gap in a decade. Sizeable EMs like Brazil, Korea, Poland and South Africa are trading at single-digit PE multiples. Add to this a 3% dividend yield that the EM index offers, and the valuation case becomes more compelling. Consensus forward return-on-equity of nearly 13% and earnings growth in excess of 20% should allay fears that EMs are a value trap.

In most EMs, private-sector balance sheets are in a better shape than they were five years ago. Remarkably, for a period that included the pandemic disruption, the level of private-sector indebtedness has reduced. Moreover, average public debt as a proportion of GDP among EMs is less than 60%, with no large EM in any sort of fiscal crisis. A significant exception to this trend of lower leverage is China, which has continued to pile on debt across private and government balance sheets.

While attractive valuations and strong balance sheets provide a floor to the asset class, the investment case for EMs will likely grow stronger with easing of interest rates. The inflation experience in Asian EMs over

the past couple of years has been more benign than in the developed world. While Latin American and European EMs did see sharp inflation spikes, price levels there have cooled off too. Many EM central banks raised rates ahead of the US Federal Reserve, and with relatively well-behaved inflation numbers, real rates are now significantly positive, even as absolute rate levels remain high. Over time, once the Federal Reserve cuts rates, many EM central banks will likely follow suit, which could provide a monetary fillip to growth.

The International Monetary Fund (IMF) predicts that the growth rate difference between EMs and developed markets (DMs) will widen to 2.4 percentage points by 2025 from 1.4 percentage points in 2022. Historically, this gap along with a weakening dollar has provided the base conditions for EM equity outperformance. It is also worth noting that when compared in real-effective-exchange-rate terms, the average EM currency is now trading close to its lowest level

against the US dollar in over three decades.

The country that is following a different path from this macro storyline is China. Its nominal GDP growth has decelerated sharply, and its twin headwinds of elevated debt and deteriorating demographics will likely put a lid on its structural growth prospects.

**Multi-year low valuations and strengthened balance sheets should attract investment flows to EMs**

Net exports and investments, which were China's erstwhile engines of growth, are now stalling, while the Chinese consumer remains a circumspect spender, preferring to stash surplus savings in low-yielding bank deposits. Recent government actions may have temporarily stabilized China's real estate and onshore stock markets, but the path out of its current economic situation remains hazy.

Despite its bleak macro picture, China remains an \$18 trillion-economy accounting for a fourth of the MSCI EM index. Given the size of its market, finding good bottom-up investment opportunities in China is not a lost cause. We can expect investor interest to converge on attractively valued large divi-

dend-yielding companies in sectors relatively insulated from policy intervention or firms that have ventured into overseas markets and are proving to be formidable global competitors.

Another distinguishing feature of the EM asset class is that it comprises heterogeneous countries that do not have a common monetary, fiscal or trade policy. This means that individual macro themes are important. Countries like India and Indonesia, for example, have a strong domestic consumption base, while Poland and Vietnam are export powerhouses. Greece is coming out of a decade-long balance sheet repair process, while Mexico is benefitting from the American push for 'near-shoring.' A passive EM investor ends up investing in these countries primarily based on the size of their equity markets, which is not an optimal way of allocating money within this asset class. An active fund manager, on the other hand, is able to make choices based on their relative macro merits.

Multi-year low valuations and balance sheets that are well-placed to support growth generally excite bottom-up investors. Emerging markets happen to be at that juncture now.

These are the author's personal views.





## The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

# Unmade in America

Assassination attempt on Donald Trump calls for a wider and deeper introspection



AMITABH MATTOO

THE UNITED STATES of America is witnessing a moment of deep reckoning. The assassination attempt by 20-year-old Thomas Matthew Crooks of Pennsylvania of the presumptive Republican Presidential candidate, Donald Trump, has revealed to the world a septicemic American political system. The real road to making America great again, at this moment of truth-telling, will only be navigated if the silent majority of its people act with unprecedented alacrity to reclaim the American dream and work together to create what President Barack Obama had once described, more than 15 years ago, as a more perfect Union.

Consider this: The surreal Dali-esque photograph of the blood-streaked Donald Trump with his raised fist, surviving the assassination, is not a metaphor for the triumph of democracy; instead, it is reflective of the end of conversation. As The New York Times' Editorial Board put it succinctly "cultural and political polarisation, the ubiquity of guns and the radicalising power of the internet have all been contributing factors" in America's deep dive into darkness.

To be sure, this is not the first time that American political leaders have been targeted. Four Presidents, including Abraham Lincoln and John F Kennedy, were killed, while in office, and Ronald Reagan and Theodore Roosevelt survived assassination attempts. But rarely before has a single act of violence reflected a cesspool of deep anger, polarisation, and unprecedented alienation. The language of politics, even in the hours after the assassination attempt, has been incendiary and deeply provocative; no lessons, it seems, have been learnt so far.

If the US continues to pretend that it is business as usual after the Secret Service, the FBI and the American justice system have dealt with the obviously deranged actions of Crooks, it will be a farcical attempt at addressing only the superficial symptoms. If this incident leads to a wave of sympathy for Trump, and his victory in November, the tragic tide that could overwhelm the US will take the force of a tsunami. And if this act forces the

Democrats to react with tactical opportunism to abandon an unquestionably fragile Joe Biden, they will be deeply implicated in the slide towards an abyss whose contours we can still not define.

The US needs to introspect, and to be sure, it will introspect deeply. For, surely, any half-baked response now will not stem the contagion; the American political class needs to cleanse itself, in a purgatory if that was possible. If the idea of "the land of the free and home of the brave" is not to be reduced to a caricature, America needs to go back to the vision of its founders.

To paraphrase the always incisive Hannah Arendt: Politics and violence are opposites; where the one rules absolutely, the other is absent. Violence appears where politics is in jeopardy, but left to its own course, it ends in politics disappearing. Political violence and domestic terrorism are arguably the single greatest source of insecurity in the US. One of the most terrifying acts of political violence in recent memory was the storming of the US Capitol on January 6, 2021. Supporters of then-president Trump breached the Capitol building and disrupted the certification of the Electoral College results. This unprecedented attack on what many view as the heart of American democracy exposed not only the trust deficit between the two political parties but also that activists were willing to use violence as a means for achieving political ends. That Trump has emerged politically almost unscathed despite those events and is on the road to presidential victory — if the polls are good evidence — is indicative of how badly America has fallen.

The US has witnessed an upsurge in extremist movements across the political spectrum in recent years. Xenophobic far-right groups and ultra-left-wing radicals have engaged in acts of violence, including sit-ins and protests turning into riots, attacks on government buildings, and targeted harassment, including on university campuses, as a consequence of the war in Gaza.

Political leaders have also been targeted.

In 2022, the home of Nancy Pelosi, the Democratic speaker, was attacked, and her husband was repeatedly "bashed" in the head with a hammer. Earlier, in 2017, a left-wing radical shot and nearly killed Steve Scalise, the Republican majority leader in Congress.

The mushrooming of social media platforms and the dark web has played a critical role in indoctrinating vulnerable young men and women and spreading disinformation. The spread of false narratives and conspiracy theories has fuelled anger, mistrust and justification of violent actions, posing a grave threat to reasonable conversation.

Most political theorists agree that acts of political violence have far-reaching implications for the functioning of American democracy. They undermine the principles of peaceful protest, compromise, and civil discourse that are vital for a healthy democratic system. They impact political participation and public engagement, as fear and intimidation become prevalent.

Report after report has given specific recommendations. Strengthening gun control measures, combating online radicalisation, and investing in civic education are seen as important steps towards preventing future acts of violence. Additionally, fostering dialogue, promoting empathy, and rebuilding trust in democratic institutions are vital for restoring a healthy democratic discourse.

The attempted assassination of Donald Trump can be a game-changing moment. By addressing the root causes of violence, promoting dialogue, reaffirming democratic values, and strengthening democratic institutions, the US and its democracy can become a beacon of light again. If the dastardly attempt on Trump's life leads to the victory of Trumpism in November, the crime of Thomas Matthew Crooks will have consequences which even he, in his most delusional moment, might never have imagined.

The writer is Dean and Professor, School of International Studies, Jawaharlal Nehru University and former member, National Security Council's Advisory Board

## AIMING AT DEMOCRACY

Attack on Trump reflects perils of polarisation in a culture awash with guns. Both sides need to pull their bases back from brink

THE SHOCKING TURN Saturday in an already fraught election season is a warning that the US, and indeed democracies across the world, cannot afford to ignore. It will be hard to forget the image of Donald Trump, former president and Republican presidential nominee in this year's race for the White House, raising a defiant fist as he was ushered off stage by security officials, with a bloodied ear, moments after shots were fired at his election rally in Butler, Pennsylvania. While America has had a long tryst with political violence and has shown resilience in its face, this moment is unique. This assassination attempt — the FBI is investigating the incident as one — is set against a troubled and troubling backdrop of growing cultural and political polarisation, a lurch towards hard extremes and an increasingly shrinking middle ground. Inflammatory rhetoric, online and offline, and conspiracy theories combine with the ubiquity of guns and entrenched gun culture to contribute to a toxic environment that has not only made political violence more likely, but also more acceptable to larger numbers. The challenge before America — its political leaders, parties and citizens — is to resist a disquieting slide. This incident must bring on a larger reckoning, and lead to a healing, instead of being used as a weapon for further incitement.

This is much easier said than done when both Republicans and Democrats have pushed their bases, each one to its own ideological brink. Political figures like Senator JD Vance of Ohio, one of the choices to be Trump's running mate, and South Carolina's Republican Senator, Tim Scott, rushed to place the blame squarely on the Democrats and the Biden campaign. Among the Democrats, too, apocalyptic spectres of "the end of America as we know it" have been used in an attempt to turn voters against the political opponent. On his social media platform Truth Social, Trump has said that, "it is incredible that such an act can take place in our country". A warning bell rang, however, on January 6, 2021, when a pro-Trump mob stormed the US Capitol. Consider, also, the alarming results of a recent poll on American attitudes towards political violence since the Capitol attack, conducted by political scientist Robert Pape: About 10 per cent of the respondents — a third of whom also owned a gun — said that "use of force is justified to prevent Donald Trump from becoming president", while seven per cent — half of whom owned a gun — said they "support force to restore Trump to the presidency".

For the stability of American democracy, it is crucial that voters resist extremism of any kind, and repose their trust in elections as the only means to solve the country's most fundamental social and political problems. That several leading Democrats, including President Joe Biden, have condemned the shooting and spoken of the need to unite, shows the way forward. This moment serves a warning not just to America, but also to democracies across the world, against a zero-sum politics in which campaigning is a bloodsport, where both sides see it as a fight to finish and where the winner must take all. The shining city on the hill may always be elusive but the oldest, richest, and most powerful democracy needs to find its way back to its foundational values of respect, dialogue and civility. The rest of the world is watching — and, while doing so, it must also look within.

## KATHMANDU TURN

Political instability could aggravate economic crisis. Delhi should be alert against Beijing's moves in climate of uncertainty

ON MONDAY, KP Sharma Oli will be sworn in as the head of Nepal's 14th government since 2008, when the country became a republic. Last week, Oli's party, the Communist Party of Nepal (UML), withdrew support to the Pushpa Kamal Dahal "Prachanda" government, ending the latest attempt at an alliance between the Himalayan nation's leftist forces. Prachanda, the head of the Communist Party of Nepal (Maoist Centre), failed a vote of confidence on Friday, after surviving four trust motions since December 2022. In his 19-month tenure as PM, the Maoist leader changed coalition partners thrice. The Maoist Centre is only the third largest party in Nepal's 275-member lower house, the Pratinidhi Sabha. Prachanda had managed to navigate Nepal's choppy political waters by striking bargains with the Sher Bahadur Deuba-led Nepali Congress and CPN-UML. But on Friday, he was upstaged after Deuba and Oli struck a deal.

The opportunism of leaders has been the only constant in Nepal's political landscape since 2015. Prachanda has been PM for two terms, Deuba has had two stints at power and Oli will begin his third innings in a country dogged by economic instability, corruption and energy crises. Once a rice exporter, Nepal now depends on foodgrain imports and the cement industry, one of the prime employers in the country, is running at 30 per cent capacity. The World Bank estimates that the country's economic growth is not likely to exceed 4 per cent in the current fiscal and the IMF has warned Nepal of a financial crisis if steps are not taken to improve the economy.

New Delhi will be watching the developments in Kathmandu with caution. While Prachanda enjoyed goodwill in India, Oli's hardline stance during the border blockade of 2015, his pro-China position and moves to include disputed territories in Nepal's map have not gone down well with South Block. The Chinese footprint in Nepal is growing. However, India continues to be Nepal's largest trading partner and about eight million Nepalese citizens live and work in India. New Delhi would, therefore, do well to take a nuanced position on the politics in the Himalayan nation and ensure that Beijing does not use the latest political turn in Kathmandu to its advantage.

## FREEZE FRAME

EP UNNY



SHASHANK PANDEY

ON JULY 8, the Supreme Court laid down a framework for the representation of Persons with Disabilities (PwDs) in visual media. This was in response to an appeal against the verdict of the Delhi High Court. The case dealt with the movie *Aankh Micholi*, which had characters with myriad forms of disability. Since its trailer launch, disability activists and scholars have criticised it for perpetuating stereotypes and prejudices. Although the SC didn't pass any adverse order against Sony Pictures under the Rights of Persons with Disabilities Act, 2016 (RPwD Act) or Cinematograph Act, 1952, it laid down and elaborated upon a few fundamental principles on disability rights.

The SC laid great emphasis on the human rights model of disability, which goes beyond the social and medical models. The medical model traces the disability within the medical condition of an individual. The social model identifies disability in the attitude and structure of society. The human rights model is embedded in international human rights law principles. It states that disability is a natural part of human diversity, and PwDs are also rights holders whose participation and inclusion in society must be ensured.

The SC emphasis on the human rights model is significant as it casts a positive obligation on the appropriate government and private parties to facilitate effective participation. The extent of the obligation of private bodies under the RPwD Act is disputed. In *Vikash Kumar vs UPSC*, the Court accepted the obligation of private parties under the RPwD Act and in the current case, it also acknowledged the limitation of this obligation. The SC

## PICTURED WITH DIGNITY

Recent SC ruling offers framework for sensitive portrayal of persons with disabilities

denied the applicant's request for issuing directions to Sony Pictures to make awareness films under section 7(1)(d) and said that this would amount to "compelled speech". However, the Court, in its detailed order, missed an opportunity to link the aspects of the "attitudinal barrier" under the Act. Although it didn't use the phrase, it provided detailed jurisprudence on it. The attitudinal barrier is recognised as one of the societal barriers as per the social model of disability.

Stereotypes play an instrumental tool in perpetuating the attitudinal barrier against a group. The SC acknowledges that the stereotypes are operationalised as discrimination against the group members and emphasises the importance of "stereotypes as an anti-thesis to dignity and non-discrimination".

Stereotypes about the group and its members also undercut the individual's dignity as protected under Article 21. The paternalism towards PwDs infringes upon their dignity by causing systematic and hidden exclusion.

The apex court acknowledged the difference between cinematic speech, hate speech, and group defamation laws. For instance, in *Pravasi Bhalai Sangathan*, the SC explained that hate speech is an effort to marginalise individuals based on their membership in a group, often leading to the perpetuation of hatred or violence. On the other hand, the US Supreme Court, in *Beauharnais v. People State of Illinois*, defined group defamation as amounting to hate speech, which is also analogous to individual defamation. This differentiation was essential to elaborate the ambit of free speech in films as the test for restriction on

speech will differ in the other two aspects.

The SC employed "context of speech" analysis and emphasised that stereotypes and derogatory speech often target the marginalised community. The other facets dictating this context of speech are the impact on human dignity, the identity of the speaker and the target and the linguistic connotation of the speech. These aspects are not in addition to the reasonable restriction imposed on freedom of speech under Article 19(2) but rather operate within its fold. The court has reiterated that an expression that targets the marginalised and strengthens people's prejudices, causing further marginalisation, is not protected under Article 19(1)(a).

The SC concluded by stating that "the creative freedom of the filmmaker cannot include the freedom to lampoon, stereotype, misrepresent or disparage those already marginalised". In determining these aspects, the "intention" and "overall message" of the film have to be considered.

The SC framework is a timely intervention, emphasising the urgency for a more sensitive understanding of disability in visual media space. The nine-point guidelines cover a range of aspects, from language usage to participation and consultation with disability advocacy groups. A more nuanced portrayal of disability and PwDs, like in the recently released film *Srikanth*, is expected from mainstream production houses. The efficacy of these guidelines will be ascertained in the coming years.

The writer is a Delhi-based lawyer and founder, Politics and Disability Forum



## JULY 15, 1984, FORTY YEARS AGO

### TERROR ORDINANCE

THE CENTRE HAS assumed wide-ranging powers through an ordinance to establish special courts in terrorists-affected areas for trial of specified offences, impinging upon the security and territorial integrity of the country. The ordinance, "Terrorists Affected Areas (Special Courts) Ordinance" was promulgated by the President.

### PAK MILITANT CAUGHT

THE SECURITY FORCES apprehended 11 suspected terrorists, including a Pakistani national, as the Punjab Governor, KT Satarawala,

held a high-level meeting. The forces also recovered arms and ammunition from a canal in Gurdaspur district. The Pakistani national was apprehended from a village in Amritsar district and some arms were reported to have been seized from him. The meeting reviewed the law and order situation in the light of the Akali Dal's threatened programme of sending "shahidi jathas" to the Golden Temple.

### MBBS EXAM ROW

AFTER A HEATED debate, the executive council of Delhi University decided to recheck all the answer sheets of the entrance examination to the MBBS course. Following the dis-

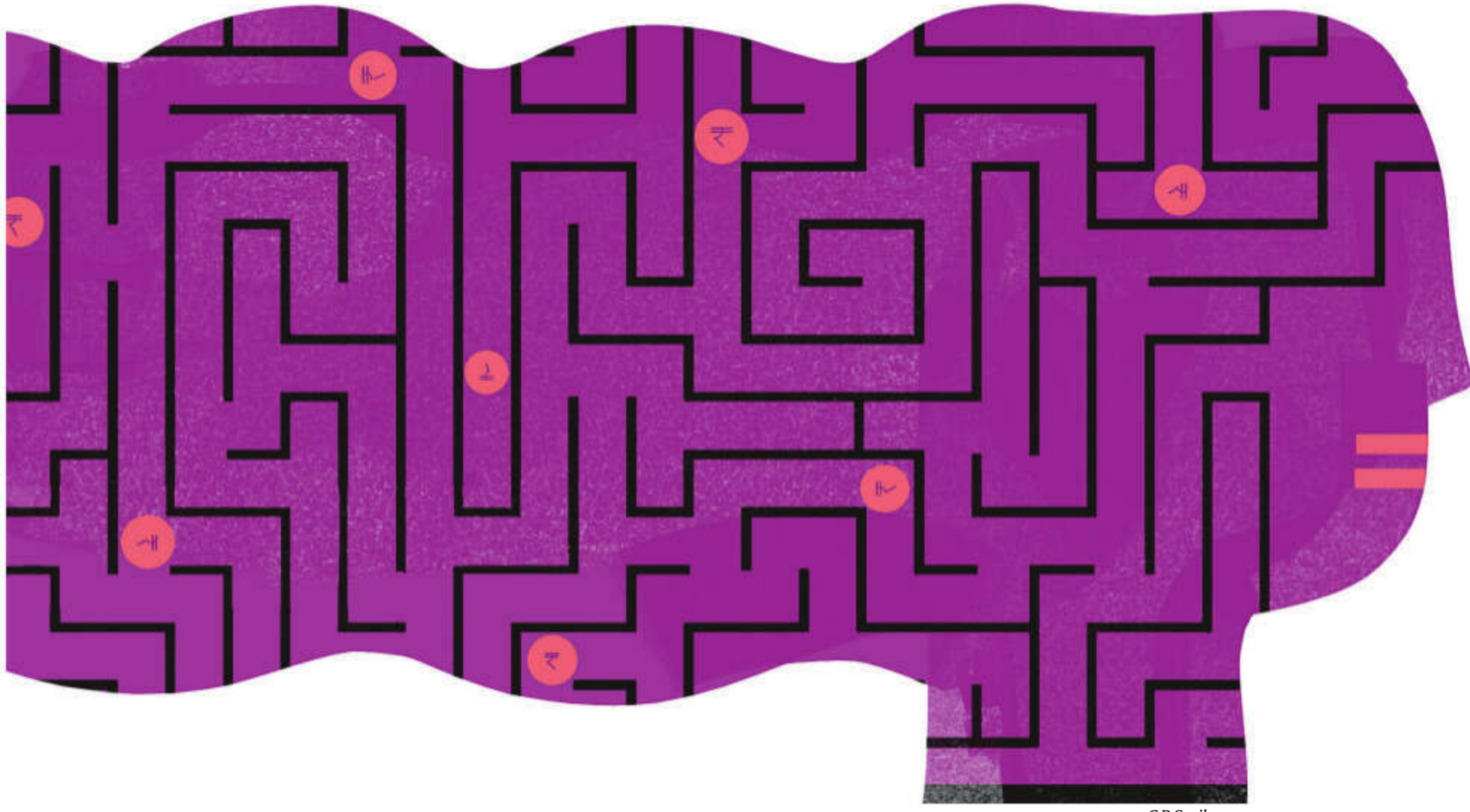
covery of serious errors in the evaluation of the answer sheets of the medical entrance examination, the university had, last week, revised its merit list published earlier. This had created doubts in the minds of the students.

### LABOUR SWEEPS NZ

THE LABOUR PARTY won the New Zealand general election. The outgoing Prime Minister, Sir Robert Muldoon, leader of the National Party, conceded defeat in a call to the Labour leader, David Lange. But the ousted leader said he intended to stay on as leader of the National Party despite the massive swing against his government.



# THE IDEAS PAGE



CR Sasikumar

## Reaffirming a right

In reiterating that the Muslim Women Act does not extinguish a divorced woman's rights under Section 125 of the CrPC, SC has reinforced constitutional safeguards



FLAVIA AGNES

THE RECENT SUPREME Court judgment, *Mohd Abdul Samad vs The State of Telangana*, has upheld the divorced Muslim woman's right to claim maintenance under Section 125 of the Code of Criminal Procedure (CrPC), 1973. This is a socially beneficial provision. With this judgment, we have travelled a full circle from the controversial Supreme Court ruling in the Shah Bano case in 1985 (*Mohd Ahmed Khan vs Shah Bano Begum*), which was followed by the enactment of the Muslim Women (Protection of Rights on Divorce) Act of 1986 (MWA). This Act created a new right for the divorced Muslim woman to claim maintenance during the *iddat* period as well as a fair and reasonable provision for the future.

The issue now decided by the Supreme Court pertained to whether after the MWA came into force, the divorced Muslim woman is prevented from filing an application under Section 125 of the CrPC. This was a confusing issue where various high courts had given contradictory rulings over the last several decades. The Supreme Court's decision has now cleared the ambiguity and has unequivocally held that the new Act has not extinguished the divorced Muslim woman's rights under the beneficial provision of Section 125 of the CrPC.

These are the brief facts of this case. The deserted wife had approached the family court in Telangana for maintenance under Section 125 and the family court awarded her Rs 20,000 as monthly maintenance. Meanwhile, the husband divorced her and claimed that after the divorce she was not entitled to claim maintenance. He argued her rights now lie under the MWA. On his

behalf, it was argued that since the 1986 Act provides a more beneficial and efficacious remedy for divorced Muslim women in contrast to Section 125 of the CrPC 1973, the recourse lies exclusively under the 1986 Act. In addition, it was submitted that the 1986 Act, a special law, prevails over the provisions of CrPC 1973, which is a general law. But both these submissions were rejected by the Telangana High Court. However, it reduced the amount of maintenance to Rs 10,000 per month. Against this order, the husband approached the Supreme Court.

On July 10, the bench of Justices B V Nagarathna and Augustine George Masih of the Supreme Court, in an elaborate ruling, upheld the wife's right to claim maintenance under Section 125 of the CrPC. This was on the grounds that it is a socially beneficial provision and that the said right is not extinguished by the enactment of the MWA. This has laid to rest the prevailing controversy.

An important judgment on this issue is *Danial Latifi and Another vs Union of India* (2001), which examined the constitutional validity of the new Act (Latifi was Shah Bano's lawyer in the Supreme Court). A five-judge Constitution Bench of the Supreme Court, while holding that the Act is constitutionally valid, provided an innovative interpretation of Section 3(a) to secure the rights of divorced Muslim women. It held that the former husband is required to pay maintenance for the three months of the *iddat* period and, in addition, also provide a fair and reasonable provision for her entire life, within the *iddat* period (The *iddat* period indicates the mandatory period of three months within which the divorced Muslim woman cannot remarry).

The Court explained this to mean that the husband was required to contemplate the future needs of the divorced wife and make preparatory provisions in advance to meet these needs. When the question came up whether the *Danial Latifi* ruling had clarified the issue of applicability of section 125 of the CrPC to a divorced Muslim woman, it was

An important judgment on this issue is 'Danial Latifi and Another vs Union of India' (2001), which examined the constitutional validity of the new Act (Latifi was Shah Bano's lawyer in the Supreme Court). A five-judge Constitution Bench of the Supreme Court, while holding that the Act is constitutionally valid, provided an innovative interpretation of Section 3(a) to secure the rights of divorced Muslim women. It held that the former husband is required to pay maintenance for the three months of the *iddat* period and, in addition, also provide a fair and reasonable provision for her entire life, within the *iddat* period (The *iddat* period indicates the mandatory period of three months within which the divorced Muslim woman cannot remarry).

held that this was not the core issue of contention. However, it was stated that there was no express extinguishment of the rights under Section 125 and neither was the same intended or conceived by the legislature while enacting the 1986 Act.

It was observed that the domains occupied by the two provisions are entirely different as the secular provision stipulates an inability to maintain oneself for invoking the said rights while Section 3 of the 1986 Act stands independent of one's ability or inability to maintain oneself. Thereby, by adopting a harmonious and purposive approach amidst the two alleged conflicting legislative protections, the divorced Muslim woman's rights were protected.

The Court clarified that a divorced Muslim woman is entitled to all the rights of maintenance as are available to other equally situated women in the country and an interpretation otherwise would infringe upon the fundamental rights conferred through Articles 14, 15, and 21 of the Constitution. The nature of power and jurisdiction vested with a magistrate by virtue of these provisions is not punitive, neither is it remedial; it is a preventive measure. It was also observed that while any such right may or may not exist as a consequence of any of the personal laws applicable to the concerned parties, they shall continue to exist distinctively, and independently, as against the secular provision.

Way back in 1980, much before this controversy had started, Justice VR Krishnaier in *Fuzlunbi v K Khader Vali and Another* (1980), had categorically observed that the enactment of Section 125 charges the court with a deliberate secular design to enforce maintenance or its equivalent against the humane obligation, which is derived from the state's responsibility for social welfare. It is not confined to members of one religion or region, but the whole community of womanhood.

The writer is a women's rights lawyer and founder of Majlis, a network that assists women with litigation and legal advocacy

## WHAT THE OTHERS SAY

"Mr Trump's political agenda cannot and must not be opposed by violence. It cannot and must not be pursued through violence."

— THE NEW YORK TIMES

## The law is human, not divine

Should religions be subjected to constitutional morality? Should courts behave like clergy?



FAIZAN MUSTAFA

IN A RECENT statement in Kolkata, Chief Justice of India DY Chandrachud rightly said that courts should not be described as temples of justice and judges should not be treated as deities. Despite judges being addressed as "My Lord", the CJ admitted they are not divine. There is, in fact, a great advantage to being human — humans can err.

Humans are "incurably religious," Indians are more so. Indian society displays a "manifest tendency towards an outlook that is predominantly religious." Sir Harcourt Butler noted that "Indians are essentially religious as Europeans are essentially secular." Prime Minister Narendra Modi has repeatedly said that the only holy book for him is the Constitution of India. "Holy" carries religious connotations. All kinds of accused say that they have full "faith" in the judiciary. "Faith" too is a loaded term with theological connotations. The big question is: Why are we all obsessed with religion?

Most of our Lok Sabha members and Union ministers recently took oath in the name of God rather than by saying "I solemnly affirm". In 2019, the raising of the slogans, Jai Shri Ram and Allah, in the House demonstrated the place of religion in the Lok Sabha — which is also described as the "temple" of democracy. In fact, the *Jai Samvidhan* slogan does not seem to have wide acceptability. The debate in the Lok Sabha on the President's address too had references to religions and arguments and counterarguments on what is the true meaning of religion in general and Hinduism in particular.

Indian society, it seems, is not at ease with the idea of secularism. Religion dominates electoral campaigns despite its prohibition in law. Indira Gandhi was called Durga by Atal Bihari Vajpayee. In 1989, Rajiv Gandhi launched his campaign for the Lok Sabha elections from Ayodhya. Prime Minister Narendra Modi was called the 11th incarnation of Vishnu by Avadhut Wagh, Kangana Ranaut and several others. There is a temple dedicated to Sonia Gandhi as well. However, the framers of the Constitution did not attach much importance to religion. While 66 constitutions around the world invoke the name of God, in our constituent assembly, HV Kamath's proposal to start the Preamble with the name of God was voted out.

Our courts have a rightful claim to being "temples of justice": The Supreme Court's seal itself says, *Yato Dharmasto Jayah* (where there is Dharma, there is Justice). "Dharma" and "law" are used as synonyms in Hindu religion. It is, therefore, not surprising that in several judgments, we find references to scriptures. A few of our judges — being members of the larger society — are also deeply religious. One judge reportedly held Lord Ram to be the constitutional figure because of a drawing in the original Constitution without realising that by this logic, Akbar and Tipu Sultan would also get such a coveted status. Another Allahabad High Court judge in 2021 directed the government to bring a law to give legal status to Lord Ram, Lord Krishna, Ved Vyas, Ramayan and Gita. Idols of gods are indeed considered

juristic or legal persons. It was Ram Lalla who, in 1989, filed a petition claiming ownership of the Babri mosque, in a case pending for decades and finally won the title from the apex court in 2019. In one otherwise pro-environment order, the Uttarakhand High Court had in 2017 held that the Ganga and its tributary Yamuna are legal persons entitled to fundamental rights. Subsequently, the apex court overruled this.

Many judges also use religion to justify their findings. In the process, they create unnecessary controversies as religious fanatics start blaming them for interpreting the sacred scriptures. This was seen post the *Shah Bano* (1985) and *Sabarimala* (2017) decisions. What is surprising is the judges' over-indulgence in purely religious matters and their enthusiasm to reform religions. Reforms are a must, but top-down reforms are always counterproductive and allow fanatics to hijack the debate. In any case, reforms should happen by interpreting the Constitution and law, not religion. Judges are not trained in theology but in common law and are not suited to act as clergy. This author has maintained that there are practices that cannot be permitted even if they constitute part of "essential religious practices".

Even in non-religious matters like the right to die in *P Ratinam* (1994), the *jal samadhi* of Lord Ram and the seeking of death by Gautam Buddha and Mahavir were referred to. *Shah Bano* (1985) was a case under Sections 125 and 127 of the CrPC but Justice YV Chandrachud referred to Quranic verse 2:241, Justice Bobde in the privacy judgment (2017) quoted Hindu and Islamic religious texts to underscore the importance of privacy. The Rig Veda and Bhagavad Gita were cited in the judgment on euthanasia in *Common Cause* (2018). In *Joseph Shine* (2018), Manusmriti and Quran and Christianity and Islam's views on adultery were referenced.

Unfortunately, modern constitutions too are becoming similar to religions. Abraham Lincoln in 1838 urged Americans to adhere to the "political religion of the nation". The Constitution is the holy scripture of the modern civil religion. Like other organised religions, this civil religion has its hymns and its sacred ceremonies, its prophets and martyrs. Judges are like priests; they put on robes too. Like priests, they have the authority to tell us the meaning of the sacred text. Disobeying them, like blasphemy, is punishable as contempt of court. Often, judges like divine actors, have saved our democracy from authoritarianism. And sometimes, they too decide on questions of life and death.

Should religions be subjected to constitutional morality, rationality? Courts should not behave like clergy. It is not the judiciary's job to reform religions. Constitutional morality is a laudable goal but we are not ready for it. In practice, freedom of religion neither means "freedom from religion" nor does it include, at least for women, "freedom within religion". Religious congregations continue to attract masses, at times leading to Hathras-like tragedies.

Reverence for the Constitution is necessary. But it need not be converted into idolatry. Constitutions are called sacred to give them a superior status vis-a-vis the state. That does not make them divine texts. Whenever necessary, amendments can be made without destroying their core values.

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RAJAN KUMAR

## India's Moscow connection

Modi's visit signals to the West that ties with Russia are stronger than ever

PRIME MINISTER NARENDRA Modi's trip to Moscow represents a bold diplomatic effort by India to alleviate Russian apprehensions regarding a potential shift in India's policy. Ever since the war with Ukraine began, Russia has been abandoned by Western democracies, while others have turned cautious in their engagements. To a large extent, the Global South, especially China, rescued Russia from a financial meltdown and international isolation. India continued to have strong economic ties with Russia, but its highest interaction mechanism with Moscow, the annual bilateral summit, stopped after 2021. Moscow harboured suspicions that the perceived shift was due to diplomatic pressure by the US.

Modi's visit assumes special significance because few global leaders of his stature, barring Chinese President Xi Jinping, have visited Moscow in the last two years. In his third term in office, PM Modi picked Russia as his first foreign destination for a bilateral meeting. At a time when Russia is confronting Western isolation, optics matter a lot. Such visits help the Kremlin counter the Western narrative of Russia's global isolation. India has remained sympathetic to Russia. It has refused to condemn Russia, refrained

from adverse voting in the UN, and disregarded Western threats of sanctions on its energy imports from Russia. India's trade with Russia reached a historic high of \$65 billion in the last financial year. Its policy of importing cheap oil from Russia came under severe criticism, but the former justified its imports by claiming that they helped keep energy prices and inflation under check. New Delhi anticipated a short war. Over two years on, there are predicaments policymakers in New Delhi face. India's diplomacy has come under severe strain in the tug-of-war between the two sides; Western criticism has increased, inflationary pressure looms large, and to its detriment, Russia has moved closer to China.

Russia's growing dependence on China represents a serious concern for India. Moscow and Beijing have forged the closest possible ties in their history, generating fears that Russia will become a subordinate partner given the growing economic, demographic and technological asymmetry between them. India's strong ties with Russia somewhat change the dynamics and empower both sides. New Delhi seeks to offset the Chinese advantage in Eurasia by forging close ties with Russia. With the US and Japan on its side and Russia as a neutral player, India

is better placed than China in the Asian security architecture. Moscow is mindful of New Delhi's concerns and has somewhat accepted India's ties with the West, akin to how India has accepted the Moscow-Beijing alignment. There is nothing spectacular about this visit in terms of substantive agreements; it adds momentum to the relationship between the two states. As it stands, India-Russia ties are exceptionally comprehensive, covering everything under the sun, from defence and trade to space, nuclear and cultural cooperation. They cooperate actively in multilateral forums such as the BRICS, SCO and the G20. Therefore, more than adding new items to the catalogue, they should focus on revamping existing ties.

The trade imbalance has become a significant issue from New Delhi's perspective. Of the total \$65 billion, India's exports constitute less than \$5 billion. This imbalance is unsustainable in the long run. Russia should scale up its purchases from and investment in India. Exploring new areas of joint production can ease the burden on India. Further, a growing Indian concern is whether Russia can fulfil its defence commitments, given the Western sanctions on the supply of semiconductor chips to Russia. India would expect a

definite answer and time-bound delivery from the Russian side. A timely supply of defence spare parts and S-400s will alleviate India's concerns. Russia must invest more diplomatic and financial resources to finish the pending works for the International North-South Transport Corridor. Russia recently supplied coking coal to India through this route. Both sides should expedite discussions on the Free Trade Agreement with the Eurasian Union. The visuals of Modi-Putin's embrace will send an unequivocal message to the international community that Russia occupies a pivotal place in India's strategic calculations, and the latter will not yield to external pressures. New Delhi is willing to withstand Western criticism; escalation to sanctions and strategic alienation could change priorities. It appears assured that the West needs India just as much as India needs the West. Hence, PM Modi is meeting with Putin on the same day that NATO celebrates its 75th anniversary in Washington, DC. It's geopolitics, stupid!

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## LETTERS TO THE EDITOR

### NOT AN ERA OF WAR

THIS REFERS TO the article, 'Why did Modi go to Russia?' (IE, July 14). Narendra Modi's visit served as a major boost for an isolated Vladimir Putin. But going to Moscow will not help New Delhi's in neutralising Putin's love for Beijing. The limits of New Delhi's so-called strategic autonomy are staring it in the face. Modi's condemnation of the Russian bombing of a children's hospital in Kyiv has failed to impress the world. Modi's remark about this not being the era of war gained currency in 2022. But Putin has been drumming up support for the Russian cause with his visits to China and North Korea recently. It would be prudent for Modi to consider his own words.

SS Paul, Nadia

### TIME FOR REAL WORK

THIS REFERS TO the report, 'INDIA bloc takes 10 of 13 Assembly seats, BJP gets 2' (IE, July 14). In a landslide victory in the assembly by-polls, the Opposition INDIA bloc bagged 10 of 13 seats across seven states. The BJP faced a major setback in the polls with only two seats. The results must be seen as the public's strong disapproval of the BJP's pro-rich,

anti-dialogue politics. It was also a rejection of opportunism since none of the Congress turncoats who fought on the BJP ticket could win in either Himachal Pradesh or Uttarakhand. The victory in two seats in Uttarakhand — Badrinath and Mangaluru, sent a clear message that the misuse of religion for political gains, as seen in Ayodhya and now in Badrinath, will not be approved by the electorate. It's high time the BJP and NDA start real work on the ground.

Sanjay Chopra, Mohali

### A DEADLY BLOW

THIS REFERS TO the article, 'Casting the net too wide' (IE, July 13). The Special Public Security Act, 2024, if passed, will threaten citizens' right to freedom of speech and expression, guaranteed in the Constitution. On the pretext of curbing "the menace of Naxalism", it seeks a crackdown on social workers, human rights lawyers, activists or anyone seen with suspicion by those in power. To treat providing legal advice to someone as tantamount to aiding an unlawful organisation is sure to deal a deadly blow to the people's right to legal defence. There is no room for such a law in Maharashtra.

SH Quadri, Bikaner





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# 'Unlawful activity' in Maharashtra Bill to curb 'urban Naxalism'

**MOHAMED THAYER & SADAF MODAK**  
 MUMBAI, JULY 14

THE MAHARASHTRA government has proposed a sweeping new law to deal with the "increasing presence of Naxalism in urban centres". The Bill, introduced in the Assembly on Thursday, targets a wide range of actions: interference with the maintenance of public order and administration of the law, generating fear and apprehension in the public, encouraging or preaching disobedience of the law, etc.

The provisions of the Bill have been criticised for being "draconian", and concerns have been raised over its wide definitions.

## What are the government's reasons for bringing the Bill?

The statement of objects and reasons of The Maharashtra Special Public Security (MSPC) Bill, 2024, introduced by Deputy Chief Minister Devendra Fadnis, says the "menace of Naxalism is not only limited to

remote areas of the Naxal affected states, but its presence is increasing in the urban areas also through the Naxal front organisations".

According to the government, these "frontal organisations" provide logistics and safe refuge to armed Naxal cadres, and "existing laws are ineffective and inadequate to tackle this menace of Naxalism". To address this situation, the states of Chhattisgarh, Telangana, Andhra Pradesh, and Odisha have enacted Public Security Acts and banned 48 Naxal frontal organisations, says the Bill.

## When could the Bill become law?

The Bill has been brought at the fag end of the term of the Assembly, and its progress will most likely depend on the next government of Maharashtra. The day after the Bill was tabled, the monsoon session of the Assembly was prorogued. The House is not scheduled to meet again before the elections in the state, which will be held by November.

The Bill will lapse with the dissolution of the Assembly, and will have to be reintroduced in the new House — unless the cur-

rent government brings an ordinance to implement it in its term.

## What are the main provisions of the proposed law?

The Bill gives the government the power to declare any suspect "organisation" as an "unlawful organisation". It prescribes four offences for which an individual can be punished: (i) for being a member of an unlawful organisation, (ii) when not a member, for raising funds for an unlawful organisation, (iii) for managing or assisting in managing an unlawful organisation and, (iv) for committing an "unlawful activity".

These four offences carry jail terms of up to two years to seven years, along with fines ranging from up to Rs 2 lakh to Rs 5 lakh. The offence relating to committing an unlawful activity carries the toughest punishment: imprisonment of seven years and a fine of Rs 5 lakh.

Offences under the proposed law are cognizable, which means arrests can be made without a warrant, and non-bailable.

## How is the Maharashtra Bill different from the Unlawful Activities Prevention Act, 1967 (UAPA)?

The UAPA is India's main anti-terror law that is used most commonly in Naxalism-related cases. The UAPA, too, gives the state the power to designate associations as "unlawful associations".

Both the UAPA and the MSPC Bill prescribe similar procedures for making such a declaration. Under the UAPA, a Tribunal headed by a judge of a High Court confirms the declaration made by the state. In the MSPC Bill, an advisory board consisting of "three persons who have been or are qualified to be" a judge of an HC are tasked with carrying out the confirmation process.

## And what exactly constitutes "unlawful activity" in the Maharashtra Bill?

Like the UAPA, the MSPC Bill also seeks to criminalise "unlawful activity", but its definition is vastly different.

The UAPA's definition of "unlawful activity" includes "cession" or "secession" of a part of the territory of India from the Union; any act that "disclaims, questions, disrupts or is intended to disrupt the sovereignty and territorial integrity of India"; and causing "disaffection against India".

Though broad, these words have been defined by courts over the years, and their interpretation follows certain judicial benchmarks. The Maharashtra Bill, however, prescribes a far lower threshold for acts to be included in the definition of "unlawful activity".

Maharashtra government officials have cited the requirement of sanction from a competent authority of the central or state government as a hindrance for prosecuting under UAPA. Under the proposed law, the permission to prosecute can be given by the district magistrate or police commissioner, which will quicken the process, an official said.

The following acts, either written or spoken, constitute unlawful activity under the Maharashtra Bill:

"(i) which constitute a danger or menace

to public order, peace and tranquility; or

(ii) which interferes or tends to interfere with maintenance of public order; or

(iii) which interferes or tends to interfere with the administration of law or its established institutions and personnel; or

(iv) which is designed to overawe by criminal force or show of criminal force or otherwise to any public servant including the forces of the State Government or the Central Government in exercise of the lawful powers of such public servant and Forces; or

(v) indulging in or propagating, acts of violence, vandalising or other acts generating fear and apprehension in the public, or indulging in or encouraging, the use of firearms, explosives or other devices or disrupting communications by rail, road, air or water; or

(vi) encouraging or preaching disobedience to established law and its institutions; or

(vii) collecting money or goods to carry out any one or more of the unlawful activities mentioned above..."

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## EXPLAINED SPACE

# What caused the rare failure of SpaceX's Falcon 9 rocket?

**ALIND CHAUHAN**  
 NEW DELHI, JULY 14

THE US Federal Aviation Administration (FAA) last week grounded SpaceX's Falcon 9 — one of the world's most active rockets — after the failure of its upper stage engine that stranded 20 Starlink Internet satellites in a low, non-survivable orbit. The failed mission ended a remarkable streak of more than 300 successful Falcon 9 flights in the last nine years.



Falcon 9 in 2021. Wikimedia Commons

## What is Falcon 9?

Falcon 9 is a partially reusable rocket designed and manufactured by Elon Musk's SpaceX company. It can transport crew and payloads to low Earth orbit (an altitude of 2000 km or less) and beyond.

The rocket has two stages. The first stage or booster stage comprises nine Merlin engines (a family of rocket engines developed by SpaceX), and aluminium-lithium alloy tanks containing liquid oxygen and rocket-grade kerosene propellant. The second stage consists of a single Merlin engine.

The first stage, which is reusable, is capable of re-entering the atmosphere, and landing vertically after separating from the second stage.

## What went wrong with Falcon 9?

The problem occurred about 30 minutes after the Falcon 9 launch from California's Vandenberg Space Force Base on July 11. The rocket's second stage experienced a liquid oxygen leak, and failed to complete a second, short engine burn needed to put 20 Starlink satellites in the correct orbit, SpaceX said on its website.

"After a planned relight of the upper stage engine to raise perigee — or lowest point of orbit — the Merlin Vacuum engine experienced an anomaly and was unable

to complete its second burn," SpaceX said.

"Although the stage survived and still deployed the satellites, it did not successfully circularise its orbit. This left the satellites in an eccentric orbit with a very low perigee of 135 kilometres, which is less than half the expected perigee altitude."

SpaceX claimed that the stranded satellites pose no threat to other satellites or to public safety as they are expected to entirely burn up in the Earth's atmosphere.

## What happens next?

The rare failure is expected to impede Falcon 9's launch pace. The rocket saw 96 launches in 2023, and exceeded the annual launch total in any country, according to a report by Reuters.

The grounding of Falcon 9 is also likely to postpone upcoming missions taking astronauts to orbit. The private Polaris Dawn mission spearheaded by the entrepreneur Jared Isaacman is slated for the end of July. The rocket is also scheduled to take four astronauts to the International Space Station (ISS) for NASA in mid-August — Falcon 9 is the only US rocket capable of taking NASA astronauts to ISS.

The rocket will remain grounded till the time SpaceX investigates the cause of failure, fixes the issue, and gets approval from the FAA.

## EXPLAINED HEALTH

# How weight-loss drugs work

Weight loss drug tirzepatide, marketed by US pharma giant Eli Lilly as Zepbound, is on the cusp of getting regulatory approval in India. The development of obesity drugs has been game changing in recent years

**KAUNAIN SHERIFF M**  
 NEW DELHI, JULY 14

THE DEVELOPMENT of various weight loss drugs has been a game changer for obesity treatment in recent years, especially in the US and Europe. But these drugs are yet to be commercially available in India, with pending regulatory clearances and high demand abroad delaying their arrival in the country.

But this might soon change. Last week, in a first, an expert committee of India's drug regulator gave the green light to the drug tirzepatide. Following a review of this recommendation, the drug will be given final approval by the regulator, allowing its manufacturer, Eli Lilly, to launch the product in the Indian market.

## Diabetes drug for weight loss

In 2017, the US Food and Drugs Administration (FDA) approved Danish pharma giant Novo Nordisk's Ozempic, with the active ingredient semaglutide, to manage type 2 diabetes. Soon, doctors in the US saw an interesting side-effect — weight loss.

They started prescribing Ozempic off-label (the practice of prescribing a drug for a different purpose than what has been approved) to treat obesity. A social media frenzy followed, with influencers flooding TikTok and Instagram with posts about their dramatic weight loss transformations, all courtesy Ozempic.

This made Novo Nordisk explore semaglutide as a weight loss drug for people without diabetes. In 2021, the company released Wegovy, a semaglutide injection, as an FDA-approved obesity treatment. The key difference between Ozempic and Wegovy: the maximum approved dose of semaglutide is slightly higher with Wegovy than Ozempic. Currently, there is a global shortage of both drugs amid soaring demand.

In November 2023, Eli Lilly, another US pharma major, got FDA approval for the drug Zepbound to treat obesity. This came just over a year after its type 2 diabetes medication, Mounjaro, was launched. Like Ozempic, Mounjaro too led to weight loss among users, and began to see rampant off-label use. Zepbound and Mounjaro contain tirzepatide

## IF PRESCRIBED ZEPBOUND, TELL YOUR DOCTOR...

■ Other medical conditions, specifically with respect to your kidneys, pancreas, and stomach

■ History of diabetic retinopathy, a diabetes-related complication which impacts the eyes

■ Other diabetes medications you are taking, including insulin or sulfonylureas

■ If you are pregnant, planning to



become pregnant, breastfeeding, or planning to breastfeed

■ Other prescription medicines, over-the-counter drugs, vitamins, or herbal supplements you have been taking, or were taking in the recent past

as the active ingredient. Both face shortages in the global market.

## Semaglutide vs tirzepatide

The FDA has approved Wegovy (semaglutide) and Zepbound (tirzepatide) for chronic weight management in adults. These drugs can be prescribed to those who are obese (with a body mass index of over 30), or overweight (with a BMI between 27 and 30), and have at least one other health condition related to their weight (such as high blood pressure, high cholesterol, or type 2 diabetes).

Both are administered as under-the-skin injections, and are intended to be used alongside a reduced-calorie diet and increased physical activity. The dosage is increased gradually, reaching a maximum dosage of 2.4 mg for semaglutide and 15 mg for tirzepatide. This does not, however, mean that the latter is "stronger" than the former. Semaglutide and tirzepatide are polypeptides, small proteins that boost the levels of naturally-occurring hormones in the body, including that of glucagon-like-peptide 1 (GLP-1), which control weight through the brain and digestive tract.

Higher GLP-1 levels, released in the gut, spark a reaction by stimulating neurons that alter gut function, leading to a sense of fullness. This process also taps into a brain mechanism that lights up neural pathways, triggering the sensation of satiety — the feeling of

being satisfied and having had enough to eat. They also help manage glucose levels, making them an effective treatment for diabetes.

Semaglutide only targets GLP-1 receptors. On the other hand, tirzepatide also boosts a second hormone: glucose-dependent insulinotropic polypeptide (GIP). The GIP also regulates weight through receptors in brain and fat cells. Eli Lilly claims that the combined action of GLP-1 and GIP enhance each other's effects.

## Promising global trials

Global trials for Zepbound have yielded promising results. The phase three trials involved 2,539 participants, each randomised to receive either a placebo or one of three doses of tirzepatide: 5 mg, 10 mg, or 15 mg.

Over the course of 72 weeks, those on the 5 mg dose lost 15% of their body weight on average, while the 10 mg group shed 19.5%. The 15 mg group achieved a remarkable 20.9% weight reduction — this translates to someone weighing 75 kg shedding more than 15 kg. About 91% of individuals on the 15 mg dose achieved a weight loss of at least 5%. In stark contrast, the placebo group had an average weight reduction of only 3.1%.

This sustained weight reduction was accompanied by improvements in all pre-specified cardiometabolic measures.

Zepbound got regulatory clearance in India based on data from these trials, in which Indians took part as well. But the

forementioned expert committee has imposed a crucial rider — the company will have to conduct a phase IV, post-marketing surveillance trial to scrutinise side effects that might have been missed in previous trials, and the drug's efficacy among India's diverse population.

## Some side effects of the drug

According to the company, Zepbound's most common side effects include nausea, diarrhoea, vomiting, constipation, abdominal pain, indigestion, injection-site reactions, fatigue, allergic reactions, belching, hair loss, and heartburn.

Eli Lilly specifically highlights the risk of thyroid tumours, including thyroid cancer. "Watch for possible symptoms, such as a lump or swelling in the neck, hoarseness, trouble swallowing, or shortness of breath," the manufacturer says. Individuals cannot use Zepbound if they, or any family members, have ever had medullary thyroid carcinoma (MTC), a type of thyroid cancer, or Multiple Endocrine Neoplasia syndrome type 2 (MEN 2), a rare, inherited disorder that affects the endocrine glands.

Zepbound is a prescription medicine. It cannot — and should not — be used for cosmetic weight loss.

## Weight back if drug is stopped

Obesity drugs are also not one-time miracle solutions for weight loss — data from trials indicate that these drugs need to continue to be taken for their weight loss and other effects to last.

In Wegovy's STEP 1 extension trial with 327 participants, those using Wegovy for 68 weeks achieved a remarkable average weight loss of 17.3%, compared to just 2.0% for those on a placebo. But after stopping the medication, by week 120, Wegovy users had regained most of their weight — effectively seeing an average weight loss of only 5.6% compared to 0.1% for the placebo group. Improvements in heart and metabolic health seen during the treatment period also tended to revert to baseline levels once the treatment was stopped.

At the end of the day, obesity is a complex, chronic, and progressive disease which has to be managed throughout one's life.

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# Protecting Presidents, ex-Presidents: Who are the US Secret Service?

**RISHIKA SINGH**  
 NEW DELHI, JULY 14

FORMER US PRESIDENT Donald Trump, who will be the Republican candidate for President, was shot at during an election rally in Pennsylvania on Saturday. A 20-year-old man fired multiple shots towards Trump, who suffered an injury to his ear, but said he was "fine". The shooter was shot and killed by the Secret Service, the government agency tasked with protecting Trump.

Following the failed assassination attempt, calls have been made for the Secret Service and other security agencies to explain the major security breach, and why the shooter went undetected during the rally. The FBI has opened an investigation.

An eyewitness claimed to have seen the shooter climbing up the roof of a building located around 150 metres from Trump, carrying a rifle. He told the BBC in an interview that he attempted to alert police and the Secret Service, but they did not respond. The shots rang out a few minutes later, he said.

An analysis of videos and satellite imagery by the Associated Press showed the

shooter got "astonishingly close to the stage where the former president was speaking".

Mike Johnson, Speaker of the US House of Representatives, said panels in the House "will call officials from the Secret Service, the Department of Homeland Security and the FBI for hearings soon," according to Reuters. The House oversight panel has called Secret Service Director Kimberly Cheatle to testify on July 22.

## Who are the US Secret Service?

The United States Secret Service was founded in 1865, and are one of the oldest federal investigative law enforcement agencies in the world. Their initial mandate was to combat the counterfeiting of US currency, but this changed after the assassination of then US President William McKinley in 1901.

Before McKinley, Presidents Abraham Lincoln and James A Garfield had been assassinated in 1865 and 1881 respectively. The US Government Archives note: "This third assassination of a President in a little more than a generation — it was only 36 years since Lincoln had been killed — shook the nation and aroused it to a greater awareness of the uniqueness of the



Donald Trump gets into a vehicle with the assistance of US Secret Service personnel after he was shot at in Pennsylvania. Reuters

Presidency and the grim hazards that surrounded an incumbent of that Office."

In 1902, the Secret Service assumed full-time responsibility for the safety of the US President.

The Secret Service work under the Department of Homeland Security and "employs approximately 3,200 special agents, 1,300 Uniformed Division officers, and more than 2,000 other technical, professional and administrative support personnel", according to its website.

## Who else apart from the President do the Secret Service protect?

The Secret Service are mandated to also protect the Vice President, the President-elect, their immediate families, former Presidents and their spouses (except when the spouse remarries) and children of former Presidents until age 16. Former Presidents, such as Trump, are entitled to lifelong protection unless they refuse it.

The service also protect "major presidential and vice presidential candidates and their spouses within 120 days of a general

presidential election". Presidential elections are to be held on November 5 this year. Eligible candidates are identified by the Secretary of Homeland Security after consultation with an advisory committee.

Candidates came under the agency's ambit after the assassination of Robert Kennedy, who was running to become the Democratic Party's official candidate for the 1968 presidential election. Kennedy was shot and killed in Los Angeles early on June 5, 1968, less than five years after his brother, President John F Kennedy, was assassinated while riding through Dallas in a motorcade.

Many had expected Robert Kennedy to win the nomination amid a tight race. The mandate of the Secret Service was then expanded to "maintain the integrity of the democratic process and continuity of Government," the agency's website says.

## What are the operational tactics of the Secret Service?

The Secret Service have the power to carry firearms and to make arrests without warrants for any offence or felony under "reasonable grounds". Their website says, "We rely on meticulous advance work and threat assessments to identify potential risks to protectees. Our protective work

starts long before our physical presence."

The US military supports the Secret Service through its Explosive Ordnance Disposal teams and communications resources. According to a Reuters report, local police aid the Secret Service in securing venues such as campaign rallies. Agents from other internal security agencies can also help.

Before large events like campaign rallies, agents scan the venue for bombs or other threats. "Law enforcement officials typically put up barriers as a perimeter, and require all attendees to go through a metal detector to enter the venue. Armed protective agents search all attendees' bags and even wallets. Many rally goers are patted down by hand," the report said.

An AP report cited two law enforcement officials as saying that members of the Secret Service's counter-sniper team and counter-assault team were at the Trump rally. The counter-sniper team uses long-range binoculars and has sniper rifles, while the counter-assault team works to eliminate threats so that other agents can shield and take away the person they are protecting.

Trump was swarmed by agents in dark suits and shades immediately after the shooting, who covered him entirely and took him away to a waiting vehicle.



# 16 IDEA EXCHANGE

NEWSMAKERS IN THE NEWSROOM

## ON UP VERDICT IN LS POLLS

Somewhere during the third and fourth phase of the elections, our workers told us that people were buying into the Opposition's plank of *arakshan* (reservation) and *Samvidhaan* (Constitution)



## WHY ANUPRIYA PATEL

Anupriya Patel is Minister of State for Health and Family Affairs as well as Chemical and Fertilisers. She is leader of Apna Dal (Soneylal) and is the daughter of Soneylal Patel, who formed the party after he broke away from the Bahujan Samaj Party (BSP). Although he formed the party, it was Anupriya who shaped it and

became a prominent Kurmi voice in UP politics. While the BJP has been trying to expand its base among OBCs (Other Backward Castes), Anupriya has held her own, choosing to retain a separate identity. An ear-to-the-ground politician, she has a pulse on her voters and a good feedback mechanism.



## ON WIDENING CORE VOTEBASE

Both the BJP and Congress have realised that they have to cater to the expectations of a diverse society. A big section of the population, comprising SC/STs and OBCs, wants its voice to be heard

**Liz Mathew:** Uttar Pradesh proved the BJP's claims of winning over 400 seats wrong in the recent Lok Sabha elections. What upset the calculations of the BJP and its allies?

First of all, I don't think that setting ambitious targets of 400-plus seats is a wrong move by any party or alliance because big dreams fire up the grassroots cadres to work hard. Once you work hard, you get good outcomes, considering we were seeking a mandate the third time in a row. Of course, there is a lot of curiosity about the results in Uttar Pradesh (UP), which were not as per our expectations, considering the amount of work which both the Central and State governments (double engine *ki sarkaar*) did. Development has always been our agenda and everything was moving smoothly till the Opposition parties came up with a fake narrative about the Constitution, targeting UP and Bihar as they have been nurseries of the social justice movement. They claimed that the National Democratic Alliance (NDA) — where BJP is the biggest partner — would use a 400-plus majority in Parliament to amend the Constitution and scrap reservations. The marginalised communities fell prey to this misinformation and we could not counter it timely or effectively. That was why there was some resentment and fear, which converted seats in favour of the Congress, Samajwadi Party (SP) and the larger INDIA bloc.

**Liz Mathew:** As president of the Apna Dal, could you foresee this shift at any point of time during the campaign? Did your cadres sense anything?

We're very small compared to the BJP. But we're connected to the people at the grassroots. Somewhere during the third and fourth phase of the elections, our workers told us that people were buying into the plank of *arakshan* (reservation) and *Samvidhaan* (Constitution). The feedback became stronger in the last stages of the campaign from all districts and seats.

**Liz Mathew:** Did you warn any senior BJP leader?

We tried to communicate but I guess the BJP did not understand that the undercurrent had become so strong.

**Liz Mathew:** You started electoral politics with Varanasi, Prime Minister Narendra Modi's constituency. How did his margin of victory go down so drastically?

People don't doubt the credibility of Narendra Modi as a leader. First, he was seeking a mandate for a record third term. Also, since Varanasi is in the eastern part of UP, the Opposition's misinformation campaign affected voters there. There was nobody to convince the voter that the fears of amending the Constitution and scrapping quotas were irrational or that we could not do it. But the PM winning for the third time is no mean achievement.

**Liz Mathew:** Did the BJP bank too much on the Ram temple and Modi?

If you remember the election in 2014, PM Modi's popularity was at its peak, which continued in 2019. The popularity of the topmost leader affects the fortunes of many candidates, evidenced by the huge margins with which they won in both these elections. Would you disagree with me that the popularity of the leader had a major role to play in these two mandates?

The BJP must already be analysing every seat — what went wrong, where? When things are not in your favour, sometimes you can't withstand that pressure.

**Manoj CG:** Did the situation turn negative for the BJP in UP because of the Yogi government giving a free hand to bureaucrats and some administrative problems?

The BJP hasn't shared its internal assessment report with me, I don't know if it has with you. But yes, there was resentment among our grassroots workers as they had some local level run-ins daily with the administration and the police. They expected their grievances to be heard at that level.

**Asad Rehman:** In the run-up to the election, some BJP leaders had indeed spoken about a new Constitution if they won 400-plus seats. The then sitting Ayodhya MP spoke about it. Do you think that if a top BJP leader had countered that narrative, things could have been different later?

Some of our own people also contributed to this narrative, which is why it became so huge. We could have countered it at the right moment but we failed somewhere. That's why the election slipped. There are intelligent people everywhere but some are so intelligent that they will

# 'There's a change in the way the PM talks. It's not BJP anymore, it's NDA'

Anupriya Patel, Minister of State for Health and Family Welfare as well as Chemicals and Fertilisers, on Apna Dal's role in the NDA, the heft of allies and ambitious plans for the health sector. The session was moderated by Liz Mathew, Deputy Editor



Anupriya Patel, Apna Dal leader and Minister of State for Health and Family Welfare (right) in conversation with Liz Mathew at the Noida office of *The Indian Express*. Renuka Puri

damage the fortunes of the party. They don't think before speaking.

**Asad Rehman:** The SP had fielded non-Yadav OBC candidates with seven of their Kurmi candidates winning in UP. Your party's base is among the Kurmis. How will you take on the SP with so many Kurmi MPs in the Lok Sabha?

There was neither any attraction for the SP, nor has it done any wonders. It has merely benefitted from our mistakes. Wait for the next election, the voter will understand we worked in the interest of OBC communities, they won't be confused.

**Vikas Pathak:** The Congress brought up the issue of reservation in the last six months of its campaign. Do you think that the advantage the BJP had in the last 10 years in terms of reaching out to OBCs, Dalits and tribals is being challenged?

First, I am very happy that the two big national parties, BJP and Congress, have realised that this country is very diverse and you have to cater to the expectations of this diverse society. There is a big section of the population, comprising Scheduled Castes and Tribes (SC/ST) and OBCs, who want their voices to be heard. So if you want to continue mainstream ideological politics, it is not going to work in this country.

As for the challenge to the BJP, I would say the marginalised sections are now more aware. No party can afford to pay lip service to them and has to do something concrete. Modiji addressed several issues that were pending in the Congress-led UPA regime, be it conferring constitutional status on the OBC commission or the OBC reservation in the NEET-PG issue. Today the Congress and its leader Rahul Gandhi cannot afford to just talk about caste census but take some concrete action on the ground. The BJP was able to get the support of this section because of action.

**Shahid Pervez:** A large section of Kurmis, whom you represent, has shifted to the INDIA bloc. Why?

Kurmis are OBCs. But it is the bigger chunk of SCs that has shifted to this bloc.

**Kaunain Sheriff M:** The NEET-UG exams are under shadow of paper leaks and the NEET-PG exams were cancelled last-minute in a knee-jerk reaction. What happened overnight in the health ministry because these are two different exams?

First, a revised schedule has already been announced for NEET PG, it will be conducted on August 11. The cancellation

was just a precautionary measure considering the uproar over paper leaks in NEET-UG. We wanted to reassess the robustness of exam procedures being conducted by the National Board of Examination in Medical Sciences.

**Kaunain Sheriff M:** What was the reassessment? Did you find evidence of something on the dark net?

We just took precaution. Everything is in place and we have the revised schedule. No evidence, no bad news, nothing at all. The Prime Minister has said that the government is doing the needful on the floor of the House and we'll make sure that whoever has been involved in any form of the alleged paper leak will not be spared. The matter is subjudice.

**Kaunain Sheriff M:** Your big promise before the elections was expanding the Ayushman Bharat for 70-plus citizens. Have you decided on the blueprint with the Budget coming up?

This was one of the Prime Minister's biggest announcements. Everything is on track and we are just trying to work out the modalities of the scheme design, geriatric packages and IT platform-readiness. Once this whole ecosystem is ready, the scheme will be operationalised.

**Kaunain Sheriff M:** How do you visualise the health sector in NDA 3.0? When it comes to the Ayushman Bharat scheme, we discovered that 60-70 per cent of the funds were being utilised by the southern states. Despite the resources, bigger states like UP have not been able to utilise them. How will you resolve this North-South divide?

The North-South divide is not a feature

of this government. And as far as the health sector is concerned, such differences were always there. The bigger agenda is a developed India by 2047. Every ministry has a 100-day agenda. As part of this, we have just started the National Quality Assurance System (NQAS) that will certify all public health facilities, right from a sub-centre to tertiary healthcare institutions. For sub-centres, we are doing it virtually. We will be conducting physical assessment for health institutions like the common service centres (CSCs), primary health centres (PHCs) and district hospitals. Patna and Darbhanga in Bihar will get a new AIIMS (All-India Institute of Medical Science). Another initiative is developing a digital platform called U-WIN for the Universal Immunisation Programme. We've started a pilot to see how well it performs. We will have a digital record of the vaccinations for pregnant women and children. We are developing a digital platform for the National Health Claims Exchange.

**Kaunain Sheriff M:** Will you be able to achieve the elimination target for tuberculosis (TB) next year?

Since the Prime Minister's clarion call to end TB, the National TB Elimination Programme has introduced comprehensive, patient-centric and novel strategies that have brought a paradigm shift in the way TB is prevented, detected and treated. India's intensified case finding efforts have reduced the number of "missing" TB cases from one million or 10 lakhs in 2015 to nearly 2,00,000 in 2023. India is one of the only countries in the world to have a universal social and nutritional support programme, Nikshay Poshan Yojana, for over a crore beneficiaries since April 2018. Our initiative on sub-national certification for TB-free status has proven critical in foster-

ing a spirit of public health. The elimination strategies at the sub-district level aim to create TB-free panchayats, blocks and districts, which will ensure that states eventually become TB-free. The national programme is striving hard to achieve its goal of TB Mukta Bharat in line with Sustainable Development Goals (SDGs).

**Shiny Varghese:** What is the government doing to improve rural health infrastructure and reduce spending on healthcare?

The Government is focussing attention on improving the rural health infrastructure across the country. Its flagship programme, Ayushman Bharat, comprises four inter-related pillars of Ayushman Arogya Mandir, Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (AB-PMJAY), Ayushman Bharat Digital Mission (ABDM) and Pradhan Mantri - Ayushman Bharat Health Infrastructure Mission (PMABHIM). Through these, the government is working towards reducing out-of-pocket spending on healthcare.

We have now set up Ayushman Arogya Mandirs by transforming existing sub-health centres (SHCs) and primary health centres (PHCs) in rural and urban areas to deliver the expanded range of comprehensive primary healthcare services. These come as a package of 12 services that includes preventive, curative, palliative and rehabilitative services which are universal, free and closer to the community.

Other important initiatives are the Free Diagnostics Service Initiative and the Free Drugs Service Initiative under the National Health Mission (NHM).

We have built sub-centres under the Ayushman Bharat-Ayushman Arogya Mandir to facilitate universal access to basic diagnostic and treatment services with a focus on health prevention. We have established public health units at the block level, set up district integrated public health labs and critical care hospital blocks in all districts that have a population of more than five lakh.

**Asad Rehman:** You recently wrote a letter to UP Chief Minister Yogi Adityanath about reserved and vacant seats going to general category candidates. Was that a reaction to the election results because such public communication hasn't happened in the last five years between allies?

You can say such things if you want to spice up the matter but for me it is routine. My people approach me with their problems. So what is my duty as an ally of the ruling coalition and as a part of this gov-

ernment? I have to bring it to the notice of the Chief Minister and he has to take corrective action. Plain and simple.

**Asad Rehman:** Are you satisfied with the answer given by the Yogi government?

They keep giving answers. The primary responsibility is to look into the issue. If people are complaining, it is your responsibility to address the grievances. This is not the first time such an interaction is taking place? Please check the records of the SP when it was in government. Flagging concerns happens everywhere, even in autonomous institutions and universities. Today, we are in government. So if something is brought to my notice, I will apprise the chief minister, expecting him to correct anomalies. That's his responsibility.

**Aakash Joshi:** Some years ago, the late Sharad Yadav was here describing the Janata Dal (United) alliance with the Atal Bihari Vajpayee-led BJP. He said one of the deals back then had been that the BJP's core ideological issues — Ram Mandir, uniform civil code and Article 370 — would be kept aside for the sake of coalition politics. In its third term in governance, the BJP needs its allies. Will the ruling party be willing to compromise on some issues for the sake of the alliance?

I don't know about the equation between the late Sharad Yadav and Vajpayeeji. I don't know what transpired between the two of them. In so far as my alliance is concerned, this time the BJP has fewer seats and it is actually NDA, the coalition of allies, that collectively has the numbers. We are allies and allies don't need to bargain. There are issues which are important to us and we go and talk to the PM. We have spoken earlier, too.

Modiji says he is available to all his allies for any issue that is of importance. This is not the time for any kind of lowly politics. This is the time to stand together with each other under his leadership and fulfil the promises that we made to the people prior to the elections. We have a big agenda and we stand united. Whatever issues we have, we will discuss them and sort them out with the PM.

**Liz Mathew:** In the last 10 years, the BJP had a brute majority and overshadowed everything. Now that the BJP is lacking that number, do you see any difference in its approach? We are seeing a change in the way the PM talks. He doesn't talk about the BJP. It's NDA, he says.





# Opinion

MONDAY, JULY 15, 2024



## THE FOURTH PILLAR

Prime Minister Narendra Modi

“The media is not a mute spectator of the conditions of the nations but plays a major role in changing them”

## Favourable terms of trade

Tariff liberalisation is a worthy goal when it serves national interest

**I**N THE RUN-UP to the Budget, calls for reducing India's “high import tariffs” have become more fervent. Rajesh Kumar Singh, secretary at the department for promotion of industry and internal trade, is on record saying, “India could shed its conservative approach to world trade and look to lower tariffs.” In a sign that the government might have started buying the argument even earlier, Customs duty on specified cell phone parts were cut from 15% to 10%, ahead of the February interim budget. It is another matter the industry wants these tariffs to be eliminated. It justifies the demand saying availability of low-priced inputs would help bolster atmanirbharta. These supposedly were the same goals pursued by the government, as tariffs went on creeping higher. In his latest book, noted economist and 16th Finance Commission chairman Arvind Panagariya denounces the “intermittent reversals” in India's trade liberalisation, and cited the latest instance (tariff escalation since FY19).

All this would serve to cement the notion that the country would invariably stand to make a net gain from an all-encompassing tariff reduction. It would also seem that former US president and the 2024 presidential candidate Donald Trump was only stating the obvious, as he admonished India for being a “tariff king”. To be sure, import tariff is the basic customs duty (BCD) applied on items identified on the basis of a six-digit harmonised commodity description and coding system (HS Code); all other imposts on inward shipments including the integrated goods and services tax are meant to replicate taxes suffered by domestic goods and services. Undeniably, the simple average of import tariffs maintained by India is one of the highest in the world, and much higher than in the developed world.

This average has risen from a low of 13% (10.1% for non-agriculture or industrial goods) in 2009 to the current level of 18.1% (14.7%). Duties have been hiked for roughly a third of over 12,000 tariff lines since 2014. While this indeed would not help Indian economy's integration with global value/supply chains, from a domestic standpoint, the tariff incidence is not as high as it would seem. Since duties on items imported for (value-added) exports are almost neutralised, BCD collections are barely 4% of the import value; that is, effective tariff is only as much. India has drawn much flak for keeping its “bound tariffs” (autonomous space kept for protective tariff hikes) at much higher than the applied rates. But recent instances like the US raising its applied tariffs on steel and aluminium by 30% over the (benign) bound rates of 4-5% show how pragmatism rules in the current, protectionist world.

That said, India can shake off the tag of a high-tariff nation by slashing the import taxes on scores of items, without much revenue impact. This is because over 80% of the Customs receipts comes from less than 10% of the tariff lines. The identification of items for tariff cuts/hikes should be done with broader economic and national objectives, rather than under pressure from powerful lobbies, or with an eye on immediate revenue gains. The goals of Make-in-India and export competitiveness will be best served by re-organising the economy to reduce overall costs, and ease logistics further. The general tariff policy and the preferential tariffs under the increasing number of free trade agreements must aim to maximise domestic value creation. These ought not work at cross purposes.

## For now, JPMorgan and Citi reap dealmaking rebound

**INVESTMENT BANKING AND** stock trading look way better than investors expected and helped shield the second-quarter results of three of America's biggest lenders from disappointments elsewhere.

It's still a bit iffy how far advisory work will recover from the lows of the past couple of years: Big banks sorely need a recovery to balance out the slowdown in interest income growth, the slow but steady rise in loan loss provisions, and the coming normalisation of bond and currency trading after a huge boom in recent years.

Executives at JPMorgan Chase & Co. and Citigroup Inc. expressed some caution over the rest of the year as they reported results on Friday because the headwinds of high interest rates and political uncertainties remain. Plus, the jump in advisory and underwriting fees in June came partly from deals and debt issues getting done earlier in the year than bankers had expected.

Total investment banking revenue at JPMorgan and Citigroup was well ahead of guidance that the banks had given only weeks ago. Troy Rohrbach, co-chief of JPMorgan's commercial and investment bank, said on June 12 that its fees would be up by 25%-30% versus the second quarter of 2023 — they came in more than 50% higher. Mark Mason, Citigroup's chief financial officer, projected a 50% rise for his bank on June 18; Friday's report showed a 63% increase. Even Wells Fargo & Co., which also reported Friday, showed a 38% rise in investment banking fees over the same period last year.

The numbers are surprising because, by some measures, mergers and acquisition announcements are near cyclical lows, while deal completions have lagged because of the lack of activity last year. Jeremy Barnum, JPMorgan's chief financial officer, said the boost to M&A fees was due to a few large deals closing sooner than expected. Both Barnum and Citigroup's Mason told reporters that deal talks and pipelines were robust and had the potential to produce strong activity later this year, but this could be held back by the headwinds of regulatory interference, elections and other uncertainties.

Debt underwriting revenue also continued its very strong run from the first quarter as companies opportunistically refinanced bonds or loans while credit costs were good. Barnum said many deals were pulled forward because of the favorable conditions, so activity could drop off over the rest of the year.

Equities trading was very strong across all three banks, which bodes well for Goldman Sachs Group Inc. and Morgan Stanley when they report next week. Revenue from trading was up 21% at JPMorgan, 37% at Citigroup, and 40% at Wells Fargo. For the first two, this was their strongest performance since early 2022. Activity was driven by equity derivatives and prime broking services for hedge funds.

The banks are benefitting from the momentum in stock markets that is being driven by a handful of very large technology companies with links to artificial intelligence. That is helping to swell hedge fund account balances, adding to the financing revenue banks make from them, while also driving demand for options-linked exchange traded funds, which fuels banks' derivatives desks.

The rally could keep running and running, or it might hit a wall and severely dent banks' trading revenue. Skeptics though have been capitulating one by one, and JPMorgan's own top strategist, Marko Kolanovic, who has long been downbeat on the boom, suddenly left the bank this month.

Beyond advisory fees and equities trading, the rest of each bank's numbers were more or less as expected to slightly disappointing, although for Wells Fargo the fall in net interest income was worse than anticipated and undermined the more bullish case for owning its stock, according to analysts. Each saw their share price slip, with the latter dropping the most in morning trading on Friday.

Investors will be left hoping the investment banking rebound can keep itself together through the rest of the year — it's far from certain that it will.

## CHARGING THE MARKET

ADAPTING TO SECTORAL NEEDS AND FORWARD-THINKING POLICIES ARE KEY TO INDIA'S EV GOALS

# E-mobility in the fast lane

**I**NDIA'S DYNAMIC TRANSITION towards electric mobility has positioned it as one of the fastest-growing electric vehicle (EV) markets globally. The Indian automobile sector is rapidly advancing its electric mobility goals, progressing at a rate three times faster than the global average. In the financial year 2024, annual EV sales in India soared to 1.67 million units, marking an impressive 42% year-on-year increase. The economy aims to transition 30% of newly-registered private cars, 40% of buses, 70% of commercial cars, and 80% of two- and three-wheelers to EVs by 2030 to achieve the EV30@30 target. To achieve the targeted penetration rates and position India as a leading player in the industry, it is necessary to introduce initiatives that leverage the rapid progress in the past decade, while proactively addressing the present challenges within the ecosystem.

Two-wheelers and three-wheelers have been the driving force behind India's EV market. India has become the world's largest EV three-wheeler market, surpassing China. In March 2024, the two-wheeler segment experienced a remarkable 58% year-on-year surge. Despite the availability of limited models and relatively low penetration, the passenger car segment is also exhibiting a rapid growth rate. This progress is a testament to the country's progressive policies and proactive efforts in research, development, innovation, and production efforts by industry players.

However, when India's EV adoption numbers are juxtaposed against the nation's ambitious 2030 targets and the pressing imperatives of climate change, an urgent need for accelerated adoption and deeper market penetration is realised. From the consumers' standpoint, two issues stand in the way of EV adoption. The primary obstacle is the substantial upfront costs of ownership. Despite the inherent advantage of lower total ownership costs attributed to reduced maintenance and fuel expenditures in EVs, the initial acquisition cost remains a deterrent for many prospective buyers. The second major challenge is inadequate charging infrastructure. As of March, India has 27,471 charging points spread across 16,334 public stations, with only 12,146 designated as public EV charging points. With the increasing adoption of EVs, it is essential to improve the EV-to-charger ratio that currently stands at 135 EVs (passenger vehicles and 2Ws) and 86 EVs per charging station for 3Ws, against 10 EVs

## AMIT KAPOOR

Chair, Institute for Competitiveness



market it still very heavily import-dependent. Presently, EV manufacturers mainly focus on vehicle assembly and production, and essential components pertaining to batteries and after-sales services (for example, recycling, reusing, charging, maintenance) require substantial scaling. This imbalance in the value chain, particularly during technology transitions, results in original equipment manufacturers working in silos due to weak supply chains and inadequate domestic component manufacturers. This poses significant threats to exports and domestic markets and results in increased dependence on foreign sources for components and technologies. It is of paramount importance to establish a harmonised value chain that incentivises all stakeholders to actively contribute to the industry's growth.

A key common determinant in economies such as the US and China, which streamlines inefficiencies in the value chain, was the implementation of a binding zero emission vehicle mandate. This mandate, coupled with stringent emission norms, has compelled private players to innovate and produce fuel- and cost-effective vehicles. Moreover, it has driven governments at all levels to adopt a comprehensive approach to effectively overcome challenges of raw material procurement, research and development, and capacity building. These efforts by industry and govern-

ment, aligned towards a unified goal, have created a robust ecosystem in these economies. The policies and industry growth preceding this initiative were crucial precursors to the success of this mandate. In India, the introduction of this mandate has the potential to be highly effective. Government policies like the National Auto Policy 2018, the National Electric Mobility Mission Plan 2020, and production-linked incentive (PLI) schemes have been vital for addressing challenges of high upfront costs through incentives, technological innovation, and infrastructural capacity. The impressive growth in the EV market can be attributed to such initiatives by the government and investments by industry players. The mandate can build upon this progress, and address issues such as value chain imbalances, the need for rapid capacity-building, and high costs by driving stakeholders to adopt a comprehensive and collaborative strategy.

**The exponential growth of successful economies like the US and China in electric mobility can be largely attributed to the development of cost and technologically efficient vehicles**

These efforts by industry and govern-

# Stretching the elasticity of soft law



## AALIYA WAZIRI

The author is an advocate at the High Court of Delhi

India's National Action Plan on business and human rights hinges on the govt endorsing UN guiding principles without having auxiliary policies in place

**I**N 2011, THE world, as we know it, was introduced to the United Nations Guiding Principles (UNGPs) on Business and Human Rights (BHR). The criticism it originally generated resurfaces periodically. India has been one of the several countries to have drafted a National Action Plan (NAP) on BHR with a view to convey congruity with the UNGPs. All said and done, UNGPs are a quintessential example of soft law and its limitations. Naturally, the question that arises is: How far can we stretch the elasticity of soft law? The answer, glaringly obvious, is not long enough. No amount of persuasion will drive companies to assume responsibility for their corporate human rights violations in the absence of a legal compulsion. In one of the most detailed and constructive critiques of the Indian draft NAP, Pradeep Narayan explains how despite avid efforts made by international organisations, non-governmental organisations, environmental and human rights watchdogs, any nudge towards a BHR agenda will be directly proportional to the amount of willingness displayed by companies to accept their culpability.

The draft NAP pays a farcical homage to “corporate due diligence” without considering how multinational enterprises like Vedanta have deliberately filed inadequate compliance requirements to obtain environment impact assessment clearance, caused environmental degradation, loss of life, and unsafe working conditions and walked away unscathed due to conspicuous loopholes in our existing legisla-

tion. It has been reported that the Indian government has sought inputs from all stakeholders on access to remedy for the affected population. But with countless examples of companies circumventing legal measures, it is evident that the procedure in place is deficient in providing justice to victims of corporate human rights violations. Perhaps it might be prudent to look at other jurisdictions for inspiration.

In 2023, Germany passed its Supply Chain Due Diligence Act, which lays down an explicit requirement for conducting due diligence not only by German firms but also “German subsidiaries of foreign companies”. Prior to the current legislation, Germany had a voluntary set of guidelines for companies to follow on BHR. However, the German law now imposes a liability on the recalcitrant company in the form of monetary fines.

In 2017, France had promulgated a Corporate Duty of Vigilance law that is a leading example of a well-executed legislation expanding on real and perceived risks associated with a company's activities. Stressing the importance of access to justice, it contains an elaborate procedure that allows victims of corporate human rights abuse to file a complaint before the authority prescribed in the statute.

When chonchiding in a shift from discretionary guidelines to a statute that mandates compliance, one of the most crucial aspects is that of holding the company accountable for a complex set of human rights violations in its supply chain. There is a reason the aforesaid laws have been successful and that lies in their enforceability. It is worth mentioning that the most significant one thus far, the European Union has recently passed a landmark piece of legislation titled Corporate Sustainability Due Diligence Directive (CSDDD) that

is aimed at promoting due diligence by companies operating in the region and is based on the principle of corporate accountability. The CSDDD imposes a civil liability on an erring company while its principles are based on tort law. It operates on baseline requirements expected of companies to comply with

to identify, pre-empt, mitigate, and remedy its human rights and environmental impacts. Such measures include due diligence not just of a company's own value chain but its subsidiaries and third-country firms are also included within the CSDDD's ambit. Most importantly, the CSDDD notes that the states must “ensure that the pecuniary penalty is commensurate to the company's worldwide net turnover when being imposed”, a crucial aspect missing in India's A-List

**With countless examples of companies circumventing legal measures, it is evident that the procedure in place is deficient in providing justice**

cleaner and greener. For that, hybrid, electric, CNG etc should be at par. We know that car buyers prefer hybrid over EVs because of lack of clarity on the latter's charging infrastructure. Auto manufacturers may be divided on EVs and hybrid but the Centre would do better to bring parity and promote all technologies with the same incentives. —Bal Govind, Noida

ingly, our NAP does not include “actual and potential adverse human rights impacts” risks “associated with a company while the CSDDD, ironically, makes it a point to mention it 11 times. Principle 18 of the UNGPs covers this aspect of exercising corporate prudence, which makes for a worthy consideration for inclusion in the next draft of our NAP.

Another suggestion for our NAP is that it allow for transparency to exist outside of the ink on its paper, a critical detail that has been included in the CSDDD which allows worker unions to access information and accordingly submit complaints. Our NAP may consider a provision that allows the public to gain information on funds donated by companies to political parties (that may or may not be in power at the time) and a subsequent form of indulgence granted by the latter to the former in terms of legal restrictions. For instance, it was revealed that the Vedanta Group had donated ₹457 crore to political parties in the last six years.

While the draft NAP signifies India's commitment towards UNGPs, the draft pivots on an “expectation” that companies will carry out human rights due diligence along with building a sustainable value chain. The entire policy document hinges on the government endorsing UNGPs without having auxiliary policies in place that will compel businesses to carry out human rights compliances. As numerous examples suggest, it will simply not suffice.

## LETTERS TO THE EDITOR

### A notable triumph

In a landslide victory in the assembly by-polls, the opposition INDIA bloc on Saturday bagged 10 out of 13 seats that went to polling across seven states. This is indeed a huge shock to BJP, which has dominated the Northern part of India over a decade. The results must be seen as the public's strong disapproval of BJP's pro-rich, dictatorial politics. It was also a rejection of opportunism since none

of the Congress turncoats who fought on the BJP ticket could win in either Himachal Pradesh or Uttarakhand. The victory in two seats in Uttarakhand—Badrinath and Mangalwar—sent a clear message that the misuse of religion for political gains, as seen in Ayodhya and now in Badrinath, will not be approved by the electorate. It's high time for BJP and NDA to get of the wrong whims and try start working on the ground taking the electorate along without any religious

attachments as otherwise, the strong defeats in the upcoming assembly elections and the next LS elections can't be ruled out. —Sanjay Chopra, Mohali

### On green mobility

Propos of “Level playing field” (FE, July 13), indeed, other states should take a leaf out of the UP government's book. The ultimate objective is to reduce dependence on fossil fuels and make our environment

cleaner and greener. For that, hybrid, electric, CNG etc should be at par. We know that car buyers prefer hybrid over EVs because of lack of clarity on the latter's charging infrastructure. Auto manufacturers may be divided on EVs and hybrid but the Centre would do better to bring parity and promote all technologies with the same incentives. —Bal Govind, Noida

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

— Rammath Goenka

## TASK CUT OUT FOR PRACHANDA-MUKT NEPAL COALITION GOVERNMENT

WHEN two polar opposites of Nepal's politics came together last week, they ended the spectacle of the tail wagging the dog and threw up a new coalition government that on paper appears sturdy. That Pushpa Kamal Dahal 'Prachanda', 69, with just 32 seats in parliament—where the simple majority figure stands at 138—managed to stay as PM for so long was a testimony to his skills in alternatively playing the two biggest parties in the House against each other. With the two-cats-and-a-monkey story manifesting, the loaf of bread to be shared equitably between the felines invariably ended in the wily Prachanda's mouth. While the Nepali Congress led by Sher Bahadur Deuba, 78, has 88 seats, the Communist Party of Nepal-Unified Marxist Leninist with K P Sharma Oli, 72, at the helm has 77. Taken together, they add up to 165 seats—comfortably past the simple majority mark. But they are like water and oil; Deuba pro-India and Oli pro-China. Apart from their king-sized egos, their trust deficit is near-total and their opposite ideologies can never mix. Yet, the alchemy of political compulsion brought the two together and cut the monkey out, though a possible foreign hand was the catalyst. Oli and Deuba have since agreed on rotational prime minister-ship, with the former leading the government in the first half.

Corruption probes opened by the Prachanda government against biggies in both the parties are said to be the immediate trigger for their new bond. Those probes would likely be buried and new dirt dug up against the outgoing government. Prachanda was a Marxist guerrilla leader before he entered the political mainstream. Would the politics of vendetta push him back to the bloody cycle of violence and gore is anybody's guess.

A Beijing hand was visible in Prachanda approving an agreement on a rail link with China a day before he lost the trust vote. But Nepal's new pragmatic policy is to accept foreign grants alone, not debt. In his last shot as PM, Oli indulged in cartographic aggression against India by producing a revised national map that included three villages in Uttarakhand. Whether Deuba would be able to moderate Oli's baiting of India following Chinese prodding remains to be seen. Amid growth pangs, land-locked Nepal's perennial political instability produced 14 governments in the past 16 years. It deserves better.

## TIME TO SETTLE AP-T'GANA BIFURCATION ISSUES

THE recent meeting between Andhra Pradesh Chief Minister N Chandrababu Naidu and his Telangana counterpart A Revanth Reddy was fruitful in the sense that it raised hopes of finding an amicable solution to unresolved issues between the two states hanging fire for the last decade. Ever since the creation of Telangana in 2014, efforts have been made by both the States as well as the Centre to resolve problems such as division of assets and settlement of dues, but no common ground could be found on most for various reasons. The Revanth-Naidu bonhomie, though, may finally seal a deal since both have been on good terms for a long time.

As we pointed out in these columns earlier, the Andhra Pradesh Reorganisation Act 2014, by which the state of Telangana was carved out of AP, hasn't yet been fully implemented in letter and spirit. Major issues such as construction of the multi-purpose Polavaram irrigation project in Andhra still persist as there are questions on the funding for relief and rehabilitation of displaced people. Similarly, the promise of establishing steel plants in both states is stuck because of Centre-state differences. Those have to be resolved with the cooperation of the Centre. What Revanth and Naidu will have to do is clear-cut: arrive at an acceptable solution to the division of assets listed in Schedule IX and X of the AP Reorganisation Act, settling outstanding dues and adopting a give-and-take approach in river water sharing. Both CMs have decided to meet up periodically and agreed to constitute two panels, one of officials and another of ministers, to go through each and every pending problem. If followed through, this will help both sides enormously. One may wonder why it has taken a decade for both parties to tackle the bull by the horns. Reasons are mainly political and bureaucratic. The parties in power should not let political considerations come in the way of resolving inter-state disputes.

Telangana and Andhra are two separate states now and people-to-people contacts are immense. There is no animosity towards one another. In these circumstances, the best interests of the people of both states ought to be kept in mind. To treat any attempts at addressing pending issues as undermining the interests of a state does no good to anyone. To avoid this, we suggest the governments in both states involve the opposition parties as well and solicit their views. With grace and magnanimity, both can solve most of the issues without going to courts.

### QUICK TAKE

#### RETURN TO DECENCY

DECENCY is an inevitable casualty when polarisation peaks. In today's social media era, the resultant textual and visual violence can quickly get out of hand—at times leading to physical attacks and mob fury. So when US President Joe Biden condemned the attempt on his opponent Donald Trump's life on Saturday, it indicated a much-needed toning down. Trump's rare call for "national unity" means the coin has dropped on the other side too. Similarly, Rahul Gandhi's appeal to refrain from trolling Smriti Irani is a necessary healing gesture. Political leaders need to constantly tell their followers to stay within the line of decency even while fulminating against their fiercest foes.

IN the just-concluded session of the new parliament, there was one odd historical coincidence and remembrance that created some noise but not enough debate. Om Birla, the Speaker of the Lok Sabha, immediately after he was elected on June 26, moved a resolution condemning the Emergency of 1975. He also led the observation of a two-minute silence, quite unprecedented, and described it as a "dark period" in Indian democracy.

What Birla did was seize the opportunity that June 26 offered—the day Indira Gandhi inaugurated her dictatorial rule in 1975. This was not just an annual reminder, but also marked the beginning of the countdown to the 50 years since the Emergency was proclaimed. Symbolism was written all over Birla's move. Expectedly, it did not go down well with the Congress.

Prime Minister Narendra Modi's words on the occasion unambiguously captured the significance of the act of mourning the historical happening. For him, personally, and for his 10-year-old regime, constantly accused of being authoritarian, it was about turning the tables on the Congress and pulling them down from the moral perch they had come to occupy during the election campaign.

Modi said: "It was also a wonderful gesture to stand in silence in honour of all those who suffered during those days... It is important for today's youth to know about it because it remains a fitting example of what happens when the Constitution is trampled over; public opinion is stifled and institutions are destroyed. The happenings during the Emergency exemplified what a dictatorship looks like." Obviously, his target was the younger generation, who he suspected to have innocuously walked into frames created by the Congress against him.

The Congress during the poll campaign made the Constitution a political symbol, with an eye mostly on Dalit and backward class votes. They argued Modi wouldn't hesitate to alter the Constitution and its quota guarantees if he was put back on the saddle with huge numbers. Besides, Rahul Gandhi had waved his little red book, a pocket-version of the Constitution, all through the campaign, and also at Modi when he took oath in the Lok Sabha.

On June 26, it was as if Rahul Gandhi was being reminded of his party and his dynasty's democratic record. Standing up in silence was a powerful act, conceived to perhaps unambiguously register in the minds of younger generations as to when, and what, the real threat to democracy

One side of India's political divide is reaffirming its faith in the Constitution, while the other is pointing to the Emergency. But one must remember that each bend in history is different

## THE EMERGENCY AND ITS MORAL EQUIVALENCE

SUGATA SRINIVASARAJU

Senior journalist and author of *Strange Burdens: The Politics and Predicaments of Rahul Gandhi*



SOURAV ROY

It was also perhaps intended to drive home that everything being said about the Modi regime now was mere propaganda, rehearsed to wash off Congress' guilt from the past, and to deliberately create amnesia about a real event in contemporary history. What it perhaps meant is that the jibe 'undeclared Emergency under Modi' was nothing but a perception manufactured by an old establishment to desperately counter an indelible fact of history. This line became even more apparent in Modi's two speeches to the parliament during the motion of thanks to the President's address.

However, the more curious aspect of this contestation is, what should have been or be the Congress' response to this? Should it be angry each time it is raised? Should it continue to draw a feeble equiv-

alence between then and now? Should it be in denial and argue erroneously that the 1975 moment was far benign compared to what has happened since 2014? If it keeps saying this, will it not erode, at some point, the party's credibility among its own allies, many of whom found political existence during the Emergency on an anti-Congress platform? Will they rewrite their own history?

On the contrary, should the Congress participate in future events that condemn the 1975 Emergency? Should it plainly say that it has learnt lessons from the past and evolved in the last five decades to protect the Constitution? After all, as early as January 1978, addressing a public meeting in Yavatmal in Maharashtra, Indira Gandhi took the "entire

## THE AFFIRMATION OF MOTHERS AS GURUS



RENUKA NARAYANAN

### FAITHLINE

DO you know until the elections that the presiding deity of Tripura is the Devi in her supreme energy as Lalita Tripurasundari? I didn't. I jumped out of my skin when I read it, because my granny's name was Lalita and her mother's name was Tripurasundari. They were so far south of the northeast, but apparently their ancestors were inhabitants of the Hindi belt who moved aons ago via Magadha to ancient Tondaimandalam, around Kanchipuram in Tamil Nadu.

The dotted lines run far and wide across the subcontinent and the Mahodadhi (the Bay of Bengal). The Indic bandwidth runs a good way into Eurasia, too. Last year, at a talk I gave on Indian culture, I was told by a young Lithuanian diplomat that her language contained many Sanskrit words.

What does all this have to do with the Devi as Lalita Tripurasundari? Just this: while ideologies may flourish and decline, we must absolutely try to live amicably and supportively with each other. So, let's not exist in disconnected mutual ignorance. Lalita Tripurasundari, the beautiful concept that we all share culturally, whatever creed we follow, calls us to the peaceful path, saying, "Am I not yours?"

In real life, meanwhile, the struggle is stark for women between perception as 'goddess' and reality. But while bad news on that front is never in short supply, it might be nice to remember some traditional notions about the mother. This is not to "glorify" biological motherhood as the sole destiny for women but to appreciate the quality of motherhood that all of us, men and women, possess as human beings.

The mother is revered as one's first guru in the saying 'mata-pita-guru-deva'. Usually, it is she who teaches us not only the a-b-c-d of existence but also our human duty, and to respect the father. Our parents, if so minded, acquaint us next with a spiritual teacher, who, if genuine, is supposed to lead us to God. Meanwhile, I've heard it said in religious discourses that the *Dharma Shastras* hold duty to one's mother paramount. Apparently, the *shastras* go so far as to say if one's father is a person of bad character, one may ask him to leave the household. But a mother, even if a disruptive presence, should never be abandoned. Rather, the family should put her on the emotional back foot with unrelenting kindness and win her over to civility.

I would like to suggest that an outstanding example of this is Rama. Bharata, as

a person of honour, spurns his mother Kaikeyi not just for the shame brought on him by her machinations but even more for the injustice and suffering she caused to a caring person like Rama, who was especially attached to her. But Rama and Sita are so gently behaved and without a trace of reproach when Kaikeyi meets them in Chitrakoot that it stuns Kaikeyi. These two young adults, a man of 24 and a woman of 18, behave like mothers to her with kindness and consideration.



The mother is revered as one's first guru in the saying 'mata-pita-guru-deva'. Usually, it is she who teaches us not only the a-b-c-d of existence but also our human duty. In fact, the mother goddess appeared as the ultimate guru to seekers in many traditional stories

Like Valmiki, Adi Shankara, the acharya of acharyas in this tradition, must have felt deeply for Bharata's disgrace and appreciated Kaikeyi's change of heart. A clue to this conviction lies in Acharya's beautiful poem, *Sri Rama Bhujangam*. In it, Acharya alludes twice to Bharata as 'Kaikeyi-nandan' or 'Kaikeyi's joy', which shows a charming restorative intention.

In fact, the mother goddess appeared as the ultimate guru to seekers in the tradition. Two famous recipients of her grace and favour were Tenali Raman in 16th century Hampi, the capital of Vijayanagar; and Mahakavi Kalidas of 4th century Ujjain. It seems Kalidas evoked compassion in her and Tenali Raman, amusement. (If you

would like to re-read Kalidasa's story, please see Faithline, January 2, 2023, *A Tale of Devotion to Remember for the Ages*.)

Tenali Raman was born as Garlapati Ramakrishna. He did not receive formal education during his childhood, but became a great scholar due to his thirst for knowledge. The story goes that Vaishnava scholars rejected him as a disciple, as he was a Shaiva. Raman was however determined to get educated so he went to many pandits and begged them to accept him, but they called him names and threw him out. Later, while roaming in search of direction, he met a sage who advised him to worship Goddess Kali. He did so most earnestly.

The legend goes, Mother Kali appeared before him and was amused by his sense of humour. She blessed him that one day he would be acclaimed as a great poet in the imperial court of no less than Krishnadevaraya, emperor of Vijayanagar. It seems the goddess also gave him the title 'Vikatakavi' or Terrifying Poet, to mark his wit. Tenali Ramakrishna attained the status of a folk hero as the court poet of Krishnadevaraya, but he also composed serious works on religion.

Less known is Mooka Kavi, who lived in the 3rd century in Kanchipuram. Mooka Kavi was dumb from birth; but having obtained the grace of Kamakshi, whom he prayed to everyday, he burst forth into exquisite poetry. He sang 500 verses in praise of Sri Kamakshi in five *satakas*, meaning sections of 100 verses each. In the first *sataka*, the *Arya Sataka*, he says, "Siva, Siva pasyaniti samam Sri Kamakshi katakshitah purushah/ Vipinam bhavananam amitram mitram loshtam cha yuvathi bim-bhosham." This means, "O Shiva, what a wonder: Great men, blessed by the *kataksha* (benevolent look) of Kamakshi, regard with equal unconcern forest and palace, foe and friend, a piece of stone and the captivating lips of damsels."

My granny had his verses in her prayer book, in which I also found a postcard of Mary holding baby Jesus; an endearing affirmation, indeed, of mothers as gurus. (Views are personal) (shebaba@gmail.com)

responsibility" for all the mistakes and excesses committed during the Emergency. But, she caveated it by saying she did what she did to save the nation.

Similarly, in March 2021, Rahul Gandhi admitted that the Emergency was a mistake but had again qualified it by saying the Congress "at no point had attempted to capture India's institutional framework". He was wrong there. The Emergency saw the worst corruption and capture of institutions—the ideas of a committed bureaucracy, a committed judiciary, and different forms of 'cham-chagiri' got entrenched at that point. Money and muscle unabashedly entered politics. It was also a moment in history that birthed the very idea of dynastic rule. Therefore, instead of a half-hearted, caveated admission, instead of presenting it as a reaction to a dire provocation, why not a straight, sincere admission of a mistake and move on?

Also, the phraseology of moral equivalence that is often used between 1975 and post-2014 is wrong. Each bend in history is different, if not exclusive. The circumstances, contexts and consequences are all different. Condemn the India under Modi and its democratic deficit by all means, if need be with a stronger formulation. But to present it in relation to the 1975 Emergency is self-defeating.

Noam Chomsky in a BBC interview in 2002, after September 11, put it across brilliantly: "Moral equivalence is a term of propaganda that was invented to try to prevent us from looking at the acts for which we are responsible... There is no such notion. There are many different dimensions and criteria. For example, there's no moral equivalence between the bombing of the World Trade Centre and the destruction of Nicaragua or of El Salvador, of Guatemala. The latter were far worse, by any criterion. So there's no moral equivalence. Furthermore, they were done for different reasons and they were done in different ways. There's all sorts of dimensions."

Incidentally, there was another remembrance in June that was forgotten. June 5, the day the poll results were struggling to settle down, was a day 50 years ago in 1974 when Jayaprakash Narayan had given the call for "total revolution". He had ended his speech in Patna by saying: "When a man loses his head, he thinks there is one man who is causing all the fire. The fire is already there, only you can't see it." The Opposition that brought sobriety to our democracy on June 4 had missed this reference in history.

(Views are personal) (sugata@sugaraju.in)

### MAILBAG

WRITE TO: letters@newindianexpress.com

#### Major boost

Ref: *Oppn picks up 10 of 13 bypoll seats, keeps momentum* (Jul 14). The bypoll results showed that opposition parties thwarted BJP's hitherto successful strategy of weaning away opposition MLAs and making them stand in bypolls under the lotus symbol. This victory will give a major boost to the opposition. **P Victor Selvaraj, Palayamkottai**

#### Rectifying faults

NDA leaders have to take cognisance of the reverses that happened in these bypolls and make an honest attempt to rectify the faults in their party. This time was also a lesson to independent candidates of Himachal Pradesh, who withdrew support to the Congress to jump into the BJP bandwagon and were defeated by the electorate. **HP Murali, Bengaluru**

#### BJP's shortcomings

As expected in the Vickravandi bypolls, the ruling party in Tamil Nadu triumphed with a whooping margin. The results in TN and other states that held bypolls indicates that the people's disillusionment with the BJP still lingers. A raft of burning issues and its shortcomings have dwarfed the Emergency raised by the ruling party. **Rajamani Chelladurai, Tirunelveli**

#### Women's empowerment

Ref: *Giving divorced Muslim women their due* (Jul 14). The article was a great read. In the same vein as Shah Bano (which was attempted to be nullified by former Congress PM Rajiv Gandhi) and the judgement against Triple Talaq, the present SC judgement is a step in the right direction. It goes a long way in ensuring Muslim women's empowerment and emancipation. **Hemanth D Pai, Bengaluru**

#### Reducing crowds

Reduced passenger movements at Secunderabad, Hyderabad Nampally and Kachiguda by opening the new Cherlapalli railway station in Hyderabad is certainly good. But the state government must also increase the number of local buses to the new station from different points to help passengers reach the place without delays. **Katuru Durga Prasad Rao, Hyderabad**

#### Telecom tariffs

The recent tariff hike by major telecom players ranging from 12.5% to 25% is a major setback for consumers. This highlights the monopolistic tendencies within the telecom market, as the three telecom giants captured almost 90% share in the telecom market. To address this, stronger regulatory oversight is needed. **Bishal Kumar Saha, email**



## Choosing to Be Out Of (Gun) Control

Ease of carrying a gun in the US is bizarre

There are multiple ways of looking at the assassination bid on Donald Trump on Saturday. For the likes of Elon Musk, it shows the Republican presidential candidate in a heroic light. For others, it holds up a mirror to the polarised, fractured state America is today. But the sniper across the room is how easy it is to procure a gun in the US, and use it. Not only has a running candidate been shot at, but one person at Trump's rally was killed and two seriously injured. It's a no-brainer that having firearms so easily available — the US Constitution guarantees the right to bear arms — is a recipe for a weapon reaching the 'wrong hands'. But in its wisdom, America finds the theory of self-defence trumping the practice of threat of a bullet.

About 4 out of 10 US adults live in a household owning a gun. This includes 32% who acknowledge owning a firearm. Ironically for Trump, Republicans and 'Republican-leaning' independents are more than twice as likely to own a gun than their Democrat and 'Democrat-leaning' counterparts. Even more ironically, 49% of Americans, according to a June 2023 Pew Research Centre survey, believe owning a gun increases safety by allowing law-abiding citizens to protect themselves. At best, this exposes a society distrustful of its own law-and-order capabilities. At worst, it tells us of a society where discontent is weaponised.

Comparisons have been quickly made with other successful and unsuccessful assassinations in the US, from John F Kennedy and John Lennon, to Ronald Reagan and shooting sprees in public spaces like schools and shopping malls. True, assassinations also happen in countries with tight gun control. But without doubt, it's a far more dangerous society that chooses to freely wield guns than those where it's difficult to carry them.



## Spread Out IBC to Make It Effective

IBC is showing up process failure at multiple levels. Low realisation through liquidation speaks of inadequate risk management by lenders. Low realisation through resolution is an admission of its limited success. The initial promise of time-bound liquidation and resolution is being squandered. The way forward would be to increase the spread between resolution and liquidation realisations. This means steering a larger proportion of cases to the former channel and increasing IBC's bandwidth to arrest lengthening procedural timelines. Choke points in legal challenges, judicial delay and information asymmetry need to be addressed.

Deterrence of losing corporate control on admission to IBC should facilitate arbitration between creditors and debtors. There is evidence that this factor is at play in debt resolution overall. But more ground has to be covered. This behavioural shift arising out of a credible threat of insolvency yields a better economic outcome in unblocking capital. This spreads resolution of insolvency as a business decision beyond the originally intended bankruptcy law. It also rebalances the power dynamics between small and large firms.

Insolvency resolution with creditors in control of proceedings leads to obstruction by debtors, which affects timelines and realisation. Both parameters could show improvement if IBC were to allow debtor-in-control processes that creditors chasing realisation shouldn't have objections to. Some rebalancing is needed between the rights of financial and operational creditors to smoothen the IBC process. Realisation could improve with consolidation of assets and liabilities with a corporate debtor's group entities. A secondary market in stressed assets can widen the pool of resolution applicants. Some degree of legislative prodding will be required for these aspects of insolvency resolution to evolve faster in India. The economy needs to establish a more stable mechanism for settling bankruptcy as the capital funnel widens.



### JUST IN JEST

Britain's Kardashians just opened up one more bit of their house to the mob

## Get Your View of London's Buck Balc

The original Kardashians — the British royal family — have been strutting their stuff on that iconic Buckingham Palace balcony for centuries, waving at the plebs below like they're auditioning for a role in 'The Crown'. But starting today, July 15, commoners will be allowed to do their own waving from the Buck balc as part of the new palace tour. The head of the family, Charles — three years junior to the other real estate baron Donald Trump — gave his go-ahead to making his family's residence a bit more available to commoners. But before you book your London ticket and start practising your regal wave, let's set expectations. You won't be sipping Earl Grey with Charlie up there. The net curtains will remain firmly drawn, as if to say, 'Sorry, darling, but we can't risk you photobombing our balcony selfies.'

Now, the East Wing is open for business. The new East Wing Highlights Tour takes the palace a step closer to Disney-landed gentrification. And what's beyond that 175-year-old balcony? The same view Queen Victoria had when she sent troops off to the Crimean War. Because nothing says 'war is imminent' like a good balcony view, right? Now, the real question: so, can we crash their next balcony party? Sadly, no. But one can't ever really be certain. The Windsors can always do with a bit of dosh.

Budget presents an opportunity to usher key policy changes to unshackle our agriculture sector

## Time to Get Aggro on Agri



Soumya Kanti Ghosh

With the Union budget round the corner, it's customary to discuss fiscal prudence and consolidation. But it's also the right time to talk about the need for policy changes, especially those that can unshackle the agriculture sector.

First, a word of caution for votaries of minimum support price (MSP) as the primary tool of making the agriculture sector work better. Total value of agricultural and allied output in India is about ₹56 tn, out of which share of food grain is only 17%. Out of this, GoI is able to procure through MSP only 6% of the total agri and allied output, though it has entailed an expenditure of ₹3.4 lakh cr in FY23. (Interestingly, GoI procures 92.8% and 73.6% of paddy produced by Punjab and Haryana, respectively. For wheat, these ratios are 72% and 56.6%, respectively.) Livestock at 31% tops the list, followed by vegetables, fruit and spices at 26%. Fishing and forestry produce corner 7% policy share each. So, it's a grave policy mistake to use MSP as the primary tool of price discovery in agriculture, not to mention as a political tool. Alternatively, the politics of 6% procurement clearly obscures a better deal for the 71%.

During the last 10 years, MSP of all 22 crops under its ambit has increased more than 100%, with GoI procuring mostly wheat and paddy through FCI and state agencies.

Thus, as policy change, there's a clear need to have a direct consumer-farmer interface through development of more mandis across the states. States must take a lead in this by promoting urban haats — weekly



Budget can unveil a livelihood credit card (LCC) scheme encompassing a multi-purpose loan aligned to ease of doing farming and allied activities



Grrrowth path

village markets — that will help farmers to meet consumers directly.

In India, Maharashtra and Bihar had allowed trade in all farm commodities, including livestock, outside the mandis, or regulated Agricultural Produce Market Committee (APMC) wholesale markets. This could help farmers to sell their produce to retailers directly at a better price. For this purpose, however, state governments should create the necessary infrastructure.

This initiative could be taken up at a large scale in conjunction with the Centre. The upcoming budget could take the first step in this direction.

Second, even with much talk about agricultural value chains (AVCs), it's surprising that it's not adequately defined for banks and financial institutions for them to engage as a part-

ner. For example, to quote from the report of the working group on AVC finance that was submitted to GoI in December 2021: 'There is need to bring the entire set of activities from input supplies

### BUDGET 24

to sowing/cultivation to harvesting to procurement to processing up to the point of retail sales under the regulatory definition of agri value chain by the RBI and developmental agencies, including the government/financial institutions in the interest of the comprehensiveness and integrity of the value chain and to enable seamless financing of the value chain under the category of agriculture.'

Let the budget take a decisive step by accepting the recommendations of this report, and then RBI can announce the next steps. One important policy recommendation deserves special mention. Kisan Credit Card (KCC) loans, at present, are capped at ₹1.6 lakh without need of collateral security.

Given the rising input costs, and insurance and marketing efforts on post-production, the threshold can be increased, first for farmers with good credit history to incentivise them, and nudge others to follow suit.

## Debt Collection Just Got Easier



Yashraj Erande, Ankit Uppal & Abhishek Maheshwari

AI and digital are revolutionising nearly every aspect of our lives. One area experiencing a significant, though underreported, transformation is debt collection. Traditional methods of collecting debts are becoming increasingly ineffective, costly and fraught with compliance risks. This discontinuity opens up new opportunities for fintechs and incumbents as they leverage AI and digital-driven collections. AI-D are expected to reduce costs by 30-40%.

Consider this: India's financial institutions spend a staggering ₹50k cr (₹6 bn) on collections. Include latent demand in select segments (like PSBs) and projected increase on account of robust credit growth expectations for FY25, and we are already looking at a ₹70-75k cr market. Over the next five years, this figure is expected to rise to ₹1.25 lakh cr (₹15 bn). The penetration of digitally-enabled collections has doubled from 10% to 20% in recent years, and is projected to reach about

40% by 2028.

AI-D is catalysing a fundamental shift towards a more holistic collections approach, deftly balancing three vectors: efficiency, effectiveness (cost) and ethics (compliance). This helps break the siloed verticals (digital, telecalling, field) with models that drive orchestration via next-best action, thereby non-linearly solving for these vectors. As a result, digital collections-focused fintechs, equipped with full-stack platforms and AI capabilities, have rapidly transitioned from being novelties to necessities. Traditional field collections, once the industry backbone, are expected to decline from 40-45% in 2023 to less than 25% by 2028.

For lenders, benefits are clear: lower costs, scalable models and controlled roll-forward rates. AI-D capabilities have helped lenders reduce credit losses by up to 50% and have significantly improved recoveries (20-30% uplift), even in challenging delinquency segments. Customers also stand to gain. The era of relentless calls and field visits could soon be over, replaced by solutions that restore financial health and improve credit profiles. Regulators, focused on fostering a healthier credit ecosystem, will see fewer customer grievances and a more compliant industry.

Here are 6 key drivers of digital collections:



His job will get easier

● **Rising customer awareness** Customers are more aware of the impact of delayed payments on their credit scores and the additional charges incurred. Effective digital communication encourages self-correction.

● **Preference for DIY modes** Comfort of digital banking extends to debt collections, with simplified payment journeys gaining traction among early defaulter.

● **Unfavourable economics of traditional collections:** High costs, which can be 10-15% of gross collections for unsecured products, are driving lenders toward more economical digital solutions.

● **AI/generative AI** These technologies provide deeper insights into borrower behaviour, enabling personalised and effective collection strategies. ● **Analytics-powered tele-calling** Modern speech analytics tools and contact propensity models are transforming call centre productivity, gently nudging

Coupled with this, changing the dynamics of the KCC 'review and renewal' mechanism, with repayment of 'interest alone' being the criterion for renewal, could go a long way for helping small and marginal farmers. RBI, again, could issue the necessary instructions in this regard.

Beyond these changes, the budget can also unveil a livelihood credit card (LCC) scheme encompassing a multi-purpose loan covering a rural household's entire gamut of activities aligned for ease of doing farming and allied activities. This could be a stealth weapon for improving rural consumption.

There is also a need of a comprehensive omnibus credit guarantee fund for the agriculture sector, just like the one for MSMEs, which can act as a credit accelerator and ensure coverage of all fresh agri loans, including AVC financing with a capital outlay of, say, ₹12,000 cr over 5 years boosting fresh agri credit multiple times.

In terms of employment generation,



There's a clear need to have a direct consumer-farmer interface through development of more mandis across the states

the budget could also unveil a comprehensive mineral strategy. A GoI report regarding critical minerals has been already prepared in 2023. It now needs to be acted upon. In principle, India is endowed with huge resources of many metallic and non-metallic minerals, currently producing as many as 95 minerals. However, progress of mining these minerals is not so encouraging. The 5-year CAGR (FY19-FY24) of most major minerals (in terms of quantity) is in single digits. Mining is a labour-intensive sector — with high employment elasticity (average daily employment of labour engaged in the sector was 4.8 lakh in FY19).

In this coming budget, let's make a beginning to reprioritise on the agricultural policy front.

The writer is group chief economic adviser, SBI



THE SPEAKING TREE

## Life Lessons From Yog

NAJIB SHAH

Paschimottanasana is a yoga pose that literally translates as seated forward bend. It involves being seated with your legs straight in front of you, raising your hands, exhaling and bending forward to touch your feet. If you are proficient, your nose will touch your knees; if not, you gaze at your toes. And you notice something you have always taken for granted — the sheer difference in the size and length of each toe.

The big toe, weight-bearing, carries a significant load of a person's body weight, helps grip the ground, gives us balance, and is responsible for 80-85% of our stability. It plays a critically important role. How many of us are even aware of this? We look at it daily and take it for granted as we do for so much of our body.

Worse, we also tend to take for granted so many relationships that are important for our emotional well-being. The result is that, paradoxically, we neglect our near and dear ones the most. We tend to be rude to them while we are at our polite Sunday best with rank strangers. We ignore our loved ones and take their presence and support for granted.

Not a thank you escapes our lips; not a gesture in return is done by us. This neglect, bordering on callousness, strains relationships. Kindness, caring and reciprocity in thought and words are the lubricants that move relationships forward. We must learn to value and appreciate what we have.



MELODY FOR MONDAY

## I Want the World to Stop

Belle and Sebastian

Picture a sun-drenched afternoon, the kind where shadows stretch lazily across the pavement. Now add a touch of whimsy, and a sprinkle of indie-pop brilliance. That's the sonic landscape of Belle and Sebastian's glorious song, 'I Want the World to Stop'.

From the Scottish band's 2010 album, Belle and Sebastian Write About Love, the number opens with a guitar-driven melody that's as infectious as a bright cold day — bottled sunshine, actually. And just when you're swaying along, they throw in horns, strings and, yes, an organ. Be-

cause what could be more natural than to orchestrate your own joy? It's a plea for respite from life's chaos — 'Give me the morning, give me the afternoon,' Stuart Murdoch and Sarah Martin sing in tandem. Wrapped in 'sheets of milky winter disorder', they seek clarity in the middle of the world's noise. It's something we've all felt — the desire to hit pause, to let the world spin without us for a moment.

And that chorus is a sweet surrender — 'I want the world to stop,' they declare, and time obliges. You're suspended in their universe, where worries fade, and the mundane becomes magical.

## Make Gold, Copper Great Again



Dhiraj Nayyar & Gouranga Sen

Gold and copper are two of the oldest metals known to humans. They have now acquired a new sheen. In the case of gold, uncertainty in the global economy and instability in geopolitics have sent the price of the precious metal, an investment of safe resort, soaring. In the case of copper, the ongoing energy transition and move to Industry 4.0, which are highly mineral-intensive, has seen demand grow impressively with an upward pressure on prices.

India is heavily import-dependent for both metals, importing more than 95% of demand for each. GoI can dent this trend.

Indeed, security of mineral supply chains is already emerging as a priority. India's goal as a manufacturing hub can only be realised if there is a security of raw materials. So far, GoI has pursued a strategy of looking for resources overseas. It can look at home as well.

There are three PSUs that have a

monopoly over gold and copper mining — Hutti Gold Mines (HGM), Bharat Gold Mines Ltd (BGML) and Hindustan Copper. Each is an underperforming PSU. Privatisation could herald turnarounds that would squarely be in the national interest.

In FY24, India imported 795 t of gold worth \$46 bn and 2.2 mn tonnes of copper, including ore and metal products, worth \$12 bn. This may be a trend in recent times, but is an anomaly in India's long history.

Kolar Gold Fields (KGF) in Karnataka (under BGML) has been reportedly producing gold since the Indus Valley civilisation. Gold production from this mine continued under several dynasties like the Guptas, Cholas and Vijayanagara, and continu-

ed under British rule. The company's fortune dwindled after it was made a PSU in 1972.

Within 20 years, BGML was declared 'sick' by BIFR in 1992, and GoI closed it down in 2001. Since then, various governments have made several attempts to revive BGML, but it remains closed.

This is a waste of an asset whose potential to yield gold remains. This is a fact confirmed by GoI's own exploration agencies. Surveys commissioned by the mines ministry show the tailing dumps (alleged waste) at various BGML mines and certain areas still have an encouraging amount of gold resources. More significantly, in the current context of rare earths and critical minerals, there is the potential of palladium, tungsten and rhodium (a rare earth) in KGF.

India's only operating gold-mining company, HGM, is also one of the oldest in the world, having a recorded presence since the pre-Ashokan era. The company produces a meagre 1.4 t of gold a year. Production in March 2023 was lower than in March 2013.

Hindustan Copper is the only vertically integrated copper producer in India with its own copper mines and smelter-refinery complex. In 2010-11, it produced 3.6 mn t of copper ore. In that year, it declared its intent to raise this production 3.5 times to 12.4 mn tonnes by 2016-17. Today, the company produces 3.8 mn t ore from mining. The

target of 2016-17 has been shifted to 2028-29. Also, only a small fraction of the ore becomes copper concentrate from which the metal is made; so, overall, metal production is very low.

Because of their stagnant production record and consequential stagnation in revenues and profits, all three companies have missed the stupendous bull runs in copper and gold, which reached record high prices in 2024.

Perhaps the most damaging consequence has been the loss in actual and potential jobs. In the last decade, jobs have declined by 2,700 in HCL and 550 in HGM. In the case of closed BGML, thousands of ex-workers have been eagerly waiting for settlement of their lay-off compensation for over two decades.

In the case of these three PSUs, privatisation can only bring benefits. What they need is a professional management that can take quick decisions and stick to implementation schedules. They need big investment and the latest technology to raise production. GoI has too many priorities for spending. The private sector is better placed to commit the funds and bring the expertise. There is no doubt that thousands of jobs will be created, import dependency will be reduced and three top-class assets can regain their pride of place.

Nayyar is chief economist, and Sen is senior business analyst, Vedanta

### Chat Room

## Vote for Diversity, Against Diversion

Apropos '10:2 Win to Deter Defections, Boost Oppn Confidence' by C.L. Manoj (Jul 14), the results of assembly bypolls held in seven states represent a shot in the arm for the NDA bloc and a setback for NDA. They are clearly indicative of people's yearning for a change. Perhaps the realisation by the impoverished that it is futile to rely on BJP for an improvement in their material conditions explains the party's dwindling support and its reversal of fortunes. It is also evident from BJP's defeat in Badrinath, as in Ayodhya, that playing the religious card produces only diminishing returns. BJP is now in a vulnerable position, with its invincibility in tatters. The parties that bagged a total of 10 seats represent the country's political diversity. We can now rest assured that Indian politics will always be multipolar and kaleidoscopic.

G DAVID MILTON Maruthancode, Tamil Nadu





## CONTRAPUNTO

That rifle hanging on the wall of the working-class flat or labourer's cottage is the symbol of democracy. It is our job to see that it stays there.

-GEORGE ORWELL

## Trump's Moment

In reaction to assassination bid, Trump shows he's boss of optics. Political rhetoric on either side won't change

The assassination bid on Trump at a campaign rally, confirmed analysts' worst fears of what America's rough political rhetoric could accomplish. The constant stirring of anger, the consistent polarisation-sans-reason, and the two political parties at their weakest, have created space for political violence.

**Violence is up** | Just as an example of growing disquiet was the assault on speaker Nancy Pelosi's husband in 2022 – attacked with a hammer after a conspiracy theorist's call to "break her kneecaps". The world has witnessed the aggression in US politics and society, so earnest bites that "political violence is un-American" has few takers. Political violence in fact may be a new normal, notwithstanding the urgent calls from politicians across parties to dial back the rhetoric. Laments over the impact of social media on the dysfunction that's American politics today, resurfaced over the explosion of misinformation right after the assassination attempt. Hysteria online has implications offline. But for social media companies, it was business as usual.

**Ever political** | In America's multi-ethnic, multi-race, unique political system, divisions are the norm. Trump's politics is rooted in every faultline. A measure of the reach of his extreme politics is how even social media cancellations did little to restore "normalcy". His instinctive and politically astute reaction to the attack, days before the Republican convention

where he'll be formally nominated party presidential candidate, should dispel any doubt of his political smarts. The first batch of T-shirts with his raised fist and bloodied face was on sale on online shopping platform Taobao less than three hours after the attack. He seized the moment – a contrast with similar-aged Biden, decidedly feeble domestically, though forceful in his support of Israel's war.

**Leave guns alone** | Finally, the gun question. America's the only Western and wealthy nation where firearm fatalities are the leading cause of child and teen deaths. Yet, guns are a tool, a toy, a symbol of American "values". Trump shooter's AR-15, a semi-automatic civilian version of the military M16, is unlikely to be available in the civilian market in any other country.

There are experts suggesting the attack may see Republicans reconsider their stance on firearms. Four presidents were assassinated, several were shot at. There's nothing to indicate that the incident, from which Trump emerged a winner, will have any impact on attitudes to guns. It likely only whetted appetite for more violence. America's extensive security apparatus, taken by surprise in Butler County, which is Trump country, has work to do.

## Where's J&amp;K Headed?

Enhancing authority of LG in lead-up to assembly polls sends out wrong signals

Centre's move to expand the powers of Jammu & Kashmir's LG is a concerning development. Through an amendment of rules, LG has been made the final authority on functioning of All India Service cadre, police, and postings and prosecution sanction, among other things. This is the second time this year that Centre has extended its jurisdiction over how the Union Territory is to be run. When seen in context of impending assembly elections – to be held by Sept 30, per SC directive – this raises questions over the road ahead for J&K.

**Twin goals in J&K** | That insurgency-ridden UT represents a special case is not in doubt. As the recent spurt in terror attacks in Jammu highlights, it needs a very efficient administration if violence is to end in the region. But just as important is the restoration of democratic process. The high turnout in Valley constituencies in recent LS polls is an indicator of what its people want.

The upcoming Assembly elections, the first in 10 years, represent a great opportunity in this regard. Expansion of central authority in lead-up to assembly polls has already raised apprehensions regarding the powers of an elected govt.

**Will J&K get what it had?** | The step has also put a question mark over statehood being restored to J&K, something Centre has promised "at the earliest". For, while L&G may be top authority in a UT, a state is run by elected representatives, with Centre's representative, the governor, having limited powers. How would overarching central authority work if J&K is granted statehood again?

It is now for Centre to allay apprehensions regarding its latest move. Winning over the hearts and minds of people is very important in a strife-torn region. And that calls for transparency.

## Many happy returns

If the shoe doesn't fit, delivery boy does a revisit

Milind Ghatwai

Many more delivery boys ring your bell than friends and relatives. One moment they appear framed just outside the doorway, the next you see them juggling dexterously with their paraphernalia. You don't offer hot tea, only cold stares. Always in a hurry, their quizzical eyes have only one question: OTP? They don't overstay even this half-welcome. The instant you clear the OTP test, they are gone. They never initiate conversation but respond to those who miss visitors out of sheer nostalgia.

The OTP warriors take on a different role when they turn up to collect returned products. So many products are returned these days that you wonder if the delivery boys need a new nomenclature. Redeemers would be more appropriate because they do even this job with equanimity, sporting the same inscrutable expression as they do while delivering a new product.

Returning or rejecting products has become a thriving subculture. Thanks to a generous return policy, these rejections aren't followed by broken hearts or even a broken limb. No snide remarks, no bruised egos, no counter-questions. It's not even mandatory to buy a new product. Unlike credit card defaulters, there's no fear of history catching up someday, at least not yet.

The redeemers can probably guess if a customer is doing it for fun or convenience, like someone ordering two pairs of shoes, selecting the one that fits, and sending the other back with torn wrappers. They, however, have no way of knowing if the apparel failed the test or the mirror. Do the redeemers wish habitual offenders to be blacklisted or named and shamed in the future? Perhaps not, because carrying a returned product is also a duty.

Watching silently from the sidelines are elders still figuring out online shopping. While they take note of the exchange of OTPs and products, their mind goes back to the good old days when they walked into a shop with their eyes lowered and a prayer on their lips. Sporting a sheepish smile, they did everything to keep the shopkeeper in good humour. Obvious in their pace was an admission of how they had goofed up in the first place or how their family forced them to return something against their wishes. The shopkeeper always had the upper hand. Somehow, they could never play Redeemer.

## Shot That'll Divide America More

Assassination attempt on Trump may well shred the modicum of civility that remains in US politics. Liberal vs rightwing fights on gun control will get even nastier

Chidanand Rajghatta | TNN



A bullet from a gunman's high-powered rifle grazed presidential candidate Donald Trump's ear. The former president has survived, but metaphorically, the bullet also nicked the nose of American democracy, already bearing

the scars of many such murderous assaults. The world will be all ears to hear and see what bearing the incident will have on the upcoming presidential elections and whether it will offer a magic bullet to the vexed issue of gun control. Domestically, it will test Trump and the Republican Party's passionately pro-gun stance.

Four out of 46 American presidents have been assassinated while in office – Lincoln, Garfield, McKinley, and Kennedy. More than half-dozen others, incumbent, former, and putative presidents, have survived such attempts. They include Reagan, Ford, Truman, and Roosevelt. It is as if American presidents are a magnet for an assassin's bullet.

One would think this shouldn't happen in a democracy because the system allows better ways of expressing dissent, anger, and frustration – mainly through the ballot box. But the fact that such attempts appear to take place more frequently in democracies – including in India – than in authoritarian states is testament to the openness of free societies.

American political lexicon is full of expressions that speak to its leaders and candidates espousing their ideas in the open – even in the age of overwhelming social media. American politicians undertake 'whistlestop' tours 'barnstorming' across 'bellwether' states delivering 'stump' speeches.

In this case, Trump wasn't exactly chugging across the country in a train making unscheduled stops in the countryside dotted with sheep and delivering speeches standing on tree trunks by the barn – the way Teddy Roosevelt did, giving rise to those expressions. But the principle is the same even if he flitted around in his private jet. He was out campaigning in the open, selling his ideas and canvassing for votes. That's the stuff of democracies. The assassin took a shot at it.

Like Trump, democracy will survive. But already anxious, it will now be fearful.

The last American president to survive a major assassination attempt, Ronald Reagan, made light of the attack, borrowing a line from boxer Jack Dempsey to tell his wife Nancy Reagan, "Honey, I forgot to duck!" as he was wheeled into the emergency room. There he joked to doctors, "Please tell me you're Republicans." As he recovered, surrounded by medical staff, he wrote, "If I had this much attention in Hollywood, I'd have

Trump who channelled disenchantment into anger in America, sometimes explicitly encouraging violence. So the bullet, rather than unite the country, may well shred the modicum of civility that remains in politics. Expect a very angry MAGA constituency to storm out to polling stations in Nov, particularly since the episode will again draw attention to one of liberal America's pet peeves – the rampant proliferation of assault weapons. The assailant's said to have used a high-powered military-style AR-15 rifle – now the favoured weapon of mass shooters.

America's love affair with guns is evident in, among other spheres, the number of movies with the word gun in the title. From Top Gun to Naked Gun, Gatling Gun to Golden Gun, Hired Gun and Missing Gun, Hollywood has offered paean to the country's unsurpassed passion for guns. Small wonder US has less than 5% of the world's population, but 50% of the world's civilian-owned guns.

While it has earned a reputation for holding a gun to the world's head, it now appears one half of America is also holding a gun to the other half's head. Gun homicide rate in US is 25 times higher than in other high-income countries, while total homicide rate is seven times higher. America itself is under the gun. None of this seems to bother the Trump constituency.

In fact, the matter of whether the attempt on Trump's life will move the needle on gun control in America will come up right away in Milwaukee this week when the Republican National Convention meets to formally anoint Trump as its nominee. Trump may be physically injured, but he'll be there in person, politically surcharged, attending the event with even more gusto now.

Trump has been one of the most gun-friendly presidents in recent history. Asserting he's "proud to be the most pro-gun, pro-Second Amendment president you've ever had in the White House," he told the National Rifle Association's annual meeting last year that mass shootings in America "are not a gun problem...this is a mental health problem, this is a social problem, this is a cultural problem, this is a spiritual problem."

So if he rides into White House for a second term, that now looks even more likely, expect the gun control issue to fall on deaf ears, even if it almost cost him his life. As for anti-gun Americans, they will have to bite the bullet for now.



stayed there." To a nurse who told him to "keep up the good work" of his recovery (from injuries more serious than Trump's), he quipped: "You mean this may happen several more times?"

But times have changed. Expect no jokes – at least not from Trump – not that it is a joking matter. Besides, Donald Trump is no Ronald Reagan. For all the implicit partisanship of jokes to physicians attending to him, Reagan was an agreeable man who embraced bipartisanship on many issues. It was a time when policy trumped politics. Not so now. The Trump playbook is replete with themes of revenge and retribution, vengeance and vendetta.

In some ways, not that it justifies the attack, it is

## GOI's Job? Find The X Factor For Factories

LS poll results have sent clear message on what voters want. But a giant manufacturing leap is must for employment generation. Budget is a good place to begin

Gurcharan Das



There were many reasons for the surprises in LS election results, most related to local issues. However, one common thread nationally was an undercurrent of anxiety among voters, especially in Hindi heartland. It related to jobs and to a lesser extent food prices. People were not necessarily unemployed – they were under-employed and aspired to better jobs.

No one seemed to address their concern during campaigning. BJP offered a vision of a rapidly growing economy that would become world's third largest, but didn't bother to relate growth to jobs. Opposition stuck to a message of freebies, promising to fill vacancies in govt jobs. The election has thus sent a clear, sobering message to new govt: create quality jobs.

**Missing the jobs** | Since 1991, India has grown handsomely, at almost 6% a year, lifting 400mn people out of poverty. Extreme poverty has come down to less than 5% of population. But high growth hasn't created enough jobs. Why? Because India has failed to create an industrial revolution. It has done exceptionally well in services, but that is not the answer for 45% of nation's workers, who are stuck in agriculture.

All successful nations have developed by creating an industrial revolution. More recently, East Asian nations – Singapore, South Korea and Taiwan – have become prosperous by following a simple strategy of exporting labour-intensive manufactured products. China is the latest example. India has failed – manufacturing accounts for only 15% of GDP, and India's share of global exports of goods is less than 2%. To fix this has to be the new govt's single-point agenda.

Recent periodic labour surveys, including last week's RBI report, have shown a pick-up in jobs and labour

participation. But these surveys point to 'self-employment' or low-end informal jobs, at best low-productivity jobs in construction or trade.

Naysayers will argue an industrial revolution's time is past as technology will soon make human jobs obsolete; environmentalists are terrified of climate effects of another "industrial revolution". Fact is technology's threat to jobs is more immediate in white-collar services than in making shoes, toys and garments. As for the



environment, it'll mean acting more sustainably. To give up on manufacturing would be the wrong moral choice.

**Structural reforms a must** | To achieve the goal, govt will need major reforms, including the three big ones previous govt's failed to pull off, relating to land acquisition, labour codes, and farm laws. It'll need bringing down power and railway rates to competitive levels, and judicial reform for quick enforcement of contracts,

plus a continuous focus on ease of doing business. Above all, it'll need education reform to deliver an employable workforce with an apprentice programme.

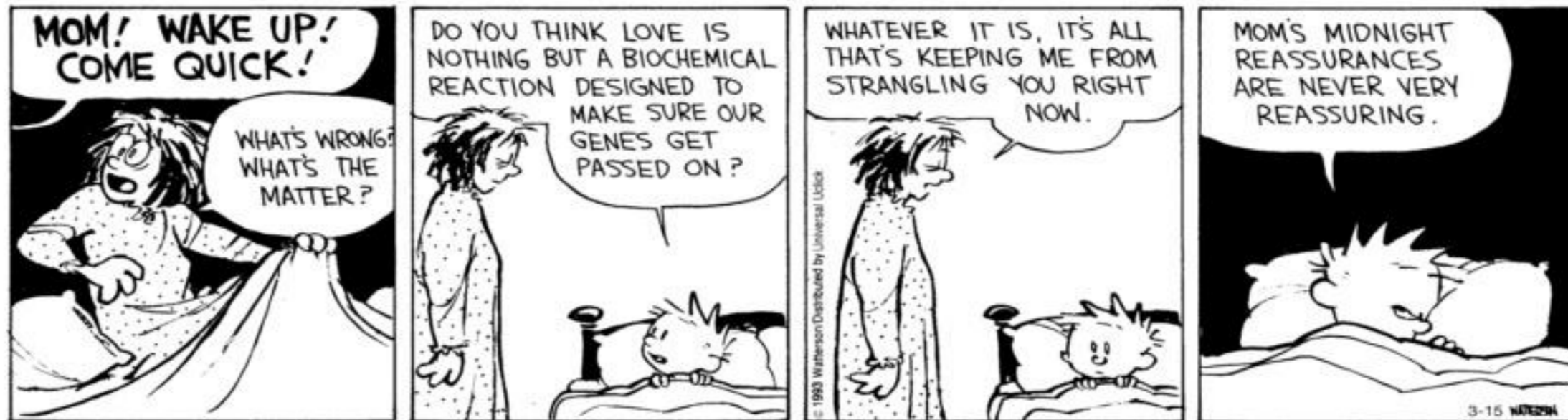
This requires heavy lifting, made heavier now by coalition compulsions and an energised opposition. Modi's strong suit is implementation, not persuasion; he isn't 'consultative' by nature; neither a 'deal maker' like Lyndon Johnson; nor an ideological reformer like Thatcher or Deng, who incessantly 'sold' the reforms. But because he's a doer, there's a good chance of success.

It'll need a change in mindset, however. Tariffs will have to be brought down to competitive levels. Large firms will need to be induced to enter labour-intensive manufacturing. Once big firms gain market share, small and medium firms will flourish as component suppliers. Industrial policy will have to reward exports and jobs, instead of production, as in the PLI scheme. Indian companies will have to disrupt global markets with innovation, which isn't their strong suit. Hence, the need to bring in multinationals to set up a second hub, the so-called China +1 strategy, similar to Apple in cellphones.

**Time's right** | Preconditions for a takeoff are better than ever. Infra is vastly improved – road mileage has doubled since 2011; port handling capacity has quadrupled. India is now on market after GST. Digital revolution has reduced friction and systemic corruption. And demographics are still in our favour for at least a dozen years. Creating a labour-intensive industrial revolution will need quick action from multiple ministries. Empowered leadership will be key to coordinating hundreds of actions, in mission mode.

The ethos of a new govt is set in the first 100 days. With Budget around the corner, now is the time to act. There's a huge prize waiting if India manages to pull it off. It means India too will one day catch up with Asian tigers and achieve 2047 goal of Viksit Bharat. What could be a bigger moral imperative than transforming a developing country into a middle-class nation.

## Calvin &amp; Hobbes



## Sacredspace



Anybody can become angry – that is easy, but to be angry with the right person and to the right degree and at the right time and for the right purpose, and in the right way...is not within everybody's power.

Aristotle

## Cultivating An Inner Flow Of Calmness And Serenity

Swami Sukhabodhananda

A seeker is a conscious person; a person who is not a sadhak is unconscious, and so he is still seeking but in the wrong direction. Every one of us is a seeker, but a spiritual seeker is conscious and knows what he is seeking, while the unconscious seeker is unaware of what he is seeking.

An elderly lady was searching for something under a streetlight. A passerby noticed her and, without knowing what she was looking for, began searching too. Seeing these two people searching, another person joined in to help. Soon, 10 people were searching under the streetlight.

A young man passing by saw the group and wondered, "What are they all searching for in such a small area?" He asked one of them, "What are you looking for?" The person replied, "I don't know; I

saw them searching, so I joined in."

Curious, the young man approached the elderly lady and asked, "What are you searching for?" She replied, "I'm looking for a coin I dropped." "Where did you drop it?" he asked. "In my hut," she said. Puzzled, the young man asked, "If you dropped it in your hut, why are you searching here?" The old lady answered, "Because there's no light in my hut."

The Kathopanishad says those who constantly look outward are ultimately led to their own downfall. Why? "Antaratman na pashyanti" – because they fail to look within themselves. The search has to be within oneself. The Bible says, "The kingdom of heaven is within you."

In the Gita, Krishna says, "Antah sukham" – happiness is within

yourself. Therefore, you have to learn to look within.

It is said that Buddha's energy was so powerful that flowers bloomed out of season. This expression reflects his profound influence, attracting many young people to become bhikshus (monks). When Buddha addressed gatherings, thousands would attend.

One day, as Buddha was preparing to give a sermon in a neighbouring village, two men approached him, hurling accusations. They cursed him, saying, "You are a parasite; you are taking away all our youngsters," and continued their verbal attack. Buddha, ever compassionate, listened patiently.

After a while, Buddha gently interrupted them, saying, "I must stop you now. There are many people waiting for

my lecture in the neighbouring village. I will finish the lecture and return. If you wish to continue, you may do so then. Please allow me to proceed." His calm and loving response shocked the two men.

They asked, "Buddha, we are cursing you, abusing you, and trying to hurt you. Does it not affect you?"

Buddha replied, "If you wanted to hurt me, you should have met me 10 years ago. I am so centred now. Your words may be like a firebrand, but the fire is extinguished when thrown into a river. Similarly, when your words touch my heart, there is a river of coolness and peace within me, extinguishing their fire. To hurt me, you should have met me 10 years ago, not now."

The story concludes with those two men becoming Buddha's disciples. Swamiji's Guru Poonima Online Utsav will be held from July 17-21. For details contact: 99017 77003/95135 60108



THE SPEAKING TREE



## The Tribune

ESTABLISHED IN 1881

## Attack on Trump

Politics of hate and violence unacceptable

PRIME Minister Narendra Modi and Leader of the Opposition Rahul Gandhi are among the wide range of political leaders worldwide who have strongly condemned the assassination attempt on former US President Donald Trump. It's sick, there is no place for this kind of violence, President Joe Biden reacted. Trump's opponents have been quick to denounce the attack, calling for national unity. The shooting incident at an election rally takes the already tumultuous 2024 US presidential campaign into an even darker direction. It was a close shave for the Republican contender, who was shot in his right ear while he was on stage. Trump holding his fist up high in the immediate aftermath of the shooting could become the defining image of his campaign. It fits well with how he would like to be seen — exemplifying fortitude and courage. A shift in the messaging and tenor of his bid to return as President is imminent.

The violence complicates the Biden camp's calculations. The Democratic Party is in disarray over the President's disastrous debate performance and a series of gaffes. His refusal to make way for a younger candidate has led to dissension and ridicule. Going forward, a re-election bid based entirely on demonising Trump over his track record in public office and conduct in private life is suddenly fraught with risks. For, he has just survived an assassination attempt. Public sympathy cannot be discounted.

Brazilian President Lula da Silva, no admirer of Trump, has said the attack must be vehemently repudiated by all defenders of democracy and dialogue in politics. So it should be. Will it result in toned-down Trump and Biden campaigns, minus the vocabulary of hate and violence? Unlikely. That's the disturbing reality of the self-anointed custodian of democracy.

## INDIA shining

Oppn eclipses BJP in Assembly bypolls

A month after its impressive performance in the Lok Sabha polls, the INDIA bloc has upstaged the BJP in the Assembly byelections in seven states, winning 10 seats out of 13. The Congress won four seats — two each in Uttarakhand and Himachal Pradesh — while the Trinamool Congress (TMC) clinched all four in West Bengal. The Aam Aadmi Party (AAP) won the Jalandhar West seat in Punjab and the DMK bagged the Vikravandi constituency in Tamil Nadu. The BJP got one seat each in Himachal and Madhya Pradesh, while an independent candidate won a seat in Bihar.

The victories in Uttarakhand and Himachal are a morale-booster for the Congress as the party had suffered a rout in both states at the hands of the BJP in the Lok Sabha elections. The same holds true for AAP, which was under pressure after having won just three seats out of 13 in the Punjab parliamentary battle. Himachal Chief Minister Sukhvinder Singh Sukhu and his Punjab counterpart Bhagwant Mann can breathe easy for now. The TMC and the DMK — the ruling parties in West Bengal and Tamil Nadu, respectively — have strengthened their position. For the BJP, the losses are another setback after it failed to get a majority on its own in the Lower House. The reversals are particularly significant in Uttarakhand, where the party is in power and had swept the 2024 Lok Sabha polls.

The bypoll results augur well for the resurgent Opposition, which made its presence felt in the recent session of Parliament. INDIA is looking to upset the BJP appeacart in Haryana and Maharashtra, which will witness Assembly elections later this year. However, there is no room for complacency in the Opposition camp as the saffron party has a knack for winning elections against heavy odds. What the BJP needs is honest introspection to find out why things are going wrong and how it can do course correction.

## ON THIS DAY...50 YEARS AGO

## The Tribune.

CHAN DIGARH, TUESDAY, JULY 15, 1974

## Not by threats alone

UNION Agriculture Minister C Subramaniam's warning that the Government might reverse its food policy if the traders do not improve their procurement performance is unlikely to end the present mess. Early in the wheat season, the wholesalers had assured the Food and Agriculture Ministry that if allowed re-entry, they would be able to procure 5 to 6 million tonnes of grains for the Central pool. Taking them on their word, the Government abandoned last year's wheat trade takeover. But the policy reversal has not proved an effective remedy. Less than 2 million tonnes have so far been procured. With the plea period over, the achievement of even 60 per cent of the target appears highly unlikely. Subramaniam is sorely mistaken if he believes that his expression of "unhappiness and disappointment" over the letdown by the traders will bring about a switch in attitudes and solve the food problem. The one-week notice which he has given for improving the position will soon lapse, without the traders doing anything concrete to fulfil the responsibility they had agreed to discharge. Subramaniam has said the Government cannot "take any risk with food, nor can it give up its responsibility for public distribution of foodgrains". But what precisely does it intend to do in the circumstances? The understanding with the All-India Foodgrain Dealers' Association was informal and had no legal basis. Blaming it for the failure of the scheme serves little purpose, especially when its representatives turn round and hurl counter-charges against the Government — the administrative inefficiency, the delay, often deliberate, in issuing licences and permits by the state governments and the preemptive action by official agencies.

## The Right is in retreat worldwide

Big gains made by progressive forces will primarily impact global trade policies and climate actions

KP NAYAR  
STRATEGIC ANALYST

A far-reaching development in the US presidential politics since the debate between Joe Biden and Donald Trump last month has been a defensive line of progressive support around the embattled Democratic nominee. Firebrand Congresswomen Ilhan Omar, Alexandria Ocasio-Cortez, Ayanna Pressley and Cori Bush had all been among the harshest critics of Biden throughout his presidency. Omar, a Muslim woman elected from Minnesota, went so far as to accuse the President of facilitating the massacre of Palestinians in Gaza. She now says that Biden is "the best President" in her lifetime. One after another, other Congresswomen, and several more, have lined up behind Biden, determined to keep Trump out of the White House.

A consolidation on the left is not confined to US politics. Nor is it a one-off occurrence on the current global scene. Such unity among socialists and centrists in France just before the July 7 second round of parliamentary elections ensured that far-right candidates were prevented from getting a legislative majority and putting in office their representative as Prime Minister. In the same week, across the English Channel, right-wing Conservatives were comprehensively given an electoral drubbing because of careful preparation and planning by the UK's now left-of-centre Labour Party. Exactly a month before Britons voted out their party of the Right, the BJP viewed globally as a nationalist and right-leaning party, lost its standalone majority in the Lok Sabha.



INTRANSIGENT: Right-wing leaders such as Brazil's ex-President Jair Bolsonaro have not conceded poll defeat. REUTERS

Across Europe, far-right parties made big gains when results of the European Parliament elections were declared on June 9. But this masks successful efforts by progressives in smaller European states to claw back to command in their national legislatures after several years of steady gains by conservative, Islamophobic and anti-immigrant political blocs. It also put the European Left on notice. The European Parliament is a paper tiger. What is notable and consequential is that worldwide, the Right is in retreat. The Left has realised that unless it unites as in France — and subsequently in the US — it will lose political power to conservatives, perhaps forever, as the experience of the US Supreme Court has recently demonstrated.

Supreme Court judges in the US are appointed for life. That means the relatively young, majority of the judges appointed by Trump during his presidency, have captured America's highest court as a branch of government for at least a generation. The firebrand Congresswomen — collectively known as the 'Squad' — are rallying around Biden in the wake of his post-debate setbacks to prevent such

The rise of the global Left will do India no harm. It is a case of having the cake and eating it too.

an eventuality in other branches of the US government and in the Fourth Estate. Biden's long-time nemesis, 'democratic socialist' Senator Bernie Sanders from Vermont, who is a year older than Biden, has made common cause with the youngsters who make up the 'Squad'. Sanders was a presidential aspirant in 2020; he suspended his campaign only in April of that presidential election cycle.

Two years after Trump's defeat to Biden — a defeat which Trump never conceded, alleging election fraud — a major country in the Western hemisphere set the ball rolling towards vanquishing political forces on the Right. Socialist Luiz Inacio Lula da Silva's victory

in Brazil's presidential election in October 2022 was welcomed worldwide. Lula was hailed as the saviour of Brazil after he defeated extreme right-wing President Jair Bolsonaro, who had been insensitive to the high death toll during the Covid-19 pandemic. Bolsonaro also presided over extensive destruction of the Amazon rainforest during his four-year rule, sparking global concerns of a climate disaster.

Like Trump, Bolsonaro never conceded defeat. That appears to be the tactic of the new Right in many countries. Unless they win, they do not accept the election results. Such history may repeat itself in the US if Trump loses the election in November. Along with Brazil, Chile and Colombia have seen what is collectively described in Latin America as a 'pink wave'. Both countries elected leftist presidents around the same time as Lula in Brazil. In Chile and Colombia, where the next presidential polls are due in 2025 and 2026, respectively, the left is drawing up strategies using the recent French model to keep conservatives out of power once more. If they succeed, socialist Presidents in Latin America could cause discomfort in Wash-

ington, irrespective of who occupies the White House.

From India's point of view, the big gains being made by progressive forces, especially in developing countries, will primarily impact global trade policies and climate actions. India has been proactive in both areas in recent years by positioning itself as part of the solutions. Contrary to popular belief, the global left will actually provide a shot in the arm for India's efforts. For example, Brazil has inherited the G20 presidency from India. So, New Delhi remains a part of the G20 troika and will be an important part of the organisation's decision-making process. The setbacks to right-wing forces in Latin America and Africa have meant that the process of reforming the United Nations is back on track, although it is still a steep hill to climb for the Group of Four (G4) countries — India, Brazil, Japan and Germany. Bolsonaro had no interest in UN reforms. India's initiative to bring in the African Union as a full member of G20 has provided New Delhi with greater leverage in the UN General Assembly, which has to take the critical next steps towards Security Council restructuring.

Reform of the International Monetary Fund (IMF), an objective being pursued by India, is one where it can make common cause with progressive governments. The World Trade Organisation (WTO) has been comatose since the stalemated 'Doha Round', which began 23 years ago. If the WTO dies — a distinct possibility — India's natural allies in moving forward with global trade policies will be leftist governments and not the US or rich European nations. An irony is that India is perceived abroad as having a right-wing government. But its internal and external economic policies are, in fact, populist, largely statist, protectionist and interventionist like those of socialist governments, even as the BJP preaches laissez-faire. The rise of the global Left will do India no harm. It is a case of having the cake and eating it too.

## THOUGHT FOR THE DAY

A left-wing idiot is as dangerous as a right-wing idiot. — Milos Zeman

## The secret school for spy-catchers

KC VERMA

THERE was a time when the training establishment of MI5, the security service of the UK, was located at a place named Mount Pleasant. It must have been somebody with an overweening sense of loyalty to the Crown, or a weird sense of humour, who decided that the Intelligence Bureau (IB) of India should also locate its training centre at some place with a similar, if not identical, name. Unfortunately, there was no Mount Pleasant to be found in Delhi or its vicinity. After searching high and low for some place with a name resembling Mount Pleasant, the powers that be zeroed in on an area called Anand Parbat in the western part of Delhi. And it was on this Mount Pleasant aka Anand Parbat that the IB established its training centre sometime in the early part of the 20th century.

One would really need to stretch one's imagination to consider a molehill called Anand Parbat to be a mountain, for it was nothing but a pimple on the landscape of Delhi — infested with shanties and miserable huts. The Karol Bagh road ended at a paan shop at the foot of this hill, and taxi and autorickshaw drivers refused to go up the lane that curved its way to the top. If one trudged uphill for a quarter mile or so, one was rewarded with the sight of Ramjas School that had boasted of a proud campus in the distant past. Unfortunately, all that remained were dilapidated buildings, with broken glass panes. As there was no land or other accommodation available, the IB hired a portion of that rundown school to impart training to its new recruits and police officials of various states.

The training centre was an IB establishment and, therefore, it was deemed necessary to keep its location secret. No signboards were put up to show the way, and officials assigned for training were instructed not to reveal to anyone that they were headed to the IB centre. Instead, if needed, they were to ask for directions to Ramjas School.

Most of the officials who came for training to the IB were unfamiliar with Delhi; after getting off a taxi or an autorickshaw at the end of the Karol Bagh road, they needed to ask for directions. The most accessible person was the paanwala, who soon got curious about so many grownups enquiring where a particular school was located. He cottoned on after some time and he then started referring to the training centre as the Central CID School. And for many years thereafter, that paanwala directed people to the IB training centre whenever they asked for the way to Ramjas School. Gradually, a few thousand residents of Anand Parbat, and many thousand more residents of Karol Bagh, came to know that a Central CID training establishment was located atop Anand Parbat. But no one knew the location of the IB training centre. That remained a secret!

## LETTERS TO THE EDITOR

## Close shave for Donald Trump

Luckily, former US President Donald Trump survived an assassination attempt during a rally in Pennsylvania. It was a close shave for Trump as a bullet grazed his right ear, leaving his face bloodied. An attendee was also killed in the gunfire. Fortunately, the shooter was soon neutralised by the Secret Service personnel present there. Shortly after being hit, Trump got up to his feet and defiantly raised his fist in the air. This has led his supporters to hail him as a hero. A moot question is: how will the incident impact the outcome of the presidential election? Further, the shooting should prompt the US authorities to reflect on the gun violence prevalent in the country.

PV MADHU NIVRITI, SECUNDERABAD

## Tone down political rhetoric

Ex-US President and presumptive Republican presidential nominee Donald Trump had a narrow escape as gunfire erupted at his rally in Pennsylvania. This is not the first time that a US President has faced an attempt on his life. Many political observers have rightly noted that massive polarisation in the US, fuelled by hate-filled rhetoric, is to blame for the attack. Trump also contributed to it when he refused to accept the outcome of the 2020 election, claiming that it had been stolen. His denial of the election loss had prompted his supporters to storm the Capitol building. The Pennsylvania incident holds an important lesson for politicians and activists around the globe.

R NARAYANAN, NAVI MUMBAI

## Time for Biden to step aside

Several congressional Democrats have called on President Joe Biden to drop out of the race and give way to a candidate with a better prospect of winning the November elections. Some major Democratic donors are also mounting pressure on the incumbent to ditch his re-election bid. Concerns about the decline in Biden's mental acuity seem genuine. Just last week, he referred to Ukrainian President Volodymyr Zelenskyy as 'President Putin'. The 81-year-old has himself publicly acknowledged that Vice-President Kamala Harris is qualified to lead the country. It is time for Biden to step aside.

VUJAYA SHARMA, BY MAIL

## Stay united in face of terror threat

Refer to 'A Jammu shift in Pakistani strategy' (*The Great Game*); the recent terror incidents have triggered panic among not just locals but also those planning to visit the state-turned-UT that is famous for its tourist attractions and shrines. The newly formed Narendra Modi-led Central Government should review the prevailing security situation in Jammu and urgently take steps to restore peace and normalcy in the region as soon as possible. Besides, political parties must stand united in the face of terrorism and extend support to the security forces.

DEEPIKA CHAWLA WATTS, ABOHAR

## Same game, new trick

Apologies of 'A Jammu shift in Pakistani strategy'; the author has lucidly analysed how there has been a geopolitical move from the Muslim-majority Kashmir to the Hindu-majority Jammu in the strategy. This is evidenced by the recent spate of terror attacks south of the Pir Panjal. The change has certainly come as a relief for Kashmir residents. Pakistan has realised that peace in the Valley can no longer be shattered that easily, thanks to effective militarisation in the region. Pakistan wants to draw attention through its diversionary strategy in Jammu ahead of the fifth anniversary of the abrogation of Article 370.

GURPREET SINGH, MOHALI

## BJP must stop raking up the past

Refer to the news report 'June 25 a day to pay tribute to Emergency victims: PM Narendra Modi'; the move is an attempt by the BJP to rub salt in the decades-old wound. Notably, from demonisation and mishandling of the Covid-19 pandemic to the electoral bond scheme and poaching of corrupt leaders from other parties, the saffron party's own track record is questionable. Therefore, the ruling regime condemning the Emergency is a classic example of the pot calling the kettle black. It is time for the BJP to stop raking up the past to target the Congress.

AVINASH GODBOLEY, DEWAS (MP)



# India must insist on tech & rupee trade for all FTAs



**ABHIJIT BHATTACHARYYA**  
AUTHOR AND COLUMNIST

**T**HE world knows that India's mega market notwithstanding, pockets of abject poverty remain. No government in India, irrespective of its political ideology, can, therefore, ignore this reality and must continue efforts towards making the economy more equitable.

A slew of Free Trade Agreements (FTAs) between developed countries and India are on offer. Hence, our policymakers must insist on two pre-conditions for any FTA. First, the transfer of critical state-of-the-art technology to India, and second, the acceptance of the Indian rupee as legal tender/currency of transaction between the parties involved in the FTA, thereby reducing the chronic pressure on the Indian currency and endless 'devaluation' thereof.

Indeed, the suggested measures are easier said than done as no country, neighbour or superpower, however friendly, will ever

give India the latest technology in critical sectors like defence. That's understandable. Whether it's the so-called globalisation or 'decaying globalisation', the transactional world believes neither in charity nor piety. Globalisation has turned into a nightmarish world of sanctions to punish, create bottlenecks and impose reckless prohibitions on anyone who is perceived as a threat to or an enemy of the West.

Hence, let India get real and ready to play ball and make the pre-condition to any developed industrial nation or organisation interested in having an FTA with New Delhi to first give specify the required technology before signing on any mutual agreement for access to a market of 1.4 billion people. For example, if any proposal comes from the British, combat aircraft power-plant technology must be insisted upon. If it's an EU-India FTA, both fighter and transport aircraft engines should be the prerequisites for inclusion in the protocol agenda or the list of items proposed.

Enough is enough. It is time to address and curb the import mania of some Indians who tend to act as middlemen to get fat commissions in the name of cheap goods and quote the



**TIME-TESTED SYSTEM:** During the British rule over India, both the pound and the rupee were interchangeable currencies for business, education, travel and tourism. PTI

redundant cliché that 'the consumer is the king' who must get the so-called 'quality' imported stuff at throwaway prices. India should learn lessons from the American myopia and the European dystopia — of transferring their prime industrial production units (for cheap goods) to China 40 years ago and now shrieking and croaking like dying, headless chickens.

Regarding currency, the dominance of the dollar as reserve exchange is both unquestionable and indisputable even today. Nevertheless, what makes some countries apprehensive of

In an FTA between one nation's market of 65 million people and the other's 1.4 billion, the latter's currency cannot be ignored.

the dollar is its brazen weaponisation by the Americans and their allies. Thus, there is an increasing Western propensity to punish smaller, weaker non-Western nations with sanctions.

The Russia-Ukraine conflict has revived wide-ranging sanctions, which have created severe turbulence in international transactions. Consequently, the sanctioned countries are in search of alternative modes of payment to bypass the dollar. The aggrieved parties and their business partners are constantly trying to

put their own currencies into the bilateral transaction baskets.

Although the problem for India at this point is not acute per se, difficulties are mounting — more so because Russia has been a reliable, dependable, diplomatic and transactional partner. Owing to the international energy trade's heavy dollar dependence, India faces uncertainties from the web of US-sponsored sanctions in the oil and gas sector, especially with regard to Russia. There are too many West-imposed dos and don'ts.

Indeed, this is the prime reason that any Western country, individually or collectively, which is interested in having an FTA with India must ensure the inclusion of a rupee transaction along with the dollar, pound or euro. The EU is a developed, prosperous and high-tech grouping. Imagine the advantage of a consortium of 27 nations. Shouldn't there be a level playing field for the currency transaction mechanism?

During Britain's rule over India (mid-18th to mid-20th century), both the pound and the rupee were interchangeable currencies for business, education, travel and tourism. Hence, there is no reason why a time-tested system

should not be reintroduced for bilateral transaction in an FTA between New Delhi and London.

The point is fundamental. In an FTA between one country's market of 65 million people and the other's 1.4 billion, the latter's currency cannot be ignored or rejected for a mutual transaction. Similarly, if the 27-member EU's market of 500 million and India's market finalise an FTA, both the euro and the rupee must be tried out to be on a par for business and trade.

For rather too long now, the threat of sanctions and monopoly of the Western currency have made globalisation a classic one-way street, leading, at times, to a state of Western monopoly, much to the gross disadvantage and inconvenience of the Global South.

For more than five decades, the chronic depreciation of the Indian rupee — owing to its unacceptability born out of the volatility of Delhi's recurring unbridgeable trade deficit — has painted a pathetic picture of the Indian currency in the world market. From Rs 5 to a dollar in June 1966, it is Rs 83-plus to a dollar today. That means, the Indian currency has fallen by Rs 78 in 58 years.

If this isn't a serious matter pertaining to Indian economics, what is?

# Rely on evidence to tackle opioid dependence in Punjab



**SIMMI WARAICH**  
PSYCHIATRIST

**T**HE recent spate of drug overdose deaths has been flagged as alarming. And alarming, indeed, is each death. Each life is precious. I recall being visited by a devastated couple seeking treatment for grief after losing their 20-year-old son to a drug overdose. He had been under treatment and had recently quit heroin. Unfortunately, he possibly took the same dose that he used to take prior to the treatment, which turned out to be inordinately high, killing him.

The scourge of opioid dependence is gnawing away at families. Its tentacles are enveloping entire communities in its financial burden and health consequences (ie HIV, Hepatitis B and C, etc). People who use opioids and other substances often develop tolerance to them, meaning that they need higher doses of the same substance to get the effect they used to before. As a result, when they stay off the substance for a period of time after undergoing treatment, their tolerance to it decreases. And if they

resume the same dose, they may suffer an overdose.

There are many other factors leading to an overdose death. Some people may mix one substance with another or use a low-potency substance and then get a higher-potency opioid, which may prove fatal.

How well-equipped are we to deal with this? Punjab, Haryana and Delhi have a high substance dependence problem. The 2015 Punjab Opioid Dependence Survey (PODS) found over (average estimate) 2.32 lakh opioid dependents in the state, ie four out of 100 men in the age group of 18-35 years. Fifty-three per cent of them used heroin, while 33 per cent took intravenous opioids.

The Ministry of Social Justice and Empowerment, Government of India, got the 'National Survey on Extent and Pattern of Substance Use in India' conducted through the National Drug Dependence Treatment Centre, AIIMS; it was published in 2019. It found that after Uttar Pradesh, Punjab had the highest number of opioid dependents. In terms of the percentage of population affected, the worst-hit states are those in the Northeast (Mizoram, Nagaland, Arunachal Pradesh, Sikkim and Manipur), along with Punjab, Haryana and Delhi.

Even though the Punjab Government has set up five



**PROGRESS:** We have come a long way in the treatment of opioid dependence. ISTOCK

model government-run de-addiction centres and 208 Outpatient Opioid Assisted Treatment Centres, and there are around 100 private addiction centres, there remain many flaws and loopholes.

For instance, even though the state government is supposed to provide a licence on an online application for a de-addiction centre run by a psychiatrist, it does not do so. Therefore, a few have a monopoly over the current running of de-addiction centres. This means that patients do not get quality treatment nearby — a local psychiatrist is more likely to provide psychoeducation regarding an illness, medication, duration of treatment, etc, to a patient and his family members than an out-of-state psychiatrist,

Psychoeducation about the risk of overdose after quitting and where the patient should be taken must be made available.

who is probably seeing 150 to 250 patients every day and is there for a tenure of one to two years only.

Secondly, even though standard operating procedures have been worked out, OPD-based de-addiction centres have still not been given licences. If a psychiatrist running an OPD addiction centre is given a licence, he or she can reduce the patient load on other centres, which leads to better quality services.

Managing any illness requires primary (for example, spreading awareness through the media) and secondary prevention (an early identification and access to treatment facilities). In Punjab, as in many other states, stigma is still associated with

the use of substitute medicines (methadone and buprenorphine), of which the buprenorphine-naloxone combination is mainly available as treatment. This combination is used across the world and is on the WHO list of essential drugs. Many studies have shown that its regular use reduces relapses, thus bringing down the number of overdose deaths.

Indispensable items, such as kits containing naloxone and flumazenil, should be made available in all district and civil hospitals and at the teshil level. Flow charts of identification and treatment of suspected overdose can be arranged at all government and private hospitals.

Psychoeducation about the risk of overdose after quitting and where the patient should be taken must be available. We have still not been able to convince the public about the treatment value of buprenorphine-naloxone combination, which is used worldwide. Often in India, low doses are used. As a result, many patients relapse, often putting them at risk of an overdose. If a person receives adequate medication, he or she is less likely to relapse.

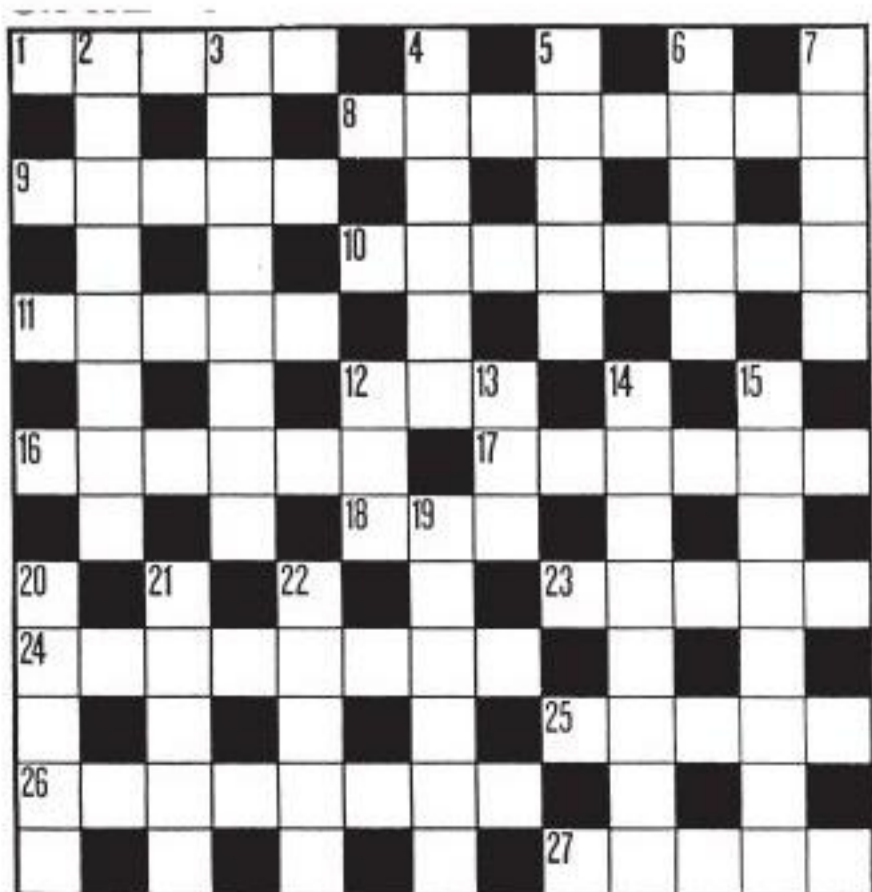
In many countries, doctors are reluctant to reduce substitute medicine once patient is stable on the medicine. However, in India, due to political

pressure and a lack of awareness, doctors are compelled by ill-informed families and the government to reduce the medicine, thereby leading to frequent relapses. Training doctors to understand that opioid dependence is a chronic relapsing disorder is essential. The PODS survey recommended measures such as providing both short-term (detoxification) and long-term treatment (such as the Opioid Substitution Therapy).

Another recommendation was to provide treatment in both outpatient and inpatient settings. Consequently, it would be imperative to shift the focus from de-addiction centres (providing inpatient services) and to expand the basket of services by establishing drug dependence treatment clinics that provide long-term outpatient treatment. It also suggested a spirit of helping the affected people as opposed to punishing those who are guilty of using drugs.

We have come a long way in the treatment of opioid dependence. Yet, the battle ahead is fraught with challenges. Evidence-based measures and spreading awareness about treatment among the community are the key. But it will happen only when the administration understands the nature of opioid dependence and puts in place measures used worldwide.

## QUICK CROSSWORD



### ACROSS

- A disturbing surprise (5)
- Keen sight (5,3)
- Light meal (5)
- An irreversible failure (4,4)
- Succulent plants (5)
- Dandy (3)
- Stop work in protest (6)
- To regard (4,2)
- Road (3)
- No longer fashionable (5)
- Exceptional person or thing (4,4)
- Ending in disaster (5)
- Mock exultantly (4,4)
- Expertness (5)

### DOWN

- Women-only social gathering (3,5)
- A mixture of substances (8)
- Kind of summerhouse (6)
- Leaf of grass (5)
- Capital of South Korea (5)
- Jaunty (5)
- Not many (3)
- Travel regularly (3)
- In fun (3,1,4)
- Fit neatly together (8)
- Mutually accepted (6)
- Humorous remark (5)
- Small stream (5)
- Detest (5)

### Yesterday's solution

**Across:** 1 Bed of roses, 6 Lama, 10 Lunar, 11 Appraisal, 12 Beholden, 13 Latin, 15 Emotion, 17 Embroid, 19 Rustler, 21 Whereas, 22 Cobra, 24 Thespian, 27 In the dark, 28 Aside, 29 Noes, 30 Ready money.

**Down:** 1 Bulk, 2 Dangerous, 3 Fargo, 4 On and on, 5 Expense, 7 Asset, 8 At long last, 9 Fable, 14 Retraction, 16 Ill-fated, 18 Operation, 20 Retrace, 21 Wreaked, 23 Bath, 25 Psalm, 26 Bevy.

## SU DO KU

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

V. EASY

## YESTERDAY'S SOLUTION

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

## CALENDAR

### JULY 15, 2024, MONDAY

- Shaka Samvat 1946
- Aashadh Shaka 24
- Aashadh Parvishle 32
- Hijari 1446
- Shukla Paksha Tithi 9, up to 7.20 pm
- Siddha Yoga up to 7.00 am
- Swati Nakshatra up to 12.30 am
- Moon in Libra sign

## FORECAST

SUNSET:	MONDAY	19:25 HRS
SUNRISE:	TUESDAY	05:32 HRS
CITY	MAX	MIN
Chandigarh	36	28
New Delhi	35	28
Amritsar	35	27
Bathinda	37	28
Jalandhar	36	28
Ludhiana	36	28
Bhiwani	36	29
Hisar	37	27
Sirsa	37	30
Dharamsala	31	20
Manali	25	15
Shimla	25	17
Srinagar	32	19
Jammu	35	25
Kargil	32	18
Leh	26	12
Dehradun	32	23
Mussoorie	23	16

TEMPERATURE IN °C





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PAPER WITH PASSION

## Wake-up call for BJP

The bypolls result in seven States give INDIA Bloc an edge as it takes 10 of 13 assembly Seats, BJP gets two

In a recent series of bypolls held across seven states, the INDIA bloc emerged victorious, securing 10 out of the 13 contested Assembly seats, while the BJP managed to win only two. This outcome has significant political implications. It is about time for the BJP to introspect on where it is losing connection with the voters and consider the potential reconfiguration of political power dynamics at the state level. The INDIA bloc, an alliance of various regional and national parties, has demonstrated that it is still a force to reckon with and that it is here to stay. Their success in securing 10 seats indicates strong grassroots support and effective coalition-building strategies. This performance underscores the bloc's ability to present a united front against the BJP, leveraging regional issues and local leadership to gain voter trust. The biggest winner in these bypolls is, of course, the Trinamool Congress (TMC), a key member of the INDIA bloc, which swept the bypolls, winning all four contested seats. This victory reaffirms TMC's dominance in the state and showcases that the people of West Bengal have faith in Mamata's leadership. In the West, the INDIA bloc's combined efforts led to significant wins for the Shiv Sena (Uddhav Balasaheb Thackeray) faction, solidifying their position in the state. This result highlights the effectiveness of their alliance with the Congress and the Nationalist Congress Party (NCP). These results are significant as the state elections are coming up in a few months' time. If the bypoll results are anything to go by, then the BJP is going to witness tough resistance from its opponents in



upcoming Maharashtra state elections. The Congress party, a major component of the INDIA bloc, managed to retain its hold on key seats in Rajasthan and Karnataka, reflecting continued voter confidence in their policies. But the biggest turnaround for the congress party came from Uttarakhand. One month after the ruling BJP's third consecutive sweep in the Lok Sabha elections in Uttarakhand, the Congress has now made a comeback in the hill state by winning both the Badrinath and Manglaur Assembly seats in the bypolls. Indeed, it is time for the BJP to go to the drawing board and carve a winning strategy once again, that it know for. The BJP's performance in these bypolls, securing only two seats, signals potential challenges for the party. Despite its robust organisational structure and national influence, the BJP faced stiff competition from the united opposition. The results suggest that the BJP may need to reassess its strategies and address regional concerns more effectively. The coming months will reveal whether the INDIA bloc can maintain its momentum and how the BJP will respond to this electoral setback. Winning and losing are part of the political game; the player who learns from their mistakes stays in the race for the long run.

### PICTALK



Farmers plant paddy saplings in a field in Gurugram

Nelson Mandela, the iconic South African leader, symbolises peace, resilience, and unwavering commitment to non-violence in the face of oppression and injustice. July 18, 2024, marks the 106th birth anniversary of Nelson Rolihlahla Mandela – a poignant reminder of his enduring legacy and the principles he championed throughout his life, having had the inspiration of none other than Mahatma Gandhi. Mandela's evolution from a young civil rights activist to a global statesman who promoted reconciliation and peaceful coexistence has left an indelible mark on humanity. His significant contributions to peace and non-violence, the influence of Mahatma Gandhi's principles on his ideologies, and the continued relevance of his message in today's conflict-ridden world underscore the importance of knowing about his sacrifices and courage. Mandela's life exemplifies the power of perseverance and the potential for positive change through non-violent means. Born in 1918, he witnessed firsthand the brutalities of apartheid in South Africa, a regime that institutionalized racial segregation and discrimination against the majority black population. Nelson Mandela's anti-apartheid activities led to his imprisonment. At the age of 44, Mandela was manacled and transported to Robben Island prison. He was released at the age of 71 in 1990, after 27 years of incarceration. Upon his release, Mandela embraced a path of reconciliation and non-violence, guiding South Africa through a remarkable transition to democracy. In 1994, he became the country's first black president. Nelson Mandela's words, "No one is born hating another person because of the colour of his skin, or his background, or his religion. People must learn to hate, and if they can learn to hate, they can be taught to love, for love comes more naturally to the human heart than its opposite", reflects his belief in the capacity of humanity to embrace love and understanding, transcending divisions based on race, ethnicity, or religion. It echoes Mahatma

# Lessons in forgiveness from Mandela's life



RAJDEEP PATHAK

Despite facing 27 years of imprisonment, Mandela emerged without bitterness, advocating for reconciliation and understanding rather than retribution



Gandhi's emphasis on the essential goodness inherent in people, which can be reclaimed through nonviolent means. Nelson Mandela's advocacy for non-violence found its roots in the ideologies of Mahatma Gandhi. Mandela greatly admired Gandhi's methods, drawing significant inspiration from his successful campaigns against British colonial rule. The Mahatma's teachings on non-violence, civil disobedience, and reconciliation profoundly influenced Mandela's approach to the struggle against apartheid. Madiba viewed freedom not as a pursuit for personal liberation alone but as an endeavour grounded in the emancipation of others. Despite facing 27 years of imprisonment, Mandela emerged without bitterness, advocating for reconciliation and understanding rather than retribution. His approach to forgiveness was not merely personal but was woven into the very fabric of South Africa's journey towards healing and unity, exemplified by the 'Truth and Reconciliation Commission'. This process underscored that acknowledging and forgiving past wrongs is essential for building a cohesive and forward-looking society. Instead of trying to seek revenge on his oppressors, he took to the Gandhian path of forgiveness and reconciliation in his



NELSON MANDELA'S ADVOCACY FOR NON-VIOLENCE FOUND ITS ROOTS IN THE IDEOLOGIES OF MAHATMA GANDHI. GANDHI'S PRINCIPLE OF SATYAGRAHA, MEANING 'TRUTH-FORCE' CHAMPIONED PASSIVE RESISTANCE AND NON-COOPERATION AS POTENT STRATEGIES TO COMBAT OPPRESSIVE REGIMES

endeavour to build a new South Africa. We all remember what he said as he was coming out of prison. "As I walked out the door toward the gate that would lead to my freedom, I knew if I didn't leave my bitterness and hatred behind, I'd still be in prison." Incorporating forgiveness into conflict resolution and personal growth is the need of the hour. Forgiveness allows individuals and communities to move beyond grievances, fostering environments where trust and collaboration can thrive. It is a powerful antidote to cycles of hatred and violence, promoting lasting peace and understanding. Mandela's legacy teaches us that forgiveness is not about forgetting or condoning harm, but about freeing oneself from the burden of resentment and creating the space for healing and positive change. Forgiveness plays a pivotal role in resolving global conflicts, acting as a catalyst for peace and reconciliation. Across various conflicts, from the Rwandan Genocide of 1994 – during the Rwandan Civil War – to the Northern Ireland Troubles (ethnonationalist conflict in Northern Ireland that lasted for about 30 years from the late 1960s to 1998, and is sometimes described as an "irregular war" or "low-level war"), the process of forgiveness has been instrumental in bridging deep

divides. In Rwanda, following the 1994 genocide that claimed the lives of approximately 800,000 people, the government established 'Gacaca Courts' to facilitate community-based justice. This process emphasized truth-telling, reconciliation, and forgiveness, allowing survivors and perpetrators to coexist and rebuild their communities. Seen in the context of personal growth, forgiveness liberates individuals from the chains of resentment and empowers them to move forward with a sense of renewed purpose. This is evident in the stories of individuals like Malala Yousafzai, who, despite surviving a brutal attack by the Taliban, advocates for the education of girls worldwide without harbouring bitterness towards her assailants. Similarly, the story of Immaculée Ilibagiza, a survivor of the Rwandan Genocide and motivational speaker, highlights the transformative power of forgiveness. Like in Buddhist psychology, forgiveness is understood as a way to end suffering, to bring dignity and harmony to our lives, what Madiba has taught us is that forgiveness is fundamentally for our own sake, for our peace. It is better, that we learn to let go. (The writer is Programme Executive, Gandhi Smriti and Darshan Samiti; views are personal)

### LETTERS TO THE EDITOR

#### INDIA BLOC GAINS IN BYPOLLS

Madam — This refers to the news about the INDIA bloc gaining 10 out of 13 seats in the recent by-elections held in seven states. Several messages can be decoded from these results. Despite delivering a stern message to mend its policies and relying on two vulnerable regional parties to sustain its rule, the BJP does not seem to understand the significance of the general election results. These outcomes reinforce the message from the public regarding the absence of constructive changes. They clearly signal that a communal agenda does not align with the people's aspirations and demands, as evidenced by the defeats in Ayodhya and Badrinath against independent candidates. The results also convey a message to the opposition INDIA bloc: the public has high hopes for them to function as a responsible opposition, exposing the ruling government's mistakes. Therefore, the ruling party must focus on welfare, employment, inflation, and change its attitude towards opposition members, who are also elected by the people. It is clear that continuing the same policies will prompt the public to respond accordingly in future elections.

A G Rajmohan | Anantpur

#### CONSTITUTION MURDER DAY

Madam — There is no doubt that the fact that Emergency of 1975 has left unforgettable scars on the people of our nation. The period between 1975 to 1977 is among the grim reality of the Indian History. But commemorating June 25th as the 'Samvidhan Hatya Diwas' is like scratching the old scars after 50 years now. In a milieu, the BJP via its government under the leadership of PM Narendra Modi is messaging Vishva Shanti (Global Peace) by emphasising the fact of extending the leadership as Vishva Guru (World Leader). Then why does the BJP not follow the same principle for internal functioning

Kirti Wadhawan | Kanpur

#### Rising inflation: A persistent challenge



The Consumer Price Index (CPI)-based inflation for June 2024 has underscored the ongoing challenges in the disinflation process, as highlighted by the Reserve Bank of India (RBI). The CPI data released by the government on July 12 revealed that consumer

inflation reached a four-month high of 5.08 percent. The core inflation rate, which excludes food and energy prices, remained steady at 3.1 percent. The CPI measures retail inflation by tracking price changes of commonly consumed goods and services, including food, housing, apparel, transportation, electronics, medical care, and education. Despite the average CPI inflation being 5.08 percent in June, 12 out of the 22 states and union territories reviewed experienced significantly higher inflation rates exceeding 11 percent. June's CPI inflation was primarily driven by food prices, which surged by 11 percent due to increased costs of vegetables, cereals, milk, and fruits. Vegetable inflation has remained in double digits for eight consecutive months, posing a major concern alongside persistently high food grain prices.

Bhagwan Thadani | Mumbai

#### A LEGENDARY CAREER COMES TO AN END

Madam — 'Swing King' James Anderson, the English cricketer and fast bowler, retired in style with a Test victory against the West Indies, achieving remarkable match-winning figures of 3 for 32 in 16 overs. Anderson is the only fast bowler in the world to have reached the towering milestone of over 700 Test wickets. With a total of 704 Test wickets (in 188 matches), 269 ODI wickets (in 194 matches), and 18 T20 wickets (in 19 matches), he boasts an impressive total of 991 international wickets. We urge James to play one or two more Tests to secure just five more Test wickets and become world No. 2 in Test bowling, and just nine more wickets to reach the milestone of 1,000 international wickets. Currently, world No. 2 is Shane Warne with 708 Test wickets, while world No. 1 is Sri Lanka's Muttiah Muralitharan with 800 Test wickets.

PV Sinivas Sreelekha | Secundrabad

Send your feedback to: letterstopioneer@gmail.com

## Perceptions, poverty, prosperity and societal biases



SANJAY CHANDRA

The incidents we witness often appear interesting through rose-tinted glasses, but we frequently overlook deep-rooted biases subconsciously

We witness events each waking moment of our lives. These incidents are interesting when looking through rose-tinted glasses. Our analysis may sometimes subconsciously overlook deep-rooted biases. I was out for my usual morning walk. A dog, held firmly by its walker, rushed barking at a bike coming from the opposite direction, straining at the leash. It is immaterial to even contemplate if the bark was a friendly overture, or if it was meant to be a gesture of aggression to protect its territory. The response of the biker was far more interesting, "What will you gain out of biting a poor man?"



A few years back I happened to be sitting with someone. A statement made by the other person was a revelation, "There is a premium on poverty in our society." He went on to elaborate looking at my puzzled expression, "A rickshaw puller or even a cyclist may bump against your car, scratching it in the process. In no time there will be a

crowd requesting you to let the poor man go." I read a couple of interesting articles a few years back. One was about our burgeoning population. The article stated that a big population should be viewed as a bigger human resource bank – one of the 5Ms of manufacturing – Money, Manpower, Materials, Machinery and Methods. This resource, if correctly utilised, can make our country a leading nation in the world; something that China has been able to achieve. I would debate the methods adopted by the neighbouring country for the utilisation of their manpower. However, I could not fault the logic. The other article compared the number of

entrepreneurs in the United Kingdom and India. The percentage of entrepreneurs in the total population was very low in our country. The logic put forward was that we should stop looking to the government to provide us with jobs. More the people enter the business, more the new jobs are created. I have met several people, even from lower strata of the society, who chose to drive their own lives, and in the process, created opportunities for more livelihoods. That brings me to a recent pre-wedding gala. I did not fathom at the time that there would be many such events leading up to the grand finale. Many felt that such shows of wealth were uncalled for. Without being judgemental, I would say that these also mean the flourishing of several diverse industries and consequently generation of income for the local workforce. Not to forget that many families in India indulge in such events, maybe on a lower scale, even from other walks of life. A friend recently helped

financially in the wedding of a girl from an underprivileged section of society. The expenses also included a decent meal for the entire village of about 250 odd members. The family could not do away with the custom for fear of ostracism from the community. I could not discern any difference between the two events. Both were lavish for the families involved – one could afford it, the other was forced into it! My own opinion is that money should be spent on education and skilling, without any biases – age or gender. Learning is essential – be it for a child, a married woman, or an old man. It is education that would truly empower, providing a better life to all. It is within us to make this world a better place for everyone. In Frances Hodgson Burnett's words, "If you look the right way, you can see that the whole world is a garden." (The author is an electrical engineer with the Indian Railways and conducts classes in creative writing; views are personal)





## FIRST COLUMN THE ART OF LETTING GO

Drop all your desires and let go of your baggage to break from the past



RAVI VALLURI

There once lived a cerebral physicist who taught at an estimable university. The professor was decorated with awards and worldwide recognition followed. As he became a celebratory figure, he soon developed a swollen head. His affectation was to become his hubris. The government and administration stripped him off all the awards bestowed, and his wife deserted him as he became an alcoholic. The esteemed professor was unable to grapple with these misadventures in life.

Some well-wishers from his fraternity commiserated with him and were filled with compassion for their once effulgent colleague. The physicist was wheeled into a rehabilitation centre and under a detoxification regimen was slowly weaned off alcohol and drugs. He underwent the Happiness Programme and learnt the unique rhythmic breathing techniques which provided the ballast for his recovery. The professor though sober now and purged of his hedonistic tendencies was still feeling saturated from within. His soul was yet to feel satiated. He developed a profound interest in the spiritual dimension of life and the universe. Thus, the professor embarked upon a spiritual sojourn. The peregrination took him halfway around the world till he arrived at a remote village, high in the Himalayas, at the feet of an accomplished master.

This suzerain of the sacred texts of different religions had gained remarkable adroitness and virtuosity in Zen Buddhism. The holy person dressed in ochre robes welcomed the professor with a warm embrace. His searching and lustrous eyes scanned the professor. The physicist narrated his story. He concluded by adding that he was now trying to fathom the mysteries hidden in the womb of the universe from the spiritual and scientific points of view. "But this is what you were doing at the university and in your laboratory, is it not professor?" enquired the seer.

He felt that the Zen Master could ignite the missing spark from his life and help him expatriate antipathetic thoughts from his mind so that he could ascend the pyramid. He had successfully extricated himself from the whirlpool of gloom once and he could see light at the end of the tunnel. Yet there was something amiss in his life!



It was dry like the autumn leaf that drops from the branches of the tree. The time you let loose "So, what new are you attempting to unravel? Ok, let us have a cup of tea," said the venerated soul. The professor appeared at ease as the perspicacious and sagacious soul poured the tea. Soon the cup began to overflow. Seeing this, the professor exclaimed, "Holy Sir, the cup is overflowing!"

"Precisely, and I was examining your reaction," remarked the Holy One. "Unless you just let go of your haughtiness and self-conceit the way the tea overflowed from the cup, you will never learn anything afresh. This is the secret," stated the Zen Master in an absolutely matter-of-fact manner. "Drop all your desires when you approach a Master. Let go of your baggage," he added. The Zen Master was to further add, "Buddha advocated four concepts-Observe the body (Kayana Paschana)Observe the sensations (Vedanana Paschana)Observe the flow of mind (Chittana Paschana)Observe your true nature (Dhammanu Paschana)."

The professor realised that he had forayed into uncharted territories but without understanding his mind. His mind was brim-full of demonic and arrogant thoughts and ossified. He was neither simple nor humble or aware. These were the keys for him to let go and be pristine and lucid.

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

# India narrowly escapes fiscal catastrophe



UTTAM GUPTA

India needs to strengthen its economic health with sustainable fiscal policies for long-term stability; state guarantees only put it in a perilous situation



After the Lok Sabha elections 2024 on June 4, the Center narrowly escaped plunging into a state of 'fiscal catastrophe'. Even as Modi-led BJP failed to secure an absolute majority on its own, it garnered the support of 293 MPs including 53 from its allies under the National Democratic Alliance (NDA) and formed the Government.

On the other hand, the I.N.D.I.A bloc led by the grand old party (GOP) namely Congress cobbled up a total of 234 MPs. A swing of just 38 from NDA to I.N.D.I.A bloc could have enabled the latter to catapult itself to the seat of power. In that scenario, the GOP would have to redeem the promises/guarantees made in its manifesto "Nyay Patra" released in April 2024. These entail mammoth fiscal costs.

Look at an annual grant of Rs 100,000/- to every poor Indian household (HH) under the 'Mahalakshmi' scheme. The amount - like unconditional income support - will be directly transferred to the bank account of the oldest woman of the HH. If the HH doesn't have a woman, then the amount will be transferred to the account of the oldest member of the HH. Meanwhile, at a poll rally, Gandhi announced "Initially, we will give you Rs 100,000/- annually, and later we may increase it to Rs 200,000/-."

There are around 400 million households in India. Even if we take a conservative estimate of only 10 per cent of the households or 40 million being poor, the Scheme would cost the exchequer Rs 400,000 crore annually. In case, the grant is increased to Rs 200,000/-, the cost would be Rs 800,000 crore per annum. Aware of the huge impact on the budget, the manifesto puts two caveats on the Scheme. First, "the poor will be identified among the HHs in the bottom of the income pyramid". Second, "the Scheme will be rolled out in stages and reviewed every year to assess the number of beneficiary HHs and its impact on alleviating poverty". The way these conditions have been crafted shows that, to begin with, not all 40 million families will be covered. Further, the party could also drop some beneficiaries in due course to rein in the



THERE ARE AROUND 400 MILLION HOUSEHOLDS IN INDIA. EVEN IF WE TAKE A CONSERVATIVE ESTIMATE OF ONLY 10 PER CENT OF THE HOUSEHOLDS OR 40 MILLION BEING POOR, THE MAHALAKSHMI SCHEME WOULD COST THE EXCHEQUER RS 400,000 CRORE ANNUALLY

outflow. However, given the massive appeal of the grant amount promised under the Scheme, not a single poor household would like to be left out and a beneficiary HH once included wouldn't like to get excluded. Any attempt to do so could trigger socioeconomic tensions between those who get it and others who don't. So, all 40 million poor HHs will have to be given Rs 200,000/- each.

The other guarantee is a Youth Apprenticeship Scheme (YAS) for diploma holders under which an unemployed youth will be given Rs 100,000/- every year. Taking a total of 260 million persons in the 15-29 years age bracket and an unemployment rate of 10 per cent, giving Rs 100,000/- to each of the 26 million unemployed would cost the exchequer Rs 260,000 crore annually.

An apprenticeship is an arrangement under which a person works for an agreed period to learn a new skill that enables him to get a suitable job. During this period, he gets a fixed amount as a stipend. Under such an arrangement logically it is expected that at the end of the training period, there won't be any need to give the stipend. But, the GOP hasn't alluded to any blueprint for training and occupations/businesses where the apprentices - on completion of the training - would get absorbed. In such a scenario, persons getting Rs 100,000/- will continue to get it year after year. As a result, the Center will be saddled with a recurring liability of Rs 260,000 crore.

Congress promised a legal guarantee for the MSP (minimum support price). The farmers would want it for all 23 crops for which MSP is currently fixed. Eventually, this will have to cover all crops; the entire agricultural produce. The government can't force private

entities to buy at the MSP. So, it should be prepared to pick up the whole of it. This will cost about Rs 33,00,000 crore annually.

It promised 3 million government jobs. Taking an average salary of say Rs 50,000 per month, this would entail an additional cost of Rs 180,000 crore annually. A hike in the wage under the Mahatma Gandhi National Rural Employment Act (MNREGA) to Rs 400 per day would cost around Rs 80,000 crore. Further, the GOP has promised a one-time student loan waiver to cost around Rs 120,000 crore.

All put together, Congress's Guarantee Schemes will cost the Union Government a monumental Rs 47,40,000 crore annually (800,000+260,000+33,00,000+180,000+80,000+120,000). Excluding the cost of student loan waiver which is one time, the recurring annual burden would be Rs 46,20,000 crore. This is almost close to the total expenditure of Rs 47,66,000 crore estimated in the interim Union Budget for 2024-25 and more than four times the capital expenditure outlay of Rs 11,10,000 crore.

During 2024-25, the total receipts other than borrowings of the central government are estimated to be Rs 30,80,000 crore including tax receipts of Rs 26,02,000 crore. The spend of Rs 800,000 crore on the much-touted Mahalakshmi scheme alone will take away a quarter of the total receipts and nearly one-third of the tax receipts. As it is, the fiscal deficit (total receipts minus total expenditure) or FD for 2024-25 is estimated at Rs 16,85,000 crore which is 5.1 per cent of the gross domestic product (GDP). Add to this Rs 46,20,000 crore being the additional expenditure due to the guarantees, we get a whopping FD of Rs 63,05,000 crore which comes to 19.1 per cent of the GDP. This is more than two

times the 9.2 per cent reached in 2020-21 when the economy was crippled by the devastating Corona pandemic.

One shudders at the very thought of where this will take the Center's debt currently estimated at around Rs 187,35,000 crore (as of 31st March 2025). It will double in less than four years, courtesy of the guarantees. At present, the Center's debt is around 57 per cent of the GDP.

As per the amendment to the Fiscal Responsibility and Budget Management (FRBM) Act (2018-19), this should have been lowered to 40 per cent by 2024-25. Instead, we will be heading towards a level far more than 100 per cent. India's sound economic fundamentals, robust growth momentum, and focus on fiscal consolidation have led global rating agencies such as S&P Global to consider a sovereign rating upgrade by raising its country outlook to positive from stable after a long hiatus of one-and-a-half decades. All this could go for a toss in the event of 'fiscal profligacy' triggered by the guarantees.

The fiscal catastrophe would bring with it a deadly cocktail of unsustainable debt, galloping interest payments (exacerbated by rising interest rates), high inflation (courtesy, mountain of cash in people's hands), declining investment, decelerating economic activity/GDP even as crores of persons don't need to earn their living and simply wait for the State largesse to take care of all their needs. In short, India would be heading towards an economic disaster. The BJP not having an absolute majority makes the Modi - government vulnerable. In this case, Congress-led I.N.D.I.A bloc takes charge, and the risk of economic disaster looms large.

(The writer is a policy analyst; views expressed are personal)

# Modi 3.0 focuses on ease of living amid inflation and job challenges

Ease of living has taken a hit amidst inflation, rising prices, and job-related challenges, significantly impacting BJP's poll prospects

Ease of living has taken a hit amidst inflation, rising prices and job-related challenges. It was a major poll plank of the opposition, especially Congress which resorted to specific guarantees to provide relief to the common man. All this adversely impacted BJP's poll prospects. Taking a leaf from that, Modi 3.0 will be focusing on Ease of living. This time, along with marginalised sections of society, the focus will be on the formidable yet neglected middle class. During the last 19 years of Modi's rule, the focus was on the poor sections of society. This was reflected through the disillusionment of middle-class voters during the Loksabha polls, denying an absolute majority to the BJP. Faced with assembly elections



VINOD BEHL

in Haryana and Maharashtra in October, the BJP is consciously treading the course-correction path to win the confidence of the electorate. As inflation has hit people hard, the government may well provide budgetary measures like relief in personal income tax, a hike in tax exemption on interest on Savings accounts and benefits to government staff under the National Pension Scheme

(NPS). The budget will come with a reworked middle-class housing scheme to enlarge the number of beneficiaries and benefits like the reintroduction of interest subsidies to homebuyers and tax incentives to developers under PMAY (U). The budget may also come up with measures to promote slum redevelopment to bolster ease of living. The government is also expected to fulfil its promise to broaden the coverage of the Ayushman Bharat scheme by providing free Rs 5 lakh health insurance coverage to senior citizens above the age of 70 years. Taking a lesson from the Loksabha polls, not just the centre, even the BJP-ruled states are taking welfare measures to enhance ease of living. In competitive populism, dol-

are now no longer being derided as 'rewris'. In poll-bound Maharashtra, already Rs 80000 crore of welfare schemes including subsidy for onion and milk farmers, and free power to farmers' agricultural pumps of eligible capacity, have been rolled out. Taking a leaf from the popular 'Ladli Behna' scheme of the BJP-ruled Madhya Pradesh, Rs 1500 per month and 3 cooking gas cylinders a year have been announced for eligible women from poor households.

The Haryana government is taking populist welfare measures including free bus rides to the poor, plots for the backward communities and special placement drives to recruit youth for government jobs besides considering a job quota



for Agniveers. In a major policy decision, Haryana has enhanced the powers of sarpanches, allowing them to sanction development works of Rs 21 lakh (against Rs 5 lakh earlier) without e-tendering. Under Mukhyamantri Shahari Swamitv Yojana, ownership certificates are being provided to those occupying land for over 20 years. To tackle the ire of the urban middle class due to poor civic infrastructure, the

state government is taking desperate measures to stem the rot. The construction of the Gurgaon Metro Extension, hanging in balance for years, is going to be started before the state elections. As the BJP paid the price for farmers' discontentment, the government's welfare measures are going to be focused on farmers. The policy measures may well include increasing the PM Kisan Scheme allo-

cation, greater investment in R&D and new technologies and better seeds to improve crop yield to achieve doubling of farmers' income and a new National Cooperative Policy and setting up of farm credit societies in over 200000 panchayats and measures to ensure fair price to farmers. A bumper RBI dividend and Rs 1.09 trillion in non-tax receipts will come in handy as a cushion for the government to undertake a range of welfare measures. Under MGNREGA, one may see a hike in mandatory days of employment and wages. Schemes for workers' wellbeing include increasing the beneficiary pool of pensions under the Employee Pension Scheme (EPS), more employment under the National Career

Services (NCS) scheme and expanding the registration target of workers on the e-ashram portal. Against the backdrop of 1.67 million informal sector jobs lost in over 7 years, notwithstanding BJP's claim of creating 12.5 crore jobs in the last 10 years, the Budget will put focus on skill upgradation of workers and professionals with incentives for companies promoting skilling. While following the broader path of structural reforms to boost the economy, the budget is going to have the central theme of ease of living to ensure that the gains of economic development reach the masses.

(The writer is a senior journalist; views are personal)



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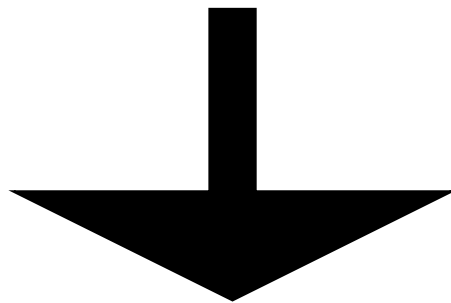
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