

Editorial



Renewed focus

India and Japan showed that their ties were stable amid a global churn

In the first leg of his tour East, Prime Minister Narendra Modi travelled to Japan for a two-day visit for the 15th Annual Summit with Japanese Prime Minister Shigeru Ishiba before moving to Tianjin to attend the SCO Summit. The last summit, in India, was in 2022. The two sides issued at least a dozen documents, aimed primarily at updating their agreements and giving them a 'Next-Gen' focus. Japanese businesses have raised their investment targets in India to \$68 billion and signed about 170 MoUs with Indian partners. Apart from the Joint Statement, there was a 2035 Vision Statement, including eight areas of cooperation such as economic security, mobility and green technology transition. A 'Next-Gen State-Prefecture Partnership' highlighted grassroot-level ties and a boosting of direct flight connectivity. India and Japan updated their 2008 Security partnership to include an annual NSA-level dialogue, more engagement over the Quad, Indo-Pacific cooperation and UN Security Council reform. Of interest is their Economic Security Partnership goal to build resilient supply chains and secure critical infrastructure, using Japanese technology to help manufacture and process semiconductor technology in India, as Indian companies face Chinese restrictions on the export of rare earth magnets. Japan's collaboration with India's High Speed Rail 'Bullet Train' project was showcased, with Mr. Modi and Mr. Ishiba travelling to Miyagi province by train, where they also inspected a semiconductor factory. The joint statement included strong language condemning North Korea's missile tests and nuclear programme, and the Pahalgaon attack and cross-border terrorism, albeit without mention of Pakistan. The leaders also stressed the importance of the upcoming Quad Summit of leaders in India this year, which has come under a cloud over Mr. Trump's actions against India.

While the text of the India-Japan meetings was largely bilateral, the subtext was geopolitical. Mr. Modi flew to Tokyo in the wake of the massive American tariffs which threaten to upturn the Indian economy. He also chose to make Japan his first stop before his talks with Chinese President Xi Jinping on Sunday towards normalising relations after a four-year standoff. Japan too is concerned about the situation in the East China Sea, and has tensions over trade with the U.S., which led it to cancel a trade negotiation team visit to Washington. The message that Mr. Modi and Mr. Ishiba sent out was that amidst geopolitical turmoil caused by global powers, the India-Japan relationship remains stable and continues to grow.

Recurrent irritant

Delay in disbursement of funds and salaries can derail research projects

Time is of the essence in science. The report that 75 women scientists for the Department of Biotechnology's Biocare programme have received neither sanction letters nor salaries is reminiscent of an irksome and persistent malaise in India's research administration. Young researchers already contend with scant laboratory space, cumbersome university bureaucracies, labyrinthine grant applications, uneven mentorship and uncertain career prospects. Salaries and fellowships are modest in relation to living costs, which deters talented graduates from pursuing research. Even those determined to stay are often trapped in protracted postdoctoral or contractual roles without long-term security. In this milieu, a scheme such as Biocare promises an independent foothold while its failure to deliver on time magnifies the insecurity and discouragement. Opportunities for postdoctoral work and tenure-track openings abroad are also narrowing. Immigration regimes in the West have become tighter while competition for limited faculty posts has intensified. For Indian scientists, thus, the domestic research ecosystem is increasingly the arena in which their careers will unfold. Delays in disbursing fellowships and grants can derail entire careers.

India can no longer afford to treat such breakdowns as teething troubles. The country aspires to expand its global scientific standing, to convert research into innovation, and to train a generation of scientists to address pressing challenges in health, energy, agriculture and climate resilience. These ambitions are incompatible with a funding administration that falters at basic execution. The switch to the Treasury Single Account system, the stated reason for the Biocare delay, may strengthen transparency in the long run but there are several reasons for urgent administrative maturity right now. Foremost, science is time-sensitive: experiments must begin when facilities, collaborators and seasonal or biological conditions align. Delays break these cycles irreversibly. Second, when schemes that are progressive on paper fail to reach beneficiaries, the resulting credibility deficit will make it harder to attract domestic talent and international partnerships. Third, equity demands consistency. Women scientists, early-career fellows and those from under-represented backgrounds already contend with systemic barriers. Erratic access to funds affects them disproportionately. Scheme design must incorporate rather than externalise enforcement. Transparency must be implemented with contingencies so that beneficiaries do not become collateral damage in bureaucratic transitions. Accountability must be tightened at the level of Ministries and programme managers. Policymakers must recognise that a delay in accounting procedures for them is the interruption of livelihoods and careers for researchers.

Indian civilisation has long believed that trial precedes triumph. Like the churning of the ocean, *Samudra Manthan*, where turbulence yielded nectar, our economic churns have always produced renewal. From the crisis of 1991 came liberalisation and from the COVID-19 pandemic came a digital surge. And, today, from the cacophony of doubters calling India a 'dead economy' emerges the fact-rich story of resilience: faster growth, stronger buffers, and broader opportunity.

The economic data-energy security link
Consider the latest GDP numbers. Real GDP grew 7.8% in Q1 FY 2025-26, a five-quarter high. Crucially, this growth is broad-based: Gross Value Added is up 7.6%, with manufacturing 7.7%, construction 7.6%, and services approximately 9.3%. Nominal GDP expanded 8.8%. This is not an arbitrary spike – it reflects rising consumption, robust investment, and the payoff from steady public capex and logistics reforms that reduce costs across the economy.

India is now the world's fourth-largest economy, and the fastest-growing major one, outpacing even the first and second largest, the United States and China. On present trajectories, India is poised to overtake Germany and become the third-largest economy in market exchange terms before the decade ends. India's momentum matters globally; independent estimates show that India already contributes over 15% of incremental world growth. The Prime Minister has set a clear ambition – raising India's share toward 20% as reform deepens and new capacity comes online.

Markets and rating agencies have recognised this discipline. S&P Global delivered India's first sovereign rating upgrade in 18 years, citing robust growth, monetary credibility and fiscal consolidation. That upgrade lowers borrowing costs and widens the investor base. It also punctures the 'dead economy' narrative: independent assessors of risk have voted with their ratings.

Equally important is who benefits. Between 2013-14 and 2022-23, 24.82 crore Indians moved out of multidimensional poverty. That shift rides on basic-services delivery at scale – bank accounts, clean cooking fuel, health cover, tap water – and on direct transfers that empower the poor to make choices. This scale of growth amid the world's most vibrant democracy and with remarkable demographic challenges is distinctive. India's model values consensus-building, competitive federalism, and last-mile delivery through digital rails. It is slower to announce, faster to implement, and built to last. When critics compare us to authoritarian sprints, they miss the point: India is building a marathoner's economy.

As India's Petroleum Minister, this writer can attest how India's energy security supports this rapid growth. India, today, stands as the third



Hardeep S. Puri

is Union Minister for Petroleum and Natural Gas, Government of India

largest energy consumer, fourth largest refiner, and fourth largest liquefied natural gas importer in the world. India operates over 5.2 million barrels per day of refining capacity, with a clear road map to expand beyond 400 million tonnes per annum by the end of the decade.

India's energy demand, which is projected to double by 2047, will account for nearly a quarter of incremental global demand, making India's success central to global energy stability. The government's approach has been to combine security with reform. Exploration acreage has expanded from 8% of sedimentary basins in 2021 to over 16% in 2025, with a target of covering one million square kilometres by 2030. The drastic reduction of so-called 'No-Go' areas by 99% has unlocked vast potential, while the Open Acreage Licensing Policy (OALP) ensures transparent and competitive bidding. New gas pricing reforms linking prices to the Indian crude basket and offering 20% premiums for deepwater and new wells have spurred investment.

A story of energy transition

India's energy story is not only about hydrocarbons; it is also about transition. Ethanol blending has surged from 1.5% in 2014 to 20% today, saving over ₹125 lakh crore in foreign exchange and paying more than ₹1 lakh crore directly to farmers. Over 300 compressed biogas plants are being rolled out under Sustainable Alternative Towards Affordable Transportation, with a 5% blending mandate targeted by 2028. Oil public sector units (PSUs) are leading the charge in green hydrogen.

Much heat has been generated in some quarters about India's purchase of Russian crude. Let us separate fact from noise. Russian oil has never been sanctioned like Iranian or Venezuelan crude; it is under a G7/European Union price cap system deliberately designed to keep oil flowing while capping revenues. There have been 18 rounds of such packages, and India has complied with each one. Every transaction has used legal shipping and insurance, compliant traders and audited channels. India has not broken rules. India has stabilised markets and kept global prices from spiralling.

Some critics allege that India has become a 'laundromat' for Russian oil. Nothing could be further from the truth. India has been the fourth-largest exporter of petroleum products for decades – long before the Ukraine conflict – and its refiners process a basket of crudes from across the globe. Exports keep supply chains functioning. Indeed, Europe itself turned to Indian fuels after banning Russian crude. The volume of exports and refining margins – Gross Refining Margins or GRMs – remains broadly the same. There is no question of profiteering.

Equally important, India acted decisively to shield its citizens when global prices spiked after the Ukraine conflict. Oil PSUs absorbed losses of up to ₹10 per litre on diesel; the government cut

India's fact-rich story of resilience, growth and energy security will silence the 'global doubters' who call it a 'dead economy'

Ukraine as a battle between America and Washington

The outcome of the Alaska summit, on August 15, 2025, was not the product of a diplomatic contest between Donald Trump and Vladimir Putin, or the United States and Russia, or the U.S. and Europe. Neither was the outcome of talks that Mr. Trump held with European leaders and Ukrainian President Volodymyr Zelenskyy. The biggest unknown variable impacting the question of peace was how much Mr. Trump would concede to Russia. While he acceded to Mr. Putin's demand for no ceasefire without a permanent peace agreement and no North Atlantic Treaty Organization in Ukraine, Mr. Trump's campaign platform in 2024 had promised much more – an immediate end to the war.

Mr. Trump could deliver this and satisfy his base by offering the requisite incentives to Moscow in exchange for halting its advance and convincing Kyiv by leveraging arms supply and intelligence sharing. His inability to bring peace reveals the limits of power that the President of the United States has to enact the platform that he was democratically elected on.

These limits are due to a contest inside the U.S. – one that will likely shape future global security more than any other internal power struggle in any country. This includes shaping the U.S.'s responses to India's rise. It is the contest between the America-First or anti-interventionist camp, and those represented by what Mr. Trump himself rose to power deriding – the 'permanent Washington'.

From 2024 on

During the 2024 presidential campaign, Mr. Trump promised that he would end the Ukraine war 'on my first day in office' and 'before I even enter office'. This was striking. Campaign promises are usually undertakings known to be popular, and Western mainstream media had spent two years stigmatising any call for peace with Russia, delineating it as a fringe opinion. But Mr. Trump knew what was rarely revealed – that the American public agreed. Even in early 2024,



Kadra Pethiyagoda

is an author, adviser and geopolitical strategist

66% of Americans supported a negotiated end to the war, even if it involved compromises with Russia, as a Quincy Institute survey found.

This reflected a growing and widely held position among the American population that the U.S. should curtail its worldwide military adventures and reallocate resources domestically. Six of the last eight U.S. presidential elections were won by a candidate who wanted a less interventionist foreign policy than their opponent.

This anti-interventionist position is sanguine about other great powers such as India, China and Russia maintaining hegemony in their respective regions while the U.S. prioritises its own hemisphere.

The Trump approach versus factors

Anti-interventionism is central to Mr. Trump's 'Make America Great Again' (MAGA) movement and one that is espoused by true-believers such as U.S. Vice-President J.D. Vance and Indian-American Republican presidential candidate Vivek Ramaswamy. Mr. Trump's election victory was a popular endorsement of peace, particularly given that it was the only aspect of foreign policy where there was a meaningful, overt difference with that of the (former) U.S. President, Joe Biden.

Despite this crystal-clear mandate, and the straightforward path to peace given Russia's unambiguous, long-standing demands, Mr. Trump's approach since his election has vacillated. When it comes to optics and public narrative, he has made some strides in line with his pledges. He undermined both the deification of Ukraine (dressing down Mr. Zelenskyy at the White House) and the demonisation of Russia (Alaska Summit). In doing so, he has helped re-normalise U.S. diplomacy with its rivals, harking back to a more pragmatic time.

Mr. Trump's concrete policy actions toward peace, however, are a fraction of that promised. At most, he briefly halted weapon shipments to and intelligence sharing with Ukraine. But this

central and State taxes and export rules mandated that refiners selling petrol and diesel abroad must sell at least 50% of petrol and 30% of diesel in the domestic market.

These measures, at considerable fiscal cost, ensured that not a single retail outlet ran dry and that Indian households saw stable prices. The larger truth is this – there is no substitute for the world's second-largest producer supplying nearly 10% of global oil. Those who are pointing fingers ignore this fact. India's adherence to all international norms prevented a catastrophic \$200-per-barrel shock, aligning with its civilisational values of *Vasudhaiva Kutumbakam*.

It is the same, 'Made in India' for the world which shapes the new industrial revolution taking shape in India. This spans semiconductors, electronics, renewables, defence and specialty chemicals powered by production-linked incentives and the Pradhan Mantri Gati Shakti logistics backbone. The momentum in semiconductors is now reaching a new scale – a testament to policy seriousness and execution. The Cabinet recently approved four additional semiconductor manufacturing projects under the India Semiconductor Mission. The Prime Minister's visit to a semiconductor facility in Japan, on August 30, 2025, and renewed Japanese investment commitments, underline a shared road map for resilient, trusted tech supply chains.

The digital economy multiplies these gains. India leads the world in real-time payments; the Unified Payments Interface's ubiquity raises productivity for small businesses, and India's startup ecosystem is translating innovation into exports of services and solutions. When digital rails meet hard infrastructure, the effect is compounding – lower friction, higher formalisation, and a virtuous circle of investment and consumption.

India's scoreboard has the answers

The arc ahead is promising. Independent projections (EY) suggest that by 2038, India could emerge as the world's second-largest economy in purchasing power parity (PPP) terms, with a GDP above \$34 trillion. This trajectory rests on steady reforms, human capital and abundant, clean, reliable energy for every enterprise and household.

The test of a great civilisation lies in its crucible moments. When doubted in the past, India responded with Green Revolution, IT Revolution, and the quiet dignity of millions lifting themselves through education and enterprise. Today's moment is no different. India will keep its gaze steady, its reforms relentless, and its growth rapid, democratic, and inclusive – so that the benefits reach the most underserved. To the naysayers, the scoreboard is the answer. Under Prime Minister Narendra Modi's leadership, Viksit Bharat is not an aspiration. It is a deliverable – and the numbers are simply the latest chapter in that larger story.

was outweighed by continuing to bankroll Kyiv's defence, as well as escalations such as the secondary sanctions on India for purchasing Russian oil. Recently, Mr. Trump humoured the backers of the non-starter proposal for a 'post-war security guarantee' for Ukraine.

The reason for this dithering is a contest, an ongoing negotiation, a back and forth between Mr. Trump and his movement, and those who have largely dominated U.S. foreign policy since the death of President John F. Kennedy. The latter, proximately outlined by Eisenhower, consists of a coalition of commercial and ideological interests intersecting in their preferences, primarily for continuous military action and spending, and secondarily for US global hegemony. It is represented by 'permanent Washington', neo-con' politicians whom it funds, and ideological civil servants, including those the Republican establishment foisted on Trump's administration. Often the contest plays out internally within individuals, sometimes inside Mr. Trump himself.

A clash

The Alaska summit is a case in point. The two forces within U.S. foreign policy clashed, sculpting a compromised result. Mr. Trump got his desired optics, a red carpet for Mr. Putin evoking grand Cold War-era summits, positioning the U.S. President as a peacemaker-statesman and staying true to his promise to the American people. Without granting concessions to Russia, however, it ensured the war would carry on and a continuation of 'permanent Washington's' interests being served.

The Ukraine war is the closest the world has ever come to a global nuclear conflagration. The path away from the abyss is not by complex international negotiations. There are complex domestic power struggles inside the U.S. The final resolution will be determined not by America versus Russia, but by America versus Washington. So too will many of the geo-strategic contests in the decades ahead.

LETTERS TO THE EDITOR

An opportunity for India?

President Donald Trump made the centrepiece of his 'America First' agenda. In an interesting twist, however, a U.S. appeals court has ruled that his sweeping global duties went beyond

presidential powers (Front page, August 31). For America, tariffs have raised billions but also pushed up prices, rattled markets and angered allies. What was meant to protect U.S. jobs risks leaving America isolated, as supply chains

move elsewhere. For India, this is an opening. If tariffs fall, exporters in textiles, and technology gain freer access to U.S. buyers. If they survive in limited form, India can push for exemptions, positioning itself as a stable,

democratic alternative to China.

M. Jameel Ahmed, Mysuru

Senior citizen mobile plans

The hike in basic mobile charges has placed a disproportionate burden on

senior citizens. Many use phones primarily for calls, SMS and essential updates, while relying on Wi-Fi for other needs. A tailored plan with limited data, unlimited calls, and modest SMS allowance would meet their needs without financial

strain. Senior-friendly plans that reflect usage patterns and economic realities must be introduced.

Sarit Ray, Kolkata

Letters emailed to letters@thehindu.co.in must carry the postal address.

Giving wings to India's youth

India's growth story has always been written by its Shram Shakti, or labour power. There has been a remarkable arc in India's economic progress over the past 11 years, under Prime Minister Narendra Modi's leadership. India has risen from the world's 10th largest economy in 2014 to the fourth largest today. It has carved out an enviable niche for itself in the global arena, and the strength of its human resource has had no small role to play in this journey.

Fueled by this success story is the fact that India's economic growth has been accompanied by an unprecedented expansion of employment. According to RBI-KLEMS, while only 2.9 crore jobs were created between 2004-2014, over 17 crore jobs were created in the decade that followed. Formalisation has also accelerated, as EPFO data shows.

Social security coverage

The real transformation, however, has been in social security coverage. In 2015, only 19% of Indians were covered under at least one social protection scheme. By 2025, that number has surged to 64.3%, reaching 94 crore beneficiaries, making India the second-largest social security system in the world. The International Labour Organization has acknowledged this achievement as one of the fastest expansions of coverage globally.

As we look ahead, it is clear that the future of the nation will be decided not only by the pace of GDP growth, but also by the quality of jobs we create, the security we extend to workers, and the opportunities we provide to our youth. Against a global backdrop of rising automation, uncertainties induced by Artificial Intelligence, supply-chain shifts, and other vulnerabilities shaping jobs worldwide, India stands at a demographic inflection point.

Of India's population, about 65% is under 35 years of age, constituting a critical demographic dividend that gives



Mansukh Mandaviva

Union Minister of Labour and Employment and Youth Affairs and Sports, Government of India

Pradhan Mantri Viksit Bharat Rozgar Yojana is a concrete step towards converting demographic dividend into public prosperity

our economy an edge as countries in the West reflect ageing populations. For years, India's demographic dividend – its Yuva Shakti – has been cited as its greatest strength. Yet, this potential remained underutilised. As we strive towards the vision of a Viksit Bharat by 2047, the task before us is clear: we must shift from 'possibility' to 'prosperity'.

Employment, in this backdrop, is no longer just an economic indicator; it is the foundation of dignity, equality and national strength. It demands that we make our youth employable, integrate them into the formal economy, equip them with financial literacy, and ensure that they are protected by a robust social security net. Only then can our demographic advantage truly translate into a lasting national dividend.

An ambitious programme

It is to address this challenge, and to bridge any gap between aspiration and opportunity, that the government has launched the Pradhan Mantri Viksit Bharat Rozgar Yojana. Initially put forth in the Union Budget 2024-25, and announced by the Prime Minister in his 12th Independence Day address, it represents a significant break from the past in both scale and design. With an outlay of ₹1 lakh crore, this is the most ambitious programme in India's history, expected to create over 3.5 crore jobs over two years.

What sets this scheme apart is its architecture. Unlike earlier programmes supporting employment generation, this scheme addresses the dual challenge of youth employability and enterprise competitiveness simultaneously. By offering direct financial incentives to both first-time employees under Part A (up to ₹15,000 in two instalments) and employers under Part B (up to ₹3,000 per new hire per month), it lowers entry barriers for workers while reducing hiring risks for businesses.

Equally important is the scheme's explicit push towards

formalisation and social security integration. Benefits will be channelled through Direct Benefit Transfer, ensuring transparency and linking new workers to social security systems from day one. The scheme is thus a structural nudge towards a formal, secure and productive labour market. Further, the added focus on incentives to employers in the manufacturing sector is a further propellant towards making Bharat aatmanirbhar (self-reliant).

The Pradhan Mantri Viksit Bharat Rozgar Yojana signals a shift from scheme-based interventions towards a comprehensive employment ecosystem. It builds on the learnings of earlier initiatives, such as the Production-Linked Incentive, the National Manufacturing Mission, and Make in India, and recognises the changing nature of work in a competitive global set-up.

By supporting workers and employers, the scheme recognises that job creation is a shared responsibility. As India seeks to become a global manufacturing hub while embracing digital innovation, the scheme ensures that no one is left behind. Even the smallest enterprise and the newest entrant to the workforce are integrated into the journey of national development.

A new India

This scheme is more than a policy announcement. This initiative is a concrete step towards converting demographic dividend into public prosperity. It is part of the foundation towards realisation of the vision of Viksit Bharat, where every youth has access to meaningful work, every work has dignity, and every youth gets the opportunity to realise his or her dreams. Employment is, in its truest sense, nation-building. With this initiative, the Modi government reaffirms its commitment that no aspiration will remain unsupported, and no youth will remain without opportunity.

Taking a leaf out of Raipur's book

It is time for all major cities in India to adopt the Police Commissionerate system

STATE OF PLAY

R.K. Vij

On Independence Day, Chhattisgarh Chief Minister Vishnu Deo Sai announced that the Police Commissionerate system will soon be implemented in Raipur, to address the growing challenge of law and order. Raipur will be the first city in Chhattisgarh to have the system. The population of Raipur exceeded 10 lakh about 15 years ago (2011 Census).

The Police Commissionerate system is essentially a chain of command and control. Its two basic functions are to make decisions and implement them. In this system, the powers of executive magistrate are vested in the police officers of a given rank for certain functions. This eliminates the gap between the police and the magistrates for certain duties that involve shared responsibility, especially those linked to crime control and maintaining public order. The responsibility for all aspects of policing vests in the Police Commissioner, who is accountable for the adequate performance of her force.

There are two ways by which the powers of an executive magistrate can be entrusted to police officers – first, through powers given to States under the Code of Criminal Procedure (CrPC); and second, through legislative powers. Since 'police' and 'public order' fall under List-II (State List) of the Seventh Schedule of the Constitution, States have ample powers to legislate on issues relating to police and public order.

Until the new criminal laws were rolled out in July 2024, the mandatory condition under the CrPC was that only



metropolitan areas with a population of more than 10 lakh (as per the 2011 Census) could have a Police Commissioner. The law has changed since the Bharatiya Nagarik Suraksha Sanhita (BNSS), 2023 came into place. The BNSS has removed the mandatory condition that a city or town must be notified as a metropolitan area before powers of an executive magistrate are entrusted to the Police Commissioner. Similarly, it states that the powers of an executive magistrate can be entrusted to "any police officer not below the rank of Superintendent of Police or (her) equivalent" by the State. Sections 14 and 15 of the BNSS deal with entrusting powers of the executive magistrate to the police.

The Police Commissionerate system dates back to the British era. It was through the Act No. XIII of 1856 that the towns of Calcutta, Madras, and Bombay were brought under the respective Commissioners of Police. This was a comprehensive Act which not only laid down the preventive, penal, and procedural provisions, but also dealt with the powers of the police. Samuel Wauchhope was appointed Police Commissioner for the Town of Calcutta and William Crawford for the Town of Bombay on November 1, 1856.

Gradually, separate laws were enacted for these cities.

Hyderabad enacted the Hyderabad City Police Act, 1348-F (1348 Fasli equals 1938) during the Nizam period. In the 21st century, such powers were applied to other States, and the Police Commissionerate system was brought in by the States of Punjab, Tamil Nadu, Haryana, Orissa, Rajasthan, Karnataka, Kerala, Uttar Pradesh, and Madhya Pradesh.

Most of these States (other than Orissa and Punjab which enacted their own State statutes) used powers given under the CrPC to implement the Police Commissionerate system. Since there is general resistance from the magistracy to transfer powers to the police, all Police Commissioners are not equally strong. While some Central Acts such as the Arms Act, 1959; Immoral Traffic (Prevention) Act, 1956; and Explosives Act, 1884 have provided for the powers of the Commissioner of Police, others such as the Unlawful Activities (Prevention) Act, 1967; the Public Gaming Act, 1867; local Acts; and the BNSS (like the CrPC) need specific notification in this regard.

With speedy urbanisation and industrialisation, crime patterns have changed in recent years. Consultations between executive magistrates and police officials often lead to delays during urgent situations, which leads to criticism from the public. The draft Model Police Act, 2006, prepared by the Soli Sorabjee Committee, was meant to bring in a uniform law for police forces across the country; it has not been adopted in its entirety by any State. The Police Commissionerate system provides more effective policing and has stood the test of times. It is time for all major cities to adopt this system.

R.K. Vij is a former IPS officer

Unusual patterns in Bihar's deleted voter lists: a data probe

Several areas show abnormal deletions in categories such as gender and for reasons such as deaths

DATA POINT

Srinivasan Ramani

A comprehensive analysis of the Election Commission of India (ECI)'s Assembly part-wise list of over 65 lakh deleted electors in Bihar reveals multiple anomalies. The patterns suggest potentially problematic issues that demand deeper investigation. Our analysis of the deleted voter data reveals eight distinct categories of anomalies.

The ECI has provided the information of deleted voters for each Assembly constituency across various parts. Parts correspond to specific polling stations. In the lists provided below, the names of the polling stations, the name of the Assembly constituency, and the name of the district are mentioned in that order.

Key findings:

- 80 parts show unusually high proportions of young deaths
- 127 parts display high gender bias in deletions
- 1,985 parts have abnormally high deletion rates
- 412 parts report excessive deaths
- 7,216 parts show high death proportions
- 973 parts show 100% death-based deletions
- 5,084 parts have high numbers of 'absent' voters
- 663 parts show suspicious patterns of 'permanently shifted' women

Young deaths

Pattern: Assembly parts where more than 50 people are recorded as deceased, with at least half being under 50 years of age. The data reveals 80 Assembly parts/polling stations across Bihar where death patterns defy demographic norms. In typical populations, deaths are heavily skewed towards older age groups, making high pro-

portions of young deaths statistically anomalous.

Five selected Assembly parts:

- Urdu Madhya Vidyalay Chakadaria, Kahalganj, Bhagalpur: 58 total deaths, 50 under the age of 50 (86.2%)
- Sant Teresa Kanya Madhya Vidyalay, Bagaha, Paschim Champaran: 70 total deaths, 59 under the age of 50 (84.3%)
- Madarasa Bishanpur, Baisi, Purnia: 61 total deaths, 48 under the age of 50 (78.7%)
- Uchch Vidyalay Harari, Rajnagar, Madhubani: 58 total deaths, 45 under the age of 50 (77.6%)
- Prathmik Vidyalay Kanuniya, Raxaul, Purvi Champaran: 59 total deaths, 45 under the age of 50 (76.3%)

There is a concentration of such anomalies in border districts such as Champaran, and in international border areas

High gender bias in deletions

Pattern: Assembly parts/stations where at least 50 women were deleted, with women comprising 80% or more of all deletions. A troubling anomaly, with 127 parts showing high gender bias.

Five selected parts:

- Upgraded Middle School Ramaniya Pokhar, Kishanganj: 105 total deletions, 97 women (92.4%)
- Uchch Vidyalay Dibhiyan, Kargahar, Rohtas: 85 total deletions, 78 women (91.8%)
- Utkramit Madhya Vidyalay Basahi, Rajpur, Buxar: 57 total deletions, 52 women (91.2%)
- Baban Madhav Middle School, Chapra, Saran: 64 total deletions, 58 women (90.6%)
- Urdu Madhya Vidyalay Kudari, Bhadua, Kaimur: 64 total deletions, 57 women (89.1%)

The pattern suggests potential disenfranchisement of women voters, particularly in constituencies with significant minority populations.

Abnormally high deletion rates

Pattern: Parts/polling stations with more than 200 deletions, far ex-

ceeding typical rates. With 1,985 parts showing this anomaly, this represents a massive scale of voter deletions.

Three selected parts:

- Navsriji Prathamik Vidhyalaya Niranjana, Gopalganj: 641 total deletions (599 shifted, 39 deaths, 3 absent)
- Anganbadi Kendra Jangl Ray Ke Tola, Gopalganj: 627 total deletions (all 627 shifted)
- Utkramit Madhya Vidyalay Bahudari, Shahpur, Bhojpur: 605 total deletions (539 shifted, 46 deaths)

The concentration in Gopalganj constituency is particularly striking.

Excessive death reports

Pattern: More than 100 deaths reported per part. About 412 parts/polling stations reported such a high number of deaths.

Three selected parts:

- Adarsh Madhya Vidyalaya Budhiya, Banmankhi, Purnia: 181 deaths (97 male, 84 female, average age 54.9)
- Rajakia Polytechnic Textile Technology, Bhagalpur: 165 deaths (82 male, 83 female, average age 48.5)
- Utkramit Madhya Vidyalay Pokhar Bhinda, Manjhi, Saran: 162 deaths (78 male, 84 female, average age 68.4)

High death proportions

Pattern: Over 75% of deletions attributed to deaths. A staggering 7,216 parts/polling stations show this pattern, where death deletions far exceed typical demographic patterns.

Three selected parts:

- Rajakia Polytechnic Textile Technology, Bhagalpur: 165 deaths out of 166 deletions (99.4%)
- Utkramit Madhya Vidyalay Pokhar Bhinda, Manjhi, Saran: 162 deaths out of 191 deletions (84.8%)
- Upgraded Middle School Dhubiniya, Kishanganj: 158 deaths out of 171 deletions (92.4%)

All deletions due to death

Pattern: All deletions attributed solely to deaths, with no other reasons. About 973 polling stations/parts report this statistically impossible scenario where every single deletion is due to death.

Three selected parts:

- Balak Prathamik Vidyalay Narayana pur, Barbara, Bhojpur: All 126 deletions are deaths (average age 66.0)
- Utkramit Madhy Vidhyalay Navakotla, Bhojpur, Gopalganj: All 124 deletions are deaths (average age 56.9)
- Utkramit Madhya Vidyalaya Phulhara, Hajipur, Vaishali: All 118 deletions are deaths (average age 66.8)

Mass 'absent' classifications

Pattern: More than 50 voters marked as absent per part/station. 5,084 stations show this pattern.

Three selected parts:

- Kamla Rai Mahavidhyalaya, Gopalganj: 457 marked absent (215 male, 242 female, average age 42.2)
- Madhya Vidyalaya Prampatti, Kasha, Purnia: 351 marked absent (208 male, 143 female, average age 26.3)
- Samudai Bhawan Chauhatia, Hajipur, Vaishali: 339 marked absent (177 male, 162 female, average age 41.9)

Suspicious women 'shifts'

Pattern: At least 60 voters marked as shifted, with 75% being women. About 663 parts/stations show this pattern where women are disproportionately marked as having 'shifted' residence.

Three selected parts:

- Panchayt Bhawan Sikaitiya, Kuchaitola, Gopalganj: 80 shifted voters, all 80 are women (100%, average age 29.9)
- Utkramit Madhy Vidyalaya Chatur Bagha, Gopalganj: 63 shifted voters, all 63 are women (100%, average age 30.0)
- Ramratan Shahi Uchhtar Madhyamik Vidyalay, Gopalganj, Gopalganj: 71 shifted vo-

ters, 70 are women (98.6%, average age 30.5)

Geographic and demographic patterns

Border districts: High concentrations of anomalies in Purnia, Kishanganj, and Champaran districts near international borders.

Gopalganj constituency: High concentrations across multiple anomaly categories, suggesting possible irregularities.

Minority-concentrated areas: Many affected parts appear to be in areas with significant Muslim populations.

Young women: Multiple categories show disproportionate impact on younger women electors (18-29 years).

Several patterns defy statistical probability:

- Booths with 100% deletions due to deaths are demographically problematic
- Gender ratios exceeding 90% in deletions contradict natural population patterns
- Young death rates of 75%+ contradict mortality statistics
- Mass 'absent' classifications in specific booths calls for a recheck

A few questions need to be raised:

What verification was conducted before marking voters as deceased? Why do certain constituencies show high concentration of anomalies? Why do women seem to be excluded more? And why has such a high share of young voters been excluded under the category 'deceased' in many parts?

The ECI should examine polling stations and verify the deleted voters and establish a way of restoring excluded voters if they have been excluded erroneously. For this to happen, the deadline for the claims and objections period must be extended further.

The questions were framed thanks to civil society activist Yogendra Yadav. The data was compiled with the help of Datameet community member, Tejesh GN

FROM THE ARCHIVES

The Hindustani

FIFTY YEARS AGO SEPTEMBER 1, 1975

Work-permits to check beggar influx in Bombay suggested

Bombay, Aug. 31: A study panel, appointed by the Maharashtra Government to suggest measures for tackling begging in Bombay, has recommended introduction of a work-permit system for new entrants to the city.

It points out that the unchecked daily influx of outsiders into the city (300 families or 1500 persons) every day causes a number of professional beggars.

The report classifies beggars into three categories – 'casual', 'professionals', and 'diseased' – and suggests measures by way of relief, deterrent punishment, and treatment.

It also emphasises the importance of certain other steps such as uniform Central legislation, setting up of a State-level action committee and floating a Central fund to tackle the problem which "is essentially social and economic."

The panel recommends that the State Government should immediately start levying a surcharge of five paise per ticket costing more than 25 paise issued by the Bombay Electric Supply and Transport Undertaking (BEST) to its bus commuters and the revenue be credited to the Central fund.

The report terms work-permit system as a "radical remedy for a 'radical situation', arising out of a 'cumulative effect of the influx in Bombay'". In fact the city has already begun to creak and groan under the pressure of the daily influx of outsiders and air and water pollution are causing serious problems leading to an increase in the incidence of bronchitis, eye and skin diseases and similar other ailments, the report says.

A HUNDRED YEARS AGO SEPTEMBER 1, 1925

Metur reservoir project

"The Times" (Trade Supplement) of August 1st writes: A few days ago, Lord Goschen, Governor of Madras, formally inaugurated the Cauvery (Metur) irrigation project, which has been under consideration in varying forms since the early years of Queen Victoria's reign. The work is estimated to cost 612 lakhs of rupees, the equivalent at present rates of exchange of close upon £4,600,000, and its object is to store the floodwaters of the River Cauvery, passing them down to the delta for developed irrigation use as and when required.

Text & Context

THE HINDU

NEWS IN NUMBERS

Number of notified area councils formed by Odisha government

16 Odisha Chief Minister Mohan Charan Mahapatra also announced the upgradation of seven existing Notified Area Councils (NACs) into municipalities. The Chief Minister asked officers of Urban Local Bodies to make their cities and towns pothole-free and cover all drains by April 2026. PHOTO BY THE HINDU DATA TEAM

The State funds which are 'stuck' with the Centre: Punjab CM

60 in thousand crore rupees. The Punjab Chief Minister urged Prime Minister Modi to release ₹60,000 crore of the "State's funds", which he claimed are "stuck" with the Centre. The CM also sought revision in the norms for funds available in the State Disaster Response Fund. PHOTO BY THE HINDU DATA TEAM

Victims of harassment in Rohingya camps who have no legal aid

93 in per cent. Sexual harassment remains the most pressing concern for Rohingya women and adolescents living in squalid refugee camps in Bangladesh's Cox's Bazar, according to a study released on Sunday. Cox's Bazar is home to around a million largely Muslim Rohingya minority. PHOTO BY THE HINDU DATA TEAM

Pending GST refunds to be disbursed to traders in Delhi

1,600 in ₹ crore. Delhi Chief Minister Rekha Gupta claimed that the previous government failed to take any concrete measures towards the settlement of this amount. She directed that the amount be disbursed to the traders before Diwali. PHOTO BY THE HINDU DATA TEAM

Investments in Andhra Pradesh's tourism sector in the past year

12 in thousand crore rupees. Minister for Tourism Kandula Durgesh said the State attracted nearly ₹12,000 crore in tourism sector investments over the past year, contributing to the construction of numerous buildings. PHOTO BY THE HINDU DATA TEAM

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The importance of India's federal design

What is the status of the demand to restore statehood to Jammu and Kashmir? What are the processes enshrined in the Constitution of India for creating States? How are States reorganised? Have Legislative Assembly elections been held in J&K?

EXPLAINER

C. B. P. Srivastava

The story so far:

The Supreme Court has recently sought a detailed response from the Centre on the issue of restoration of statehood to Jammu and Kashmir. Considering the significance of the principle of the separation of powers, the top court rightly said that it did not possess all the expertise and that there are some decisions to be made by the government. The court is hearing the plea in *Zahoor Ahmed Bhat versus UT of Jammu and Kashmir*. It has been argued that the failure to restore statehood to Jammu and Kashmir is affecting the rights of the citizens there. Another argument in this context is that it is also violating the essential features of federalism and thereby the basic structure of the Constitution.

How are States created?

There are three processes enshrined in the Constitution of India for creating States – admission, establishment and formation. For admission of a new State into the territory of India, the entity should have its own organised political unit. It is also required that admission through acquisition shall be guided by international law. This was the process by which Jammu and Kashmir was admitted into India's territory through the Instrument of Accession in 1947. By executing this Instrument under the provisions of the Indian Independence Act, 1947, the then ruler of Kashmir, Maharaja Hari Singh agreed to accede his State to India.

For establishing a new State, territory shall be acquired as per the definition of acquisition in international law. India acquired Goa and Sikkim and established them as States.

The process of forming a new State has been, in fact, the reorganisation of an



For the federation: Congress workers participate in a protest march demanding the restoration of statehood to Jammu and Kashmir, in Jammu, on July 20, 2024.

existing State which led India to take its number of 14 States in 1956 to 29 States before the enactment of the Jammu and Kashmir Reorganisation Act, 2019. Article 3 of the Constitution provides for this process of reorganisation wherein

Parliament may by law – form a new State by separation of territory from any State or by uniting two or more States or parts of States or by uniting any territory to a part of any State; increase the area of any State; diminish the area of any State; alter the boundaries of any State; or alter the name of any State. However, while the Union may diminish the area of a State, it cannot take it away by making it a Union Territory. This would be a step against the

federal features of India. Therefore, it is mandatory for the Union to restore the statehood of Jammu and Kashmir. It may wait for sometime depending upon the situation at the ground level.

What about India's federal design?

India has been made a Union of States which means that it is indivisible and that States have no right to secede. This provision in Article 1 may be interpreted in the sense that the word 'India' reflects a unitary federation while the word 'Bharat' is a cultural connotation which signifies that India has a composite culture and that there is unity in diversity. Despite being a two-tier system of

governance, the word 'federation' is not used but rather 'Union' is written expressly. The idea behind this unique feature is to ensure India's federal character and unitary spirit. This design is in tandem with the philosophy of the Constitution. While the express use of the word 'Union' makes the Centre strong enough to protect the unity and integrity of the nation, the federal character is created to equitably distribute the resources establishing India as a welfare state. This is the reason that India's federal character has been included in the Basic Structure of the Constitution. Without a federal design, India's union would lose its existence. Hence, the Rajya Sabha has been made a permanent House in Article 83 (1) which writes that it shall not be subject to dissolution. The States' representation must always be there at the Union level to maintain and sustain India's unitary federation. Thus, it is imperative that the statehood of Jammu and Kashmir be restored to protect the sanctity of federation.

What next?

To recall, on December 11, 2023, the Supreme Court upheld the abrogation of Articles 370 and 35 A, and also directed the Union Government to restore the statehood of Jammu and Kashmir and hold Legislative Assembly elections. Elections for the 90-member Assembly were held in October 2024, but there has not been any hint so far from the Government to restore the statehood as asked by the Court.

Critics may point out that restoration of statehood would definitely empower the elected government in Jammu and Kashmir and that the powers of the Lieutenant Governor would be curtailed affecting the present position of the Union over the Union Territory of Jammu and Kashmir. If this is to be agreed, it would be inconsistent with the constitutional design of India and would definitely erode its federal features.

C. B. P. Srivastava is President, Centre for Applied Research in Governance, Delhi.

THE GIST

The Supreme Court has recently sought a detailed response from the Centre on the issue of restoration of statehood to Jammu and Kashmir.

There are three processes enshrined in the Constitution of India for creating States – admission, establishment and formation.

Despite being a two-tier system of governance, the word 'federation' is not used but rather 'Union' is written expressly. The idea behind this unique feature is to ensure India's federal character and unitary spirit.

Why are orcas offering fresh prey to humans?

Are these killer whales waiting for a human response before recovering or abandoning the offered prey?

Rohini Karandikar

The story so far:

Many orcas, which are the largest species of dolphins and are often called killer whales, have been found sharing freshly killed prey with humans. And they don't just offer their prey; they wait for the humans to respond. In a new study in the *Journal of Comparative Psychology*, researchers have investigated why orcas are provisioning humans.

How did the team collect data?

While orcas are known to be prosocial animals, they rarely interact with humans. The research team collected data from the period 2004-2024 from five ocean parks: Eastern North Pacific, Eastern Tropical Pacific, Western South Pacific, Western North Atlantic, and Eastern North Atlantic. The team included only those instances in their

analysis where human observers were a significant distance from the orcas before the animals approached. For example, the criterion for humans underwater at the time of provisioning was that they had to have been at least 15 m away from the killer whales before an interaction. The animals would then have come to within their own body length and release their prey in front of their bodies.

Are orcas smart?

Of the 34 instances the team was able to finalise, the orcas awaited a human response before they recovered or retreated in 33 instances. Their offerings included seaweed, invertebrates, fish, reptiles, birds, and mammals. Some people also reported not accepting the offering at first. Jared Towers, a marine biologist at the Bay Cetology research institute in British Columbia, Canada, was one of them. "I didn't accept the offerings

because it was a shock when it happened," Mr. Towers said. "And there's only a few seconds to decide what to do. Easier just to observe." Like humans, orcas are at the top of their food chain. They also have a larger brain size relative to the size of the body. Research has linked this trait to better cognition, learning, and social behaviour. Orcas live and hunt in groups led by a matriarch, the oldest female, and the group's behaviour largely depends on the matriarch.

What are the orcas doing?

Some experts have said that the killer whales might just be playing. However, this activity is usually associated with juveniles whereas the new study found adults and juveniles alike to provision humans. Animals also play when their own nutritional needs have already been met. The study, however, found that in half of all the instances, the killer whales were offering whole prey, not

partly eaten. For these reasons, the authors said, the killer whales may have been exploring, not playing.

Animals explore their surroundings to reduce uncertainty about their physical, social, and/or environmental surroundings. Exploration is technically the conscious pursuit of knowledge and reflects the dolphins' evolved intelligence. In a few instances when humans tossed the prey back, the orcas immediately reciprocated, suggesting they were learning what humans preferred. "Some of these things are associated with play, but some of these things may also be defined as scientific thinking, which has been described as the ability to ask questions and then pursue answers," Mr. Towers said. While the animals' behaviour appeared to be prosocial and altruistic, the researchers warned that their actions could be manipulative or deceptive, for personal gain. Killer whales have been known to behave in this way to steal fish and to damage vessels.

Do the findings help conservation?

As humans and orcas interact more often, orcas are likely to adapt their behaviour to become more friendly or more hostile, depending on the female leading the group. These interactions could pique human curiosity about killer whales and potentially improve conservation efforts. Rohini Karandikar is a science educator, and works with the TNQ Foundation.

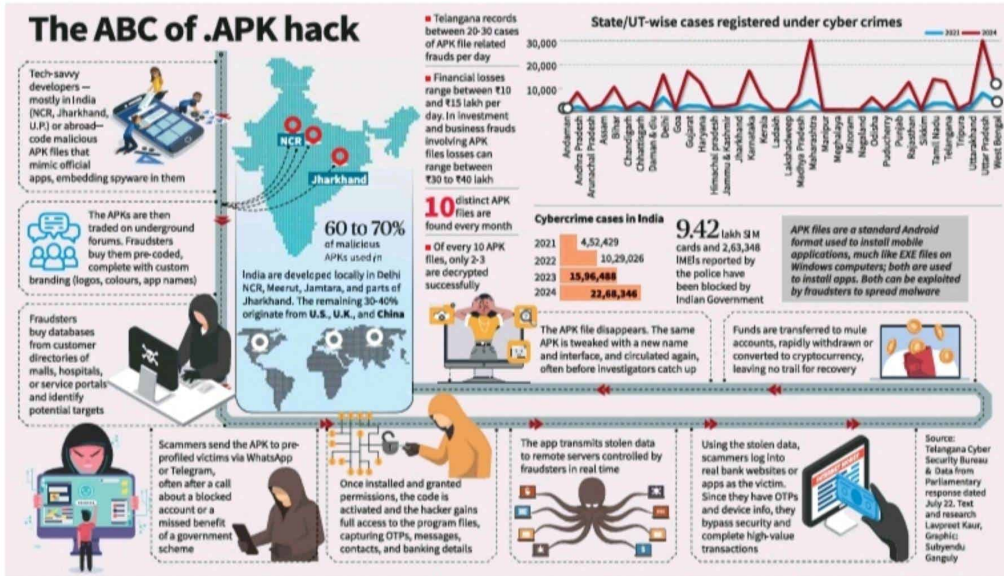
THE GIST

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Of the 34 instances the team was able to finalise, the orcas awaited a human response before they recovered or abandoned the offered prey and retreated in 33 instances.

Some experts have said that the killer whales might just be playing. However, this activity is usually associated with juveniles whereas the new study found adults and juveniles alike to provision humans.

CACHE



Inside the APK scam: how fake apps are used for financial fraud

APK fraud is one of the fastest-growing cybercrime threats in the country today. These scams, driven by malicious Android Package Kit (APK) files, exploit public trust in digital systems while using sophisticated technical tools to stay undetected and operational across State lines

Lavpreet Kaur

The story so far:

Thousands of Indians with cell phones are losing money after answering a call or clicking on a message. Sometimes it begins with a phone call – calm, polite, and urgent. The voice at the other end warns of a blocked bank account, a missed government subsidy, or a pending electricity bill. Moments later, a message follows with a link to an app that promises a quick fix. The app looks official, bears the logo of a trusted institution, and installs without issue. The user grants a few routine permissions – contacts, SMS, notifications – not realising that, in that instant, their phone had become an open vault.

What happens after users install the app?

In less than 10 minutes, money begins disappearing from bank accounts. Fixed deposits are prematurely closed, and OTPs intercepted. The app, which now runs in the background, monitors, mirrors and mines everything, right from locations to private messages. The user is unaware until it is too late. And by the time help is sought, the funds have travelled through layers of digital laundering, impossible to retrieve.

APK fraud is one of the fastest-growing cybercrime threats in the country today. The National Cyber Crime Reporting Portal has logged 12,47,393 different types of cases in the last six months. Parliament has been informed that there has been a 900% jump in cyber crimes between 2021 and 2025. Data from the Telangana Cyber Security Bureau (TCSB) revealed that a total of 2,188 such cases were reported

between January and July of 2025, leading to losses of ₹779.06 crore. Officials said that 20 to 30 such cases are reported every single day, with daily financial losses between ₹10 and ₹15 lakh. In high-stake scams like investment and business, losses can go up to ₹30 to ₹40 lakh. These scams, driven by malicious Android Package Kit (APK) files, exploit public trust in digital systems while using sophisticated technical tools to stay undetected and operational across State lines.

How does the fraud work?

APK files on Android devices are much like .exe files on Windows computers; both are used to install apps, and both can be exploited by fraudsters to spread malware.

Fraudsters build or source these apps to mimic the appearance and language of official portals, including government subsidy schemes like PM-Kisan, tax refund platforms, electricity boards, or banks asking for KYC updates. These fake apps are often circulated through social media platforms like WhatsApp, accompanied by convincing messages that urge users to act immediately.

Developers use encryption techniques that hide malicious code from detection tools. By remaining dormant during installation, these APKs sidestep scans through antivirus software. Once downloaded, the app seeks multiple permissions, including access to contacts, messages, call logs, location, microphone, and notifications.

The app gains access to the phone's program files, harvests data in real-time, and transmits it in encrypted bits to external servers operated by fraudsters. These bits, while unreadable to ordinary

users, are decoded to extract valuable information, including banking credentials, OTPs, contacts, and location coordinates, among others.

Who operates these apps?

The fraudsters who circulate these APKs are rarely the ones who build them. Instead, these apps are part of a well-structured underground economy. Cybercrime officials estimate that 60 to 70% of malicious APKs used in India are developed locally by tech savvy masterminds in Delhi NCR, Meerut, Uttar Pradesh, Jamtara, and parts of Jharkhand. The remaining 30-40% originate internationally, with traces leading to the U.S., U.K., and China. Telegram channels and dark web marketplaces serve as prime distribution channels, offering pre-built APK kits and modules for a fee.

Once in circulation, the same APK file is reused with minor modifications in the interface (name, logo and URL, or web address of the file), allowing it to bypass detection even after earlier versions are blacklisted.

Cybercrime officers say that across hundreds of scam cases each month, only about 10 distinct APK files are found, pointing to the widespread reuse of a few malicious apps.

How are users targeted?

The choice of victim is anything but random. Much like a recce before a physical crime, cyber fraudsters carry out extensive digital surveillance before striking.

"Fraudsters purchase leaked databases, sourced from customer directories of malls, hospitals, or service portals, readily available on the dark web, Telegram, or even local search engines

like Just Dial," said an official from the TCSB. "These datasets include names, phone numbers, email IDs, addresses, and at times even income or professional details, which help criminals customise their approach," the official explained.

High-earning professionals, including doctors, bank staff, teachers, and real estate agents, are often in the crosshairs. Using partial information already known about the target, fraudsters craft convincing, urgent messages designed to manipulate trust and prompt action.

How are investigators tackling the problem?

When a fraudulent app is seized, cyber forensics teams decrypt it to trace server origins or identify developer signatures. But the results are mixed. Only 2-3 out of every 10 APKs are decrypted successfully. Most reveal only the server addresses, or general code structures. Rarely do the files contain identifiable developer signatures.

Even when financial trails are followed, they usually end in mule accounts, temporary bank or wallet accounts used to receive stolen funds, which are quickly converted into cryptocurrency. Arrests do happen, particularly of local accomplices managing these mule accounts or distributing the APKs. But the masterminds and coders, especially those offshore, remain elusive.

Google has removed nearly 50 malicious apps in recent months based on reports from investigators. "Google or any other intermediary does not scrutinise every application that is being hosted on their server. Fraudsters also use mule accounts and shell identities to pay for hosting and publishing on search engines," explained the official.



KNOW YOUR ENGLISH

She's dead certain that he is arrogant

I wouldn't cross him if I were you. He has a very short fuse and yelled at the team for 10 minutes

S. Upendran

"It's been raining non-stop for a week."
"What else do you expect during the monsoon season?"
"It would be nice if we could have a bit of sunshine every now and then."
"Your wish may come true. We might see the sun sometime next week."
"Really? Are you certain?"
"I'm not dead certain. But according to the forecast..."
"Dead certain? What are you talking about? How can a dead person be certain about anything?"
"Dead, in this context, is not the opposite of 'alive'. When you are 'dead certain' about something, you're absolutely sure about it. The children are dead certain they saw a tiger in the playground."
"A case of the imagination running wild!"
"It's also possible to combine dead with other words."
"If you are dead tired, you're extremely tired. I was dead tired after the walk."
"I don't agree with my father about most things. But he's dead right when he says that most politicians are crooks."
"A lot of people would agree with him. Anyway, I'm glad you'd brought your cousin to the party on Saturday. She left pretty early, though."
"She apologised for that. Much as she enjoyed the party, she had to leave. Had to catch an early morning flight."
"I see. Tell me, is it okay to say, much as she enjoyed the party? Shouldn't you have said 'although' she enjoyed the party?"
"One of the meanings of 'much as' is 'although'."
"I didn't know that! How about this example? As much as I hate Shiva, I don't think he's the one who has been spreading rumours about the Director."
"Sounds good! 'As much as' is mostly used to mean 'even though'. As much as I would like to go surfing in Hawaii and Australia, I don't think I have the time or the money for that right now!"
"Much as I'd like to lend you the money, I don't think I can. My boss will get angry."
"Really? He doesn't look like a person who gets angry."
"Oh, don't be fooled by his smile. The man can get angry pretty quickly."
"Interesting. I never thought of Sanjay as a man with a short fuse."
"Man with a short fuse? What are you talking about?"
"If you say that someone has a short fuse, what you mean is that the individual loses his temper – and that too, very quickly."
"In other words, the person is someone who becomes angry fast."
upendrankye@gmail.com

THE DAILY QUIZ

A quiz on the Titanic to mark the 40th anniversary of the discovery of the sunken ship

V.V. Ramanan

QUESTION 1

The Titanic wreck was found about 370 miles (595 km) off the coast of which place in Canada in the early hours of September 1, 1985?

QUESTION 2

Name the two institutions involved in the discovery mission.

QUESTION 3

Name the 16-foot (5-metre) submersible equipped with a remote-controlled camera that made the discovery. The images of which part of the ship were sent across first?

QUESTION 4

What is the name given by

scientists to the iron-eating microorganisms that are covering the wreckage?

QUESTION 5

Contrary to popular belief that a gash caused by the iceberg collision led to the disaster, scientists have attributed what 'prime' reason as having contributed to the sinking?

QUESTION 6

Name the company that was granted permission in 1987 to retrieve artifacts from the wreckage.

QUESTION 7

In 2024, a bronze statuette of which goddess, which had been in the first-class lounge, was located on the ocean floor?



Visual question:

Identify this noted American explorer credited with leading the team that discovered the remains of the ill-fated liner.

Questions and Answers to the August 29 edition of the daily quiz: 1. The group with which Michael Jackson began his music career. Ans: The Jackson 5

2. Name Jackson's autobiography. Ans: Moonwalk

3. The Moonwalk was first featured in this music video. Ans: Billie Jean

4. This was Jackson's biggest hit. Ans: Thriller

5. Name the movie studio that Jackson is reported to have almost bought and the superhero he wished to play. Ans: Marvel; Spiderman

Visual: Name this sporting event. Ans: Super bowl

Early Birds: Priyali Tulji K.N. Viswanathan; Neil Lal; Sukdev Shet; Sadhan Panda

Word of the day

Repugnant:

offensive to the mind

Synonyms: abhorrent, detestable, obscene

Usage: I don't practise such morally repugnant customs.

Pronunciation: newth live/repugnantpro

International Phonetic Alphabet: /rɪˈpʌɡnənt/

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

MONEYWISE

Decoding cryptos

Vaishali R. Venkat

Last week, we explored the basics of blockchain, the engine of cryptocurrencies. Now, we move on to the next layer in the chain. Since blocks can be added one after another in the blockchain, the next logical question is who adds blocks and how the blocks are added.

A transaction can be added to a block only after someone verifies it. But who verifies is a million-dollar query. In centralised institutions such as banks or financial institutions, bank officials verify each transaction. But in cryptos, transactions operate across a decentralised network and are verified by participants known as miners or validators, based on the blockchain's consensus mechanism.

Blockchains are decentralised, with no central authority. Therefore, the network requires a method by which all participants reach an agreement on the "truth" of the ledger, that is the validity of the transaction. This is called consensus mechanism and it is via this process the blockchain network decides which transactions are valid and can be added.

In cryptos, there are many such consensus mechanisms. However, the most popular ones are Proof of Work (PoW) and the Proof of Stake (PoS).

In PoW blockchains, the miners compete with one another to solve complex puzzles, using powerful computers called nodes. Mining is like Sudoku but quite a complicated and complex puzzle. Whoever succeeds in the puzzle, earns the reward and adds the new block. The process of mining needs significant computing power. This ensures the transactions are verified, only those valid are added to the block and the blockchain remains secure. In PoS systems, validators are picked based on how many coins they "stake." Staking is like keeping money in a safe. The more you stake, the higher the chance of being selected. Honest behaviour earns a fee or new coins; dishonest actions end up in losing the staked ones. The two mechanisms ensure that fraudulent transactions are prevented and the network is safe and secure. Moreover, they incentivise participants.

What to check

"So, what should you check before investing in cryptocurrency?"

It's not enough to consider merely the PoW or PoS mechanisms. There are other crucial factors to look for. These include network safety and security viz. strong and decentralised network with active nodes which cannot be easily compromised. Next, speed of transaction and fee because these two directly affect the usability of the coin. Next, market reputation, that is, the coin's history, community and development transparency.

Next, whether the coin addresses real-world problems and how it could be adopted. Only coins with practical applications tend to sustain value. Above all, consider the volatility of the coins as crypto prices swing wildly. Considering these aspects, in addition to the manner in which the blocks are verified, validated and added, helps investors take informed decisions and avoid hype-driven projects.

Types of currency

There are many types of cryptocurrencies. Bitcoin is the first and the most famous. Altcoins such as Ethereum and Solana offer smart contracts and real-world applications. Stablecoins such as USDT or USDC are pegged to real assets. Tokens for utility or governance, meme coins, driven by hype and community and a few others aiming at solving real-world problems of finance, supply chains, gaming etc.

For long-term investments, coins that solve real-world problems, or have practical applications and could be easily adopted are generally more valuable than hype-based coins.

Caution: Cryptocurrencies might offer huge potential, but don't lose your hard-earned money to a game of chance. Understand the concepts, do your research, make informed decisions, and invest wisely.

(The writer is an NISM & CRISIL-certified Wealth Manager and certified in NISM's Research Analyst module)

Send queries on personal finance and investing to the moneywise@thehindu.co.in. Our experts in personal finance will respond to select queries, but will not give specific recommendations for investment in a particular mutual fund, share or fixed deposit.



ILLUSTRATION: SAINATH B.

Why NRIs are choosing India for medical tourism

When people think of medical tourism, they often imagine a trade-off between affordability and quality: India has rewritten the equation by proving one doesn't need to compromise on either

HEALTH ECONOMICS

Siddharth Singhal

Healthcare decisions, perhaps more than any other, show the complex equation of trust, access and value for money. Add to that the factor of geographical distance for NRIs and the decision becomes even more nuanced. For millions of NRIs, this decision is now shaped by the realities of rising healthcare costs abroad and the assurance of timely, high-quality care back home in India.

When people think of medical tourism, they often imagine a trade-off between affordability and quality. India has rewritten the equation by proving one doesn't need to compromise on either.

The numbers speak for themselves. A complex surgery in the U.S. can easily cost more than \$1,00,000. The same procedure at a top hospital in India may cost just \$10,000 to \$20,000.

Also, our data suggests NRIs can save anywhere from 60-90% on major surgeries in India.

With relaxed norms, affordable policies and ease of claims, growth has trickled down to health insurance too. Over the last one year, adoption of health cover among NRIs has risen by more than 150%. Young NRIs under 35 led the way with a 148% rise, while women buyers climbed 125%. Notably,



Heart bypass surgery costs \$5,000-\$8,000 in India versus \$70,000-\$1,50,000 in U.S.; Knee replacement in U.S. costs up to \$50,000 versus \$4,000-\$6,000 in India

60% of NRIs are buying health cover for elderly parents living in India. Here's what makes India the top choice for medical tourism

Value for money

Undeniably, the most important factor driving this adoption is affordability. For instance, a heart bypass surgery costs only \$5,000-\$8,000 in India compared with \$70,000-\$1,50,000 in the U.S. Similarly, a knee replacement surgery in the U.S. costs up to \$50,000 compared with only \$4,000-\$6,000 in India. More important, this affordability doesn't come at the cost of quality.

From liver and kidney transplant to dental procedures and other major surgeries, the cost gap is huge. Even routine treatments show similar gaps, with India offering care at less than a third of international prices. Medicines, too, are up to 90% cheaper compared with global markets. So, the financial logic is undeniable. India offers world-class care at a fraction of the price, making it an increasingly compelling choice for NRIs.

Coming to health insurance premiums, in India, they are often 25-40 times



For NRIs balancing mortgages, kids' education and retirement goals, the difference in cost savings with treatment in India can be life-changing

cheaper than in the U.S. or GCC countries like Kuwait, Oman, Qatar, Saudi Arabia, and the UAE. For NRIs, this means getting comprehensive protection without the financial strain.

Financial ripple effect

What's fascinating is the benefits of medical tourism are no longer restricted only to big cities. In fact, almost half of NRI health insurance claims now come from Tier-3 towns and cities. It is true metros like Hyderabad, Chennai, Kochi, and Thiruvananthapuram continue to remain trusted choices. But what is encouraging is smaller hubs such as Thiruvananthapuram, Kollam, and Thane are quickly gaining ground as well. Access to quality care in these regions has been made possible by better infrastructure and rise of digital platforms.

Savings from choosing treatment in India aren't just figures on a hospital bill. They directly impact a family's financial security. For NRIs already balancing mortgages, children's education and retirement goals, this difference could be life-changing.

Another finding is most claims by NRIs are tied to

respiratory diseases, infectious ailments, cancer, and heart conditions. What the ailments have in common is they are not one-time occurrence but recurring health needs demanding long-term planning. By having insurance in India, families of the NRI can plan ahead without draining savings each time a health emergency strikes.

This shift also shows NRIs are becoming more health-conscious. Instead of waiting for a crisis to strike, they're taking charge early and protecting themselves against risks they know could come their way.

Policy pull, digital push

Government initiatives like Heal in India and the growth of digital-first platforms have further simplified the process. NRIs can explore, compare and buy policies remotely. Cashless claims across hospitals have bridged the distance, ensuring seamless access even when NRIs are thousands of miles away. The convenience of digital access, coupled with the affordability of premiums, has turned insurance into a natural extension of the medical tourism story.

India's medical tourism market is on track to cross \$13 billion, and that growth opens a clear opportunity for the industry. With the right approach, India can strengthen its place as a global hub where healthcare and financial protection go hand in hand.

(Head, Health Insurance, Policybazaar.com)

Mind your reinvestment risk in govt. bonds

THINKINVESTOR

Direct investment in government bonds do not have market risk; you can hold the bonds till maturity and get the par value regardless of the interest rate at that time

Venkatesh Bangarawamy

Many appear to be interested in buying government bonds. You can buy such bonds by placing bids through your brokerage account. The intention to invest in such bonds is not surprising, given these are credit-risk-free. In this article, we discuss the factors you must consider when investing in such bonds.

MAR risk

Picture this. You have lump-sum money, which if invested at 6.5% per annum can help you achieve a 10-year goal. So, you buy 10-year government bond paying 6.50% per annum. The bond pays you interest every half year. The issue is you must reinvest the interest received at 6.50% per annum for the remaining period of the goal. Otherwise, you are unlikely to accumulate the wealth required to achieve the goal. Why?

The required return of 6.5% is a (post-tax) compounded annual return, referred to as minimum acceptable return or MAR.

That means, you must reinvest the interest every year at 6.5% per annum over the life of the goal to accumulate the required wealth. Government bonds do not compound interest income. You must find avenues to reinvest the interest income. The risk is interest rate could dip in any period through the life of the bond (viz. reinvestment risk). That means you could fail to achieve the goal. Also, it is optimal to match the maturity of the bond with the time horizon for life goal; you may not get the maturity appropriate for life goal at the time you invest.

If you have a 10-year goal, there must be auction of a 10-year bond at the time you invest. This makes investing for, say, 6, 7 or 8-year life goals difficult, as RBI may not auction bonds for such maturities. Note that interest income on government bonds is taxed at your marginal tax rate.

Conclusion

What about funds that invest in government bonds (gilt funds)? Your investment is based on the fund's net asset value (NAV), which is market value of the portfolio divided by the number of units. That means the fund's NAV will decline when bonds held in the portfolio fall in price. Therefore, such investments are exposed to market risk.

Direct investment in government bonds do not have market risk; you can hold the bonds till maturity and get the par value regardless of the interest rate at that time.

(The author offers training programmes for individuals to manage their personal investments)

Personal Loans

Rates and Charges		Loan amount 5 lakh Tenure 5 years	Loan amount 1 lakh Tenure 5 years	(% of loan amount)
Name of Lender	Interest Rate (%)	EMI (Rs)	EMI (Rs)	Processing fee
HDFC Bank	9.99 onwards	10,621 onwards	2,124 onwards	Up to Rs 6,500
Tata Capital	11.50 onwards	10,996 onwards	2,199 onwards	Up to 3.5%
State Bank of India	10.10-15.10	10,648-11,921	2,130-2,384	Up to 1.5% (Min. Rs 1,000, Max. Rs 15,000)
ICICI Bank	10.60 onwards	10,772 onwards	2,154 onwards	Up to 2%
Bank of Baroda*	10.40-18.10	10,722-12,724	2,144-2,545	Up to 2% (Max. Rs 10,000)
Axos Bank	9.99-22.00	10,621-13,809	2,124-2,762	Up to 2%
Kotak Mahindra Bank	10.99 onwards	10,869 onwards	2,174 onwards	Up to 5%
Bank of India	11.10-16.15	10,896-12,199	2,179-2,440	Up to 1%
Canara Bank	9.95-15.40	10,611-12,000	2,122-2,400	Up to 0.25% (Max. Rs 2,500)
Punjab National Bank	10.50-17.05	10,747-12,440	2,149-2,488	Up to 1%
HSBC Bank	10.15 onwards	10,660 onwards	2,132 onwards	Up to 2%
Federal Bank	11.99 onwards	11,120 onwards	2,224 onwards	Up to 3%
Union Bank of India	10.35-14.45	10,710-11,751	2,142-2,350	Up to 1% (Max. Rs 7,500)
Rajaj Finance	10.00-31.00	10,624-16,485	2,125-2,297	Up to 5%
Punjab & Sind Bank	9.85-12.90	10,587-11,351	2,117-2,270	0.50% 1%
Indian Overseas Bank	10.50 onwards	10,747 onwards	2,149 onwards	Up to 0.75%
UCO Bank	10.20-13.45	10,673-11,492	2,135-2,298	Up to 1% (Min. Rs 750)
IDFC FIRST Bank	9.99 onwards	10,621 onwards	2,124 onwards	2%
Bank of Maharashtra	9.00-13.80	10,379-11,582	2,076-2,316	Up to 1% (Max. Rs 10,000)
Central Bank of India	10.10-11.90	10,648-11,097	2,130-2,219	Up to 1%
IndusInd Bank	10.49 onwards	10,744 onwards	2,149 onwards	Up to 3.5%

*Interest concession of 0.10% to customers opting for group credit life insurance.

Car Loans

Rates and Charges		Loan amount 5 lakh Tenure 5 years	(% of loan amount)
Name of Lender	Interest Rate (%)	EMI (Rs)	Processing fee
Union Bank of India	7.80-9.70	10,090-10,550	Up to Rs 1,000
Punjab National Bank	7.85-9.70	10,102-10,550	Up to 0.25% (Rs. 1,000 - Rs. 1,500)
Bank of Baroda	8.15-11.60	10,174-11,021	Up to Rs. 2,000
Bank of India	7.85-12.15	10,102-11,160	Up to 0.25% (Rs. 2,500 - Rs. 10,000)
UCO Bank	7.60-10.25	10,043-10,685	0.50% (Rs 5,000)
State Bank of India	8.90-9.90	10,355-10,599	Rs 750 - Rs 1,500
IDBI Bank	8.30-9.15	10,210-10,416	Rs 2,500 (Zero processing fee till 30.09.2025)
Bank of Maharashtra*	7.70-12.00	10,067-11,122	Up to 0.25% of loan (max. up to Rs. 15,000)
Indian Overseas Bank	7.80-12.00	10,090-11,122	0.50% (Rs 500 - Rs 5,000)
ICICI Bank	9.10 onwards	10,403 onwards	Up to 2%
HDFC Bank	9.20 onwards	10,428 onwards	Up to 1% (Rs. 3,500 - Rs. 9,000)
Karnataka Bank	8.95-11.64	10,367-11,031	Up to 0.60% (Rs. 2,500 - Rs. 11,000)
Federal Bank	10.00 onwards	10,624 onwards	Rs. 2,000 - Rs. 4,500
Punjab and Sind Bank**	7.75-14.25	10,078-11,699	0.25% (Rs. 1,000 - Rs. 15,000)
Indian Bank	7.75-9.85	10,078-10,587	Rs. 1,000
Central Bank of India	7.85-9.45	10,102-10,549	0.50% of loan amount (Rs. 2,000 - Rs. 20,000)

*0.25% interest rate concession for existing home loan borrowers, existing customers with at least 6-month relationship with bank.

**Concession of up to 10% on processing fee for P5B Agra/Vahan Segar.

Rates and charges as on August 27

Source: Policybazaar.com

Data show seas rising faster around Maldives, Lakshadweep than believed

Coral microatolls are disk-shaped colonies whose upward growth has become limited by the height of the lowest tide. As a result, the microatoll's upper surface closely reflects the lowest water levels in the area over time. These corals can survive for decades or even centuries, growing slowly in response to changing sea levels

Neelanjana Rai

Rising seas are a major consequence of global warming, with many implications for low-lying coastal areas. Coral reefs, which are highly sensitive to their environment, are also particularly vulnerable to fluctuations in sea level. When the sea level rises, sunlight may no longer penetrate the water to reach a coral reef that it could reach before. This can lead to coral bleaching.

Changes in tide patterns and increasing coastal erosion can further stress reef ecosystems already bearing the brunt of warmer waters and ocean acidification.

Significant gaps

Monitoring sea-level rise across ocean basins has been an ongoing scientific priority. In the Indian Ocean, long-term efforts began during the Tropical Ocean Global Atmosphere programme in the Western Indian Ocean (1985-1994). These efforts were later incorporated into the Global Sea Level Observing System, which continues to support research in the region.

According to India's Ministry of Earth Sciences, the Indian Ocean's levels have been rising at around 3.3 mm/year on average, which is higher than the global average. The Ocean is also experiencing above-average warming, which can amplify changes in ocean dynamics and atmospheric circulation that in turn affect coral bleaching episodes.

This said, there are still significant gaps in sea-level records, especially in the central tropical Indian Ocean. A new study has now extended sea-level records in this region by 90 years, indicating water levels here may have started accelerating as early as the late 1950s, significantly earlier than data collected by conventional tide gauge records indicate.

Painstaking survey

In the study, a team led by Paul Kench, professor at the National University of Singapore, along with researchers from Nanyang Technological University, turned to coral microatolls, a natural structure that they found could provide high-resolution, long-term sea-level records.

Coral microatolls are disk-shaped colonies that grow sideways once their upward growth has become constrained by the height of the lowest tide. Because of this limitation, the upper surface of a microatoll closely reflects the lowest water levels in the area over time. These corals can survive for decades or even centuries, growing slowly in response to changing sea levels.



A *Porites lutea* microatoll off the island of Réunion, 2009. PHILIPPE BOURJON (CC BY-SA)

The study was conducted on Mahutigalaa, a reef platform located in the Huvadho Atoll in the Maldives. The team studied a *Porites* microatoll, measuring and sampling its structure to extract a sea-level history from 1930 to 2019.

The researchers painstakingly surveyed the coral's outer edge and surface elevation. Then they cut a slab from the outer edge to the centre of the microatoll and X-rayed the slab to reveal annual growth bands – much like tree rings. These bands provided a precise timeline of the coral's growth, including when it reached sea level and when it died. The team also used uranium-thorium dating to determine its historical elevation relative to the sea level.

Assumption challenged

The data the team reconstructed in this way showed that sea levels had risen by around 0.3 metres over the 90-year period. The rate of rise increased markedly over time: 1-1.84 mm/year in 1930-1959, 2.76-4.12 mm/year in 1960-1992, and 3.91-4.87 mm/year in 1990-2019.

Also, according to the team, sea-level rise in the region began in the late 1950s, decades earlier than previously believed.

This means the Maldives, Lakshadweep, and the Chagos archipelago have been experiencing significant rise for at least 60 years, with a total increase of 30-40 cm over the last half-century.

This data challenges the common assumption in climate change and adaptation work that significant sea-level rise only began around 1990.

The new findings aim to refine projections of sea-level rise. For island nations the timing and magnitude of historic sea-level changes are essential for authorities to develop effective adaptation strategies

Since 1959, sea level in these areas has risen by about 3.2 mm/year, and over the last 20 to 30 years at around 4 mm/year.

Historical context

The coral microatoll also preserved environmental signals related to regional climate variability. Periods of slowed or interrupted growth were found to correspond with major El Niño and negative Indian Ocean Dipole (IOD) events – climatic phenomena known to stress corals and lead to bleaching.

The data also revealed the influence of the 18.6-year lunar nodal cycle, where long-term oscillations in the moon's orbit affect the sizes of tides and sea levels.

The researchers noted that a critical factor in the success of its reconstruction exercise was that the study site was tectonically stable.

This stability ensures changes in the microatolls' elevation can be safely attributed to fluctuations in sea level rather than to vertical land movement.

According to Mr. Kench, while coral microatolls are not a substitute for tide gauges or satellite observations, they offer a valuable complementary approach. In remote or data-sparse regions, microatolls can provide historical context and

improve understanding of regional variability in sea-level behaviour.

Growing role

The study also highlighted notable differences in sea-level rise patterns across the Indian Ocean basin. While coastal locations have shown more recent acceleration, the central Ocean appeared to have experienced an earlier, more pronounced rise. This variation is thought to be driven by regional oceanic and atmospheric changes, including intensified Southern Hemisphere westerlies, increased ocean heat uptake, and potential shifts in the Inter-tropical Convergence Zone.

As research continues, coral microatolls are expected to play a growing role in helping scientists rebuild sea-level histories across tropical waters. Their potential to fill critical gaps in observational records is particularly relevant for the central Indian Ocean, "which remains one of the least-monitored basins despite its strategic and ecological importance," Mr. Kench said.

The new findings add to efforts aimed at refining projections of sea-level rise and improving preparedness in regions most at risk. For island nations, where communities and infrastructure are concentrated just above sea level, understanding the timing and magnitude of historic sea-level changes is essential for authorities to develop effective adaptation strategies.

Neelanjana Rai is a freelance journalist who writes about indigenous communities, the environment, science, and health. neelanjanarai89@gmail.com

THE GIST

In the Indian Ocean, long-term sea-level monitoring began in 1985-1994. According to India's Ministry of Earth Sciences, the Indian Ocean has been rising at a rate of 3.3 mm/year, which is higher than the global average. The ocean is also experiencing above-average warming

Researchers cut a slab from a microatoll and X-rayed it to reveal annual growth bands. The data showed that sea levels had risen by around 0.3 metres over 90 years. According to the team, sea-level rise here began in the 1950s, decades earlier than previously believed

The microatoll preserves signals on climate variability. Periods of slowed or interrupted growth corresponded with El Niño and negative Indian Ocean Dipole events. Data also revealed the influence of the lunar nodal cycle. Researchers noted that a critical factor was the tectonic stability of the site

BIG SHOT



Flood victims displaced by monsoon rains and the rising Sutlej river evacuate on August 29 with their belongings towards higher ground from Chanda Singh Wala village near the Pakistan-India border in the Kasur district of the Pakistani Punjab. REUTERS

WHAT IS IT?

Shell structure: stars as onions

Vasudevan Mukundh

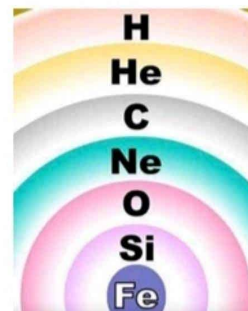
For more than half a century, astrophysicists have described the lives of massive stars in terms of shells. As these stars age, they fuse progressively heavier elements in nested layers: hydrogen on the outside, then helium, carbon and oxygen, neon and sulphur, until they're left with an inert iron core. This model is a cornerstone of stellar evolution theory but has largely remained a theoretical construct.

Observational evidence of the outer shells has emerged in certain kinds of stripped-envelope supernovae and Wolf-Rayet stars but the deeper layers have stayed out of sight.

A new study in *Nature* has reported a breakthrough. Using data from the Zwicky Transient Facility and follow-up studies with ground-based telescopes, an international team observed a supernova, SN 2021jyf, whose light carried the fingerprints of silicon and sulphur.

These elements are formed only in the inner shells, just outside the iron core. Their presence in the circumstellar material indicated that the progenitor star had been stripped down almost to its innermost layers before exploding.

This observation has twofold importance. First, it offers rare direct confirmation that the concentric shell structure of massive stars extends all the way inward, not just to the outer hydrogen or helium. Second, it



A simplified (not to scale) cross-section of a massive, evolved star with a mass greater than eight-times that of the sun. REUTERS (CC BY-SA)

represents the discovery of an entirely new class of supernova, now called Type Icn, defined by their silicon- and sulphur-rich signatures. Such events appear vanishingly rare: in six years of continuous sky monitoring, only one has been found.

For feedback and suggestions for 'Science', please write to science@thehindu.co.in with the subject 'Daily page'

WEST BENGAL



The East-West corridor (Green line) ends at Salt Lake Sector V in the east, which houses a number of private sector offices. DEBASISH BHADURI

Metro connectivity changes Kolkata's commute

Three new stretches of the Kolkata Metro Railway, which became operational in the last week of August 2025, have brought relief to passengers of the bustling metropolis. **Mayurie Som** takes stock of what the new network brings to West Bengal's capital, and whether the authorities are prepared to meet the challenges that come with it

Every working day at 7.30 a.m., Deblina Gangopadhyay, a 27-year-old Ph.D. scholar and teaching assistant at a law university in Kolkata, would take a local train from the Konnagar railway station near her home in West Bengal's Hooghly district. She would disembark at Bally station and embark on a tedious bus ride from outside the railway station all the way near her workplace at Salt Lake.

"It took me nearly two hours, sometimes more, to get to work that way. Now I simply take a train to Howrah and then a metro from there to reach my workplace," she says.

Since August 22, after the Esplanade-Sealdah stretch of the East-West metro corridor became operational, her commute time for the 40-km distance between her home and workplace has come down to a little over an hour each way.

"My whole family has been waiting for years for this metro service on the Esplanade-Sealdah stretch to be operational. I also feel much more at ease knowing I will be safer inside a metro

As Deblina weaves her way through the Howrah train station into the attached Howrah Metro station through peak office-hour crowds, she recognises other daily passengers from her earlier modes of commute. "I see so many people who used to take the same bus from Bally to Salt Lake as me, AC50," she says.

On August 22, 2025, Prime Minister Narendra Modi inaugurated three metro links in Kolkata, covering 13.6 km, taking the total track length to 74 km. These included the much-awaited complete East-West corridor (Green Line) from Howrah Maidan to Salt Lake Sector V, Noapara to Jai Hind (airport) on the Yellow Line, and the Belghata to Hemanta Mukhopadhyay stretch on the Orange Line. The Central government spent around ₹4,000 crore on the project.

The first Monday after its inauguration Deblina's daily Green Line commute witnessed a surge of almost 83,000 passengers. On weekdays, it has been averaging nearly 1.8 lakh passengers a day.

By connecting two of West Bengal's biggest railway stations, Howrah and Sealdah (both of which see footfalls of millions) as well as the business districts across Howrah, central Kolkata, and Salt Lake, the East-West Green Line of Kolkata Metro has changed the design of public commute in Kolkata.

Crowds surge

Now, there has been a surge of about 1 lakh passengers across all metro lines since the first Monday after the inauguration. By Friday, August 29, the Kolkata Metro carried over 7 lakh passengers on each weekday. The North-South corridor (Blue Line), the oldest line that was started in 1984, saw a surge of about 70,000 passengers on August 25.

P. Uday Kumar Reddy, the General Manager (GM) of Metro Railways, Kolkata, who is retiring by the end of August, is relieved that the last leg of the Green Line was finished under his watch.

Sitting in his office on the 13th floor of the Metro Rail Bhawan on Jawahar Lal Nehru Road near Park Street Metro station, the GM reminisces about the challenges he faced in connecting the Esplanade and Sealdah station. Visible from his



My whole family has been waiting for years for this metro service on the Esplanade-Sealdah stretch to be operational. I also feel much more at ease knowing I will be safer inside a metro

DEBLINA GANGOPADHYAY
Scholar and teaching assistant

expansive office windows are the city's iconic green meadows, Maidan, and the Vidyasagar Setu, connecting Kolkata and Howrah over the Hooghly river.

Reddy says that a connection between the twin cities of Howrah and Kolkata was the first line ever thought of, roughly around 1919. In 1949, when Dr B.C. Roy was the Chief Minister of West Bengal, he says, experts had come to Kolkata from Paris and designed both the East-West line and the North-South line.

However, while the North-South line was made operational by 1984, the East-West corridor was shelved till it became partially operational in 2024. A part of that line goes under the Hooghly river.

"Even though a portion of the East-West line passes through under-river tunnels, the more challenging part was the 2.5 km stretch which was left between Esplanade and Sealdah. That was what we were most focussed on. It took us two and half years to complete it," Reddy says.

In 2019, while the underground tunnel connecting Esplanade and Sealdah stations was being constructed, the land overground caved in, leading to the displacement of hundreds of residents of Durga Pitthuri Lane, at the bustling Bowbazar area of central Kolkata.

"One tunnel was incomplete, the second tunnel got deformed under the pressure of the surroundings. Both tunnels had to be repaired, and we have to redo the houses," Reddy says.

Boon and bane

On August 22, when the PM was flagging off new metro connections in Kolkata, around 100 residents of Durga Pitthuri Lane staged an agitation 15 km away, banging utensils and demanding their homes be rebuilt and returned to them.

"All of us have been relocated to different parts of the city. We have been reeling under the pain of displacement for the last six years. When will we get our homes back? A total of 40 people have passed away in this time and their last breath wasn't in the comfort of their own homes," says a protesting resident.

Another problem is that commuters on the old North-South metro (Blue line) are facing several issues along the route due to the sudden and sharp increase in the passenger load.

"There has been a delay in the metro of about

15 to 20 minutes during peak office hours, at a time when commuters are increasing by the minute. The crowding on the station is unimaginable nowadays. When one metro finally arrives after 20 minutes, people are fighting just to be able to get into the metro compartments," says 24-year-old marketing professional Shreeja Basu, who commutes to and from work using the line.

She adds that when she does somehow manage to get into the compartment, she can barely see the floor or breathe easy. "Half of the time the air-conditioning in the metros is not working. Imagine what that is like for people who feel claustrophobic," she says. Basu adds that often, escalators at the stations do not work.

The older Blue line and the recent Green line connect at Esplanade station. Located adjacent to New Market, a popular shopping destination especially ahead of Durga Puja, Esplanade metro station has reported an unprecedented spike in crowds especially at rush hour. Commuters complain about the lack of staff to ease out these bottlenecks. Some even raise safety concerns as fire alarms are triggered during peak hours and there is no staff to guide passengers to safety.

The GM dismisses these as "teething issues" and "nothing that cannot be addressed". He says the Railways know how to handle crowds. "Last year, without the three new metro connections, we carried about 9 lakh people in a single day during Durga Puja," he says. The Metro Railway official says that earlier the Metro Rail was running on six rakes (coaches), now they have eight.

"If required, we will put in more rakes. There is a total of 14 rakes that are available. We are also working on transitioning to Automatic Train Operation (auto driving mode) in our metros from the Automatic Train Protection (manual driving mode). Things will improve; it is only a matter of time," Reddy says.

Additionally, the terminal station of the Blue line, Kavi Subhash (New Garia), has become non-operational after July 28, when cracks were flagged in the station structure. That led to chaos and uncertainty among those who regularly commute to and from New Garia by metro, especially patients and their families who travel to the private hospitals located in the area. Trains are also being short-terminated in preceding stations, and officials say it will take about nine months to restart operations. They add that Kavi Subhas sta-

tion was built in 2010, but cracks started appearing in 2014. Heavy rains accelerated the cracks.

Impact in the influence zone

According to the research and advocacy non-profit Centre for Science and Environment (CSE), Kolkata is constrained by a lack of road space with less than 10% of the cityscape under roads, in comparison to New Delhi's 21%.

"Kolkata is a dense and compact city with a huge land constraint. While that makes public transport more accessible and travel distances shorter, we need to build on that. The modernisation and expansion of a multimodal public transport system is therefore very important, especially with new metro links," says Anumita Roychowdhury, CSE's executive director of research and advocacy.

She highlights the importance of the influence zone, the area in a 400-500-metre radius of a metro station. "As new infrastructure is introduced, we will see a shift in the mass transport system and its design and implementation. Overall development of the para transit ecosystem, especially in the influence zone, is critical," she says, suggesting that all public transport be integrated.

However, since August 22, private bus and yellow taxi owners have been worried. "Each bus route has suffered a loss of about ₹2,500 a day. Passengers have dropped by 100 to 150 a day since the metros opened. We do not know if we will be able to sustain our businesses like this," says Tito Saha, general secretary of the City Suburban Bus Service, one of the biggest forums for private bus owners in and around Kolkata. He feels the government should have taken steps in advance to prevent this crisis.

Similar sentiments are being echoed by yellow taxi operators, for who customers to and from railway stations and the airport have long been a steady source of income. "Our business has been slashed by half since the new metro routes opened. We are incurring the most loss at the two railway stations, Howrah and Sealdah, where all the passengers seem to be opting for the metros. But as the airport link gets more popular, we will suffer there as well," says Naval Kishor Shrivastava, convenor of the West Bengal Taxi Operators Coordination Committee.

He adds that this has been the worst hit to Kolkata's iconic yellow taxis since the COVID lockdowns and is going to impact the livelihoods of thousands of yellow taxi drivers.

While Shrivastava and his fellow yellow taxi owners have decided to write to the Chief Minister regarding this crisis, on August 27, West Bengal Transport Minister Snehasish Chakraborty said at a press conference that the government will try to incentivise bus routes for parallel transport alongside the new metro links.

The Kolkata Metro is a subdivision of the Indian Railways. When PM Modi touched down in Kolkata for the inauguration, West Bengal Chief Minister and former Union Railways Minister Mamata Banerjee took to social media to make a point about how she was associated with the projects.

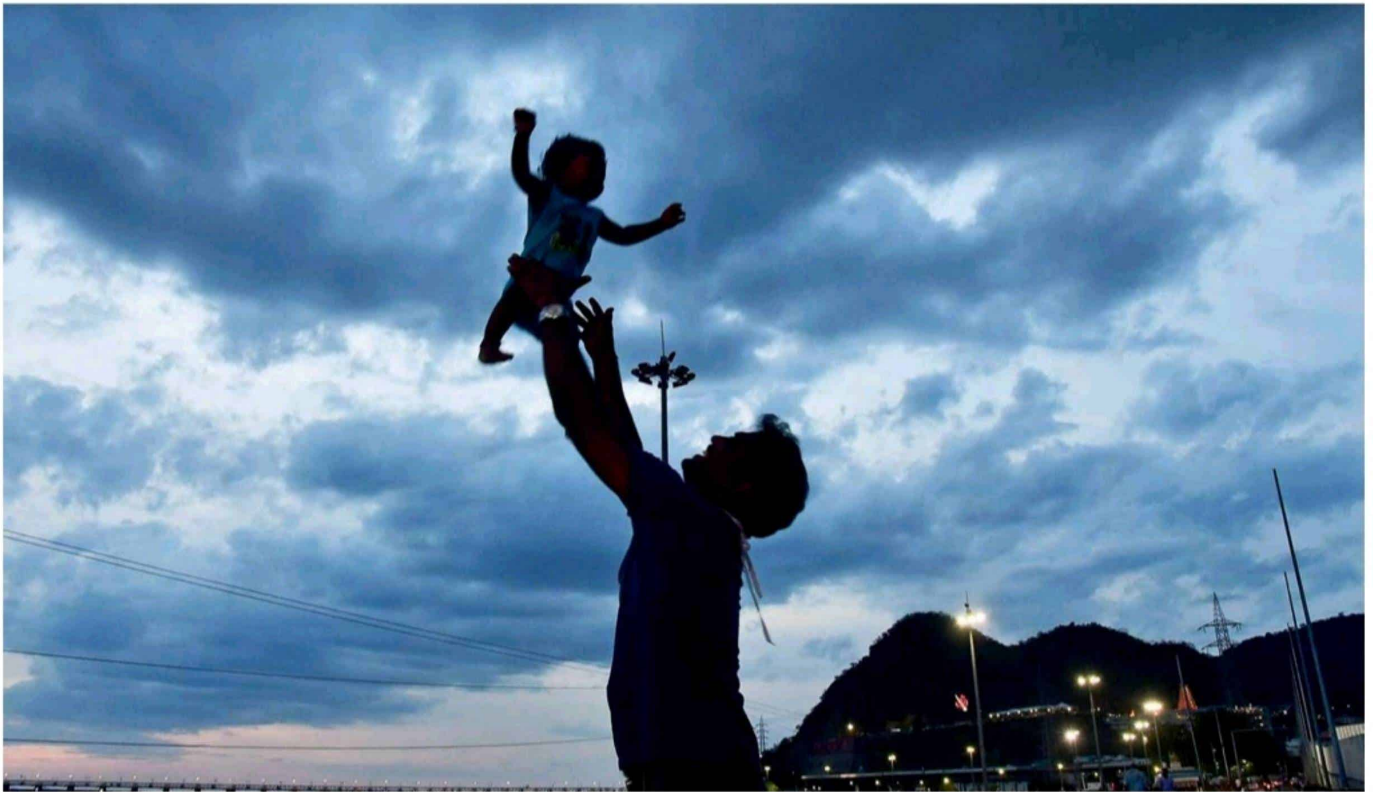
"Allow me to be a little nostalgic today. As the Railways Minister of India, I was fortunate in planning and sanctioning series of Metro Railway corridors in metropolitan Kolkata," she said, adding that she had drawn up the blueprints, arranged the funds, and initiated the works.

mayurie.som@thehindu.co.in

Surging footfall across multiple corridors of the Kolkata Metro has affected passenger experience since the inauguration of three different metro links. DEBASISH BHADURI



ANDHRA PRADESH



Towards forever homes: The Women and Child Welfare Department promotes adoption through the 27 Specialised Adoption Agencies (SSAs) or Sishu Gruhas established in 26 districts. REPRESENTATIONAL PICTURE

Of an adoption maze and a menace thriving in its shadow

Long waiting period, extreme emotional strain and excessive bureaucracy make many aspiring parents avoid adoption via government channels and resort to illegal alternatives. Simplifying the process without watering down safeguards could pave the way for many desperate couples in the State to find their bundle of joy and curb a heinous criminal activity that plays with lives, writes **P. Sujatha Varma**

Every morning Pranathi wakes up to the same routine – checking the phone and opening the government child adoption portal with a fervent hope that there will be some movement in her application. “For two years now, my life has been defined by waiting,” says the exasperated 45-year-old.

Pranathi and husband, 48-year-old Ramakrishna, have been married for the past 12 years and are childless. The couple, residents of Tenali in Guntur district, spent years moving from one fertility centre to another, trying every available medical option.

She underwent two rounds of Intrauterine insemination (IUI) and a round of in-Vitro Fertilization (IVF). “The treatments were exhausting. The injections were painful and had to be taken regularly,” she says, recalling the regimen. “There were side-effects too; the medicines leave you drained in more ways than one,” she says. When medical science offered no solace, the couple turned to adoption, registering in June 2023. “We want to share our lives with a child,” she adds.

According to the guidelines of Central Adoption Resource Authority (CARA), a government agency that regulates and facilitates adoption in India, Pranathi and Ramakrishna couple are eligible for a child in 2-4 age group. For them, adoption is the only path to parenthood. But the wait, she says, has been unbearable.

Pranathi admits that, during moments of desperation, she is tempted to consider shortcuts, but reports of child trafficking and illegal adoptions landing parents in legal trouble quickly have her thinking better of it. “I can’t imagine losing a child after holding it in my arms,” she says, voice breaking.

A crime feeding off desperation
Pranathi’s fears are not unfounded. Instances of child trafficking feeding off the vulnerability of childless couples are growing in the State. A case in point is that of 26-year-old Ch. Meghana from Ongole in Prakasam district. Meghana and husband Vishnu Teja got married in 2019 but remained childless. As the couple began contemplating adoption through CARA, a known registered medical practitioner (RMP) from Guntur approached their relatives informing them that a college girl, who had delivered a baby, wanted to give it up. The relatives discussed the matter with Meghana’s father-in-law, who collected the 16-day-old baby from the RMP.

The arrival of a baby was nothing short of a mi-



An acquaintance of my wife told her that babies could be arranged quietly through intermediaries if she didn’t want to wait for the legal process to be over.

SARVESHWAR RAO
A resident of Singh Nagar in Vijayawada

racle for the childless couple, as it filled the silence of their home with laughter, purpose and a joy that knew no bounds. But the jubilation turned into despair on July 14, when the child was taken away by the Vijayawada police, who informed her that it was a trafficked infant. Meghana has now appealed to the District Collector and moved the court, seeking their intervention to regain custody of the child.

In another case, which could perhaps be the gravest of the trafficking incidents thus far, a three-month-old infant girl changed hands seven times within two months in August 2022. Originally from Mangalagiri in Guntur district, she was sold by her father Medababli Manoj of Dandayapet in Mangalagiri to Mikilil Nagalakshmi of Kondaprolu village in Nalgonda district (Telangana) for ₹70,000.

Nagalakshmi sold the baby to Meghavat Gayatri for ₹1.2 lakh, who went on to hand over the child to Bhukya Nandu for ₹1.87 lakh. Bhukya Nandu sold the baby to Sk. Noor Jahan through one Anubolu Kiran for ₹1.9 lakh. Subsequently, the baby got transferred to Bommada Uma Devi of Hyderabad (amount not known). She was then sold to Padala Sarvani of Vijayawada for ₹2 lakh and then to Garikamukku Vijayalakshmi of Vijayawada for ₹2.2 lakh, before reaching the hands of Varre Ramesh of Eluru district, who paid ₹2.5 lakh.

Based on a complaint by the infant’s mother and grandmother, the Guntur police formed a special task force and traced the trafficking chain. Eleven people, including the father, were arrested and the baby was reunited with her mother.

The case sparked a state-wide debate on the complex adoption procedures that drive desperate couples towards illegal methods, weak vigilance in hospitals and communities and delayed police response to missing child or trafficking cases.

Following the incident, the Andhra Pradesh High Court took suo motu cognisance of the issue and appointed senior advocate P. Sri Raghuram as amicus curiae to guide the court on broader systematic failures and recommend reforms. The disturbing frequency of transactions in this single case prompted the High Court to examine whether procedural delays and enforcement gaps in legal adoption were inadvertently fuelling illegal trafficking.

Raghuram found that the adoption process is excessively bureaucratic and slow, often taking

years to complete, and that the delay pushes aspiring parents toward illegal alternatives. He also underlined the delay in response by the law enforcement agencies and called for community-level vigilance.

He suggested simplification of the adoption process, strengthening of vigilance at key points, swift police response and a series of awareness campaigns to educate the public about legal adoption process, the penalties for trafficking or sex determination and on the importance of promptly reporting any suspicious activity.

“The wait is unbearable. Friends whisper of ‘other options.’ An acquaintance of my wife told her that babies could be arranged quietly through intermediaries if she didn’t want to wait for the legal process to be over,” says Sarveshwar Rao from Singh Nagar in Vijayawada.

Married for sixteen years, the couple decided to adopt a child and registered in CARA. “We were told it might take two to three years, but it stretched to four before we could finally bring home the baby,” says the 40-year-old teacher.

He says after completing every formality that the government asks for, background checks, counselling sessions, home inspections and medical certificates, the wait becomes painful. “And yet, every moment of that wait feels worthwhile now, for the joy he has brought into our lives comes without the shadow of fear or the worry of future uncertainty.” The couple was given a three-month-old baby in April.



Foster care is about flexible commitment, which allows couples and single women aged 35-60 to provide temporary care without the permanency of adoption.

A. SURYA KUMARI
Secretary, Women and Child Welfare Department

haunting every possible fertility treatment.

“One woman came to us completely bald,” the officer recalls. “She said she lost her hair because of the strong medication she was put on.”

The DCPU says he has also received desperate calls from men saying that their wives have slipped into depression because of the wait. “Their voices carry both helplessness and fear,” he says. For those without much money or education, the centralised child-adoption system feels out of reach.

“This is also why many couples look for other options,” says N. Siva Prakash, a native of Thottavallur in Krishna district. The 42-year-old man, with his wife Rama Devi, visited the local office of the Integrated Child Development Scheme (ICDS) in 2021 to learn about child-adoption procedure. “They spoke about CARA guidelines, Child Adoption Resource Information and Guidance System (CARINGS) portal, registration and paperwork involving online forms, income proof and certificates and the long waiting time, especially for infants and healthy babies. I couldn’t understand their legal terms, so I gave up the idea of adopting through CARA,” he said.

There were other reasons, too, for the couple to avoid the CARA route. “They wanted me to show a certificate proving that my annual income was at least ₹3 lakh. But if I did that, my white ration card would be cancelled, and I couldn’t afford to lose it,” he says. The couple adopted a ba-

by from a relative and the girl is four years old now.

How the procedures go

CARINGS, an online portal maintained by CARA for prospective adoptive parents (PAPs) to register, track and complete the adoption process, is aimed at ensuring that adoptions are legal, transparent and in the child’s best interest.

The district Women and Child Welfare Department is the local authority overseeing child protection and welfare, and it coordinates with Child Care Institutions (CCIs) and adoption agencies ensuring that the process follows CARA rules.

The DCPUs are the ground-level arm of the department, which identify orphaned, abandoned or surrendered children, produce them before the Child Welfare Committee (CWC) for declaring them legally free for adoption and support adoptive parents with documentation and counselling.

The Women and Child Welfare Department promotes adoption through the 27 Specialised Adoption Agencies (SSAs) or ‘Sishu Gruhas’ established in 26 districts in the State. Children in the 0-18 age group are placed for adoption, and over the past three years, the department placed 239 children for in-country adoption and 34 children for inter-country adoption.

“Most prospective adoptive parents prefer children below one year,” says Secretary, Women and Child Welfare Department, A. Surya Kumari. This is perhaps for the ease of bonding, to experience early stages of parenthood (feeding, first words, first steps) and due to social stigma, as parents prefer a newborn so they can present it as their biological baby.

Foster care

Surya Kumari says the department is also encouraging foster care to provide a safe and nurturing family environment for a large number of children in the 6-18 years group who are staying in CCIs. “As their parents or guardians are unavailable or are unable to take care of them due to various circumstances, they can be placed under foster care,” she explains.

In foster care, a child in need of care and protection is placed in the domestic environment of a family on a short-term basis, and the process is coordinated by the DCPU and approved by the CWC of the district concerned.

“It is about flexible commitment, which allows couples and single women aged 35-60 to provide temporary care without the permanency of adoption,” explains Surya Kumari, adding that it suits those who want to help but are not ready for lifelong responsibility. She says this can evolve into adoption after two years, if desired.

What can be done

Calls seeking decentralisation of the adoption procedure without diluting the existing rules are growing louder. “Local accessibility will allow couples to approach the district or state-level adoption agencies directly instead of waiting endlessly in an online queue,” feels B.V.S. Kumar, former chairman of the Child Welfare Committee, Krishna district.

He says adoption is an emotional journey, and sensitive handling at the local level can ease the stress of prospective adoptive parents, providing the much-needed human touch to it. “Besides improving speed and efficiency, it will bring greater trust, and localised processes can give confidence to the many couples who hesitate to approach Central authorities due to fear of complications,” says Kumar.

(Names of couples changed)

OUR VIEW

MY VIEW | THE INTERSECTION



Pleasant GDP surprise: Now for the tough part

Growth accelerated in the first quarter of 2025-26 but India's economy stares at a slowdown now as US tariffs begin to hurt. Our reforms must aim for a competitive edge, not just a buffer

India's initial estimate of gross domestic product (GDP) in the first quarter of 2025-26 sprang an upside surprise. The Indian economy recorded real expansion of 7.8%—its best pace in five quarters, a pick-up from the previous quarter's 7.4% and notable for its broad sweep of sectors from farms and factories to services. This suggests a stronger growth impulse than forecasters may have pencilled in. It also ups confidence in the economy's resilience. Although we face trade headwinds from here on, real GDP growth of about 6.5% this fiscal year might still be on the cards. A key role was played by a surge in spending by the government, as visible in an enlarged budget gap and in sharp contrast with last year's election-strapped first quarter. April to June 2025 also stood out for its nominal growth—in current rather than constant 2011-12 prices—estimate of 8.8%. Real growth only a percentage point shy of nominal implies a low 'GDP deflator' and reflects benign inflation at both the wholesale and retail levels.

Consumption and investment both held up in real terms, overall. However, declines were observed on a few indicators: the quarter's output of electricity, for example, and the sale of vehicles. If business revenues seemed to lack buoyancy well beyond the auto sector, we can attribute it to an extraordinary phase of price stability; a sharp reduction in the 'money illusion' makes sales-graph inclines look much less dramatic. While inflation could creep up in the second half of 2025-26, the Centre would need to moderate its outlays to keep central finances in control. Suspense stalks how the economy will perform in the quarters ahead as new US tariffs on Indian exports steepen to 50%. Key dollar-earning sectors

have been spared, but enough shipments will now get priced out of the US market to slow our GDP growth. As employers in tariff-hit sectors like apparel and textiles, gems and jewellery and fisheries begin to report cancelled or lost US orders, layoffs loom that might run into scary numbers even if New Delhi rolls out relief packages. This blow may turn out to be a blip, pending a deal with the White House, but private forecasts include a scenario of half a percentage point shaven off this fiscal year's rate of growth. Bearable or not, it calls for a rethink of India's game-plan to emerge as the world's next mega-factory in a context reset by today's global flux and dicey prospects of a patch-up with America. For now, our economy has the support of this year's special fiscal stimulus. Aimed at spurring domestic retail purchases, it took the shape of lighter income tax in the Centre's budget and may be followed by GST easing in time for the festive season. Since a simplified GST regime can set off a ripple of benefits, it would count as a good start to a broader reform thrust aimed at a more efficient economy full of competitive businesses that exude export optimism. Levels of exposure to rivalry would be key, and if handled with care, hard nuts like farm reforms could be tackled again.

An upgrade of Indian statistics is due as well. Our inflation gauges need to be updated for changes since 2011-12, for instance, with both value deflators and volume extrapolators adjusted appropriately to compute the real output of various sectors. India's economy seems more resilient than it gets credit for, but even so, policy must craft more than just a cushion against a trade hit. To thrive amid chaos, we need a competitive edge.

India isn't a global swing power but should aim to become one

Here's the power test: Both China and the US should need India's support to pursue their interests



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

The past six months have shown that India is not a swing power. We could not deter China from pursuing active assistance to Pakistan during a military conflict. Our weight proved insufficient to dissuade the US from singling us out with atrocious tariffs. We have been shown the limitations of India's national power relative to the US and China. We must recognise this hard reality for what it is if we have to change course.

First, let us get the political blame game out of the way. We are where we are because the substance of our foreign policy for the past two decades has been consistent, even if the decorations were different. The trend has been towards closer partnership with the US, wariness of China and an enthusiasm for plurilateral arrangements, alongside the de-prioritization of subcontinental matters and the developing world. This became the dominant view of India's strategic establishment—both in New Delhi and elsewhere in the country—punctuated only by pro-Russian views that became stronger after Russia's President Vladimir Putin invaded Ukraine in 2022.

Whatever partisans might now say, there has been a bipartisan consensus on India's geopolitical strategy since the turn of the century.

In a world where the US is still the strongest global power and China is its

challenger, it remains in India's interests for the gap between the two to remain large for as long as possible.

The reasons for this are so deep in differences of strategic culture between India and China as to be structural. The dispute over the Himalayan frontier is a tangible manifestation, a visible symptom of the underlying cause. "One mountain cannot accommodate two tigers," as a Chinese proverb goes, which suggests that a Sino-Indian bloc against the West can only come into being only once India stops being a 'tiger'. On the one hand, since we are unwilling to accept a subordinate status that China expects, the two countries cannot come together enough to challenge the West. On the other, India has an interest in creating a countervailing coalition to Chinese dominance in the region. To the extent that the US shares that interest, there is a case for an alliance with Washington.

It is therefore in India's interests to be a swing power: allied with neither, but able to have its way with either side by leveraging its own weight.

India is also in a position to be a swing power. Europe and Japan cannot swing because they are in a formal military alliance with the US. Russia has decided not to, perhaps because it too has reasons of strategic culture. Brazil and South Africa, other key members of the BRICS grouping, happen to be outside the focal geography of the great power contest. Saudi Arabia remains an oil exporting economy and dependent on Washington for its security. India thus is the only state that is strong enough and autonomous enough to be a global swing power.

Just because it is in our interests and we are in a position to be one doesn't make India a swing power. To be effective India must pass two conditions: first, New Delhi must enjoy better relations with Washington and Beijing than they have with each other. Second, it must be able to demonstrate an ability to deliver both pleasure and pain to the

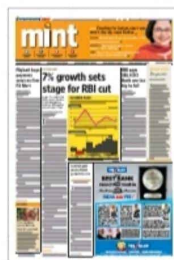
two countries. In other words, winning India's support must become essential for them to achieve their policy objectives. Clearly, this is not only difficult but also a moving target. Not only must India's political economy be supportive, but New Delhi requires the appropriate policy capacity—diplomatic, military and in terms of trade and technology—to pull this off. We have fallen short on these fronts. A fundamental review of India's geopolitical strategy must answer how we will fulfil the prerequisites of becoming a global swing power.

I first made the case for swinging around 15 years ago in the wake of improved India-US relations and Beijing's increasing assertiveness. However, after Xi Jinping came to power and decided to shape bilateral relations on China's terms, it became difficult to sustain the swing power argument. How could India take sides with Beijing when its People's Liberation Army was pushing the envelope of China's ambition at India's expense? And how could India reject Washington's offer of a closer defence and economic relationship that strengthened India's ability to resist Chinese hegemony? External events made a pro-US tilt attractive. Maybe at some point, we crossed a line and became more dependent on the US than they on us. To be fair, though, it would have been considered ridiculous to hedge against the risk of the US pursuing policies that cause serious harm to its own interests.

Our response to the moment should be to wipe off the dirt and glitter from our realist's and work out how to not just become stronger, but in the right places. It is obvious enough that New Delhi must improve ties with both Washington and Beijing.

The less obvious and more challenging task would be to figure out how to develop leverage and when to use it. And how to press on with this swing strategy even when it seems counter-intuitive, like it did in the past 10 years.

10 YEARS AGO



JUST A THOUGHT

In the global arena, the rise of new powers is not merely a challenge to Western hegemony but an opportunity to reshape global governance with a more inclusive approach.

JIBRIL MOHAMED AHMED

MY VIEW | MODERN TIMES

Evaluate people by their worst qualities, not their best

MANU JOSEPH



is a journalist, novelist and screenwriter. His latest book is 'Why the Poor Don't Kill Us'.

People evaluate actors, singers, writers, directors and sports stars through their best works, even when such works are very few. Some artists are celebrated for a single work: the status of V.V.S. Laxman as a cricket legend rests on a single Test inning. The glory of major public figures comes from their finest moments, not their worst. Even intellectuals evaluate other intellectuals through their best work, while ignoring all the bad stuff.

There is something correct, sensible and generous about this. And it would appear that this is how one must evaluate those who play a role, or will play a role, in our personal or professional lives. We should think the best of a person, consider all that is great about the person and ignore what is rotten. In fact, this is how most people think about family and friends. And this is also the very source of all their miseries.

In evaluating a person who is or would be family, friend or collaborator, one has to consider the worst qualities as the defining

characteristics of that person. This may seem like an abstraction, until it leads to a violent tragedy, as in the case of the death of a young woman in Noida a few days ago from severe burns. We do not know yet whether she was set ablaze by someone in her home or if she killed herself. There is no doubt, though, that she was tormented.

She faced a classic problem that many young women in India face, where their in-laws and husbands make many material demands and the bride side yields to them, assuming that things will get better. But the harassment continues. In this specific case, the husband also appeared to be uncomfortable with his wife's desire to run a beauty parlour and her social media fame.

As familiar as all this is, so is the fact that the girl left her husband and went back to her parents more than once. But the husband always persuaded her back. Indians attribute this act of going back to a home filled with people who are capable of cruelty to the compulsion many women feel to stay in a marriage. There might be some truth in that, but not so much that we should frame it that way. The act of returning to cruel people usually emerges from the hope that such people may change.

People who have some evil inside them

are often quite persuasive and charming, perhaps because compared to their worst qualities, their ordinary niceness seems like a spectacular virtue.

But they virtually don't change. A person who is capable of cruelty—whether a simple form of cruelty, like in this case, or a more sophisticated kind that involves manipulation and making things unpleasant to teach someone a lesson—has been this way for long and wishes to be so.

I mentioned the case of the young Noida woman's death because the dramatic impact of the phenomenon is evident only in violent death. Otherwise, it would appear odd that I am asking you to think the worst of people and not give them a long rope for the sake of an abstract argument.

But what most victims endure is something just short of death. Most cruel people are not murderers. The most prevalent and dangerous form of evil is a certain ordinary evil that exists in many people who are also excellent at apologizing.

The boy who hits his girlfriend and is remorseful will do it again, expressions of remorse included. The cruel parent will endure. The punishing spouse will find moral reasons to continue.

Most cruel people do not do anything extreme or criminal. That is how they survive. They get that long rope because people are under the assumption that we must think the best of people and not the worst.

Like the modern expression 'red flag', it is usually used in retrospect as something that you should have seen but overlooked. A 'red flag' contains within it the idea that a single incident is a window to a person, or of dark things to come. It suggests that incidents never exist in isolation. But the

most interesting thing about the term is that people invoke it only when it is too late. This is because of hope, which again is among our most celebrated qualities.

I am a fan of hope, and a lot of good can come of it. But in some aspects, like in the evaluation of a person who matters, hope is

a form of sadness, just another way of speaking to oneself. But should a single act of cruelty be so unforgivable? Can't people become better people?

Cruelly has advantages. People who can act on their cruel ideas have enjoyed its effects for too long to change. Also, the idea that people reform because of the force of goodness is the propaganda of those in the industry of reformation.

Cruel people do become less cruel or even completely benign, but only once they lose power—for instance, when they age. That is why the world is filled with sweet old people.

People judge their own lives by how they end. In their professional estimation, especially, they are oddly harsh on themselves. They evaluate themselves by what they have failed to achieve, especially successful people as they struggle to move on to the next rung. As a journalist, I haven't met a public figure who did not have a sense of failure, except Sachin Tendulkar, although that's only because I met him when he was at his peak. But they are more generous to others, seeing only what is best. They extend this long rope in their personal life too, willing to see failings as temporary.

But, maybe people should err in favour of caution and not the sadness of hope.



THEIR VIEW

MINT CURATOR

CoP-30: A chance for the Global South to grab the climate mantle

The West is faltering but developing countries could push for an equitable path that aims to uplift lives and protect the planet



MAJARA POLLY, JAYATI GHOSH & JÖRG HAAS are, respectively, co-founder and executive director, Plataforma CIPQ, professor of economics, University of Massachusetts Amherst, and head of the globalization and transformation division at Heinrich Böll Foundation.

Overfall the seismic geopolitical shifts in recent years, perhaps the most striking is the West's rapid decline as a force in global climate governance. Under President Donald Trump's second administration, the US has become both more aggressive and more isolationist. Meanwhile, the EU has grown timid, fragmented and inward-looking. With the Global South—especially Brazil, South Africa, India and China—stepping up to fill the climate leadership vacuum?

In 1972, at the UN's first major environmental conference in Stockholm, then-Indian Prime Minister Indira Gandhi famously declared, "Poverty is the worst form of pollution." To this day, the Global South grapples with the challenge of pursuing sustainable development while promoting environmental responsibility. Many developing countries have long feared that climate policies might reinforce historical inequalities or constrain their growth. But now, the Global South has an opening to ensure that the international agenda reflects its priorities.

Many policymakers recognize the need for a change. While global cooperation has produced numerous important climate commitments, such as those made at the 1992 Rio Earth Summit and those contained in the 2015 Paris climate agreement, they remain largely unfulfilled. Moreover, financial support from the rich world has been well below what is needed, hindering climate action in developing countries, eroding trust in Western leaders and lowering global ambitions.

The Global South has no shortage of climate visionaries—from Wangari Maathai to Vandana Shiva and Chico Mendes—who have connected environmental protection with community empowerment. But the West has controlled the climate narrative for decades, as it dominates the science that informs the UN Intergovernmental Panel on Climate Change (IPCC), the multilateral development banks that provide climate finance and the global media outlets that shape public opinion. That is particularly true for the US. Despite its stumbles, such as when President George W. Bush withdrew from the Kyoto Protocol in 2001, the rhetorical ambition of other US presidents, including Bill Clinton, Barack Obama and Joe Biden, ensured that the West remained a leading voice in shaping the climate agenda, even when not matched by action.

Trump's resurgence has brought that era to an end. His administration has mocked climate science, propped up the fossil-fuel industry and denounced the UN's 2030 Agenda for Sustainable Development (to say nothing of his destabilizing



trade war). The EU, weakened by the rise of the far right and preoccupied with bolstering its defences, lacks the political will and has fallen short of providing the economic means to lead on international climate cooperation and finance.

This wide collapse has shattered the idea of a coherent "West," if such a creature ever existed. But it could empower the Global South, which bears the brunt of climate shocks, to lead a more equitable and inclusive clean-energy transition. Despite short-term hurdles, in the long run, reducing fossil-fuel dependence—which is becoming more feasible now that renewables are more scalable and reliable—can help stabilize economies and improve public health.

Many Global South governments have already played key roles in shaping Sustainable Development Goals and the Paris pact. China has also become the undisputed global leader in green tech, outpacing the West in its shift to renewables. Facing US trade barriers, China's surplus of solar panels, batteries and wind turbines could be redirected to developing countries, strengthening their energy sovereignty.

There are signs that Brazil, India, South Africa and China are building on this foundation to forge a cohesive climate agenda ahead of the UN Climate Change Conference (COP-30) in Belém, Brazil, which is focused on collective action, or *unidade*. In April, Brazilian President Luiz Inácio Lula da Silva and UN Secretary-General António Guterres brought together 17 heads of state from the Global South and EU for a summit aimed at elevating national climate ambitions in the COP-30 lead-up.

Brazil has also leveraged its Brics—presidency to build momentum for COP-30, creating a roadmap for expanding cooperation on energy security and establishing the Brics Laboratory for Trade, Climate Change and Sustainable Development. In early July, the Brics—summit approved a Leaders' Framework Declaration on Climate Finance. Whether these initiatives will deliver tangible

results is uncertain, given the divergent interests within Brics. For example, several members, such as Russia and the UAE, depend on fossil fuels.

South Africa is using its G-20 presidency to amplify African voices and push for debt relief, green industrialization and low-cost finance; it is attempting to address the structural barriers that prevent vulnerable countries from investing in climate mitigation and adaptation. With the right financial and technological support, the green transition can drive broad-based prosperity in the developing world.

The costs of clean tech have crashed, largely owing to China's industrial capacity, making some of the material conditions for climate leadership in the Global South more favourable. Moreover, China could finance decarbonization projects in other countries through remittance loans, export credits and debt-for-clean-energy swaps. If successful, Brics' members' de-dollarization efforts could overcome financial bottlenecks and reduce dependence on Western banks.

In today's fragmented world, multilateralism is essential and South-South cooperation on agreed climate targets offers a powerful platform to help revitalize it. The Global South is also well-positioned to lead plurilateral initiatives that advance climate solutions. These coalitions of the willing are crucial for countering the US administration's bullying tactics—namely, the use of trade negotiations to shift other governments' investment priorities and weaken their green policies.

Western countries must be held accountable at COP-30 for their historic emissions and unmet climate-finance promises. But the summit represents a vital opportunity for the Global South to demonstrate that climate and development goals are not mutually exclusive. To seize it, these countries must subordinate their differences to their overriding interest in presenting a clear-eyed vision of an energy transition that uplifts their people and protects the planet. ©2025/PROJECT SYNDICATE

Last embers: India isn't going to rescue BHP's coke business

Indian steelmakers need less of it as they seek to decarbonize output



DAVID FICKLING is a Bloomberg Opinion columnist covering climate change and energy.

The BHP Group never seems to pick the right moment to sell its fossil fuel businesses. Consider coking coal. The high-quality solid fuel used in steel-making was for many years seen as a jewel in BHP's crown. At the peak, its mines in the Bowen Basin of Australia's Queensland state accounted for about a quarter of small coal traded by sea. It's a relatively small but volatile business, but when supply and demand get out of line, the profits can be extraordinary. The last time prices spiked, in 2022, the world's biggest miner sold more than \$40 billion of the stuff at a 62% profit margin.

That would have been a good moment to get out. Coking coal's charms have since faded drastically. CEO Mike Henry, a veteran of BHP's coal unit who always speaks highly of its potential, has been shrinking the business ever since taking over in 2020. Sales in the 12 months through 30 June came to just 17.8 million tonnes, about 41% of the figure in 2019. Further mines may have to close if current low prices persist and Queensland doesn't cut royalty taxes, he warned in annual results last week.

Taxes are not sufficient to explain the problem.

One factor is that it's getting increasingly expensive to mine in the Bowen these days. Unit costs at the four big miners there have almost doubled over the past five years. Depreciation has increased just as dramatically. As open pits work for more than 50 years (in BHP's case) descend deeper and deeper into the ground, more earth needs to be moved, more diesel burned, and more dump trucks worn out to reach veins of coal and bring it back to the surface.

Last year, BHP spent \$157 per tonne on mining, freight and depreciation alone. With royalties of \$30 per tonne and coking coal fetching \$194 per tonne, that left the business looking marginal at best. Earnings before interest and tax were just \$101 million. Peabody Energy's decision last week to walk away from a promised \$3.8 billion takeover of Anglo American's Bowen Basin pits, which have been plagued by operational problems in recent years, is emblematic of the darkening outlook for the region.

In many ways, Queensland's mines are victims of their own dominance. When coking coal prices spike, it's generally because the Bowen has been hit by record rainfall, starving a global export market which gets about half its product from the basin. That's the time when BHP and its rivals most want to make money—but they



Indian steelmakers were seen as the great BHP hope for a long time. BLOOMBERG

rarely can, because their own pits are underwater.

Queensland's royalty regime is so annoying to Bowen's miners because they do best in the aftermath of such crises. With rates that escalate as coal prices rise, the new system introduced in 2022 sharply reduces the super-profits they count on to see them through the lean years.

The bigger problem, however, is simply that coking coal is looking more and more like a declining market. China can produce enough for its own steel industry domestically, and has even been exporting cargoes of late. India, which was held up for years as the great hope of the industry, also may not be coming to the rescue.

Unlike China, which has depended heavily on blast furnaces and pig iron to make its steel, India favours a variety of alternative routes that eschew coking coal—from electric furnaces fed by recycled scrap to directly-reduced iron, which can make use of abundant domestic lower-grade coal instead. On a trailing 12-month basis, India's imports of Australian coking coal peaked back in 2021, and have since fallen by more than a third. However, Indian steel production over the same period has risen by nearly 40%.

There's no other sizeable growth market emerging. Global pig iron production has already peaked and will fall 20% by 2030 as scrap and direct-reduced iron edge out blast furnaces. Li Jiang, chief analyst of the world's biggest steel producer, Baoshan Iron & Steel, argued recently. More than half of steel capacity under development consists of coal-free electric furnaces and India has only started construction on a fraction of the blast furnaces it has promised to build. Global Energy Monitor, a pro-transition group, wrote in May.

Incoming BHP CEOs typically start the job by getting rid of coal mines their predecessors clung on to for too long. One of Henry's first moves in 2020 was to sell off lower-grade pits that the former boss Andrew Mackenzie had cherished. Mackenzie, in turn, began work in 2013 by spinning off underperforming South African and Australian mines as South32.

With another change of leadership soon pending, the last vestiges of BHP's once-mighty coal business may now be living on borrowed time. BLOOMBERG

THEIR VIEW

Call a spade a spade: It's online gambling that's banned

YUGANK GOYAL



is professor in public policy and director of Centre for Knowledge Alternatives at Flame University.

Okay, first off, I am not a fan of the big state in general. If anything, quite the opposite. But then, I am not a fan of universalizing theories in social sciences either. Theories are seductive, empowering. But they're also like a hammer: if you grip them too tightly, suddenly everything looks like a nail. That is why it intrigues me that 'experts' have criticized India's ban on real money gaming, or gambling. Surely, these arguments spring from theory—the state shouldn't tell individuals what to do; we could lose dynamic efficiency, harm the entrepreneurial spirit and destroy value. These are familiar tropes.

So here's the truth. The state will always rule on morality. Seeds of all public policies germinate on one ethical ground or another. In fact, we vote governments to help reflect the preferences or will of society. Sympathy is central there. Those who rely on Adam Smith's *Wealth of Nations* will find it worthwhile to read his *Theory of Moral Sentiments*. Also, policies are always works-in-

progress. Societies and governments are complex adaptive systems, organizing through trial-and-error and learning by doing. Some years ago, a twist of law interpretation enabled online gambling as "games of skill." It grew, but then reality set in. The Indian state was learning fast: online games had become gigantic cash machines, most of which extracted life money from low-income households. It snowballed into a mess that could not be overlooked.

Absent data, governments have to routinely rely on feedback from lawmakers. Across party lines, it was becoming clear that these games were ruining rural India. It was like a money uncaged, with GST collections from gaming revealing the enormity of the phenomenon. They were draining generational savings, deepening debt, destroying families and trapping youth in years of anxiety. Gaming-related suicides grew. The stories were heartbreaking. No state, nanny or not, could ignore it.

The state tried many remedies: higher taxes, compulsory customer harm disclosures and attempts at clean fund transfers to prevent laundering and terror financing. It even released policies asking the industry to regulate itself, which the latter failed to do. Instead, all kinds of betting websites with

dubious ownership mushroomed. No one was being held accountable.

Externalities justify state intervention. And the scale of one is contextual. Gambling in India has large spillover effects, stretching to parents, extended family members, friends and children. Even countries with high levels of individuality have strict laws and rules against gambling.

In countries like India with weak state capacity and remedies, prohibition is used more often than regulation. This may be hard to digest, but it needs to be understood. Without a strong regulatory apparatus, gains made by some cannot be used to override losses made by many more, and if the numbers are not evident, policy will tilt in favour of preventing the harm done (theory) and the 'precautionary principle'. Prohibition tends to push the undesirable activity underground, no doubt. But it reduces the scale considerably. No prohibition can be 100% successful; in fact, enforcement costs

rise exponentially as we approach the last obsessed violators. But enough people are dissuaded.

There's another reason for prohibition here. The law has an expressive function (Cass Sunstein and Richard McAdams show this), which means that it signals what is socially acceptable or not.

When something is allowed or disallowed by law, people interpret it as collective moral approval or disapproval. This can induce norm cascades: mass shifts in perceptions or practices in line with what the state wants. That's why banning gambling (whose harm is not clear to every user) is arguably more consequential than banning tobacco (whose harm is obvious to every smoker). Lack of clarity on what amounted to gambling, especially in the case of games pretending to be tests of skill, had let the activity proliferate. Users didn't think they were doing anything illegal, reassured by omnipresent ads and celebrity endorsements. Perceptions of safety began to be

internalized. Why would a security guard, say, feel nervous playing online bets? Ads showcased auto drivers, maids and street vendors at it—the target audience, presumably. Who bears responsibility for choices that drive families into debt? For public health, we accept state regulation of food, likewise, to ensure the financial safety of the poor, the state must have a say in gambling.

Those who idolize entrepreneurship and see it as a goal in itself must read William Baumol, a foundational figure in the economics of entrepreneurship. His highly cited 1996 paper, 'Entrepreneurship: Productive, unproductive, and destructive' uses evidence from ancient Rome, early China, the Middle Ages and Renaissance Europe to show why policy should be designed to influence the type of entrepreneurship we want: startups that thrive on driving innovation, productivity and social welfare, rather than those that seek rents, monopolistic privileges or profits from activities that damage trust. Gambling startups are anything but productive.

Elites that want the ban lifted will not be happy if they found their children addicted to online games. That's the ultimate test. Let's call a spade a spade—in an irony of poetic justice.

Challenges ahead

Trade is the biggest risk to growth

In an environment of heightened economic uncertainty, the estimate of gross domestic product (GDP) for the first quarter (April-June) of this financial year came as a surprise for most economy watchers and forecasters. The official data, released last week, showed the Indian economy expanded 7.8 per cent during the quarter, the highest in five quarters. Gross value added, which is a better indicator of economic activity, expanded by 7.6 per cent. The Reserve Bank of India (RBI) had projected a growth rate of 6.5 per cent for the quarter. However, sustaining this level of growth or achieving the RBI's full-year projection of 6.5 per cent would be challenging due to the adverse trade environment.

Nearly all segments of the economy supported growth in the first quarter. The agricultural sector expanded 3.7 per cent, against just 1.5 per cent in the comparable quarter last year. The manufacturing segment recorded a growth rate of 7.7 per cent compared to 7.6 per cent in the first quarter last financial year. The services segment also expanded at a faster rate than last year. Meanwhile, mining and quarrying registered a contraction, while the construction sector showed deceleration. High growth, to an extent, was supported by government expenditure, which went up by 7.4 per cent during the quarter. Government expenditure in the first quarter last financial year had been subdued because of the general elections. This is also reflected in government accounts. The Union government had spent about a quarter of budgeted annual capital expenditure in the first quarter, compared to only about 16 per cent in the same quarter last year.

While the first-quarter numbers are pleasing, things could become difficult from here on. The biggest risk to growth, of course, is the prohibitive tariff imposed by the United States (US). Estimates suggest that about 66 per cent of Indian exports will face 50 per cent or higher tariffs in the US. The impact on growth will depend on how long this level of tariffs remains in place. If it persists for even a few quarters, employment and domestic demand will start being affected. While the government is reported to be working on addressing the impact, it will be hard to compensate for the potential demand loss. Thus, growth in the coming quarters will, to a large extent, depend on developments in India-US trade relations. Further, growth in the ongoing quarter could be impacted by households postponing buying decisions because of the expected rationalisation in goods and services tax (GST). GST is expected to come down on several goods, including cars, for example. However, this might affect only one quarter's growth because demand will be back once the GST rates are adjusted.

Aside from the demand concerns, the other big issue is low nominal growth. At current prices, GDP growth in the first quarter was only 8.8 per cent. Since the inflation rate is likely to remain low in the coming quarters, nominal growth may stay around this level or lower for the rest of the year. Slower nominal GDP growth can make it more difficult to achieve fiscal targets. Reports suggest that the impending GST review could also have a revenue impact, at least in the short run. Thus, the government might have to address multiple emerging issues. It will need to tread carefully in what promises to be a challenging financial year.

A reciprocal tilt

Deeper bilateral ties with Japan have a US context

With 21 pacts signed during Prime Minister Narendra Modi's two-day visit to Tokyo for the 15th annual summit, India and Japan have signalled a significant deepening of bilateral ties in the context of the geopolitical challenges emerging from across the Pacific. An indirect validation of the impulse to do so for both countries emerged hours after Mr Modi's meeting with his Japanese counterpart, Shigeru Ishiba, with American President Donald Trump reportedly dropping plans to visit India for the Quad summit later this year. This informal security partnership of the United States (US), India, Japan, and Australia was once considered a bulwark against China's rise in the region, and Mr Trump had been its enthusiastic advocate in his first term. Recent assessments in Japan and Australia, however, suggested that the White House had chosen to put the arrangement in the deep freeze.

Their deteriorating trade relations with Washington have obliged both New Delhi and Tokyo to pursue countervailing relations, and the latest meeting in the Japanese capital provides strong signals of a renewed reciprocal tilt. While the 50 per cent tariff imposed by the US on India, a part of which is ostensibly for buying oil from Russia, can be expected to impose costs on economic growth, Japan's trade deal with Washington, too, has run into problems. Last week Japan's top trade negotiator cancelled a trip to the US owing to glitches in the US-Japan trade deal. These principally concern higher tariffs on Japanese automobiles and a controversy over a \$550 billion investment package by Japan in return for lowering tariffs on Japanese imports. The US President's presentation of the investment package as "our money to invest as we like" has not played well with public opinion in Japan. It is noteworthy that Japan resumed crude oil and gas imports from Russia's Sakhalin-2 project in June this year, after a two-year hiatus.

The broad point, therefore, is that with the US increasingly being viewed as an adversary, India and Japan are seeking to extract as much shared benefit from a relationship that has always been cordial and constructive. The key element of the 15th summit is the change in tonality on the Japanese side. Since the 1950s, India has received considerable assistance from Japan for infrastructure (such as Delhi Metro), urban development, and livelihood improvement. The Japan International Cooperation Agency has been India's development partner. But the latest set of agreements suggests that it is Tokyo that has become more forthcoming in expanding the ambit of engagement with New Delhi. This is especially evident in the economic agreements that seek to establish closer business-to-business ties. These include a private-investment target of 10 trillion yen (\$67 billion) from Japan, initiatives to foster collaboration between small and medium enterprises, and the establishment of business forums between India and the two regions of Kansai and Kyushu, both key economic hubs, with the latter being a strategically vital centre for the automotive and semiconductor industries. Economy-oriented security-cooperation agreements have been no less consequential — including in promoting supply-chain resilience in strategic sectors. For both countries, this hedging of geopolitical strategies is also critical in view of the Shanghai Cooperation Organisation Summit, at which Chinese President Xi Jinping appeared keen to project a China-led global power grouping as an alternative to the Washington Consensus.



A pivot to China?

This does not seem to be useful

For many years now, Indian engagement with China has been a frozen conflict. After border violence at Doklam and Galwan, the Indian approach was that economic engagement is conditional on decency at the border. In September 2021, the book *Rising to the China Challenge: Winning through Strategic Patience and Economic Growth*, by Gautam Bambawale, Vijay Kelkar, R A Masehkar, Ganesh Natarajan, Ajit Ranade, and Ajay Shah, was published by Rupa Publications. In essence that book argued: (a) In the short term, India was too weak to confront China alone, what was needed was a coalition with the great democracies of the world; and (b) the best foreign policy is to succeed on getting to economic growth, to build an India over a 25-year horizon where the asymmetry vis-a-vis China is less pronounced.

With American President Donald Trump's tantrums, some in India are ready to rethink the China relationship. Some fantasise of Richard Nixon/Henry Kissinger's pivot to China, as a way of constricting Soviet Russia, and think that India can do similarly with China in order to constrict the United States (US). A greater sense of history, looking back, and a greater strategic sense, looking forward, is required.

A good place to start is to examine the Chinese V-day military parade. Special guests from Russia, North Korea, Iran, and Myanmar underline that strategic alignment. Beijing has two policemen in every corner. Tiananmen Square has a military presence, and schools have declared remote operations. This is just not the character of healthy liberal democracies, which do not perform showy

military parades.

In our hearts in India, we are a liberal democracy. Being a liberal democracy matters to people who matter. India should not dilute this strategic position on the globe by copping up to China, which is not a natural partner.

Mr Trump is indeed a historic low in the US; nobody expected the US to collapse into right-wing populism. We generally think that the advanced economies of the world have great institutions, but

here we are, the US is now like an emerging market. At the same time, we should not see Mr Trump as a permanent feature of the US. For decades, both parties in the US have supported India's rise, and looking beyond Mr Trump, we can expect a better US. They will reup for the label of an advanced democracy, and they will improve relations with India.

Most Chinese firms are monolithically controlled by the Chinese government. India is not like that, and the US is not like that. In the weeks after Mr Trump breathed fire, American firms like Apple and Kyndryl announced expansions of their activities in India. The US courts are pushing back against the President, in a way that could never happen in China. This gives stability to the India-US relationship, derisking it from politics, in a way that could never happen with China.

Our conflict with the US is about the 50 per cent tariff. Our conflict with China is about much more than this. It was not so long ago that we saw practical Chinese military support for Pakistan, China's actions on Tibet, Nepal, Bhutan, Bangladesh, Sri Lanka, Burma, and Mauritius are all inimical to In-

SNAKES & LADDERS
AJAY SHAH

The coal question: It can be displaced

What do we do with coal and the electricity it generates? This is the zillion-dollar question amid the twin challenges of climate change and the urgent need for energy across vast parts of the developing world. The world is fast running out of the carbon budget to keep temperature rise below 1.5°C — a guardrail against out and out devastation. We need solutions that can and must work in the interests of all. This is where the coal question becomes complicated. It is easy to say "keep it in the ground" — do not use coal for generating electricity because it is responsible for the bulk of the greenhouse-gas emission, which has filled our atmosphere. But how will that work in an energy-insecure world?

It is also a fact that the sermoneising world has for generations used coal for electricity — the emission is still in the atmosphere, including those of carbon dioxide (CO₂) — and is now mostly switching to another fossil fuel, the only somewhat cleaner natural gas, which still adds to greenhouse-gas emission. The European Union (EU) has signed with the United States (US) what it bills as a historic trade deal, under which it promises to import energy products — natural gas, crude oil, and coal — amounting to a massive \$210 billion annually for three years. This may be a castle-in-the-sky promise, but it does imply that the EU has agreed to remain wedded to fossil fuels, countering its green-energy plans.

What then should countries like India do when confronted with the hard reality of energy poverty and the desperate need for affordable development? Should we give up coal dependence, or

should we find ways to balance old and new energy sources, even as we move towards cleaner growth? I have always argued that the Indian government's plan for energy transition, which is based on displacing but not replacing coal, is the way forward for us. The fact is our energy demand will double by 2030, and this increase will come from clean energy sources, primarily wind and solar. By 2030, coal, instead of meeting 70-75 per cent of electricity demand, would cater to only 50 per cent.

We must discuss what this means and what can be done to reduce greenhouse-gas emission from the coal-based power sector. I know this is a taboo subject, as it is better to believe that coal will soon be relegated to the dustbin of history. But let's get real. We need to reduce emission at all costs and across all sectors. We need to do this for local air-quality benefits, to reduce toxic pollutants, which contribute to health challenges. We also need to do this for global climate benefits. If we can find strategies that can work for both, it will be a win-win.

This is what my colleagues have done in the report "Decarbonising the Coal-based Thermal Power Sector in India: A Roadmap". Our analysis shows that if the country adopts a strategy for decarbonising thermal-power plants, that could lead to emission reduction as large as those from two similarly hard-to-abate sectors — iron and steel, and cement.

The first step in the road map is that existing plants should be required to meet the benchmark efficiency of the best plants in their category. For

instance, power plants based on sub-critical technology — roughly 85 per cent of the current fleet — should be required to meet at the very least the emission factor of the top performers in their category (such as Tata Power's 40-year-old Trombay unit, the Kothagudem Thermal Power Station, operated by the Telangana State Power Generation Corporation Ltd or JSW's Toranagall plant). This would result in a significant improvement in overall emission.

The second step is to replace coal as the raw material — many power plants are already using biomass for co-firing. Our proposal is to mandate a switch to 20 per cent biomass, which would reduce carbon-dioxide emission at scale.

But all this requires a plan with emission targets and clear directions. For instance, currently, the government's plan is to build ultra-supercritical coal plants, which are undoubtedly much more efficient and cleaner than older technology. But without the right policy incentives, 40 per cent of these new-generation units work below a 50 per cent plant load factor, which means their emission is higher than plants with poorer technology. The underlying problem is that the current merit order dispatch system, which determines the sale of electricity, is based solely on the cost of generation. It is cheaper to produce electricity from older power plants, which have depreciated capital costs, or from units with less investment in technology or maintenance. This is the fatal flaw that still makes dirty coal the king. It needs to be displaced. And it can be.

The author is at the Centre for Science and Environment, sunita@cesindia.org, X: @sunitanar

DOWN TO EARTH
SUNITA NARAIN

An environmental villain, reconsidered



JAMIE GREEN

The thesis of Peter Brannen's new book is right there on the cover: *The Story of CO₂ is the Story of Everything*. But surely there's no way he means everything, right?

Oh, he does ever.

This ambitious, absorbing book begins with the origins of life and stretches through the rise of human civilisation and technology, including all the modern woes associated now with the troublesome greenhouse gas. By the end, the reader feels

convinced: Evolution and human prehistory and wars and the Dutch East India Company and the attack on Pearl Harbour and Reagan and Thatcher and and and and... All of it looks like the story of carbon dioxide, after all.

It could be seen as the story of energy as well, and one of the book's many fascinating deep dives is its critique of economists, technocrats and futurists who, "overly impressed by the symbols of the synthetic world they've created," fail to take energy into account. But here on Earth, with the peculiarities of geology and life, energy comes down to carbon.

Almost all of the energy that we have access to comes from the sun, and photosynthesis requires CO₂.

In the usual processes, that energy trickles up through the food chain until it's exhausted and released as waste heat. But the great luck of this planet is

that rather than being consumed or rotted (same thing), reduced to waste and raw materials, some carbon stores — washes of plankton and heaps of swamp life — were instead entombed for millennia in stone.

Thus, fossil fuels are "fossilised sunlight" — solar energy on reserve. This buried carbon also acts, in one of Brannen's running metaphors, as a giant capacitor. It was charged by geology; it is now being discharged by human workings "on a planetary scale."

But as Brannen, a contributing writer at *The Atlantic*, described in his 2017 book on mass extinctions, *The Ends of the World*, geology has found ways to discharge similarly stored energy in the distant past. It did not go well.

While Brannen doesn't shy away from the fearsome shape of our future, he finds ample joy in this deep-time journey, unafraid to puncture his

expertise with gob-smacked wonder. And he takes great pleasure in language, always spry with a sentence ("Russia shared a meaty tundra handshake with Alaska") even as the world literally burns.

At certain extremes, Brannen's enthusiasm colours his claims. Take Pearl Harbour: Accepted wisdom may say that the attack was an attempt to draw America into war, or intimidate it into submission. But Brannen sees only CO₂ — the bombing a safety measure so that oil-starved Japan could plunder Indonesian oil fields untroubled.

What could come across as bias, though, ultimately reads as passion instead. Brannen is an effusive, maximalist writer, a mind vividly alive

THE STORY OF CO₂ IS THE STORY OF EVERYTHING: How Carbon Dioxide Made Our World by Peter Brannen
Published by Ecco
512 pages | \$35

on the page. He is never coy with an opinion, whether it's which extinct animals he imagines were ugly (the "torpid little piglike Lystrosaurus" of 250 million years ago; the "phantasmagoric ogres" of the middle Permian era) or how he feels about the Carboniferous period's massive insects, supersized by abundant oxygen ("It was a horrifying time to be alive").

And his arguments, like his writing, are hugely compelling. Entwined with his proselytising for the importance of CO₂ is another, more meaningful assertion, one that gives the book both tenderness and gravity. (The urgency of climate change is plenty grave, of course, but Brannen's readers are likely well aware of it, and disinclined to dwell in that swamp of bad feeling.)

The story of CO₂, he posits, extends through geology and biology to human civilisation precisely because the two can't (and shouldn't) be separated: "However much we privilege human history as distinct from the rest of the natural world... we are a natural phenomenon."

It is a blessing and a burden. We cannot escape the carbon math. Resources are finite, and our actions have impact, far beyond what hundred-year climate models can see. But we are not an anomaly on the Earth, not a cancer or a poison.

We are a manifestation of life, an island of order channelling energy toward entropy for a time. And that island, too, is a part of the story of CO₂ — the story of our entire world.

The reviewer is the author of *The Possibility of Life: Science, Imagination, and Our Quest for Kindship in the Cosmos* and the series editor of *The Best American Science and Nature Writing*. ©2025 The New York Times News Service

the hindu businessline.

MONDAY - SEPTEMBER 1, 2025

Reason for optimism

Q1 GDP growth, a bright spot amidst headwinds

The GDP print for the first quarter of this fiscal is surely encouraging. A growth rate of 7.8 per cent, against 6.5 per cent in the corresponding period last fiscal, comes as the highest quarterly growth figure in a year. This growth in value addition has been broad based; although services has led the growth spurt, manufacturing and agriculture have done well. On the demand side, it appears that consumer demand is holding up, while capital formation has been encouraging.



The question is whether this buoyancy will hold its own against the geo-economic chaos unleashed on India and the world. As for some specifics on the Q1 growth, services grew by 9.3 per cent (6.8 per cent last year); manufacturing 7.7 per cent (7.6 per cent) and agriculture 3.7 per cent (1.5 per cent). Within services, travel and the trade and hotels segment has been buoyant, growing at 8.6 per cent (5.4 per cent). The base effect, therefore, is not significant on the whole. A good monsoon foretells robust rural demand, while buoyant services suggests that even urban demand is looking up — a point underscored by the Finance Ministry's latest Monthly Economic Review (for July 2025). While the Q1 GDP data reveals a 7 per cent growth in private final consumption expenditure, the July review goes to explain this further. It cites a Nielsen study to show that FMCG volume sales in urban India have grown 6 per cent in Q1FY26 (year-on-year), having steadily climbed through FY25. It was just 1.3 per cent in Q1FY25. Rural growth in FMCG volumes remain buoyant at 8.4 per cent in Q1FY26 (4.8 per cent a year ago and at 8.9 per cent over the last three quarters). However, it is not clear why this pick-up in consumption is not reflected in the sales performance of companies at large. The Reserve Bank of India's August Bulletin observes that sales growth of non-financial companies in petroleum, automobiles, electrical machinery, food products, and IT and non-IT service companies declined in Q1.

Be that as it may, a 7.8 per cent growth in investment in the first quarter (6.7 per cent in Q1 FY25) has been supported by the Centre frontloading its capex, using up nearly a quarter of its Budget (although Centre accounts for about 13 per cent of total investment in the economy). The RBI Bulletin points to strong growth in capital goods imports in Q1. However, this sudden rise in imports or even exports, in fact, could be preparation for adverse times. Meanwhile, there are worrisome signs in the GDP data itself — such as a deceleration in nominal growth from 9.7 per cent in Q1FY25 to 8.8 per cent in Q1 this year even as real growth has picked up. Apart from the impact on government revenues and the fiscal deficit, lower nominal growth does not sit well with a buoyant economy; it suggests a demand constraint.

India needs robust domestic demand to offset the compression in global trade. GST rationalisation can offset rising costs of business. However, to deal with the ongoing external shock, fiscal and monetary steps may be needed.

OTHER VOICES.

讀賣新聞

THE YOMIURI SHIMBUN

Japan-India Summit: Utilizing Each Other's Strengths

Donald Trump's attempt to sack the Federal Reserve governor, Lisa Cook, is the familiar authoritarian trick of bending institutions to serve the leader's immediate ends. The widespread condemnation is deserved. This is not some daring experiment in popular control of monetary policy. Yet what should follow censure is reflection. For the future over Ms Cook has revealed a peculiar reflex to defend the Fed's independence as though it were synonymous with democracy itself. But is independence of the Fed, or central banks generally, really that? Eric Lipton at Vox thinks so, or at least that it is close enough. He argues that Congress sets the Fed's objectives, independence applies only to the means. Without independence, politicians would be free to game rates for votes — as Richard Nixon did in 1972, learning on the Fed to juice growth before the election. LONDON/AUGUST 29

The Guardian

Independence is no substitute for accountability

Japan-India Summit: Utilizing Each Other's Strengths
The cooperative relationship between Japan and India can be said to have entered a new phase. It is crucial to steadily implement the comprehensive agreements reached between the leaders of the two countries. Indian Prime Minister Narendra Modi is visiting Japan and held talks with Prime Minister Shigeru Ishiba on Friday for about 90 minutes. After the meeting, the two leaders issued a joint statement saying, "It is imperative to develop a mutually complementary relationship." The significance of complementary cooperation between Japan and India, both economic powers, is substantial. India, which is expected to surpass Japan in GDP this year, remains an important partner for Japan in terms of ensuring peace and stability in Asia. TOKYO/AUGUST 28

LINE&
LENGTH.

TCA SRINIVASA RAGHAVAN

This article is prompted by the news from America where a right wing party is turning left, rather like the BJP in India. Right, when out of power and Left when in power. But first a little story. Back in late 1978, a strange new book was published. The title of the book was *The Downfall of Capitalism and Communism*. It was by an economist called Ravindra Batra. The book wasn't taken seriously. But as it turned out, Batra's prediction turned out to be right in the case of Communism which collapsed in 1990. One of the European governments then gave Batra a large award. But he was wrong about capitalism which didn't collapse, simultaneously or even later. But it has been slowly disintegrating since the Atlantic financial crisis of 2008, exactly for the reason that Batra predicted: growing inequality, or what amounts to the same thing, concentration of wealth in just one per cent of the population.

The truth, however, is that neither capitalism nor communism have collapsed or been collapsing. They have been converging, for many political and economic reasons. That's going to be the story of this century.

I should add that India is the intellectual pioneer of this trend. We called it a mixed economy in which government-owned financial institutions exercised control. Both the capitalists and the communist countries laughed at us. But we were absolutely prescient, at least by political compulsion, if not economic design.

CHINESE CAPITALISM

In 1978 China followed our example by going from a completely communist economy to allowing private property in the means of production. They have not looked back since then and it is private enterprise that has fuelled the extraordinary Chinese growth. The reason: they encouraged production in the market for goods, mostly for export, while ruthlessly suppressing the labour and financial markets. They kept the cost of these two main factors of production very low.

Simultaneously, however, all of the private enterprise was, and is, closely supervised by the state. Not only the institutions of a state but the Chinese Communist Party, no less. It's not very different from the ubiquitous medieval European church.



American economy with Chinese characteristics?

The Right wing party in power in the US is turning increasingly leftward by its constant interference in the economy

The Chinese government, both central and provincial, also have direct and indirect stakes in enterprises. These stakes are not necessarily financial but they do permit intervention in enterprise policies. It's what we had called the mixed economy.

Deng Xiaoping, the father of modern China had, however, called it 'Marxism with Chinese characteristics'. The key characteristic was government presence in economic decisions. Vast amounts of literature is available on this subject.

AMERICAN SOCIALISM

Now the opposite is happening. America is turning Left under a right wing party.

There appears to be an ideological shift in the Republican Party. The details of how to intervene in the economy might vary but the need for it is now fully accepted

Hence the convergence mentioned above.

What I write below is taken entirely from a highly regarded Left leaning American newspaper, the *New York Times* (NYT). It recently summarised, in what I think was a disapproving tone, Trump's leftward lurches in the last three months. Whether it is industrial subsidies or stakes in enterprises or whichever form instrument allows the government to get a say, the NYT summary says, "Protectionism, industrial policy and government ownership — all once conservative boogymen — are now official doctrine."

The summary goes on to say that Trump is "selecting companies, not industries" for special treatment. All this and much more can be found here: <https://www.nytimes.com/2025/08/27/briefing/intel-tariffs-the-fed-state-intervention.html>

The main point is clear. There appears to be an ideological shift in the Republican Party. The details of how to intervene might vary but the need for it is now fully accepted

is now fully accepted, it seems.

So what is the reason for this? It is, as Batra said 50 years ago, it is income distribution.

It turns out that those without college degrees are significantly worse off than those with such degrees. The difference in their incomes can be as much as one to 10.

Not just that. The incomes of those without degrees have been stagnant and even falling for the last two decades. These people are, if you will, the 21st century equivalent of Karl Marx's 19th century proletariat. They are also Trump's base.

So how do you help them after they voted for you last year? You do what the communists do best — you start intervening in enterprises.

Will we see increasing government involvement in private enterprise in America?

As long as Trump is President, yes. After that America, like Pakistan, might well end up as an economic province of China, nominally sovereign.

As Mao said, we are living in interesting times.

A tug-of-war over cashless health insurance

APHI has resolved the issue with Bajaj Allianz but it is still festering and needs a permanent solution

bl.explainer

PT Jyothi Datta
Mithun Dasgupta

As hospital representatives and health insurance providers prepare to address differences that led to an ugly stand-off between the two, over cashless health insurance services — here's a look at why this happened and where it leaves the policy-holder.

Why did insurance companies and healthcare establishments clash over cashless health insurance services?

The Association of Healthcare Providers of India (AHPPI), on August 22, said it had issued an advisory to its member hospitals to suspend cashless healthcare insurance services provided by Bajaj Allianz, from September 1.

This followed complaints from members involving multiple issues including "abrupt stoppage" of cashless services at some hospitals "on frivolous grounds", delays in empanelment to the General Insurance Council (GIC)-led panel, payment disputes with hospitals on new technologies/medicines, and questioning of clinical decisions made by a doctor, in an effort by insurance companies to push low-cost/cheaper drugs or implants, the AHPPI alleged.

Further they claimed that insurance companies had not revised treatment

rates for years, in line with medical inflation. Besides, companies presented similar rates, and used "collective bargaining" to pressure hospitals to comply, the AHPPI said.

The GIC responded calling out AHPPI's "sudden unilateral action" as creating confusion among policy-holders, besides denting trust in the health insurance ecosystem. Insurers alleged, hospitals were attempting to hinder the common empanelment of healthcare providers.

After a meeting with Bajaj Allianz and follow-up steps taken by them, AHPPI withdrew its advisory on suspending cashless services of this provider.

What are the hospitals' concerns on cashless insurance?

During cashless authorisation, for example, items like implants are left open, says AHPPI. And at payment time, when bills are presented even for implants from reputed manufacturers, "the cost is disputed, and deductions made for the differential cost," it added. Delayed payments and disputes over clinical decisions are at the core of these stand-offs — that are not entirely new between these two industry segments.

But health insurance companies are unhappy with hospitals too, why is that?

The GIC points to initiatives like "cashless everywhere", for example, as



efforts to ensure patients get treated without the financial stress of upfront payments, for example, while admitting a patient. Health insurance providers say, there is no apex body for them to lodge complaints of higher charges or unreasonable treatments by hospitals. They have been calling for a strong healthcare regulator — for standardisation of treatment protocols and rates across hospitals to ensure transparency and fairness in the healthcare ecosystem.

Insurers say standardisation of rates across treatments at hospitals under all insurance companies could eliminate overcharging at hospitals and bring down medical inflation (pegged at 12-14 per cent). High medical costs lead to upward revisions of insurance premiums.

Just as insurance companies are answerable to the IRDAI (Insurance

Regulatory and Development Authority of India), a healthcare regulator would help set standard treatment rates.

Could this escalate to more hospitals not accepting cashless insurance?

That is a worry — as contentious issues raised by both are quite company agnostic. Internal discussions are underway for a possible meeting between AHPPI and GIC — with the expectation it comes out with a workable mechanism to resolve outstanding issues.

Health insurers expect hospitals would agree to come under common empanelment to provide cashless treatment to patients.

And what of policy-holders — will they be treated at hospitals, covered by insurance companies?

Patient trust in hospitals and healthcare insurance has suffered — as they worry about making hefty upfront payments to admit a patient, despite having paid high health insurance premiums — if the cashless facility is suspended, even for a few days.

Hospitals will still treat patients and insurance companies will still reimburse payments made by policy-holders — but the patient will have to bear the brunt of making the initial out-of-pocket payment, despite having an insurance, for no transgression on their part.

● BELOW THE LINE



Mukesh Ambani, CMD of Reliance Industries

Transition, Ambani way

One of the most tracked corporate events in Reliance Industries Ltd's (RIL) Annual General Meetings. No surprises then that the 48th Annual General Meeting (Post-IPG) of the company held recently was also subject of debates and discussions. But this time, making his debut was Anant Ambani,

who is involved with the energy business of the private sector giant. "Now we turn to our energy business. Let me invite Anant to present the progress of our E&P, Oil-to-Chemicals, and New Energy businesses. This is the first time he is addressing you at a Reliance AGM. I am as excited as all of you to see him make a debut on our platform," said CMD Mukesh D Ambani.

Ambani's youngest son, Anant, has been in public but not spoken about business as yet. Laying out a detailed plan and the progress of E&P, Oil-to-Chemicals, and New Energy businesses, he maintained a calm composure. An industry observer commented, "this AGM was complete execution of

Mukesh Ambani's succession plan. With Ishu, Akash and Anant who are involved with different businesses of RIL talking to the shareholders."

Jio mere lai

The announcement of Reliance Jio initial public offering in the first half of last year had enthused investors so much that they framed hashtag *Jiomere lai* and catchphrase of *Mu'cash' hai toh mun keen hai*. Given the lacklustre performance of the Reliance industries shares in last one year and uncertainty over global trade war, only time will tell whether investors will gain or lose.

Karnataka foibles

A divided, rudderless Opposition and a two-thirds majority in the Assembly

should have meant that the Congress government in Karnataka should have had smooth sailing. However, senior leaders starting from the CM, his deputy and various ministers have been their worst opponents.

First, a minister contradicted Rahul Gandhi's vote-chest allegations leading to his ouster from the cabinet. Next Deputy CM DK Shivakumar recited the RSS anthem on the floor of Assembly and was forced to apologise after facing backlash from his own party cadre. The CM not to be left behind claimed vote fraud led to his Lok Sabha poll defeat in 1991, forgetting he was in the Janata parivar then and lost to a Congress candidate. The opposition is understandably pleased.

Election duty

Last week, the government extended duty-free cotton import facility by three months to December 31. Trade analysts see a political angle to the move. This is generally seen as a move to help textile and garment exporters to manage the 50 per cent tariff cuts imposed by the US. Elections to Tamil Nadu are due in a few months. The US trade stand-off could affect the garments and yarn units in Tirupur, Karur and Dindigul regions of Tamil Nadu. These units will stand to benefit from the facility and help Indian garments and textiles to be competitive against Vietnam and Bangladesh in other markets such as the EU and UK. **Our Bureau**

Tread Cautiously on Inflation Targeting

Gradual fixes better than bold new shifts

RBI has put up four questions for discussion ahead of next year's review of the inflation-targeting framework it follows. It wants to know whether retail or core inflation should guide monetary policy. Central banks typically lay greater emphasis on core inflation, excluding volatile food and energy prices, which policy has greater influence over. RBI has, however, not been able to look through food inflation, and making a switch from CPI could explicitly transfer some of the job on to GoI. This blurs the line between monetary and fiscal policies and presumes that they always act in concert. It may not be in the best interests of an independent monetary authority, although the situation on the ground requires GoI to initiate supply-side measures to tame episodic food and energy inflation.

The second question is whether the inflation target should remain at 4%. This derives from RBI's ability to focus exclusively on core inflation, in which case a lower target can be set. But that may not yield optimal inflation targeting because agencies not tasked with price stability must deliver synchronised outcomes. Progressive lowering of the inflation target should be linked to product market efficiency as well as capital flows.

The other two issues—whether inflation-tolerance bands need to be altered and whether the fixed target should be replaced by a range—have more to do with the conduct of monetary policy. The existing framework provides ample leeway to RBI in explicit inflation targeting, and moving too far away too soon from identifiable outcomes may be uncalculated for RBI has only once had to explain its policy conduct when inflation stayed above the permissible level for a stipulated duration. This was against the backdrop of extraordinary circumstances and has not unduly damaged its institutional repute. Gradual changes can build on the gains of RBI's existing inflation-targeting framework.



Keep Sand at Hand as Strategic Resource

Sand, the world's second most-consumed natural resource after water, often escapes scrutiny because it's seen as 'cheap' and 'abundant'. Yet, unchecked sand mining carries serious socioeconomic and environmental costs. Last week, in a welcome ruling, the Supreme Court underlined this fact and said that no approval can be granted for mining in a riverbed without a proper scientific study to assess how quickly the sand is naturally replaced. It described this 'replenishment study' as a mandatory requirement, upholding a National Green Tribunal (NGT) order that had cancelled the 2022 environmental clearance for a mining project in J&K.

Illegal and excessive sand mining isn't unique to India. Across Asia and Africa, it destroys fish-farming grounds, farmlands and homes, increases water salinity and devastates ecosystems. Reduced river sediment leads to shrinking deltas, leaving communities vulnerable to flooding, storm surges, loss of land, contaminated water and crop damage. Sand mafias have long exploited this resource, often violently. Despite bans on unlicensed mining, these gangs operate with impunity.

The world consumes nearly 50bn t of sand and gravel each year. Modern civilisation depends on this unassuming resource. Its grains are bound to build skyscrapers and can be broken down to produce microchips. Some of the US' greatest fortunes were built on this precious granular material. Henry J Kaiser, one of the wealthiest industrialists of 20th c., got his start selling sand and gravel to road builders in the Pacific Northwest. But despite its ubiquity, usable sand is finite. Desert sand, shaped by wind, is unsuitable for construction, making it scarce. India must treat it as a treasure, a strategic resource, not trash.



JUST IN JEST

Climate no longer determines life cycles, commerce does, but...

Season of Pause and Leisure, Anyone?

A decluttered city is a rare sight for our sore eyes. But Paris has managed it every August since 1906, when the socialist government of Léon Blum introduced two weeks of *paid* holidays. This is when most slip away from France's capital city to beaches and mountains. With Parisians out, cafes shutter, even neighbourhood post offices hang up the 'no vacancies' sign, and the city is left to pesky tourists and pigeons, basking in its rare silence.

Delhi, Mumbai, New York, Tokyo, São Paulo—each keeps its own pace, with no collective pause when everybody holidays together. Offices still hum, traffic still swells and calendars march on. But look closer, and you'll find a new kind of season that does. Not summer or winter, but the Season of Sale. Diwali dhamaaka in India, Black Friday in the US, Boxing Day in London, mid-year clearances in Singapore... Whether online or at the mall, these retail markers now shape behaviour more powerfully than monsoons or falling leaves.

Our seasons today aren't dictated by climate, but by commerce. Yet, there's a case for reclaiming a true pause. Imagine Mumbai falling quiet for even a fortnight—offices hushed, shops shuttered, families stepping away from the grind. A collective exhale, not tethered to discounts or shopping carts, but to rest itself. A city must take to stop, so its people can truly start again.

Q1 growth rate shows a measured, targeted response will be the best answer to tariff-induced pain

Not Time for Trump Card



Mythili Bhushanmurti

Age is just a number. It's totally irrelevant unless, of course, you happen to be a bottle of wine, said Joan Collins. One could say the same about Q1 (April-June 2025) GDP numbers released by NSO last week.

The 7.2% growth rate is just another number, quite—if not totally—irrelevant for aam aadmi. Except that, unlike wine, there's no certainty it will get better with time. Also, it is far from irrelevant for either GoI or RBI. Do nothing—why should they when growth is at a five-quarter high—and they could be slammed for sleeping on the job if growth slows in the coming months. Act in haste (read: roll out a package to support growth) and there's the risk of breaching the fiscal deficit target (4.4% of GDP), increasing public debt and stoking inflation.

In some ways, the scenario today is worse than during Covid. Then, there was near unanimity that monetary and fiscal authorities would need to lower their guard to ensure growth didn't stall. There is no such unanimity now. For one, there is no



The 'comprehensive support' promised by PM must be targeted only at sectors that are directly impacted by US tariffs

Move cautiously

certainty about the impact or duration of Trump's tariffs. And unlike in the Covid years, when all countries were impacted, today everything depends on whether you are a friend or foe—not of the US, but of Donald Trump.

If you are Brazil, for instance, you are unambiguously a foe. Given the Brazilian economy's reliance on the US and its dependence on the export of a single commodity—oil—Lula da Silva's task is clear-cut: an across-the-board stimulus. But what if you are India—sometimes friend, at other times foe, but with the prospect of becoming friends again? Within hours of the 50% additional tariff on Indian exports to the US kicking in, both countries indicated they were working towards resolving their differences on the issue. In such a scenario, faced with a whimsical POTUS, how should our fiscal and monetary authorities react?

The answer, with caution. For now, the economy is on a strong wicket. Agreed, NSO's GDP numbers are for the first quarter, before the impact of Trump's tariffs had been felt. But the finance ministry and RBI's recent monthly reports also testify to the resilience of the economy—a fact acknowledged by S&P which upgraded India's sovereign rating after an 18-year gap in



Despite pressure, the PM has protected farmers. He could use that as an excuse to push farm reforms

August. The next quarter, too, is likely to be good, thanks to a bump-up due to the base effect (low growth rate of 5.8% in Q2 FY25), front-loading of shipments to beat the August 27 deadline for the imposition of 50% tariffs and higher consumer spending during this year's earlier-than-usual festival season.

More importantly, any support package comes at a cost. The Covid stimulus package was unavoidable. But we paid a heavy price in terms of higher inflation and a higher fiscal deficit in the years immediately after. So, while it is true India cannot continue to grow rapidly when the global economy is slowing, the remedy is not to let the

tariffs not hit all sectors equally. Accordingly, we must respond in a measured fashion.

It's not yet time to fire the Brahmastra. Instead, the 'comprehensive support' promised by Narendra Modi must be targeted only at those sectors that are directly impacted. Barring the sectors exempt from tariffs—pharma, smartphones, and oil and gas—the share of exports affected by tariffs is not significant relative to the size of our \$4 trillion economy. But job losses are likely to be large in sectors most impacted are also more labour intensive. So, the effort must be to support them—selectively.

True, no sector is entirely immune from the impact of higher tariffs. But if that's going to be the new normal, we have no choice but to make the best of it. Exporters will have to look for new markets, corporates will have to live with lower profits, aam aadmi will have to live with higher inflation and stock markets will have to get real. Finally.

At the same time, to the extent that a growth slowdown is best addressed through fiscal rather than monetary policy, this is an opportunity to pursue the more difficult reforms that successive governments eschewed for fear of upsetting the applecart (read: losing popular support).

Labour and farm reforms fall in this category. The PM has promised an 'arsenal of reforms': GST reforms (by Diwali) and cash benefits for those joining the job market for the first time. Moves like rationalisation of GST—reducing from four to two rates—were, in any case, overdue. Despite pressure from Trump, the PM has gone out on a limb to protect farmers' interests. He could use that as an excuse to push ahead on farm reforms.

'It's an ill wind that blows nobody good,' said John Heywood, referring to a sailing metaphor that meant that it was unlucky for one person could bring good fortune to another. With some luck, Trump's tariffs may well be the ill wind that proves unlucky for the world but brings good fortune to India!

ChatGPT SHAIRI OF THE DAY

The PM had gone to China
Hearing which folks
had angina
Xi said to him,
'Trump is so full to the brim,
Come and hang out
and join us!'

...

Global Investment in Digital Economy

Between 2021 and 2023, the digital economy captured 8.3% of global FDI on average—up from 5.5% a decade earlier, according toUNCTAD. Since 2020, greenfield investment in the digital economy has nearly tripled to \$360 billion. But over the past five years, developing countries have received just 30% of the global total. And among the developing countries, about 80% of the greenfield projects in digital sectors were to just 10 countries, mostly in Asia.

Top developing economies by project announcements in digital economy sectors, billions of dollars and percentage, 2020-2024

Country	Investment (Billion \$)	Percentage (%)
Malaysia (22%)	74	114
Indonesia (14%)	39	39
Singapore (7%)	39	39
Viet Nam (6%)	32	32
Mexico (5%)	29	29
China (4%)	24	24
Brazil (4%)	23	23
S Arabia (4%)	23	23
Thailand (3%)	16	16

During 2020-2024, developing countries attracted a total of \$531 bn in greenfield projects

MEME'S THE WORD



Shit, this is so much better than scrolling

Tariffs Must Spark Reforms



Anant Goenka

Donald Trump has done what Indian policymakers have often struggled with—create urgency for deep structural reform. By slapping a 25% punitive tariff on Indian goods over purchases of Russian oil—on top of an earlier 25%—he's raised export duties to 50% for key sectors like textiles, leather, engineering goods and chemicals. For some exporters, the US market became useable almost overnight.

50% tariff shock of this scale could shave 0.2-0.4 percentage points off GDP growth, risking a slip below 6% mark. While India's current growth of 6.5% reflects resilience and dynamism, the real opportunity lies ahead. To shield ourselves from future geoeconomic shocks, India must break into a sustained 8-9% growth trajectory. Achieving this requires more than incremental measures. It calls for transformative policy action.

India now has a choice: treat this as a routine trade issue to be managed through diplomacy or leverage it as a catalyst for economic transformation—one that reduces overdependence on any single market and builds resilience against global disruptions.

This is not just about tariffs; it is a once-in-a-generation opportunity to strengthen our fundamentals and rewrite the economic playbook. The world is rebalancing supply chains, and India is better positioned than ever to seize this shift. With the right reforms, we can attract large-scale investments, empower our MSMEs and position ourselves as a global hub for manufacturing and services.

A decisive part of the answer lies in significantly improving ease and costs of doing business, not just nationally but also at the state level. Competitive federalism must go beyond investment

summits and translate into action. Greater coordination between states and GoI through harmonised regulations, model laws and unified digital systems would make India a truly integrated market.

Continued reform through scrapping outdated laws and further decriminalisation of minor non-compliances (as initiated under Jan Vishwas Act) must become the norm. Self-certifications should be the default for low-risk, unchanged operations—cutting compliance friction overnight without compromising safety or environmental standards.

Power and labour remain critical cost drivers across industries, making them crucial to industrial growth. Phasing out power cross-subsidies that burden industry with higher tariffs—while protecting vulnerable consumers through direct benefit transfers—would boost manufacturing competitiveness. Introducing responsible labour flexibility—hire-and-fire provisions balanced by portable social security and skills—will help MSMEs scale and attract manufacturing FDI while safeguarding workers.

In the short term, India must keep its exports afloat and diversify its markets. Industries most exposed to US tariffs will require targeted credit support to navigate the immediate shock.

Simultaneously, we should accelerate trade talks with the EU, ASEAN, African and Latin American countries, and make better use of FTAs we already have with partners like ASEAN, where utilisation remains sub-optimal.

In the medium term, competitiveness must be built on two pillars: people and infrastructure. Public spending on education—from primary schools to doctoral research—needs to rise sharply, aligned to emerging

industries like AI, green energy and advanced manufacturing. Industry, academia and government must coordinate on skill development, as critical sectors face shortages of highly skilled talent even while unemployment remains high.

Equally important is the need to go beyond the usual 6 metres by developing high-quality growth clusters. Greater urban transport and housing infrastructure, cleaner air and water, and improved quality of life will help retain talent and stem the brain drain. Female labour force participation must also rise meaningfully supported by return-to-work programmes for women after motherhood, safe workplaces and affordable childcare.

Tourism is another powerful lever for rapid jobs creation and foreign earnings. With targeted steps like expanding e-visas, improving last-mile connectivity, and marketing India's cultural and medical tourism strengths, we can unlock quick, wide-ranging growth.

In the long term, India must make early bets on strategic technologies—green hydrogen, rare-earth mineral processing, quantum computing—instead of waiting for others to consolidate their lead. In semiconductors, batteries, and advanced materials, domestic supply chains must be built to reduce import dependence.

A sovereign technology fund can back high-risk, high-reward R&D with clear commercialisation paths. We should also identify underpenetrated country-sector combinations where Indian exports are currently minimal but have high potential and align industry support accordingly.

Trump's tariffs are a reminder that the era of near-universal market access is over, with protectionism on the rise. India must upgrade policy and industrial policy as inseparable, and act accordingly.

The writer is vice chairman, RPG Group

MELODY FOR MONDAY

I Might Be Wrong Radiohead

There are few times as hypnotic as Radiohead's 'I Might Be Wrong' from the band's 2001 album, *Amnesiac*. The song is a masterclass in sonic seduction—haunting and narcotic. The track pulses with a hypnotic groove that feels both mechanical and organic. Colin Greenwood's bassline doesn't just anchor the song, it coils around it like double helix, slithering through Jonny Greenwood's and Ed O'Brien's jagged guitar riffs that shimmer with shimmering textures.

Yorke's vocals drift in and out like a ghost—aloof, weary, intimate. His falsetto, especially in the outro, breaks through the rhythmic rigidity like a shaft of light, offering a strange rebel yell amidst the gloom.

The lyrics—"I might be wrong, I might be wrong, I might be wrong I saw a light coming on"—is as enigmatic as a boulder at the mouth of a cave. Will it roll to shut out all exit, or will it roll to show the light at the end of the tunnel.

In the Radiohead canon, this is not just earworm music, but the diastolic heart of a murmuring heart that knows not how to stop.

THE SPEAKING TREE

Universal Teachings

HARVINDER PAL SINGH

"Sab Sikhon ko hukam hai, Guru maneyo Granth"—all Sikhs are enjoined to accept the Granth as their Guru. These were the parting instructions of Guru Gobind Singh, the last Sikh Guru, as he codified the Sikh law and ended the line of human Gurus. It was the fifth Nanak, Guru Arjan Dev, who had completed its first version: The Adi Granth, and installed it inside the Golden Temple on September 1, 1604. Guru Gobind Singh subsequently added hymns of later gurus making it final, sovereign and eternal Guru of Sikhs.

Guru Granth Sahib starts with Japji Sahib, Guru Nanak's first composition after attaining Self-realisation. Its opening words, Ek Omkar, signifi-cance of the universe, rest of the Granth simply elaborates its essence. In addition to hymns of Sikh gurus, it contains teachings of 30 other sages of different Indian religions, castes and regions. Their teachings are poetically rendered and set to rhythmic music based on 31 different ragas in the 1,429-page voluminous scripture.

The underlying theme of the Granth is that of universal brotherhood emphasising equality, justice and compassion. While Guru Nanak said, "Na koi Hindu na Mussalman"—Hindus and Muslims are not dissimilar.

To attain inner peace, it asks us to align with the 'hukam', a word derived from Arabic, meaning 'divine order'. Guru Granth Sahib does not belong to any particular faith as its compositions have a universal approach. It is a source of ethical guidance to entire humankind, especially those on a spiritual journey.

Chat Room

Of Praise & Progress

Apropos the Edit 'The Foreigner's Gush That Turns Us Mush' (Aug 30). Every chitling compliment from a foreign visitor should send India into a frenzy of self-congratulation. Praises about our 'digital leap' ring hollow when unemployment soars and gig workers' hustle with no security. Claims of a 'vibrant democracy' sound ironic when dissent is silenced and voices are silenced. If we mistake polite flattery for real progress, we risk becoming performers at a global stage play rather than authors of our own script. Respect must come from fixing our contradictions, not smoothing over hashtags. *Amarnav Kumar, Huzarbagh*

A Well-Timed Partnership

Apropos the news report 'India, Japan Sign 12 Pacts, ...' PM Modi's visit to Japan marks a milestone in the Special Strategic & Global Partnership. The meeting with Japan's PM Shigeru Ishiba secured \$10 billion (US\$6 billion) investment in India over the next decade, spanning semiconductors, critical minerals, AI, green energy, mobility and space. Around 12 major agreements and nearly 100 MoUs were signed. Strengthening bilateral ties for mutual benefit, both countries diversifying their economic and strategic partnerships will generate employment at home. *RS Narula, Patiala*

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Letters in the editor may be addressed to: edit@timesofindia.com



The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

THE COTTON SIGNAL

By making cotton imports duty-free, India shows flexibility to negotiate. It's for US to reciprocate

INDIA HAS ALLOWED cotton imports at zero duty till December 31, 2025. The "temporary" exemption from the earlier chargeable 11 per cent tariff comes amid domestic production of the fibre falling to an estimated 311.4 lakh bales (lb) in 2024-25 (October-September). From 336.5 lb in the previous marketing year and the all-time-high of 398 lb of 2013-14. But it's not just lower output — compounded by a 2.6 per cent dip in the area sown this kharif season — that may have prompted the Narendra Modi government's decision. No less significant is the signal it sends out to the United States that has seen the value of its cotton exports slide from \$8.82 billion in 2022 to \$4.96 billion in 2024, largely because of reduced purchases by China (from \$2.79 billion to \$1.47 billion). With China further slashing imports to a mere \$150.4 million in January-June 2025, it means a huge loss of market.

No wonder the US wants other countries to buy more. Vietnam, Pakistan, Turkey and India have all done that. India alone has imported \$181.5 million worth of US cotton in January-June, as against \$86.9 million during the first half of 2024. The duty removal is likely to give an added boost to that. The US Department of Agriculture has, indeed, welcomed the move. It sees this as not only increasing US cotton bookings, but also helping Indian textile exporters access cheaper and contamination-free fibre. Nearly 95 per cent of imported US cotton, the agency claims, is processed and re-exported as yarn, fabric and apparel. But it is the optics, more than any thing else, in the context of a low moment for Delhi-Washington ties, that's encouraging. Not reviving the stalled trade talks is in neither side's interest. By making cotton imports duty-free, augmenting availability of fibre for its textile industry, India has shown willingness and flexibility to negotiate. It's for the US now to reciprocate, by scrapping the unreasonable and irrational 25 per cent Russian oil import "penalty" on India.

There's a loser in all this, though. The Indian cotton farmer has been deprived of any new cropping technology after genetically modified Bt hybrids, which drove up average lint yields from 302 kg to 566 kg per hectare between 2002-03 and 2013-14. Since then, yields have dropped to sub-450 kg levels, even as cotton has become susceptible to so-called secondary pests such as pink bollworm and whitefly in addition to boll rot fungal pathogens. The results of non-investment in breeding research and development are evident from record imports of 39 lb projected for 2024-25. This double-whammy situation, of technology denial alongside import inundation, has been witnessed even in mustard and soyabean. The Indian farmer can — and should be enabled to — compete, but not with hands tied.

SCIENCE UNDER ATTACK

Firing of CDC director is a new low in Trump administration's approach to institutions. Pushback by civil society is heartening

LESS THAN A month after she was confirmed as director of the US's premier health agency, the Centers for Disease Control and Prevention (CDC), infectious disease expert Susan Monarez was forced to leave her job by the Donald Trump Administration. The scientist, who reportedly clashed with US Health Secretary Robert F Kennedy Jr over the revamping of America's vaccine policy, has said she will contest her ouster. The episode marks a new low in the Trump administration's approach to scientific institutions. The CDC has faced budget cuts, layoffs, resignations, and an array of changes to protocols. At least four experts have quit the agency in the wake of Monarez's ouster.

Kennedy has long held the much-discredited view that the administration of vaccines at a young age contributes to autism. In the weeks after assuming office, however, he insisted that his department wanted to set the "highest possible standards". The Health Secretary's first two choices for leaders of key agencies — Marty Makary as head of the US Food and Drug Administration (FDA) and Jay Bhattacharya as director of the National Institutes of Health (NIH) — invited questions because both experts held controversial views during the Covid pandemic. Even so, their solid academic credentials held out hope that the two appointees wouldn't acquiesce in any effort to undermine public health. But under Bhattacharya, the NIH has pivoted away from cutting-edge research on mRNA vaccines and Makary has allowed FDA officials to set aside inoculation-related decisions of the agency's scientists. The worst fears of Kennedy's critics came true in June when the Health Secretary fired all 17 members of the Advisory Committee that guides the CDC on inoculation-related decisions and named a new panel that comprises more than one vaccine critic. The committee has given up the tradition of inviting representatives of medical bodies like the American Academy of Paediatrics to its meetings. After her appointment in early August, Monarez, the first non-physician to hold the CDC top post since 1953, reportedly came under pressure to rubber stamp the panel's decisions, including conducting investigations on links between vaccines and autism.

The purges at the CDC have underlined fears that the Trump administration is creating new public health risks at a time when measles has made a comeback in the US after more than 25 years. It's heartening, however, that it has faced concerted opposition from scientist groups, including the American Public Health Association, bodies representing federal health workers, and patient advocacy groups. Sustaining this pushback will be crucial to maintaining the integrity of American institutions, often seen as the gold standard of global public health policy.

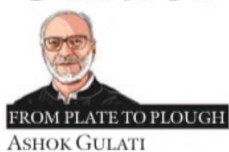
FREEZE FRAME

EP UNNY



Under cover of trade deficit

Politics of imposition of higher import duties shows lack of understanding of theory of comparative advantage



FROM PLATE TO PLOUGH
ASHOK GULATI

US PRESIDENT DONALD Trump's frequent claims about stopping the conflict between India and Pakistan, which he believes could have gone nuclear, show that he wants to go down in history as a peacemaker. Interestingly, Pakistan has nominated him for the Nobel Peace Prize and has managed a much-favoured treatment from the US. In contrast, India's steadfast denial of Trump's role in stopping the four-day conflict seems to have irked Trump.

Now, Peter Navaro, Trump's trade advisor, has quite irresponsibly said that the Russia-Ukraine conflict is actually "Modi's war", as India is funding it through Russian oil purchases. Trump's punitive tariffs of 25 per cent for buying Russian oil, on top of the reciprocal tariffs of 25 per cent, could be only the beginning of the punishment. The White House is already talking about cutting down on H-1B visas, and some senators have even described these as a "scam". India is the biggest beneficiary of H-1B visas, with an almost 70 per cent share. With high tariffs of 50 per cent, Indian exports to the US are going to suffer massive losses — they could be around \$40-50 billion. While a federal appeals court ruled on August 29 that the President overstepped his powers in imposing the tariffs, enforcement of the order is on hold till mid-October, giving the administration time to appeal to the US Supreme Court. And if Trump doubles down on H-1B visas, the losses could be much higher. So, India has many stakes in its relationship with the US.

Prime Minister Narendra Modi has stood his ground so far. He told the nation that he is ready to suffer, but will not compromise. However, the EU, Japan, and South Korea have already made deals. China is the only country that has withstood Trump's pressure tactics so far and even retaliated through its monopoly over rare earth minerals. India does not have that leverage. The Indian economy is less than one-seventh of the US economy. The only way

to escape being crushed during this power play is to be extremely agile and smart.

Most economists outside Trump's circle opine that the US will soon hit stagflation — high inflation and low growth — if not outright recession. But that won't happen tomorrow. It will take at least six months to a year for Trump's policies to run their course. Only then will there be a likelihood of the US realising the folly of its current policies and making corrections. In the meantime, the US has already inflicted massive damage on its own reputation and trust. No one, including its allies, is likely to trust the US anymore. India certainly will not. The hard work of diplomats over the last 25 years in building good Indo-US relations has been undone in the last two months. Trust is fundamental in any relationship. It cannot and should not be traded for short-term transactional gains. Once trust is lost, it takes decades to rebuild and, in any case, fear always remains.

In such a situation, what should India do? Here are some pointers:

While export subsidies were banned, exchange rate distortions (especially undervalued currency) were not subjected to any scrutiny. It is well known that China, from the mid-1990s to the mid-2000s, pegged its exchange rate to the dollar at around 8.28. Several studies pointed out that the Chinese yuan was hugely undervalued, which was a hidden way of giving an export subsidy across all sectors. This was a period when China was accumulating trillions of dollars, and yet the exchange rate remained undervalued. This is at the root of the current-day overblown trade deficits of many countries vis-à-vis China.

First, there is no need to retaliate. We have quite a bit at stake, and we don't have the leverage China has. Second, fast-track diversification of exports to other regions and countries, from Russia to Japan to Australia to the African continent to Latin America. We need to get going on free trade agreements (FTAs) with the EU, Russia, ASEAN, and the African Union and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). Third, make the expanded BRICS more proactive on trade by adhering to the rules. The US has already buried the World Trade Organisation (WTO) with its barrage of differential tariffs on various countries. Can BRICS take the initiative to resurrect it? Fourth, remain engaged with the US on trade negotiations and adopt a somewhat more flexible approach. We need to be pragmatic and weigh the net benefit of sourcing oil from Russia,

which, as per our rough calculation, is not more than \$6-7 billion. If we reduce that somewhat and increase imports from the US, that may help save our exports of \$40 to \$50 billion. All this will require smart negotiation and should not be seen as a compromise with sovereignty. Lastly, there is a lot to do on the home front, and second-generation reforms need to be undertaken, including a significant reduction in import duties. Otherwise, we help Trump in saying that India is the tariff king.

Let me turn to the issue of trade deficits, which seems to have spurred the US to impose higher reciprocal tariffs. A majority of politicians in most countries, including India, think exports are always good but imports are bad. That gives them the rationale for imposing higher import duties. The fundamental problem with these politicians is that they don't understand the theory of comparative advantage. Trade brings prosperity among trading nations. The only thing one has to ensure is that trading is based on rules, not export subsidies. That's where the WTO's role becomes critical. While export subsidies were banned, exchange rate distortions (especially undervalued currency) were not subjected to any scrutiny. It is well known that China, from the mid-1990s to the mid-2000s, pegged its exchange rate to the dollar at around 8.28. Several studies pointed out that the Chinese yuan was hugely undervalued (by about 20 per cent), which was a hidden way of giving an export subsidy across all sectors. This was a period when China was accumulating trillions of dollars, and yet the exchange rate remained undervalued. This is at the root of the current-day overblown trade deficits of many countries vis-à-vis China. Unless this is checked, undue trade imbalances will remain.

Gulati is a distinguished professor at ICRIR. Views are personal



C UDAY BHASKAR

THE BILATERAL MEETING between Prime Minister Narendra Modi and Chinese President Xi Jinping on the sidelines of the SCO summit in Tianjin on Sunday has aroused considerable global interest, given that it took place against the backdrop of unexpected turbulence in India-US bilateral ties, triggered by the potential weaponisation of tariffs by US President Donald Trump.

The outcome of Tianjin is to be cautiously welcomed. It is a summit-level political endorsement by the two leaders of the broad agreements arrived at during the visit of Chinese Foreign Minister Wang Yi to Delhi earlier in August. It is instructive that the official statement released by New Delhi referred to both leaders welcoming the "positive momentum and steady progress in bilateral relations since their last meeting" in Kazan, Russia, in 2024.

This is a familiar template for both Asian giants who have had a troubled relationship since the border war of October 1962. After the most recent military confrontation in Galwan, Ladakh in mid-2020, bilateral ties went into a deep freeze and it took the Kazan meeting for the beginning of a thaw, with modest results in Tianjin. A much needed degree of stability, resumption of dialogue and contact at various levels have been restored.

However, it would be misleading to interpret the Modi-Xi meeting as heralding a breakthrough in the more contentious issues that have bedevilled the relationship for decades. The tangled territorial-cum-border dispute that goes back to the birth of India and China as independent nations (1947 and 1949 respectively) is at the core of the dissonance. Despite repeated attempts, the path to a consensual *modus vivendi* has remained elusive.

In the Tianjin meeting, the two leaders noted "with satisfaction the successful dis-

A RECONNECTION IN TIANJIN

Modi-Xi meeting marks progress, but border issues remain a challenge

agement last year and the maintenance of peace and tranquillity along the border area since then." Predictably, the old chestnut, "mutually acceptable resolution", found mention and the statement added that the two leaders "recognised the important decisions taken by the two Special Representatives in their Talks earlier this month, and agreed to further support their efforts."

This translates into acknowledging that the border talks will remain a "work in progress" and both countries will seek to engage with each other in other domains. This was reflected in President Xi's remarks where he noted that the two nations are cooperation partners, not rivals, and that they are each other's "development opportunities rather than threats." The visually rich symbolism of a "cooperative *pas de deux* of the dragon and the elephant" was also invoked by Xi.

The Tianjin bilateral meeting and the SCO summit are unfolding at a consequential moment in global geopolitics. The American eagle is flapping its wings in an irate manner and the dragon, the elephant and the Russian bear are all differently impacted. Till the draconian Trump tariffs plunged the India-US relationship, New Delhi had managed to maintain a delicate balance in its ties with both Washington and Moscow. The anomalous assumption that India could be part of a robust partnership with the US, and an active member of the Quax the "strategic partnership" with Moscow has been belied.

However, it would be misleading to assume that this translates into India joining the China-Russia camp that is ranged against the US. New Delhi has been navigating a carefully calibrated path of not being a camp-follower since 1947, to ensure that its core interests are not adversely impacted. When required, India has stood its ground while engaging with its prin-

cipal strategic interlocutors.

India had bitter differences with the US during the Cold War over the NPT (nuclear non-proliferation treaty) and this relationship remained strained from 1974 to 2005. The George Bush-Mamohan Singh rapprochement that led to the Indo-US nuclear deal in 2008 turned the page. The last 17 years have seen a steady consolidation in the India-US partnership. The August 27 imposition of unwarranted tariffs on India has strained ties but Delhi will have to remain committed to engaging with the US in the long term, given its relevance in the Indian strategic calculus.

China has pursued policies that have been either inimical or adversarial to India's core interests since 1962, with Beijing aligning itself with the US in the latter part of the Cold War and then with Pakistan. New Delhi has lived with long periods of a breakdown in dialogue and contact with Beijing, going back to the 26-year hiatus that ended in 1988 with the visit of PM Rajiv Gandhi to China.

Beijing was vehemently critical of the Indian nuclear tests of 1998 and sought to play spoiler in the 2008 US-led civilian nuclear accommodation. The 2020 Galwan rupture is now being repaired in Tianjin and the SCO deliberations will testify to the current geopolitical reality. A contra-polar world, where major powers are grappling with complex contradictions.

Modi's visit to Tokyo prior to Tianjin and the India-Japan joint statement reaffirming "their steadfast commitment to a free and open Indo-Pacific" would have been noted in Beijing and is part of this contra-polar pattern. The tea leaves are muddier than they seem and must be read objectively.

The writer is director, Society for Policy Studies

SEPTEMBER 1, 1985, FORTY YEARS AGO

PAKISTAN'S N-THREAT

IF INDIA DECIDES to make nuclear weapons, the cost of such a programme limited to meeting a similar Pakistani threat will not be much, defence researchers say. For a developing country, cost is one of the basic factors in such a programme. The other factors are whether India has the means to assemble a bomb and a delivery system to take it to enemy targets. The government has been ambivalent about its nuclear policy saying that the nuclear programme is aimed at peaceful purposes and simultaneously adding that Pakistan is about to or has already made a bomb and that India's "options are open."

DRAFT PEACE ACCORD

THE SRI LANKA President, J R Jayawardene, has called a special meeting of senior ministers to discuss the "working paper" which could form the framework for resolving the island's ethnic problem. Hector Jayawardene, leader of the delegation to the Thimphu peace talks, had spent the last 10 days in New Delhi finalising the draft of the working paper.

CHEMBUR GAS LEAK

HAVING FAILED to plug the leakage of chlorine effectively, the management of the Calico Mill's chemicals and plastics division

at Chembur in Bombay has agreed to neutralise the entire 40 tonnes stock of the toxic gas immediately. The suggestion to neutralise the chlorine gas came from Dr Chosh of the Bhabha Atomic Research Centre, who is a member of the special crisis committee.

WAITING FOR A FLAT

EXACTLY 12 YEARS ago, an employee of a Central Government office responded to DDA's advertisement offering Janata flats. Ethelbert Kujur, belonging to a scheduled tribe, works in the Central Public Works Department. He was allotted a flat in 1975, and is still waiting to take possession.



THE IDEAS PAGE

An RSS of its time

Bhagwat's Vigyan Bhawan dialogue shows an organisation that seeks to contextualise itself and redefine its philosophy of action, lays ground for conversations based on mutual trust and optimism



RAKESH SINHA

RSS SANSANGHCHALAK MOHAN Bhagwat's dialogue at the Vigyan Bhawan marks a philosophical leap in the organisation's history. It reflected the collective will of not only the organisation's rank and file but also gave expression to the beliefs of millions of cadres. Bhagwat talked of going beyond the task of organising Hindus. He said, "The RSS wants to organise the entire society." The RSS Sarsanghchalak criticised some radical groups that masquerade as part of the Hindutva movement and reiterated the importance of dialogue between communities as a genuine solution to social conflicts. This was also a strong appeal for reciprocity from the so-called minorities, particularly Muslims and Christians, to break the inertia that stops them from reconnecting with their cultural roots and confines these communities to ghettos.

The RSS today has evolved and developed V D Savarkar's vision of Hindutva. It does not cling to old speeches of its leaders. It moves according to the needs of the hour. In essence, Bhagwat's words were both an attempt at and a plea for the detoxification of discourses that have often polluted minds and bred mistrust. They lay the ground for conversations based on mutual trust and optimism. The three-day event was also an attempt to infuse a liberal democratic spirit into social and cultural conversations. As the RSS chief, Bhagwat has the moral left to do so. The RSS has never been the reason for polarisation in the country. When the country was partitioned, then Home Minister Sardar Vallabhbhai Patel informed the Central Assembly, on February 11, 1947, that no province had asked for a ban on the RSS. A little more than a decade earlier, in 1934, during a debate in the Central Provinces and Berar Legislative Council, the colonial government could not respond to Muslim member M S Rahman's appreciation of the Sangh. Rahman challenged the government's portrayal of the RSS as a communal organisation.

The evolution of societies often involves myriads of unknown factors. Challenges are a constant. However, socio-cultural and political orthodoxies seem to have become entrenched in modern times. They address new realities with old mentalities. Therefore, resistance to change is apparent in almost every sphere. In such times, Bhagwat typifies RSS's exceptionalism — the organisation has always sought to contextualise itself and redefine its philosophy of action. Most organisations fear that ideological revision might cause splits, dissent, and disintegration. This breeds hypocrisy. The communist and socialist movements in India, which also began in the 1920s, saw splits and disintegration. Over time, their influence waned. Two factors gave the RSS an edge. First, its leadership and workers remained in constant touch with the people. They are good listeners as well as inheritors of the views of the common people. Second, the process of contemplation within groups in the organisation has been maintained. These methods are followed not just within the organisation's top echelons. Informal consultations outside the organisation's top leadership are given no less importance. Bhagwat said that,

in the RSS worldview, individual ambitions merge with collective desires and ideals.

The Sangh has been a votary of an inclusive Hindu society. It has resurrected the lost meaning of "Hindu", which includes people of Semitic religions. This definition was in vogue in the 19th century and provides a justification of the Hindu Rashtra. Bhagwat's response to critics who created the narrative of RSS being a votary of uniformity is equally compelling. He said that synonyms like Bharatiya, Indic, and Hindavi are equally acceptable to the organisation.

Most of the RSS's history is of confrontation with the Indian state, dominated by the Nehruvian-Marxist ideologies. It's also a story of conflict with civil society leaders who have much in common with these ideologies. The two created several myths to tarnish the RSS. After its elevation as a dominant social and cultural group with a visible impact on politics and state power, Bhagwat upheld the saffron movement and articulated cultural reintegration and constitutionalism as the hallmarks of a new RSS nationalism.

Bhagwat's speech was not just about social inclusion. His emphasis on the decentralisation of wealth and equality is important in an era of neoliberalism, which has caused more misery than comfort. It has created social deficits and undermined the institution of the family. The danger of the New Right prevailing in every corner of the world remains high. Bhagwat's speech shows that RSS is aware of the dangers of neoliberalism. This is perhaps an attempt to renew an economic vision and nudge society to be more egalitarian. The neo-rich are a part of dominant social groups all over the world, and India is no exception. Their influence on

Bhagwat's speech was not just about social inclusion. His emphasis on the decentralisation of wealth and equality is important in an era of neoliberalism, which has caused more misery than comfort. It has created social deficits and undermined the institution of the family. The danger of the New Right prevailing in every corner of the world remains high. Bhagwat's speech shows that RSS is aware of the dangers of neoliberalism. This is perhaps an attempt to renew an economic vision and nudge society to be more egalitarian.

politics, culture, and social processes is visible. The RSS safeguards its boundaries by maintaining financial self-reliance. It depends on the guru dakshina contributions by its workers.

RSS Leader Dattapant Thengadi's "Third Way" propounded a new economic philosophy, free from the rigid divisions of the Left and the Right. Bhagwat's speech is also an effort to dehyphenate RSS from current politics. He said politics reflects society and, therefore, the RSS's future task should be social transformation as a precursor to changing the system. This is a greater goal than occupying the seat of power. This shows that the RSS is not a part of the so-called New Right.

For decades, and particularly since the 1990s, commentators on the RSS have focused on its political role. This belittles the organisation's social and moral compass. The RSS's priority of *kutumb prabodhan* aims to revitalise the family. New definitions of prosperity and some of the processes of development are reasons for the disintegration of the family. The Indian way of life, based on the family, is being appreciated in the West today.

Martin Luther King Jr is remembered for his Hungry Club Forum speech on May 10, 1967, in which he identified three evils: Hunger, racism and war. Similarly, Bhagwat's Vigyan Bhawan speech identified the three challenges the world is facing: Revitalisation of the institution of the family, social inclusion and decentralisation of wealth. While M L King expressed the feelings of unorganised people, Bhagwat represents an organisation with 4000 *prachariks* and more than 5.5 lakh people holding various positions in an ideological family. That's why he expressed the RSS's ambition to become a role model movement for people of other nations too.

The writer is a former BJP Rajya Sabha MP

WHAT THE OTHERS SAY

"The Kremlin sent a clear message with its lethal overnight raid on the Ukrainian capital. Will the US heed it?" — THE GUARDIAN

Look over the horizon

India needs to leverage period of Trump-induced uncertainty to make it easier for international companies to do business here



VIKRAM SINGH MEHTA

"EVERYONE HAS A plan until they are punched in the face." So commented Mike Tyson, former world heavyweight boxing champion. This might well have been the essence of the message President Donald Trump passed on to the troop of European leaders that humiliated themselves in his Oval Office recently. In today's global context, the one way to stay on plan is to stay out of the ring unless one has the muscle strength of Muhammad Ali or the economic clout of President Xi Jinping. That India has decided to do just that by not retaliating to the secondary tariffs (sanctions) that the US has levied on India for allegedly "financing" the Russian war machine, but limited its riposte to the verbal soundbite of US hypocrisy, is sensible. Retaliation would simply deepen the wedge driven into US-India relations and make it that much more difficult to build back once Trump has left office.

The boxing imagery aside, the question has to be asked: How do we address the Trumpian moment? For it is a movement. Whether this movement sustains post-Trump remains to be seen. But until then, one has to search for new, perhaps unfamiliar and unconventional tools to manage the predictable unpredictabilities.

A good beginning could be made by de-liberating on how best to deal with the US ambassador-designate, a die-hard Trump loyalist, a newcomer to international diplomacy, on perhaps his first trip to India and with possibly only one brief. Interpret his master's tweet for Indians. Not build back eroded relations.

What might be the tools to deploy? I do not know, but it will not be those our mandarins in the Ministry of External Affairs traditionally use in their exchange with ambassadors overseas. Perhaps the best next step would be to figure out what might pique this man's interest — art, maharajas and palaces; subtle (or maybe unabashed) flattery? And once found, to identify a cohort of people who could respond to his playbook. For once this ambassador has been "charmed", we may have no need for the expensive lobbyists hired to make the Indian case to the White House — he has a straight line to the President.

I suspect I will be criticised for flippancy, but I do not make these suggestions lightly. The conventional rules of the game have been overturned. This said, one must not lose sight of an unalterable reality. First principles and fundamentals will, in time, reassert themselves.

I have been in business for over four decades and, if asked, I would distil the core factors of business success to leadership, technology, innovation, scale, efficiency, talent and quality. And respect for the market. The latter cannot be bucked.

Whether it be the robber barons of the late 19th and early 20th century, Andrew Carnegie, John D Rockefeller, Cornelius Vanderbilt or the captains of Indian Industry today, Mukesh Ambani, Sunil Mittal, Anand Mahindra, and the IIT icons, they built their companies on the back of these first principles. In international affairs, too, there is an unerring fundamental principle for safeguarding national interest. The former UK Prime Minister, Lord Palmerston, described it succinctly in a speech to the House of Commons in 1848. He said, "We (UK) have no eternal allies and we have no perpetual enemies. Our interests are eternal and perpetual, and those interests it is our duty to follow."

Our response to US pressure to cut off supplies from Russia was Palmerstonian. We ignored it. Currently, the weighted average benefit of Russian crude oil vis-à-vis purchases from Saudi Arabia, the Gulf countries and Iraq is around \$2.50/barrel. This benefit would be erased were prices to drop further. If and when that happens, Indian refineries would undoubtedly switch suppliers. Russia will (hopefully) understand, and this switch will not strain relations. President Trump may wish to take credit for the switch, and we should allow him this moment in the sun. There is nothing to be gained by reminding him that the market is a more powerful force than his daily tweets.

Comparably, the resumption of talks with China is also Palmerstonian. Our green energy agenda rests on competitive access to low-cost solar panels, wafers, modules, batteries and rare earths. China offers all of these commodities at the lowest prices. Sure, our two countries have different and potentially clashing world views and economic logic must never supersede national security, but within this frame, there is space for cooperation and collaboration. In the context of green energy, this would centre around the creation of resilient supply chains.

"Uncertainty is the only certainty" — this is a somewhat clichéd encapsulation of current conditions. It does, however, compel the question: How should India respond to these uncertainties? Three responses come to mind. One, the world of alternate facts does not change reality. Trump may hyperbolicise India with Pakistan. But that cannot alter the reality that Pakistan is a failing economy and India is to be the fourth-largest economic power. Two, economic strength is a solid currency. The US threatened prohibitive tariffs against China, but when China retaliated by cutting exports of rare earths, the US not only lowered taxes but also permitted Nvidia to resume exports of its semiconductor chips to the country. India needs to leverage this period of uncertainty to clear the miasma of regulatory compliance and make it easier for international companies to reshore, friend shore or on-shore into/towards India. Finally, the US is and will remain a crucially important strategic partner. We must look over the horizon and display "strategic patience".

The writer is Chairman and Distinguished Fellow, Centre for Social and Economic Progress. Views are personal



SHAMA MOHAMED

Silence becomes cowardice when occasion demands speaking out the whole truth and acting accordingly.

— Mahatma Gandhi

THERE HAS, PERHAPS, been no other comparable act of human cruelty in modern times that has failed to generate outrage and condemnation, as the unchecked military campaign that Israel has unleashed on the people of Gaza. This is not a war; it is carnage. And the silence of the West, and India in particular, is deafening.

As someone who was brought up in Kuwait in the 1980s, the Israeli-Palestinian issue is close to my heart. I have grown up witnessing the trials and tribulations of displaced Palestinians up close. I saw Palestinian refugees living in my apartment building, as well as attending public schools. I must say, the Kuwaiti government took good care of them by giving them jobs, free education and subsidised healthcare. This decade ended when Saddam Hussein invaded Kuwait on August 2, 1990, and Yasser Arafat of the Palestine Liberation Organisation (PLO) gave full support to Hussein.

The PLO is internationally recognised as the official representative of the Palestinian

A war like no other

Modi government must break its deafening silence on Gaza

people. I was there along with my family on that ill-fated day when everything came to a standstill for us. Our carefree life became restricted, and our homes became our prison. Arafat's support for Hussein perplexes me to this day, as Kuwait was more than generous to Palestinians and their cause.

The PLO was founded in 1964. It initially sought to establish a state over the entire territory of former Palestine. The first Oslo Accord, signed in 1993 between Israeli PM Yitzhak Rabin and Arafat, put an end to that idea. The Accord was intended to lead to a mutually negotiated two-state solution, and the State of Israel would be recognised, as would the PLO. One of the notable outcomes was the creation of the Palestinian Authority, which was made responsible for limited self-governance in parts of the West Bank and the Gaza Strip.

How, when, and why did Hamas come into the picture?

Hamas was founded in 1987 by Palestinian Islamic scholar Sheikh Ahmed Yassin after the First Intifada. Initially, Hamas was discreetly supported by Israel to weaken the secular PLO and prevent the creation of an independent Palestinian state. From the late 2010s to the early 2020s, Israeli officials

under Benjamin Netanyahu approved the transfer of millions of dollars via Qatar to Hamas, which intelligence officials believe contributed to the October 7 attack. Israel calls Hamas a terrorist organisation, but gave tacit support to it to discredit the PLO and the two-state solution.

The October 7, 2023, attacks were reprehensible. Around 1,200 Israelis were killed, and over 250 Israeli citizens were abducted by Hamas. But what followed is more horrific and inhuman. More than 60,000 Palestinians have been massacred by Israel, over half of them women and children. Ninety per cent of all homes in the Gaza Strip have been destroyed, and a blockade on food, water, and medicine has been enforced. In addition, more than 1,000 Palestinians have been killed in the West Bank due to settler violence since October 7. If Israel has been adamant that their fight is against Hamas, how can it justify this unchecked violence in the West Bank?

It's not as if this violence doesn't have its share of critics within Israel. Ami Ayalon, former head of Israel's security agency Shin Bet, former Mossad chief Tamir Pardo, former IDF chief Moshe Vainal and former PM Ehud Barak have signed an open letter to the US

President on behalf of 550 former Israeli security officials, calling for an end to Israel's military campaign in the besieged Palestinian enclave.

Nearly 1,500 Palestinians have been reportedly killed at aid distribution sites, more than 300 have died of starvation, of which around half are children. More than 270 journalists and media workers have been killed, making this, by far, the deadliest war in history for journalists. More journalists have been killed in Gaza than in the US Civil War, the Vietnam War and all the wars in former Yugoslavia and Afghanistan combined.

It is time the West woke up and sanctioned Israel for the war in Gaza. This is a war like no other, where starvation is being used as a weapon. After decades of sympathising with the Palestinian cause, India under Narendra Modi is now silent on the genocide, which is completely against this nation's ethos. The time to speak out has come and gone. If we stay silent any longer, even as time runs out for the people of Gaza, history will not forgive us.

The writer is national spokesperson, Indian National Congress

LETTERS TO THE EDITOR

100 YEARS OF RSS

THIS REFERS TO the editorial, 'The Bhagwat doctrine' (IE, August 30). What the RSS sarsanghchalak says matters as he heads the organisation that is the fountainhead of the BJP and uses it as its political arm. We heard what Mohan Bhagwat was saying, but found his views unacceptable. "Inclusive Hindutva" is an oxymoron for any right-thinking person, as is his claim that the RSS is striving for an inclusive India. By making "brotherhood" conditional on handing over Islamic places of worship in Varanasi and Mathura for the construction of temples, he revealed the RSS's unfinished agenda. Bhagwat spoke of India's religious diversity and Islam being part of India, but he was silent on the equality of religions. His statement that "individual swayamservice" can take part in "temple movements" has left us with the task of figuring out its meaning. The sarsanghchalak endorsed reservation "to correct historical injustices" more out of compulsion than commitment to the cause of social justice.

G David Milton, Marathandode

THIS REFERS TO the editorial, 'The Bhagwat doctrine' (IE, August 30). It dwelled on the salient features of RSS chief Mohan Bhagwat's lecture on the occasion of the centenary celebrations of the Sangh on August 28, in which

he vividly touched upon the contours of the progress and achievements made by the organisation. The editorial, however, ended up on a skewed note, asking an apocryphal question on an issue beyond its jurisdiction. The RSS may be a guiding source of inspiration for the BJP but not its mentor or guide to control its modus operandi.

Ravi Mathur, Noida

READING CHINA

THIS REFERS TO the article, 'The China blindspot' (IE, August 30). As a matter of its security strategy, India needs to understand that the concept of fighting a two-front war, with Pakistan in the West and China in the East, is suicidal. As neighbouring civilisations, barring the exception of the 1962 war, India and China have co-existed peacefully for hundreds of years. The historical links between the two countries include a healthy exchange of goods, people, and ideas. These need to be revived, especially at a time when US President Donald Trump's tariffs have caused havoc. India needs to capitalise on this history to craft its narrative with China. That is the job of those who determine the trajectory of India's foreign policy. Building the required expertise on China must be the first step in this direction.

Shubhada H, via email

Ex-prof, China hawk, India critic: Meet Trump aide Navarro

RISHIKA SINGH
NEW DELHI, AUGUST 31

AS THE United States' 50% tariffs on Indian goods came into effect last week, Peter Navarro, senior counsellor to President Donald Trump on trade and manufacturing, repeatedly trained his guns on India.

On Thursday, Navarro said in an interview with Bloomberg TV that "the road to peace [in Ukraine] runs at least partly right through New Delhi", criticising India's purchase of oil from Russia. A day later, on the social media platform X, he accused India of "strategic freeload", and said that while the Joe Biden administration "looked the other way", Trump was confronting "this madness".

Navarro is a Trump loyalist from the days of his first presidential election campaign in 2016. He has long championed tariffs as a policy tool, and is said to have greatly influenced Trump's views on the matter.

Navarro's argument

Navarro has linked India's oil purchases with its trade deficit with the US, saying New Delhi has extended a "financial lifeline" to Russian President Vladimir Putin's "war machine".

"We run a \$50-billion trade deficit with India—and they're using our dollars to buy Russian oil... A 50% tariff—25% for unfair trade and 25% for national security—is a direct response," he said on Friday.

India has seen a slowdown in oil imports from Russia in recent weeks, but, according to officials in the refining sector, the decision was driven by discounts on Russian crude narrowing, rather than US officials' public disapproval.

New Delhi has reiterated that the US had earlier encouraged India to buy Russian oil, to keep global prices from rising.

Key advisor to Trump

Navarro is a professor emeritus of economics and public policy at the University of

California, Irvine. He holds a PhD from Harvard University. Long before he became known as a Trump loyalist, in 1996, he ran for the 49th Congressional District as the Democratic Party nominee.

He met Trump while the latter was on the campaign trail nearly a decade ago, and ended up joining the first Trump administration (2017-21).

In 2018, Politico wrote of him: "Three years ago, Navarro was an obscure business professor in Southern California... Now, Navarro has more influence than perhaps anyone else in shaping US trade policy into one grounded in the idea that America can never 'win' so long as other countries are reaping benefits, too."

This has been witnessed in Trump expanding tariffs on countries beyond China in his second term, and his contested view that trade deficits are always bad for a country.

Additionally, compared with Trump's first term, which saw established figures in the Republican Party attempt to influence and contain the administration, the loyalists-



Peter Navarro at a White House press conference in 2020. Wikimedia Commons

powered second Trump administration has allowed Navarro to assume a greater role.

Notably, Navarro supported the discredited claim that the 2020 presidential elections were "stolen" from Trump. In 2024, he was released from prison after serving a four-

month sentence for defying a congressional subpoena from a committee investigating the January 2021 US Capitol riots. While announcing Navarro's appointment in 2025, Trump said he was "treated horribly by the Deep State, or whatever else."

China critic

Before his stint in the government, Navarro was best known for authoring several books on China, and for a controversy over one of the "experts" quoted in his works.

In *The Coming China Wars* (2006), he wrote about threats to the world due to the economic and military rise of China, covering everything from economy to climate change, and saying the country "cheats" on trade.

"Any time US politicians try to crack down on China's unfair trade practices, China and its growing band of Washington lobbyists quickly attack these politicians as 'protectionists'... In fact, it is perfectly reasonable for the United States to challenge China on its unfair trading practices," he wrote.

Navarro's books came under scrutiny

when it was found that he quoted a Harvard-educated expert across multiple works, later revealed to be a fake identity he created using letters of his own last name, "Ron Vara". He defended himself by terming it a "whimsical (writing) device and pen name."

Alongside Commerce Secretary Howard Lutnick, 64, and Treasury Secretary Scott Bessent, 62, Navarro is now among the top voices advising Trump on economic issues. Each of them has somewhat different approaches and views. For instance, the relatively more moderate Bessent was believed to have convinced Trump to announce a 90-day pause on the "reciprocal" tariff rates announced on April 2 on "Liberation Day".

A CNN report noted that the time that Navarro somewhat receding from public view was "fueling hopes on Wall Street that his influence had waned since markets began gyrating after tariffs rolled out in early April." Still, it termed him the "ultimate survivor in Trump's inner circle" who would be in front of the camera "whenever Trump wants to send his most hawkish message".

EXPLAINED SCIENCE

WHAT ARE BLUE DRAGONS, WHICH CAUSED BEACH CLOSURES IN SPAIN?



A blue dragon in Sydney, Australia. Wikimedia Commons

SEVERAL BEACHES in Spain — such as the beaches of Vivers in Guardamar del Segura, Santa Bárbara beach in La Línea de la Concepción, and Famara beaches in Lanzarote — were closed earlier this month after a tiny species of sea slug began to wash ashore in droves.

These were blue dragons — barely four centimetres long but capable of delivering one of the most ferocious stings in the animal world.

Their arrival, which has angered locals and ruined vacations during the peak summer tourist season in Spain, has surprised everyone, including scientists. Blue dragons are typically found in tropical waters and have rarely been seen in the Mediterranean Sea.

"We are all shocked... We've never had this little creature here before," Alfredo Villalba Barreto, mayor of Hara in Lanzarote, told *The New York Times*.

What are blue dragons?

Blue dragons (*Glaucus atlanticus*) are a small type of sea slug that live on the ocean surface, drifting with the currents. While other sea slugs live on the seabed, blue dragons float upside down, like when we float on our backs. They can do so by swallowing and maintaining an air bubble in the stomach.

The marine creature floats with its underside facing upwards in the water for a reason. It helps blue dragons "camouflage themselves with the sea's blue colour, and on their underside they are white, blending with sunlight when seen from below. It's a defensive strategy," Juan Lucas Cervera, professor of Biology at the University of Cádiz (Spain), told the Spanish newspaper *El País*.

Blue dragons have another unique trait. They feed on jellyfish and venomous siphonophores such as the

Portuguese man o' war, and incorporate the stinging cells of the jellies into multiple finger-like structures protruding from their bodies. This gives blue dragons a potent weapon against their predators.

Also, the venom becomes concentrated in the blue creatures, and their sting can be more powerful than that of the jellyfish they consume.

A sting from a blue dragon can be extremely painful to humans and cause redness, swelling, nausea, and vomiting. However, it cannot lead to death.

What led to the arrival of blue dragons in Spain?

Blue dragons occur in the warm tropical waters of the Pacific, Atlantic, and Indian oceans. In recent years, they have been cited farther afield, in countries such as Australia, South Africa, and the United States.

However, they have been rarely seen in the Mediterranean Sea. "The species was cited [in a scientific publication] in the second decade of the 20th century in the Balearic Islands, although the first record was in 1839 in the Canary Islands, but then a long time passed before it was detected again," Cervera said.

This has changed in the last five years. Scientists suggest that the blue dragons' arrival could be linked to rising Mediterranean temperatures, which brought more of their food sources, like the Portuguese man o' war, into the region, according to a report by *The New York Times*.

The Mediterranean Sea is one of the fastest-warming water bodies — at the end of June, temperatures exceeded 28 degrees Celsius, with thermal anomalies of five degrees.

EXPRESS NEWS SERVICE



HARISH DAMODARAN

INDIA HAS had a very good southwest monsoon this time, with cumulative rainfall during June-August at 6.1% above the historical average or normal for these three months. The rains have, moreover, been temporally and spatially well-distributed.

The country received 8.9% above the long-period average rainfall in June, 4.8% in July and 5.5% in August. Even May, technically preceding the monsoon season, recorded 106.4% above-normal precipitation.

In terms of geographical spread, 33 out of the country's 36 meteorological subdivisions have registered normal rainfall. Rains have been deficient — below 80% of the normal for the June-August period — only in Bihar, Assam & Meghalaya, and Arunachal Pradesh.

The monsoon's timely arrival and progress has resulted in farmers planting more area under *kharif* crops this year. As on August 22, they had sown 420.4 lakh hectares (lt) under rice, 7.6% up over the 390.8 lt for the corresponding period (from June) last year. The other crop to have posted a notable acreage jump, from 83.6 lt to 93.3 lt or 11.7%, is maize.

Fertiliser sale impact

When the monsoon is good — rains ensure adequate soil moisture, apart from filling up reservoirs and recharging groundwater tables — farmers plant with gusto, reflected in higher acreages. They also buy more fertilisers supplying nutrients — such as nitrogen (N), phosphorus (P), potassium (K) and sulphur (S) — that are as essential for plant growth as water and sunlight.

Table 1 shows double-digit growth in sales of most fertilisers during April-July 2025 over April-July 2024. That includes urea, single super phosphate (SSP), muriate of potash (MOP) and complex fertilisers containing N, P, K and S in different combinations.

The only fertiliser whose sales have dipped, by 12.8%, is diammonium phosphate (DAP).

TABLE 1 SALE OF MAJOR FERTILISER PRODUCTS

	2023-24	2024-25	Apr-Jul 2024	Apr-Jul 2025	%Growth
Urea	357.80	387.74	108.86	124.28	14.2
DAP	108.12	92.81	29.44	25.68	-12.8
NPKS	110.73	142.14	39.34	50.03	27.2
SSP	45.44	49.28	15.55	20.01	28.7
MOP	16.45	22.02	4.94	7.05	42.8

Source: The Fertiliser Association of India



A farmer sprays pesticides on his crops at Yamuna floodplains, New Delhi. Archive

TABLE 2(A) IMPORT OF UREA

	2023-24	2024-25	Apr-Jun 2024	Apr-Jun 2025
China	21.48	1.04	0	0.02
Oman	19.26	29.56	6.28	2.81
Russia	15.93	9.24	3.41	1.91
Qatar	4.18	9.79	0.97	1.30
UAE	7.48	5.01	0.44	0.31
S Arabia	3.41	5.98	0.29	0.60
TOTAL	80.06	69.10	12.10	7.75

TABLE 2(B) IMPORT OF DAP

	2023-24	2024-25	Apr-Jun 2024	Apr-Jun 2025
China	22.87	8.43	2.11	0
S Arabia	15.86	18.96	5.34	5.50
Morocco	10.49	10.26	1.65	1.68
Russia	3.41	2.69	0.33	0.66
Jordan	1.74	2.38	0.91	0.56
TOTAL	55.96	45.60	11.78	9.41

Figures in lakh tonnes. *Includes other countries. Source: Department of Commerce.

But this seems part of a trend from the last few years, where a shortage of DAP has led farmers to substitute it with other P-containing fertilisers like 20:20:13 and SSP. Sales of 20:20:13 — its 20% P content is below DAP's 46%, though above SSP's 16% — touched an all-time high of 69.7 lakh tonnes (lt) in 2024-25, making it India's third largest selling fertiliser after urea (387.7 lt) and DAP (92.8 lt).

Supply shortfalls

While demand has gone up, there has been no commensurate supply increase. Domestic production of urea during

April-July 2025, at 93.6 lt, was lower than the 102.1 lt of April-July 2024. DAP output was flat at 13.7 lt, while it went up for NPKS complexes (from 35 lt to 37.4 lt) and SSP (from 17.1 lt to 19.1 lt). In the case of urea and DAP, there has been a decline in imports as well.

Demand outpacing supply has caused a sharp depletion in stocks of major fertilisers. As per government data, urea stocks on August 1, at 37.2 lt, were lower than the 86.4 lt for the same day of 2024. So were that of DAP (13.9 lt versus 15.8 lt), complexes (35 lt versus 47 lt) and MOP (6.3 lt versus 8 lt). SSP stocks were marginally higher (20.7 lt versus 20.1 lt).

The effects of supply shortfalls were felt in July-August, the peak consumption months for *kharif* crops. Farmers apply DAP and other phosphatic fertilisers at the time of sowing along with the seeds, as crops need P for proper root establishment and early plant growth. The application of urea (which has 46% N) comes a little later. For rice, it is in split doses — the first after 8-10 days of transplanting, the second after 25-30 days and a third after 45-50 days.

Given this pattern of consumption, it's not surprising that news reports and videos of farmers standing in serpentine queues to procure their bare minimum requirement of urea bags were in wide circulation from late July. "By then, the fear factor also set in, with many farmers buying to pre-stock and not just to meet current crop requirements. That amplified the actual extent of shortage," said G. Ravi Prasad, a fertiliser industry veteran.

Policy lessons

The government probably underestimated the increased demand for fertilisers during this *kharif*, particularly on account of rice and maize. Both these are high nitrogen-consuming crops requiring three bags or more of urea per acre. This is unlike soyabean and pulses, which are naturally nitrogen-fixing and require barely a bag of urea as a basal dose. Farmers expanded rice and maize acreages, while simultaneously planting less under soyabean and pulses.

With the peak fertiliser consumption period for *kharif* over, the government will now have to plan supplies for the upcoming rabi winter-spring cropping season.

Given that India's 161 major reservoirs are currently filled to nearly 83.5% of full storage capacity, on top of replenished underground aquifers, one can expect fertiliser demand to be strong during rabi too. That would call for stocking up well in advance.

Imports of both urea and DAP have been falling after 2023-24, primarily due to a supply squeeze by China (Table 2(a) and (b)). That should hopefully ease with the recent rapprochement between the two countries.

"We must also look at ways to cap, if not cut, urea and DAP consumption. Farmers can replace at least one bag of urea with ammonium sulphate having 20.5% N and 23% S content. The government can, likewise, restrict DAP use only to paddy and wheat, while promoting complexes for other crops," added Ravi Prasad.

Return of Urjit Patel: reclusive central banker now India's voice in the IMF

GEORGE MATHEW
MUMBAI, AUGUST 31

FOR YEARS, Urjit Patel lived a life of silence. His departure from the Reserve Bank of India (RBI) in 2018 had been unprecedented: rarely had a central banker clashed so openly with the political establishment, and chosen to step aside rather than bend.

Seven years later, the same government has appointed him Executive Director at the International Monetary Fund (IMF), in what is a reminder of the economist's impeccable credentials.

Reclusive economist

Patel is not a man who seeks publicity. Colleagues describe him as reserved, sometimes bordering on aloof. He speaks sparingly and avoids unnecessary public interactions.

This reclusive nature has shaped his professional style. Armed with an MPhil from Oxford and a PhD from Yale, Patel built his

reputation in economics through rigorous behind-the-scenes research and policy work. Patel's public quietude also became a defining feature of his tenure with the RBI. For his admirers, his silence was dignified; for critics, it was a sign of weakness.

Policy journey

In 1991-94, stationed at New Delhi with the IMF Mission for India, Patel, then freshly out of university, worked closely with the Mission Leader, overseeing and scrutinising the government's reform-linked commitments.

In 1997, when the government promoted the Infrastructure Development Finance Company as a new vehicle to accelerate infrastructure creation, Patel moved there, framing policies for emerging sectors such as telecom, power, and roads.

Even before his formal appointment as Deputy Governor of the RBI in 2013, Patel had seen the workings of the central bank from the inside. During the tenure of Governor Rangarajan (1992-97), Patel was



Patel has a PhD from Yale. File

inducted as an Officer on Special Duty as the RBI examined reforms in financial markets.

As RBI Governor

Patel became the RBI Governor in September 2016. Unlike his predecessor Raghuram Rajan, who used to dominate headlines with articulate warnings about the Indian economy, Patel preferred to work in quietude.

His arrival coincided with Prime Minister Narendra Modi's surprise decision to announce demonetisation on November 8, 2016. Patel became the face of the RBI during demonetisation, a storm that severely tested the central bank's credibility. Questions were raised about the RBI's preparedness and demonetisation's impact on growth. True to his style, Patel largely remained silent in public.

Critics accused him of failing to defend the RBI's independence and abandoning citizens at a time of confusion. Supporters argued that his silence reflected prudence, and a refusal to politicise the RBI by dragging it into public spat.

On the whole, however, Patel's actions showed that he stood for the RBI's independence. He refused to toe the Centre's line: his stance on maintaining fiscal discipline and cleaning up the balance sheets of banks earned him both admiration and hostility. By pressing for recognition of bad loans and resisting attempts to dilute banking regulations, Patel positioned himself as a guardian of stability. He tightened the inflation-targeting framework and strength-

ened the Monetary Policy Committee.

Exit from RBI

Patel's relationship with the government soured over multiple issues — banking regulation, transfer of surplus reserves, the bankruptcy code, and RBI autonomy.

In his book *Overdraft: Saving the Indian Saver* (2020), Patel strongly criticised the government for diluting the Insolvency and Bankruptcy Code and the powers of the central bank, saying this undermined efforts made since 2014 to clean up the bad loan mess. When the government, keen to stimulate growth before the 2019 Lok Sabha election, pushed for looser regulation and greater dividend payouts from the RBI to finance expenditure, Patel resisted.

As the feud intensified in 2018, the Centre invoked an obscure clause of the RBI Act to pressure Patel, an unprecedented move at the time. Behind closed doors, meetings between the Finance Ministry and the RBI turned acrimonious. Patel, served by nature, withdrew further into silence but refused to yield.

Then in December 2018, he resigned.

This was a principled exit, a refusal to compromise the RBI's institutional autonomy. Patel left without fanfare, and disappeared from the limelight.

Prodigal return

After leaving the RBI, Patel was busy with academic work and policy research, with a sharp focus on India's financial sector and energy economics. But when the vacancy in the IMF opened up in April, Patel's credentials outweighed any grudge he might have had with the government.

As Executive Director (ED), Patel will represent India at one of the most influential financial institutions in the world. The IMF deals with macroeconomic stability, global capital flows, debt crises, and structural reforms — precisely the areas where Patel's analytical expertise shines.

The ED ensures that IMF policy prescriptions do not adversely impact India's economic sovereignty, and defends India's stance on key issues such as capital controls, subsidy policies, and financial regulations.

With Patel's appointment, both the government and India are winners.

How Rare Minerals Are Reshaping Geopolitics

From the colonial mines of Burma to the industrial hubs of Inner Mongolia, China's dominance over rare earths has transformed these once-obscure metals into tools of geopolitical influence, reshaping global trade, military strategy, and the very architecture of technological power

FIRST
Column



NILANTHA
LANGMUWA

Who truly commands the foundations of the twenty-first-century economy? Which states possess the leverage to dictate the supply of critical minerals that underpin modern defence systems, renewable energy technologies, and digital infrastructure? How did a single nation come to dominate a market indispensable to the West's industrial and military ambitions?

The story begins in Burma, a region historically endowed with rich deposits of tin, tungsten, and rare earths. During the colonial era, British, and later Japanese, interests exploited these resources, extracting wealth with scant regard for local populations or ecological degradation. Historical accounts indicate that tungsten extraction during the Second World War directly financed Japan's war machine, illustrating how control over strategic minerals could translate into military advantage. Even in those early decades, however, the extraction and transport of such metals were fraught with geopolitical complexities: jungle warfare, fragile rail networks, and local resistance ensured that mineral wealth was rarely fully harnessed, leaving a template of exploitation and global competition that would resonate across subsequent decades.

Rare earth elements (REEs)—a group of seventeen metals including neodymium, dysprosium, and praseodymium—are deceptively named, yet indispensable in the manufacture of permanent magnets, smartphones, electric vehicles, and fighter jets. Despite over a decade of Western efforts to loosen China's grip, Beijing remains preeminent. Chinese President Xi Jinping's 2019 visit to a rare earth magnet factory in Jiangxi Province was widely interpreted by the Washington Post as "muscle flexing," a deliberate reminder to Washington of its dependency on Beijing for these critical materials.

China's strategic foresight traces back to Deng Xiaoping's 1992 observation in Baotou, Inner Mongolia: "The Middle East has oil. China has rare earths." Deng's statement proved prescient, foreshadowing the creation of a meticulously orchestrated industrial ecosystem encompassing mining, separation, refining, and magnet production. By consolidating



WESTERN POWERS HAVE PURSUED ALTERNATIVE SOURCES IN UNCONVENTIONAL GEOGRAPHIES. GREENLAND, HOME TO SOME OF THE LARGEST UNTAPPED RARE EARTH DEPOSITS, HAS ATTRACTED US INTEREST UNDER THE TRUMP ADMINISTRATION

The writer is Columnist based in Colombo

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③ @dailypioneer

thousands of small-scale mines and vertically integrating the value chain, China transformed raw mineral wealth into a geopolitical lever. As Xigang Zhang, chief of Rising Nonferrous Metals Share Co, affirmed to the Financial Times, "International markets will remain dependent on China's rare earth supply chain for the foreseeable future."

This concentration of power has forced the West into a reactive scramble. The United States, for instance, possesses only one active rare earth mine, Mountain Pass in California, which extracts neodymium and praseodymium but remains heavily reliant on China for processing. As the Financial Times observed, the Pentagon's \$400 million direct investment in MP Materials to build a domestic magnet manufacturing facility represents a rare and decisive intervention, intended to "accelerate American supply chain independence." Yet even such measures confront formidable technological and economic barriers, as China dominates not merely extraction but also downstream processing and magnet production, controlling 70 per cent of mining, 90 per cent of separation and processing, and 93 per cent of global magnet manufacturing.

Western powers have pursued alternative sources in unconventional geogra-

phies. Greenland, home to some of the largest untapped rare earth deposits, has attracted US interest under the Trump administration. According to the Washington Post, the proposed Tanbreez mine in southwestern Greenland would extract tantalum, niobium, zirconium, and REEs from a remote fjord, necessitating a floating deepwater port, worker housing, and substantial energy infrastructure. Tony Sage, CEO of Critical Metals Corp, told the Washington Post that President Trump's aim was not the acquisition of Greenland itself, but "favoured access to mining deals that benefit US manufacturers and defence contractors."

The United States has also sought to exploit domestic waste streams as a source of critical minerals. A 2025 study from the Colorado School of Mines, concluded that "recovering even small quantities of the byproducts from existing mining operations would substantially reduce net import reliance for most critical minerals." For fifteen elements—including rare earths, gallium, and germanium—recovering less than one per cent of potential byproducts could "supplant imports, highlighting a largely untapped domestic reservoir. Translating these findings into economically viable operations, however, remains a for-

midable challenge, requiring "a lot more research, development and policy."

China has leveraged its rare earth dominance as a potent geopolitical instrument. In April 2023, Beijing temporarily restricted exports of seven rare earth elements, disrupting US and Japanese supply chains, widely interpreted as a response to American tariffs. Gracelin Baskaran, a critical minerals expert at the Center for Strategic and International Studies, explained that China "doesn't turn around and curb production to raise prices—rather, it uses market dominance to retain leverage and weaponise these resources."

Such measures confirm that rare earths are neither mere commodities nor traditional resources, but instruments capable of reshaping alliances, supply networks, and international trade norms. Western responses have been uneven. The US has invested in Pentagon-backed projects, imposed tariffs, and explored international partnerships, while the EU and Japan pursue recycling, stockpiling, and domestic development. The G7, in its 2025 Critical Minerals Action Plan, emphasised diversification, traceability, sustainable mining, and innovation, explicitly recognising the threat posed by "non-market policies and practices in the critical minerals

sector," according to the official communiqué. Yet, as Gareth Hatch, founder of Technology Materials Research, observed, "The mantra of most western companies has always been 'lowest cost at any cost.' Why would you buy from a higher-cost producer if lower-cost alternatives are available?"

Attempts to replicate China's industrial mastery confront both technological and historical inertia. Bloomberg reported that the solvent extraction process crucial to rare earth separation, though originally developed in the United States, was abandoned domestically due to environmental and regulatory constraints, permitting Chinese engineers to perfect the technique over decades. Between 1990 and 2010, China filed over 25,000 rare earth patents, surpassing US filings by more than 150 per cent. Biological and green-tech alternatives, such as the DARPA-funded EMBER project using microbes to process REEs, remain years from industrial scalability, according to the Washington Post.

Even as the US pursues Greenland and domestic mining initiatives, China has consolidated its control over rare earths through new licensing and reporting regulations, centralising oversight under the ostensible guise of environmental protection, the Washington Post reported in 2023. This underscores a stark paradox: abundance alone does not confer strategic autonomy. True leverage resides in control over processing, technology, and supply chain governance, areas where China has invested systematically and consolidated expertise.

Rare earths have become instruments of influence at the intersection of technology, commerce, and military power. As the Financial Times observed, "breaking China's grip will be challenging," given decades of state planning, technological mastery, and market manipulation. Even US interventions—from price floors to G7 initiatives—confront the scale and sophistication of China's advantage.

From Greenland to Mountain Pass, and from Pentagon investments in MP Materials to US-Japan stockpiling, the global race illustrates a critical lesson: in the era of rare earths, mineral supply chains are inseparable from statecraft, and technological command is synonymous with geopolitical power. It is in this context that Trump wages his tariff war, while Xi Jinping and Narendra Modi are set to meet on Monday, 1 September, after seven years, a meeting that could reshape strategic alignments in the rare minerals race.

Nature's fury and man's folly: Lessons from the Himalayan deluge



V K
BAHUGUNA

Nature's beauty is an art of God and very well elucidated in Bhagwat Gita which teaches us to respect the laws of nature and maintain balance with nature and the human spirit. The recurrent fury of flash floods and devastating damages of life and property are heart wrenching caused by the cloud bursts, and melting of glaciers and other atmospheric disturbances caused by climate change and unchecked assault on the geography in Uttarakhand, Himachal Pradesh and Jammu during 2025 Monsoon is a warning to people at large and ruling elite in particular to behave and not to fiddle with nature's beauty as even the climatic fall outs are the result of the rampant misuse and over exploitation of resources, neglect of science and are disturbing the balance of nature. This year the three Himalayan states have received much more than the norm of rainfall since June 2025. There is now a significant surge in the western disturbances during monsoon, which are typically noticed in winters and spring. The hills like Dhaulagiri, Annapurna, Zaskar, Mandi, Kullu, Kangra, Shimla, and Solan Kistwar and several other places are witnessing extreme weather events—cloudbursts, flash floods, landslides, and mudslides—has claimed hundreds of lives, displaced communities, and caused extensive damage to infrastructure, highlighting the escalating impact of climate change on this ecologically fragile region. Scientists link this anomaly to Arctic and West Asian warming, which has shifted the subtropical westerly jet stream northward, intensifying rainfall in the Himalayas.

Since the onset of the monsoon season in June 2025, the Himalayas have been faced relentless rains, with rainfall in Uttarakhand reported at 421 per cent above average. Himachal Pradesh alone recorded 276 deaths, 336 injuries, and 37 people missing by mid-August, with damages estimated at ₹739 crore within just 20 days. Across the region, at least 280 deaths have been reported due to flash floods in India and Pakistan, with Uttarakhand and Himachal Pradesh accounting for over 130 fatalities combined and still many people are missing. The deluge buried homes, hotels, shops, and roads under tons of mud and debris, killing at least four people and leaving over 100 missing. Rescue operations, involving the Indian Army, National Disaster Response Force (NDRF), and State Disaster Response Force (SDRF), evacuated more than 150 people and rescued several survivors. If we see the development pat-



terns and tourist inflow in Uttarakhand and other hill stations the development is assuming the status of scams and rackets to those outside forces who eye to become riches by exploiting the fragile ecology with the help of local politician's, bureaucracy and gullible locals.

As far as causes are concern it is well known that Climate change has amplified the monsoon's intensity, with warmer air holding more moisture (up to 7 per cent more per 1 degree Celsius rise). The warming of the Indian Ocean and Arabian Sea has increased atmospheric moisture, leading to sudden and intense downpours. Glacier retreat and permafrost thaw have further destabilised mountain slopes, exacerbating landslides and flash floods. The situation is further compounded by lopsided unplanned development without geological consultation and resulted chocking of drainages have worsened the region's vulnerability.

As stated above the developmental strategy and unsustainable tourism need to be tackled on war footing. The floating population in Uttarakhand for more than 6 to 9 months in a year is almost 4 to 5 times of it's a little over one crore population thus stretching its resources and editing its geography as a result of poor monitoring. To avoid being taken by surprise it is essential to have real-time weather surveillance in the Himalayas. Experts emphasise the need for impact-based early warning systems and micro-weather stations to mitigate losses. The government system has been negligent and overlooking the threat of disasters knowing fully well how the science and monitoring based action can minimise the damages. The government must

deploy Doppler radars, micro-weather stations, and real-time satellite monitoring to improve forecasting at least during monsoon months. The states must prepare an ecology and geology based zonal development plans with the help of experts and shift people from vulnerable slopes and ensure that no natural flow of water/tributaries/sub-surface water channels is obstructed and drainages are maintained throughout the year almost in all areas. Forest management and particularly afforestation programmes must be fine-tuned to ensure slope stabilisation through planting of shrubs before tree planting, recharge of aquifers and reduction in runoff. One of the very important factors is to build community resilience through establishment of block level disaster rescue centres and frequent regular drills by locals. The other important factor is to nominate a nodal officer for each block to oversee the weather pattern and prepare before hand for any emergency.

Let us remember, in Indian culture, the Himalayas are revered as the abode of gods, and rivers like the Ganges are divine. The reckless exploitation of this fragile ecosystem betrays the principle of non-violence and respect for nature embedded in Indian traditions. The disaster asks us all—how can India balance its spiritual reverence for the Himalayas with the demands of modern development and sooner the government instruments and local social and political leaders realise the better it would be otherwise the fury will keep repeating with increased intensity. Union Environment Ministry must take action and fix responsibility and accountability for this repeated assault on Environment by a combined forces of man's retribution through climate change and man's greed. There are ways to ensure compliance on this aspect.

The writer is Former Director General of ICFRE and Chancellor of FRI University, Ministry of Environment, Forest and Climate Change, GOI

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Healthy diet: Rethinking salt in India's culinary tradition

ANUJA
AGARWALA

There is something undeniably comforting about the familiar aroma of a steaming bowl of poha, brightened with a squeeze of lemon, or the simple pleasure of munching on namkeen while sipping chai in the afternoon. For countless Indian families, food is far more than sustenance—it is memory, emotion, and identity. Yet, while we celebrate this rich culinary heritage, it is equally vital to pause and reflect on whether our love for food, so deeply woven into our food culture, may be quietly harming our hearts. India is facing a silent crisis. Non-communicable diseases (NCDs)—such as hypertension, heart disease, and stroke—have overtaken infectious diseases as the leading causes of death and disability. Current estimates suggest that nearly 60 per cent of the population is affected by some form of NCD. Excessive salt intake is a major contributor to this trend. On average, Indians consume 8-11 grams of salt per day—almost twice the World Health Organisation's recommended limit of five grams. The reasons for this overconsumption are both traditional and modern. Around 80 per cent of the salt in Indian diets comes from the salt we add ourselves during cooking, whether it is a pinch in a tadka or a dash in curries. Layered on this are the pressures of contemporary eating habits: processed and packaged foods, frequent meals outside the home, and hidden sodium in condiments, pickles, snacks, and even seemingly innocuous breakfast cereals. A sweet biscuit alongside your tea may carry sodium you never imagined. Simply informing people of its dangers is rarely enough. Real change requires a new approach—one that blends education with empathy, science with flavour.

There are inspiring examples of how this can work. On World Hypertension Day this year, Chef Ajay Chopra showcased low-sodium recipes such as poha and masala makhanas. These dishes demonstrated that cutting salt does not mean sacrificing taste; spices like cumin, turmeric, and lemon can bring joy and flavour to food.

Imagine community kitchens in Anganwadis and schools hosting "salt-smart cooking days" where teachers, helpers, and parents cook together, learning simple swaps like using tamarind, lime, or jeera to enhance flavour without adding excess salt. Visual cues in canteens or ration shops, for example "1 teaspoon = 5 grams of salt," can translate abstract recommendations into practical guidance. Yet, awareness alone is rarely sufficient. Evidence from around the world shows that lasting population—level health gains come from pairing education with policy action.

The Health Ministry's announcement to establish dedicated Sugar and Oil Boards marks a step



toward managing the high-fat, salt, and sugar (HFSS) environment. But more action is needed.

A multi-pronged approach could include: Front-of-pack labeling and marketing restrictions for high-salt, high-fat, and high-sugar foods, inspired by successes in countries like Mexico, Denmark, and the UK, where taxation on HFSS foods led to measurable reductions in consumption. Standards for public procurement in schools and Anganwadis to ensure millions of children receive nutritious, low-salt meals.

Promotion of low-sodium cooking practices through schools, media, and local champions, highlighting Indian ingredients such as lemon, tamarind, jeera, kokum, mustard seeds, and ginger that add flavour naturally. Simple measurement tools and educational materials that translate salt limits into everyday cooking and eating practices. School-based programs that embed health into culture, not just curriculum. Morning assemblies could feature interactive sessions on nutrition, hygiene, and water reduction. Reducing salt is not just a public health priority; it is a cost-effective, evidence-based intervention. The World Health Organisation estimates that every \$1 invested in salt reduction returns at least \$12 in health benefits. Beyond economics, it is a moral imperative, offering millions a chance at healthier, longer lives. Salt is an integral part of our tradition, but so is adaptation. We embraced handwashing during COVID-19 and digital payments after demonetisation. Now, it is time for a national salt reset. Sometimes, all it takes is a pinch less to make a world of difference.

The writer is former Senior Dietitian, Department of Pediatrics, AIIMS

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Editor's TAKE

Netanyahu Faces Global Backlash

For decades, Israel has relied on Western backing, but today it faces a growing crisis of legitimacy on the global stage

Looks like the world has had enough of Israel. Israel's gross human rights violations and infliction of miseries on the people of Gaza have moved public opinion against Israel, and many nations are now openly condemning its actions in Palestine, though Prime Minister Benjamin Netanyahu remains unmoved, refusing to budge from his taken position. Once widely supported globally after the October 7, 2023, Hamas attacks, Israel now faces growing criticism from longtime allies and the broader international community. Countries including France, Germany, the UK, and Australia are reconsidering their positions on the Israeli-Palestinian conflict, with some moving toward formal recognition of Palestinian statehood — a clear signal of changing diplomatic tides. The turning point in global opinion has been Israel's conduct in Gaza, which many now view as disproportionate and increasingly indefensible. Media outlets worldwide have broadcast images of starving children and families struggling for basic necessities. UN-backed reports highlight famine-like conditions in the Palestinian enclave. To date, the conflict has claimed at least 62,000 lives — half of them women and children — and left around 70 per cent of Gaza in ruins. What was initially seen as a military response to a Hamas attack is increasingly perceived as politically motivated, aimed at ensuring the survival of Netanyahu's far-right Government. Human rights organisations, including two prominent Israeli groups, have raised concerns that Israel's actions in Gaza amount to genocide. The backlash has gone beyond rhetoric. Several members of Netanyahu's Government have faced international sanctions, and some far-right officials have been barred from entering foreign countries due to their inflammatory language against Palestinians.

These measures reflect a growing willingness among world leaders to hold Israel accountable for its policies, even at the cost of straining longstanding alliances. Domestically, Israeli society is deeply divided. Polls indicate that 70 per cent of citizens disapprove of Netanyahu's Government, with many believing the war is being prolonged for political gain. Public frustration has culminated in mass protests and strikes, including a historic rally in Tel Aviv on August 17, calling for an immediate ceasefire and the safe return of hostages. The international fallout has also affected Israeli citizens and institutions abroad.

The Boycott, Divestment, Sanctions (BDS) movement, active since 2005, has gained new traction. Israeli produce has been removed from European grocery stores, academics face collaboration boycotts, and Israeli artists are increasingly disinclined from cultural and artistic events worldwide. Despite mounting criticism, Netanyahu remains steadfast but is increasingly under pressure to relinquish his job. How Israel deals with the situation would decide the prospects for peace in the region and its own survival.

A Cooperative Revolution

Today, the people are not just coming — they are rising, organising, and building cooperatives. Today, the Ganga is not just flowing — she is carrying our dreams to the world



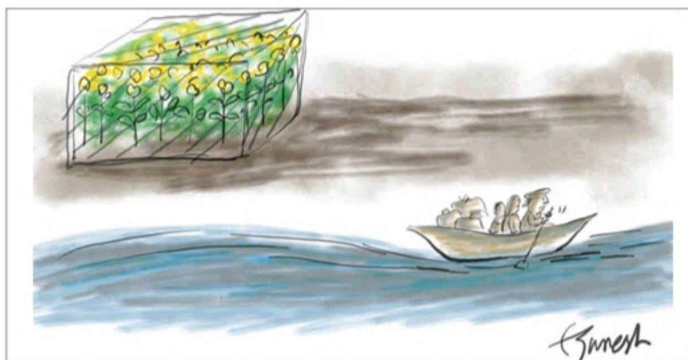
BINOD ANAND

There is a wound in every Bihari soul — not one of failure, but of forgotten potential. Every season, lakhs leave their villages not in pursuit of dreams, but in flight from drought, joblessness, and the slow starvation of opportunity. They become the labourers who build skyscrapers in Mumbai, the drivers who move Delhi, the masons who raise Gujarat, the servers in Goa, and the sweepers in foreign cities — all while their own land, rich with history and harvest, remains uncultivated by policy, unwatered by vision. Yet within this pain lies Bihar's most powerful truth: It does not lack capability. It lacks a platform. Let us look east — to a tiny island nation that in 1965 was expelled from its union and left to fend for itself.

Singapore had no army, no natural resources, no economic structure — and on national television, its Prime Minister, Lee Kuan Yew, wept openly, saying, "I don't know what we will do now." But he built. He turned the sea into ports, the ports into trade, and trade into transformation. He attracted global investment not through tax breaks, but through trust, certainty, and speed. He made Singapore the fastest place for justice, the cleanest city, and one of the richest nations on Earth.

Today, Singapore has a per capita GDP of around \$90,000 — and Bihar, with twenty times the population, far greater land, and the holy Ganga flowing through its heart, has even more reason to rise. What Singapore achieved with oil, ports, and certainty — Bihar can achieve with soil, rivers, and cooperative solidarity. With over 13 crore hardworking citizens, Asia's largest inland waterway in the Ganga, unmatched agri-biodiversity, the highest biomass availability, and an extraordinary youth force — Bihar is not a poor state. It is an ignored opportunity.

But here lies the difference: Bihar's path must not be built on corporate capture or elite-led design. It must be built through a bottom-up Cooperative Economic Framework — where PACS are not treated as mere scheme-postmen, but as economic engines. A vision where farmers become factory-owners, not contract growers. Where every crop harvested is processed, packaged, and shipped — from Bihar's riverbanks to global markets under its own cooperative brand. Imagine PACS-led clusters in Samastipur processing pulses, dairy hubs in Siwan exporting to Oman, and makhana units in Mithila filling shelves in Seoul. With Cooperative Export Zones anchored along the Ganga, Bihar's produce



The Pioneer SINCE 1865

COME FOR SCALE, FOR SPEED, FOR SOIL, FOR SPIRIT. PARTNER WITH COOPERATIVES, AND YOU WILL FIND TRUST, RESILIENCE, AND COMMUNITY LOYALTY LIKE NOWHERE ELSE.

The author is Secretary General, Confederation of NGOs of Rural India (CNGRI) and Member, Hun Tse PM High Power Committee on MSP and Agri Reforms

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The Pioneer

does not need to beg for markets — the world becomes its customer. And unlike SEZs that push people out, CEZs empower them — creating employment at home, halting forced migration.

But this is only the first tier. The second lies in the vision of an Eastern Economic Corridor — powered by Bihar's agro-strength and Jharkhand's mineral-rich abundance. The synergy of food and metal, manpower and machine, heritage and innovation, bound by a cooperative model, can be India's most untapped economic revolution. From bamboo packaging to bio-fertilisers, from herbal exports to millets and green energy — the Cooperative Value Chain becomes a way not just to produce but to prosper together.

To structure this, Bihar needs a Three-Tier Cooperative Employment Plan: Tier 1: Village-level PACS and FPOs enabling farmers with finance, tools, storage, and primary processing. Tier 2: Block-level clusters for branding, skilling, food labs, agri-logistics, cold chains, and value addition. Tier 3: State and international-level Export Parks, Digital Service Hubs, and Cooperative Trade Ports integrated with the Ganga and railways.

This model alone can create ten million dignified jobs — not by pushing people to metros, but by creating a metro of minds and markets right here. It restores dignity, halts exodus, builds rural industry, and offers global investors a stable, cooperative partner with unmatched workforce loyalty and resource depth.

But none of this will work with borrowed ideas. Bihar's Cooperative Policy must be written by its own farmers, for its own future — not by those who see PACS as parking

lots for political privilege or corporate hand-maidens. India today faces a dangerous drift — where agriculture is being privatised without consent, rural wealth extracted from urban margins, and federalism weakened through centralised economic designs. Bihar must resist. It must lead with its own voice. To those in the Bihari diaspora, this is not just a call to return — it is a call to rebuild. You have built the world. Now help build Bihar. Start a millet chocolate factory in Madhubani. Launch a biotech seed incubator in Nalanda. Fund a clean-tech PACS-led cluster in Bhujpur.

Your money, mind, and mission can make Bihar a Singapore Plus — because here, you will not be tolerated. You will be celebrated. And to global value-chain leaders watching India: Come to Bihar — not merely to invest, but to co-create.

Come for scale, for speed, for soil, for spirit. Partner with cooperatives, and you will find trust, resilience, and community loyalty like nowhere else. This is not CSR. This is ROI with soul.

And finally, when this new story of Bihar is told, it will not be written in spreadsheets. It will be written in songs, in sweat, in poetry. Because Bihar is not just a land. It is a force. It is the voice of Ramdhari Singh Dinkar echoing across centuries, reminding us, "Sinhason khal kar, ko janata aati hai" (Vacate the throne, for the people are coming).

Today, the people are not just coming — they are rising, organising, and building cooperatives. Today, the Ganga is not just flowing — she is carrying our dreams to the world. Today, Bihar is not begging for a future — it is preparing to become one.

PICTALK



A butterfly visits a flower in the Aravalli mountain range, in Gurugram. PHOTO: PFI

DIGITAL EXPERIENCE

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WORLD YOUTH SKILLS DAY: EMPOWERING THE FUTURE

The World Youth Skills Day, designated by the United Nations General Assembly, is a REJOINER to the global challenges of unemployment and underemployment. The day emphasises the URGENCY of equipping youth with employable skills and competencies for their personal growth, economic empowerment, and social INTEGRATION.

It recognises that young people, when equipped with the right tools, can become powerful drivers of PROGRESS and contribute significantly to the Sustainable Development Goals. The occasion serves as a PLATFORM for advocacy, policy discussions, and collaborative action, encouraging governments, industries, and educational institutions to invest in training and education. Such investment is

not merely desirable — it is INDISPENSABLE for building a skilled workforce that can adapt to evolving market demands and global transformations. Employers too are urged to create opportunities for young people to apply their learning, thus ensuring meaningful participation in the labour market. With focused strategies, innovative training models, and partnerships between public and private sectors, India can harness the dynamism of its youth to meet domestic and international needs.

The years ahead present not just an opportunity but an OBLIGATION to empower young people with the skills to lead, create, and sustain a better tomorrow.

JAYANTHI SUBRAMANIAM | MUMBAI

Please send your letter to the info@dailyopinion.com. In not more than 250 words. We appreciate your feedback.

Shaping Tomorrow's Leaders with Sustainability Education



RAJIV R THAKUR

2ND OPINION

Ten years have passed since the 2030 Agenda for Sustainable Development was adopted by UN member states, laying out the 17 SDGs for the prosperity of people and the planet. Since then, there have been positive strides towards meeting these goals, but also regressive measures showing little regard for the climate crisis and socio-economic equity. Among the positive developments has been the inclusion of sustainability education in institutions of learning.

Sustainability education, in brief, is a learning approach aimed at developing the knowledge, skills and values needed to create a sustainable future. It integrates within curricula the social, environmental and economic dimensions of sustainability, fostering a holistic

learning experience. The first conceptual framework of Education for Sustainable Development (ESD) emerged in the 1990s; more recently, the ESD for 2030 Roadmap was unanimously adopted by UNESCO member states in 2020. Today, several global business schools of repute offer electives focused on sustainability and social impact. Among the 5,000+ business schools in India, many progressive institutions are integrating sustainability into their offerings. The impact of sustainability education on students is profound and long-lasting, and can be summed up as follows:

Developing broad perspectives. Sustainability education inspires management students to think beyond the narrow lens of revenues and profits. It fosters a broader perspective in which planet and profit stand on equal footing. Students learn to think holistically, considering the well-being of all stakeholders, ecosystems and future generations.

Building a systems-thinking mindset. Students learn to recognise the interconnectedness of diverse ecosystems. They begin to understand how supply chains, geopolitical dynamics, climate change, global regulations and cultural practices shape business value chains. With this insight, they can identify risks and opportunities more effectively, and design enduring business models.

Nurturing ethical leadership. Exposure to CSR frame-

works and real-world projects enables students to grapple with issues of integrity, equity and social justice. They are sensitised to SDGs such as decent work (SDG 8), innovation and infrastructure (SDG 9), responsible production (SDG 12), gender equality (SDG 5) and clean energy (SDG 7).

Preparing for jobs of the future. According to the World Economic Forum's Future of Jobs report, the strongest net job creation will come from investments in green transition and ESG standards. Sustainability education prepares students for these roles by encouraging them to design solutions for real-world challenges, from carbon neutrality and waste reduction to clean energy transitions and inclusive growth.

Both the Global South and developed nations continue to grapple with racial, social and gender inequities. Economies remain reluctant to end their dependence on fossil fuels. An uphill task lies ahead. Sustainability education in business schools can develop the next generation of leaders with ethical grounding, strategic acumen and an innovation mindset. It can shape a future in which profits, people and the planet thrive together.

The author is Director General, Jaipuria School of Business

LETTERS TO THE EDITOR

Global Ayyappa Sangamam doubts

The 'Global Ayyappa Sangamam', organised by the Travancore Devaswom Board at Pampa as part of its 75th anniversary and supported by the Left government, has raised doubts among devotees. Political analysts see it as a move to appease Ayyappa devotees and gain votes in the 2026 polls.

Hindu organisations have demanded greater transparency in matters relating to the temple and the event, to avoid rumours and controversies. They have also reminded the government of the 2018 agitation, when the state allowed entry of menstruating women into Sabarimala, citing a Supreme Court verdict, which led to statewide protests and political backlash.

Some groups, however, support the Sangamam, provided that religious customs and traditions are protected. They have urged the state to clarify that the event is not a commercial showcase or a forum for atheistic rhetoric.

If the purpose is to place Sabarimala on the global stage, then the welfare of the shrine and devotees must remain paramount. The government must ensure that the event does not hurt beliefs or traditions in any way. Transparency and respect for faith are essential for harmony.

M PRADYU | KANNUR

Leaders' dignity must prevail

Contradicting unconstitutional moves is welcome, but vilifying political leaders beyond reason erodes social harmony. Outrage, mockery, or defamatory remarks undermine dignity and damage political discourse. It is important that nothing be brushed aside as an "elephant in the room", for the dignity of personality must be preserved.

Leaders' words are followed by the public; when they resort to derogatory language, society absorbs the negativity. Egocentric statements can quickly escalate tensions and divide people along ideological lines. In a democracy, such rhetoric is dangerous and can distort national unity. Political leaders must exercise restraint, address issues responsibly, and avoid inflammatory passions. Words should be measured, constructive, and respectful, even in dissent. Leadership is not only about opposition or power but also about ensuring civility in discourse. Disagreement can be sharp, but it must not be demeaning. For the sake of cultural, moral, and political balance, leaders must remain refined, decent, and principled. Dignity in words protects the social fabric. Without it, trust in democracy is corroded, and political culture degenerates. Our leaders must embody dignity in both speech and action.

NADEEM AASIM | MUMBAI

Politicians' endless false promises

Politicians in India have long mastered the art of mis-leading their people. The Prime Minister's disputed educational degrees, which are now under legal scrutiny, have once again exposed this malaise.

By all accounts, a false affidavit was filed, and instead of clarity, judicial technicalities are being used to protect his image. History is replete with similar episodes.

VP Singh never revealed the Bofors names, despite becoming Prime Minister. Manmohan Singh failed to bring back black money, though he repeatedly promised to. Arvind Kejriwal denounced VIP culture, but AAP leaders indulged in the same.

The Siddaramaiah government in Karnataka, which promised transparency, was rocked by the MUDA scam. Across parties, promises have been routinely broken — whether to eradicate corruption, clean the Ganga, or ensure justice for undertrial.

None have succeeded. The Prime Minister, calling himself Pradhan Sevak, is now caught in a self-created crisis. Even if no financial irregularity is involved, the lie itself undermines trust. As writer Elena Gorokhova said: "They lie, we know they lie, they know we know they lie — but we still pretend to believe."

ANVISHA GOBOBLEY | DEWAS



Opinion

MONDAY, SEPTEMBER 1, 2025

MAKING COMMON CAUSE

Prime Minister Narendra Modi

The cooperation between (India and China) is linked to the interests of 2.8 billion people of our two nations. This will also pave the way for the welfare of all humanity



From Kazan to Tianjin

De-escalation on border must for better overall Sino-Indian ties

THERE IS INTENSE global interest in how India and China, the two most populous nations in the world, would attempt to repair bilateral ties after a deadly border clash five years ago. In his first visit to China in seven years, India's Prime Minister Narendra Modi had a bilateral meeting with China's President Xi Jinping on the sidelines of the Shanghai Cooperation Organisation summit in Tianjin. This much-awaited meeting carries forward the processes set in motion when they last met at a BRICS summit in Kazan last October to address the imperative of peace and tranquillity on the Sino-India border and tasked their special representatives to oversee border management. As a result, India's National Security Advisor, Ajit Doval, and his Chinese counterpart, Wang Yi, held two rounds of discussions during the last nine months. In his bilateral meeting with Xi, Modi noted the progress on this front that after disengagement, "an atmosphere of peace and stability is now in place". But the goal is to have de-escalation and de-induction as the presence of a large number of troops on the border is not conducive for normal relations.

Contrary to international speculation, the timing of Modi's trip to Tianjin had nothing to do with US President Donald Trump's tariff disruption. The thaw in Sino-India relations began much earlier after the Kazan meeting between the two leaders. But quiet borders definitely presage progress on a number of issues like the resumption of direct flights between the two countries, the Kailash Mansarovar pilgrimage, reopening border trading posts, and visa facilitation for people-to-people contacts. Both sides have initiated discussions on sharing data related to trans-border rivers. In Tianjin, both leaders recognised the role of their two economies in stabilising global trade, besides underlining the need to proceed from a strategic direction to expand trade and investment ties and reduce the trade deficit—that hit \$100 billion last fiscal—according to India's ministry of external affairs. When Wang Yi visited New Delhi to meet his Indian counterpart in August, there were indications that Beijing would allow shipments of rare earths, fertilisers, and tunnel boring machines. This would definitely improve the atmosphere for bilateral ties with India, perhaps considering allowing more Chinese investments.

Kazan to Tianjin definitely sets the tone for a reset in Sino-India relations, which are predicated on peace and tranquillity on the border. Unfortunately, there are no easy solutions for the fraught border situation. Over the long haul, it can be resolved by narrowing the economic power differential between India and China. Although India is the world's fifth largest economy, China is six times larger as the second largest economy. This is reflected in relative military strength, with India in a disadvantageous position to resolve the issue through force. China sees India only as a weaker neighbour.

A dance between the elephant and dragon will be the appropriate policy choice when the relative economic power differential narrows over time. Nevertheless, the coming together of two great neighbours represents an international public good; that it is a historical necessity for both to work together to uphold the interest of the Global South. Both must examine a common ground on bilateral, regional, and global issues at a time when a rules-based international order is being undermined. Both nations must uphold multilateralism and a multi-polar world, besides promoting peace and prosperity in Asia.

How to manage cash for nation-building

ONE OF THE features of globalisation was the emergence of global supply chains and just-in-time (JIT) inventory. Improvements in technology and physical and digital connectivity enabled companies to complex products with hundreds of components, and to arrange their assembly and production efficiently. They did not have to invest working capital in inventory. Parts were delivered even with a day's lead time. However, things are changing. JIT is giving way to just-in-case supply models. Amidst rising geopolitical and trade tensions, companies are no longer sure of receiving critical supplies at the right time. They need to stock up and even localise production of the components they need. So, the cost of production will rise.

In a different world, in the public finances of the government of India, JIT is coming into fashion and leading to efficiency gains, even as multinationals are forced to abandon the model. There is a quiet but significant enhancement of cash management in the government, saving cores in interest payments and even earning some. It is well known that governments run fiscal deficits and supplement their tax and non-tax revenues with market borrowings. Interest costs start accruing from the moment the loan is subscribed to.

Interest payments on past loans, salaries, and pensions, and cash transfers to citizens are contractual or quasi-contractual and must be paid regularly without delay. However, development schemes and capital expenditure are relatively more discretionary in terms of timing. At the same time, they contribute to economic growth and employment generation. Hence, efficient cash management will ensure that development schemes—either at the Centre or in states—are provided adequate funds in a timely fashion. This is where JIT cash management can play a crucial part.

JIT cash management will ensure unspent balances are kept to a minimum and cash is released to the designated schemes as and when needed. The Union government has been striving to manage its cash balances optimally through various information technology-based initiatives such as the Public Finance Management System (PFMS), Treasury Single Accounts, and Central Nodal Account. These enable agencies to open accounts in the Reserve Bank of India (RBI) and draw money as required by pushing payment files created in the PFMS to the RBI's e-Kuber platform through PFMS-e-Kuber integration. These initiatives at the Centre are being extended to the disbursement of funds for Centrally Sponsored Schemes (CSS).

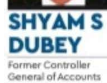
An SNA (Single Nodal Agency) account is a designated bank account for CSS managed through the PFMS. Money lying in the SNA with state governments but not released to the designated schemes is borrowed from the market, on which interest payments accrue, but the balances in SNA accounts earn very little or no interest from banks. At the end of 2024-25, the unspent balances in SNA accounts with states were ₹1.56 lakh crore. There is scope for improved cash management here.

The initiative of the Department of Expenditure at the ministry of finance, called SNA-SPARSH, does precisely that. It facilitates JIT releases against the actual claims received from states for better cash management. Under SNA-SPARSH, the releases under CSS shall also be made on a just-in-time basis against the claims of states in a real-time manner. This initiative of SNA-SPARSH, implemented through the tripartite integration of PFMS-e-Kuber, State Integrated Financial Management and Information System, is a landmark initiative of the Union government for effective cash management.

Overall, the various initiatives implemented through PFMS have eliminated the advance release of funds to agencies and ensured just-in-time payments. The underlying objective is to manage every rupee available with the state and Union treasuries efficiently, and nothing else. Around ₹10-11 lakh crore of the Union Budget is being released through the JIT cash management initiatives.

The adoption of similar practices in states with respect to their budgets and release of funds for development and other purposes will save considerable sums in interest costs, which can be further utilised for the welfare of citizens.

Views are personal



SHYAM S. DUBEY
Former Controller
General of Accounts

TIANJIN MEET HIGHLIGHTS CHINA BID TO ADVANCE ITS BRAND OF MULTILATERALISM & STRENGTHEN ANTI-US FRONT

SCO SUMMIT

A China-led counter

ANITA IYER SINGH

Founding professor, Centre for Peace and
Conflict Resolution, New Delhi



China and Russia because of Trump's tariff warfare, should dispel any illusions that it can be a priority for either in the wake of Trump's punishing levies.

During its 29-year development, the SCO has grown into a Eurasian bloc representing nearly half of the world's population, a quarter of the global landmass, and a quarter of global GDP. With the accession of India, Pakistan, Iran, and Belarus, the SCO now has 10 member states, alongside two observer states and 14 dialogue partners.

According to Beijing, the so-called Shanghai Spirit includes mutual trust, equality, respect for diverse civilisations, and pursuit of common development.

The summit is also showcasing China's economic power. Official Chinese sources claim that the SCO's share of global trade with other members rose from 5.4% in 2001 to 17.5% in 2020. In 2024, China's trade with other SCO members touched a new high of \$890 billion and 14.4% of its total foreign trade.

For India, the summit has come at a fateful moment as it faces 50% tariffs on its exports to America. India's attempts to increase trade with an expansionist China as an alternative to the US, despite their

enduring border conflict, have attracted some domestic and international criticism. But they have been welcomed by China which sees the tariffs and the SCO as an opportunity to drive a wedge between New Delhi and Washington. An anti-America China welcomes a new partnership which could manage China-India friction over their border dispute while increasing trade. Simultaneously, a transactional China perceives Modi's attendance as an opportunity to keep India in its place.

India has been a late-comer to the SCO as a full member (2017), so its contributions are limited. The 2020 Galwan clashes with China explain to some extent why it has tended to shrug off the SCO. Its presidency of the 2023 summit was reduced to a two-hour virtual meeting. Modi avoided the 2024 summit in the meeting between Modi and Xi in Tianjin has taken place after seven years, in the wake of the disruption caused to Asia by Trump. So, Modi has travelled to the summit with a relatively weak hand.

India would gain little by trying to make a big issue of anti-terrorism as it attempted in 2024. While counter-terror-

ism is an SCO priority, China will not allow any move that tries to place Pakistan on the terrorist agenda. In June, India refused to sign an SCO defence ministers' agreement because it omitted the Pakistan-organised Pahalgaon militant attack. Pakistan is also a milestone on China's Belt-and-Road Initiative, and among its largest arms buyers.

If the SCO and better relations with China are to enhance India's reputation and role, New Delhi should pay more attention to issues including the modernisation of economies and societies than to traditional medicine and Buddhism, which will not enable New Delhi to influence a diverse group of countries, tested by Trump's global crisis-manufacturing.

The main focus area of the SCO is Central Asia, where India is on the periphery. Unable to counter China convincingly even in its immediate Indian Ocean neighbourhood, India should avoid boasting about its grand strategies for strengthening ties with a distant Central Asia. After all, China initiated the inclusion of both Central and South Asia under the SCO framework.

President Trump's tariff attack on India underlines that Washington is no longer cultivating New Delhi as a hedge against a stronger and more assertive China. However, India must play its political and economic cards very carefully as it makes moves to China to counter the adverse effects of Trump's tariffs on its exports.

It remains to be seen how easily Delhi will take some ground-breaking initiatives so that India and China relations can establish peace along their disputed border.

Finally, will the SCO summit transcend ideological and social differences to create, in China's words, "a new type of international relations"?

Views are personal

FROM PLATE TO PLOUGH

Power politics, trade and tariffs



ASHOK GULATI

Distinguished professor, ICRIIR

We should undertake second-generation reforms, including significant reduction in import duties. Else, we support Trump's claim of India being the tariff king

PRESIDENT DONALD TRUMP'S frequent utterances that he is the one who stopped the war between India and Pakistan, which could have gone nuclear, shows that he is bent upon claiming the Nobel Peace Prize. He has said that he would like to go down in history as a peacemaker. Interestingly, Pakistan has nominated him, and is getting favoured treatment. But India denied Trump had any role in stopping the four-day conflict, and this seems to have irked him.

Now, Peter Navarro, his trade advisor, says outlandishly that Russia-Ukraine is "Modi's war", as India is funding it through Russian oil purchases. Trump's 25% punitive tariff for buying Russian oil on top of 25% reciprocal tariffs could only be a beginning of the punishment. The White House is already talking about cutting down H-1B visas, and some senators even called it a "scam". India is the biggest beneficiary of the programme, claiming almost 70% share. With 50% tariffs, India's US exports are going to suffer a massive loss, maybe \$40-50 billion. And if Trump doubles down on H-1B visas, the losses could be much higher. So, India has a big stake with too many of its eggs in the US's basket.

Prime Minister Narendra Modi has stood his ground so far. He told the nation he is ready to suffer, but will not compromise. However, the European Union (EU), Japan, and South Korea have already made deals, although details are still not public. China is the only country that has withstood Trump's pressure tactics and even

retaliated through its monopoly over rare earth minerals. India does not have that leverage. The Indian economy is smaller than one-seventh of the USA's, like a monkey in front of a 500-pound gorilla. The only way to not get crushed by this power play is to be extremely agile and smart and get out of the gorilla's way, especially when it is charging. This gorilla will go down with its own weight, and Trump's policies are only going to hasten that process.

Most economists outside his circle opine that the US will soon hit stagflation-high inflation and low growth—if not outright recession. But that is not going to happen immediately. It will take at least six months to a year for the policies to run their course and show some tangible results. Only then would the US possibly realise the folly of its present steps and consider changing course. But in the meantime, the eagle has already dealt massive damage to its own reputation. No one, including its allies, are going to trust the US anymore. India certainly won't. The hard work of diplomats over the last 25 years towards building Indo-US relations has been undone in two months. Trust is fundamental in any relationship, personal or national. It cannot and should not be traded with short-term transactional gains. Once trust is lost, it may take decades to rebuild, and even

then, fear will always lurk.

In such a situation, what should India do? Here are some pointers.

First, there is no need to retaliate. We have a fair bit at stake and we don't have the leverage that China does. Second, fast-track diversification of exports to other regions and countries: Russia, Japan, Australia, Africa, and Latin America is imperative. We need to get going on free trade agreements with the EU, Russia, Association of Southeast Asian Nations members, the African Union, as well as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. Third, the expanded BRICS must be made more proactive on trade with some rules of the game. The US has already buried the World Trade Organization (WTO) with its barrage of differential tariffs on various countries. Can the US trade negotiations and adopt a somewhat more flexible approach?

BRICS take the initiative to resurrect it. Fourth, India must remain engaged with the US on trade negotiations and adopt a somewhat more flexible approach. We need to be pragmatic and weigh in the net benefit from sourcing oil from Russia, which, as rough calculations suggest, is not more than \$6-7 billion. If we reduce that and increase imports from the US, it may help save exports worth \$40-50 billion. It is smart negotiation, not a compromise with sovereignty. Lastly, there is a lot to do at home—we should under-

take second-generation reforms, including significant reduction in import duties. Else, we support Trump's claim of India being the tariff king.

Trade deficits seem to have spurred the US to impose higher reciprocal tariffs. A majority of politicians in most countries, including India, believe exports are always good but imports are bad. That gives them the rationale to slap higher import duties. The fundamental problem with such politicians is that they don't understand the theory of comparative advantage. Trade brings prosperity among nations. The only thing one must ensure is that trading is based on rules, not export subsidies. That's where the WTO's role becomes critical. While export subsidies were banned, exchange rate distortions (especially undervalued currency) were not subjected to any scrutiny. It is well known that China, from the mid-1990s to the mid-2000s, pegged its exchange rate to a dollar at around 8.28. Several studies pointed out that the Chinese yuan was hugely undervalued (by about 20%), which was a hidden way of giving an export subsidy across sectors. This was a period when China was accumulating trillions of dollars, and yet the exchange rate remained undervalued. This is at the root of the current overvalued trade deficits of many countries vis-à-vis China. Unless this is checked, undue trade imbalances will remain.

Views are personal

LETTERS TO THE EDITOR

Strong prospects

Apropos of "Present perfect" (FE, August 30), the country's economic growth surged to a five-quarter high in April-June of this fiscal year, led by faster-than-expected expansion in the manufacturing and services sectors and a robust farm sector. Data released on Friday by the National Statistics Organisation showed that GDP grew by 7.8% in the June quarter, higher than the 7.4% in the previous

one, and 6.5% in Q2 last year. It's also above the Reserve Bank of India's 6.5% estimate for Q2 and higher than most estimates. The strong first quarter data will help India retain the fastest-growing major economy tag. According to experts, high-frequency indicators for July signal a carry-forward of the first quarter economic momentum and that domestic demand is expected to strengthen in the coming quarters with the onset of the festival season and upcoming goods

and services tax rate changes. The data reflects strengthening momentum in the economy, anchored by strong macroeconomic fundamentals. —Sanjay Chopra, Mohali

Debt concerns

Apropos of "Is India's growth debt-driven?" (FE, August 30), the 7.8% GDP growth is impressive. Yet, growth is powered by domestic consumption. Fall in savings, rising household debt, widening inequality, and inefficiency

in capital deployment are concerns. The surge in household debt is for consumption, not asset creation. The enormous flow of credit via formal, informal, and digital channels is not used for asset creation and wealth generation but as "destructive debt" for consumption. Rebalancing the economic drivers is a must, especially in the "destructive debt market". —NR Nagarajan, Sivakasi

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[OUR TAKE]

Rebuilding ties with pragmatism

Modi-Xi meeting signals consolidation of efforts to normalise ties, but more needed to restore trust fully

Prime Minister Narendra Modi's meeting with Chinese President Xi Jinping in Tianjin, the venue of the Shanghai Cooperation Organisation (SCO) summit, marked a consolidation of efforts to normalise bilateral relations since the end of the face-off on the Line of Actual Control (LAC) last year. There were few expectations of major breakthroughs at the meeting, which allowed the leaders to review progress made after the two sides agreed last October to withdraw forces from several friction points on the disputed border in Ladakh. With the Special Representatives agreeing earlier this month on measures such as an "early harvest" in boundary delimitation, the two leaders committed themselves to a fair, reasonable, and mutually acceptable resolution of the border issue. The Chinese side, along stated lines, said the boundary question should not define the overall relationship, but Modi insisted peace and tranquillity on the border is key to continued development of bilateral ties.

It was no surprise that the uncertainty in the global economy due to the US's trade policies administration cast its shadow over the meeting — Xi pointedly referred to the "fluid and chaotic" situation on the global stage while suggesting India and China, as key members of the Global South, should uphold multilateralism and defend international fairness. While there was acknowledgement of the role of the two economies in stabilising world trade, the Indian side said bilateral ties should not be seen through the prism of a third country — another sign of the delicate balancing New Delhi has had to do while rebuilding relations with Beijing at a time of unprecedented strain in its ties with Washington. Besides the bilateral meeting, the two leaders will participate in the SCO summit on Monday to take forward regional cooperation and address security challenges.

A pragmatic approach towards rebuilding of ties with China will serve India well, but more will need to be done to address the trust deficit that has plagued bilateral relations in recent years. The process of de-escalation is yet to be completed, almost a year after the disengagement of forces, and questions remain about buffer zones created at friction points. More recently, Indian officials have pointed to China's military and other support to Pakistan during the hostilities in May. Modi's comments on advancing relations based on mutual trust and mutual sensitivity have to be seen in this light, as also the call for expanding common ground on challenges such as terrorism.

No complacency on growth headwinds

A 7.8% gross domestic product (GDP) growth in the June quarter was a happy surprise for many analysts. This, perhaps, has more to do with inflation adjustment rather than an extraordinarily high growth momentum in the economy. To be sure, this is just a statistical tailwind and not some sinister attempt to make the numbers look better than they are. Even without the indexation tailwind, the Indian economy would have continued to do well and retain its position as the fastest-growing major economy in the world. Having said that, there is a larger takeaway from the GDP data? Three things can be flagged.

The otherwise excellent 7.8% print should not induce complacency on the external headwinds to growth that are gathering momentum. The disruption of 50% US tariff and its disproportionate impact on India's labour-intensive manufacturing pockets will have to be tracked carefully to unleash effective mitigation.

While low inflation has generated tailwinds for real growth, it also means a lower nominal GDP growth. It is the latter that is the base for revenue collection and, by extension, the fiscal math. The FY26 Union budget had already marginally eroded the tax buoyancy, thanks to the revision of income tax slabs. The proposed GST (goods and services tax) rationalisation will add to the problem. These two, coupled with a probable percentage point or more shortfall in the budget's assumed nominal GDP growth, can create complications for the fiscal path for the rest of the year.

Neither of these two factors will cause deep disruption or crisis for the Indian economy in the near term. However, what is also true is that the statistical boost to GDP numbers does not take the Indian economy closer to resolving its structural challenges in the medium to long term. The key, therefore, is to keep working on, and more than ever, expediting structural reform.

[GRAND STRATEGY]
Happyman Jacob

India-Japan ties need a big leap in Indo-Pacific

The building blocks for strong strategic ties are firmly in place. They now need a quantum leap forward

If you keep out the US, which is on a long geopolitical vacation from the Indo-Pacific, Japan is India's most consequential strategic partner in the region. Japan may not have significant military power, but it possesses the strategic intent and political will to shape the Indo-Pacific. India has the military power and strategic intent, but one could argue that it needs more political will and economic power to shape the region. That is why India and Japan are such compelling and natural Indo-Pacific partners. The New Delhi-Tokyo strategic partnership, carefully nurtured in the midst of geopolitical headwinds and domestic political changes in Tokyo, now needs a quantum leap.

So, what is so special about the partnership? Three sets of factors drive the strategic convergence that defines it. First, the two countries' strategic convergence is shaped, in a big way, by the interplay of US-China relations, China's regional assertiveness, and the degree to which the US prioritises the region. These ever-changing dynamics of great power politics in the Indo-Pacific have led Tokyo and New Delhi to recognise their mutual interest in

influencing regional power dynamics, considering the centrality of the region to their security. There is little doubt that what happens in the Indo-Pacific has a defining impact on both Japan and India. In that sense, their engagement in the Indo-Pacific through initiatives such as Quad, Malabar, and MILAN aims to shape the region's geopolitics. Trilateral cooperation among India, Japan, and third countries in South Asia and Africa also reflects the intent to stabilise the region and create an alternative to various China-led projects.

A second set of factors driving the two countries' partnership is the increasing economic, technological, and soft power engagement between the two. While the bilateral trade volume remains modest, Japanese businesses have steadily increased their presence in the Indian market. The announcements made during Prime Minister Narendra Modi's visit to Japan last week have been promising too. Trade in strategic sectors is also at the top of the agenda; critical minerals, digital transformation, supply chain resilience, clean energy, digital cooperation, and space have been in focus.

Third, what has really helped the bilateral relationship stand the test of the tumultuous times is the mutual respect and tolerance they have for each other's concerns and sensitivities. Tokyo is uniquely skilled at communicating sensitive messages to India discreetly and respectfully. This might seem simple, but in an era where strategic partnerships are strained by a

lack of respect, the importance of discretion and respect cannot be overemphasised. The fact that the positive momentum of their bilateral relationship has remained consistent through domestic political shifts in Japan and geopolitically testing times underscores its robustness. The key to their successful strategic partnership is this: New Delhi and Tokyo address their differences privately while maintaining a clear focus on their larger goals.

So, what are those larger goals? A significant challenge for both New Delhi and Tokyo is managing the complexities and unpredictability of the US-China relationship in the Indo-Pacific. What the US and China do in the region and the nature of their bilateral relationship are of great consequence for India and Japan. In fact, the dynamics of US-China relations — such as the American commitment to the region, Chinese aggression in the Indo-Pacific, and the overall state of their relationship — significantly influence the India-Japan partnership. Hypothetically speaking, if the US maintains a strong military commitment to the region and effectively deters Chinese aggression, Japan might have less incentive to strengthen its ties with India. Similarly, if Beijing is more accommodating of Indian interests, Delhi may be less inclined to seek partnerships to counterbalance China (even if doing so is strategically advisable).

There are also fundamental differences in their strategic outlooks. India is less likely to follow the US strategic



The key is to translate the defence collaboration declaration's wealth of promising ideas into tangible initiatives.

priorities in the region and, as a function of that, it is more likely to seek a working relationship with China. Japan, on the other hand, is more inclined to align with the US's strategic priorities and is heavily influenced by the US relationship with China. Despite the strong economic ties between China and Japan, Japan is likely to pick the US over China if it comes to that, unlike India, which is likely to pick neither unless its national security is at stake. In that sense, India's multi-alignment and Japan's alignment with the US are reflective of differing strategic worldviews.

But it is also clear that neither side will join the Chinese bandwagon nor accept Chinese unilateralism in Asia. As a former great power, Japan is unlikely to accept a China-dominated Asia. For its part, India, as a rising great power, will not willingly accept Chinese unilateralism in Asia. Such a shared concern also gives them enough reason to jointly consider ways of preventing the emergence of a China-dominated Asia.

So, what next? For a start, there must be a deepening of trade and investment. With a bilateral trade of only \$23 billion, heavily favouring Japan, the India-Japan economic relationship is weak compared to India's \$130 billion trade with China and Japan's \$300 billion trade with Beijing. During PM Modi's visit to Tokyo,

Japan pledged to invest \$68 billion in India, a promising start.

Also, the strategic convergence between India and Japan must be infused with more granularity, especially in light of the unpredictable American commitment to the Indo-Pacific. For critical minerals, India and Japan should consider engaging with key regional producers like Australia and Indonesia. Such an "Asian Quad" on critical minerals has immense potential to reset the global balance of power in that sector. Although the "Joint Declaration on Security Cooperation" between India and Japan, signed during Modi's visit to Tokyo, highlights a keen desire for greater security and defence collaboration between Delhi and Tokyo, it stops short of proposing concrete action. The key now is to translate the declaration's wealth of promising ideas, some 41 of them, into tangible initiatives.

The building blocks for strong India-Japan strategic ties are firmly in place. They now need a quantum leap forward, or the two countries' relationship risks stagnation in the Indo-Pacific, never reaching its full potential.

Happyman Jacob is the founder and director of the Council for Strategic and Defence Research and the editor of INDIA'S WORLD magazine. The views expressed are personal

[STRAIGHTFORWARD]

Shashi Shekhar

Self-reliance is the mantra for overcoming trying times

I have always wondered what causes our society to forget the lessons learned during trying times. Those hurt by US President Donald Trump's tariff tantrums should remember the Covid-19 pandemic. The US, along with most rich nations, erected regulatory walls to hoard life-saving drugs and vaccines for the exclusive use of their citizens.

Remember, it is the same US that once termed the world a "global village", on the lines of the Indian concept of *Vasudhaiva Kutumbakam* (the world is one family), though with questionable intent. While our ancestors were moved by the altruistic vision of the world sharing whatever there was, then US president, Bill Clinton, who had popularised the concept of global village, was interested in maximising his country's gains.

The reality of the so-called global village vision unravelled during the Covid-19 pandemic. During its early days, Donald Trump, then in his first presidential stint, mocked its very existence and threw off his mask in a public show of defiance. When ceremonies started piling up with the dead, he labelled the Covid-19 pathogen a "Chinese virus". It was he who ordered reserving vaccines for US citizens. No one knows how much it helped the Americans, but in terms of the numbers that died worldwide, the pandemic ended up wiping off many villages from the globe.

In those days, a debate raged within India, on becoming self-reliant so as to be able to deal with any such future eventuality. This did result in some positive initiatives, but as the threat subsided, we reverted to our complacent ways. Many young men and women lost their jobs during the pandemic, moved to small towns or villages, started ventures of their own, and never returned to big cities. They were helping themselves and, as a consequence, improving their local business landscape.

The governments, however, got too happy with the economy recovery, whatever alphabetical shape the curve took. Their approach towards policies such as "one district, one product" slackened. If they had continued with their aggressive and focused approach towards such policies, they would have acted as a buffer against the uncertain future we are facing today.

It is possible that, in the near future, the US and India will thrash out a respectable trade deal. Trade depends on a win-win approach. It's not a one-way street. Still, India will have to strike a careful balance. We can achieve this as things will not deteriorate to the level witnessed during Covid-19. Five years ago, we faced a pandemic. Today, we are pitted against the eccentricities of one man and the temporary crisis that has resulted.

But, if a new global economic order is emerging, why should we delay embracing it with open arms?

India's Green Revolution resulted from US President Lyndon B. Johnson's intransigence. We should now unleash an MSME revolution. It has the potential to make us truly self-reliant. MSMEs account for a large chunk of employment, and their products are easily consumed by the domestic market. This

doesn't mean relegating India Inc to the periphery. Those Indian corporations that have dominated globally should carry on with their work. For a balance, India needs to ink trade deals with other countries, as it did with the UK recently.

Many European nations have bluntly told US vice-president JD Vance that they are tired of the US's doubletalk. It is not India but China and Russia that are the bigger concerns for the US. Both Moscow and Beijing understand the peril of the US. This is the reason why Chinese President Xi Jinping commemorated the 75th year of India-China friendship by apparently sending a soulful letter to President Droupadi Murmu. The letter was perhaps an augury that the unfortunate bitterness of the past decade could soon melt away.

Prime Minister Narendra Modi is now in Tianjin, China, for the Shanghai Cooperation Organisation summit. Earlier, in an interview to a Japanese newspaper, Modi said that a stable, pre-negotiated, and cordial relationship between the two neighbours — the two most populous countries in the world — can have a positive effect on global peace and prosperity. Chinese foreign minister Wang Yi visited Delhi a couple of weeks ago to work out the necessary arrangements. Modi's meeting with Russian President Vladimir Putin in Tianjin has its own significance, as any joint statement from there can play a pivotal role in creating a 10-year world.

Before reaching China, Modi made significant economic deals in Tokyo — Japan is committed to investing \$68 billion in India over the next 10 years. These agreements are bound to succeed. But we should always remember that no matter how many trade deals we strike with nations, they will only survive and thrive if we steadily grow stronger. The US attitude towards us has deteriorated as it thinks it can survive without us.

While discussing China, let me remind you that just a 100 years ago, at least six of its cities were under varying degrees of foreign influence. Among them, Shanghai was under the US, British and French administrative control, while Beijing was the playground of the Americans, Russians, Japanese, and the French. Things have changed drastically since, and today China is the world's second-largest economy and military power.

There's a tendency among a section of Indians to berate our country by incessantly comparing it with China. They conveniently forget the fact that China is run by a totalitarian government while India has a robust federal structure and a thriving democracy. People are free to say pretty much whatever they like, and the present discourse is its shining example. Our post-Independence progress despite our handicaps has irritated many. If China successfully outgrew its former colonial captors, we, too, have economically outspired our colonial master, the UK.

Isn't the achievement inspiring enough for the present generation of nation builders, entrepreneurs, and citizens?

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

[ANNE ALY] MINISTER OF MULTICULTURAL AFFAIRS, AUSTRALIA

Multiculturalism is an integral part of our national identity ... This brand of far-right activism grounded in ethnocentrism has no place in modern Australia

On the campaign against Indian immigrants organised in some Australian cities

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IWT in abeyance central to correcting past blunders

The suspension of the Indus Waters Treaty (IWT) with Pakistan by the

Pakistan attack highlights India's

assertive new outlook. The IWT was

a historical blunder from the early years of our

Independence. It was ostensibly signed as

a symbol of goodwill by Prime Minister Jawahar

Lal Nehru and Pakistan President Ayub Khan

at Karachi on September 19, 1960. The IWT in

principle agreed to the distribution of the Indus

system in the ratio of 80:20 between Pakistan

and India. Apart from Pakistan getting a lion's

share, the treaty allocated the waters of the

three eastern rivers (Ravi, Beas and Sutlej) to

India and the waters of the three

western rivers (Indus, Jhelum and Chenab) for

the use of Pakistan. Further, a 10-year transition

period was agreed upon, during which Paki-

stan would construct a system of link

canals on the western rivers for loss of

access to the eastern rivers and that

would be paid for by India. In order to

compensate for the loss of four mil-

lion acres in Pakistan that were irrigated

by the three eastern rivers, it was

suggested that canal replacement

works would be constructed in Paki-

stan and funded by India. The cost of

these replacement works was es-

timated at \$83.3 crore, approximately \$8,000

crore in today's terms. Further, due to the

World Bank's involvement, Pakistan would get

grants to the tune of about \$400 crore. India,

which required over \$900 crore to build its own

link canals, would get only \$30 crore and that

too as loans.

Not surprisingly, there was widespread dis-

appointment among the signing of the treaty.

On November 20, 1960 while discussing the

IWT in Parliament, Harish Chandra Mathur, a

Congress Member of Parliament (MP) from

Pali, Rajasthan, quoted *The Times of India* that

had made the following observation on the

IWT: "Almost on every major point in the

dispute, India has yielded to Pakistan's wishes

off at the cost of its own interests." The pre-

valuing mood at that time, when the IWT tri-

partite agreement was signed, was that India

had made far too many concessions without

extracting anything in return.

The feeling echoed by MPs across party lines

was that Rajasthan would be the most affected

by this decision. Some members pointed out

that, in 1948, when India had signed certain

inter-dominion agreements, Pakistan wanted

the water which was being supplied from

canals in India to not be stopped straightway and that they should be allowed some time for this. Therefore, the massive capitulation by the Indian government perplexed Nehru's own party members. Nehru however seemed unfazed and derided the members of the House for making an issue out of "a pallid of water". He left saying he had to accompany the Crown Prince and Princess of Japan who were visiting India at that time.

After Nehru exited, Atal Bihari Vajpayee pointed out that subsequent to signing the agreement, the president of Pakistan stated that "By accepting the proposal for joint inspection of the river courses, India has, by implication, conceded the principle of joint control extending to the upper region of Chenab and Jhelum, and joint control comprehends joint possession." This interpretation could have severe implications for India.

Unfazed with Nehru's earlier response, Vajpayee said, "If we talk about establishing goodwill and friendship between the two countries, then my point is that this is not the way to establish goodwill and friendship. If Pakistan says something wrong or makes a wrong demand, then it should be opposed. If this spoils the relations, then we can never build good relations."

Six-and-a-half decades later, the decision to put the IWT into abeyance has been a historic decision. India's response while taking the decision clearly states that the obligation to honour a treaty in good faith is fundamental to a treaty and the sustained cross-border terrorism by Pakistan violates the atmosphere of good faith. This also reflects in Prime Minister Narendra Modi's overall outlook as he has repeated in multiple fora that "blood and water cannot flow together". India can now develop a fresh perspective keeping in mind our altered population demographics, our agriculture and irrigation needs and further accelerate the development of clean energy to meet our energy transition goals. Our decision on the IWT clearly demonstrates that we are now taking clear-eyed stances and standing up for what has rightfully been ours. After all, a nation should not be the mistakes of its past walks with chains where it could soar with wings.

G Kishan Reddy is Union minister of coal and mines and represents Secunderabad Lok Sabha constituency. The views expressed are personal