

THE ASIAN AGE

26 AUGUST 2024

Harris takes on Trump: A race too close to call

The race to the White House may be intriguingly close and, as 72 days remain to the finish line, the Democrats are up and running, fully emerged and totalling a comfortable majority. Harris was anointed after inspirational speeches from the Obamas and the Clintons.

Ms Harris' path to the nomination has been such a breeze after the withdrawal of the White House occupant Joe Biden that Donald Trump and the Republicans, despite having a member of the Kennedy clan their corner now, are plain rattled. Needing a reset from days of roasting 'Kamala' in misogynistic and racist terms, Trump is now labelling her as a fascist and Communist conspiring to take over the United States.

On the other hand, Kamala Harris' acceptance speech wove a compelling story of an American journey to success story fashioned by "a five-foot tall brown woman with an accent" who taught her kids to never complain about injustice, but to do something about it, like protecting people as everyone has a right to safety, to dignity and to justice as the Democratic nominee put it.

Accepting the nomination on "behalf of everyone whose story could only be written in the greatest nation on Earth," Kamala Harris went on to demolish Trump, going after him for the January 6 riots, and his well-documented support for every authoritarian leader and dictator in the world. In Chicago, she made a case for herself more than winning a case against Trump in this contest to occupy the Oval Office at 1600 Pennsylvania Avenue.

On the front lines of a divided America as one of the most consequential elections for the US looms, it is the Americans who must choose their leader in an election system that was hotly contested in 2020 by the loser Trump. Their choice will, however, be of great import to the world in which divisions are more sharply marked and when wars are being fought in the Middle East, Europe and elsewhere.

The return of Trump, an "unserious man" as Kamala dubbed him, in a battle that he is thought to be fighting for himself more than his nation, has latched on to Bobby Kennedy's offer to remove his name from ballots in about half a dozen swing states to try and smoothen his path. As he has offered to open all the JFK assassination files if elected in November it goes to show how transactional Trump can be when it comes to this power game.

Robert Kennedy prospered as a patron of misinformation on Covid vaccines, but such happenings only reinforce the argument that in modern US it is not just reality and hard facts that prevail. And Trump has symbolised that, most of all in ridiculing the very system that brought him to the White House in 2016 despite his not winning the popular vote, which favoured Hillary Clinton.

In this intricate race of several dimensions in which Kamala Harris is the current leader in popularity polls, it may take very little to tilt the precarious balance. All the rhetoric from both sides — making America great again versus filling the multicultural, multicultural America with joy — is aimed at winning the highest stakes battle ever for the White House.

Realistic plan to fight Maoists

Union home minister Amit Shah's announcements that the government will not deploy the Army in the combat against Maoists and is pursuing a twin strategy of establishment of rule of law and development of backward areas instead indeed reflect a cohesive and realistic approach to end this violent stream of political activity in the country.

Maoists thrive in the most backward areas in the country and feed on the apathy of the governments towards addressing the very basic needs of the population. Mindless exploitation of the natural resources in total disregard of the lives and livelihood of the indigenous populations has been another reason that gets Maoists what support they get in the tribal areas. The thrust on the development demands of the people of Naxal-affected areas will, therefore, undermine the very foundation on which Maoism thrives and will weaken the movement in due course.

Deploying the Army, which is trained to fight an enemy, against citizens cannot be the best option. This has been proven time and again in Kashmir and in Northeast India. It is one of the fundamental principles of democracy to address political issues through the political process. The Army should either be fighting the enemy on the border or take part in disaster relief operations. The government's decision not to stretch it thus is hence welcome.

The pace of democracy and its processes are painfully slow and may not always match the demands of the population. However, sustainable development in human history has been slow, and the government must ensure that extremist elements are not allowed to cash in on it. Deepening democracy and setting up mechanisms for equitable distribution of the fruits of growth are, however, the only way to go. Let the Army stay in the barracks.

THE ASIAN AGE

Kishor MITTAL
Editor
The Asian Age office is located at New Delhi: Jyotibai Vaidya National Youth Centre, 210 Drona Durgaj Udhyog Marg, New Delhi-110002. Phone: 011-23011214.
Published and Printed on behalf of and for
Pritam Chandra Holdings Limited, Jyotibai Vaidya National Youth Centre, 210 Drona Durgaj Udhyog Marg, New Delhi-110002 at 801, Jyotibai Ltd., C-1, Sector-18, Noida-201301.
A member of the Newsprint Group, Block B, Jyotibai House, 20, Park Road, London, SE1 7YQ.
RNI Registration number: 2729294

Mahir Ali

As Ukraine enters Russian territory, Putin haunted by the curse of Kursk

Twenty-four years ago, just months into his first term as Russia's second post-soviet president, Vladimir Putin was pictured partying at a dacha in Sochi while his nation coped with the loss of a nuclear-powered submarine during naval exercises; all of its 118 personnel perished in the disaster. The vessel was called Kursk.

Back in 2000, the Russian media had few qualms about calling out official incompetence and presidential indifference. Fast forward to 2024, and none of the officially tolerated press outlets can be expected to seriously fault the authorities for this month's swift foray into Russian territory by Ukrainian troops. The barely resisted incursion occurred in the Kursk oblast.

The region's name should also resonate with anyone familiar with the key events of World War II. The most formidable clash of tanks in history entailed a monumental loss of life — upwards of a million, by some accounts — but the Battle of Kursk is mainly remembered as a turning point when, following a hard-won triumph in the Battle of Stalingrad, the Soviet Red Army turned the tide against the Nazi invaders. Less than two years later, it was at the gates of Berlin.

Subhani



Some historical lessons on old & new imperialist wars

Abhijit Bhattacharyya

As the "globalisation" of warfare now comes to full circle? From the Europe-centred world wars of the twentieth century, the post-Cold War period is witnessing a shift towards West-backed proxy wars away from the West. How else can one explain the cacophonous war cry of five imperialists today?

It is clear now that the clout of both the United States and the European Union is on the wane due to their wanton divisive policies. Russia feels increasingly insecure and thus waging wars for self-protection and both China and Israel are intent on revenge missions to "reverse the forces of history". Their religious breakup too reveals the reality: Europe, the US and Russia are essentially Christian, Israel is Jewish and Communist China, while avowedly atheist, has made the "making of money almost a state religion". Interestingly, there is no Islamic imperial state today, despite all the "notoriety" after the 9/11 attacks on America and the US "war on terror" against Muslim nations that followed. Perhaps that makes today's seemingly unending violence fraught with more mayhem in future.

In the past, the imperialism of both Europe and America have been over land and the seas, while Russian imperialism was always land-based, spanning from the Bering sea to the shoreline of Baltic Sea. China too has always been a land-based expansionist power, primarily targeting Siberia, Central and Southeast Asia. The surprise fifth neo-imperialist today is tiny Israel, which sees its brutal aggression in Gaza and other occupied territories as a "fight for survival/existence".

Let us remember that wars between Christians and Christians go back more than a thousand years. Moreover, as there was no Islam till the seventh century, there was to Christian-Islamic or Jewish-Islamic conflict in that era. It was essentially a series of bitter, hate-filled conflicts between the Christianity of Rome and the Judaism of Jerusalem. At all times, the Jews were ignominious and were instigated by no less than the Roman Catholic Church at the Vatican and Christian emperors of Europe endorsed by the Papacy, known as the "Holy Roman Empire". Consequently, the Jews suffered colossal loss of their right to life, liberty and property without any role of Islam.

Christians and Jews thus remained sworn foes till Islam arrived in 622 AD. The inherent anti-Semitism never ceased and followers of Judaism seldom had little respite though both Jews and Christians shared the Old Testament (but only Jews were adept in reading original Hebrew text). This made non-Hebrew speaking European rulers wary, resulting in inconsistent protection of the minority Jews by Christian emperors.

The Jews were protected as long as they accepted second-class status. When the First Crusade was begun by Christians against Muslims in November 1095, French preachers openly accused Jews as "usurers and Christ killers" and urged everyone to simultaneously "redefine Jews as they marched to recover the Holy Land" from Muslims.

The crusading army "sweaked havoc" while marching to "Holy Land" of the Levant, joined by German Knights to plunder Jews in Germany, asking them to either convert or die. The Jews preferred the latter.

In 13th century, Pope Innocent III imposed "permanent servitude" on Jews, arguing that "the Jews inherited the guilt of

Christ's death". This continued through the Middle Ages and ultimately led to the gas chambers of Hitler's Third Reich.

So, it was not just "Islam versus Christianity" conflict; there is a gory history of hundreds of years of Christians, Jews and Muslims in bloodshed embroiled in Jerusalem to Germany, Cartagena to Cairo, Paris to Palestine.

In this light, the war between Christian Moscow versus Christian Kyiv, instigated and abetted by the Christian EU and Christian US, takes on a new meaning. One also sees the lunatic criminality of the Sunni Muslim Hamas' attacks of October 7, 2023 against the Jewish State of Israel, which triggered the escalating bloodshed going out of control, evening a lifetime opportunity for the US "military industrial complex" to make billions in profits from a war zone 10,000 km away. As Jews and Muslims are dying in the Levant, the Christians of Russia and their Ukrainian blood brothers are slaughtering each other in the Balkan-Black Sea axis.

Amid this, distant China emerged as a hard-nosed mercantile imperialist trumping over the West's profiteering merchants, ministers, military and bankers. The Chinese are biding their time and hiding their intentions, but it can't remain a secret. As the West opens up its double game and instigates both Israel and Ukraine, the Chinese act clandestinely, helping distant belligerents, and creating rifts through diplomatic manoeuvring in combat zones. It lures the Italian PM and South Africa's President to reverse policy decisions in tune with China's goals.

Today, the West faces a

conflict between the interests of its corporations and countries. Private companies want Chinese material, markets and money, but nation states want to retain their political sovereignty and economic independence. The EU and the US face the same issues. Europe's imperialism lies in the past as "superpower" America's policing power declines, mainly owing to lack of resources; yet both want to cling to straws. Imperial Russia lost its way and broke into pieces in 1991, and today it fights with back to the wall to hold on to what was once its own soil. Neo-imperialist Israel, which was born with heavy baggage of devastation and destitution inflicted by the Christian West, now inflicts the same destruction on Muslims without trying to find any solution.

Where does all this lead? As the EU, US, Russia and Israel are at war, directly or indirectly, the Chinese are on the move, trying to take over parts across the world, seizing control of economy in several landlocked nations in Asia and Africa, capturing island after island in the Pacific Ocean and other water bodies and using special strategy regarding India. New entrants and -industrial traders are divided, its immediate neighbourhood is on fire, and its Army and Navy are under increasing pressure. Its citizens (at least in Arunachal Pradesh) are sometimes subject to kidnapping across the LAC, even as the Chinese PM sheds crocodile tears for victims of the Wuyandao tragedy. Beijing uses all possible means to lure investments and funds away from India and destroy whatever medium, small and micro enterprises are left.

"Globalisation", once envisioned as a twenty-first century panacea to avoid destructive war by businesses operating across continents, is now in shambles. It's replaced by the proxy war of the West and China's muscle-flexing cash-conquest drive.

The writer is an alumnus of the National Defence College, New Delhi. The views expressed here are personal.

LETTERS

MODI UNSUCCESSFUL

Not much seems to have come out of the peace efforts of our PM Narendra Modi to end the Ukraine-Russia conflict. No sooner had the PM left Ukraine the President of Ukraine Zelenskyy has come up with some strong language to vilify the Russian President. Had there been some hope of the resolution of the Ukraine-Russia conflicts due to the intervention of Mr Modi, his waning popularity would have skyrocketed. Kyiv wants India on its side, but so does Russia. Purchase of cheap Russian oil has softened the inflation here. If Donald Trump wins in the US, Zelenskyy is going to need all friends he can get because unlike the Democrats with their strong arms lobby, Mr Trump is likely to reduce economic and military aid to Ukraine.

Anthony Henriques
Mumbai

RATE CUT BOOSTS

THE FEDERAL RESERVE'S decision to cut its key policy rate in September, announced by chair Jerome Powell, is expected to have far-reaching implications. A lower interest rate in the US could lead to increased capital inflows into emerging markets like India, boosting the stock market and strengthening the rupee, as well as making Indian exports more competitive. This could benefit sectors like IT, textiles, and pharmaceuticals, while also containing inflation by making imports cheaper. Additionally, the RBI may have more room to manoeuvre its own interest rates, and Indian companies with dollar-denominated debt could benefit from a weaker dollar.

Amarjeet Kumar
Haverhabhab

NEED MORE COPS

THE YOUTH'S loss of desire for jobs and prosperity remains as strong as ever, but the government's promises of providing employment seems like chasing a rainbow. The recent constable recruitment exam held across 26 states is a clear example. The number of applicants was not just double or triple but several times more than the available vacancies. For instance, 6.5 lakh candidates applied for just 60,000 positions. Throughout the country, police officers have lodged grievances about physical and mental health problems due to long working hours. The government could have easily increased recruitment numbers.

Jakir Hussain
Kanpur

₹500 for the best letter of the week goes to Anthony Henriques (Aug. 25). Email: asianage.letters@gmail.com.

Only UPSides to This Prudent Workaround

Makes defined benefit pensions easier to sustain

Unified Pension Scheme (UPS) has managed to retain both the defined contribution and defined benefit components. Which makes it a fiscally prudent workaround. Gol's pension liabilities will be limited to matching contributions as employees pay as they go. This addresses the fundamental weakness of old pension scheme (OPS) that transferred Gol's pension liabilities on future generations of taxpayers. The assurance of index-linked pension is provided by Gol underwriting the market risk that government employees banked at under the National Pension System (NPS). This hybrid model effectively makes existing employees save for their pensions while transferring the market risk to the next generation. In this, UPS is spreading the pain across generations, and should be easier to sustain.

To be fair, NPS did not get an opportunity to demonstrate its effectiveness. It was rolled back before the first generation of gov employees could harvest the gains of a market-linked defined contribution pension. This model has had a fairly successful run in other countries and there is no reason to expect it will not deliver in India with an outlier stock market performance. The changing pattern of household savings in favour of equity suggests the gov may not be taking an undue risk in underwriting a defined benefit pension. It has seen wisdom in allowing the defined contribution scheme to continue alongside the defined benefit version. NPS could yet deliver on its promise to a larger population that does not have access to government pension.

Gol has also addressed the sustainability of state government pension liabilities by imposing matching fiscal constraints on states choosing to go for defined benefits. Prospects of state pension liabilities snowballing are low if they are made to pay in step with their employees. Fiscal disclosure may need to be tightened to ensure governments, both at the Centre and states, indeed, pay as they go.

Better Be Prepared Against the Pox

Hospitals across the country have upped their preparedness to handle suspected cases of mpox. This is after WHO classified the outbreak of the infectious viral disease in Africa as a public health emergency of international concern last week. A suspected case of mpox was admitted at AIMS last week. Globally there have been three outbreaks so far. The first is mainly in the west and north of the Democratic Republic of Congo (DRC), where mpox has been endemic for more than a decade. The second, a new branch of the virus, is in countries neighbouring DRC and beyond, including Burundi, Kenya, Rwanda and Uganda. The third is the strain that will spread to Europe and beyond in 2024.

WHO's Europe regional director Hans Kluge, however, told reporters last week that mpox is 'not the new Covid' and that 'together we could — and must — tackle mpox'. Yet, outbreaks spotlight worrying trends — the continued neglect of Africa and failure to act in a manner commensurate to the danger of repeated outbreaks of zoonotic diseases. If adequate supplies of the mpox vaccine had been delivered to DRC, where the disease is endemic, the outbreak could have been contained. Africa has been left behind in terms of vaccines and cures. This neglect is unacceptable, especially at a time when faith in multilateralism is waning and threat of global fragmentation is high. It's imperative for all countries, particularly those with large and growing populations, to implement measures that reduce the risk of zoonotic outbreaks.

As the 'world's pharmacy', India can tackle the pharma challenges. However, as a biodiversity hotspot with a vast population and growing economy, India must safeguard its natural resources to prevent the spread or outbreak of zoonotic diseases.

JUST IN JEST
In Australia's Northern Territory, there's a scaly electoral showdown

Crocodile Rock, A Poll Issue With Bite

When it comes to elections, India wins the 'most interesting democracy' award hands down. But hold on to your akubras, folks. Australia's stepping up to the plate with some top-notch competition. Last week, during the elections in Northern Territory (NT), the land of Crocodile Dundee, the big-ticket issue wasn't rot, kapda aur beer, but the very film issue of the right to keep a pet croc, the Harley-Davidson of pets. NT's one of the last places where you can still have these scaly mates. While the Labour Party gave the thumbs down to this reptilian ride, the Country Liberal Party was all in, cheering for the 'croc-keeping rocks' lifestyle.

Many of the captive crocs in NT are either raised from hatchlings, or rehomed from farms and wild troublemakers. One of the owners said he wanted to give these misunderstood reptiles a place to 'just live their lives out — happy, well-fed, and not worrying about getting shot at'. Well-fed? Hope not Raja Bhaiya a.k.a. Raghuraj Pratap Singh-style? Legend goes that the MJA from Kunda, UP, fed foes to his pet crocodiles. But in NT, it's a bit less dramatic. All that pet croc owners want is for political parties and animal activists to understand that while one can't 'spend many nights... watching TV, snuggling with your 4% m crocodile', there's 'still that emotional attachment'. With its impressive jawline.

Affirmative action's impact on jobs has been limited, a fact lateral entry was making public

In through the Out Door



Rathin Roy

For your typical neoliberal classroom economist, 'closed shops' — no lateral recruitment — are laudable. If factors are placed on the ability to hire people, then there is an inevitable efficiency loss.

But policy economies do better. It recognises several situations when this is not true. Asset specificity — which happens when those in some jobs acquire skills and competencies that others may not have — is one. This is why the armed forces, judiciary and civil service are often closed shops.

Equally a closed shop may hire externally to acquire asset specificities that are not conductive to working within the closed shop may not have. It is for this reason that scientists, economists and lawyers are recruited laterally to mid-level and senior government positions. When the diplomatic service requires political skills or military expertise, external candidates possessing these skills are hired as diplomats.

Both types of asset specificities improve the efficiency of government and provide better value for money, compared to a pure closed shop. In countries like Britain, and in the World Bank and IMF, this has resulted in a compromise — a closed shop with an internal market for most professional jobs, with the principle of seniority axed in favour of competitive internal recruitment.

Arguments in favour of 'lateral entry' into India's largely closed-shop civil service draw on the expertise-enhancement argument. When I was a member of the 7th Pay Commission, lots of private sector changes were made to me (presumably because I was a lateral entrant), advocating lateral entry on these grounds.

The recent backlash against the very limited lateral entry proposed by Gol — and the pointed reference to the 'lateral entry' of Sebi chairperson Madhabi Puri Buch — signal discomfort with lateral entry arguments. The second discomfort can be understood easily: Puri Buch did not disclose her relationship with parties that her organisation regulated and, further, allegedly profited from relationships with some of these organisations. No IAS officer worth her or his salt would commit such an egregiously transparent error. And she, therefore, defaulted on an IAS closed-shop rule: do not get found out for more transactions.

The first backlash is more interesting. It is alleged that lateral entry is being used to bypass caste reservations. Prima facie, this is a powerful argument. However, it remains purely procedural because the outcomes of caste-based reservations have had the least impact at joint secretary level and above, where the lateral entry is being effected.

To see this, look at the composition of the senior civil service, 95% of secretaries and additional secretaries to Gol are upper caste. The Cabinet secretary, principal secretary to PM, CJI, army chief, navy chief and foreign secretary are all Brahmin. Despite reservations for entry into the civil service, this is likely to continue in the foreseeable future. The media, entertainment industry and entrepreneurs are all as overwhelmingly upper caste as the public service.

So, despite extensive educational and lower-level reservations, affirmative



Working an angle that won't work

The action has made no difference to the caste composition of the higher echelons of Indian society Caste has very definitely not been annihilated in the Ambedkar sense by following the principle of affirmative action.

In political economy terms, this reveals clearly that social barriers dominate attempts to remedy caste discrimination through affirmative action. At the crucial level, this operates through heredity and nepotism. India's nepotism story, whether in politics, the private sector or the entertainment industry, is marked by ubiquitous hereditary succession. It then follows that upper-caste dominance

will continue in these professions. But the upper-caste bias in senior civil service appointments indicates, that this is merely a reinforcing factor, not the dominant cause.

We, therefore, don't need a caste census to be told that upper-caste nepotism is rife across all high-status, high-

reward activities in India. Just as we do not need a census to be told that patriarchy and discrimination against women continue to be a major reason why women (even upper-caste women) are a significant minority in the upper echelons of Indian professionals and businessmen.

If this is correct, then what are all the politicians on about? And why is the Opposition accusing the government of caste discrimination, and the government withdrawing the lateral-entry job openings citing 'social justice'?

Very simply, the forces that determine social balance of power are not conducive to workaday political power being exercised to annihilate caste. There is no market for such an inhibition. But there is a market for an escape valve — a rationed share of entry-level jobs that provide security and a reliable existence (but demonstrably not diffused upward mobility) to those fortunate enough to secure them.

There was a real danger that the lateral entry 'escape valve' would make this dirty secret an issue for public debate and protest. But just as with violence against women, the established quietly worked to both prevent the issue as a caricature and to defuse it by annihilating the caricature, not its underlying causes.

The writer is former member, EAC-PM

Some Concessions Go a Long Way

In response to CCI's concerns, the parties have reportedly offered to sell fewer than 10 regional TV channels, but have refused to divest their cricket broadcasting rights. Their argument: To mitigate ECI's concerns, Disney can't be sold without BCCI's approval. Thus, the impasse.

To resolve this, the parties could consider a range of possible remedies that include:

- ▶ Selling broadcast or streaming rights for specific cricket tournaments.
- ▶ Capping ad rates during cricket matches for a defined period.
- ▶ Licensing high value cricket content to competitors on a non-exclusive basis.
- ▶ Divesting overlapping assets in related markets.
- ▶ Committing to greater transparency in pricing, content availability and contract terms with advertisers and content distributors.

Some of the remedies offer insights. The Comcast-NBC merger in the US saw a series of conditions imposed to prevent market dominance. Comcast's acquisition of a 51% stake in NBC Universal for \$3.1 bn made NBC a combined entity the largest media company in that country, with a revenue of about \$3.1 bn. Conditions imposed included program name access rights to ensure competitors could still sell valuable content, commitments to net neutrality, and divestiture of

pledged Phase 2 investigation.

Comcast's stake in Hulu to maintain competition in the emerging online video space.

The rationale can also be drawn from the EU's Disney-Fox case in which in relation to the wholesale supply of TV channels, the European Commission (EC) found that the proposed transaction would have eliminated competition between two strong suppliers of 'factual channels' — channels that provide news and current affairs, documentary and reality TV content.

To mitigate ECI's concerns, Disney committed to divest its interest in all factual channels it controls in the European Economic Area (EEA) — History Channel, E! Entertainment, Investigation, Blast, and Lifetime. The commitments fully removed the overlap between Disney's and Fox's activities in



Fingers crossed before they merge

the wholesale supply of factual channels in EEA.

Finally, CCI's approach in the RIL-Disney case may also draw some parallels from its scrutiny of the now-terminated Zee-Sony merger. There, initial concerns about market concentration in Hindi-language TV channels, and reduced bargaining power for advertisers, led to the voluntary divestment quickly worked out, resulting in Phase 2 clearance. The RIL-Disney merger could also hinge on the willingness of parties to make suitable concessions to address CCI's concerns.

At this stage, it's imperative for the parties to present their case before CCI with suitable remedies and modifications based on their own market assessment, aimed at avoiding Phase 2 investigation. While CCI could impose its own conditions — or even block the merger due to complex monopolistic concerns — it has historically never done so. It has imposed modifications in only 2.6% of the cases it has reviewed.

If, however, the merger is blocked, the parties could appeal to NCLAT and eventually to the Supreme Court. However, the Supreme Court has passed final orders in only two combination cases till date. So, it's crucial that the parties offer appropriate remedies themselves and seek CCI's nod.

The writer is former chairman, CCI

Now, Get on the Job of Jobs Data

Advantage Assam, Vibrant Gujarat, Progressive Punjab, Magnetic Maharashtra, Investigarh Chhattisgarh, Resurgent Rajasthan and Advantage Andhra Pradesh are best viewed as networking/photo opportunities. The actual implementation of projects based on MoUs are impossible to track. There should be something called the MoU-movement ratio.

It can be tricky to analyse the relationship between industry growth and job creation because there are other grounds on which investment objectives can be oriented, such as strategic importance for industrial growth, defence requirements or national interest. But do policymakers know how to diversify investments and incentives and frame policies with a larger perspective? It all seems ad hoc, both at the central and state levels.

Tamil Nadu has made a small beginning that gives us a clue on how we might have to go.

A ₹2,340 cr investment by Singapore's lithium-ion battery supplier Sembcorp Thoothukudi is expected to create 1,14 jobs, which means it would take ₹9 cr to create 1 job. Katherson Electronics will invest ₹2,500 cr to set up many jobs.

A ₹7.77 cr investment by Milky Mist is expected to generate 2,025 jobs, with an even better ratio.

The ratios are significant in trying to understand how jobs are created. There is a macroeconomic multiplier effect logic by which the demand created by all incomes fuels further jobs, especially in SMEs. There is also the partner logic, under which vendors and service providers associated with the employer entities create secondary jobs.

India's IT/RPO sector employs around 5.1 mn people. Nasscom says about 4 jobs are indirectly generated by each direct position in the industry.

The planned Sembcorp project is an indication of how new RE projects may be perfect for addressing climate change but may be the opposite for job creation. The Milky Mist project, with its rural orientation and high labour intensity, may be a study in contrast to both grassroots and regional diversification.

AI's arrival is disruptive enough for people to question the future of direct employment. Nasscom says it may shake with in Nasscom's 4-for-1 logic in indirect jobs. You add robotics, 3D printing and other forms of capital-

intensive technologies to get the drift: growth, incomes and jobs have a far less linear relationship than ever before since the first Industrial Revolution.

Do policymakers know this? If so, how are they addressing it? Macro budget rules and investment framework rules that reveal the environmental impact and employment orientation of public policy measures. Economic modelling needs a new framework. Data science, cloud computing and AI may provide the tools to do this. That is a silver lining.

Donning the logo of the PM Gati Shakti programme to boost multilateral infrastructure, Gol's India Investment Grid gives a state-wise listing of opportunities across sectors. How would these investments look if they had a Tamil Nadu-style disclosure on jobs estimated to be created, and how would they measure up in terms of climate objectives?

Given that we are trying to meet multiple objectives, such as self-reliance, environmental security and strategic leadership, it might be wise to have a portfolio approach to policy in which green goals, security and jobs may be separated in different courses for consideration. If political noises about jobs are to be taken seriously, we need to have an employment data grid to match investment grids, as well as data on other ESG-like metrics. In such a case, employment statistics need a reset to be considered something more than iffy data voyeurism.

THE SPEAKING TREE

Biz Lessons From Krishn

JAYAROW

Krishn's life is an inspiration to us. His creativity in finding solutions to problems, the dynamism and enthusiasm for life, the objectivity and clarity of thought, these lessons we can all emulate.

He was the epitome of objectivity — dispassionate, disinterested, patient. He gave his all to every action, yet was totally independent of its outcome. Manu Bhaskar quoted this lesson from the Bhagwad Gita — focus on the present action. Do not dwell on the result that is beyond your control.

Krishn introduced the ancient Vedic concept of yajna that you do is his economic might to imbibe. When you work in a spirit of yajna, service and sacrifice for a higher cause, you are blessed with immense prosperity. The less you give you gain, grab you lose. All givers are happy. It is the takers who are unhappy. And givers grow into towering personalities. When the employees of a firm offer their talents for the success of the organisation, the company makes mind-boggling profits that are then shared with employees, shareholders and stakeholders. Everyone benefits.

It is important to feel one with your colleagues. Then they go beyond the call of duty and contribute to your cause. The synergistic effect of togetherness produces stunning results.

Krishn's timely advice helped the Pandavs win the Mahabharat war. It is the economic might, political clout or military prowess that wins battles — it is clarity of thought. The combination of a strong intellect and high values makes you invincible.

MELODY FOR MONDAY

Bourree in E Minor

Johann S Bach

Johann Sebastian Bach's 'Bourree in E minor' — a movement from his Little Suite in E minor, is a masterful blend of elegance and complexity. This piece, originally composed for the lute between 1708 and 1717, has become a staple in the repertoire of Western classical music.

The beauty of Bourree — a bourree being a type of dance that originated in France with a quick 3:2, 3:4 or 6:8 time — lies in its simplicity. Yet, it's rich with intricate rhythmic patterns.

Bach skillfully intertwines the bass and melody lines, creating a dialogue between the two that is both harmonious and intellectually stimulating. The melody's helix of notes is particularly evident in the way the bass line often anticipates or echoes the melody's movements, and texture to the music.

The piece also demonstrates Bach's genius to create a sense of movement and progression. Despite its relatively short length, the Bourree takes the listener on a journey through a series of musical ideas, each building on the last. The use of syncopation and rhythmic variation adds to this sense of the avant-garde.

The writer is former chairman, CCI

Chat Room

Sloshing Pension Induces Inflation?

Apropos the news report, 'Unified Pension Scheme Promises Assured Benefits' (EAS), it is interesting to note that the central government employees will get a minimum pension of at least ₹10,000 per month, an assumption after a minimum of 10 years of service, and 50% of their last drawn pay if they complete 25 years of service before retirement. Despite its relatively short length, the Bourree takes the listener on a journey through a series of musical ideas, each building on the last. The use of syncopation and rhythmic variation adds to this sense of the avant-garde.

SRAMKRISHNASWAMY Chennai

Opinion

MONDAY, AUGUST 26, 2024



INDIA'S NARI SHAKTI

Prime Minister Narendra Modi

Today when India is striving to become developed, our women power is once again coming forward

Funding retiral benefits

New Unified Pension Scheme for govt staff looks viable for now, but guarantee naturally involves uncertain costs

THE REINTRODUCTION OF guaranteed pension by the Centre for its staff while retaining the concept of having a "funded" scheme for the purpose may serve to prevent a wholesale reversion to the fiscally extravagant, non-contributory model, by itself and the state governments. It will also placate the government staff and help the ruling dispensation not to lose political ground on the sensitive issue. Around nine million have joined the Union and state governments since the unfunded old pension scheme (OPS) was replaced with the contributory new pension system (NPS) for new recruits in 2004. Essentially, Saturday's Cabinet decision involves the government bridging an (estimated) gap between the cost of a specified guaranteed pension in real terms, and the returns to be generated by the relevant corpus. It may not necessarily result in higher employment cost to the government (taxpayers), as the instant rise in deferred compensation (pension) could be offset by reining in the rise in overall compensation, including salary and other emoluments, over the coming years. The Pay Commissions will have a decisive role in this. That said, a guarantee is a guarantee, and by definition open-ended, with its potential cost uncertain.

While the benefits under the new Unified Pension Scheme (UPS) are comparable to the OPS, details such as whether the UPS will also provide for the recurring benefit to rise, upon the pensioner living longer, or whether and how much of the balance corpus, if any, would finally be returned, are yet not known. Nevertheless, the committee, headed by former finance secretary TV Somanathan, which formulated the new scheme, has done well to define how it will be funded, thereby coalescing the guarantee with the key NPS feature of defined contribution. This might help mitigate the additional burden on the taxpayers. On the other hand, a pure OPS model for all government staff, according to a recent Reserve Bank of India staff analysis, would have raised the pension budget by a considerable 0.9% of GDP annually by early 2060s, with OPS fiscal cost seen to be 4.5 times that of NPS.

The clamour among government staff for guaranteed pension has already led five states to reintroduce OPS. Besides, a sixth one, Andhra Pradesh, enacted a law for a UPS-like scheme in 2023. However, the last two decades of experience with NPS do not justify these concerns, with the scheme's corpus yielding average annual returns of around 10%, and the equity exposure only helping to boost the income. Of course, the values of assets supporting retirement systems have declined in some OECD countries in recent years, but such fears are indeed exaggerated for a fast-growing economy like India (NPS assets rose to ₹12.42 trillion in FY24, and is seen to jump by a quarter in FY25).

All these, however, don't seem to suffice to counterbalance the psychological comfort of a pension that isn't vulnerable to the vagaries of market forces. And the government too now calls this "a logical requirement". The fact is government employees are barely 5% of the country's workforce, and the vast majority of the rest are bereft of even a modicum of social security, both during employment and afterwards. Straining public finances for a section of the population would impose constraints on the government's ability to extend succour to the rest via schemes like Atal Pension Yojana for the informal sector, and development expenditure.

The global central bank is alive and well

AFTER YEARS OF common purpose and shared commitment, central bankers are characterised as going their own way. The emphasis on divergence in the path of interest rates, a line often encouraged by officials themselves, is unfortunate and cloaks an underlying theme. The coming year will be defined by easing, almost everywhere.

The only thing up for grabs is the depth of rate cuts — and how they are framed. Like most narratives, the purported disparity revolves around the Federal Reserve. Usually, the Fed sets the pace for global monetary cycles. While Chair Jerome Powell is widely expected to trim borrowing costs next month, and flesh out his thinking in an address at Jackson Hole on Friday, a few authorities have already responded to receding inflation. The European Central Bank, the Bank of England, and the Reserve Bank of New Zealand acted recently; China has been sporadically easing — in tiny increments — for a while.

But these reductions have been modest and accompanied by tough language that emphasises the danger of inflation. Expect the commentary to be more balanced and less price-focused once the Fed joins in. Monetary chiefs are always asked about the Fed, and they routinely stress they are their own people with their own mandates in their own nations. What's often unsaid is that they tend not to stray very far from the Mother Ship and that the global themes they're addressing are similar. Just because cuts aren't happening the same day doesn't mean there is a gap of consequence. What's a month or two, given adjustments in rates are often said to affect businesses and consumers with long lags?

Part of the problem may be that the last major easing cycles have been spurred by emergencies, which prompted rapid responses across markets: the 2007-2009 subprime meltdown and the onset of the pandemic. The latter stimulus was unwound from late 2021, first slowly and then aggressively. Could we have forgotten what normal is?

Domestic factors do matter, but the trends that shape decisions don't always respect borders. How things look at home will explain a bit more than half the anticipated cuts, if Morgan Chase & Co. economists said in a note last month. They reckon global rates surged by 360 basis points from early 2022 to mid-2023, and will come down by 130 basis points through the end of next year. "If our forecast is right, the coming year will deliver the most synchronised set of rate cuts ever seen outside of recession," they wrote. The firm also drew an important distinction between synchronised moves and coordinated ones.

The divergence camp seems to crave a granular level of policy management that seldom occurs outside a crisis. Fans of coordination must look back nostalgically at the early morning of October 8, 2008. Six major central banks, led by the Fed and the ECB, slashed their main rates in a rare — at that point, unprecedented — joint action. The People's Bank of China didn't join them, but lowered its own rate a few minutes later. Sovereignty is relative when collective backs are to the wall. Such actions stick in the memory of the cognoscenti; mercifully, they aren't often repeated.

It's a stretch to say that country X or bank Y has been "late" to either raising or cutting rates. Yes, compared with South Korea or New Zealand, the Fed was tardy in hiking, beginning in March 2022. But would Fed scoops want the double-dip recession that has rocked New Zealand and is about to be a triple crown? The Reserve Bank of Australia has been chastised for being late to hiking rates, but it was just two months behind the Fed and in front of the ECB. It's the trend that's the true friend.

And while we will have to wait for September for the Federal Open Market Committee's formal judgment, the signals have been clear enough. A year from now, with luck, fine points of sequencing will matter less than getting the broad thrust right. Cuts are coming. The outliers will be those that abstain. For not, the global central bank is alive and well.



DANIEL MOSS
Bloomberg

DIVERSIFYING THE MARKET

SEBI'S PROPOSED SEMI-ALTERNATE ASSET CLASS AIMS TO BRIDGE GAP BETWEEN MFs AND PMS

Salt over spice for investors

THE CURRENT INVESTMENT landscape in India is designed to cater to various categories of investors. Retail investors typically have access to mutual fund (MF) schemes with a low entry point, while high net-worth individuals (HNIs) and institutional investors can opt for portfolio management services (PMS) with a minimum investment of ₹50 lakh and alternative investment funds (AIFs) with a minimum investment value of ₹1 crore. However, there is a notable gap for retail investors who wish to invest, say, ₹20 lakh in direct equity and who want to take a much higher risk.

To address this issue, the Securities and Exchange Board of India (Sebi) issued a consultation paper dated July 16, proposing a new asset class that will permit asset management companies (AMCs) to offer new sets of investment products, including in derivatives or derivative strategies, to Indian investors. The proposed semi-alternate asset (salt asset) class is aimed at bridging this gap between MFs and PMS and envisaged to provide investors with a regulated investment product with higher risk-taking capabilities.

Without a favourable regulatory architecture, retail investors are increasingly prone to fall for unauthorised investment products, which often promise unrealistically high returns and exploit expectations of better yields. The salt asset, with a return risk profile positioned between MFs and PMS, is intended to provide investors with a secure and regulated option. This new class would serve as a customised investment product offering greater flexibility, higher risk-taking capability, and a higher ticket size.

Sebi has proposed for this to operate under the MF structure but with relaxed prudential norms. To enable existing and newly registered MFs/AMCs to offer

products, Sebi has proposed two routes of eligibility criteria. Existing MFs would be required to demonstrate a strong track record by being in operation for at least three years with average assets under management (AUM) of ₹10,000 crore over the preceding three years, and no regulatory actions during that time. For newly-registered MFs or existing ones that are unable to show a strong track record, an experienced fund manager and chief investment officer with demonstrable experience, and no regulatory actions against the sponsor/AMC in the last three years are required.

Since the products offered under the salt asset class will be relatively riskier than the schemes offered by traditional MFs, there is a need to maintain a clear distinction between the branding of products. To achieve this, Sebi has proposed that the salt asset be branded and advertised as a product distinct from the traditional MFs. This, in Sebi's view, will ensure that any potential misconduct/failure in the performance does not negatively impact the confidence of retail investors in traditional MFs.

Under the proposal, AMCs can offer "investment strategies" with flexible redemption frequencies tailored to the nature of investments, allowing investment managers to manage liquidity without imposing undue constraints on investors. Importantly, no investment strategy under the salt asset class may be

launched by an AMC unless specified by Sebi and approved by the trustees, subject to final observations on the offer documents by the regulator.

Sebi has proposed a minimum investment amount of ₹10 lakh per investor, across one or more strategies under the salt-y assets offered by an AMC. This threshold, in Sebi's view, will deter retail investors from investing in this product, while attracting those with funds between ₹10 lakh and ₹50 lakh,

who are being drawn to unregistered PMS providers, and those who perhaps cannot commit to an AIF, requiring ₹1 crore per investment.

It has also been proposed that all investments permissible to MFs under the current regulatory framework will also be available for the salt asset. Additionally, it will be permitted to take exposure in derivatives for purposes other than hedging and portfolio rebalancing to allow more flexibility in investments. Investors will also be given the option of systematic plans, including withdrawals and transfers, for investment strategies, though at no point the total invested amount should fall below ₹10 lakh for reasons other than depletion in the value of investments.

Sebi's proposal is a significant step towards democratising the securities market. With the proliferation of "finfluencers" and the consequent rise in misinformation, the proposed salt asset

offers new avenues for an emerging category of investors who are likely to be drawn towards unauthorised schemes while seeking flexibility in portfolio construction. The initiative also paves the way for adopting thematic investment strategies like electric vehicles, water management, recycling, and renewable energy. The salt asset is likely to attract both the mass affluent and HNI investors by offering them new avenues in emerging sectors.

It also comes coupled with the convenience provided by regulated MF platforms, will not only facilitate ease of investment but also promote the concept of domestic MF participation in sophisticated investment strategies, including in long-short equity and inverse exchange-traded fund. That said, Sebi is encouraged to not restrict the proposed product to only AMCs. It should consider permitting other registered intermediaries to offer products under the salt asset as well. Alternatively, it may consider creating an altogether new category of registered intermediary to provide this investment option, which could be regulated by separate set of rules.

Sebi's introduction of salt assets reflects its commitment to foster innovation and growth in India's financial markets, while weaning investors off spicier unregulated products. While the success of this initiative remains to be seen, it promises to create a dynamic and inclusive financial market. This will offer diverse opportunities catering to the varied needs of Indian investors and contributing to a more robust and resilient financial ecosystem. Like mini-real estate investment trusts introduced by Sebi, this move will bring in players and investors outside the margins of the securities market into a formal, regulated sphere of predictability and regulatory comfort.

Co-authored with Navneeta Shankar, associate, Fincse Law Advisors

SANDEEP PAREKH

Managing partner, Fincse Law Advisors



Sebi may also consider creating an altogether new category of a registered intermediary to provide a flexible investment option

UPS: A return to old pension policies?



KULIN PATEL

CEO, partner at KA Pandit Consultants and Actuaries

THE CABINET BRIEFING on Saturday, introducing the Unified Pension Scheme (UPS), marks a significant milestone for the government. The announcement is set to positively impact millions of central government employees, and potentially many more state government employees if states decide to adopt the UPS framework.

As an actuary, the briefing evoked a mix of emotions in me. I was pleased to hear the ministers acknowledge that actuarial projections were conducted during the review process and will continue to be required. In India, the actuarial profession is quite niche, with only a few experienced social security and pension actuaries. However, my initial satisfaction soon gave way to curiosity and a feeling like we were going back to policies from two decades ago.

The UPS is a defined benefit pension scheme, a stark contrast to the National Pension Scheme (NPS). A defined benefit scheme guarantees a benefit formula to beneficiaries, which is excellent news for employees eligible for UPS as they are assured 50% of their last 12 months' average basic pay at retirement as a pension. Additionally, there is a family pension and dearness relief. The inclusion of a lump sum and minimum pension are positive developments that likely won't significantly strain the overall benefit cost. What sets UPS apart from NPS is the inherent uncertainty about the ultimate cost, which now becomes the government's responsibility.

While the employee's fixed contribution is 10% of their pay and the government's contribution is 18.5%, these are just contributions towards UPS, not the

fixed cost. This distinction is crucial because, during the briefing, there were several mentions of UPS being fully funded. Although contributions will be made, funds set aside, and the scheme will be budgeted for, this shouldn't create the misconception that current contributions can fully fund the promised benefits in the long term. The ultimate cost of any defined benefit scheme is unknown today.

This uncertainty stems from unknown factors such as investment returns, mortality rates, changes in longevity, future inflation, and salary growth. Assessing the sustainability and adequacy of contribution rates in social security or pensions financing can be approached from two perspectives:

Projected cashflow measure: This involves comparing year-on-year actuarially projected inflows and outflows from the fund. As long as inflows exceed outflows in that year, the fund can be called sustainable. This perspective is commonly used in social security financing when the number of contributors far exceeds the number of retirees. Given India's demographics and the fact that UPS will primarily cover employees joining after April 1, 2024, it will be a while before pension outflows come close to matching contribution levels.

Present value of actuarially projected obligations: This approach involves comparing the present value of future projected contributions plus any

existing accumulated fund (projected contributions plus existing fund assets) with the present value of the projected pension obligations for each individual (projected total obligation).

These two measures can yield very different conclusions. Under the second method the statement about "not burdening future generations" would hold true if the present value of future contributions, based on the 28.5% total contribution rate, remains significantly positive, even when accounting for future uncertainties and risks.

In a paper I co-authored and presented at the Institute of Actuaries of India's global conference in Mumbai in February, we estimated that the cost-neutral standard contribution rates for new entrants into the scheme resembling the old pension scheme, using common demographic and financial assumptions, would be considerably higher than what is proposed under UPS.

Understanding the calculations and actuarial assumptions used to assess the long-term sustainability of the UPS framework is essential. As mentioned earlier, any risk and future cost will ultimately be borne by the government, although the establishment of a separate fund is a significant positive step.

There may be some nuanced operational details within UPS that could help reduce long-term costs, remain unclear

Dollar's limbo

Prospers of "The dollar's limbo: How long can it go?" (FE, August 23), the continuous fall on dollar is a concern for its integrity as a global reserve currency. Asian nations accept rupee for receiving export payment through vostro accounts opened in India, Russia and Iran accept rupee settlement on oil supply and India

The Unified Pension Scheme introduced by the central government is still a defined benefit scheme where the true cost is unknown

details before drawing any firm conclusions. For example:

■ Is there a difference between the contributory salary and the salary definition used for pension calculations, aside from the 12-month average provision?

■ Are there changes to the dearness relief/indexation method compared to the Old Pension Scheme (OPS)? For instance, could it be adjusted to a simple inflation-based cost of living adjustment like in other countries?

■ Will there be changes to investment allocation benchmarks, given that the government is now assuming the risk, as opposed to employees under NPS?

One concern I have is the potential impact on public perception of the NPS, which I still believe is an excellent framework for pension savings. NPS has gained traction in the corporate and private savings sectors in recent years, and I hope the introduction of UPS for government employees does not negatively affect public participation in NPS.

Only time will reveal the full implications, but, for now, it seems we are returning to the defined benefit world, albeit with potential mitigations. The positive aspect is that the government has acknowledged the importance of separate funding and the need for actuarial reviews, similar to those already performed for the Employees' Pension Scheme 1995 and Atal Pension Yojana. As an actuary I have many unanswered questions about the scheme's design details and actuarial assumptions that would have been considered for the 28.5% contribution rate's sustainability. I look forward to knowing more before coming to a firm conclusion.

reciprocates for its export to the two nations. When such agreement gains pace, more Asian nations will start accepting rupee and China may try to bring up yuan as a global reserve currency. The dollar's limbo will get aggravated when these factors are compounded by domestic scenarios. —NR Nagarajan, Sivakasi

Write to us at feletters@expressindia.com



When justice is served to the anonymous

In the lanes around the Ajmer dargah in Rajasthan, women were kidnapped, raped, photographed, and then blackmailed in the early 1990s. Over three decades later, six men have been convicted and given life sentence. **Ishita Mishra** reports on the women who were shamed, the law that took its time, and the journalists who unearthed the case

Trigger warning: the following article contains details of rape. Please avoid reading if the subject disturbs you.

In a dingy, narrow lane in Ajmer, known for the dargah of the Sufi saint Khwaja Moinuddin Chishti, the air reeks of the odour of poor drainage. In one of the matchbox houses, Sarita (name changed to protect privacy), 52, is cleaning the framed photos spread across the walls of her single-room home. All the pictures are of another time, of her dressed up, posing, a young woman in her 20s, many of her with her second husband. "I loved getting photographed," she says. Photographs were a curse too.

Sarita is one of the survivors of the many kidnapping-rape-blackmail cases that jolted the city in 1992. Thirty-two years later, on August 20, 2024, a Protection of Children from Sexual Offences (POCSO) court sentenced six people to life imprisonment out of the 18 accused.

In 1998, a sessions court in Ajmer had sentenced eight to life imprisonment. Four were acquitted by the Rajasthan High Court in 2001. The Supreme Court reduced the life imprisonment of the rest to 10 years in 2003.

Farooq Chishti, a religious and political leader with considerable power convicted in 2007, was declared mentally unfit to be in jail in 2013. One of the 18 men killed himself soon after he was released on bail. Another was convicted in smaller cases. Over the years, the court trial has seen 12 public prosecutors and 50 police personnel in charge. The men never confessed.

Political-religious nexus

On April 22, 1992, Ajmer woke up to the news that high-profile men, including the Khadims (priests) of the dargah, who were also associated with the Youth Congress, had been sexually assaulting girls and young women between 17 and 24 years, most of whom were from Savitri School and Sophia College. Farooq Chishti was the Youth Congress president, while Nafees Chishti (just convicted) the vice president, and Anwar Chishti the joint secretary.

The story by crime reporter Santosh Gupta, in the Hindi daily *Danik Navajyoti*, claimed that the naked pictures of the girls would be used to blackmail them into silence. The cycle of abuse continued for years. Mahesh Ludhani, who owned the ironically named Bhaarosa colour lab; Harish Talani, who managed the lab, among others, were acquitted. Puttan Allahabadi, an auto-rickshaw driver; and Ishrat Ali, a flower seller outside the dargah, among others, were convicted and released after 10 years.

Gupta, who is now 60 and a senior manager in a hospital's public relations department, says "the impact of the news report was surprising" because no one was immediately caught. "I was shocked at how rich, influential men were exploiting girls inside godowns, farmhouses, and even in their moving cars in busy markets. Delayed action from the police gave them time to destroy the evidence," he says.

After a month of investiga-

tion, Gupta landed on the naked pictures of the women, which also had some men from the group. On May 15 that year, his editor, Deendabandhu Chaudhary, agreed to publish the pictures in the newspaper, blurring the faces of the girls, but prominently showing the men. The article detailed how the Ajmer police was hushing up the matter by calling these consensual. It sparked anger among people, who came onto the roads to protest. They called for a three-day market *bandh* (closure) and demanded the arrest of the men.

"One of those pictures was mine," says Sarita. She was 20 then. It took 32 years for the men to be convicted. "I was raped several times by them and other men who must have seen my pictures," she says. Naked pictures of the women were circulated in the city from the photo printing shop.

"I got pregnant and delivered a stillborn baby. My first marriage was a hushed up affair. It broke within hours when I told my husband that men had raped me," says Sarita. She was married again, the third wife to a man who abandoned her after a decade because he did not want to be with someone who had been raped. She has a son, who stayed with her in-laws after she was forced to leave home; and brothers, who also abandoned her. Her home has no furniture, and she lives to clean the photos on the wall.

Plots and subplots

The public outrage was fuelled by the Vishwa Hindu Parishad (VHP) and supported by the then-budding Bharatiya Janata Party (BJP) members. The Rajasthan Chief Minister at the time, BJP's Bhairon Singh Shekhawat, assigned the case to the Crime Investigation Department-Crime Branch (CID-CB) on May 31, 1992. The Centre had a Congress government. It was the year of communal tension following BJP leader L.K. Advani's *rath yatra* that led to the demolition of the Babri Masjid in Ayodhya, Uttar Pradesh.

"The agency took months to find the victims. Most had left town; a few had killed themselves after the case came into limelight. Many stayed away from the investigation, citing social stigma from a court trial," says now-retired police officer Hari Prasad Sharma who was posted as the Deputy Superintendent of Police in Ajmer in 1992 and had filed the first police complaint in this matter on May 30. Sharma says there was no delayed action. He brags that for the first time in Rajasthan, the National Security Act, 1980 was slapped on such a large number of people in a single case.

The CID-CB convinced over a dozen survivors to give their testimony then, but over the decades all, except three, turned hostile. The first of the six charged books was filed in August 1992; the trial began in September. "The statements of around 150 witnesses were recorded in the case, which had over 100 victims as the chain was long and had continued for years," says P.K. Srivastava, another local reporter who worked with the daily, *Lehron Ki*



I was shocked at how rich, influential men were exploiting girls inside godowns, farmhouses, and even in their moving cars in busy markets. Delayed action from the police gave them time to destroy the evidence

SANTOSH GUPTA
Former crime reporter, *Danik Navajyoti*

Barsha. Now 62, Srivastava had filed stories for 168 days straight on the rapes. He says this led to the killing of his editor, Madan Singh, the following year. "Madan was a history-sheeter and had started extorting money from affluent families. He would threaten to name their daughters in the newspaper," says a senior police officer, who was posted in Ajmer in 1992. The police booked three people for Madan's murder. They were later acquitted.

Surya and Dharma, Madan's sons, who were eight and 10 in 1992, waited for decades to avenge their father's murder. Dharma attempted to hurt his father's alleged killers in 2012 and was caught by the police; Surya killed one of the three in 2023.

Courtroom harassment

In court, it came to light that a boy had also been exploited. "Nafees was my friend and I went for a party to his farmhouse, where they made me drink. After I dozed off, they clicked obscene pictures of me. I was asked to bring my girlfriend to them, who was raped," the boy had testified in court. Later, his girlfriend too was forced to bring her friends to the accused.

When the trial began, the lawyers of the accused would ask the women uncomfortable questions in court in the presence of hundreds of men. Many men came for voyeuristic reasons, say those present during the sessions.

Virendra Singh Rathore, the current public prosecutor, says he was left numb on an afternoon in 2022 when one of the victims screamed in anger. "She shouted, saying that she had become a grandmother and came to court to testify each time by lying to her family. She just wanted to be left alone. Her voice echoed in my ears for days," he says. This is when he decided to place an application in court that none of the survivors be called again and that their previous testimonies be considered while deciding the case.

Rathore is afraid the victims may be called again to court when Almas Maharaj, the last man accused in the case, is brought back to India. He is

allegedly living in America and had a red corner notice issued against him in 2005 that allows Interpol to look out for him.

Politics, the police, and the people

Gupta feels that the case got buried due to the politics around it. "Everyone used this case for their political benefit then and now too," he says, adding that a city known for its religious significance was tarnished by the men.

"Such was the impact of this case that people started fearing marrying women from Ajmer," says Sameeksha Singh, 54, a private bank employee, who added that the parents of girls had imposed restrictions on them.

Panchjanya, the Hindi mouthpiece of the Rashtriya Swamiansevak Sangh (RSS), cited the involvement of leaders of various political parties, along with bureaucrats and police personnel. The Dargah Deewan (spiritual head) at the Ajmer dargah at loggerheads with the Khadims, used this as an opportunity to malign the community that claims to have arrived in India with the Sufi saint.

With the recent conviction, the VHP, which aims to "organise" and "protect" Hindu society, issued a statement seeking capital punishment. BJP national spokesperson Prem Shukla said instead of getting them punished, the previous Congress governments had ensured that the Muslim perpetrators were given a clean chit.

Rajasthan Congress general secretary Swarnim Chaturvedi refuted the BJP's claim, saying that though some of the convicts were earlier members of the party, but there was no question of any Congress leader protecting them. He added that the BJP had "no moral right" to accuse the Congress this way when its own leaders, including former MPs and MLAs, are facing trials in rape cases in different courts in India.

'Remember survivors' ordeal

Rathore talks about the plight of public prosecutors working in India's small cities. The plaster from the walls of his government office is peeling, and he says the last laptop he was issued by the government was 12 years ago; it stopped working five years ago. There is no library for reference books. "I brought my own cooler from home because it's unbearable to sit here," he says.

He is frustrated at the way court proceedings take place, in ways that often acquit the men because of the line of questioning. "They are left even if a woman is not able to recall the size of the photo frame in the room where she was raped."

Since the latest conviction, Rathore has become a bit of a local hero. He has been getting congratulatory messages and receiving garlands from members of the bar and civil organisations. He wants people to take a moment to remember what the survivors went through. "*Bharat ke itihās mein shayad ye pehla case hoga jahan 100 se zyada auraton ke balatkar aur blackmail ki baat kahni jati hai, aur inme se ek bhi aurat nyay mangne saamne nahi aayi* (This is probably the first case in India where it is alleged that over 100 women were raped and blackmailed, but not one of them ever came forward to seek justice)," says Rathore.



They (the accused) are let off even if a woman is not able to recall the size of the photo frame placed in the room where she was raped

VIRENDRA SINGH RATHORE
Public prosecutor



SHASHI SHEKHAR KASHYAP

Text & Context

THE HINDU

NEWS IN NUMBERS

The Palestinians killed in the Gaza Strip since October 7

40,405 The toll includes 71 deaths in the previous 24 hours, according to the health ministry in Gaza. At least 93,468 people have been wounded. AFP

Captives exchanged in Russia-Ukraine war due to UAE's efforts

1,788 The UAE has successfully mediated a new captives exchange between the Russian Federation and the Republic of Ukraine, releasing 230 captives. ANS

The number of vacant posts in the Assam police force

12,485 The total sanctioned strength of the Assam Police is 79,852. Currently, 15.64% of required manpower is vacant at various levels including ADGP, IG etc. IN

Donations raised by Harris since launching her campaign

540 In million dollars. Democratic candidate and U.S. Vice President Kamala Harris raised more than \$540 million in little more than a month since she began her race for president. REUTERS

Number of adoptions recorded in India since 2019

18,179 The number of adoptions in 2023-24 increased significantly to 4,029 — 3,580 in-country and 449 international. PTI

COMPILED BY THE HINDU DATA TEAM

Follow us [facebook.com/thehindu](https://www.facebook.com/thehindu) twitter.com/the_hindu [instagram.com/the_hindu](https://www.instagram.com/the_hindu)

On West Bengal's civic police volunteers

How did Sanjay Roy, the main accused in the rape and murder of a doctor at Kolkata's R.G. Kar Medical College and Hospital, gain unrestricted access to the hospital? Is this the first incident involving excesses by civic police volunteers? How do such volunteers aid the government?

EXPLAINER

Shiv Sahay Singh

The story so far:

As protests rage across West Bengal and in different parts of the country over the rape and murder of a doctor at Kolkata's R.G. Kar Medical College and Hospital, questions are being raised as to how she was assaulted inside a State-run health facility. The accused, arrested hours after the crime, is a civic police volunteer, who not only had access to the hospital but also the emergency building where the victim was found dead on August 9.

Was he a civic police volunteer?

The accused, Sanjay Roy, had been working as a civic police volunteer with the Kolkata Police since 2019. Despite being engaged as a civic police volunteer, the accused enjoyed certain facilities accorded to police personnel; he drove a motorbike belonging to the police, and stayed in the barracks of the Kolkata Armed Police's fourth battalion. There are reports that the 35-year-old was also associated with the Kolkata Police Welfare Committee and helped in admission of relatives of police personnel to hospitals.

What are the terms of employment?

Civic volunteers, or village police volunteers as they are known in rural areas, are contractual workers engaged by the police for assistance, particularly in traffic management and other minor duties that do not require police personnel. The process of recruitment for civic police volunteers started in 2011 soon after the Mamata Banerjee government came to power. In a government order on September 26, 2011, the eligibility criteria for the recruitment of civic police volunteers were specified. It said the applicant should be a resident of the area under the police station where he will be deployed; should be above 20 years of age; should have passed the Class



Systemic change: Law students hold a protest march in Kolkata, on August 24. PTI

X examination and should not have any criminal record. The educational qualification of the civic police was later changed to Class VIII pass.

Soon after the first set of recruitment in 2011, the police submitted a proposal to the government for engaging 1.3 lakh civic police volunteers. The honorarium of civic police volunteers is now ₹310.00 per day (about ₹9,300 per month). The ad-hoc bonus of such civic volunteers has been increased from ₹5,300 to ₹6,000 for the year 2023-2024. At present there are 7,200 civic volunteers with the Kolkata Police, while the strength of the force stands at 37,400. In the State, the strength of the police is 79,024, but there are over 1.24 lakh civic police volunteers.

What has Calcutta High Court said?

Through several orders, the Calcutta High Court has raised questions about the recruitment and legal veracity of civic

volunteers. In an order dated May 20, 2016, Justice Sanjiv Banerjee of the Calcutta High Court said the recruitment scheme of civic police volunteers was devised to prey on the unemployed with little respect for taxpayer's money.

What is the main criticism?

While engagement of local civic police volunteers has come in handy for the West Bengal government in managing conflict, there have been several cases of excesses conducted by civic police volunteers. The most talked about case was the unnatural death of student leader Anish Khan in February 2022, where a civic police volunteer and a home guard were arrested. More recently, after the R.G. Kar incident, a civic police volunteer was arrested from Bharat State General Hospital after he threatened a lady doctor.

Both Opposition leaders and political observers say the civic police is an extension of the party. Biswanath Chakraborty, professor of political science at Rabindra Bharati University, says that the civic volunteers have provided a political footing to the Trinamool Congress. "There is no proper process for appointment of such personnel. This makes the local Trinamool Congress leadership appoint personnel who will be loyal to them," Prof. Chakraborty said. The crisis of unemployment in the State has led the Mamata Banerjee government to devise an ingenious way of contractual recruitment where thousands of youth are provided just about minimum wage and can work for the party without any accountability, he pointed out.

Often the criteria of appointment has been overlooked in engaging civic police volunteers. The mother-in-law of the accused in the R.G. Kar rape and murder said her family had approached the police after Sanjay Roy assaulted their daughter. Despite a police complaint, he continued to function as a civic police volunteer and had unrestricted access to the hospital.

THE GIST

The accused, Sanjay Roy, had been working as a civic police volunteer with the Kolkata Police since 2019.

Through several orders, the Calcutta High Court has raised questions about the recruitment and legal veracity of civic police volunteers.

While engagement of local civic police volunteers has come in handy for the West Bengal government in managing conflict, there have been several cases of excesses conducted by civic police volunteers. Both Opposition leaders and political observers say the civic police is an extension of the party.

What did the 2013 panel say on death penalty for rape?

What were the recommendations of the Justice Verma Committee? What about marital rape?

Sudipta Datta

The story so far:

After the brutal rape and murder of a doctor on duty at Kolkata's R.G. Kar Medical College and Hospital on August 9, there has been a clamour of voices seeking the death penalty for the accused. The Justice J.S. Verma Committee recommendations, which led to the amendment of criminal laws in 2013, had specifically said it was not inclined to recommend the death penalty for rape even for the rarest of rare cases. "...seeking of [the] death penalty would be a regressive step in the field of sentencing and reformation," the committee pointed out.

What did the Union Cabinet decide?

The Union Cabinet did not take the recommendation on the death penalty when it cleared an ordinance on sexual assault in 2013, and signed the criminal amendments into law. The committee to amend criminal laws was set up after the

gang rape of a paramedic student in Delhi on December 16, 2012. Led by Justice J.S. Verma (retired), the committee submitted its recommendations on January 23, 2013. One of its key suggestions, that the death penalty does not necessarily act as a deterrent against such crimes, was overlooked.

Key amendments were brought in to provide the death penalty for rape that led to death of the victim or reduced her to a persistent vegetative state (Section 376A of the Indian Penal Code) and anyone found guilty of rape more than once (Section 376E). In 2018, further changes introduced death as the maximum punishment for every participant in a gang rape when the victim is less than 12 years old (Section 376DB), and life-long imprisonment if the victim is less than 16 (Section 376DA). Under the new Bharatiya Nyaya Sanhita, punishment for rape is laid down in several Sections including 64, 65 and 70(2), which notes the punishment for gang rape of a woman under the age of 18

is the death penalty.

What did the committee recommend?

The Justice Verma Committee provided for enhanced sentences for rape, increasing it from 7 years to 10 years, 20 years, and life, but "short of death". "Whoever causes the person to be in a persistent vegetative state, shall be punished with rigorous imprisonment for a term which shall not be less than twenty years, but may be for life, which shall mean the rest of that person's natural life," it noted. The committee pointed out that "there is considerable evidence that the deterrent effect of death penalty on serious crimes is actually a myth. According to the Working Group on Human Rights, the murder rate has declined consistently in India over the last 20 years despite the slowdown in the execution of death sentences since 1980."

What was its stance on marital rape?

The Verma Committee recommended that the exception to marital rape be

removed, pointing out that "a marital or other relationship between the perpetrator or victim is not a valid defence against the crimes of rape or sexual violation." Concurring with the judgment of the European Commission of Human Rights in *G.R. vs U.K.*, the Verma Committee endorsed the conclusion that a rapist remains a rapist regardless of his relationship with the victim. The Union government did not go by this recommendation and refused to criminalise marital rape. Under the BNS, exception 2 of Section 63 states that "sexual intercourse or acts by a man with his wife, the wife not being under 18 years of age, is not rape."

What about gender rights?

The Verma Committee pointed out that "the ethos of empowerment of women does not limit itself to political equality, but also extends, in equal terms, to social, educational, and economic equality. If true empowerment of women were to mean anything, it is necessary that law, as well as public policy, must be capable of engaging substantially with women's rights, opportunities, acquisition of skills, the ability to generate self-confidence and insist on total equality in relationships, both with society and the state." The correction of social mindsets of its gender bias depends more on social norms, it observed, noting that "the deficiency has to be overcome by leaders in society aided by the necessary systemic changes in education and societal behaviour."

THE GIST

The Justice Verma Committee had specifically said it was not inclined to recommend the death penalty for rape even for the rarest of rare cases.

The committee pointed out that "there is considerable evidence that the deterrent effect of death penalty on serious crimes is actually a myth."

The Verma Committee endorsed the idea that a rapist remains a rapist regardless of his relationship with the victim. The Union government did not go by this recommendation and refused to criminalise marital rape.

Investing in persons with disabilities

A recent Hindi movie, *Srikanth*, starring Rajkumar Rao, narrates the story of the industrialist Srikanth Bolla and his journey of overcoming the challenge of visual impairment. In the film, the people of Srikanth's father's village ask the family not to invest in the son's education or life in general. Many parents of children with some form of disability are similarly made to believe that their offspring are not worthy of investment. Persons with disabilities (PwDs) face social stigma, marginalisation in all sectors, and discrimination in education and employment; most importantly, they struggle for dignity. Educational institutions lack the necessary infrastructure and support mechanisms and workplaces lack robust diversity policies that would give proper representation to PwDs.



Rajesh Ranjan
Lawyer-researcher who writes on public law, rights, and public engagement of Constitution

needs an inclusive framework to promote PwDs. For instance, Harvard University in the U.S. has Local Disability Coordinators who are specialised in helping PwDs find accommodation in the city. Similarly, Stanford University in the U.S. has a robust institutional structure which includes providing support in housing and devices to PwDs. It also has a comprehensive resource centre that supports students with disabilities. Few Indian universities provide such impressive models. In 2023, Shiv Nadar University enumerated a disability support policy, which includes providing personalised support to students on a case-by-case basis, depending on the student's health condition every semester. Based on the nature and severity of the disability, the Dean of Academics decides measures for academic accommodation and the Dean of Students for other aspects.

However, these measures are not institutionalised. Hence, they are not uniform, leaving a vast number of students from diverse backgrounds outside the walls of the university. Despite the University Grants Commission's draft accessibility and inclusivity guidelines for higher education institutions to ensure that admission announcements and advertisements are circulated in accessible formats, the presence of PwDs is not very encouraging.

In terms of employment, despite the legislative mandate of providing reservation for PwDs, and of drafting an equal opportunity policy detailing the measures proposed by the establishment to ensure an inclusive work environment and prohibit discrimination at the workplace, employers have failed to do these. For the effective implementation of these rules, States should come forward and develop a compliance mechanism.

For instance, a model from Brazil can be emulated, where companies with more than 100 employees must have PwDs

comprise 2%-5% of the total workforce. In cases of non-compliance, the company may be subject to fines based on criteria such as its size and the number of times offences were repeated. Some countries have also developed incentive mechanisms. Japan, for instance, has developed a system of subsidiaries for employees who have some form of disability.

Striving for dignity
The British artist, David Hevey, once remarked that "the history of the portrayal of disabled people is the history of oppressive and negative representation. This has meant that disabled people have been presented as socially flawed able-bodied people, not as disabled people with their own identities". The identity of PwDs is eroded in several ways. PwDs are considered by many as pitiful or helpless. Many believe that PwDs can only be in relationships with one another. Disability in addition to belonging to a "lower" caste or a particular gender creates a double/triple burden on people.

Sociologist Colin Barnes has argued that PwDs are "portrayed as objects of pity, violence, curiosity and ridicule, as burdens on society, sexually abnormal, and overall, as people incapable of community participation". This portrayal forms the basis of the societal attitude towards PwDs. Recently, three former cricketers mocked PwDs in a video that went viral after India won the World Championship of Legends. Everyday struggles and the stigmatisation and mockery of PwDs reveals the inability of so-called "able-bodied people" to treat them equally with dignity.

Abhishek Anica in his book, *The Grammar of My Body*, writes, "My friends say disabled people can be negative. I agree. We are so negative that sometimes the able-bodied mind never reaches us. That distance is too far... It is thus those who are creating the distance [who] should bridge the gap."

Status of education and jobs

The 2023 report by Nifty 50 constituent companies reveals that only five out of the 50 companies have more than 1% of PwDs on their rolls, with four of them being public sector companies. Similarly, data from the National Centre for Promotion of Employment for Disabled People reveals that less than 1% of India's educational institutions are disabled-friendly, less than 40% of school buildings have ramps, and approximately 17% have accessible restrooms. A report of the Sarthak Educational Trust titled 'Accessibility and Inclusion in Higher Education in India' states that reservation is provided under the Rights of Persons with Disabilities Act, 2016, in government jobs, and incentives in non-government jobs, but there is a clear lack of implementation. The lack of infrastructure combined with the lack of inclusive policies hinders the full participation of PwDs in society. Thus, it is imperative that both public and private institutions invest in the uplift of PwDs.

Educational institutions lack the necessary infrastructure and workplaces lack robust diversity policies to give proper representation to persons with disabilities

The polity of J&K is at an inflection point

After decades, regional leaders are looking inwards rather than at New Delhi

STATE OF PLAY

Peerzada Ashiq
peerzada.ashiq@thehindu.co.in



The Election Commission of India (ECI)'s announcement that Assembly elections will soon be held in Jammu and Kashmir (J&K) has already recast mainstream politics in the Union Territory. Assembly elections were last held in the erstwhile State of J&K in 2014. Today, a region marred by three decades of conflict and separatist Hurriyat's boycott politics is charting a new path with electoral politics and drawing new battle lines between regional and national political forces.

The manifestos of J&K's two regional parties, the National Conference (NC) and the People's Democratic Party (PDP), reflect this change. Since the armed uprising in J&K in the 1990s, mainstream parties would focus on *sadak, bijn, pani* (road, electricity, water) during elections, leaving core ideological politics of aspirations and sentiment to the separatists. However, the Centre's move on August 5, 2019, to end J&K's semi-autonomous status and divide the State into two UTs (J&K and Ladakh) posed an existential crisis to the mainstream parties, forcing them to seek restoration of the rights that existed earlier. As a result, after many decades, the top leaders in J&K are looking inwards rather than at New Delhi.

In the NC's manifesto titled 'Dignity, Identity and Development', NC President Dr. Farooq Abdullah spelled out the party's new political direction, saying the path ahead is fraught with challenges. "Our identity has not only been questioned but systematically

eroded," he said. The NC has pledged to strive for the implementation of the Autonomy Resolution passed by the J&K Assembly in 2000, which seeks more powers in the region than what was enshrined in Article 370 until 2019. It hinted at the pre-1953 position when New Delhi exercised powers in the matters of defence, communication, and foreign affairs alone, while J&K retained the nomenclature of *Sadr-e-Riyasat* of the head of state. The NC plans to begin the new Assembly, if it has the numbers, with a resolution against the Centre's decisions of August 5, 2019.

Mehbooba Mufti's PDP has sought a final resolution on the Kashmir problem, resumption of dialogue between India and Pakistan, and more economic linkages in the region, while referring to the undivided erstwhile State of J&K as it existed prior to 1947.

Both the NC and the PDP have pledged to reverse the laws introduced to J&K in the past five years on land, jobs, mining rights, and natural resources. They have also promised to roll back laws such as the Public Safety Act (PSA), 1978; the Unlawful Activities (Prevention) Act, 1967; and the Enemy Agents Ordinance, 2005, which have been widely used by the Centre in the past five years to curb separatism in J&K. The PSA, which deals with preventive detention, is one of the few laws retained from the separate Constitution of the erstwhile State of

J&K. In fact, Omar Abdullah from the NC and Ms. Mufti from the PDP, both former Chief Ministers, were detained by the Lieutenant Governor's administration under the PSA in 2019 for several months.

Through their hardened positions, the two parties pose a new challenge to the Bharatiya Janata Party (BJP) and the Central government in navigating the volatile situation in J&K. The Centre had aimed to dislodge and discredit mainstream regional parties in J&K after 2019. It propped up new regional parties that treat Article 370 as part of the past and not as an issue of the future. However, in the District Development Council polls in 2020, the regional alliance, the People's Alliance for Gupkar Declaration, won 110 out of 180 segments, showing how the regional parties still hold sway. During the Lok Sabha elections this year, the NC and Congress won two out of five seats in J&K. The Awami Ittehad Party, whose chief Sheikh Rashid, widely known as Engineer Rashid, has been calling for a referendum against "oppression" and involvement of the United Jihad Council in the talks, managed to win the Baramulla seat.

The new electoral calculus has the Centre rethinking its policy of political engineering. Its iron-hand approach towards separatists may have brought peace, which no thinking policymaker in New Delhi considers permanent. While restoring electoral politics will lessen the sense of alienation in J&K, New Delhi will have to engage with these political demands sooner rather than later. The BJP is a significant player in J&K, with a dedicated vote bank in the Hindu belt of the Jammu region. It has to reinvent itself like the NC and the PDP in J&K.

Indians who migrate abroad double their incomes

As their incomes increase by more than 100% when they move abroad, most Indians do not return home even if they are paid more than they were earlier

DATA POINT

The Hindu Data Team

Indians who migrate abroad often experience more than a 100% increase in their income levels whereas Indians who continue to work in their home land often have to wait for over 20 years to get such a hike. This explains why most Indians who go abroad do not return home even if they benefit from a wage premium on doing so. These conclusions are based on a recent World Bank report titled 'Migrants, Refugees, and Societies'.

Indians who migrate abroad experience an average 118% increase in their income levels (Chart 1). International migrants from Bangladesh and Ghana experience a 210% and 153% increase in income, respectively. The report states that one key driver for economic migration is the wage gap between the origin and destination country. A truck driver in Canada earns five times more than a truck driver in Mexico, even after adjusting for the difference in cost of living. Nurses in Germany earn nearly seven times more than nurses in the Philippines.

While the absolute gains in incomes after migration are higher for high-skilled workers, low-skilled workers also experience a multi-fold increase in income. Chart 2 shows the income gains for low-skilled workers who migrate to the U.S. The incomes of low-skilled Indians who migrate to the U.S. increase by 493%. The incomes of low-skilled migrants from Nigeria and Yemen increase by about 1,500%, the highest rise.

Chart 3 shows the income gains of low-skilled workers in other migration corridors. The incomes of low-skilled Indians who migrate to the Gulf countries (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates) surge by 118%. Indians who migrate to the UAE specifically experience a 298% increase. This calculation doesn't adjust incomes for purchasing power parity because most of the spending occurred in the origin country through remittances. About 85% of the Indian migrants' earnings in UAE are spent in India.

The potential gains in income are highest when people move from low to high-income countries. A non-migrant from India would need 24 years of economic growth to match the gains made by an Indian who migrated to a high-income country, while a non-migrant from Bangladesh or Ghana would need 43 years and one from the Philippines would need 78 years. Chart 4 shows the number of years it would take for non-migrants in origin countries to match the economic gains made by migrants who moved to high-income countries.

The report states that about 40% of all migrants eventually return to their country of origin. However, the number varies based on destination. All migrants leave Gulf Cooperation Countries. About 20% to 50% of migrants leave OECD countries within five to 10 years of arrival or move to a third country. Less than 20% of migrants leave the U.S. Those who do are mostly from high-income regions such as Western Europe, Canada, Australia, and New Zealand. In these cases, the return rates are over 40%. The return rate of Asian migrants in the U.S. is about 20%. Chart 5 shows the share of migrants who leave the U.S., by gender and region of origin.

Temporary migrants who return voluntarily after staying abroad turn out to be better off than before they left. Migrants benefit from a wage premium on coming back, especially if they are high-skilled workers. However, those who are forced to return face poorer socio-economic outcomes. On average, less than 2% of migrants are forced to return from the U.S., Canada, European Union, Japan, and Korea every year.

The road to riches

The charts are sourced from a World Bank report titled 'Migrants, Refugees, and Societies'

Chart 1: The chart shows the average increase in income (%) due to international migration

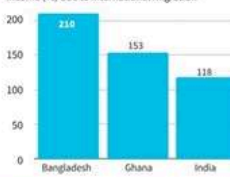


Chart 2: The chart shows the increase in income (%) for low-skilled workers after migrating to the United States

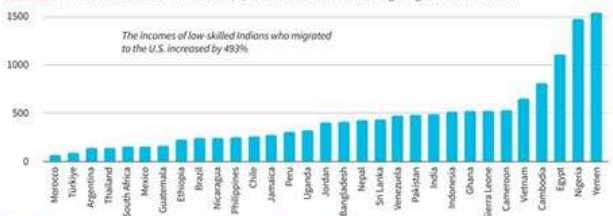


Chart 3: The chart shows income gains for low-skilled workers in various migration corridors (in %)

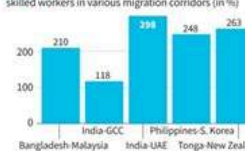
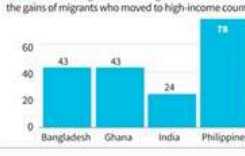


Chart 5: The chart shows the share of migrants who return from the United States, by gender and region of origin



Chart 4: Years of growth non-migrants need to match the gains of migrants who moved to high-income countries



FROM THE ARCHIVES

The Hindu

FIFTY YEARS AGO AUGUST 26, 1974

When U.S. Generals were watched

Washington, Aug. 25: The United States Defence Secretary, Mr. James Schlesinger, and members of his staff kept a close watch on their Generals during the final days of the Nixon Administration to avoid the possibility of a military show of force in support of Mr. Nixon, an informed source reported here yesterday. Mr. Schlesinger feared that an order could possibly be given to a military unit outside normal channels to stage such a display between a vote on impeachment in the U.S. House of Representatives and a trial of the President in the U.S. Senate, the source said. The Defence Secretary told a journalist speaking of that period: "In keeping with my statutory responsibilities, I did assure myself that there would be no question about the proper constitutional and legislated chain of command and there never was any question." The Defence Department never had the slightest indication during that time that the White House had even considered using military units to block the impeachment process against Mr. Nixon, the source said. But Pentagon officials kept an especially close surveillance on the Air Force and its leaders for any signs of activity in support of the President, he continued. The U.S. Air Force is believed to have remained especially faithful to the former President because of his insistence on continuing the war in Vietnam until it was certain that American prisoners, the majority of whom were Air Force pilots, were to be tried and honourably repatriated. The source said that the Defence Department carefully watched the atmosphere in mess halls and officers' clubs and found there a predominant feeling of respect for the constitutional procedure being carried out against the President.

A HUNDRED YEARS AGO AUGUST 26, 1924

Alliance bank

Calcutta, Aug. 25: At the High Court today Mr. Justice C.C. Ghose delivered judgment dismissing the application made by two Indian creditors of the Alliance Bank of Simla, Ltd., in voluntary liquidation, praying that the Bank be compulsorily wound up. They also prayed that another gentleman, preferably a qualified accountant, be appointed joint official liquidator with the existing liquidators.

CONTRAPUNTO

One who is constantly making U-turns obviously does not want to go anywhere

-SADHURU

Reforms What?

Govts functioning with mostly an eye on voter-pleasing is bad news for India's future

Centre's decision to approve an assured pension for 2.3mn central govt employees represents a middle ground between National Pension System and Old Pension Scheme, which was fiscally unsustainable. While Unified Pension Scheme may not be a drain on exchequer, yet it will cost ₹6,250cr in the first year - govt's move ahead of crucial state elections represents the pressure felt by political class, whether it is governing coalition or opposition, as regards their poll prospects. Days earlier, Centre had withdrawn an order seeking lateral entry of as few as 45 professionals, after outcry from opposition and a few of its allies. The mixed results of Lok Sabha elections made evident discontent felt by the electorate. This means expedient and populist measures are likely to influence more and more policy decisions at Centre and in states.

Reforms face uncertain future | This poses the danger of fundamental issues of political economy getting the short shrift. India may be the fastest growing economy in the world but this growth isn't fast enough if it is to realise its goal of being vixit by 2047. For that, we need structural reforms in areas like land and labour, among other things. Problem is such reforms entail a political risk that populism-driven agendas don't allow for. To take one example, four labour codes passed by Parliament in 2019-2020, meant to reform India's job market, will become harder to implement in such a climate. Ditto for privatisation of govt enterprises, which has moved slowly anyway. For instance, since FM announced privatisation of IDBI Bank and a couple of other PSBs in Budget 2021-22, nothing concrete has materialised so far. Rising expenditure on populist schemes - this year's Maha budget schemes are expected to cost more than ₹10k cr - also means continuing underinvestment in education and health, which, as experience of states like Tamil Nadu, Kerala and Karnataka shows, are vital to overall progress.

Clock's ticking | India, with its young population, has a window of about a couple of decades to reach developed nation status. But, as a World Bank report highlighted recently, moving to high-income bracket is going to be a tough ask for middle-income countries, given changed geopolitical realities, climate change and rising debt levels. By focusing on populist measures instead of fundamental blocks of economic growth, we risk falling into the 'middle income trap' and joining the nations that didn't make it.

Nicobar Questions

More thought must go into building a major project in a fragile ecosystem

An environment ministry's assurances about the impact of the Great Nicobar naval complex rearing? The project, as envisaged, with an eye on crucial maritime chokepoint Malacca Strait, boasts geostrategic potential. It ensures India can control vital shipping lanes, protect sealanes of communication, counterbalance Beijing's expansion in Indian Ocean and curb Myanmar's poaching of marine resources. The national value of security imperatives aside, question often raised has been, do the benefits outweigh ecological and social costs, and the vulnerability of the project that'll sit atop a seismic zone? Concerns over conservation are inarguable. Priority must equally be to ensure security of the naval complex from earthquakes.

Ministry statements that no seismic activity like the 2004 great earthquake is expected in the region "for 420-750 years" are puzzling. Andaman and Nicobar Islands lie in a highly active tectonic zone, at the intersection of major plate boundaries. Given the area's seismic history and geology, probability of no significant seismic event over such a long period as 420-750 years is low, experts say. For seismology and disaster preparedness, scientists advise planning for the possibility of major events, rather than assuming they won't occur.

The fragile Galathea Bay ecosystem, the construction site, makes any large-scale development inherently damaging. The very construction over 30 years - building material, blasting, dredging, drilling, debris - will permanently alter the ecosystem, disrupt island's inhabitants' lives; influx of outsiders will drain its freshwater resources. Locals, Shompen and Nicobarese tribes, see themselves simply as caretakers of biodiversity and trappers of nature - mangroves and coral reefs, nesting sites of leatherback turtles, the latter residents of Earth since the time of dinosaurs. But keep aside conservation concerns. Building complex, costly; critical naval infra in area highly prone to natural disasters needs a second look.

S' or s's?

The name, Kamala Harris, raises a question mark on the use of the controversial apostrophe

-Jug Surajya

Kamala Harris' presidential campaign is going well. Right? Wrong. Kamala Harris's presidential campaign is going well. Right? Wrong again.

Does that mean that the presidential campaign of Kamala Harris is not going well? In fact, her campaign is going so well that it's thrown Donald and his supporters into a MAGAmaniacal tizz. And if Kamala Harris does win, she'll be only the fourth US president with an s-ending name, after Rutherford B Hayes, who was elected in 1876.

Some grammarians insist it should be 'Jesus' teachings', while others argue that it should be 'Jesus's teachings', because the written or printed word ought to reflect the way we speak, and the way we speak is not Jesus teachings, but Jesus's teachings.

Not a few might wonder whether the commentary on who'll assume the office of the most powerful human on the planet shouldn't concern itself with issues like climate change, and Gaza, and Ukraine, and the global economy, instead of linguistic esoterica like the apostrophe.

But the digression into grammatical minutiae might be seen as a welcome break from the vituperative diatribe by which the presidential contest has degenerated. Better than a "Kammunist Kamala" or a "Donald Dump" is an exasperating apostrophe.

second opinion

The problem with the possessive apostrophe arises only with names ending with the letter 's', like Harris'. The possessive apostrophe has no problem with Trump's name, or JD Vance's. And if Kamala Harris does win, she'll be only the fourth US president with an s-ending name, after Rutherford B Hayes, who was elected in 1876. Some grammarians insist it should be 'Jesus' teachings', while others argue that it should be 'Jesus's teachings', because the written or printed word ought to reflect the way we speak, and the way we speak is not Jesus teachings, but Jesus's teachings. Not a few might wonder whether the commentary on who'll assume the office of the most powerful human on the planet shouldn't concern itself with issues like climate change, and Gaza, and Ukraine, and the global economy, instead of linguistic esoterica like the apostrophe. But the digression into grammatical minutiae might be seen as a welcome break from the vituperative diatribe by which the presidential contest has degenerated. Better than a "Kammunist Kamala" or a "Donald Dump" is an exasperating apostrophe.

Maha Games: Kaun Banega CM

Mahayuti's big 3, each aspiring to be CM, are experimenting with post-poll 'top-ups' to schemes. In MVA, Uddhav's bid for CMship meets silence from allies. All parties benefit from the delay in polls

-Uday Chandra

The poll schedule announced by Election Commission recently saw a significant change. In the last three election cycles - Maharashtra and Haryana voted simultaneously this year, despite their Vidhan Sabha terms ending 23 days apart, they will vote separately. EC explained this turn of events by citing security needs in J&K, which votes alongside Haryana.

Simultaneous elections in three or more states are common. Last winter, Rajasthan, MP, Chhattisgarh, Mizoram, and Telangana voted in the same cycle. As PM reiterated on Aug 15, simultaneous, cost-effective elections remain on govt's policy radar.

Although Congress alleged the delay in Maharashtra elections is designed to help BJP neither of the two alliances, Mahayuti and Maha Vikas Aghadi, is complaining. Delay helps their efforts to identify CM-faces before polls are announced.

Patchy results, cautious moves | NDA extracted two key lessons from LS polls. First, the long-drawn elections showed certain challenges cannot be overcome even with carefully curated schedules. PM traversed state across 100 days, but maintaining a gruelling election schedule for BJP's star campaigner can only get harder each year. Caution is advisable, especially given the growing uncertainty of electoral outcomes.

Even before LS polls, mixed results in state assembly elections had become commonplace. Consider the loss in Himachal alongside BJP's re-election in Gujarat, Or handsome victories in MP and Chhattisgarh, a narrower one in Rajasthan, but a loss in Telangana.

Thus, it was caution that led to ML Khattar being replaced as Haryana CM before LS polls. In Maharashtra, too, a shaky Mahayuti coalition compelled BJP to proceed with restraint. The long-term goal of conducting simultaneous elections seems to have been pushed down the road.

Stretched ties | Mahayuti's LS performance in Maharashtra was mediocre. Alongside upsets in UP it cost BJP its parliamentary majority. Both Ajit Pawar and Padmanav covet the CM's chair, on which sits Eknath Shinde. Ajit Pawar has tried damage control, denying any sort of punitive withdrawal is on the cards. However, he, too, tied this pre-poll experiment to poll outcomes: if Mahayuti returned to office, Ladi Bahin would double its monthly payments to ₹5,000. The Maharashtra experiment has, therefore, yielded a two-step patronage experiment - informed by behavioural economics - an initial payment before elections, followed by a conditional transfer upon re-election.

His apology to cousin Supriya Sule after she defeated her new political rival in Ajit's wife, lent wings to rumours of a reunification of NCP factions. Meanwhile, Padmanav has blamed coalition partners for failing to transfer their votes to BJP Amid this disarray, the search for Shinde's successor demands caution, that is, buying time to keep together a tenuous alliance of ambitious men.

Welfare layers | A second lesson from LS elections concerns the new politics of patronage. This is a departure from the old leaky bureaucratic methods of counting heads and rewarding sycophants. BJP initially devised a new approach of universal welfare, utilising UIDAI's big data. It created Jan accounts for eligible households, and transferred money electronically to them. But it became clear last year that this new universal welfareism requires supplements.

New experiment | Women-centric programmes such as Ladi Behna became pre-poll experiment in Madhya Pradesh. Advertisers, Dalits, OBCs, farmers, and youth have subsequently emerged as other large blocs requiring targeted schemes. Recent extension of Ladi Behna to Maharashtra, called

Ladi Bahin, offers ₹1,500 per month to each eligible woman voter. But Ladi Bahin Yojna ran into controversy after an MLA suggested the money may be taken back if beneficiaries didn't return Mahayuti to office.

Aspiring to be CM again, Fadnis tried damage control, denying any sort of punitive withdrawal is on the cards. However, he, too, tied this pre-poll experiment to poll outcomes: if Mahayuti returned to office, Ladi Bahin would double its monthly payments to ₹5,000. The Maharashtra experiment has, therefore, yielded a two-step patronage experiment - informed by behavioural economics - an initial payment before elections, followed by a conditional transfer upon re-election.

Knotty threads | Mahayuti must also contend with Maratha demanding reservations, angry drought-hit farmers demanding better prices, and rivalries between Shinde and Pawar factions. It seeks to regain lost ground in Maharashtra, Vidharha, and north India, key regions that helped BJP emerge as the single-largest party in 2019. Mahayuti will also aim to build on consolation wins this summer in western Maharashtra and Konkani.

As a short-term strategy, focusing on women helps avoid the state's complex political and economic issues. LS results show Mahayuti is not popular with voters. Ladi Bahin may thus be no panacea for incumbent alliance's myriad problems, including deciding on the CM-candidate. The upshot is pragmatic electioneering: caution amidst uncertainty.

Stitch in time | Delayed elections suit MVA too. Uddhav is keen on announcing a CM-face for MVA before campaign begins. But Congress and NCP have maintained a stony silence. Congress may have won the seats in the state LS polls, but with a sixth of the overall votes, it must back either Uddhav or Supriya Sule as MVA's CM-face. As tough negotiations ensue, treading carefully is shared mantra in Maharashtra, with post-Diwali elections looking likely.

Pragmatic eye | It may bolt down to PM's appeal against the opposition. Spacing out state assembly elections allows Modi to devote his energy to a couple of states in each phase and, hence, give his party its best shot in each state.

Chastened by LS results and uncertain about efficacy of its new patronage politics, the Modi-led BJP has adopted pragmatism as its new mantra. Decoupling polls in Haryana and Maharashtra makes sense for the party. Staggered elections mean, at worst, that issues too will be staggered, and everyone can enjoy a festive Oct.

The writer teaches politics and history at Georgetown University, Qatar

Tackling Pension Pains - From OPS To NPS To UPS

GOI's latest pension formula is a step back from its earlier one, remains contributory, but isn't a rollback to OPS. Govt fills the gap between market returns and a 50% assured pension. Here's the lowdown

-Sidhartha.K@timesofindia.com

After deliberating for nearly 18 months, govt on Saturday announced Unified Pension Scheme (UPS) for its employees with new features. Those who joined govt from 2004 and are covered by National Pension System (NPS) will have the option to shift to UPS that will be implemented from April 2025. Do things really change? Is it a reversal of the pensions policy?

How is UPS different from NPS?

Those who joined central govt from 2004 area't part of Old Pension Scheme (OPS), a defined benefit scheme offering 50% of the last pay drawn as pension for life, along with inflation adjustment twice a year.

Instead, they moved to NPS, originally called New Pension Scheme, a defined contribution scheme where employees chip in with 10% of their salary, and govt makes a matching contribution. Govt's contribution was subsequently raised to 14%. The corpus was invested in govt securities, shares and corporate bonds. Similar to mutual funds, it has a daily net asset value. At the time of retirement, at least 40% of the corpus is to be used for purchasing annuity.

Under UPS, Centre now proposes an assurance that employees who work for 25 years or more will get 50% of the average pay for preceding 12 months as pension with inflation adjustment through dearness allowance, along with family pension for the spouse of a deceased contributor. There'll be a minimum ₹1,00,000 monthly payout for those who work for 10 years. There's an additional sweetener in the form of a lump sum payment on retirement, linked to the number of years someone has worked for govt.

Why the change?

Most states opted for NPS, but pressure was mounting on Centre for a guaranteed pension. States such as Rajasthan, Himachal, Jharkhand and Punjab opted out of NPS to revert to OPS. In Himachal, it was seen as a key factor for Congress's assembly elections victory.

BJP govt at Centre refused to switch to an unfunded pension system, arguing that it would burden future generations. In March 2022, prompted by electoral



setbacks, it set up a committee chaired by TV Somanathan, then finance secretary. The panel ruled on the Andhra model to assure 50% payout.

Will most govt employees opt for UPS?

On Saturday, Somanathan said, more than 99% employees will be better off, barring the odd case.

While a corpus built over 30-35 years of working life will see multiple up and down cycles, it will largely be protected from market vagaries. The corpus is also dependent on the investment mix, which a govt employee can choose. The default option allows for up to 65% govt securities, 15% equities and the rest in corporate bonds.

The moderate life-cycle investment plan allows up to 50% equity exposure for the first 10 years, before the equity component starts tapering. Under this plan, at age 55, the exposure to equities and corporate bonds drops to 10%, with 80% invested in govt securities.

Since annuity rates in India are low, getting 50% return on your investment requires a very large corpus. This may not be possible for a large number of employees. A promised 50% pension will be a safe bet for govt employees, many of whom are risk-averse.

Is it going back to OPS, a step back from reforms?

No. UPS has stuck to the core principle of a defined contribution scheme, but has provided top-ups that limit govt spending towards pension. Govt will only fill the gap between market returns and a 50% assured pension. Where it deviates is in the assurance of a minimum ₹1,00,000 payout to those who work for 10 years, and also the lump sum payment. Besides, govt employees are protected from the vagaries of inflation, unlike private sector subscribers of NPS.

Is UPS unfunded?

Unlike OPS where budget makers do not provide funds like a company builds a pension reserve or a pension fund, UPS is based on actuarial calculations to assess how much liability will arise to bridge the gap. Somanathan said, such actuarial assessment will be undertaken every three years.

Calvin & Hobbes



Janmashtami Is Celebration Of Faith And Joy

-Radhanath Swami

Janmashtami, the auspicious Hindu festival commemorating the birth of Krishna, is celebrated with fervour and devotion by millions of devotees worldwide. This year marks the 5252nd birth anniversary of Krishna, highlighting the timeless and enduring significance of this divine birth. Falling on Ashvini, eighth day of the Krishna Paksha in the month of Bhadrapad, Janmashtami holds immense religious, cultural, and philosophical importance. It is a profound celebration of faith and joy.

Krishna, the eighth avatar of Vishnu, was born in Mathura to Devaki and Vasudev. His birth marked the end of the cruel rule of his uncle, King Kans, who had imprisoned his parents and killed his siblings. The night of Krishna's birth was filled with miraculous events: the gates of the prison opened on their own, the guards fell into a deep sleep, and the

Yamuna River parted to allow Vasudev to carry the newborn baby Krishna to safety in Gokul. These miracles signify divine intervention and the triumph of good over evil.

The principle driving the Lord's appearance is to establish dharma and provide humanity with universal guidance. Dharma refers to a spiritually adaptable value system that directs individuals towards virtue, approximating God at the pinnacle of existence.

Midnight represents the peak of darkness, and from the instant the Lord revealed himself, the darkness began to fade. In the same way, our hearts are shrouded in darkness, burdened by numerous anxieties and sorrows. Yet, in the darkest moment of our lives, when we seek the Lord and he enters our hearts, all the darkness retreats, and the light of eternal hope begins to shine.

Janmashtami is not just a celebration of Krishna's birth but also an occasion for devotees to reaffirm their faith and devotion. The festival is marked by various age-old practices, including fasting, chanting, and singing hymns dedicated to Krishna. Devotees often observe a fast until midnight, the time of Krishna's birth, and then break it with a special meal after offering prayers and sweets to the deity.

The spiritual essence of Janmashtami lies in the celebration of Krishna's teachings. The Bhagavad Gita, a sacred text also known as the Song of the Lord, was delivered by Krishna to Arjuna on the battlefield of Kurukshetra more than 5,000 years ago. It provides profound insights into the nature of duty, righteousness, and devotion. Krishna's teachings emphasise the importance of performing one's duty selflessly.

THE SPEAKING TREE

The spiritual essence of Janmashtami lies in the celebration of Krishna's teachings. The Bhagavad Gita, a sacred text also known as the Song of the Lord, was delivered by Krishna to Arjuna on the battlefield of Kurukshetra more than 5,000 years ago. It provides profound insights into the nature of duty, righteousness, and devotion. Krishna's teachings emphasise the importance of performing one's duty selflessly.

Sacredspace

All things arise, Suffer change, And pass away. This is their nature. When you know this, Nothing perturbs you, Nothing hurts you, You become still.

-Ashvatara Gita

maintaining equanimity in success and failure, and surrendering to the divine will. Janmashtami serves as a reminder for devotees to reflect on their shortcomings in their lives and strive for spiritual growth.

Janmashtami transcends mere festivities. It serves as a way to stay connected to our cultural roots and pass on our rich heritage to the younger generations. It is a profound reminder of the timeless teachings of Krishna, the embodiment of love, wisdom, and divine play. Krishna's birth symbolises the victory of good over evil and the restoration of cosmic order. His teachings continue to inspire millions, offering timeless wisdom on living a righteous and devoted life. Krishna's incarnation as a divine being, who played, loved, and taught with equal fervour, underscores the profound and multifaceted nature of divinity.

The writer is the spiritual guru, International Society for Krishna Consciousness

www.dailypioneer.com

facebook.com/dailypioneer | @TheDailyPioneer | instagram.com/dailypioneer/

PAPER WITH PASSION

Peace mission

Prime Minister Modi's Visit to Ukraine is as much about peace as it is to establish India as a neutral country

On August 20, 2024, Indian Prime Minister Narendra Modi made a historic visit to Ukraine, marking a significant moment in the diplomatic relations between the two nations. This visit came amid ongoing conflict in the region. India and Ukraine have historically maintained cordial relations, with ties largely focused on economic cooperation, technical assistance, and cultural exchange. However, the backdrop of Modi's visit is the prolonged conflict between Ukraine and Russia, which has led to a significant humanitarian and geopolitical crisis. India has traditionally adhered to a neutral stance, emphasising dialogue and diplomacy. Modi's visit underscores a nuanced shift in India's approach, highlighting a deeper engagement with Ukraine amidst the ongoing conflict. Only a month before PM Modi had visited Russia much to the chagrin of Kyiv. But his Ukraine visit in a way establishes India's neutral stance. Prime Minister Narendra Modi has offered to help bring peace to Ukraine in a meeting with Ukrainian President Volodymyr Zelensky. He also asked the Ukrainian President to sit down and talk to end the conflict. This is first ever visit of an Indian prime minister to Ukraine after two countries established diplomatic relations in 1992.

The primary objectives of Modi's visit were multifaceted. Modi aimed to bolster economic and strategic ties with Ukraine. Both countries have been exploring opportunities for collaboration in sectors such as technology, defense, and infrastructure. India has expressed support for Ukraine's sovereignty and territorial integrity. Modi's visit included discussions on increasing humanitarian aid and rebuilding efforts in conflict-affected areas. Modi's presence in Ukraine served as a diplomatic gesture, reinforcing India's commitment to supporting peace and stability in Eastern Europe. This visit was also seen as a way to engage more actively in global diplomatic forums concerning the Ukraine crisis. During his visit, discussions focused on several key areas. Agreements were reached to enhance trade and investment, with India offering to share expertise in technology and infrastructure development. India pledged additional support for humanitarian efforts, including medical aid and assistance for displaced persons. Both nations agreed to increase strategic dialogues to address mutual concerns and foster closer cooperation in various international platforms. Modi's visit to Ukraine is a clear indicator of India's evolving foreign policy strategy. While maintaining its traditional stance of non-interference, India is positioning itself as a more proactive player in global diplomacy, particularly in regions affected by conflict. This visit also reflects India's broader ambition to balance its relations between major global powers and regional conflicts. Prime Minister Narendra Modi's visit reflects a deeper engagement of India in global affairs, an attempt to counter China's growing influence.



Workers load heaps of straw on an auto-rickshaw, in Barhaman, PFI

Uniform Civil Code: A step towards a secular legal system

PM Modi, reignites the debate on the Uniform Civil Code calling for a law that would apply equally to all citizens, regardless of religion

The BJP-led NDA government, under Prime Minister Narendra Modi, did not implement the Uniform Civil Code (UCC) during its previous tenure. The UCC is a proposed law that would apply uniformly to all religious communities on personal matters like marriage, divorce, inheritance, and adoption. After major ideological milestones such as the abolition of Article 370 and the construction of the Ram Temple in Ayodhya, the UCC became viewed as the final step in the BJP and the Sangh's agenda leading up to the 2024 general elections. On Independence Day, from the Red Fort, PM Modi emphasized the need for a secular civil code, arguing that laws dividing the country along religious lines should be abolished. He called the current legal framework a "communal civil code" and highlighted the importance of transitioning to a more inclusive and secular version that aligns with modern societal values. Addressing the nation, he called on the citizens of India to engage in debate, insisting



that communal and discriminatory laws have no place in the country. From the outset, party and government sources have indicated that the BJP aimed to keep the UCC in public discourse. This sentiment was echoed during a Bhopal rally on June 23, 2023, where PM Modi suggested that the implementation of the UCC might be on the horizon. Top officials, however, emphasized that the law would require extensive research and consultation. The Sangh Parivar believes that states can take the initiative to implement the UCC. Several BJP-ruled states, including Uttarakhanda, Madhya Pradesh, and Gujarat, have begun exploring this. Assam's Chief

Minister, Himanta Biswa Sarma, confirmed plans to introduce laws targeting child marriage and polygamy. He added that Assam would adopt and modify the Uttarakhand model according to local needs. The political landscape surrounding the UCC has been contentious, and it has already been implemented in Uttarakhand as of March this year, likely influencing subsequent elections. Nevertheless, BJP sources acknowledge the complexities surrounding the UCC. Tribal marital practices, diverse inheritance laws, and regional variations are significant hurdles. Modi reiterated from the Red Fort that the Supreme Court has repeatedly discussed the need for a UCC, which many believe would address the communal nature of the current civil code. According to government sources, however, the UCC presents far greater challenges than issues like Article 370 or triple talaq, as it affects various social and cultural groups across India. The process of drafting the UCC would require far-reaching consultations and deep research.



RAJESH KUMAR SINGH

One BJP functionary noted that codifying the UCC, under the Indian Penal Code, would be difficult due to the cultural diversity among tribal groups across regions. The UCC debate is viewed as a positive step toward creating a more uniform legal system, especially concerning women's rights. The Sangh Parivar, too, has expressed concerns, with the RSS-affiliated Vanvasi Kalyan Ashram advocating for the exclusion of tribal groups from the UCC. Meanwhile, the BJP has encouraged these communities to submit their concerns to the Law Commission, urging them not to be swayed by social media debates. The essence of the UCC, as explained by PM Modi, is to have a single law applicable to all citizens of India, regardless of religion, caste, or gender, in matters such as marriage, divorce, and inheritance. This is outlined in Article 44 of the Directive Principles of State Policy in the Constitution, which tasks the government with the responsibility of implementing such a code. (The writer is a senior journalist; views are personal)

The US military inc: Profiting from war

The American military-industrial complex, coined by President Eisenhower in 1961, has shaped US foreign policy and military strategy while perpetuating global conflicts



SANTHOSH MATHEW

The American military-industrial complex, a term popularized by President Dwight D. Eisenhower in his farewell address in 1961, refers to the synergistic relationship between a nation's armed forces, its defence industry, and its political establishment. This complex has played a pivotal role in shaping US foreign policy and military strategy, leading to extensive global influence and numerous conflicts over the past century. While wars undoubtedly bring immense destruction and suffering, they have also generated substantial profits for certain American entities, fueling a cycle of conflict and economic gain. The roots of the American military-industrial complex can be traced back to World War II. The massive mobilization of resources for the war effort transformed the U.S. into a leading military power, with a robust defence industry emerging to meet the demands of the global conflict. Companies like Boeing, Lockheed Martin, and General Dynamics became integral to the war effort, producing aircraft, ships, and weapons on an unprecedented scale. Post-World War II, the geopolitical landscape underwent significant changes. The Cold War between the United States and the Soviet Union necessitated a perpetual state of military readiness, leading to sustained government investment in defence. This period saw the establishment of a permanent arms industry and the proliferation of defence contractors, further entrenching the military-industrial complex in the American economy and politics. The U.S. emerged as a superpower with global responsibilities and interests, often justified by the need to contain communism. This new role required maintaining and expanding military bases worldwide, ensuring a constant state of preparedness. The Korean War (1950-1953) was one of the first significant conflicts of the Cold War era, where the U.S. engaged militarily to curb the spread of communism in Asia. This war marked the beginning



of a pattern where military engagements, often initiated under the guise of ideological battles, served to bolster the defence industry. The Vietnam War (1955-1975) further exemplified this, as it became one of the most prolonged and controversial conflicts in American history. The war generated vast profits for defence contractors but at the cost of immense human suffering and domestic turmoil. The Cold War Era Sustained Conflict and Profitiering. Throughout the Cold War, the U.S. participated in numerous proxy wars and military interventions, from Latin America to the Middle East. The Cuban Missile Crisis, the Bay of Pigs invasion, and the support for anti-communist regimes across the globe underscored America's commitment to combating Soviet influence. Each conflict provided a pretext for increased military spending and innovation in weapons technology, ensuring continued profits for the defence industry. One of the most significant developments during this period was the arms race, characterized by the rapid development and stockpiling of nuclear weapons. The doctrine of mutually assured destruction (MAD) necessitated a continuous enhancement of the U.S. nuclear arsenal,



THE GULF WAR (1990-1991) SHOWCASED AMERICA'S TECHNOLOGICAL MILITARY PROWESS AND REAFFIRMED THE COUNTRY'S COMMITMENT TO PROTECTING ITS INTERESTS IN THE OIL-RICH MIDDLE EAST

benefiting companies involved in nuclear weapons production. This period also saw advancements in missile technology, stealth aircraft, and other sophisticated weaponry, all funded by the American taxpayer. The end of the Cold War did not diminish the influence of the military-industrial complex. Instead, new threats emerged, and the complex adapted accordingly. The Gulf War (1990-1991) showcased America's technological military prowess and reaffirmed the country's commitment to protecting its interests in the oil-rich Middle East. Defence contractors reaped substantial profits from the war, supplying everything from precision-guided munitions to advanced combat systems. The attacks on September 11, 2001, marked the beginning of the War on Terror, a prolonged conflict that further solidified the military-industrial complex's grip on American foreign policy. The invasions of Afghanistan and Iraq resulted in a dramatic surge in defence spending, with companies like Halliburton and Blackwater (now Academi) securing lucrative contracts for reconstruction and security services. In recent years, the military-industrial complex has contin-

ued to thrive, driven by ongoing conflicts in the Middle East, rising tensions with Russia and China, and the global war on terrorism. The U.S. defence budget remains the largest in the world, with substantial funds allocated to developing next-generation weapons systems and maintaining a vast network of military bases. The recent assassination of Ismail Haniyeh, former Prime Minister of Palestine and head of Hamas, by Israel in Iran, with American support, underscores the enduring influence of the military-industrial complex. This act, and the subsequent American military buildup in the region, exemplifies how geopolitical manoeuvres often serve dual purposes: advancing strategic interests and ensuring continued profits for the defence industry. As Eisenhower warned, "In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex." This cautionary message remains as relevant today as it was over six decades ago, reminding us of the intricate and often perilous relationship between war, politics, and profit. (The writer is an assistant professor at Pondicherry University; views are personal)

LETTERS TO THE EDITOR

Urban flooding must be checked



propos article, "Monsoon mayhem: Tackling urban flooding", published on August 23, this is my response. The global surge in urban flooding has brought a daunting challenge for cities worldwide, necessitating urgent attention to tackle this issue through meticulous urban planning and innovative infrastructure design. It is not only the event of flooding, but the secondary effects of exposure to infection that have a toll on human life, livelihood, and property. The impact of urban flooding is also

spread, including temporary relocation of people, damage to civic amenities, deterioration of water quality, and risk of epidemics. It was mostly stated that the areas lying in the flood plains are prone to floods, but urban floods have changed this notion. Urban flooding disrupts the normal working of the city by damaging water supply, sewerage, power transmission lines, communication, transportation and infrastructure. Sustainable solutions, such as green infrastructure, geospatial technology, flood governance, stormwater management, and collaboration and awareness, are needed to tackle the menace of urban flooding. A thorough knowledge and understanding of the causes and effects of flood impacts and the adoption and development of measures to mitigate these impacts must be part of a comprehensive urban development plan.

Ranganathan sivakumar | Chennai
able as it ensures legality and validity, enforceability and admissibility in court, since such agreements can be registered under the Indian Registration Act, 1908. Now the question is, what is effect on enforceability of a document in the court, if it is either unstamped or is under-stamped. This involves three Act viz. Indian Contract Act, Indian Stamp Act and Indian Registration Act. As per Indian Contract Act, while making an agreement on a non-stamp paper, there are certain legal aspects that need to be complied with. Section 10 of the Indian Contract Act, 1872, outlines the essential elements that make an agreement a legally enforceable contract. It is to be remembered that proper stamping ensures the validity and enforceability of documents in legal proceedings. The correct information regarding this must be given to the public so everyone can comply.
Jayanthi Subramanian | Mumbai

DON'T MAKE PATIENTS SUFFER

Madam — I support the movement against the criminal or criminals who killed the trainee doctor at the R.G. Kar Medical College and Hospital in Kolkata, but I cannot support the cease-work by the doctors. I fail to understand why innocent patients are made to suffer to the extreme. The pictures of untreated patients in pain have raised many questions. Why should they bear the burnt of the strike? What is their fault? Earlier, while passing directions to the CBI and the State of West Bengal, the Supreme Court only appealed to the striking doctors to resume work. But it cut no ice. On Thursday, the apex court again nudged the striking doctors to resume work for the sake of the patients. But the status quo is still being maintained. Are the poor patients simply pawns in the tussle? The doctors can continue their protests even after resuming work. The Supreme Court says that no coercive action shall be taken against the doctors as long as the protests are peaceful. Given the patients are made to suffer from violence within, the protests can no longer be termed as peaceful.
Sujit De | Kolkata

START PREPARING FOR NEXT OLYMPICS

Madam — All other nations have started preparation for the next Olympics, international sports events with renewed vigour. India is still in blame-game, scapegoat, harm, negative network, interference, discourage, devilish activities. Issuing discouraging statements in the media on how many crores spent on Paris Olympics-2024 preparation for months. Sports win depends on "luck of the day" is well known. First and foremost, India must shed its third world mind set. Replace negative devilish qualities - discouraging - harmful tendencies with encouragement, scientific happy development management and latest technology usage (for

sports coaching and preparation). Also, focus on many sports, not just cricket. Will it help to give more comfort to athletes - players by having more (%) of women coaches - staff - administrators - boards for women players and men - staff coaches etc. for male players? Medical and sports experts must decide so. Last but not the least, there must be no political interference in the sports. This is one reason Indian sports persons are unable to perform their best. Besides biased selection of sports persons for mega events is often controversial which hampers the growth of healthy competition amongst the sports persons and inculcates a wrong culture of nepotism and favouritism. If we can manage that, India can shine in Olympics
PV Srinivas Sreelakha | Secunderabad

TW IMPORTANCE OF STAMPING

Madam — The Indian Stamp Act, 1899 deals with stamping of various agreements/ documents in India. Stamping of agreements and documents is disir-

Send your feedback to: letterstopioneer@gmail.com

ANDHRA PRADESH



Blood wood of Andhra: A batch of red sanders logs freshly cut and dressed from Seshachalam hills. The wood contains a compound called Santalin which gives it the rich red colour. The Seshachalam Hills of the Eastern Ghats is one of the few places on earth where the trees grow.

The rise and rise of red sanders mafia

Seshachalam Hills, one of India's richest biospheres, has become the hot spot of red sanders smuggling and allied crimes costing many police, forest officials and mafia members their lives apart from threatening the survival of the endangered tree species. Over the years, despite changes in the governments and people in power, the smuggling of the precious wood continues unabated, indicating that the problem is of a socio-economic-political nature, writes **K. Umashankar**

Seshachalam Hills, one of India's richest biospheres which form the tip of the Eastern Ghats in Andhra Pradesh is considered a floristic hotspot for it houses many endemic and rare species including five gecko species, 12 species of lizards and 22 species of snakes.

However, it is red sanders (*Pterocarpus santalinus*), the tall trees which give one of the world's finest and rarest woods, growing in these hills makes Seshachalam a hotspot of crime and a hub of mafia.

"It was in 1974 when my firstborn saw the light. Transporting a truckload of red sanders logs from Piler of the Annamayya district to the erstwhile Madras used to cost ₹270 a round trip, which included labour force and bribes at the local level and the inter-State border check posts," recalls a 76-year-old carpenter from a remote village of Yerravaripalem mandal of Tirupati district in Andhra Pradesh.

"For a ton of logs, the price would be around ₹2,000. For each trip, I used to save around ₹1,000 plus at the rate of four trips a month. Like me, there were about a dozen people all over the Seshachalam hills," he adds.

Upto ₹2 crore a tonne

Today, the statistics of the red sanders logs are sold at anywhere between ₹1 crore to ₹2 crore per tonne, based on the quality, in the international market. Spread over 5,000 square kilometres across Kadapa, Annamayya, Tirupati and Chittoor districts, besides covering substantial forest cover in Nellore district in the State, the Seshachalam Hills is the first biosphere reserve in Andhra Pradesh identified under UNESCO's Man and Biosphere programme in 2010.

The rich growth of red sanders here, however, began only after 1983 when the Forest Department, following the orders of then Chief Minister of undivided Andhra Pradesh, N.T. Rama Rao took up a massive afforestation programme in the region. Red sanders seeds were sprayed over the Rayalaseema region through helicopters. However, the seed germination at Seshachalam was the best owing to the hot and dry conditions which made it ideal climate for the trees to thrive.

From the 1980s onwards, the red sanders started attracting the international market, with major players coming from China.

A retired forest ranger recalled the different phases of red sander smuggling. "What began as a cottage industry is now a multi-crore global business. A few individuals used to sell the red sanders logs in small quantum in erstwhile Madras, intended for making toys and transportation to China and Southeast Asian countries. From the 1990s onwards, the Chinese wanted wanted huge quantities of the wood. Some middlemen in the timber industry in Tamil Nadu caught the pulse of the demand," he said.

When there was a massive manhunt for forest brigand Veerappan in the thick forests of Tamil Nadu, Karnataka, and Kerala between 1990-2000, a large number of woodcutters who worked under him were left with no alternative source of livelihood. Now, these 'meistries' (organisers) from the north-western districts of Tamil Nadu lured the jobless youth to raid the Seshachalam ranges. The precious trees, which were copiously present, were ruthlessly cut down and transported to Madras and Tuticorin ports.

During all the turbulent years of red sanders smuggling from Seshachalam hills three Ministers who held the portfolio of the Forests were from the undivided Chittoor district

Those were the days when the officials, both from the Central and State governments, were not much aware of the red sanders.

During the time of Veerappan, it was only the white sandalwood that mattered. Between 2004 and 2014, the number of trespassers into the Seshachalam ranges from Tamil Nadu used to be a few hundred per day. The forest and police officials and also the media used to call the trespassers "woodcutters and coolies."

Skilled Malai men from Tamil Nadu

Later, the trespassers were promoted to the ranks of "red sanders smugglers." Each woodcutter used to get ₹5,000 per log weighing around 50 kg. Most of these debt-ridden and impoverished men belonged to the Malai hill tribes inhabiting the forest regions of Tiruvannamalai, Salem, Dharmapuri and Villupuram districts of Tamil Nadu. They are illiterate and begin to work for red sanders smugglers from the age of 20.

The Malai men are preferred by the smugglers for the job as they are adapted to the Seshachalam hills and can jump and sprint fast in case of a police raid. The Task Force police have many times said that they were awestruck at the agility of these men, and that capturing them was not an easy task.

The Malai men are also resilient and can sustain for days with little food and liquor, making them the ideal smugglers of precious wood.

The so-called organisers started deploying the maximum number of workforce from Tamil Nadu districts, transporting them in specially arranged buses and also sending them in passenger trains.

They would alight at Panapakam, Mungilipattu, and Chandragiri railway stations in Tirupati district and clandestinely enter the forest. Previously, they used to carry axes and saw blades with them, but later they were readily supplied with the tools on their arrival.

With time, the workforce enjoyed extra benefits such as liquor bottles and provisions to cook inside the forests during their long stays, ranging from two to three weeks. Their modus operandi was to cut down as many trees as possible, dress the logs and carry them to the road points. Vehicles from autos to trucks and lorries chugged the forest paths to collect the material and transport

it to Chennai. With a sudden spurt in the activity, warehouses had come up in Hoskote and Katigahalli areas of Bengaluru rural district," says another forest official in Sri Venkateswara National Park range.

Interestingly, during all the turbulent years of red sanders smuggling from the Seshachalam ranges, three Ministers who held the portfolio of the Forests were from the undivided Chittoor district—Gali Muddukrishnama Naidu from Puttur, Bojjala Golapal Krishna Reddy from Srikalahasti and Peddireddi Ramachandra Reddy from Piler and later shifting to Punganur.

From 1995, the Chief Ministers of the undivided Andhra Pradesh were also from the red sanders-rich districts. Nara Chandrababu Naidu from Chandragiri (his native place in Tirupati district), Y.S. Rajasekhara Reddy from Kadapa district, Nallari Kiran Kumar Reddy from Piler in Annamayya district and Y.S. Jagan Mohan Reddy from Kadapa district.

Blood shed over red wood

On December 15, 2013, two forest officials of Tirupati Wildlife Circle—Deputy Range Officer Sridhar and Assistant Beat Officer David Kumar—were surrounded by a mob of 200 woodcutters deep inside the Seshachalam forests close to Tumbaru Theertham waterbody on the Chittoor-Kadapa border. The duo was brutally done to death with stones and axes, while another beat officer escaped with critical injuries.

Following this, the Andhra Pradesh government (after bifurcation) formed the AP Red Sanders Anti-Smuggling Task Force (APRSASTF) to give protection to forest officials while on patrol in the forests. It was this Task Force, which played a crucial role in nabbing Kollam Gangi Reddy, who faced allegations of red sanders smuggling and was one of the accused in the Alipiri bomb blast case of 2003 wherein Nara Chandrababu Naidu had a narrow escape.

In recent years the locals of various villages of Rayalaseema districts have turned into smuggling operatives, says a retired police officer from Tirupati

Kantha Rao said that during his tenure, hundreds of red sanders smuggling operatives were nabbed and remanded. "About half a dozen special teams were formed to conduct patrolling not only in Tirupati but all over the Rayalaseema districts, Nellore and Prakasam. In 2015, the Task Force made a stupendous breakthrough when a team rushed to Assam and prevented a 10-tonne consignment of red sanders logs from entering China. The goods were brought back to Tirupati. We had also made the information about red sanders public as to how many trees were cut down over years and how many trees were left the forests," he says.

On April 7, 2015, as many as 20 woodcutters from Tamil Nadu, originally migrants from Wayanad in Kerala, were reportedly gunned down by the Task Force at Sachinodi Banda (loosely trans-

lated to a boulder that belonged to the dead point located deep inside the inhospitable terrain of Seshachalam hills near Tirupati. The human rights groups then alleged that the woodcutters, all belonging to the Dalit community, were brutally shot at from point-blank range and their bodies were thrown all over the forest location. The National Human Rights Commission (NHRC) also registered a case on this.

Ever since this "carnage" of woodcutters, there has not occurred even a single casualty in the entire red sanders-rich region in the last nine years. After a lull of a few months, the woodcutters resumed invading the forest ranges.

"During these nine years, hundreds of trespassers were arrested and released on bail. Cutting red sanders has only turned into a picnic, coupled with economic benefit. The forest and police officials to date are afraid of even causing a minor injury to a woodcutter. Chases have almost disappeared. The trespassers are not afraid of arrests. After all, they know they would be convicted at the most for six months to one year if charges get proved against them - which is very difficult to establish," said a police officer, who played a crucial role in undertaking a dozen inter-State operations in Karnataka, Tamil Nadu, Uttar Pradesh and close to Bhutan border, and seizure of red sanders logs worth about ₹1,000 crore between 2014-2017.

There are critical observations that after the Jagan Mohan Reddy government came to power in 2019, the subject of red sanders smuggling slipped into oblivion. Allegations remained rife that the Task Force could not undertake a single inter-State operation during the period.

"Unlike the period before the COVID-19 pandemic where 90% of the workforce was from Tamil Nadu districts, in recent years the locals of various villages of Rayalaseema districts have turned into smuggling operatives. Political leaders from top to bottom levels are facing serious allegations of their involvement in the red sanders smuggling. The cooperation and coordination between the forest and police departments have also been missed in the last decade. Due to the absence of any scientific mode of surveillance at the check posts, we don't know what is happening there. In the last five years, there was not a single meeting of the inter-State police and forest officials to tackle the red sanders issue," observed a retired police officer in Tirupati.

Pushpa impact

When Allu Arjun-starrer *Pushpa - The Rise* was released in December 2021, after the Covid pandemic, it was a mad rush at the theatres. The hero's striking dialogue—*Thaggeedhe Le* (Will not bend)—caught the attention of the youth all over India and mesmerized even the big personalities of Bollywood.

"Pushpa director Sukumar and his team visited our office (in Tirupati) during the planning of the film. We took them to various locations in the Seshachalam and shared information about the modules and modus operandi of the smugglers, the aspects of inter-State investigation. The movie could create a sea of awareness about the bad element in red sanders smuggling," said former Task Force chief Kantha Rao.

Ironically, a majority of the officials in the enforcement agencies observed that *Pushpa* had directly contributed to the entry of more youth into the contraband forest trade. Several youths involved in the red sanders errands started growing their beard leaving their hair unkempt and repeating the verbal and physical mannerisms of the hero, which included the hero's walking style which went viral on social media.

In this context, the recent observation of Deputy Chief Minister Pawan Kalyan (who also holds the portfolio of Forests) that "Around 40 years ago, a hero was someone who safeguards the forest. And now, the hero is someone who cuts away the forest and is a smuggler," has raised many an eyebrow.

Serving as a sum up, a forest ranger in Annamayya district, considers a huge fan of Pawan Kalyan, says: "Red sanders is a socio-economic-political subject. Unless the government comes up with a scientific formula to counter the environmental damage, the police and forest officials are helpless. Just, we are waiting for *Pushpa: The Rule*." (Sequel to *Pushpa: The Rise* is expected to be released in December 2024).



Andhra Pradesh Red Sanders Anti-Smuggling Task Force detect the strewn logs at a forest glade in Seshachalam Hills in Rajampeta division of Annamayya district.



Middle path

The modified pension scheme overcomes some shortcomings of NPS

The Centre has restored guaranteed pensions for its employees, meeting their demand halfway, and weakly trying to hold on to principles of fiscal prudence. Pension schemes around the world, whether contributory and market linked or underwritten by the exchequer, are facing a crisis, due to multiple factors, including demographic reasons. According to the Reserve Bank of India, the total Budget estimates of various States and Union Territories for pension in 2023-24 was ₹5,22,105.4 crore, which is between 6%-21% of their total revenue receipts. Pensioners argue that it is their deferred wages. It can also be argued that pensions from the exchequer are at the cost of future generations. Governments are outsourcing jobs through contracts, and resorting to innovations such as Agnipath – a short service scheme for the military services – and the ballooning of pension bills is among the reasons that drive such measures. Governments are also leaving posts unfilled. All such measures are leading to two things. First, it negatively affects state capacity, and second, it reduces avenues for government and public sector jobs for India's expanding number of young job seekers. The New Pension Scheme (NPS), which was market-linked and managed by an autonomous entity, was introduced during the stock market boom. Two decades later, when people began retiring under the NPS – those who joined after January 1, 2004 – it turned out that they were receiving much less than what they would have got under the old scheme.

With the Congress making the restoration of the old scheme a central piece of its politics, the BJP was pushed to the corner. A committee led by former Finance Secretary and Cabinet Secretary-designate T.V. Somanathan devised a middle path that involves employee contributions and enhanced share from the Centre. The Unified Pension Scheme (UPS), approved by the Cabinet, promises a pension of 50% of the average basic pay of the last 12 months before retirement and a minimum pension of ₹10,000 for those who worked for at least 10 years. The Centre's share towards the scheme was increased from 14% under the NPS to 18.5%, which Prime Minister Narendra Modi has said will ensure government employees dignity and financial security. The BJP and the government should note that no reform can be sustainable without broad political consensus. Social security for older people must cover the widest segment of the population. Government employees are an organised pressure group, and having managed to restore their guaranteed pension, they should wholeheartedly welcome the UPS, rather than protest against employee contribution.

Catalyst for change

The Hema Committee report should help reform the film industry

At different points of time, come events that have the potential to shape the future. Whether these catalysts fulfil that potential to the fullest extent or not is in the hands of the people in their vortex. The Justice K. Hema Committee report that studied the issues faced by women in cinema, could well be one such catalyst. The three-member committee was constituted in 2017, based on a petition submitted by the Kerala-based Women in Cinema Collective, and submitted its report two years later. It was released last week, several paragraphs redacted, and contains unsurprising and yet disturbing revelations about the state of affairs in the film industry – discrimination, exploitation and sexual harassment of women. The term 'casting couch', hatched in Hollywood, has become regrettably accepted as an euphemism for sexual favours in exchange for a role in films. Justice Hema points out that making the exchange of sexual favours and the passkey for entry into the world itself, and normalising it and conflating it with consensual sexual activity, makes the industry inherently exploitative. The report deals also with other inequities that disadvantage women in the industry, including the lack of essential facilities such as toilets, changing rooms, safe transportation, and accommodation at the shooting spot which are violative of the right to privacy; and discrimination in remuneration, and a lack of binding contractual agreements. These affect the range of women across the industry – actors, technicians, make-up artists, dancers, support staff, and particularly so, women lower in the pecking order.

The way ahead is not as murky as the hole that the film industry, here Malayalam, seems to find itself in. The government has decided to constitute a special investigation team to go into the accusations of harassment. While the government would do well to ignore the committee's recommendation on doing away with internal complaints committees for each film project, it must act on suggestions that call for provision of essential facilities and for structural reforms within the film industry, including professionalising it. Nothing will change unless the state gets involved meaningfully in creating an equitable work space for men and women, in an industry dominated by people with great power and money, who have so far refuted the existence of such a power cartel or have remained silent. Each of the issues raised must be taken cognisance of, and acted upon. As with the #MeToo movement, Justice Hema's report has the potential of being a catalyst to enable scores of women to speak up. It belongs to the state to ensure that their complaints are not ignored, or worse still, used against them.

Reality of reel life, exploitation as a structural problem

The Justice K. Hema Committee report, which was released by the Kerala government on August 19, 2024, has ignited a debate on the issues faced by women in Malayalam film industry. The committee, which was formed in 2017, had submitted its report to the government in 2019. A redacted version of the report has now been put up in the public domain. Though it addresses the issues faced by women in the vernacular films, the issues transcend these boundaries.

Broadly, the report deals with two categories of issues. The first is the sexual exploitation and assault against women in cinema. The report says that women are often required to exchange sexual favours for opportunities and those women who refuse to 'co-operate' are sidelined from the industry at the instance of powerful men. The second is discriminatory practices against women and a lack of even basic facilities. The report has facilitated a long overdue discussion on the lack of gender equality for women at the workplace. The brutal incident of the rape and murder of a doctor at a hospital in Kolkata also reinforces the need for this conversation.

Culture of assault

The concerns raised in the Hema Committee report are disturbing, yet are not surprising. They are an extension of the problems women face in a conservative, patriarchal society such as ours. Women are burdened by stereotypes and expectations about how they should behave. This is why it is problematic to consider instances of sexual assault on women as isolated. Viewed this way, rape must not be considered only as a crime committed by a bad man but as a culmination of the social practices which deem the consent of women to be practically irrelevant. A rigid individualistic approach to sexual assault often distracts attention from this reality. Ranging from what to wear and what friends to have, individual choice is too often stolen from women. Rape is the crudest manifestation of this approach – not considering women as persons of autonomy and dignity. The normalisation of objectification and gender stereotypes has a central role in perpetuating sexual assault against women. According to the National Crime Records Bureau, 31,566 cases of rape are reported in 2022 in India – a reported rape in every 16 minutes. Workplace harassment is another reflection of this culture of assault.

In the context of workplace assault, in *Vishaka and Ors vs State of Rajasthan and Ors* (1997), a



Kaleswaram Raj
a lawyer at the Supreme Court of India



Thulasi K. Raj
a lawyer at the Supreme Court of India

The findings in the K. Hema Committee report must pave the way for reforms in the film industry; the government needs to take an effective role in this

writ petition was filed to enforce the rights of working women against sexual harassment. A series of guidelines was prescribed by the Supreme Court of India – a unique kind of judicial legislation – to prevent workplace harassment. These included duties on the employer to prevent assault as well as the constitution of a complaint redress mechanism for aggrieved persons.

It took more than 16 years thereafter for the legislature to enact The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. A notable feature of the legislation is that it provides for the constitution of an internal complaints committee (ICC) which can be approached by the aggrieved woman. The definition of 'workplace' in section 2(o) of the Act is broad enough to take in the film industry as well.

The Justice Hema Committee report has however indicated that the ICC is not suitable for women in the film industry. It is argued that there is a likelihood of the abuser or the employer influencing ICC members. The committee, therefore, pleads for an independent forum constituted by the government to deal with the problems faced by women in cinema.

However, this is a problem that any ICC faces and is not unique to the industry. While additional safeguards of accountability might help alleviate the problem, the suggestion to completely overlook the complaints redress mechanism formulated by a parliamentary legislation seems unwise.

Registration of crimes

Many have questioned the lack of a registration of crimes pursuant to the committee report. They ask why an investigation is not initiated and why the accused cannot be brought to justice. The concern is sensible. The report is a modified version which redacted the names of survivors and the culprits. Masking the names of survivors is done in recognition of the principle of survivor anonymity, a well-accepted norm in criminal jurisprudence on sexual assault. Anonymity will remain intact during the investigation and prosecution as well.

In *Nipun Saxena vs Union Of India* (2018), the Supreme Court explained the importance of penalisation of the disclosure of the name and the identity of the survivors of sexual offences as mandated in Section 228A of the Indian Penal Code, which is now reiterated in Sections 72 and 73 of the Bharatiya Nyaya Sanhita. Since the provisions are substantially the same, the ratio of

the judgment in *Nipun Saxena* would govern the field. In the judgment, the Court said that the object of the provision is to protect survivors from hostile discrimination and future harassment. This being the law of the land, the Kerala government must take a proactive role in the matter after sensitising itself in the matter.

The right to privacy is an integral part of the right to life under Article 21 of the Constitution (*Puttaswamy*, 2017). The statements were given by several victims in the belief that this anonymity will be maintained. The right to decide whether to pursue a criminal case does lie with the victim. It is true that in our criminal justice system, the state initiates prosecution against the accused, arguing and conducting the case on behalf of the victim. However, even if the state investigates the crime, it becomes quite difficult to prove a crime without the cooperation of the victim.

Why survivors are often reluctant to pursue complaints in the case of sexual assault is important for us to recognise. A society which looks at survivors of sexual assault, with misguided empathy and disgust, instead of support and trust, probably has no moral standing to demand that the survivor must necessarily launch the complaint. We all share collective responsibility for manufacturing this status quo. Moreover, trials in sexual assault cases take years to complete, which are attributable to the high degree of judicial pendency in our country. Bear in mind that the Hema Committee was formed after the sexual assault allegation against a leading Malayalam cinema actor, the trial of which is not yet completed. Survivors also fear potential retaliation from the abuser and others, in terms of refusal to give them work, and being branded as 'problem-makers.'

Structural reforms

The accusations in 2017 against Harvey Weinstein, the American film producer, had eventually led to the #MeToo movement which received global attention. The findings in the Hema Committee report must pave the way for structural reforms, for which the government must take an effective lead. The difficulties faced by women in the industry, particularly those in the lower strata as opposed to the lead actresses deserve acknowledgment. From the lack of adequate sanitation facilities to hostile bias, every issue needs comprehensive study and resolution. More importantly, the report will accelerate the Indian woman's struggle against workplace discrimination by equipping her with an emboldened awareness.

New-age gateway devices, the latest health threat

What happens when a portrayed healthy alternative turns out to be more dangerous than the original?

This is precisely what is happening with new-age gateway devices such as e-cigarettes, vaping pens, Electronic Nicotine Delivery Systems, or ENDS, heat-not-burn (HNB) devices and other heated tobacco products (HTPs). All these devices were portrayed to offer a healthier alternative to smoking that would make it easier to quit tobacco. But the reality is quite different. Instead, they have caused a public health crisis, causing physical harm and affecting the mental well-being of children.

A new pandemic

Instead of helping people quit tobacco, the manufacturers of these new-age gateway devices have discovered a lucrative market – children. This has led to a surge in youth vaping, creating a new pandemic. For example, according to the Centers for Disease Control and Prevention, in 2023, e-cigarettes were the most commonly used tobacco product among middle and high school students in United States, with 2.1 million (7.7%) students using e-cigarettes, including 5,50,000 (4.6%) middle school students. These devices are now getting a new generation hooked on nicotine and exposing them to potential long-term health consequences.

Children have been lured into trying and becoming addicted to e-cigarettes and vaping devices through a targeted marketing of flavours such as strawberry, cotton candy, pop rocks, and lemonade. In addition to alleged predatory marketing tactics, mental health issues and the negative effects of excessive technology use are also driving some children towards these devices.

The psychological factors affecting children operate on two levels.

First, children are increasingly susceptible to new-age devices from an early age. What was once an adolescent concern, for engaging in



Bhavna Barmi
a clinical psychologist and Founder, Happiness Studio

Portrayed as offering a healthier alternative to smoking and quitting tobacco, these devices are now causing a public health crisis among young people

distracting activities and developing addictive tendencies, has shifted, with even those under 10 years of age now showing signs of vulnerability. The age group most at risk remains between 10 and 15 years old, a demographic that manufacturers allegedly exploit through appealing advertising and enticing vaping flavours.

The colourful imagery created by these new-age gateway devices suggests that these products will bring happiness and elevate one's social status in the lives of targeted children. In their eagerness to fit in, children often prioritise peer preferences over their own, leading them to embrace vaping and other harmful behaviours. Those who vape are more likely to experience feelings of loneliness and social isolation when compared to their peers who abstain from these.

These psychological factors contribute to a troubling surge in children being drawn to enticing electronic devices such as vapes and e-cigarettes.

A gateway to danger

The second aspect is the impact that such habits will have on the physical and mental well-being of children. While physical impacts such as lung damage and the spread of e-cigarette or vaping use-associated lung injury (EVALI) have become evident, we also need to shine the spotlight on the mental impact on children due to these new-age gateway devices.

The Australian Institute of Family Studies, an Australian Government statutory agency, has said that evidence indicates that vaping has negative effects on people who use e-cigarettes. With increasing rates of e-cigarette usage in Australia and worldwide, such new-age gateway devices are associated with mental health challenges such as depressive symptoms, anxiety, perceived stress, and suicide-related behaviours among adolescents. Key risk factors include friends' positive attitudes towards vaping and parental

smoking. E-cigarettes are highly addictive, particularly for individuals up to around the age of 25. This is a developmental stage which makes them especially vulnerable to structural and chemical changes induced by nicotine addiction. Once addiction takes root, it can increase the likelihood of developing other substance use disorders later in life, creating a cycle.

What is inside these new-age gateway devices that is causing more addiction?

Survey's findings

In November 2022, *JAMA Network Open*, a medical journal published by the American Medical Association, revealed after a survey of 1,50,000+ respondents, that more adolescent e-cigarette users reported using their first tobacco product within five minutes of waking when compared to users of cigarettes and other tobacco products combined. This finding highlights the strong grip that nicotine addiction has on the adolescent brain.

The study further said that e-cigarettes are highly engineered drug delivery devices designed to create and sustain addiction. Later versions of e-cigarettes, especially after 2015, started a more efficient delivery of nicotine. The addition of benzoic acid to the nicotine e-liquid produces protonated nicotine, which enhances the addictive potential by making it easier for users to inhale significant quantities of nicotine – levels that are difficult to achieve with traditional cigarettes or earlier e-cigarette models. This results in heightened addiction and an increased mental dependency on these devices.

These new-age gateway devices are also being used to experiment with harder substances such as cannabis, and even cocaine and heroin. Many children, teenagers, and even parents mistakenly believe that vaping only involves harmless water vapour and pleasant flavours. The reality is far more sinister and can lead to a lifetime of substance abuse issues.

LETTERS TO THE EDITOR

Assured pensions

The outcome of the general election and the possible big challenge from the Opposition in the Assembly elections ahead appear to have forced the government at the Centre to take the decision to grant assured pension – now known as the 'Unified Pension Scheme' (Page 1, 'Assured pensions return as govt. backtracks on NPS', August 25). It is perhaps the fear of losing power that has made this government backtrack even on other issues including the scheme of

lateral entry into the bureaucracy. This provokes beyond doubt that it was arrogance that drove the government in its earlier terms. Anyhow though, 'better late than never'.
S.K. Khosla,
Chandigarh

Government employees are overpaid and have nil or least accountability and productivity. Their demands are for more financial benefits. It is a fact that heavy amounts are spent towards pensions for government employees and

MLAs/MPs. The government needs to evolve a uniform pension policy without scope for politics.
Khisrasagara Balaji Rao,
Hyderabad

Ukraine and Russia
Ukraine President Volodymyr Zelenskyy reportedly has put the onus on India to try and ensure that it is Russia that ends the war (inside pages, August 24). It is not clear as to how India will react to this.
T.M. Uday Shankar,
Hyderabad

Governor's sanction

The moot question is whether, contrary to the advice given by the Council of Ministers, the Governor could have accorded sanction for the prosecution of the Karnataka Chief Minister, Siddaramaiah, for alleged corruption. Sanction should be based on investigation and strong

material. Otherwise, it would be a farce. The President and the Governors are bound by the aid and advice of the Council of Ministers. However, under Article 163(1), the Governor can exercise his discretion whenever it is required. But he has to give valid reasons as to why he is disagreeing

with the Council of Ministers. Over the last decade, the Governor's role has become Governor's rule as the ruling BJP has routinely used Governors to destabilise Opposition-ruled States. This has been destructive of the federal structure and the rule of law, and all principles of constitutional accountability.
N.G.R. Prasad,
Chennai

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

Corrections & Clarifications

The snippets, 'Nicholas Puaran wins West Indies to victory' (Sport' page, August 26, 2024) did not include West Indies score. They finished with 176/3 in 17.5 overs.

The Reader's Editor's office can be contacted by telephone: 011-26124832/26124833. E-mail: reader@thehindu.co.in

9 THE IDEAS PAGE

One election, many questions

PM's I-Day speech has brought the issue back to political centrestage. But the proposal of simultaneous polls needs more careful debate



S Y QURAIISHI

THE ISSUE OF simultaneous elections, which has been hanging fire for over a decade, has now been placed on the precipice of the Red Fort by the Prime Minister in his Independence Day speech this year. He has renewed his resolve to implement the idea as soon as possible, most likely by the 2029 general elections.

As far back as in 2013, even before becoming the prime minister, Narendra Modi had reiterated the demand for simultaneous elections for several reasons, mainly because of the exorbitant costs and disruption of normal development activity. Since then, several committees have gone into the subject and have not been able to find an acceptable solution. The last such effort is a high-level committee headed by the former president of India, Ram Nath Kovind. The mandate of this committee was not to debate the pros and cons of the proposal, but to suggest concrete ways to implement it.

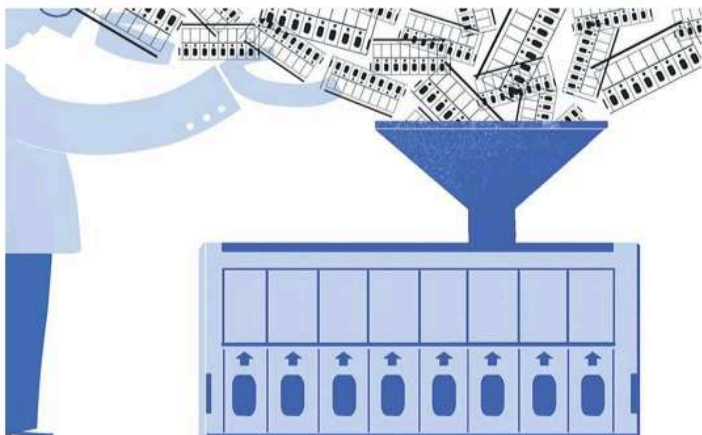
The committee presented a detailed report in record time, as mandated. Notified on September 2, 2023, it worked on the subject for 191 days and gave its 18,626-page-long report on March 14, 2024. Its members included eminent persons from diverse backgrounds. It invited suggestions from registered political parties and experts on law, including former chief justices, former chief election commissioners and state election commissioners.

Suggestions were also invited from the public, The Bar Council of India, Confederation of Indian Industry, Federation of Indian Chambers of Commerce and Industry, etc, were all given the opportunity to present their points of view.

According to the report, 21,558 responses were received, of which 80 per cent were in favour of simultaneous elections. Responses were also received from 47 political parties, of whom 32 favoured the system and 15 opposed it, calling it anti-democratic and anti-federal. The opposing political parties expressed apprehensions that it will marginalise regional parties, encourage the dominance of national parties and result in a presidential form of government. Based on these inputs and in-depth research, an analysis was undertaken.

Those supporting simultaneous elections were of the opinion that separate elections cause a waste of resources. Though the majority of expert opinion held that amendments would need to be made to the Constitution and related laws, they emphasised that such amendments will not be anti-democratic or anti-federal, they will not be opposed to the basic structure of the Constitution, and will not result in a presidential form of government.

The best thing about the Report is that it is exhaustive (with annexures in 21 volumes), and has faithfully reproduced all opinions, past and present, making it an extremely useful document. The committee gave a unanimous opinion that there should be simulta-



C R Sasikumar

neous elections in the country. It proposed necessary amendments to the Constitution and relevant laws. It suggested a new article in the Constitution, namely 82A, which says, "notwithstanding anything contained in Articles 83 and 172, all the legislative assemblies constituted in any general election held after the appointed date shall come to an end on the expiry of the full term of the house of the people". In an explanation, the committee clarified that the expression "simultaneous elections" shall mean general election comprising Lok Sabha and all Vidhan Sabha elections together — leaving out Panchayat elections. For the latter, it proposes elections "within hundred days".

With due respect, that does not amount to simultaneous elections. In fact, the proposed remedy is worse than the disease. First, you are leaving out over three million elected representatives against the 5,000 included. Then, an election three months later is a new election, with all the required "bandobast". Polling stations will have to be set up again, polling parties will have to be selected and trained and security deployed all over again. All within three months, when the 15 million staff would have hardly recovered from the fatigue of what is officially described as the largest management exercise in the world. More importantly, the voters would have to come to the booth again. Many of them cannot come from outside so quickly again.

The report also says, "where any state legislative assembly is dissolved on account of no confidence motion, a hung house, or any other event, fresh elections will be held for such new house with tenure ending with that of the house of the people". This doesn't obviate a midterm poll. Imagine candidates spending crores of rupees on an election for a truncated term — as low as one to two years. This is certainly not a simultaneous election.

The committee has, however, done well to re-emphasise the need for a single election roll, though amendment to Article 325, since the voters for all three tiers are the

same. This virtually transfers the local bodies' electoral rolls to the EC "in consultation with State Election Commissioners" — certainly not an uncomplicated task.

The committee has noted the EC's "detailed requirements of equipment such as EVM, VVPAT, polling personnel, security forces, election materials etc." along with expenditure estimates. Although I couldn't find the amount, it's obvious that we will need at least three times the number of current EVMs and VVPATs. Their cost would be tremendous and should have been spent out and commented upon, since cutting costs was basically one of the main reasons for the proposal.

With such dilution, the proposal for simultaneous elections has lost its moral authority. Playing with an established democratic system and the Constitution is a questionable exercise. If the proposal was sincere, why have all the elections been prolonged in the last 10 years? Why have Himachal and Gujarat elections, which were always held simultaneously, been repeatedly segregated and why have the pending elections not been clubbed, as was always the practice? It puts a question mark on the sincerity of the proposal put forward in the name of national interest. The next logical demand could be, why not one nation one political party, or one nation one leader.

Playing with an established democratic system and the Constitution is a questionable exercise. If the proposal was sincere, why have all the elections been prolonged in the last 10 years? Why have Himachal and Gujarat elections, which were always held simultaneously, been repeatedly segregated and why have the pending elections not been clubbed, as was always the practice?

It puts a question mark on the sincerity of the proposal put forward in the name of national interest. The next logical demand could be, why not one nation one political party, or one nation one leader.

same. This virtually transfers the local bodies' electoral rolls to the EC "in consultation with State Election Commissioners" — certainly not an uncomplicated task.

The committee has noted the EC's "detailed requirements of equipment such as EVM, VVPAT, polling personnel, security forces, election materials etc." along with expenditure estimates. Although I couldn't find the amount, it's obvious that we will need at least three times the number of current EVMs and VVPATs. Their cost would be tremendous and should have been spent out and commented upon, since cutting costs was basically one of the main reasons for the proposal.

With such dilution, the proposal for simultaneous elections has lost its moral authority. Playing with an established democratic system and the Constitution is a questionable exercise. If the proposal was sincere, why have all the elections been prolonged in the last 10 years? Why have Himachal and Gujarat elections, which were always held simultaneously, been repeatedly segregated and why have the pending elections not been clubbed, as was always the practice? It puts a question mark on the sincerity of the proposal put forward in the name of national interest. The next logical demand could be, why not one nation one political party, or one nation one leader.

Playing with an established democratic system and the Constitution is a questionable exercise. If the proposal was sincere, why have all the elections been prolonged in the last 10 years? Why have Himachal and Gujarat elections, which were always held simultaneously, been repeatedly segregated and why have the pending elections not been clubbed, as was always the practice?

It puts a question mark on the sincerity of the proposal put forward in the name of national interest. The next logical demand could be, why not one nation one political party, or one nation one leader.

The writer is former Chief Election Commissioner of India and author of India's Experiment with Democracy — the Life of a Nation Through Its Elections

WHAT THE OTHERS SAY

"By opting for seriousness, rather than rhetoric or knockabout, Ms Harris showed that she measures up to what matters most about the presidency... Now, though, the Democrats must put the balloons and the Kamala merchandise aside, and kick on... This is her party now." —THE GUARDIAN

Amid the despair, the stirring

The crime at a hospital in the heart of Kolkata shows up government failures and abdications. But people's protests offer hope



ADHIR RANJAN CHOWDHURY

NOT MANY MAY be aware of the fact that R G Kar Medical College and Hospital is named after Dr Radha Gobinda Kar, the Renaissance man of medical science in British-ruled Bengal. Kar dedicated his life towards making the healthcare system accessible to the people of Bengal. Today, doctors, staff, students, the entire city, women — not just in Kolkata but across the country — have united to push for what Kar envisaged. Drawing strength from his grief, trauma and shock over the rape and murder of a post-graduate trainee doctor, they have put their foot down — to stand up for their rights.

This is remarkable. In these divided times, their cause finds a united echo across the country. Left, right or centre, poor or rich, rural or urban, everyone is invested in the future being a place where their children are safe and can follow their dreams. Parallels have been drawn between the Kolkata rape-murder and the Delhi rape in 2012. That was in an empty bus being steered along in the Capital's streets by a group of predatory men. This was in a hospital in the heart of the city.

There are several deeply disquieting aspects to the incident, symptomatic of West Bengal's steady "transformation" towards deterioration. I know this as someone who has spent decades in public life here; I have been a witness to this. I have spoken against this, I have resisted this. So when Chief Minister Mamata Banerjee writes to Prime Minister Narendra Modi asking for a tougher law against rape, I wish to remind her that law and order is on the Concurrent List, that the police are under her watch, the hospital is under her government. When her nephew and party potentate Abhishek Banerjee says "hooliganism and vandalism" has "exceeded all acceptable limits" and adds, that the rapists "who don't deserve to live in society, should be dealt with either through encounter or by hanging", I wish to tell him that these words ring hollow. This call for vigilante justice doesn't betray sincerity, it is bluster meant to conceal a larger rot in the system, a rot that his party has helped nurture.

Violence, including crime against women, has become grist to the state's political mill. Just look at the string of incidents involving alleged sexual assault while ruling-party supporters are complicit and accused. Over the years, almost every aspect of life in West Bengal has come to be touched by the corrupt syndicates led by the ruling elite. These operate at all levels — from a city neighbourhood to a remote village — with ill-gotten wealth. Not just that,

Every institution is hijacked by the ruling establishment so that there is a toxic nexus between rulers, lawmakers, criminals and lawkeepers. When the line between the party office and the *dhano* gets blurred, the social compact between the citizen and the state breaks down. The Chief Minister setting out on a *padayatra* fails to instil a sense of security or hope. Instead, it becomes a symbol of state abdication.

As a public representative in the Lok Sabha from West Bengal for five consecutive terms before the 18th Lok Sabha election, and parent to a daughter, what pains me at a personal level, is that this has happened in a city with an illustrious tradition of respect for women. Where women have claimed the public space long before their sisters did in other states. Where almost a century ago, revolutionary leader Matangini Hazra stood up to imperialist rulers and paid with her life. The architects of the Renaissance, social reformer Raja Ram Mohan Roy, writer Rabinindranath Tagore, physicist Satyendra Nath Bose, poet Kazi Nazrul Islam and educationist Rokeya Sakhawat Hossain, all brought about a deep awakening across the country. Indeed, the Bengal Province was the nerve centre of the cultural Renaissance in India in the run-up to independence.

The epicentre of the current protests is a hospital that's part of the same history. Kar, having graduated with honours in medical science from the University of Edinburgh, had the option of practising medicine in the UK. But he chose to return to his motherland, Bengal, to dedicate his life to serving the poor. It was because of his relentless campaign to raise funds from the rich and his dogged perseverance in treating the poor in north Kolkata that made the hospital a boon for those in need. Established in 1886 as the Calcutta School of Medicine, it was in 1948, at the initiative of then chief minister of West Bengal, Bidhan Chandra Roy, that the hospital acquired its present name.

In that way, the R G Kar rape-murder doesn't need to be just a statistic. It has triggered a social and public movement calling for change, one that demands safer public spaces, better governance in the state and a more peaceful social order. In the picket lines, we have seen everyone: girls, women, boys, men, all speaking up spontaneously at the risk of being blacklisted or arrested. Consequently, the nervousness of the state's ruling elite is becoming more evident. I am sure that these protests are not in vain. As a politician, I know that change is never easy but I also know that when people decide to speak up, to stand up, to not be afraid of any threat or intimidation, change is inevitable. For this is Bengal's history, its present, and it will remain its future.

The writer was Lok Sabha MP for five consecutive terms, former Minister of State for Railways. He was chairperson of the Public Accounts Committee of Parliament in the 17th Lok Sabha, and served as president of West Bengal Pradesh Congress Committee. Views are personal

LETTERS TO THE EDITOR

A VISION FOR THE US

THIS REFERS TO the editorial, 'Kamala Harris' (IE, August 24). With US Vice-President Kamala Harris formally accepting the Democratic Party's nomination, the battle lines are clearly drawn. Her rival, Republican Donald Trump had looked virtually unstoppable until last month. However, things have changed drastically over the past few weeks. The Democrats are now back on track, and Trump has every reason to feel jittery. Kamala ticks the right boxes in her acceptance speech. Trump knows very well that Harris will spare no opportunity to tear into him for his alleged crimes and misdemeanours. Nevertheless, Harris needs to come up with a workable action plan to chart a "new way forward" for America.

SS Paul, Noida

J&K ELECTIONS

THIS REFERS TO the article, 'The Gupkar struggle' (IE, August 24). Each political party is independent to choose its own strategy and assessment of political dividend in the elections. The writer's criticism of the Congress for allying with National Conference (NC) is to obfuscate its association with NC and PDP in the past. In the recently concluded Lok Sabha election, people have demonstrated their preference for ballot rather than boycott. What is worth remembering is the fact that since the abrogation of Article 370, J&K was directly ruled by the PM Modi-led BJP government at the Centre, hence the Assembly election results would be a referendum for both the abrogation and development. So, the jury is still out on the PM's claim of "Naya Kashmir".

LR Murmu, New Delhi

REWARD TALENT

THIS REFERS TO the article, 'Death of a reform' (IE, August 24). The policy of lateral entry should continue as experts and others with experience in different fields are required to push India on the path of development. Since the PM Modi has been on the job, brought in through this system, the issue should not be linked with caste politics but priority should be accorded to the people capable of taking the country to the highest echelons of economy, technology and other social sectors. No political affiliation should matter in awarding assignments.

Shoban Das, Kolkata

Subhash Vaid, New Delhi

The ease of financing

Second phase of MUDRA loans should target greater equity, deepen financial literacy



GOURAV VALLABH

THE PRADHAN MANTRI MUDRA Yojana (PMMY) was launched in 2015 by the Narendra Modi government. The initiative, which focused on igniting entrepreneurship, provided collateral-free micro-loans up to Rs 10 lakh and supported numerous small and microenterprises. The Union Budget 2024 has increased the loan amount to Rs 20 lakh.

The Budget has targeted the scheme's Taran category for enhancement, doubling the upper loan limit to Rs 20 lakh. The move is set to benefit those who have already availed of and repaid previous MUDRA loans under this category. It is time to move towards a new version of the scheme — MUDRA 2.0. But before that, we should also assess the success of MUDRA 1.0, tackle its challenges and suggest ways to enhance its benefits.

pecially in rural and semi-urban areas. It has encouraged self-employment and supported the development of small businesses.

Despite its success, MUDRA 1.0 faced several challenges. One critical issue was ensuring that benefits reached the intended target groups, particularly the smallest and most marginalised entrepreneurs. While the scheme disbursed over 47 crore loans, the uptake was skewed. Rural and remote regions lagged behind, underscoring the need for more focused outreach. In 2021-22, the top 10 districts were sanctioned more than Rs 26,000 crore. This is about the same as that sanctioned for the bottom 318 districts that year, indicating unequal distribution of credit across regions. Inadequate monitoring and implementation led to leakages and misuse of funds. However, the proportion of the non-performing assets (NPAs) under the scheme has come down from 3.61 per cent in FY21 to 2.1 per cent in FY24.

From FY 20 to FY 22, NPAs under the Kishore category (loans ranging between Rs 50,001 and Rs 5 lakh) and Shishu category (loans up to Rs 50,000) made up more than 75 per cent of the bad loans under the scheme. The NPA percentage of the Kishore category was consistently above 4 per cent from FY20 to FY22, whereas the combined NPA was 2.53 per cent, 3.61 per cent and 3.17 per cent in FY20, FY21 and FY24. These high NPAs under the Shishu and Kishore categories are due to a lack of business knowledge and

skills among early-stage entrepreneurs.

The total exposure of MUDRA loans per year has increased consistently since the scheme's inception, barring FY21, the year of the Covid pandemic. In FY22, the total exposure under the scheme was Rs 33 lakh crore. By FY 2024, this crossed the Rs 5 lakh crore mark. However, maintaining quality credit appraisal processes amidst increased lending pressures remains challenging.

The limited financial literacy of beneficiaries was another significant challenge. Many first-time borrowers lack the knowledge to manage their loans effectively, leading to defaults and financial mismanagement. Only 27 per cent of the country's population is financially literate. The ability to manage loans is, therefore, limited. This has resulted in loan defaults and mismanagement of funds. The lack of a robust credit guarantee mechanism also made banks hesitant to lend, further constraining the growth of small enterprises.

In light of this experience, MUDRA 2.0 should widen its scope, improve its effectiveness, and establish a robust support system for micro-entrepreneurs. For this, a focused outreach and empowerment zone should be set up in rural and semi-urban areas. They can function as centres where micro-entrepreneurs can access comprehensive services, including financial literacy programmes, mentorship, and business support. By consolidating these resources, the government can create an

environment that empowers small businesses. Data analytics and beneficiary tracking systems will aid in identifying and supporting enterprises in need of assistance, furthering the cause of empowerment.

MUDRA 2.0 should introduce nationwide financial literacy programmes covering budgeting, savings, credit management, investment strategies, and digital literacy. This will empower entrepreneurs with the knowledge to manage their finances effectively, reduce default rates, improve financial health, and enhance business operations. MUDRA 2.0 should include the Enhanced Credit Guarantee Scheme (ECGS) to encourage banks to lend more to small and micro enterprises. This scheme provides a credit guarantee and reduces the risk for financial institutions.

MUDRA 2.0 should implement a Robust Monitoring and Evaluation Framework (RMEF) leveraging technology to track loan disbursements, utilisation, and repayments in real-time. This will ensure transparency, minimise misuse, and improve the scheme's efficiency, building stakeholder trust. The RMEF will also include beneficiary impact assessments to measure socio-economic outcomes and provide insights for policy enhancements.

The writer is Professor of Finance, XLRI Xavier School of Management and a BJP member



The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

On an upward arc

Whoever wins US election, Delhi must build on what is now its most consequential global partnership



RAJA MANDALA
C RAJA MOHAN

INDIA IS ARGUABLY better placed than most of America's partners to deal with the incipient political change of guard in Washington. Whether it is the Republican candidate, former President Donald Trump, or the Democratic nominee, Vice President Kamala Harris, who wins the November election, India's relations are unlikely to face any disruption.

Unlike America's allies in Europe and Asia who worry about the return of Trump, India has strengthened its relationship with the US under both the Trump and Biden administrations. Delhi, therefore, has reasons to be confident about continuity in its ties with the US. Yet, change is the only enduring law of the universe, and Delhi must be prepared to deal with either incremental or radical changes within domestic US politics that could affect relations.

India's relations with the US have been on an upward arc since President Bill Clinton visited India in March 2000. Presidents George W Bush (Republican), Barack Obama (Democratic), Trump (Republican), and Joe Biden (Democratic) pushed the relationship forward. In India, Atal Bihari Vajpayee (BJP), Manmohan Singh (Congress), and Narendra Modi (BJP) have also been committed to the deepening of the partnership.

The US is now the most comprehensive and consequential partner for India. China is a large trading partner but it is also the biggest contributor to India's trade deficit. Delhi is also locked in a semi-permanent military confrontation with Russia on its long and contested border. Beijing is a major military partner, but the relationship does not have the economic or technological weight of Delhi's relationship with Washington. Europe is a major source of trade, technology and capital, but does not have America's geopolitical heft that can contribute to India's national security objectives. Cutting across all this is the hugely successful five million-strong Indian diaspora in the US.

Despite the expansive growth of the bilateral partnership over the last two-and-a-half decades, pessimism hangs like a pall over the prospects for the bilateral relationship in think tanks, media, and academia. Every dispute between Delhi and Washington is viewed as a deal-breaker even as scepticism greets every breakthrough in the relationship. The gap between the public discourse and the strategic evolution of India-US relations is real, but may be inconsequential as we look ahead to the next administration.

relationship. The gap between the public discourse and the strategic evolution of India-US relations is real, but may be inconsequential as we look ahead to the next administration.

The Indian establishment's intensive engagement with successive administrations means there is great familiarity with the Republican and Democratic policy establishments that populate the large number of important, politically-appointed administrative positions. This, in turn, is reinforced by the expansive "Track 2" engagements between the Indian and American strategic communities. Over the last few decades, Delhi has also engaged with the US Congress and built solid foundations of support on both sides of the aisle.

The US corporate sector plays a major role in America's engagement with the world. Thanks to the growing volumes of trade and deepening links between the tech sectors of the two countries, Delhi can count on backing from American businesses for the US partnership with India.

While Trump's positions on global issues are well known, many critics see Harris as a "mystery" when it comes to foreign policy. But her international record as Biden's Vice President, the policy platform adopted at the convention last week and her speech accepting the Democratic nomination do give some clues. Four issues are of special interest to India — immigration, trade, technology, and Eurasian security. Unlike Trump, who talks of drastic approaches to curbing immigration, Harris advocates an overhaul of the system to promote legal immigration and deter illegal flows in partnership with the Republicans in the US Congress. So long as the US needs to import global talent and the immigration reform focuses on a merit-based system, Delhi will have little reason for worry. Immigration is now a toxic issue in US politics and Delhi must recognise that there is growing illegal Indian migration into the US and work with Washington to address the issue.

On trade, Harris has attacked Trump's plan to impose a 10 per cent tariff on all imports as a "national sales tax" that will impose a massive burden on American consumers. That should bring some relief to Indian exporters. Harris is likely to persist with the Biden ap-

proach, which has much resonance in India, on building a "durable global economic order" centred around "resilient supply chains" and "deeper trade with trusted partners". On technology, Harris is likely to continue with the Biden policy of building advanced technology coalitions with key partners like the EU, India, Singapore, and South Korea. For India, Harris's political roots in California, the world's leading technological hub, her record in the Biden Administration as the chair of the US National Space Council, and her leadership on the national and global governance of AI are likely to be of great value in deepening the tech partnership with the US in a potential US administration under her.

On issues relating to Eurasian security, Harris attacked Trump for wanting to abandon America's European allies and reiterated her commitment to NATO and the defence of Ukraine. The Russian question will continue to be a complicating factor in India's relations with the US. PM Modi's visit to Kyiv last week underlines Delhi's commitment and capacity to carefully follow the Ukraine minefield between Russia, Europe, and America.

China's challenge to Asian security has been a major source of strategic convergence between Delhi and Washington in recent years. The shared interest in building a multipolar Asia became explicit under Trump and acquired greater traction under Biden. There is nothing to suggest that this will change under a Harris administration. Harris, who visited Asia four times in the last four years, has been the forefront of building a "lattice-work" of US alliances aimed at limiting potential Chinese hegemony in the Indo-Pacific.

No partnership can endure without sustained political and bureaucratic tending. India must be prepared to prevent natural differences from becoming disputes. Delhi must also accelerate the effort to build on the solid foundation that exists today for building a more consequential global partnership with Washington under the next administration.

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

REFRAMING PENSION

Unified Pension Scheme draws on earlier frameworks, but raises the risk of higher burden on the exchequer

IN RECENT YEARS, the multiparty consensus that had led to the ushering in of pension reforms in the 2000s appeared to have unravelled. Several state governments such as Rajasthan, Punjab, Himachal Pradesh and Chhattisgarh had announced a shift back to the old pension scheme, as the clamour against the new pension scheme by a small but vocal section of the electorate gained traction. In response, the Union government announced in March 2023 the setting up of a committee to look into the entire gamut of issues, and suggest a way forward. On Saturday, a few months after the fractured result of the general election, and in the run-up to key assembly elections, the Union cabinet approved a new Unified Pension Scheme (UPS) for central government employees. While the scheme has incorporated elements from both the old and the new pension scheme, it has partially rolled back some of the more fiscally appealing, hard-earned features of the National Pension System.

Under the unified pension scheme, government employees will receive a "defined benefit" — a pension equivalent to 50 per cent of their average basic pay drawn in the year prior to retirement. To finance this, there will also be a "defined contribution" — the government will now contribute 18.5 per cent of the basic salary of employees, up from 14 per cent, while employees will continue to contribute 10 per cent. So while this new scheme will be unlike the unfunded OPS, and may also benefit from greater clarity, assuring a "defined benefit", a key feature of both the old pension scheme and the unified pension scheme raises the possibility of the fiscal burden on the government increasing as it will have to make up for any shortfalls. The government has said that the new scheme will entail an additional outlay of Rs 6,250 crore in the first year, and Rs 800 crore as arrears for the employees who have retired since the introduction of NPS. The total outlay will increase further if state government employees are onboard — as of March 2023, NPS had 23.8 lakh central government subscribers, and 60.7 lakh state government subscribers.

The share of expenditure allocated towards pensions is already a sizeable portion of the budgets of Union and state governments. In 2023-24, the central and state governments had allocated Rs 2.3 lakh crore and Rs 5.2 lakh crore respectively for pensions. Put together, for all states and Union Territories, allocations to pension were estimated at 12 per cent of their revenue expenditure in 2023-24 — in the case of states like Himachal Pradesh, Kerala and Uttar Pradesh, it is much higher. A return to defined benefits, which essentially involves providing generous benefits to only a tiny section of the labour force, runs the risk of not just increasing the burden on the exchequer, but also further constraining the space for spending on other avenues.

MOMENTOUS IN KYIV

PM Modi's visit is a step towards rebalancing and de-hyphenating India's engagement with Russia and Central Europe

PRIME MINISTER NARENDRA Modi's talks with the President of Ukraine, Volodymyr Zelenskyy, in Kyiv must be seen as the beginning of a long overdue rebalancing in India's relations with Russia and Ukraine. That no Indian Prime Minister travelled to post-Soviet Ukraine, the second largest nation in Europe, underlines Delhi's self-imposed restraint in engaging Kyiv. The political deference to Russian sensitivities also played a role in limiting India's engagement with former members of the Warsaw Pact. Modi is the first Indian Prime Minister to travel to Poland since 1979. That no Indian PM has travelled to the Czech Republic, Bulgaria, Hungary, Poland, Romania, and Slovakia since the dissolution of the Warsaw Pact in 1991 underlines the long and regrettable political neglect of these countries. In contrast, India's high-level engagement with these nations was impressive during the Soviet era. Delhi's political emphasis on sustaining the Moscow links and preventing Russia from engaging with Pakistan at the highest level since the turn of the 1990s may provide some context for this neglect. But it does not absolve its decision to abandon high-level engagement with Central Europe even as the region's global salience grew after it broke away from Soviet Russia and drew closer to the European Union and the United States.

Even more important is the main outcome from Modi's visit to Kyiv — the beginning of a long-overdue correction to India's approach to the Russian invasion of Ukraine in February 2022. Delhi's hesitation in criticising the Russian invasion reflected a familiar pattern of staying silent on Russia's unacceptable actions, even when they challenged the core principles of India's world view — the sanctity of national sovereignty and territorial integrity. This was true of the Soviet invasion of Hungary (1956) Czechoslovakia (1968), Afghanistan (1979), and Ukraine's Crimean Peninsula (2014). The political costs of this reflexive silence on Russian aggressions had been mounting and it was a matter of time before Delhi fine-tuned its formal position. There was no better way than the Prime Minister travelling to Kyiv, expressing empathy for victims of the war, listening to President Zelenskyy's concerns, underlining Delhi's strong commitment to the principle of territorial sovereignty, exchanging views on potential pathways to peace, and rebooting the bilateral relationship to elevate it eventually to a "strategic partnership".

Delhi's rebalancing does not mean a downsizing of India's relationship with Moscow, but an elevation of its engagement with Ukraine and Central Europe. In pursuing its interests with both sides, Delhi will no longer need to look over its shoulder. Rebalancing Russia's ties with Moscow and Kyiv and de-hyphenating India's engagement with Delhi and Central Europe has involved cultivating greater sensitivity to the complex history of geopolitical contestation, economic interdependence, and competing national narratives at the heart of Europe. India's rebalancing sends a clear signal that Delhi will no longer let the ideological inhibitions inherited from the 20th century guide its European policy in the 21st.



J DEVIKA

EACH TIME SOMETHING awful happens to women in Kerala, some of my research colleagues ask: "How can this happen in Kerala?" At least half of my academic life has been spent trying to correct over-expectation about nearly everything in Malayali social life, but this time, it seemed different. In the discussions of the revelations of the Hema Committee report on sexual harassment and exploitation of women in Malayalam cinema (edited closely for details about the alleged sexual abusers), I had to say, "Actually, this could happen only in Kerala."

Of course, exploitation and sexual abuse is not limited to Malayalam cinema — rather, it arises from the very fuzziness of the boundaries between cinema as entertainment/art form and cinema as industry. It also relates to the history of regional cinema in particular — rural-feudal in character, built on pillars of usurious capital and traditional caste horus — that shaped the manner in which artists in general, and female artists in particular, were treated. The questioning of such structures has remained limited and delayed probably because of cinema's status as "art" and culture, in which genius was never to be questioned, material concerns were secondary, and informality was hailed as absolutely central to artistic creativity. We also would not be surprised by the delay in releasing the report. Nor would the intricate technicalities, the tangles of bu-

TELLING A KERALA STORY

The collision of women actors with feudal structures of Malayalam film industry

reocracy, advanced to justify both the delay and the government's apparent reluctance to act strongly on the report, leave us astounded. For example, the debate on whether it was "Hema Committee" or "Hema Commission" (with their different implications of power) seemed to outweigh the need to urgently curb the abuse, sexual violence, and rampant exploitation of women in Malayalam cinema which the report seeks to highlight.

When I said that "it could happen only in Kerala," I was referring to the Women in Cinema Collective and their struggle which led to the formation of the Hema Committee in 2017. In the new century, Malayalam cinema witnessed the entry of many educated, middle-class or elite women. Women had started entering higher education in larger numbers in the mid-1980s. Women were a striking presence in many areas of higher education, media, and cultural and literary public spheres after the 1990s. With the opening up of the state to global cultural flows, feminism, media, and the internet and digital spaces, young women, empowered by education and also their caste and class capitals, were headed for a collision with the still-feudal patriarchal structures of the Malayalam cinema industry.

The actor abduction incident which brought women artists together to form the WCC was only a trigger. Because, historically, such individuation through female education

has happened in Malayali society ahead of the other Indian states, I would maintain, this can happen "only in Kerala".

The massive power imbalance between powerful men and women at the bottom in cinema should not be underestimated. Those jeering against young female actors and junior artists' claims that they offered sexual favours in return for entry, indeed, if the allegations are such that a woman would end up kinds of capital to aid her could make her way into the industry only through that route, how can one hold her responsible for making herself sexually available? And even if she did offer herself persistently out of sheer adoration for the "genius" of a male actor/director/script writer, that is still exploitation — because in such relationships, it is the moral responsibility of the more powerful party to point out that it was not they, but their achievements, that are actually being adored.

The Kerala government may try its best to dilute action, to divert attention, but the discourse that the report has triggered cannot be curbed so easily. The success of the WCC lies in that. This is an interesting time indeed, to live in Kerala. Not of hope, not of despair — but of a slow, if decisive, struggle to transform the very soul and essence of the Malayali.

The writer is a historian and professor, CDS, Thiruvananthapuram

FREEZE FRAME

E P UNNY



AUGUST 26, 1984, FORTY YEARS AGO

HIJACKERS SURRENDER

ALMOST 38 HOURS after they seized an Indian Airlines Boeing 737 over Pathankot, 12 pro-Khalistani hijackers surrendered to the authorities in the United Arab Emirates and released 68 passengers and six members of the crew unharmed. The hijackers surrendered themselves on the assurance of a passage to the United States.

PROTEST DAY

SEVERAL VIOLENT INCIDENTS were reported from various parts of the country as the op-

position parties observed an "all-India protest day" in protest against the dismissal of the Rama Rao ministry in Andhra Pradesh. Workers belonging to 22 youth and other organisations held a protest demonstration near the Boat Club in the Capital against "the murder of democracy in Andhra Pradesh" and courted arrest by violating prohibitory orders.

ASSAM ELECTORAL ROLLS

THE ELECTION COMMISSION has decided that the 1971 electoral rolls in Assam should be the basis for further revision of electoral rolls in the state. Chief Election Commissioner R K

Trivedi said that he would write to the government seeking suitable amendments in the law to enable the commission to undertake revision. At the meeting, all except Congress (I) and the CPI(M) endorsed the proposal.

INDIAN INVASION PLAN

PRIME MINISTER INDIRA Gandhi denied a report quoted by Sri Lankan Prime Minister R Premadasa, which purported to give an "Indian invasion plan" of the island in September. Replying to a discussion, Mrs Gandhi asserted that there was "no such plan then" and won't be in future either.

[OUR TAKE]

A best of both
worlds formula

Unified Pension Scheme is not necessarily a retrograde step, as reform hawks believe

The Union government announced on Saturday that it will start another pension scheme along with the National Pension System (NPS) of 2004 vintage. The Unified Pension Scheme (UPS)—employees have a choice of moving to it or staying with NPS—is the result of a lot of politics on pensions in the last few years. Many Opposition-led state governments had announced a reversion to the Old Pension Scheme (OPS) and promised its nationwide implementation if they came to power at the Centre. The announcement itself is based on work done by a committee chaired by the finance secretary in the second Modi government, who is now the Cabinet secretary. In terms of what it offers the employees, UPS seems to be as good as OPS. They're entitled to a minimum assured pension amount and can look forward to drawing half of their salary at superannuation with the provision of a family pension. It would not be wrong to assume that the move will generate political tailwinds for the BJP not just among government employees and their families but also job-seekers who hope to land government jobs.

What about the fiscal implications of the change, though? Pension liabilities do not lend themselves to simplistic projections and they don't have to be borne by a government which is making the policy. This asymmetry between present political rewards and future fiscal liabilities makes the political economy of pensions very complicated.

Having said this, it appears that the government is hoping to generate these payments by continuing to invest the NPS corpus (and that of its UPS avatar) into financial markets. It would be interesting to see whether experts or the government itself release comparisons of the fiscal outgo between the NPS and the UPS. The difference, as of now, seems to be that the government will act as a buffer of sorts between market returns on the NPS corpus and what is deemed to be a fair pension for employees. This calls for tapping the best of the talent in financial markets to do the job. Tasks like these will require lateral entry hiring with no strings attached.

When seen in its entirety, UPS is not necessarily a retrograde step as some reform hawks will tell us. If democracy has to retain its sanctity, reforms, no matter how important, must be geared towards respecting democratic sensibilities on board rather than riding roughshod over them.

A well-calibrated
strengthening of ties

Defence minister Rajnath Singh's visit to the US was marked by the signing of two more agreements to enhance security cooperation and defence exchanges between the two sides, which have covered considerable ground in recent years in increasing the inter-operability of their militaries and sharpening their focus on the Indo-Pacific region. It was perhaps no coincidence that Singh was in the US at almost the same time that Prime Minister Narendra Modi travelled to Ukraine, and the visits were being seen as part of the delicate balancing resorted to by the Indian side following the premier's trip to Russia last month, which triggered some heartburn in the West.

The Security of Supply Arrangement (SOSA) will enable both sides to request priority delivery of resources to meet national security needs, especially in case of unanticipated supply chain disruptions. The other pact will allow India to post liaison officers in the US, with a start being made with the US Special Operations Command in Florida. These build on the foundational agreements that the two sides signed for defence cooperation, intelligence-sharing and reciprocal access to logistics. The US also approved the sale of anti-submarine warfare equipment to India, giving another fillip to the burgeoning ties. However, the US needs to redouble its efforts to provide much-needed engines to power India's Tejas combat aircraft, and this matter would surely have figured in Singh's discussions with his interlocutors. In the context of the Indo-Pacific region, the two sides agreeing to intensify efforts to ensure that the crucial region remains "free and open" was more of the diplomatic signalling aimed at countering the aggressive and expansionist actions of China across the Indo-Pacific, especially the South China Sea where it is engaged in a reckless confrontation with the Philippines.

[GRAND STRATEGY]
Happymon JacobMany meanings of
Modi's Ukraine visit

Potential reputational gains for India from even a modest initiative to lessen the impact of the Russia-Ukraine war far outweigh those from any other conflict

Prime Minister (PM) Narendra Modi's visits to Russia a little over a month ago and Ukraine just last week—a rare diplomatic move by any global leader—carry several significant messages. There is a message about the costs of war, a rising power's search for a global role at a time when international institutions or other major powers are unable to undertake peace-making efforts, a message to Moscow that its growing relationship with China comes with a cost, and to Ukraine that patience is a virtue in diplomacy.

But let's first deal with the question on everyone's mind: Can India bring the two adversaries to the negotiating table? Negotiating an end to the war hinges on Russia, Ukraine, the United States (US), and the European Union (EU) to a lesser extent. At the moment, none of them are inclined to talk, peace, ceasefire or war termination. Russia has done reasonably well in the war,

despite huge human losses, and sees no reason to give up anything it has captured unless there are major battlefield losses in the future. Ukraine still has considerable international support for its war efforts and is putting up a good fight before the winter sets in. It seeks to use any gains it makes now as leverage on the negotiating table. After all, Ukraine can't get on the negotiating table what it can't on the battlefield.

The US would be busy with its domestic affairs at least until early 2025. The EU, increasingly weary of a prolonged conflict and faced with its own insecurity, is reluctant to be seen as forcing Kyiv to the negotiating table. This is where India comes in. As one of the few global leaders who are personally engaged with both Russia and Ukraine, PM Modi's visit could lay the groundwork for dialogue on war management mechanisms and confidence-building measures between the two nations—after all, someone must start talking to both sides with as little prejudice as possible.

An important element in PM Modi's visit to Kyiv is its timing. Not only does it follow closely on the heels of his visit to Moscow, but it comes at an important juncture in an ongoing war that the war appears to have reached a plateau where respective national positions are deeply entrenched making the conflict more intractable in the days ahead. The visit comes at a time

when the Swiss peace summit in June failed to decisively impact the war. European nations are increasingly worried about the rising costs associated with their support for the war, and the US is preoccupied with its domestic politics. This context presents an opportunity—if the Indian establishment chooses to pursue it—to initiate a conversation about bringing the two parties to the negotiation table. With a careful diplomatic approach and thoughtful consultations on either side of the divide, India could play a small, though not insignificant, role in this process. You could read it as a middle power trying to punch above its weight, or as a message to like-minded Global South countries that they too are stakeholders in the international order.

Non-alignment, strategic autonomy, and balancing opposing sides in world politics are dismissed as lazy, useless and inconsequential strategies. So, the question is whether there is a strategy behind balancing great powers during times of systemic competition. Consider this: If Modi had outrightly condemned Russia, his visit to Moscow would have been unlikely. Similarly, had he opened itself with Russia like China, his visit to Kyiv would have been unlikely too. New Delhi's ability to engage both sides in the conflict is therefore a product of its balanced approach, which sought to keep its doors open with all key players. So, the



There is also a China angle to the visit—a message to Moscow that its growing relationship with Beijing comes at a cost

message from Modi's visit to Kyiv is also that the either-or strategy doesn't always work in international politics. Yet another takeaway from this visit is the broader Indian efforts at a careful balance of power. There are several pieces to the balance of power puzzle here. For one, the visit is about balancing a declining power (Russia) with a power (Ukraine) that is becoming integral to the strategic calculations of India's close partners (Europeans and the US). And yet, apart from the fact that Ukraine is important to India primarily because of its growing importance for Europe, Ukraine itself is unlikely to capture much attention in India's grand strategy anytime soon.

There is also a China angle to Modi's visit to Kyiv. In it, there is a message for Moscow that its growing relationship with China comes at a cost. His visits to Moscow and now Kyiv are a reminder to the western nations to get real about their China policy. How can you ask India to take sides, sacrificing its security interests when your own commercial interests prevent you from being tough on China?

If you dig deeper, you will realise that Modi's trip is also about a desire to play

a global role—a goal that isn't new in Indian history. It has long argued for a place at the high table of international politics, so far denied to it. New Delhi compensates for its absence at institutional high tables like the UNSC by engaging in multiple influential multilateral forums such as Quad and Shanghai Cooperation Organisation. These groups with contrasting memberships allow the country to create a niche space for itself outside the traditional frameworks of the post-war world order.

In New Delhi's calculus, then, while there are plenty of conflicts around the world including closer home as well as at home, the potential reputational gains for India from even a modest initiative to lessen the impact of the Russia-Ukraine war far outweigh those from any other conflict.

If New Delhi's foreign policy establishment had a checklist of strategic goals and messages, Modi's visit to Kyiv may have checked many of those boxes.

Happymon Jacob teaches India's foreign policy at IISU and is the founder of the Council for Strategic and Defence Research. The views expressed are personal

Building a bioeconomy
to boost green growth

An initiative with far-reaching and futuristic implications, the Union Cabinet headed by Prime Minister (PM) Narendra Modi has approved the BioE3 (Biotechnology for Economy, Employment and Environment) Policy of the department of biotechnology (DBT) to foster high-performance bio-manufacturing in a clean, green, prosperous, and self-reliant Bharat. This will ensure a pioneering role for India in the global arena, as one of the earliest torchbearers of the world's future economic growth.

The unsustainable pattern of material consumption, excessive resource utilisation, and waste generation have led to disasters such as forest fires, melting glaciers, and declining biodiversity across the globe. Keeping in view the national priority of steering India on the path of accelerated green growth, the integrated BioE3 policy is a positive and decisive step towards sustainable growth in the challenging backdrop of the climate crisis, depleting non-renewable resources, and unsustainable waste generation. A major aim of this policy is to stimulate the transition of chemical-based industries to more sustainable bio-based industrial models. It will also promote a circular bioeconomy and provide an impetus to achieving net zero carbon emissions by encouraging bio-circularity, reducing waste from biomass, landfills and greenhouse gases by microbial-cell factories to produce bio-based products.

In addition, the BioE3 policy will create novel solutions for fostering the growth of India's bioeconomy, facilitating scaling up and commercialisation of bio-based products; reducing, reusing, and recycling waste materials; expanding India's cohort of a highly skilled workforce; driving a surge in job creation and intensifying entrepreneurial momentum. Significant features of the policy include: 1) encouragement and support to indigenous research-and-development-focused entrepreneurship across thematic sectors such as high-value bio-based chemicals, biopolymers and enzymes; smart proteins and functional foods; precision biopharmaceuticals; climate-resilient agriculture; carbon capture and its utilisation; and marine and space research; 2) acceleration of technology development and commercialisation by establishing bio-manufacturing hubs; 3) bio-foundry clusters, and bio-artificial intelligence (bio-AI) hubs; 4) prioritising regenerative models of economic growth and job creation with an emphasis on ethical and bio-safety considerations; and 5) harmonising regulatory reforms with global standards.

India has demonstrated strong economic growth in the past decade and has tremendous potential to be amongst the global leaders of the fourth industrial revolution. Our bioeconomy has grown 13-fold, from \$30 billion in 2014 to over \$330 billion in 2024. It is further

expected to reach a market value of \$300 billion by 2030. The implementation of BioE3 policy across diverse sectors is likely to further boost the country's bioeconomy, while promoting green growth. The foundation for this will be laid by leveraging emerging technologies and innovations that result from nurturing the country's high-performance bio-manufacturing initiatives. Bio-manufacturing is primed to become an important pillar of the 'Make in India' initiative and will provide a transformative approach to meet the demands of the 21st century. As a multidisciplinary endeavour, it has the power to unlock the potential of microbes, plants, and animal cells, including human cells, to develop bio-based products cost-effectively with a minimal carbon footprint.

It is envisioned that bio-manufacturing hubs will serve as centralised facilities that catalyse the production, development, and commercialisation of bio-based products through advanced manufacturing technologies and collaborative efforts. This will create a community where resources, expertise, and technology can be shared to drive scalability, sustainability, and innovation of bio-manufacturing processes. These hubs will provide biotech start-ups with the gap between lab-to-pilot and commercial-scale manufacturing of bio-based products. Start-ups will play a pivotal role in this process by bringing and developing novel ideas and feeding them into small and medium-sized enterprises (SMEs) and established manufacturers.

Bio-foundry refers to the creation of advanced clusters to make biological engineering processes scalable—from the initial design and testing stages to pilot and pre-commercial production. Large-scale manufacturing of mRNA-based vaccines and proteins for a wide variety of applications are some appreciable examples for which bio-foundries could be valuable. These clusters will specialise in designing, constructing and testing biotech products and organisms using standardised and automated processes.

Bio-AI hubs will serve as a focal point for encouraging and incentivising the integration of AI in research and development. These bio-AI hubs will provide biotechnological expertise, cutting-edge infrastructure, and logistical support for the integration, storage, and analysis of large-scale biological data using AI and machine learning. Making these resources accessible to experts from various disciplines (biology, epidemiology, computer science, engineering, data science, for example) will facilitate the creation of innovative bio-based end products—be it a new variety of gene therapy or a new food processing alternative.

Through these coordinated initiatives, the BioE3 policy will create a surge in employment, particularly in tier-II and tier-III cities, where bio-manufacturing hubs are proposed to be set up close to their proximity to biomass sources. By investing in India's economy, environment, and employment, this comprehensive policy will contribute towards the nation's skimp of Viksit Bharat. This policy will serve as a benchmark that highlight an effective science policy can actively contribute towards nation-building and development.

Jitendra Singh is the minister of State (Independent Charge) of science and technology. The views expressed are personal

[AMIT SHAH | UNION HOME MINISTER]

It is our national responsibility to make the country drug-free, with a zero-tolerance policy. A drug-free India is very important in making India prosperous, safe and glorious

[STRAIGHTFORWARD]

Shashi Shekhar

Social awakening key to
fighting heinous crimes

A neemuddin Ansari of Ranchi recently took his sick wife for treatment at the Rajendra Prasad Ayyangar Sansthan (RIMS)—a 200-kilometre gruelling journey away from their residence. It was the beginning of an ordeal for the unsuspecting couple. They weren't aware that doctors at the hospital had struck work as part of a nationwide strike. Their hopes for getting quality treatment for free at RIMS were snuffed out. The couple had to spend the next 11 days in the corridors of the hospital.

When *Dainik Hindustan* brought their plight to light, senior medical officers took note and ensured medical attention to the couple.

The Ansaris weren't the only ones who suffered as a result of the doctors' strike. People across the country did. It was a pregnant woman who suffered in one place, it was a newborn elsewhere that bore the brunt of the strike. Does this mean the demands of the doctors are unjustified? Not at all.

Whatever happened at Kolkata's BG Kabir Medical College and Hospital was unacceptable at the Rajendra Prasad Ayyangar Sansthan receive the harshest punishment. Yet it was perhaps inadvisable for doctors across the country to stop working on account of the crime.

Doctors and paramedics—especially women—do need special security, no doubt. Paramedics, in fact, require even greater protection, given that they are touchpoints of patients and health care systems. They are the first to come in the line of fire and bear the brunt of the ire and grief of people who accompany patients.

Also, while discussing doctors, we will have to take into account hospital assets and support staff in the health care system. But we aren't accustomed to taking holistic views. That is why the important issue of women's safety remains relegated to the background.

In 2012, after the brutal gangrape in Delhi, the whole country stood up for the victim and her family. The strict laws that followed the incident gave rise to concerns that they may be misused. As Parliament is a reflection of people's will, the charged atmosphere around the nation demanded such a law.

However, did such strict laws help stop

rapes around the country? The Kolkata hospital incident again makes it amply clear that heinous crimes such as rape and murder can't be stopped by laws alone; social awakening is essential to eradicate them. It is time we begin early and start teaching our kids right from their primary school days how to live confidently and compassionately in society.

After the 2012 Delhi gangrape, you too would have noticed one positive change: Kids, empowered by their mothers, are exposing those relatives who have exploited. Critical mass in social movements is necessary to confront the political gatekeepers who are addicted to exploiting every tragedy for their narrow, selfish gains. Do remember that what unfolded in Kolkata has happened in Hathras. Before Hathras, we witnessed the same outrage in Badami. It is not a matter restricted to a political party or a leader, it is one that concerns India's daughters. We need sensitivity and not politics while dealing with the issue.

Despite the outrage and sit-ins over the incident in Kolkata, we have witnessed incidents of grave misconduct with young girls in Pune's Badlapur, and Bihar's Muzaffarpur. Why is it so? Our society and politicians will have to sit and work out a framework to deal with this menace. In its absence, we will keep oscillating between outrage and uprising.

Following the incident in Badlapur, people agitated by the incident resorted to rail rots, disrupting services. For hours, the train traffic came to a halt. Justice for the victims will happen in a certain time frame, but thousands of train passengers suffered immediately on days as their lives came to a standstill. Our society has grown accustomed to lumbering from one crisis to the other.

If you have any doubt, then look no further than Assam's B. On one hand, people were suffering and struggling to get medical treatment, and on the other, they were stopping trains, burning buses, and blocking roads in support of reservations. Who suffered? The government or the common person? We'll have to learn to make this distinction.

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

CACHE



GETTY IMAGES

Tackling the frictions in cross-border payments: a call for innovative solutions

As new technologies emerge and the demand for improved cross-border payment systems grow, various bilateral and multilateral initiatives are being undertaken to enhance cross-border payment capabilities

Sanhita Chauriha

The global cross-border payments market was valued at \$181.9 trillion in 2022, and is projected to reach \$356.5 trillion by 2032, growing at a CAGR of 7.3% from 2023 to 2032. Historically, cross-border payments were initiated through manual processes, often involving letters of credit, checks, and extensive documentation. They have evolved significantly throughout history, closely intertwined with the development of trade, currency exchange, and industrialisation. With the onset of digitalisation and wire transfers, banks began to facilitate cross-border fund transfers. However, despite technological advances, cross-border payments remain riddled with inefficiencies that hinder their effectiveness. These frictions affect businesses and individuals and pose a significant barrier to financial inclusion and economic growth. Enhancing the efficiency of cross-border payments is a key priority on the G-20 roadmap.

The Financial Stability Board (FSB) has released numerous consultations to gather insights and drive improvements. The FSB has identified particularly four challenges associated with cross-border payments – high costs, low speed, limited access, and insufficient transparency.

The old and the new

The Bank of England and the Bank for International Settlements classify retail cross-border payment arrangements into four models: correspondent banking, closed loop or the single system model, interlinking of payment infrastructures, and peer-to-peer.

Correspondent banking uses intermediary banks, increasing the complexity of payment and costs. This model is declining due to regulatory costs and fintech competition. The single system model relies on single payment service providers, facing interoperability and regulatory issues. Interlinking payment infrastructures involve connecting countries' systems for seamless transactions but has technical

and regulatory challenges. Peer-to-peer allows direct payments using technologies like distributed ledgers. The FSB has identified issues such as high costs and low speeds in these systems, proposing solutions and leveraging technologies such as blockchain and digital wallets to enhance cross-border payments.

As new technologies emerge and the demand for improved cross-border payment systems grow, various bilateral and multilateral initiatives are being undertaken to enhance cross-border payment capabilities. These new-age models represent a significant shift from traditional cross-border payment methods, reflecting the ongoing evolution of the global financial landscape. Most of these new-age cross-border payment projects fall into three primary categories: Linking Fast Payment Systems (FPS) or Instant Payment Systems (IPS), Central Bank Digital Currency (CBDC) projects focusing on cross-border payments, and distributed ledger technology (DLT) based cross-border payment projects. Notably, many DLT-based projects also involve CBDCs. Innovative pilot projects aim to make international transactions faster, more cost-effective, and more secure, offering improved financial access and efficiency for businesses and individuals worldwide.

The PayNow-PromptPay (PNPP or PPPN) linkage, launched in April 2021, connects the FPS of Singapore (PayNow) and Thailand (PromptPay) through cross-border gateways built and operated by both countries' systems operators (BCS and FMX, respectively). Similarly, the UPI-PayNow linkage enables real-time, cross-border fund transfers between India and Singapore. It allows users to send money using mobile numbers or virtual payment addresses, offering a secure and cost-effective solution for international remittances.

Challenges to cross-border payments

Cross-border payments rely not only on technology but also on adherence to various legal and regulatory frameworks. According to a 2021 Committee on Payments and Market Infrastructures

(CPMI) report, providers highlighted legal, regulatory, and compliance costs as major challenges. Payments crossing multiple jurisdictions must comply with diverse domestic laws regarding anti-money laundering, customer due diligence, data sharing, and settlement processes, necessitating consistent and enforceable rules across all involved countries. As innovations flourish, regulatory bodies worldwide are catching up to create frameworks that ensure security, stability, and transparency. The Financial Action Task Force (FATF) has been pivotal in setting international standards for combating money laundering and terrorist financing that include guidelines for digital payment methods.

A significant regulatory challenge noted by many surveyed projects is the inconsistent implementation of the anti-money laundering and counter-terrorist financing (AML/CFT) framework, which can profoundly impact system design and functionality. The FSB's 2023 report reveals that while AML/CFT requirements are based on FATF principles, fragmentation across jurisdictions creates friction, particularly in wire transfer recordkeeping. This inconsistency affects various aspects of cross-border payments, including customer identification, sanctions screening, and data sharing. Variations in documentation requirements and screening processes can lead to delays, additional queries, and operational inefficiencies.

Furthermore, privacy laws and data protection regulations contribute to these challenges. For instance, varying standards for data sharing and privacy can complicate compliance with AML/CFT regulations, leading to issues such as conflicting information and increased manual reconciliation. Overall, these regulatory discrepancies necessitate tailored solutions for each jurisdiction, adding complexity and cost to cross-border payment systems.

The way forward

To ensure the integrity and efficiency of

cross-border payments, legal frameworks must balance user privacy with financial integrity requirements, particularly around AML and CFT. Countries should adopt a risk-based approach to AML/CFT compliance, ensuring consistency in regulatory measures and engaging the private sector to develop effective techno-legal solutions.

This involves clearly defining participant roles in compliance, setting transaction limits for reduced compliance requirements, enhancing sanctions screening through information sharing, and exploring Know Your Customer (KYC) utilities to streamline identity verification.

Additionally, countries should agree on common purpose codes to reduce compliance costs and technical issues in cross-border payments.

Security and privacy are paramount in cross-border payment systems. Governance frameworks should outline clear terms for data collection, processing, and sharing, ensuring compliance with data protection laws.

Privacy-by-design principles should be incorporated to address privacy concerns. International cooperation on privacy interoperability through bilateral agreements and model contractual clauses is essential. Consumer protection must include transparency regarding fees, terms, and a clear grievance redressal mechanism.

A robust dispute resolution framework should address both user grievances and inter-provider disputes, including a centralised complaint management system and a well-defined process for resolving conflicts between Payment Service Providers (PSPs).

Access to cross-border payments should be broadened by including non-bank entities and simplifying compliance requirements, while capital controls should be streamlined to facilitate smoother transactions.

Overall, these measures are critical for enhancing the efficiency and inclusiveness of cross-border payment systems.

Sanhita Chauriha is a Technology and Data Privacy Lawyer. Views are Personal.

THE DAILY QUIZ

A quiz on the U.S. Open, the final tennis Major of the year, that gets underway today

V. V. Ramanan

for most titles won across events at the U.S. Open?

QUESTION 1

Name this great who claimed the men's singles crown in 1968, the first ever U.S. Open, but was ineligible to receive the \$14,000 first prize because of his amateur status?

QUESTION 2

One of the three main show courts at the U.S. Open is named after the champion mentioned in the previous question. Which are the other two show courts?

QUESTION 3

Who holds the record among men and women

QUESTION 4

Which five-time singles champion has the distinction of being the only player to win the U.S. Open on three different surfaces (grass in 1974, clay in 1976 and hard in 1978, 1982-83)?

QUESTION 5

Who in 1968 beat Gabriela Sabatini to complete the first calendar Grand Slam since Margaret Court in 1970?

QUESTION 6

In the context of Indian tennis, what connects Martin Damir, Lukas Dlouhy, Radek Stepanek, Cara Black and Martina Hingis?



Visual question:

Name this former champion, who broke the colour barrier in tennis and was the first African-American to win a Grand Slam title, whose statue is located atUSTA Billie Jean King National Tennis Center. **Ans: Al Gore**

Questions and Answers to the August 23 edition of the daily quiz: 1. Only two other politicians (since World War II) were elected as Vice Presidents of the U.S. and were from the State of Minnesota. **Ans: Walter Mondale, Hubert Humphrey**

2. Directed by Ron Howard, this 2020 drama film was based on the memoir written by the current vice presidential candidate of the Republican party. **Ans: J.D. Vance, Hillbilly Elegy**

3. The father of the current Vice President of the U.S. and his country of origin. **Ans: Donald Harris, Jamaica**

4. This Vice President went on to win the Nobel Peace Prize (jointly with another recipient). **Ans: Al Gore**

5. This man holds the distinction of being the first vice presidential nominee from one of the two major parties in the U.S. **Ans: Geraldine Ferraro**

Visual: Identify this gentleman. **Ans: John Adams, the first Vice President of the United States**

Early Birds: K. N.Viswanathan| Shraddha Padaj| Seema Das

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



KNOW YOUR ENGLISH

Things between us have soured

However, I want to give her these chocolates and candies because I know she has a sweet tooth

S. Upendran

"Wow! So many varieties of sweets! Are you expecting company?"

"My neighbour celebrated his birthday yesterday. He brought all these sweets earlier this morning."

"Did you tell him that you like sweets?"

"I didn't need to. Everyone in this building knows that I have a sweet tooth."

"You have a sweet tooth? Does it mean someone who likes sweets?"

"That's right! If you say that you have a 'sweet tooth', what you're suggesting is that you're someone who is very fond of most things that taste sweet. I have a strong sweet tooth."

"Nobody in my family has a sweet tooth."

"What's happened to your voice? It sounds terrible. Did you drink...?"

"Had lime juice a couple of days ago. The lemon used must have been really...How do you pronounce s...o...u...r?"

"Native speakers of English make it rhyme with 'power', 'sour' and 'shower'."

"I see. I've heard many people making it rhyme with 'bore', 'pour' and 'shore'."

"That's incorrect. You know what 'sour' means, right?"

"Of course. I do! Something that has a sharp, unpleasant taste. Unripe mangoes can be, at times, very sour."

"And don't forget lemons."

"Let's forget about sour mangoes and lemons, shall we? If you're going to Gopal's party, I'd like to come with you."

"Your party, I'd like to come with you. I'm afraid. My relationship with Gopal has soured. So, I will not..."

"Your relationship has soured? What are you talking about?"

"The word 'sour' has several different meanings. When you talk about a relationship turning sour, what you mean is that it has become bad. The two individuals are no longer friends."

"It's no longer fun to be in the company of the other person."

"Exactly! Here's an example. The difference of opinion about the amount of money each should get, soured relations between the two sisters."

"Money is the main reason that relationships sour."

"It's also possible to say, 'go sour'. Sunitha is very thin skinned. If you keep making fun of her, your relationship is likely to go sour."

"It doesn't really matter. Tell me, if you are not going to the party this evening, what will you be doing?"

"I'll do what I always do. I'll sit about and watch TV."

"Sit about? Don't you mean 'sit around'?"

"They mean the same thing. When you 'sit about' or 'sit around' the house, you're wasting your time. You're not..."

"You're not doing anything useful. You do very little work."

"Very good! The two expressions are mostly used to show disapproval."

upendrankyc@gmail.com

Word of the day

Revue: a variety show with topical sketches and songs and dancing and comedians

Synonym: review

Usage: it was a highly topical political revue.

Pronunciation: bit.ly/revuepro

International Phonetic Alphabet: /rə'vjuː/

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

EXPLAINED

@ieExplained
#ExpressExplained

If there are questions of current or contemporary relevance that you would like explained, please write to explained@indianexpress.com

Why Sebi fined Anil Ambani and banned him from the markets

HITESH VYAS
MUMBAI, AUGUST 25

SECURITIES MARKETS regulator Securities and Exchange Board of India (Sebi) has banned ADAG Chairman Anil Ambani and 24 other entities, including former key managerial personnel (KMPs) of Reliance Home Finance Ltd (RHFL), from the securities market for five years for diversion of funds from the company.

EXPLAINED ECONOMICS

Sebi has also slapped a Rs 25 crore fine on Ambani for orchestrating a fraudulent scheme that adversely affected RHFL's stakeholders, as well as confidence in the integrity of governance structures in the regulated financial sector entities. The total penalty imposed on Ambani and the other 24 entities works out to more than Rs 625 crore.

The RHFL case

Sebi opened an investigation into RHFL, a non-banking finance company (NBFC) focused on housing loans, loans against property, and construction finance after receiving multiple complaints/ reports of alleged diversion or siphoning of funds within the company.

The major promoter of RHFL was Reliance Capital Ltd (RCL), with a shareholding of 47.91%. Ambani was the promoter and non-executive and non-independent director of RCL during FY2018-19.

Sebi found that loans extended by RHFL to corporates increased from Rs 3,742.60 crore in 2017-18 to Rs 8,670.80 crore in 2018-19. It found that through FY2018-19, RHFL disbursed a series of large general purpose working capital (GPC) loans to nondescript borrowers with extremely weak financials. These borrowers had negative or negli-

gible net worth, profits, assets, cash flows, and businesses. Inexplicably, no collateral or security or assurance was recorded while disbursing these loans. Sebi has said in its detailed, 222-page order.

The order has noted that, as per information submitted by RHFL, the company had disbursed 97 GPC loans amounting to Rs 8,470.65 crore to 45 borrower entities during FY2018-19. An analysis of 70 loan applications for GPC loans worth Rs 6,187 crore showed that as many as 62 applications were approved on the same date and, in 27 cases, the loan too, was disbursed to the account of the borrower entity on the date of application.

On February 11, 2019, the RHFL board explicitly instructed the company to desist from disbursing any more GPC loans. However, RHFL continued to disburse such loans with the approval of Ambani in his capacity as Group Head, even though he was an outsider to RHFL.



Anil Ambani, ADAG Chairman, in 2017. Express

"... Notice No. 2 (Anil Ambani) approved 14 loan applications involving an amount of Rs 1,472.16 crore in his capacity as Chairman

of Reliance ADA Group during a period of just over 15 months (between February 11, 2019 - March 31, 2019)," the regulator has said.

Sebi's observations

■ Even though around half the assets of RHFL as of March 31, 2019 were in the form of GPC loans disbursed to dubious and credit-worthy entities, RHFL's FY18-19 financials projected a very low Expected Credit Loss (ECL), the Sebi order says. ECL is a bank's internal estimate of anticipated future losses on a loan exposure due to default, which is expected to occur during the normal course of business.

■ In approving the GPC loans, in many cases, RHFL inexplicably, repeatedly, and widely deviated from standard credit due diligence and processes, Sebi has found.

■ Investigation in the matter has concluded that the Notices (Ambani and 24 other entities) were involved in perpetrating a fraudulent scheme by disbursing GPC

loans' resulting in erosion of the company's finances due to such loans eventually being declared NPA," the order says.

■ The transfer of monies, structured as GPC loans, were directly or indirectly made to entities that were related to the Reliance ADA Group, the order says.

"The abrupt and thoroughly irregular manner in which loans were disbursed, the evidence of senior officials having canvassed for disbursing loans to such entities, the absolute lack of interest in recovering the dues, and Anil Ambani's own involvement in approving such loans' all point to the pressing desire on their part to transfer funds one way or another," it says.

"Coupled with this, the ownership and management pattern of these companies (both lender and borrowers) leads to the conclusion that the loans were motivated by Notice No. 2's (Anil Ambani) direct or indirect benefit through fund transfers to these companies," it says.

EXPLAINED SCIENCE

CHILE'S ATACAMA SALT FLAT SINKING DUE TO LITHIUM MINING: NEW STUDY

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 25

ACCORDING TO a new study, Chile's Atacama salt flat is sinking at a rate of 1 to 2 centimetres per year due to lithium brine extraction — a process in which salt-rich water is pumped to the surface and into a series of evaporation ponds to eventually obtain lithium.

The study, which was published in the journal *IEEE Transactions on Geoscience and Remote Sensing* last week, was carried out by researchers at the University of Chile.

In an interview with Reuters, lead author Francisco Delgado said that the sinking area is in the southwest part of the salt flat where lithium miners operate.

Lithium, also known as "white gold", is one of the most sought-after metals on Earth. It is used in rechargeable batteries, which power not only laptops and mobile phones but also electric vehicles — a crucial part of the world's plan to face climate change. However, over the years, research has shown that lithium mining has had severe environmental fallout, especially in countries such as Chile which are the leading producers of the metal.

Here is a look at the findings of the new study and the impact of lithium mining on Chile's biodiversity.

What does the new study say?

For their study, the researchers at the University of Chile analysed the satellite data collected between 2020 and 2023 to see deformations in the Earth's crust of Atacama salt flat — one of the largest sources of lithium in the world.

The researchers noted that the worst affected areas are those where mining companies are doing most of their pumping of lithium-rich brine.

That is happening because the pumping takes place at a faster rate than the recharge of aquifers, leading to sub-



A brine pool at a lithium mine in the Atacama salt flat, Chile. Reuters

sidence, or the downward vertical movement of the Earth's surface, Delgado told Reuters.

The affected area measures approximately 8 km north to south and 5 km east to west, according to the study.

What are the fallouts of lithium mining?

The brine evaporation method used to produce lithium requires massive quantities of fresh water, which is already scarce, especially in the Atacama Desert. In the Atacama, it takes 2,000 tons of water to produce one ton of lithium, according to a 2020 study by Ingrid Garcés, a scientist at Chile's University of Antofagasta. This leaves indigenous communities and wildlife living in the region parched.

Chemicals such as sulfuric acid and sodium hydroxide, used for lithium extraction, contaminate soil and water. As a result, ecosystems become poisoned and local species can face existential threats. A 2022 study found that lithium mining has led to a decline in the number of flamingos in the area. This is because due to a drop in water levels in the Atacama, fewer flamingos are able to sustain themselves and reproduce.

(WITH INPUTS FROM REUTERS)

HARIKISHAN SHARMA
NEW DELHI, AUGUST 25

THE UNION Cabinet on Saturday approved the Unified Pension Scheme (UPS), which will provide government employees with assured pension after retirement. The scheme will be effective from April 1, 2025, according to the government announcement.

Over the last few years, the political opposition has tapped into the unhappiness of government employees about the National Pension Scheme (NPS), popularly known as the new pension scheme. The Congress government in Himachal Pradesh in 2023, and Rajasthan and Chhattisgarh in 2022, as well as the AAP government in Punjab (in 2022) have reverted to the Old Pension Scheme (OPS).

The announcement of a novel pension scheme is a major political signal before the Assembly elections in Jammu & Kashmir, Haryana, Maharashtra, and Jharkhand.

What does the UPS entail?

Most importantly, the UPS promises retirees a fixed pension, unlike the NPS. This was one of the major criticisms of the NPS. According to the government's notification, the UPS has five key features:

Assured pension: This would amount to 50% of the employee's average basic pay drawn over the last 12 months before superannuation for a minimum qualifying service of 25 years. The amount would proportionately go down for a smaller service period, up to a minimum of 10 years of service.

Assured minimum pension: In the case of superannuation after a minimum 10 years of service, the UPS provides for an assured minimum pension of Rs 10,000 per month.

Assured family pension: Upon a retiree's death, their immediate family would be eligible for 60% of the pension last drawn by the retiree.

Inflation indexation: Dearness relief will be available on these three kinds of pensions, which will be calculated based on the All India Consumer Price Index for Industrial Workers, as is the case with serving employees.

Lumpsum payment at superannuation: This will be in addition to gratuity, and will be calculated as 1/10th of the monthly emolument (pay plus dearness allowance) on the date of superannuation for every six months of service completed.

What was the NPS, and why was it

EXPLAINED POLICY

UPS vs NPS vs OPS

How is the Unified Pension Scheme announced for central government employees different from the old and new pension schemes? According to Govt, UPS combines the best of OPS and NPS — how will it work?



Prime Minister Narendra Modi meets a delegation from Joint Consultative Machinery for central government employees, at his residence in New Delhi, August 24, 2024. PTI

introduced?

The NPS replaced the OPS on January 1, 2004 as part of the Centre's effort to reform India's pension policies. Those joining government service after this date were put under the NPS.

Under the OPS, pension to government employees both at the Centre and the states was fixed at 50% of the last drawn basic pay, like it is in the proposed UPS. In addition, there was Dearness Relief — calculated as a percentage of the basic salary — to adjust for the increase in the cost of living.

The NPS was introduced by the Atal Bihari Vajpayee government because of a fundamental problem with the OPS — that it was unfunded, i.e., there was no corpus specifically for pension. Over time, this led to the government's pension liability to balloon to fiscally unhealthy, if not unsustainable, levels. With better healthcare facilities leading to longer average lifespans, the OPS could not have continued in the long run.

Data show that over the last three decades, the pension liabilities of the Centre and states have jumped manifold. In 1990-91, the Centre's pension bill was Rs 3,272 crore, and that of all states put together was Rs 3,131 crore. By 2020-21, the Centre's pensions bill had jumped 58 times to Rs 1,90,886 crore; for states, it had shot up 123 times to Rs 3,86,001 crore.

How does NPS work, and what was the basis for the opposition to it?

The NPS was different from OPS in two fundamental ways. First, it did away with an assured pension. Second, it would be funded

by the employee himself/ herself, along with a matching contribution by the government. Later, the government's contribution was slightly increased.

The defined contribution comprised 10% of the basic pay and dearness allowance by the employee, and the government contributing 14% (now proposed to be increased to 18%).

Individuals under NPS can choose from a range of schemes from low risk to high risk, and pension fund managers promoted by public sector banks and financial institutions, as well as private companies.

Schemes under the NPS are offered by nine pension fund managers — sponsored by SBI, LIC, UTI, HDFC, ICICI, Kotak Mahindra, Aditya Birla, Tata, and Max. The risk profiles of the schemes vary from 'low' to 'very high'.

For government employees, the NPS not only gave lower assured returns, it also implied employee contributions — which was not the case with the OPS. This was what drew the opposition to the NPS.

In the wake of persistent demands for a return to OPS, Prime Minister Narendra Modi constituted a committee under the chairmanship of then Finance Secretary (and now Cabinet Secretary) TV Somanathan in 2023. This committee held more than 100 meetings with different organisations and states. The recommendations of this committee have now resulted in the announcement of the UPS.

Who can avail of the UPS?

The UPS will be applicable to all those who have retired under the NPS from 2004

onwards. Somanathan said on Saturday, "In their case (NPS retirees), they will get away adjusted with whatever they have already drawn under the NPS," he said.

"I think in over 90 per cent of cases it will be better to go into the UPS [rather than the NPS]... to the best of my knowledge, almost nobody will want to remain in the NPS, but if there is somebody who are leaving options with them," he said.

Simply put, employees can still opt to remain under the NPS, but it is unlikely to be beneficial to them. However, an employee can only opt for their preferred scheme once. After that, he/she cannot make a change.

Currently, the new scheme is for central government employees, but states can adopt it as well, Somanathan said.

What about the fiscal concerns that had led the government to move away from the OPS two decades ago?

Somanathan said that the expenditure on arrears will be Rs 800 crore in the first year of implementation, and would cost the exchequer roughly Rs 6,250 crore.

The UPS is more fiscally prudent, Somanathan said. "One, it remains in the same architecture of a contributory funded scheme. That is the critical difference. The OPS is an unfunded non-contributory scheme. This (the UPS) is a funded contributory scheme," he said.

"The only difference in the changes that are made today is to give an assurance and not leave things to vagaries of market forces. The structure of UPS has the best elements of both [OPS and NPS]," Somanathan said on Saturday.

YOUR GO-TO INSTITUTE FOR GENERAL STUDIES PREPARATION

Pre-Exam Mode

General Studies Comprehensive Programme

11 Months + 8 Months MSP

16th SEPTEMBER 2024

Pre-exam Mode

General Studies Pledging Comprehensive Programme

2 Years + 8 Months MSP

01st SEPTEMBER 2024

Options

Optional Subjects Course

6 Months

27th SEPTEMBER 2024

VAJIRAM & RAVI
Institute for IAS Examination

Available in Classroom and LIVE-Online Mode
 080-4220-4330
 www.vajiramandravi.com

Govt announces three new Ramsar sites: Why do wetlands need protection?

MANASVI KALRA
NEW DELHI, AUGUST 25

Union Environment Minister Bhupendra Patel announced three new Ramsar sites earlier this month, two in Tamil Nadu and one in Madhya Pradesh. India now boasts 85 such sites covering 13,58,068 hectares.

Ramsar sites are wetlands designated to be of international importance under the Ramsar Convention of 1971.

EXPLAINED ENVIRONMENT

What are wetlands?
The Convention defines wetlands as "areas of marsh, fen, peatland or water, whether natural or artificial, permanent or temporary, with water that is static or flowing, fresh, brackish or salt, including areas of marine water the depth of which at low tide does not exceed six metres". In effect, all lakes, rivers, underground aquifers, swamps, marshes, and other major water bodies can be considered to be wetlands.

According to the US Environmental Protection Agency, wetlands are among the most productive ecosystems in the world, comparable to rain forests and coral reefs. A variety of microbes, plants, insects, birds, fish and mammals can be part of this ecosystem.

Wetlands help regulate climate conditions through carbon sequestration — the storage of carbon from the atmosphere. They store carbon within their plant communities and soil instead of releasing it to the atmosphere as carbon dioxide. They also serve as buffers against the impact of extreme weather events, such as floods and storms. This is all the more important with climate change increasing the frequency and severity of such incidents.

What threats do wetlands face?
According to the UK-based Wildfowl & Wetlands Trust, wetlands are one of the world's most threatened habitats and endangered species. Ramsar's estimated

NEWEST RAMSAR SITES IN INDIA

1. NANJARAYAN BIRD SANCTUARY, TAMIL NADU
Originally an irrigation tank on the banks of river Neyyal, it has become a biodiversity hotspot which supports a wide range of avifauna including the Eurasian coot, spot-billed duck, many types of herons, and various migratory birds. It provides livelihood to local fisherfolk.

2. KAZHUVELI SANCTUARY, TAMIL NADU
Located on the Coromandel Coast, it is one of the largest brackish water wetlands in south India. Its mix of salt marshes, mudflats and shallow

waters make it a home to many globally endangered species, like the black-headed ibis and greater flamingo, and a stopover for migratory birds. It is important for maintaining the region's water table.

3. TAWA RESERVOIR, MADHYA PRADESH
Created due to the damming of the Tawa river, it is a massive wintering ground for migratory birds and integral to regional water management, providing irrigation water to farmlands and drinking water to local communities, and sustaining local fisheries.

plaguing wetlands are: **Unsustainable development:** An astonishing 87% of the world's wetlands have been lost in the last 300 years to provide

land for housing, industry and agriculture; **Pollution:** Around 80% of global wastewater is released into wetlands untreated, with pollution from factories, fertilisers, pesticides and major spills posing serious threats to the ecosystem;

Invasive species: Wildlife in wetlands is particularly vulnerable to invasive species, which are often introduced by humans.

Climate change: Changes in rainfall patterns and temperature pose an existential threat to wetlands, and the flora and fauna that inhabit them.

Government reports show that the degradation and shrinking of wetlands in India is because of encroachment, pollution, and rapid urbanisation.

How does the Ramsar Convention aim to protect wetlands?
The Ramsar Convention, an intergovernmental treaty signed in 1971 in Ramsar, Iran, was born out of the need to protect the world's wetlands. It came into effect in 1975. Designated Ramsar sites, according to the Convention's website, "are recognised

as being of significant value not only for the country or the countries in which they are located, but for humanity as a whole".

The Convention provides guidelines for the management of Ramsar Sites, and the inclusion of a wetland into the list embodies the government's commitment to ensure that its ecological character is maintained. The selection of Ramsar sites is based on various defined criteria. These include a wetland's role in supporting "plant and/or animal species at a critical stage in their life cycles"; or providing "refuge during adverse conditions", among other things.

Currently, the Convention boasts 172 signatory countries, who are obligated to create wetland reserves and promote the wise use of wetland habitats. India joined the Convention in 1982, initially designating the Chilika Lake in Odisha and Keoladeo National Park in Rajasthan as Ramsar sites.

Today, it has among the highest number of Ramsar sites in Asia, ranging from the mangrove forests of the Sundarbans in the Ganges delta to the high-altitude lakes of Tso Moriri and Pangong Tso in Ladakh.



GUEST VIEW

MINT CURATOR

Firms must find new use-cases to capitalize on latest technologies

This alone would create sustained value but it requires a transition from a skeuomorphic to native way of thinking of issues



ELISABETH CARPENTER & JOSH BUREK are, respectively, chief operating officer and senior director of strategic positioning at Circle.

From artificial intelligence (AI) and electric vehicles to blockchain and composites, we are in a golden age of innovation. To unlock value from these technologies, though, businesses must transform themselves, and, according to a McKinsey and Company study, over 70% of such efforts fall short. Obviously, businesses adopting a new technology need the right key performance indicators (KPIs) and internal alignment of their operations to ensure they get what they want out of it. But there is a bigger, often neglected, factor that determines whether they are unlocking durable returns, rather than merely chasing expensive tech trends. While upgrading old use cases and creating new ones both constitute innovation, only the former creates lasting economic and social value.

This tension is playing out now with generative AI. As Goldman Sachs noted earlier this summer, companies have poured \$1 trillion into AI without much to show for it yet. To maximize the return on investment in technology, business leaders should think like architects who are starting from a blank page. When digital cameras emerged a generation ago, consumers still took memory cards to brick-and-mortar stores to print their files. Today, we share images instantly with our phones and social networks.

This evolution reflects a common pattern in technology adoption. As entrepreneur Chris Dixon notes in *Real World Ops: Building the Next Era of the Internet*, we initially use new technologies merely to continue old behaviours with greater speed, ease, or quality, or at lower cost. Only later do we leverage them in new ways to produce disruptive, lasting outcomes.

The leap from "skeuomorphic" thinking (when digital interfaces are designed to mimic traditional physical ones, like the "desktop" on your computer) to native thinking takes time. For example, the journey from the first digital cameras to the rise of Instagram lasted 15-20 years. Businesses that deploy technology in skeuomorphic ways can improve margins, such as by using QR codes instead of printed restaurant menus. But those who come up with new uses can create entirely new markets, like GrubHub did with its food-delivery platform.

How can more businesses make the leap to a native mindset that unlocks greater gains? One way is to look for friction. When you assume that points of friction in existing business models are fixed facts, you will struggle to escape old ways of thinking. But when you identify and focus on the sources of friction, you will often discover that they can be eliminated.

The standard business imperatives of "faster, easier, cheaper" tend to keep us mired in skeu-



ATOPHOTO

morphic mode. They are so ingrained that we don't question whether the product or process we seek to improve should be preserved at all.

Amazon's approach to innovation at Whole Foods epitomizes this dynamic. In some locations, it has made checkout faster by allowing customers to scan their palms instead of inserting a credit card. Some of its stores have eliminated checkout altogether via "dash carts" that tally goods as you shop.

There's a profound difference between speeding up a step and eliminating it. "How can we improve checkout?" is a skeuomorphic question. "Why do we still need checkout?" is a native one.

Friction points are the proverbial elephants in the room. In our own industry, financial technology, some of them feel like permanent market features. When was the last time you waited three days and paid \$6 to send a "cross-border email"? The very notion is ludicrous because we all transmit messages instantly, globally, and for free.

Sending money across borders can and should be just as seamless, given that the internet financial system is now well established. But much of the broader industry is still captive to skeuomorphic thinking that views fees, delays and walled gardens as facts of life. Globally, the average fee on remit-

tances is 6%. It's as if we were still printing photos at a brick-and-mortar store.

When it comes to applying technology, users and functions should trump materials and attributes. Every genuine innovation has a unique power. To think natively, we must identify and tap into it. Digital photography's unique power wasn't high resolution; it was instant distribution. AI's power is pattern recognition, not truth-telling.

Using AI to augment a web search is skeuomorphic. Using it to scan medical images for anomalies that humans may miss is a superior application. Moreover, AI can reduce or eliminate friction points across health care. By monitoring changes to our baseline health metrics, for example, AI-powered wearables could help us spot an illness before it becomes serious. The US Defense Department has already piloted such a program to detect covid two and a half days prior to patients becoming symptomatic.

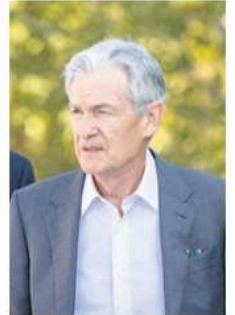
All business leaders seek greater efficiency. When it comes to gaining the most from technology, however, upgrading current products and processes is not enough. Success lies in questioning longstanding assumptions about the way things are done, and devising entirely new use cases. ©2024/PROJECT SYNDICATE

Powell ignored the elephant in the Fed's Jackson Hole lodge

Borrowing costs won't fall unless the view on neutral rate changes



JONATHAN LEVIN is a columnist focused on US markets and economics.



Market signals on the implied neutral rate suggest little scope for yields to fall

Federal Reserve chair Jerome Powell on Friday removed all doubt that interest rate cuts are just around the corner. "The time has come for policy to adjust," he said at his much-hyped annual speech in Jackson Hole, Wyoming, setting off a knee-jerk rally in stocks and bonds. Inflation risks have receded while labour market risks have increased, he added, and the central bank wouldn't "seek or welcome further cooling in labour market conditions." All this points to a series of policy rate reductions.

But before Powell even approached the podium, the market was expecting about 2.25 percentage points worth of easing to take the fed funds rate to around 3%-3.25%. The Fed won't push markets much further simply by validating those expectations. If longer-term borrowing costs are to continue declining, it will have to come from a reassessment of the Fed's ultimate destination. Longer-term rate expectations stem from a highly academic debate of the neutral rate of interest, or r-star—the rate that should prevail in an environment of maximum employment and low and stable inflation. In essence, the neutral rate is that which neither fans nor restrains activity.

Up until recently, markets and policymakers largely thought that the long-run neutral rate was around 2.5% (or 0.5% "real," adjusting for inflation at 2%). Even when the economy showed surprising resilience in the face of rate increases in 2022 and 2023, it took years to dislodge those beliefs. According to the Federal Reserve Bank of New York's Survey of Primary Dealers, median long-run rate expectations only started rising meaningfully around October of 2023 and have since increased to around 3%. Now, it's reasonable to ask if they might retreat. But even if they do, it will take time. So what does that say about fixed-income markets?

At the time of writing, yields on 10-year Treasury notes—which partially reflect the market's guess at where neutral is, plus a term premium and some other near-term factors—sit around 3.80%. If you assume that the fed funds rate will be between 3% and 3.25% for most of the term of the bond, there really isn't room for the yield on the 10-year to move much lower. That would take a meaningful reassessment of neutral.

The long-run views of primary dealers finally stopped moving higher in the July survey. They should drift very subtly lower again as payrolls revisions and the recent uptick in the unemployment rate paint a slightly different picture of just how resilient the economy has been to rate hikes.

The precise location of neutral is thought to derive from forces including demographics and productivity. Unfortunately, it's impossible to estimate neutral in real-time with a high degree of confidence. In 2018, [Powell] said that "the location of the stars have been changing significantly." In 2023, he used similar language: "As is often the case, we are navigating by the stars under cloudy skies." In practice, policymakers try to feel their way to neutral by moving slowly.

The New York Fed's John Williams, one of the most famous academic r-star gazers, is sceptical that there's indeed been a sizable move up in the long-run "neutral" rate, and I'm sympathetic to that view. Many American households and businesses locked in ultra-low interest rates and amassed large cash hoards during the pandemic, which made them seem initially insensitive to the monetary policy medicine. Excess savings won't last forever, nor will the mortgage lock-in effect. What's more, recent preliminary revisions to the US payrolls data show that the labour market wasn't actually as strong as we all thought in 2023 and early 2024.

There's no question that Powell's remarks on Friday were dovish. In addition to talking up labour market risks, he also suggested that well-anchored inflation expectations were working as a sort of self-fulfilling prophecy. Though central bankers had worried that the recent experience could dislodge them, he seemed to think that expectations had passed their biggest stress test with flying colours.

But it may not matter what the experts and pundits say at this point; the changing perceptions about neutral will be hard to undo. Policymakers will ultimately find their way to r-star ploddingly and empirically, meaning it could take years for the debate to be settled. As the Fed's benchmark rate reaches 3%-3.25% in 2025, policymakers will probably pause to see how the economy responds. If inflation seems controlled and the labour market is uninspiring, they may make another surgical cut in 2026—and then perhaps another one down the line. Even if the r-star does arrive, estimates of neutral may not fully return to 2.5% until 2027 or 2028. That means that the rally in Treasury notes may soon hit a wall. ©BLOOMBERG

MY VIEW | GENERAL DISEQUILIBRIUM

Suspense grows over the next leg of financial reforms

RAJRISHI SINGHAL



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

Standing on the ramparts of Red Fort this Independence Day, Prime Minister Narendra Modi proudly claimed that Indian banks have secured a place among the world's strongest banks. Indian banks have indeed traversed a long journey from the time the first European-style bank, Bank of Hindostan, was set up in Calcutta (now Kolkata) in 1771 by managing agents Alexander and Company, followed very quickly by Commercial Bank from managing agents McKintosh and Company. These banks may not have stood the test of time, but the broader Indian financial system—including banks—has grown immensely, the long arc of development covering an admirable distance from a rudimentary financing system to the current-day profusion of complex products and services.

This, though, may not be the end of the road, with much left to accomplish still. Finance minister Nirmala Sitharaman's budget speech provided some clues: "For meeting financing needs of the economy,

our government will bring out a financial sector vision and strategy document to prepare the sector in terms of size, capacity and skills. This will set the agenda for the next 5 years and guide the work of the government, regulators, financial institutions and market participants." It is worth asking what kind of "vision and strategy"—or even reforms—are required for the Indian financial sector after undergoing over three decades of reforms since the onset of economic liberalization in 1992. Two areas stand out.

One is the state of the corporate bond market. If the economy has to catalyse private sector investments into productive assets, to enable a step-change in employment generation and economic growth, a robust and deep corporate bond market is non-negotiable. The Indian private sector today depends on the banking sector for bulk of its funding, which spawns its own share of aberrations and indiscretions. The seeds of misconduct (and future non-performing assets) are sown when banks ask Indian companies to provide equity, a prerequisite for availing a bank loan, leading to padding of project costs and diversion of loan funds. This can be obviated somewhat with a deep corporate bond market, comprising heterogeneous players with divergent

objectives and investment horizons. The corporate bond market today can support only top-rated issuers, thereby excluding a bulk of Indian companies, including infrastructure companies, which typically do not enjoy top rating during a project's early stages. Consequently, even with ₹47.3 trillion of bonds outstanding as of March 2024, the corporate bond market enjoys less than 20% share of the wider bond market. With government issuances continuing to dominate, a tentative corporate bond market directly impacts private sector's propensity for investment.

In addition, skews within the corporate bond market, with finance and non-manufacturing companies accounting for a bulk of issuances, complicate matters. And though the government and regulators have been chipping away at the existing legal and regulatory framework to impart more dynamism to the market, there remain some significant unresolved issues. For example, poor recovery rates and prolonged recovery

processes in cases of defaults are a clear impediment. The problem of unreliable credit ratings, the lack of updated borrower information or conflicts of interest inherent in the "issuer pays" model continue to linger.

As rules and regulation tighten at a glacial pace, borrowers and credit dispensers are finding new ways to get around the guard-rails. This shines a light on what could be the second pillar for reforms in the financial sector: wide open spaces for regulatory arbitrage.

While market operators have always tried to write surplus profits by exploiting regulatory gaps—the past example of unlinked insurance products is instructive—recent attempts to use credit products to leverage the cracks between different regulatory agencies pose serious risks to the broader financial system. Reserve Bank of India (RBI) governor Shaktikanta Das recently drew attention to the phenomenon of private credit markets: "While these markets may carry economic benefits by providing a greater

pool of financing outside of the regulated financial markets and institutions, and their risks appear contained at present, it is important to bear in mind that vulnerabilities and interconnections in these markets can amplify negative shocks and pose financial stability concerns." Currently, RBI-regulated private equity funds and Subi-fund-based private equity funds and Multi-regulated banks have launched credit vehicles that skirt RBI regulation on prudential norms regarding capital adequacy or asset classification and provisioning, thereby endangering financial stability.

But here is the thing. As long as there are regulatory gaps, arbitrageurs will always look to leverage them. The finance ministry, learning from the experience of the 2008 financial crisis, had set up the Financial Stability and Development Council (FSDC) in 2010 to formalise inter-regulator coordination. However, very little is known about what transpires at the council's proceedings, or the stand taken by individual regulators on particular issues. As long as an opaque blanket shrouds the council's meetings, people will be encouraged to exploit the system. The financial sector requires many other reform measures; the finance ministry's document will hopefully provide some clues about the future direction of reforms.

Deeper bond markets and closing gaps that abet policy arbitrage will make the sector more efficient



OUR VIEW



The Fed's policy pivot poses RBI a challenge

A rate cut in the US could leave other central banks pressured to follow suit. But unless the rupee's internal value is fully under control, RBI may have to ignore its external imbalance

After much anticipation, the pivot in US monetary policy finally is taking place. On Friday, Federal Reserve chair Jerome Powell stated in no uncertain terms that "the time has come for policy to adjust," as US inflation—though still a little above its 2% policy goal—is seen firmly on a downtrend. "The upside risks to inflation have diminished, and the downside risks to employment have increased," Powell said at the annual gathering of central bankers in Jackson Hole as he sought to explain the dovish turn. What perhaps got the Fed worried is the bigger-than-expected rise in the unemployment rate in July and the subsequent jobs data revision that showed new jobs weren't being created as hotly as previously thought. In such a situation, continuing with high rates for too long held out the risk of running the economy aground. Having faced criticism for falling behind the curve in the aftermath of the pandemic when inflation was on the rise, the Fed, understandably, seems wary this time. As it is, it's been facing increased heat from within to start cutting rates, with several members of the Federal Open Market Committee having favoured a reduction in the fed funds rate at its last meeting in July itself, according to the minutes released last week.

A September rate cut now looks certain, but the pace of cuts thereafter will depend on how the data unfolds. As borrowing costs fall, their stimulative effect should strengthen the US economy. Investors already seemed to cheer that prospect, with US stock markets rising modestly on Friday. A broader whetting of risk appetite together with diminishing returns on US debt securities would also drive some

money out of the world's biggest economy and into emerging markets, including India. That said, central banks globally would feel pressure to move in step with the Fed so that a likely weakening of the dollar doesn't hurt their exports. A positive fallout, however, of a weaker dollar is for oil-importing countries. Since crude oil is priced in dollars, their import bills will decline. In the case of India, this could be substantial given we meet about four-fifths of our demand for oil through imports. This should, in turn, help cool local inflation, both by directly lowering fuel prices and indirectly by pulling down transport costs for a swathe of goods. Whether there would be enough of a drop—and soon—for the Reserve Bank of India (RBI) to lower its guard, though, is yet uncertain. Fortunately, rainfall has been plentiful this year, which should help cool food prices.

Notably, a couple of voices calling for rate cuts have already emerged in RBI's monetary policy committee, but the remaining four members favoured a status quo at its most recent meeting. A debate has also started over whether RBI should exclude food prices in calculating the inflation rate it targets after the government's *Economic Survey* advocated such an exclusion given monetary policy has little influence on food prices. Much of their price swings in India are driven by supply factors. But governor Shaktikanta Das has noted the role of food prices in feeding inflation expectations, which is why monetary policy can't afford to go easy on them. That said, with the US policy shift posing a challenge for the rupee's external value, RBI would hope price pressures cool quickly. Maintaining an 'Arjun's eye' on the rupee's internal value while ignoring its external imbalance just got tricky.

MY VIEW | THE INTERSECTION

Political thinking in free India is an unalluring choice as a career

Economic incentives and India's education policy have limited the space for new political thought



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

Commenting on how the "river of ideas that nourished politics has dried up" in independent India, Yogendra Yadav draws attention to "the atrophy of the political imagination...that affects the entire political class, cutting across ideological and political boundaries." In his recent column in the *Indian Express*, the analyst-activist asks, "Where are our political thinkers?"

Well, quite a number of our most talented and ambitious young people are responding to economic incentives and pursuing careers in industry, technology and business. Our education system smothering thinking of any kind and our political discourse has long been hostile to free thinking. It comes as no surprise to me that a free, independent India produces fewer political thinkers than Olympic medalists.

Since the late-1970s, India's brightest have opted for careers in the private sector or government service. Careers in the humanities are still not as remunerative as in technology or business, case closed. Worse, outstanding students of politics can neither enter the civil service nor electoral politics—the field just does not attract good talent. For a young person, studying engineering opens the doors to careers in industry, bureaucracy and politics more than political science does.

Several years ago, while I was help-

ing a leading college design a master's programme in public policy, I proposed that classes should be held as interactions among the faculty and students. I was shocked that the management was shocked by this because they had been told by the University Grants Commission (UGC) that subjects like history and politics were sensitive, and hence a narrative method should be adopted. Questioning was discouraged. Our education system thus forces students to memorise a politically-filtered curriculum in school and prevents its discussion in college. The widespread disapproval of student politics means that what little politics that does occur is merely a contestation between student wings of the major political parties.

Even before social media destroyed political discourse, the environment was long hostile to ideas that challenged the accepted wisdom in New Delhi. Proponents of free markets, for instance, were ostracised right up until the 1990s. You wouldn't easily find a job or a publisher if you had views that departed from the leftist, progressive ideological envelope. In the past two decades, it has become worse. You can be beaten up or end up in jail for criticising policies, political ideologies or political figures, living or dead. As Yadav can testify from personal experience, political thinking in India is not for the faint-hearted. I don't have empirical evidence for this, but I would guess that most political philosophers do not want to be heroes if they can help it.

The few who eventually end up doing political thinking do so under the shadow of three massive features in India's intellectual landscape. The first is the academic preoccupation with Western tropes about non-Western and anti-Western ideas. This is both paradoxical and limiting. I do not understand why Indian political thinkers should be mainly focused on 'subaltern', 'Third World', 'Global South' and 'anti-hegemonic', and restricted to give

the 'Indian perspective' at conferences and journals? Our thinkers have long attached themselves to every new Western progressive leftist fad. The right too is following suit. The funny thing is that both claim to be challenging Western thinking.

The second constraint is the colossal power of Gandhian, Ambedkarite and Nehruvian thought. Our intellectual life is conducted in the shadow of these giants. Even if we did not have a culture of veneration and hero-worship, it is hard to counter the depth, connect and popularity of the ideas of these early-20th century political geniuses. Just like how some scholars argue that political philosophy in ancient India dried up in the wake of Kautilya's brilliance, it may be that we are so much in awe of the greats that fresh thinking is getting stifled.

Third, political activism in independent India is centred around redistribution, even if it is sometimes cloaked in loftier causes. The epitome of modern political thinking is the idea of a quota, a silver bullet that can address everything from social justice to national integration. As I wrote in my previous column, it is a shame how thinking on how to achieve social justice, the first objective in the preamble of our Constitution, has ended at the door of reservations.

Yadav is right when he argues that "reviving and reinventing political thought of modern Indian political thought is a precondition to reclaiming our republic." For this, we have to expand our minds beyond our particular context, and our ideas have to be relevant for the rest of the world. Adam Smith and Karl Marx were not exclusively preoccupied with the Scottish or German condition, respectively. The big opportunity for Indian political thinkers lies in conceptualising our deep experience with diversity and pluralism for the Information Age. But we have to first ask if Indian society wants to set its political thinkers free.

10 YEARS AGO



JUST A THOUGHT

If we do not believe in freedom of speech for those we despise, we do not believe in it at all.

NOAM CHOMSKY

MY VIEW | MODERN TIMES

Lessons from Donald Trump's 'hillbilly' running mate

MANU JOSEPH



is a journalist, novelist, and the creator of the Netflix series, *Decoded*

The poor are not just people with no money. They are influenced by forces unique to them, forces that are hard to understand for those who have not experienced poverty, especially people who say, "I came to Bombay with \$10 in my pocket." Being poor, being truly poor is when your papa is poor, when your "people" are all poor. It is like being ancient in a generation racing towards the future. The mind of the poor is the brooding background in *Hillbilly Elegy*, the memoir of J.D. Vance, the running mate of Donald Trump.

The book, published in 2016, brought national prominence to Vance, and launched his political career. He draws the portrait of his formative years as a poor White American growing up among those of his kind, people who are called "hillbillies", and his eventual escape into the American dream through higher education. He shows a community that is in despair, intoxicated, poor and violent, and holds far less hope for the future than the Hispanic migrants and

the Blacks, who are poorer. The book accuses the hillbillies of blaming their plight on everything outside them, including president Barack Obama. Instead of finding a way to exploit one of the greatest nations on earth. Only an insider can say this sort of thing about his tribe, just as only an Obama could have asked America's Blacks to take some of the blame for their condition.

When the book was released, the Republicans hailed it because it framed the problem of its core base—the White working class that was not doing very well. Donald Trump appears only in the afterword, so the book probably never mentioned him in the early editions. Yet, it tries to solve the political mystery of why poor Whites loved and still love Trump. That was why the Democrats too loved it. Because they saw in it what they wanted to see—that Trump was popular among country twats with a twang as they were jealous of the good boys and girls who worked hard and went to college.

Vance came from a poor and unhappy home, headed by an intoxicated, unstable mother, and transient men who tried to take the place of his father. Often, he was a witness to violence at his and in other homes. He was saved by his grandparents who had done better than his daughter. They

became an emotional island that protected Vance from his deadly environment. The most lethal toxin in the air was negativity, a sense of hopelessness. "Never be like these...losers who think the deck is stacked against them," his grandmother often told him, "you can do anything you want to."

Vance talks of the economic fall of the average White family. Extreme poverty was rising. They were becoming more unhealthy, and dying younger. The pride in old-fashioned factory work had vanished, and there was prestige attached to professions that were said to require the mind, and for which one had to go to college. But the average hillbilly didn't get sucked into the banal rituals that

took one to college. They began to suspect that higher education was rigged against the average White by the "Blacks and liberals." Vance blames the hillbillies for what has happened to them. "Our elegy is a social class one, yes, but it is also about psychology and community and culture and faith." He

talks about scores of neighbours and friends who never held jobs, who gamed the social security system, who were on drugs and in violent marriages, and their children in the middle of all this who were doomed to fail.

"This was my world; a world of truly irrational behaviour. We spend our way into the poorhouse. We buy giant TVs and iPads...thanks to high-interest credit cards and payday loans...We purchase homes we don't need...Thrill is inimical to our being. We spend to pretend that we're upper-class...We don't study as children, and we choose our kids study...We make not to work when we should be looking for jobs...We'll get fired for tardiness, or for stealing...But tell ourselves that the rea-

son we're not working is some perceived unfairness: Obama shut down the coal mines, or all the jobs went to the Chinese." Vance is persuasive in his efforts to show that he understands American poverty. Once when Salvation Army gave him a list of gifts to buy for the poor, he found faults with

"nearly every suggestion". Pajamas was on the list. But, he says, the poor don't wear pajamas. And "toy guitar" reminded him that in homes with too many people living in too little space, it might be too loud to bring any joy. His "warming aids" "condescending, they made it seem as if the only thing the poor needed was to learn and reform."

Even so, is his memoir compassionate, or is it just a work of a lucky man, who has not revealed the source of luck, who is essentially telling everyone, "why can't you be like me" in *Hillbilly Elegy*. Vance implores America's White poor to be better people, to work harder, and to stop being gluttons of power for the Information Age. But we became Vance says he himself was in a doomed home. He says he worked hard and used the ladders that America placed in its deep holes for people to climb out. But there is a problem with such stories.

The world is filled with people who have worked hard but not got anywhere. That too is the nature of the world. They feel there is something wrong with them because those who succeeded keep extolling their "hard work" but hide the elements of luck. Every escape story has one thing that makes almost all the difference, and it is usually never revealed, as it is almost never hard

FIRST COLUMN

LIVE IN THE PRESENT

MOMENT, IT MATTERS MOST

Understanding and managing stress effectively is essential for a healthier life



RADHANATH SWAMI MAHARAJ

God is often perceived as invisible, impartial & incomprehensible. Some imagine Him as a distant figure, high in the clouds, old & angry, hurling thunderbolts at us for our oversight in following His commandments. While many view God merely as a cosmic order supplier, providing for our sustenance & working out our desires behind the scenes. Cultural understandings about God create a vivid but confused picture, leading many in the current generation to turn to spirituality without engaging in traditional religion.

The term 'religion' itself, derived from the Latin 're-ligare,' means reconnection with the Supreme Lord. However, common conceptions of God—as an empty vacuum, an outburst of floodlight, or an angry old man—do not suggest any possibility of a relationship with God.

The ancient wisdom of yoga forms the basis of spiritual science—the Bhagavad Gita as recorded 120 million years back imparted by the Supreme Lord Krishna to the sun deity—Vivasvan (BG 4.01). Therein Lord emphatically states his position ('aham sarvasya prabhava') He is omnipresent, ('mayadhyaiksena prakrti') the entire universe functions under his supervision, ('Upadrsta anumanta ca') He is manifest as the guardian spirit in everyone's heart—as the Paramatma, ('brmhano hi pratistham') He is the source of the spiritual effulgence, ('tani aham veda sarvani') He is omniscient, as he reiterates the same message to Arjuna 5000 years back, that he imparted to Vivasvan 120 million years ago. Furthermore, Krishna informs Arjuna about the secret of his appearance ('janma karma ca me divyam') from the spiritual world to reclaim



the seekers & whoever learns about it & strives to perfect their lives. Such profound wisdom makes us aware of God's greatness not merely as a concept or an infirm old man retired from the scene of creation. Rather a God who works diligently in the background & also frequently to his creation bequeathing every individual to rekindle spiritual wisdom. To instill faith in his devotees, Lord Krishna descended on Janmashtami in the prison cell of His uncle Kamsa. Kamsa imprisoned his sister Devaki & brother-in-law Vasudeva due to an ominous mystical prediction that declared that the 8th son of Devaki would end his evil attitude. Thus fearful of his death, Kamsa instantly arrested his newlywed sister & brother-in-law. Kamsa represents the atheistic mindset that abuses power to dominate & replace Godliness in society.

One of the central purposes of Krishna's descent is to discipline such atheists who have removed God from the equation (BG 4.07). He disciplined Kamsa and subsequently helped Arjuna neutralize the egomaniac prince Duryodhan, who had usurped the kingdom from the righteous Pandavas. Lord Krishna's greatness is revealed in His purpose to bring order to society by establishing the virtues of Godliness. The ancient 'yoga of bhakti' reveals the sweetest & most refined means to connect with God i.e. through love.

Vindavan is where He manifests His eternal pastimes—beckoning every seeker—an invitation to the spiritual world. The same Lord Krishna who revealed His Virat-rupa the gigantic universal form to Arjuna enacted as a helpless child (in Vindavan) tearful & fearful when mother Yasoda chased & bound him by the rope due to His childhood mischief. The same Lord Krishna who lifted Govardhan hill with the tip of His finger, (in Vindavan) failed to defeat his friends in the tug-of-war games. By Celebrating Janmashtami, devotees reaffirm their faith, deepen their spiritual connection, and draw inspiration from the life and teachings of Lord Krishna. It is a reminder of the presence of divinity in our lives and the spiritual principles of dharma that guide us towards righteousness and spiritual fulfillment. Let us celebrate Janmashtami not just as a ritual, but as an opportunity to connect to the supreme Lord Krishna spiritually.

(The author is the Spiritual Guru of the International Society for Krishna Consciousness; views expressed are personal)

Securing the women dignity on the internet



RENNIE JOY

With threats ranging from deepfake exploitation to harassment on gaming platforms there is urgent need to safeguard women's rights online



Protecting Women's Rights in the Digital AgeBy – Dr Rennie Joy, Founder of Aalekh Foundation

In the digital age, the internet has become an indispensable tool for communication, education, and empowerment. However, for many women, it has also become a dangerous space with cyber harassment and online abuse rife. In India, the proliferation of digital platforms has led to a worrying increase in gender-based violence online, with recent trends revealing more insidious forms of harassment that demand urgent attention. India's legal system has made some progress in addressing cyber harassment, but there is still a long way to go.

The Information Technology Act, of 2000, alongside the Indian Penal Code (IPC), provides the legal foundation for prosecuting cybercrimes, including harassment. However, the enforcement of these laws is often inconsistent, and the existing provisions do not fully address the nuances of newer forms of cyber harassment, such as deepfakes and abuse on gaming platforms. Moreover, the process of reporting and prosecuting these crimes remains cumbersome.

Victims often face significant hurdles, including a lack of awareness about their rights, societal stigma, and unresponsive law enforcement agencies. The borderless nature of the internet further complicates matters, as perpetrators can easily evade legal consequences by operating from different jurisdictions.

The expanding tentacles of cyber harassment: Cyber harassment in India has taken on new dimensions, with perpetrators using increasingly sophisticated methods to target women. Traditional forms of online abuse—such as stalking, trolling, and doxing—remain prevalent. However, the advent of new technologies has introduced more dangerous threats, including the use of deepfake technology.

Deepfakes are hyper-realistic, digitally manipulated videos or images that can make it appear as though a person is saying or doing something they never did. In recent times, this technology has been weaponised against women, with perpetrators creating and sharing deepfake



THE DIGITAL AGE OFFERS IMMENSE OPPORTUNITIES FOR WOMEN, BUT IT ALSO PRESENTS SIGNIFICANT RISKS. PROTECTING WOMEN'S RIGHTS ONLINE REQUIRES A CONCERTED EFFORT FROM ALL STAKEHOLDERS

pornography without the victims' consent. This form of cyber harassment is particularly devastating, as it not only violates the victim's privacy but also damages their reputation, leading to severe emotional and psychological trauma. In 2020, India saw a surge in deepfake-related crimes, with several women finding themselves targeted by fake explicit videos circulated on social media. The difficulty in proving the falsity of these videos adds another layer of complexity, leaving victims with limited avenues for legal recourse. Although Sections 66E and 67A of the Information Technology Act, of 2000 cover the transmission of obscene material and violations of privacy, the law is still catching up with the rapid advancements in deepfake technology, and enforcement remains a significant challenge.

Harassment on online gaming platforms: Another concerning trend is the rise of cyber harassment on online gaming platforms. These platforms, often perceived as spaces for entertainment and community, have increasingly become hotbeds for toxic behaviour and online abuse. In many instances, female gamers are subjected to sexual harassment, including rape threats and abusive language, often from anonymous players. In India, while the gaming community is growing rapidly, there is a lack of specific laws addressing online harassment within these platforms. This gap in regulation means that many women are left vulnerable to abuse, with little recourse for protection or justice.

The National Commission for Women (NCW) has acknowledged the issue, but more comprehensive policies and industry standards are needed to tackle this emerging threat. Role of tech companies and gaming platforms Tech

companies, including social media platforms and gaming companies, bear a significant responsibility in protecting users from online abuse. While major social media platforms have implemented policies against harassment, their enforcement is often inconsistent, allowing harmful content to proliferate. The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rules, 2021, introduced by the Indian government, aims to hold these platforms more accountable by urging them to remove unlawful content and safeguard user privacy. However, the efficacy of these guidelines is still in question, as the sheer volume of content and the evolving nature of cyber threats present significant challenges.

Online gaming platforms, in particular, need to adopt stricter community guidelines and reporting mechanisms to prevent harassment and abuse. Developers and platform operators must prioritise user safety, implementing robust systems to detect and respond to incidents of online harassment effectively.

Empowering women digitally: Empowering women to protect themselves online is crucial in combating cyber harassment. Digital literacy programs that teach women how to safeguard their privacy, recognise and report abuse, and navigate online spaces safely are essential.

Initiatives like Cyber Saathi and She:The People are making strides in this area, providing resources and education to women across India. Support networks and helplines also play a critical role. The National Commission for Women (NCW) has launched several initiatives, including a 24/7 helpline, to assist women facing online abuse. However, ensuring these resources are accessible to all women, including those in rural

and remote areas, remains a challenge.

Global collaboration and community initiatives: Addressing cyber harassment requires international collaboration, as online abuse often transcends national borders. India's participation in global dialogues on cybercrime is crucial, but more robust cooperation with other countries and international organisations is needed to effectively combat cross-border cyber harassment.

Community-based initiatives are also vital. Movements like #MeToo and #GirlsAtDhabas have demonstrated the power of collective action in raising awareness and advocating for change. Localised efforts, such as workshops, community discussions, and advocacy campaigns, can help create safer digital spaces for women.

Looking ahead: The digital age offers immense opportunities for women, but it also presents significant risks. Protecting women's rights online requires a concerted effort from all stakeholders—governments, tech companies, civil society, and individuals.

By addressing the evolving threats of cyber harassment, including deepfakes and online abuse on gaming platforms, we can create a safer, more inclusive digital environment that empowers women to fully participate in all aspects of society. Balancing the protection of women's rights with the preservation of free speech will be a key challenge in the years to come. However, by taking a comprehensive approach that includes legal reforms, tech accountability, education, and community support, we can make significant strides in protecting women's rights in the digital age.

(The writer is Founder Aalekh Foundation; views expressed are personal)

Space-tech to improve logistics and supply chain management in indian scenario

As the country makes strides in space exploration, these technologies will play a critical role in economic growth writes Prof Manoj K Tiwari and Dr Rofin T M

Logistics and supply chain management are crucial foundations of the Indian economy, guaranteeing the effective movement of products, services, and individuals throughout the nation. The Indian government has effectively reduced the logistics GDP from 14% to around 7.8% to 8.9% through the implementation of programs such as Bharat Mala, Sagarmala, and PM Gati Shakti schemes.

The recent triumph of Chandrayaan-3 holds the potential to greatly augment the capabilities of Indian space technology. The successful mission has enhanced the existing capabilities of space technology, such as satellite navigation systems, remote

sensing, satellite communication, and web geographic information systems (GIS). The Global Positioning System (GPS) is a satellite-based radio navigation system used to communicate worldwide geographic location data. The Indian Regional Navigation Satellite System (IRNSS) has created its own regional satellite navigation system called NavIC (Navigation with Indian Constellation). NavIC is designed to offer accurate location data for both domestic and regional purposes. The constellation of seven satellites provides dependable positioning services not just within India but also to a substantial area spanning 1500 km outside its borders. GPS technology can be used to

trace recent wars between global countries or state boundaries that involve rivers, mountain ranges, and oceans. Surveyors employ the accuracy of absolute positions to create maps and establish property borders. It is possible to determine the optimal locations for facilities, allocate resources, establish warehouses, and identify suitable sites for multi-modal logistic parks and special economic zones. Telematics is a technology that combines GPS technology with computers and mobile communications networks to provide improved automobile navigation systems. The Wide Area Augmentation System (WAAS) can be utilized to monitor the movement of ves-

sels and containers, providing information on their velocity, speed, direction, and position. This technology will significantly benefit the port and logistics industries. The subject of focus for worldwide governments in recent years is intelligent transportation systems for urban traffic management. The extensive utilization of GPS technology in automobiles presents a tremendous prospect to transform traffic management. Thousands of vehicles are sending real-time data from urban roads, including latitude, longitude, speed, and other pertinent metrics. The dynamic information can be utilized to facilitate various research and applications in Intelligent Transportation Systems, resulting in improved

traffic flow, reduced congestion, and strengthened safety procedures. Satellite-derived data can be used to exchange information between airport planners and managers and their counterparts at other agencies to expedite infrastructure development and urban planning activities in their respective regions. Remote sensing can be applied to evaluate the impact of landscape patterns, land use types, and increasing urban thermal environments.

This technology can assist army and police departments in tracking and tracing activities. Incorporate Unmanned Aerial Vehicles (UAVs) into satellite systems for operations that go beyond the visual line of sight (BVLOS), such as covering terrestrial range and providing assistance in areas affected by natural disasters or prone to interruptions. Space Internet is a telecommunications service that utilizes satellites positioned in geostationary orbit, namely at a height of 35,786 kilometers above the Earth's surface. Unlike the constraints imposed by fiber-optic cables or wireless networks, these satellites in space possess the



capacity to surmount obstacles. Developed nations are utilizing space-based internet to acquire airborne laser scanning (ALS) data for the purpose of reconstructing railway overhead lines, hence providing reliable and secure transportation services. The implementation of satellite-based internet is essential for providing connectivity to remote places characterized by difficult topography, such as the Himalayas and isolated regions in the north-east. The integration of space technology into logistics and supply chain management offers India a pathway to achieving its vision of Atmanirbhar Bharat. By leveraging advancements in satellite navigation, remote sensing, satellite communica-

tion, and space internet, India can increase the efficiency, reliability, and resilience of its logistics networks. Space technology, including satellite communication, GPS and remote sensing, revolutionizes logistics by enhancing real-time tracking, optimizing routes, forecasting the weather to mitigate risks, and improving inventory management. Additionally, space tech enables global communication networks for seamless coordination and facilitates advanced geospatial analysis for supply chain management, enhancing adaptiveness and reducing costs across industries.

(Prof Tiwari is Director, IIM Mumbai and Dr Rofin is faculty IIM Mumbai, views are personal)

The Tribune

ESTABLISHED IN 1881

New pension scheme

Staff welfare, fiscal prudence equally important

THE Centre has unveiled broader benefits for its employees in the new guaranteed pension scheme. The Unified Pension Scheme (UPS) is surely a political response to the growing nationwide demand to revert to the pre-2004 Old Pension Scheme (OPS). The Centre claims the UPS, to be implemented from April next year, will benefit 23 lakh employees. Those covered under the current National Pension System will have a chance to shift to the UPS. The move is aimed at resolving the debate on the OPS, a cause championed by many Opposition-ruled states, including Himachal Pradesh and Punjab, on the ground that its benefits are more favourable to employees. With an eye on the upcoming Assembly elections, the BJP-ruled states are expected to adopt the UPS. The tweaking of the pension scheme presents a chance to the stakeholders in all states to have an informed discussion, keeping an open mind. A summary dismissal without an in-depth study of the provisions or offering insightful suggestions will be an opportunity lost.

The Reserve Bank of India had last year flagged concerns about the strain on government finances and accumulation of liabilities for the states opting for OPS. The Centre's contention is that the UPS is fiscally more prudent as it is a funded, contributory scheme, unlike the OPS. The likely additional strain on the Centre and the states now has official sanction. Striking a balance between employee welfare as well as their aspirations and fiscal prudence must be the guiding principle. Both are equally important.

The mixed response by the employees' unions is on the expected lines. Sticking to a hard stance is an unreasonable approach. As for employees in the private sector, their hopes for any enhanced pension and retirement benefits do not seem a priority for the government.

Modi in Ukraine

Diplomatic tightrope between East and West

PRIME Minister Narendra Modi's recent visit to Ukraine marks a pivotal moment in India's foreign policy, reflecting a delicate balance between its historical ties with Russia and its growing engagement with the West. This diplomatic outreach to Ukraine, coming on the heels of Modi's July visit to Moscow, signals India's nuanced approach to navigating the complex geopolitics of the Russia-Ukraine conflict.

India's relationship with Russia has been a cornerstone of its foreign policy, particularly in the defence sector, where Moscow remains a key supplier of military hardware. Modi's trip to Moscow reinforced this bond, emphasising India's strategic autonomy and its refusal to be coerced into taking sides by external powers. However, India's decision to engage directly with Ukraine demonstrates its commitment to upholding international law and sovereignty, principles that are fundamental to global peace and security. By visiting both Moscow and Kyiv, Modi has skillfully managed to maintain India's traditional ties with Russia while also addressing the concerns of the West. This balancing act is crucial as India seeks to enhance its global standing without alienating either side. The visit to Ukraine, in particular, signals to Western allies that India is not indifferent to the conflict and is willing to facilitate dialogue for peace.

Moreover, Modi's engagement with Ukraine could open new avenues for India in terms of energy security and economic ties with Europe. As the West looks to reduce its dependence on Russian energy, India's strategic positioning could yield significant economic and diplomatic benefits. The PM's remarks in both Moscow and Kyiv show that India is keen to promote global stability. This approach not only enhances India's role on the world stage but also reaffirms its commitment to peace and dialogue in an increasingly polarised world.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, TUESDAY, AUGUST 26, 1924

Provincial autonomy

MADRAS has in one respect set an excellent example for the rest of India. The Legislative Council of the Province all but unanimously adopted a resolution at a recent meeting requesting the Local Government to forward to the Government of India the opinion of the Council regarding the grant of provincial autonomy to the Presidency. The motion was supported by the representatives of practically all sections of the House. The only exceptions were the members of the Government who remained neutral on the ground that they had been called upon by the Central Government to forward their views on the matter in a confidential communication, and the member for the depressed classes who opposed the motion on the ground that their interests would suffer if his proposal were accepted. The utter indefensibility of the last-mentioned plea was pointed out by another member who had no difficulty in showing that the depressed classes stood to gain by provincial autonomy being granted. The non-Brahmins, the Swaraj party, the Mahomedans, all lent their unqualified support to the motion. Sir KV Reddi, ex-Minister who represented the first, condemned dyarchy as being a failure and dilated on the practical difficulties in the administration entailed by it. The Legislative Council, he said, must have complete control over the purse, and if finance was made a transferred subject, it followed automatically that all other subjects must be transferred also. The same view was expressed by the spokesman for the Mussalman community.

Charge of the Indian-American brigade

Kamala Harris' presidential nomination is in sync with Howard Dean's 2008 prophecy

KP NAYYAR
STRATEGIC ANALYST

FOR a country with a relatively short history by the standards of humankind, the United States, which does not live even by the brevity of its history, is seeing a difference in its ongoing presidential election cycle. The just-concluded Democratic National Convention (DNC), which broke glass ceilings, was replete with history.

It was appropriate that Hillary Clinton, former Secretary of State, First Lady, Senator, and 2016 Presidential candidate, was the prime-time DNC speaker who reminded the American people, more than anyone else by implication, of the George Santayana adage — "Those who cannot remember the past are condemned to repeat it." She did not quote the Spanish philosopher at the Chicago convention, though. The biggest setback in her career, a defeat at the hands of newbie politician Donald Trump eight years ago, was partly the result of not remembering history. Specifically, the history of US elections.

Last week, Hillary recalled that women in the US got the right to vote only 104 years ago — on the day before she spoke — in 1920. The first time a Black woman bid for a presidential nomination — unsuccessfully, of course — was not very long ago: in 1972. Twelve years later, Hillary took her young daughter Chelsea to meet Geraldine Ferraro, the first woman nominated for Vice-President of the US. And in 2016, Hillary made almost 66 million cracks in the glass ceiling with her candidacy of a major party for the White House. That was the number of popular votes Hillary received then. Kamala Harris,



HISTORIC: Kamala Harris is a step closer to shattering the ultimate glass ceiling, returns

the incumbent Vice-President, hopes to shatter that cracked glass ceiling in November and become the first woman President of the US. If Harris wins, she will also break a glass ceiling for South Asian Americans.

Historically, it has been at Republican National Conventions (RNC) that America's past has been celebrated. In part, this has been because some of the great US presidents have been Republicans — Abraham Lincoln, Theodore Roosevelt and Dwight D Eisenhower, to mention a few. Lincoln was the first 'red-blooded' Republican to be elected President, to cite the party's preferred colour. Others who embodied Republican ideals were elected as Democratic-Republicans or as Whigs, according to political descriptions during varying periods in the political evolution of the US.

The US did not have a Catherine the Great, a Bismarck or a Chanakya. So, it fell on Republicans in the final decade of the last century and in the new millennium to create an icon of Ronald Reagan. At every RNC I attended through five presidential election seasons from the year 2000, Reagan was the great Republican hero. That changed with the arrival of Donald Trump on the political scene.

The RNC in Milwaukee this year

The first Indian to attend a DNC was a Sikh American, Dalip Singh Saund, in 1952. Indians were not allowed to embrace US nationality until legislation permitting it was passed in 1946.

was a convention of one family, by one family and for one family: the Trumps.

Only one person and one family by extension matters in the Grand Old Party (GOP/NO). The Republican Party has become a cult. By contrast, a hundred flowers bloomed at the DNC in Chicago. Brilliant orators like former presidents Bill Clinton and Barack Obama, who represent diversity, bloomed. So did former First Lady Michelle Obama, who enjoys a phenomenal public acceptance despite never holding an elected office.

The first Indian to attend a DNC was a Sikh American, Dalip Singh Saund, in 1952. Indians like Saund were not allowed to embrace US nationality until legislation permitting it was passed in 1946. Saund was the first Indian-American to be elected to the US House of Representatives in 1956. Had he not been felled by a stroke in 1962, Saund may have risen much higher in American politics. The US did not see another Indian-American in either of the chambers of Congress for another 42 years. Today, there are five of them, all Democrats.

The GOP has elected only one Indian-American to the House to date: Puyush 'Bobby' Jindal. A few decades ago, Indian-American Republicans, along with

sympathetic White and Hispanic GOP leaders, drew up a road map for getting those like Jindal into statewide public offices in southern states, known as Dixie in popular culture. It had some success when Jindal was elected as the first Indian-American Governor in any US state in 2007. Nikki 'Nimrata' Haley was next, in South Carolina, four years later. The plan to put more Indian-Americans in elected offices in Dixie states appears to have fizzled out. Jindal and Haley both made unsuccessful bids to be GOP nominees for the White House in subsequent election cycles.

With ethnic half-Indian origin Harris now a heartbeat away from the White House, Indian-Americans and their former compatriots back home must pay a tribute to her rise to a forgotten former Democratic Party chief, Howard Dean. A three-term Governor of Vermont and a presidential aspirant two decades ago, Dean was the first national-level US politician to predict the rise one day of an ethnic Indian as America's President. Few people remember that in 2008, Dean, as Chair of the Democratic National Committee, wrote an article in a publication of the Indian-American Leadership Initiative. This initiative was created to put US citizens of Indian origin in electable public offices, right down from local school boards, county councils and as city mayors to high up on Capitol Hill. "Indian-Americans are leading the charge to strengthen our (Democratic) Party, elect our candidates and ensure that we build a government that lives up to the ideals that inspired generations of Indian immigrants to make America their home," Dean wrote. "Perhaps they include a future Democratic President of the US."

Harris was a local party functionary seeking to grow in public life in her home state of California, then. There is no evidence that Dean had Harris in mind when he wrote those lines. Today, they appear prophetic.

THOUGHT FOR THE DAY

We become not a melting pot but a beautiful mosaic. — Jimmy Carter

Uneasy encounters with politicians

SURINDERJIT SINGH SANDHU

EVEN before the announcement of any election, many business houses and people in government jobs (seeking greener pastures) start 'investing' in the prospective winners. I remember an incident when I became a witness to what generally transpires during meetings between candidates and investors.

One day, at 5 am, my boss rang me up and said: 'Please go to the house of Mr Singh, a former minister, and tell him that I have done his work regarding a cinema hall in a market. I am not able to contact him. Please hurry up, as he will leave for electioneering in his constituency.'

The boss did not give me time for reasoning. One of my colleagues, who was well versed in the art of maintaining good relations with the politicians who mattered, once told me, 'During the initial period of my service, I went to meet a former chairman of a PSU in the election season. He was surrounded by influential people. Time and again, he looked at me with piercing eyes. Gradually, his looks started conveying hidden anger — I had come empty-handed. He then completely ignored me. He did not tell me to get out, but rather stated that I was getting late for office.'

My colleague added, 'He did not acknowledge my wishes as for his success in the election, perhaps because I had not brought anything for him.'

I visualised a similar situation in my case. I had seldom visited any politician's house. I parked my vehicle and started walking towards his house diffidently. The security people and the staff had to be respectful to an important officer of the district. After passing a three-tier security, I entered the palatial drawing room. The ex-minister looked at me with contempt, knowing well that I was an 'uncooperative' officer. He was sure that I had not come with a bagful of money. But I was shocked to see that some women officers of the district were present there with money. I conveyed my boss's message, which he listened to with no interest. The entire group was laughing out loud. Flattery was in the air.

'You will win this time by a margin of one lakh votes,' some of them predicted. Others said, 'No, no. Two lakh!' The former minister said, 'You know how honestly I have been working. I did this, I did that.' The group members said, 'There has never been a more honest minister than Sir. Otherwise, you could have earned crores like others.' They knew the truth but had to become liars to remain in his good books. Someone remarked, 'Your honesty will be rewarded.'

Everyone knew that the ex-minister had lost the elections three or four times. He said like a saint, 'Putna nahin dekha paunda ae (Don't know which jinxed person's money lands in my lap and results in my defeat).'

LETTERS TO THE EDITOR

India bats for peace

Apropos of 'Modi's Ukraine visit is the message' (*The Great Game*), the article was a thought-provoking read. PM Narendra Modi's visit to the war-torn country came at a very critical juncture. Modi's earlier visit to Moscow had ruffled a lot of feathers in the West and in Kyiv. Russia's excesses in Ukraine have riled much of the Western world. So it is understandable why the Modi-Putin hug had sent shockwaves across the globe. But the PM has done well to send out a strong message for peace. It is imperative to impress upon Putin the urgent need to bring an end to the years-long conflict. Hopefully, good sense will prevail and leaders on both sides will agree to stop this senseless war.

SUBHASH CTANEA, GURGRAM

New Delhi can play peacemaker

With reference to 'Modi's Ukraine visit is the message', the PM's visit to the conflict-hit country to promote bilateral trade ties is an apt reflection of India's tradition of non-alignment. The Modi-Zelensky hug comes not long after the PM's Moscow sojourn. By claiming to be on the side of peace, New Delhi is performing a delicate balancing act. As a country that enjoys good ties with both warring nations, India can play the role of a peacemaker by bringing Moscow and Kyiv to the negotiation table. But it must tread with caution. India's reliance on Russian crude oil has irked the West. A single misstep can put Ukraine off further or upset Russia, hurting India's interests.

LALIT BHARADWAJ, PANCHKULA

No compromise on women's safety

Refer to the editorial 'Unsafe women'. Many women don't feel safe in public places, in their place of work, or even at their own home. The brutal rape and murder of a doctor at a state-run hospital in Kolkata highlights the inadequacies in security arrangements for women and healthcare workers. The hospital authorities must ensure that the employees or volunteers being roped in by their medical facility have no criminal antecedents. CCTV cameras should be installed wherever necessary, and security must be beefed up. It is unfortunate that all efforts by the government to rein in sexual violence against women

LETTERS TO THE EDITOR

have failed. And so often, rape victims face more stigma in society than the perpetrators. A change in mindset is the need of the hour. Simply making and enforcing laws is not enough. It is time to adopt a multidimensional approach that focuses on moral education, community engagement and enhanced support systems.

KR BHARTI, SHIMLA

Kamala's moment of truth

Apropos of 'Candidate Kamala'; Donald Trump's return to the White House seemed inevitable just a few weeks ago. But Joe Biden's decision to drop out and let Kamala Harris replace him at the top of the Democratic presidential ticket has upended the race. Several opinion polls currently have Harris and Trump neck-and-neck in certain states, while some others give the former a small edge. Kamala's well-rehearsed speech at the Democratic National Convention was predictably well received among members of her party. But it is unlikely to move those who have long supported Trump. Kamala has just over two months left to persuade Americans who are still undecided to give her a chance.

PL SINGH, BY MAIL

Yes, she can

Refer to 'Candidate Kamala'; she has promised America a future that neither Donald Trump nor Joe Biden could deliver on. As the election campaign season reaches its finale, Harris has both the attention and the momentum she needs to win. But it remains to be seen if the Democratic Party presidential candidate can sustain the lead and for how long. Besides, her stand on key issues has come under heavy scrutiny. But she has what it takes to win an election.

GREGORY FERNANDES, MUMBAI

Trump and Harris poles apart

Kamala Harris and her Republican opponent, Donald Trump, are poles apart on most issues. They are very different from each other in every sense. While Kamala is always careful of what she says, Trump is a loose cannon. He is all about playing to the gallery. Trump lacks the dignity and decorum expected of a presidential candidate. America must not make the mistake of voting Trump back to the Oval Office, as he is given to abusing his powers.

ANVASH GOBOOLEY, DEVAS (MP)

Nations ignore intel inputs at their own peril



VAPPALA BALACHANDRAN FORMER SPECIAL SECRETARY, CABINET SECRETARIAT

On August 15, 1975, then Bangladesh President Sheikh Mujibur Rahman and his family were assassinated in the early hours in a coup d'état by their army personnel in Dhaka's Dharmahal. The New York Times quoted the Dhaka radio as claiming that the step was "in the greater interests of the country" to end an "autocratic government". Mujib's close associate and cabinet minister Khondaker Mostaq Ahmad took power after the coup.

American journalist Lawrence Lifschultz, then a leading voice in South Asian developments, recalled that he was informed about this while at the Indian Independence Day celebrations at the Red Fort, addressed by Prime Minister Indira Gandhi. Bangladesh's *The Daily Star* (November 19, 2009) quoted him as saying that "the United States had prior knowledge of the coup which killed Mujib, and that the American Embassy personnel had held discussions with individuals involved in the plot more than six months prior to his

death." The sensational theory, which was not proved, was that an America-China axis was growing to undercut PM Indira's growing influence in South Asia, backed by the Soviet Union.

However, this issue continued to agitate Indian political and intelligence circles for a long time. In December 1975, I attended the annual DIG-CID conference on intelligence and crime in New Delhi as the Deputy Commissioner of the Special Branch-CID in Bombay. In those days, the state chiefs of police did not meet annually on intelligence issues. The Intelligence Bureau used to host only the deputy inspectors general of the state. However, officers of all Central agencies, including the Research and Analysis Wing (R&AW) and the CBI, used to be attendants.

Our conference was inaugurated by then Home Minister Kasu Brahmarshi Reddy at the Vignam Bhawan after a 'welcome tea' the previous evening at PM Indira's house at 1, Safdarjung Road. Reddy's suggestion that we need to be vigilant over foreign developments affecting our security was interpreted as a vetted criticism of R&AW since there was a general impression that our foreign intelligence agency was remiss in anticipating the developments.

We spent the last day of our conference with R&AW officers so that we could be briefed on external developments. During the discus-



WARNING: Then PM Indira Gandhi had asked R&AW chief RN Kao to alert Bangladesh President Sheikh Mujibur Rahman about the looming conspiracy of a coup.

sions, a senior DIG (CID) asked RN Kao, then the chief of R&AW, a loaded question on whether we were 'caught napping' during the 'welcome tea' the previous evening at PM Indira's house at 1, Safdarjung Road. Reddy's suggestion that we need to be vigilant over foreign developments affecting our security was interpreted as a vetted criticism of R&AW since there was a general impression that our foreign intelligence agency was remiss in anticipating the developments.

We spent the last day of our conference with R&AW officers so that we could be briefed on external developments. During the discus-

Foreign intelligence agencies sometimes run into headwinds in conveying information that applies to even a friendly foreign nation.

adpt the public protocol of an internal agency or a low-and-order department. All we could do in circumstances like these was process and convey such information through diplomatic channels, keeping secrecy as the prime objective.

In this case, PM Indira had asked Kao to alert Mujibur about the looming conspiracy. Kao told me after his retirement that Mujibur had dismissed such a possibility, thinking that his people would not do anything like that.

The same was the case with the August 1991 coup attempt against Mikhail Gorbachev, then General Secretary of the Communist Party of the Soviet

Union. All American papers accused the CIA (Central Intelligence Agency) of not alerting the White House. It was made worse when news agencies reported that US President George HW Bush had learnt about it from CNN on August 18 while on a holiday at Kennebunkport. Bush confirmed this in his book, *A World Transformed* (1996), which he jointly wrote with his National Security Adviser, Brent Scowcroft.

However, Bush also added that then Deputy National Security Adviser (later the CIA Director) Robert Gates had met him at breakfast on August 17 and briefed him that the "prospective signing of the Union treaty meant that time was running out for the hardliners, and they might feel compelled to act." Gates thought that the threat was serious, although he had no specific information on what might happen. "The next day the plotters struck."

The *Los Angeles Times* said on September 26, 1995, that declassified CIA documents indicated that the agency had reported as early as May 1991 that "Gorbachev would be finished politically even if he survived a coup attempt." It said the first report (April 19, 1991) conveyed that the leaders of the Soviet military, the MVD (internal security police) and the KGB (intelligence service) were "making preparations for a broad use of force in the political process." The secret CIA report added that

"preparations for dictatorial rule have begun."

James Risen, a noted intelligence expert who had compiled the report, said decision-makers often failed to understand the import of the CIA's reports and act upon them. It is this failure, which was evident even during the processing of intelligence prior to the attack on Pearl Harbor on December 7, 1941, that continues to bedevil security decision-making.

Sometimes, foreign intelligence agencies run into headwinds in conveying information that applies to even a friendly foreign country. Apart from our experience in Bangladesh in 1975, we faced a similar situation in Sri Lanka. In October 1994, we had received intelligence that the LTTE (Liberation Tigers of Tamil Eelam) was about to conduct an operation near Colombo along the same lines as it did against Rajiv Gandhi in May 1991. This time, the target was Gnanini Dissanayake. One of Sri Lanka's brightest politicians, he could have become the island nation's PM.

We had conveyed it to Sri Lanka through diplomatic channels. But Dissanayake and 50 of his followers were assassinated in a suicide bomb attack during a poll rally on October 24, 1994. Our advance intelligence did not translate into protective or preventive action because of a systemic failure in intelligence processing in that country.

Views are personal

China's quest to replace 'Tibet' with 'Xizang' is destined to fail



DHUNDUP GYALPO SECRETARY, BUREAU OF HIS HOLINESS THE DALAI LAMA

The term 'South Tibet' frequently pops up in Indian media, unhelpfully disseminating misinformation from Chinese news outlets. A recent report claimed that China has renamed 30 more places in Arunachal Pradesh, which Beijing asserts are part of 'South Tibet'.

In common parlance, Tibetans may refer to the eastern, western, central or northeastern regions of Tibet, but there is no term 'South Tibet' as a geographical proper noun in the Tibetan lexicon — a fact easily verified by consulting any Tibetan dictionary or encyclopaedia. This term is an entirely new Chinese construct.

Beijing truly deserves recognition for its exceptional mastery in the politics of names. Their prowess in manipulating names — whether of people, places or concepts — as strategic political tools to assert power, control narratives, shape identities and influence public perception is a masterclass in propaganda.

A classic example of China's dominance in shaping the narrative on the Sino-Tibetan conflict is evident from their definition of 'Tibet' itself. The 'Tibet' referred to by China is geographically distinct from the hearts and minds of the Tibetan people. The People's Republic of China, established in 1949, considers only the 'Tibet Autonomous Region' (TAR), created in 1965, as Tibet — an ancient nation with a rich history spanning thousands of years. Traditionally, Tibet consisted of three regions: Utsang, Kham and Amdo. When Tibetans speak of 'Tibet', they mean all three regions, encompassing approximately 2.5 million square km.

In line with the classic colonial divide-and-rule policy, the so-called TAR includes only Utsang and parts of Kham, with the remaining areas fragmented as autonomous prefectures and counties, and incorporated into the neighbouring Chinese provinces of Qinghai, Sichuan, Yunnan and Gansu. Qinghai, for example, is composed entirely of the traditional Amdo and parts of Kham.

The composition of the current demarcated elected leadership of the exile Tibetan polity highlights the stark incongruity of China's definition of Tibet. For example, both the current and former Sikyong (President) of the Central Tibetan Administra-



IDENTITY: When Tibetans speak of 'Tibet', they mean all three regions — Utsang, Kham and Amdo, 2000.

tion belong to areas outside the so-called TAR. The current Sikyong, Penpa Tsering, belongs to Amdo Chentsa, now part of Qinghai province, while former Sikyong Lobsang Sangay belongs to Kham Lhakang, which is currently within Sichuan province.

In previous Sino-Tibetan talks, a key demand from the Tibetan side was the establishment of a single autonomous Tibetan administration encompassing all Tibetan autonomous areas. This is crucial for the genuine implementation of China's constitutional provisions regarding national regional autonomy.

Between 2002 and 2010, nine rounds of formal talks took place between representatives of His Holiness the Dalai Lama and the Chinese Government. Beijing, however, rejected our entire proposal,

China's gradual military conquest of eastern territories of Tibet was swiftly followed by the renaming of newly annexed places.

including our request for a single Tibetan administrative unit. They claimed that the proposed autonomous region would be too large and that Tibetans have historically never been governed under a single administration. This claim is a clear distortion of historical facts. I quote an excerpt from a speech by former Kalen Tripa, Prof Samdhong Rinpoche: "Tibetans were under one administration until the mid-ninth century. Later, Tibetans were again re-integrated into one administration in 1260 under Drogon Choegyal Phakpa. This was offered to him by emperor Kublai Khan and this offering explicitly refers to the three Chölkas with a clear demarcation of its borders. Such unified administration remained until the 1730s."

China further distorted the

definition of 'Tibet' by introducing the notion of 'Greater Tibet'. While Tibetans, like people from any other nation, proudly refer to their homeland as great, Beijing has very deftly rephrased this as 'Greater Tibet'. This is a vicious distortion of Tibetan territorial identity. For Tibetans, there is no concept of 'Greater' and 'Smaller' Tibet; there is simply Tibet, as understood in our collective consciousness.

Beijing has now gone a step far by attempting to supplant the term 'Tibet' with 'Xizang'. It is important to note that Beijing's definition of even 'Xizang' differed both before and after the invasion of Tibet in 1949-50.

In ancient times, such as in the Sino-Tibetan treaty of 821-822, the terms 'Great Tibet' and 'Great China' were used. Before 1949, the Republic of China employed the terms 'Inner Tibet' and 'Outer Tibet' to differentiate regions within Tibet, similar to the use of 'Inner Mongolia' and 'Outer Mongolia' for Mongolia. 'Inner Tibet' referred to the areas under Chinese control at that time, while 'Outer Tibet' denoted independent Tibet. These terms also appeared in the Simla Convention (1913-14), which involved Great Britain, China and Tibet.

China's gradual military conquest of eastern territories of Tibet was swiftly followed by the renaming of the

newly annexed places. For example, Zilung was renamed Xining, Dhartsedo became Kanding, Bathang (my homeland) was changed to Ba an, and Chamdo was renamed Changdu. China then developed and promoted its own narrative, claiming that only the territories under the effective control of the Government of Tibet at that time constituted Xizang.

They believe that by renaming places annexed through military conquests and forging new identities and historical narratives, they can gradually root out and erase the deep, centuries-old bond between the people of these areas and their historic Tibet. The current reality, however, is quite the opposite. Since the disintegration of the mighty Tibetan Empire in the ninth century and the eventual inception of the Dalai Lama's Gaden Phodrang Government in Tibet in 1642, what is ubiquitous across the Tibetan plateau today is a strong, deep sense of common territorial and national identity.

Beijing's quest to replace 'Tibet' with 'Xizang' is, therefore, destined to fail. If history is any guide, the imposition of Chinese identity through the distortion of historical and cultural narratives will only further alienate the Tibetan people and strengthen their sense of distinct national identity.

Views are personal

QUICK CROSSWORD

ACROSS

- Obsessive fixed idea (10)
- Horric (4)
- Chock (5)
- Systematic intimidation (9)
- Unsuspected sudden gain (8)
- Perfume (5)
- Stoking (7)
- Take refuge (7)
- Invererate bitterness (7)
- Capital of Venezuela (7)
- Covered with water (5)
- Evenly and interwovenly contested (4,4)
- Pause between acts of a play (9)
- Rejuvenation (5)
- Style of dress (4)
- Bear cost of entertainment (5,5)

Saturday's solution

Across: 1. Cool-off, 5. Shump, 8. In dispute, 9. Ape, 10. Plug, 12. Carriage, 14. Dacent, 15. Nucleus, 17. Fanciful, 18. Stop, 21. Ace, 22. Imbalance, 24. Dingy, 25. Roilbe.

Down: 1. Crisp, 2. Sad, 3. Oost, 4. Frugal, 5. Spectrum, 6. Up against, 7. Pecked, 11. Unconscious, 13. Infinity, 14. Defused, 16. Lumber, 19. Pecco, 20. Plus, 23. Nab.

SU DO KU

SATURDAY'S SOLUTION

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

CALENDAR

AUGUST 26, 2024, MONDAY

- Shaka Samvat 1946
- Bhadrapad Shukla 4
- Bhadrapad Purnimasa 11
- Hijri 1446
- Krishna Paksha Tithi 8, up to 2.20 am
- Vyagatha Yoga up to 10.17 pm
- Kritika Nakshatra up to 3.55 pm
- Moon in Taurus sign
- Shri Krishna Janamastami

FORECAST

CITY	MAX	MIN
Chandigarh	36	27
New Delhi	34	25
Amritsar	36	27
Bathinda	35	26
Jalandhar	34	26
Ludhiana	33	26
Bhawal	35	26
Hisari	34	26
Sirsa	35	29
Dharamsala	27	19
Manali	26	16
Shimla	23	16
Srinagar	30	19
Jammu	33	26
Kargil	33	15
Leh	31	13
Dehradun	33	24
Mussoorie	23	17