



Auditor's account

The CAG report does not allay all doubts about the Rafale deal

The price-redacted audit report on the process to acquire 36 Rafale fighter jets is unlikely to bring closure to the controversy over the deal. The report of the Comptroller and Auditor-General of India tabled in Parliament comes in the midst of a vigorous campaign by the Opposition that is questioning the process, based on media revelations about possible lapses and deviations and significant points raised by dissenting members of the Indian Negotiating Team (INT). The Modi government can draw comfort from the fact that the CAG report concludes that the 2016 agreement is slightly better in terms of both pricing and delivery than what was under negotiation in 2007 during the UPA regime. However, the report does not allay all doubts. Pegged at 2.86%, the price advantage in the contract over the 2007 offer is marginal. It is a far cry from the 9% saving claimed by the government. The delivery schedule is only one month sooner than the estimated outer limit in the earlier process. The CAG has found fault with Dassault Aviation being allowed to retain the gains made by the absence of a bank guarantee, which, if executed, would have come with significant charges. Disappointingly, the CAG has not quantified this amount, though it declares that it should have been passed on to the Defence Ministry. The 2007 price offered by Dassault included bank charges, and its absence in the 2016 contract is a clear benefit to the company. In other words, the 'advantage' is lower than the 2.86%.

While the key question of pricing is sought to be resolved by the CAG by comparing the auditors' aligned price with the INT's computation, some issues remain unaddressed. The original issue of bringing down the total acquisition from 126 to 36 aircraft does not draw much comment. Also, the huge outgo on the India-Specific Enhancements (ISEs), despite the final figure being projected as a 17% saving on the aligned offer, is something that requires deeper examination. While auditing the earlier process, the CAG found that ISEs were upgrades allowed to be made so that Dassault's bid would be compliant with qualitative requirements. Even a team of Ministry officials that examined in March 2015 the integrity of the earlier process concluded that "the acceptance of [Dassault's] additional commercial proposal after bid submission date... was unprecedented and against the canons of financial propriety." Dassault was not the lowest bidder in the earlier process, and its technical bid had been rejected. Perhaps, this presented an opportunity to the present regime to reopen the entire process to buy Medium Multi-Role Combat Aircraft (MMRCA) and invite fresh bids. However, it chose the IGA route with France, possibly for diplomatic reasons. The CAG identifies as a major problem the fact that the technical requirements are too narrowly defined for most vendors to comply with. The message from the report is that defence acquisition processes require reforms and streamlining.

Common and minimum

Opposition parties will have to make compromises to build a cohesive front

Political stability is a necessary but not sufficient condition for good governance. But the promise of stability is now such a recurring theme in the speeches of senior BJP leaders, including Prime Minister Narendra Modi, it is almost as if nothing else matters. As Opposition parties of different persuasions are beginning to stitch together a motley coalition, the response of the BJP is in the form of raising visions of the years of instability in the latter half of the 1990s when neither the BJP nor the Congress could get a majority in the Lok Sabha. The BJP would like to believe that 2014, when it became the first party to win a majority on its own since the Congress in 1984, was no aberration. A call to vote for stability used to be the Congress's slogan in the 1990s, but it is now appropriated by the BJP as the biggest party on the political landscape. The more the prospect of a united Opposition draws close, the greater the BJP harps on the need for stability. In Maharashtra and Goa, the BJP runs coalition governments without too much trouble, but it is acutely conscious of the possibility of a coming together of Opposition parties if it falls short of a majority. Finishing as the single largest party might not be enough for the BJP in a situation where it has alienated even its existing allies. The Shiv Sena is a difficult ally, and the Janata Dal (United) an undependable one. A post-poll polarisation of smaller parties could hurt the BJP more than the Congress.

The rhetoric around stability is forcing a response from the major Opposition parties. After the rally organised by the Aam Aadmi Party in New Delhi, the push seems to be towards forming pre-poll alliances and formulating a common agenda as part of developing a more cohesive coalition. Congress president Rahul Gandhi is now talking of a common minimum programme, and of working together with Mamata Banerjee of the Trinamool and Arvind Kejriwal of the AAP, and Sharad Pawar of the Nationalist Congress Party. The AAP rally may have just turned out to be more than a show of hands. But for the Congress, the challenge is to build alliances with different parties in different States to take on the BJP. In Rajasthan, Madhya Pradesh and Chhattisgarh, where it is the dominant party, it might still need the support of the BSP to maximise the yield in terms of seats. In Punjab and Delhi, it could do with the help of the AAP. In Karnataka, it would have to deal with a demanding partner in the Janata Dal (Secular). In Bihar and Tamil Nadu, it is the smaller partner in alliances. A common minimum programme might thus have to be truly minimum in order to remain common.

Stress points of democracy

In this election year in India, we need to keep a sharper eye on the weakening of institutions



M.K. NARAYANAN

These are difficult, as also unsettling, times. It is not the complexity of issues that confront the world as much as the steady undermining of institutional and knowledge structures that are posing a threat to the world.

Across the world, democracy is in obvious retreat, with authoritarian tendencies on the ascendancy. Russia's Vladimir Putin, China's Xi Jinping and Turkey's Recep Tayyip Erdogan are constantly projected as the faces of authoritarianism, but many democratic leaders reveal a similar authoritarian streak, which adds to democracy's woes. It may be too early to predict the demise of democracy, but the reality is that it is not a good time for democratic institutions, or for those who see democracy as the answer to the world's problems.

Examples everywhere

Several examples exist worldwide on how decisions today are handed down, rather than being the outcome of discussion and debate. Hallowed international institutions such as the World Bank are facing the heat today for not conforming to the prescriptions of certain powerful members. At the same time, there are enough examples of democracy going awry. Brexit, and the Brexit debate, in the U.K. and Europe is a good example.

The U.S., which prides itself as a leading democracy, is setting a bad example today. Under President Donald Trump, arbitrary decision-making has replaced informed debate. His diatribe against what he

calls a "ridiculous partisan" investigation against him is an indication. Another is his determination to build a wall to keep out Mexican immigrants, even risking an extended shutdown of the U.S. government. The decision of the U.S. to withdraw from the Intermediate-Range Nuclear Forces Treaty — a key pact signed in 1987, and hailed as the centrepiece of European security since the Cold War — without a detailed internal discussion appears to be setting the stage for Cold War 2.0.

It is, however, the ignoring of democratic conventions nearer home that are cause for greater concern. In a pluralistic, multi-party federal system, disdain for democratic conventions and the violation of well-entrenched behavioural patterns are causing irreversible damage to the polity.

Federal fallout

Currently, we are witnessing vituperative exchanges between the Prime Minister and some Chief Ministers which involve accusations such as fomenting riots and running extortion rackets. This damages the fabric of democracy. Centre-State relations are already under strain, and face the threat of still greater disruption.

Selective interpretation of information is a fallout of such situations. Those in authority deem all information not acceptable to them as nothing but disinformation. Those opposed to the government, on the other hand, insist that the government suffers from a lack of probity. The current sulphurous exchanges between the ruling dispensation and the Opposition over the purchase of Rafale aircraft are an example. The casualty is truth, and the veracity of official facts and statistics.

Many instances of this kind can be quoted, but one specific instance that has caught the fancy of



the public is the current debate on jobs and unemployment. The Central government has effectively rejected a report by the well-regarded National Sample Survey Office — which showed that unemployment in 2017-18 was at a 45-year high — without giving any valid reason for doing so. The government's only reasoning for rejecting the report is that it is a 'draft', which has only added to existing doubts about its real intentions. Similarly, doubts are being raised about the validity of the government's revised GDP estimates.

Breaches of democratic conventions are adding to the already existing disquiet. Adherence to democratic norms has for long been perceived as crucial to maintaining the independence of institutions and processes. An impression exists today that attempts are being made to effect changes in the existing system. Two instances during the past year when the government breached long-held conventions have raised questions about the intentions of those in authority.

One was the brouhaha concerning the Reserve Bank of India (RBI), and a perceived attempt to reduce its functional independence, to compel it to fall in line with the views of the government. The resignation of the RBI Governor put a temporary quietus to these concerns, but it is widely believed that the RBI has been brought into line with the government's wishes. The second instance relates to the Interim Bud-

get in an election year. The Interim Budget announced on the eve of the 2019 general election clearly breaches certain long-settled conventions, by including many substantial measures that ordinarily would form part of a regular Budget. The intention is plain, viz. build more support for the ruling dispensation in an election year.

Alongside the decline in democratic conventions, another cause for concern is the virtual collapse of key institutions such as the Central Bureau of Investigation (CBI). Touted as India's premier investigation agency, its reputation has of late suffered a near mortal blow, mainly on account of internecine quarrels, as also external interference in its internal affairs. Created out of the Delhi Special Police Establishment in 1963, a brainchild of then-Home Minister Lal Bahadur Shastri, the agency was earlier headed by persons with impeccable integrity and ability. It had also adhered previously to the salutary principle of not carrying out arrests, except in the most exceptional of circumstances. Over time, the quality of the CBI leadership and the tribe of proven investigators has witnessed a decline, which has impacted the image of the organisation.

An agency of the government, part of the Ministry of Personnel functioning under the Prime Minister, supervised at one step removed by the Central Vigilance Commission, and constantly under the watch of the Supreme Court, the CBI serves many masters. The choice of Director, following the Vineet Narain case, by a committee headed by the Prime Minister, with the Chief Justice of India and the Leader of Opposition as the other members, has hardly helped the CBI maintain a reputation for independence. The recent unsavoury drama, which witnessed a 'Kilkenny cat fight'

between the Director and his No. 2, reflects the lack of institutional culture in the organisation.

Compounding the situation arising from the lack of trained and competent investigators is the fact that supervisory officers, who come and go, are most often not in a position to provide proper guidance to investigating officers. At times, they also tend to tinker with the investigation reports sent to them, to reject the findings of investigating officers.

A changing work culture

What is worse is that while earlier the CBI used to carry out arrests of so-called accused persons only as a measure of last resort, today it is overturning this on its head. As its investigating officers' skills have declined, it is increasingly resorting to peremptory arrests, often on very slender evidence, in anticipation of securing approvers to build, or strengthen, a case. The law generally disapproves of approver evidence, but this has become the stock in trade of the CBI. In many instances, the CBI has also been resorting to pressure tactics while questioning individuals, even when they are not accused persons, setting aside legal niceties and requirements. In a few instances recently, the CBI has even resorted to intimidatory tactics, taking recourse to a battery of investigators to question a witness, let alone an accused, in the hope of securing useful leads. The recent incident where a posse of CBI personnel went to question the Kolkata Police Commissioner at his residence late in the evening, though he was only a witness, reflects the changing mores of the CBI. This should be a matter of concern for one and all.

M.K. Narayanan is a former National Security Advisor and a former Governor of West Bengal

The Karnataka model of politics

Its Assembly constituency-level leadership can operate independent of a political party



NARENDRA PANI

The repeated confinement of Karnataka MLAs in resorts suggests that the State's elected representatives have to literally be physically prevented from selling themselves to their ideological opponents. Given the moral compass of our elected representatives, it would be foolhardy to rule out this possibility. Yet viewing the State's political events entirely in such commercial terms ignores the larger transition taking place in grassroots politics in Karnataka, one that political parties are struggling to keep pace with.

Rural politics

An often underestimated aspect of Karnataka has been its success with rural decentralisation. Unlike its urban governance, which continues to be dominated by lobbies at multiple levels, from garbage collectors to elite industrialists, the administration of rural Karnataka has a prominent place for its panchayat institutions. Its experi-

ments with decentralisation gathered momentum in the 1980s, well before the 73rd Amendment to the Constitution.

Administrative decentralisation was accompanied by a similar process in the State's rural politics. Unlike some other States, like Kerala, where administrative decentralisation has taken place under rather more centralised party control, the process in Karnataka has resulted in a greater opportunity, and hence competition, for local political office. The leaders who emerge from this intense competition are typically more confident of their political roots and are not afraid to make this known in Bengaluru.

The BJP, or more accurately B.S. Yeddyurappa (in picture), was the first to recognise the emergence of Assembly constituency-level leadership which could operate independent of a political party. In his first term as Chief Minister, he launched what has come to be called Operation Lotus. In this operation, an Opposition MLA resigned his seat in the State Assembly and was promptly re-elected as a member of the ruling party. This enabled Mr. Yeddyurappa to convert his minority government into a majority one.

A decade later, the same pro-



cess of decentralisation has worked against the BJP leader. With local competition throwing up even more leaders in each constituency, the number of MLAs who can be confident of re-election has declined. The BJP also needs more MLAs to cross over than it did the last time. But Mr. Yeddyurappa, having previously used the emergence of new local leaders to bring the BJP to power, probably feels he can do it again.

In trying to deal with the new set of previously unknown and ideologically promiscuous leaders, parties in Karnataka have usually fallen back on caste. The Janata Dal (Secular) relies quite heavily on its core base of Vokkaligas. The BJP is relatively more broad-based but takes extra care to protect its Lingayat flock. The Congress strategy is to absorb as many caste groups as possible.

This ensures that caste conflicts are internalised within the party, and the possibility of sabotage at election time in the Congress is probably the highest among the State's parties.

Using caste to net emerging local leaders is also not immune to the pressures of effective political decentralisation. Competition among emerging political leaders exists within castes as well. Taking one leader into a party often means the exit of his opponent from the same caste. In some constituencies, in the 2018 Assembly election, the main candidates were the same but they had exchanged parties.

Battle within castes

What is of greater concern to Karnataka's political parties is that the battle within castes can take on a longer-term ideological colour. This is most evident in the case of Lingayats. The caste has for some decades been under a leadership that would like to take it deeper into the Hindu fold. They tend to treat the 12th century poet-saint Basavanna as no more than an important footnote in the history of the caste. This has been challenged by the historically less privileged sections of Lingayats who see Basavanna as one who chal-

lenged the basic tenets of the caste system and hence Hinduism itself. Their demand to treat the followers of Basavanna as belonging to a different religion has become a major bone of contention.

Karnataka's political parties are struggling to come to terms with this division. The conventional wisdom is to pretend it does not exist. The BJP would like see a continuation of the status quo so that Lingayats remain a part of the Hindu community and there is no division in the major support base of the party. The Siddaramaiah-led Congress government supported the case for the followers of Basavanna to be treated as a separate religion. This led his opponents in the party to blame its poor performance in the last election on this decision, though the party did worse in the non-Lingayat regions of coastal and southern Karnataka.

The way out of the current confusion of parties running helter-skelter to capture "winning" leaders would be the emergence of a new vision, one that new leaders would gravitate towards. But there is no such vision, or visionary, on the horizon.

Narendra Pani is a Professor at National Institute of Advanced Studies, Bengaluru

LETTERS TO THE EDITOR

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

Reservation mania

There seems to be a reservation mania in India ("Rajasthan clears 5% quota for Gujjars", Feb. 14). The hope was that with time reservations would be phased out gradually. What is happening is exactly the opposite. Communities have realised that they can get any government to accept their demands. The scant regard for the upper limit mandated by the Supreme Court is highly reprehensible.

K.V. SEETHARAMAIAH,
Hassan

Twist in Parliament

It was strange to see the same Mulayam Singh Yadav who had tried to save Muslims in 1990 say that he hopes that Prime Minister Narendra Modi will come back to power, even as

chants of 'Jai Shree Ram' rang in the Lok Sabha ("MPs bid adieu amid Mulayam's twist", Feb. 14). Politicians are so unpredictable. I wonder what pushed Mr. Yadav to say this, especially when his son is fighting against the BJP. Are father and son going different ways? His statement undermines the SP's credibility.

B. GANGA RAJU,
Hyderabad

Setting a precedent

M.A. Sneha has taken a courageous step; hopefully more people will follow suit ("It's official: Tirupattur woman gets 'no caste, no religion' certificate", Feb. 14). Defining nationality is more than enough on official documents; the more barriers we strike down, the better our

chance of moving towards an egalitarian society.

KISHOR BANSAL,
SELVAKUMAR A.,
Chennai

Incitement to violence

The writer is right when he says the verdict is unsustainable ("Dealing with the thought police", Feb. 14). But if individuals are unsatisfied with the state, they can peacefully protest, organise themselves, put pressure on the government to heed their demands, use established laws to seek redress, etc. But isn't holding radical literature dangerous? Where does incitement to violence begin? Every action originates from such ideas. It's not always political compulsion but the need to keep citizens safe and secure that makes the state

aggressive at times.

KISHOR BANSAL,
Noida

Revolutionary proposal

I doubt the U.S. Congress will approve the Green New Deal ("A clarion call to combat climate change", Feb. 14). In every country, resolutions that speak against racial injustice, economic inequalities and encourage sustainable ways of living are called ridiculous. This is because governments largely serve the interests of corporates.

SURUMARAN C.V.,
Palakkad

Response to a response

Contrary to what Subramanian Swamy argues ("There is nothing to unfetter", Feb. 12) in response to my article, "Ayodhya and the challenge

to equality" (Feb. 7), secularism is deeply relevant to the argument over Ayodhya. Even if the term was introduced as an afterthought in the Constitution, secularism as a principle was inherent in Constituent Assembly debates on religious freedom, equality and the state. Equality demands minimally that the state should not take sides in a dispute between religious groups in secular matters such as land ownership. The Supreme Court decision of September 27, 2018 pertains to the acquisition of the land surrounding the site where the Babri Masjid stood, not its final disposition. The Lucknow Bench judgment of 2010 is by no means the final word. In

staying the judgment, the Supreme Court observed that its partition decree was rather "strange" in that none of the parties had asked for this manner of settlement. While the matter remains under appeal, the Supreme Court's 2002 injunction against a final disposition of the land remains in effect. Finally, neither the Vishwa Hindu Parishad (VHP), nor the Ram Janmabhoomi Nyas has any apparent standing in the matter. The dispute originated over building rights on the Ram Chabutra, part of the patrimony of the Nirmohi Akhara, which has repudiated the claims of the VHP and its affiliates. SUKUMARAN MURALIDHARAN,
Sonipat

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YES, NO, IT'S COMPLICATED

Is the unemployment crisis for real?

YES



MAHESH VYAS
is Managing Director & CEO of the Centre for Monitoring Indian Economy Private Ltd. (CMIE)

Employment opportunities, formal jobs and the labour force are all shrinking

The jobs situation in India does not reflect a crisis, but it is a matter of serious concern. A crisis is understood as an emergency that demands immediate attention, without which we could see a calamity of sorts. There is no immediate calamity of any kind on hand. But there is a deeply insidious problem at work in the form of shrinking employment opportunities, shrinking formal jobs, and a shrinking labour force.

A populous and demographically young country like India has a lot

to gain if the expanding working-age population can join the labour force and be provided with gainful employment. More hands at work can ensure greater prosperity and relatively evenly spread growth.

Problems of unemployment

But if India cannot provide employment to its growing working-age population, it does not just miss a chance to become a prosperous country, but also risks becoming an unmanageable or unruly country. Unemployed youth, beyond a

threshold, can lose hope of a job and can easily stray into becoming unsocial elements.

A bigger problem is that those who do get jobs and prosper do not appreciate the plight of those who do not. It is mistakenly believed that those who do not get good jobs are not worthy of getting them. The blame is placed at the door of the unemployed as if it is entirely their problem. The macro-economic and social dimension of the problem is not appreciated in India.

Statistics give us clues of the brewing problem and its insidious



nature. First, we are in the midst of a serious investment deficit. CMIE's CapEx database demonstrates the persistent fall in new investment proposals since 2011-12. New investment proposals had peaked at ₹25 trillion in 2010-11. In 2017-18, these were down to ₹11 trillion, and in 2018-19, these are unlikely to cross ₹10 trillion.

The impact of this fall in investments is visible in shrinking jobs. In a point-to-point comparison, in 2018, the number of persons employed declined by 11 million. An estimated 408 million people were employed in December 2017. This

fell to 397 million in December 2018. The average employment in 2017 was 406.5 million. This fell to an average of 402.1 million in 2018. This shows a smaller fall of 4.5 million. Either way, we see a very substantial fall in employment. One (11 million) is only much worse than a fairly bad fall of 4.5 million, or 10%.

number of people looking for jobs. The latter reflects a fall in the number of people looking for jobs. When we juxtapose this against falling jobs, we see a glimpse of the hopelessness of people who should be looking for jobs.

The crisis is the response

Our real crisis is in the nature of the government's response to the situation. When the establishment works hard to rubbish sound statistical practices and results of large sample household surveys and instead uses back-of-the-envelope calculations to measure employment, we are headed towards a bigger crisis than the jobs crisis.

NO



T.V. MOHANDAS PAI
is Chairman of Aarin Capital Partners

The methodology used in the surveys is questionable. What India has is a wage problem

The furore around the unemployment issue is ill-founded. Most of the analysis is based on incomplete representations of the labour market. The recent surveys that profess spiralling unemployment are either unverifiable or heavily skewed by sampling biases. This narrative raises questions on the political motivations behind these surveys that may intend to change the perception of India's growth trajectory, nationally and globally.

What the surveys ignore

CMIE claimed that the total working population in India declined by

11 million (1.1 crore) in 2018. These preliminary estimates seem opportunistically quoted by the think tank two months ahead of schedule. CMIE has considered a minuscule sample of 1,40,000 respondents for a nation of more than 1.3 billion citizens. With regards to the leaked excerpts of the National Sample Survey Office survey, the public has been unduly kept in the dark about the methodology used to compute the claimed 6.1% unemployment rate.

Estimating a macro profile of employment for the country based on a survey of even 2 million partici-

pants is not statistically valid without a study of the various components of job creation. Such surveys have biased weights which have recently been contradicted by more concrete research. These surveys give higher weight to States with large populations but where less formal jobs are being created. There is a higher supply of formal jobs in Maharashtra and in south India than in States like Uttar Pradesh and Bihar.

Another trend which was noticed was that jobs were being created in big cities. However, cities carry less weight in the aforementioned surveys. A company called BetterPlace Safety Solu-



tions, which has one of the deepest databases of the formal sector workforce in India, had recently released these revelatory migration trends. Until such biases are removed using actual data, we must reserve judgment.

Creation of formal jobs

India has been creating formal jobs in large numbers. Further, deliberations based on other proxy databases like vehicle sales, the annual reports of the IT department, and MUDRA loan disbursements help ascertain jobs in large job-creating markets like transport, the professional sector, and small-scale entrepreneurship, respectively. This pro-

vides us with a robust methodology of ascertaining employment.

We have estimated that India requires around 1.5 crore jobs a year. This is because it has got about 2.5 crore people attaining the age of 21 every year. We estimate that 40% of this population may not want formal jobs, as they choose agriculture or become homemakers after marriage. The social security databases point to around 70 lakh jobs created annually (in companies with over 20 employees), the transport sector creates around 30-35 lakh jobs, and the professional sector creates around 6-10 lakh jobs. That's 1.1 crore jobs from just three sources. The rest (30-40 lakh jobs) is contributed by people starting their own ventures. India has not

improved on its Ease of Doing Business ranking for nothing, and this sector is expected to generate more employment with support from initiatives like Make in India.

Today, if you talk to employers like shopkeepers and small and large firms, they will tell you that they are not finding enough employees. This means that there are not enough skilled people in the market. Manish Sabharwal of TeamLease has been producing an annual labour report documenting a healthy demand for jobs. However, these jobs provide insufficient compensation for the applicants. India has a wage problem and not a job problem. This problem can only be solved by creating higher-quality jobs to meet aspirations.

IT'S COMPLICATED



SABINA DEWAN
is President and Executive Director of JustJobs Network

The issue that is more pressing than unemployment is underemployment

Work is fundamental in determining one's quality of life. Indians rely on their jobs to earn a living, to fulfil family obligations, and to satisfy the aspirations that motivate them daily. Yet jobs that are productive, with fair pay, and that allow citizens to live healthy lives are scarce, and are becoming even more so.

Waiting for a good job

Leaked data from the National Sample Survey Office's (NSSO) latest labour force survey suggests that unemployment rose to an all-time high of 6.1% last year. This is, no

doubt, a worrying trend.

Yet the rise in unemployment can largely be explained by the fact that more young people are obtaining an education. With education comes the expectation of a 'better' job. Those who can afford education also tend to be in a position to wait for a job that meets their requirements. Those who are not as financially fortunate must find the means to make a living, however poor in quality the work may be. The data show that unemployment is higher among the educated, and lower among those with less finan-

cial means and education.

The need to work to make ends meet also fuels India's large informal economy. Over 90% of the employed (farm and non-farm) are informal workers. In the non-farm sector, 66% of those employed are informal workers. The informal economy is characterised by low levels of productivity and low wages because many of these workers are underemployed.

The urgent crisis confronting the economy, then, is underemployment. Underemployment occurs when workers are unable to find employment that makes use of



their qualifications and skills. For instance, an engineer might be working in a mechanic shop. Underemployment and/or refers to the sharing of low-productivity work, as is common in agriculture, for example. Or picture a 16-year-old who spends his mornings selling just enough coconuts to make the bare minimum to survive. And these are just examples of visible underemployment.

Persistent underemployment also contributes to the decline in labour force participation rates. As people grow frustrated with their inability to find a good job, they may stop looking for work and drop

out of the labour force altogether. Data from the leaked NSSO labour force survey suggest that the labour force participation rate declined to 49.8% in 2017-18 from 55.9% in 2011-12.

Both underemployment and this form of discouragement are a significant loss of productive potential. This is particularly troubling when it pertains to India's large and growing youth population. Pathways to productive and high-quality employment are essential to deliver better living standards to citizens, but also for sustainable and inclusive economic growth.

Three-pronged strategy

So, how can we address the pro-

blem? Addressing the underemployment crisis entails a three-pronged strategy.

First, we must improve the quality of jobs by improving productivity in agriculture and in enterprises. Second, we must align education, technical and vocational education and training to market demand. Third, we must make enduring and long-term investments in human capital through good-quality education, skills, and on-the-job training, as well as in basic social protection.

Recent data do suggest that there is rising unemployment. To be sure, this is a problem. But perhaps the larger and arguably more pressing challenge is underemployment.

SINGLE FILE

Removed from reality

India is more interested in maintaining a facade of social harmony than in putting things in order

SAMIR NAZARETH



Given what is at stake in the 2019 general election, much can be read into recent surveys where a majority of respondents found Prime Minister Narendra Modi to be the most trusted leader and that his leadership enhances the country's image abroad.

In this epoch of social media, the hunger for admiration is unbounded, which could explain this national fixation with the country's global image. This craving to prove India's prowess in the absence of real progress in many areas has resulted in certain awkward moments for the government and the country. A recent one was the doctored video of the Vande Bharat Express posted online by Railways Minister Piyush Goyal.

There is enough data to link this image-neediness to other sociopsychological findings. According to the United Nations' 2018 World Happiness Index, India ranks low, lower than the Occupied Palestinian Territories. According to the World Health Organisation, India is the most depressed country in the world. In 2015, India ranked fourth in a Social Hostilities Index. And in the 2018 Global Peace Index, it ranked 137 out of 163 countries and territories.

Herein lies the paradox: an unhappy and depressed country dealing with large doses of internal hostility is concerned with its leader's ability to enhance the country's image. This is a natural corollary to the strategy of impression management, a notion that seems to have come into vogue in recent years after it was promoted by the current dispensation. For example, consider the public and media references to Mr. Modi's 56-inch chest and the bear hugs he gives to global leaders. All of this implicitly gets linked to the broad question of policy performance. Never mind that policies such as demonetisation, implementation of the Goods and Services Tax, and the surgical strikes across the Line of Control in 2016 were seen by many to have failed in some regards; the mere image of the Prime Minister being decisive and driving these policies to bring about positive change seems enough to carry the day. This aura also appears to legitimise taking credit for the previous government's achievements.

The BJP-created need for a strong leader has synthesised into potent individual cravings for global recognition. This has become so chronic that we as a country are more interested in creating and maintaining a facade of social harmony and uninterrupted economic progress than recognising the disarray at home and putting things in order. Or is the high from global recognition a coping mechanism for the despair citizens find themselves in? That India is more concerned about the face it shows to the world than what the world sees behind it indicates how far removed it chooses to be from reality.

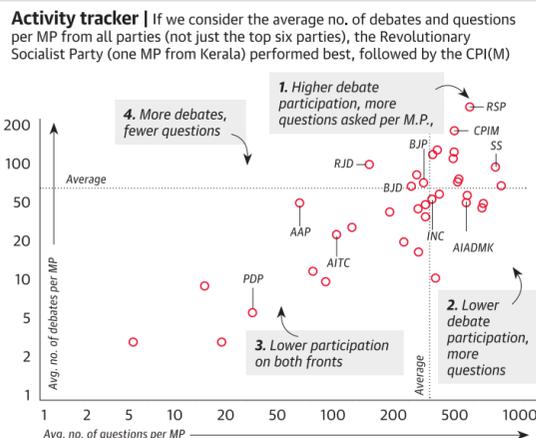
The writer is the author of 1400 Bananas, 76 Towns & 1 Million People



DATA POINT

Parties in the House

The last Parliament session of the 16th Lok Sabha came to a close on Wednesday. Of the six largest parties in the Lok Sabha, BJP MPs had the highest attendance. On average, Shiv Sena lawmakers took part in the most number of debates and also asked the most questions per MP (among the top six parties). By **Varun B. Krishnan**



Party stats
Table shows indicators for the biggest parties in the Lok Sabha (2014-19)

Political party	No. of legislators	Average attendance*	Debates per MP	Questions per MP
BJP	269	86.06%	68	244
INC	45	76.32%	49	275
AIADMK	37	79.11%	46	448
TMC	34	62.55%	24	71
BJD	18	81.57%	63	205
Shiv Sena	18	78.53%	92	677

*Attendance record as on Feb. 9. Ministers' attendance not considered | Source: PRS Legislative Research

Avid debaters

The MP who participated in the most number of debates was Bhairon Prasad Mishra, a BJP legislator from Banda constituency in Uttar Pradesh

MP	State	No. of debates
Bhairon Mishra	U.P.	2,095
P.S. Chandel	H.P.	1,884
Sharad Tripathi	U.P.	660
C.P. Joshi	Rajasthan	380
P.P. Chaudhary	Rajasthan	359

The top five were male BJP MPs elected to the Lok Sabha for the first time. Four of them were graduates

Top billing

Nishikant Dubey from Godda constituency in Jharkhand introduced the highest number of private members Bills

MP	State	Pvt. members Bills
Nishikant Dubey	Jharkhand	48
Kirit Solanki	Gujarat	37
Gopal Shetty	Maharashtra	32
O.P. Yadav	Bihar	28
P.S. Chandel	H.P.	26

All the above MPs won on a BJP ticket. Four of them were graduates

FROM THE HINDU ARCHIVES

FIFTY YEARS AGO FEBRUARY 15, 1969

Jan Sangh ready to co-operate with Congress

Mr. Atal Behari Vajpayee, President of the Bharatiya Jan Sangh, said here [New Delhi] to-day [February 14] that it was for the Congress, as the largest single party in the Bihar Assembly after the mid-term poll, to take the initiative for forming a stable Government there. Talking to newsmen, he said that if the Congress failed to do so, the proper course for the Governor would be to sound the S.S.P., the second largest party, to form a Government. Mr. Vajpayee said the people's verdict had cast the Jan Sangh in the role of an Opposition party in that State, and it would be content and happy to play that part. However, if either the Congress or the S.S.P. sought the Jan Sangh's cooperation in forming a stable Government in the State, then the party's Central Parliamentary Board would consider the offer, in the interest of stability. Mr. Vajpayee said co-operation with Communists in forming a Government anywhere was out of the question.

A HUNDRED YEARS AGO FEBRUARY 15, 1919

Sir R. Tagore at Kumbakonam, Tanjore.

Leaving Trichinopoly by the express train of Tuesday morning [February 11] in which he travelled in a special saloon, Sir Rabinathan Tagore arrived at Kumbakonam at about mid-day. At the Railway Station, Mr. R.M. Statham M.A., Principal of the Government College, Kumbakonam, received the distinguished visitor and took him to his bungalow where he stayed as his guest. In the afternoon, the poet delivered his lecture on the popular spirit in religion to a crowded meeting held at the College. A cheque for Rs. 300 was handed to Mr. C.F. Andrews, Secretary to the poet, by the Principal as the humble contribution of the citizens and the students of the town who took tickets to the lecture in aid of the Shantiniketan and Asramam at Bholpur. Towards the close of the proceedings, the students of the college read an address to the poet.

CONCEPTUAL Titanic syndrome

FINANCE
This refers to a market phenomenon where the number of stocks making 52-week lows turns out to be higher than the number of stocks making 52-week highs within seven days from the day when the market reaches a new all-time high. The phenomenon is named after the RMS Titanic, the famous British passenger ship that sank in 1912 after hitting an iceberg. The Titanic syndrome was first proposed by Bill Ohama in 1965 to warn traders about the possibility of an imminent crash in the stock market. Ohama believed that the appearance of the Titanic syndrome could be the prelude to a 10% drop in the stock market.

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14 THE EDITORIAL PAGE

WORDLY WISE

THE ONLY REASON YOU SAY THAT RACE WAS NOT AN ISSUE IS BECAUSE YOU WISH IT WAS NOT.
— CHIMAMANDA NGOZI ADICHIE

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

It's a wage crisis

India's challenge is creating a complex ecosystem of high-productivity firms



MANISH SABHARWAL

THE DEBATE AROUND unemployment is unhelpful — since 1947, unemployment has bounced between 3-7 per cent of India's labour force. But reconciling this mathematical accuracy with our painful poverty — it has bounced between 25-75 per cent of our population since 1947, based on your definition of needs, wants and desires — needs an understanding of the "self-exploitation" theory proposed by the Russian economist Alexander Chayanov in the 1920s. He convinced Jawaharlal Nehru that small farms are viable because you don't have to pay yourself rent or pay a salary to yourself, spouse or kids. I make the case that one, self-exploitation — hanging out *vella* (idle) with low or zero marginal productivity in farms, self-employment or subsistence wage employment — has been India's labour market shock absorber since 1947. Two, this shock absorber no longer works because Indians born after 1991 expect a living wage (that meets aspirations) rather than a minimum wage (that keeps mind and body together). And three, these higher wage expectations can only be met by transitioning people to higher productivity sectors, geographies, and firms.

Our current debate confuses jobs with wages. Almost every Indian who wants a job has a job but they don't get the wages they want or need because they work in unviable sectors (48 per cent of our labour force on farms generates only 13 per cent of the GDP), unviable firms (our 6.3 crore enterprises only translate to 19,500 companies with a paid-up capital greater than Rs 10 crore), unviable entrepreneurship (50 per cent of our labour force is not self-employed but self-exploiting), and unviable geographies (2 lakh of our 6 lakh villages have less than 200 people).

Historian Ramachandra Guha reminds us that India may not yet be the most important or powerful country in the world but it is surely the most interesting. Our political parties have created the world's largest democracy on the infertile soil of the world's most hierarchical society. But we had zero chances of creating the world's largest economy on the infertile soil of the economic model articulated by the Avadi Resolution of

1955 and the Second Five Year plan of 1956. High wages need a complex ecosystem of high productivity firms and individuals: IT firms employ only 0.7 per cent of India's labour force but produce 7 per cent of India's GDP. A waiter in Chicago with skills similar to a waiter in Jaipur makes 20 times higher wages because of the productivity of the customers eating at the restaurant, and India's 20 million manufacturing SMEs have at least 25 times lower productivity than Germany's 200,000 *mittelstand* (SMEs).

Essentially, the GDP of 114 million Maharashtrais is more than 204 million people in Uttar Pradesh because Maharashtra is more formalised, industrialised, financialised, urbanised and skilled. Similarly, the GDP of 1.2 billion Indians till 2019 was lower than 66 million Britons because socialism — capitalism without competition and bankruptcy — led to nutty economics after 1947. Three books — *Capitalism in America: A History* by Alan Greenspan and Adrian Wooldridge, *How China Escaped the Poverty Trap* by Yuen Yuen Ang, and *Lost Glory: India's Capitalism Story* by Sumit Majumdar — talk about choices and consequences. America amplified prosperity (35 per cent of people in official poverty have air-conditioning and 60 per cent have a car), China has used markets to move 700 million people out of poverty since 1978, while our licence-radjbed inefficiency. Politician Vasant Sathe pointed out in the 1980s that India's public sector steel industry employed 10 times more people to produce half the steel of South Koreans.

But India is breaking with its past. We have six million new registered enterprises after GST and 30 million new social security payers in three years. Our new monetary policy committee and fiscal discipline have blunted inflation from 8.33 per cent in 2014 to 2.19 per cent. Our new bankruptcy law has started recycling assets of Rs 14 lakh crore. In the 1960s, the-then RBI governor L K Jha had presciently warned that resource utilisation is as important as resource mobilisation. Digital payments have exploded from 0.1 million the month before demonetisation to 650

million last month. Infrastructure spending has doubled in the last five years accompanied by qualitative improvements in air connectivity, ports, highways and railways. Finally, a modern state is a welfare state with a broad tax base; India has more than a crore new individual tax filers since demonetisation with a 45 per cent increase in returns with incomes below Rs 10 lakh last year.

For India's 25th birthday in 1972, the late Sheila Dhar wrote a wonderful book, *This India* that suggested, "Indians have great patience. It is not in their nature to be in a hurry. They can wait longer, suffer more and work harder than other people." This paragraph would probably change for the 75th birthday version in 2022; the impatience of our young is changing India and her politics. And thankfully, our democracy means that the Chinese communist party strategy articulated in the 1980s — fill their stomachs but empty their minds — will not work in India. India's youth don't aspire to replace self-exploitation with the patronising pessimism of loan-write offs, subsidies or income without work; they recognise that a hard day's work in a formal job provides dignity, strength, identity and purpose in addition to living wages.

At a deeper level, our acceptance of self-exploitation was a form of mental bondage that defied Rabindranath Tagore's dream of our country becoming a place where the mind is without fear and the head is held high. In 1910, Tagore articulated this vision in 'Chitto Jetha Bhoyshunno' hoping his country would awake to a freedom where tireless striving stretches its arms to perfection. The end of our acceptance of self-exploitation embodies a freedom that would please the great sentinel. India's challenge is not jobs but employed poverty and while there is much unfinished work, it's delusional to believe we aren't making good progress. And it is unhelpful presentism to believe that policy-makers have no choice other than viewing our youth as petitioners rather than potential apprentices.

The writer is with Teamlease Services

THE NATION MOURNS

The killing of CRPF soldiers sears the nation with grief. This moment also calls for all to summon wisdom and foresight

THE VEHICLE-BOMB suicide attack on a CRPF convoy near Awantipora on Thursday is the deadliest ever terror strike against security forces in three decades of militancy in Kashmir. The loss of so many security personnel while on duty will be mourned across the country. Jaish-e-Mohammed, which works out of Pakistan under the leadership of Masood Azhar, has claimed responsibility for the attack. The Jaish has carried out other attacks in Kashmir in recent years, including the one at Uri and at Pathankot. Yet India's efforts to have Azhar designated as a global terrorist have been repeatedly blocked by China, a staunch ally of Pakistan. It is no wonder that both Beijing and Islamabad have been conspicuously silent as outrage has poured in from all over.

The route taken by the 78 vehicles with more than 2,500 jawans on Thursday is used by troop convoys travelling up from Jammu to camps in Srinagar. As it is the only highway, their movement is no secret. There have been attacks by militants on that road targeting troops and civilians in the past — returning Amarnath yatrīs were targeted in 2017 further south on the same highway — and for that reason, the road is heavily guarded. But as Thursday's attack has revealed, a bomber in a vehicle loaded with explosives just has to wait for his opportunity. Whether Jaish had advance information and how the bomber slipped through road opening parties that must clear and secure the route, is now a question for investigators to probe. For now, however, this moment calls for sobriety and wisdom. With parliamentary elections only weeks away, the timing of the attack is a fraught one. In BJP-dominated Jammu, a bandh has already been called for Friday. But the nation would be better served if the BJP-led NDA government at the Centre, and all political parties, including those in the Valley, pause and reflect on the grave juncture in Kashmir in which this devastating attack has come.

After years of near normalcy, the Amarnath land row crisis was the first turning point. Then, the 2015 re-emergence of militancy in the Valley took place in the backdrop of a general draining of optimism, with the hardening of the Centre's position on Kashmir and the worsening of relations with Pakistan, despite the initial hopes raised by the decision of the BJP and PDP to come together to form the government in 2014. This moment calls, therefore, for a sober look back, and ahead. Those who project militancy as the last resort of a betrayed people while claiming to speak for the interests of the Valley also need to reflect on how terrorism can delegitimise even a genuine political aspiration.

TWO ENDINGS

Lapsing of citizenship and triple talaq bills is welcome. Former should be buried, latter needs to be debated and finetuned

IT IS JUST as well that two contested pieces of legislation — the Citizenship (Amendment) Bill and the Muslim Women (Protection of Rights on Marriage) Bill — have lapsed with the close of the Budget Session, the last parliamentary session of the 16th Lok Sabha. These bills had been passed in the Lower House and were awaiting introduction in the Rajya Sabha. Both had raised serious concerns that they would have a polarising effect, deepen ethnic, regional and communal fissures. Hopefully, the next government will make no attempt to revive the Citizenship (Amendment) Bill, and will make an effort to forge a greater consensus on the Muslim Women (Protection of Rights on Marriage) Bill, commonly referred to as the triple talaq bill, before seeking the approval of Parliament.

The proposed amendment to the Citizenship Act viewed Indian citizenship as an exclusive privilege of Indic faiths, excluded Muslims, and projected India as a homeland of Hindus. The NDA government shrugged off the criticism that the bill militated against the constitutional idea of Indian citizenship. It chose to ignore the ethnic faultlines in the Northeast and sought to impose a religious binary onto the complicated identity question that is central to politics in the region. The BJP's leader in the Northeast, Himanta Biswa Sarma, made his party's agenda clear when he reiterated on Wednesday that the BJP stands by the bill and that if it is not passed, as many as 17 constituencies in Assam "will go into the hands of Bangladeshi Muslims". This seems in stark contrast to the wider public opinion in the region. It is not surprising, then, that besides civil society groups like AASU, even chief ministers from the region have welcomed the lapsing of the citizenship bill. The BJP needs to understand that the identity question in the Northeast is a nuanced one and it must shun steps that may force open new faultlines. On the other hand, the triple talaq bill is a potentially progressive legislation that has faltered primarily because of the government's insistence on pressing the criminality clause, which has raised fears of a miscarriage of justice.

A lesson to be drawn from the 16th Lok Sabha, particularly the experience of these two bills, is that the party in power needs to engage creatively and persuasively with the Opposition. Consensus-building is a tough ask, but it is a task that is essential to the practice of democracy.

WHAT IS AMERICA?

Childish Gambino's song suggests disturbing answers. His winning the Grammy raises more questions

WHAT IS AMERICA? A superpower, of course, the mover of global capitalism. For some, the bearer of many inequalities and for others, it holds the dream of prosperity. But what is America for a black man? Donald Glover aka Childish Gambino's track, and the violent, absurd and chilling video that accompanies it, provide one answer to that question. And, with *This is America* becoming the first rap song to win the Grammy for both song and record of the year (2018), many are hailing the fact that "history has been made", that the mainstream is acknowledging the havoc that has been wrought on Black America's psyche by a history of violence and despair.

Throughout the video, Childish Gambino dances across frames that evoke a history of oppression: He is wearing trousers from the Confederate uniform (the pro-slavery camp in the US civil war), his posture mimics a famous Jim Crow poster, there are riots in the background while people film violence with their cellphones, a KKK member rides across. Gambino shoots a hooded black man, guns down a black church choir, all the while gleeful, dancing with children. What is this joy in the face of violence, this almost Kubrickesque pleasure in blood? *Dance and shake the frame/ We just wanna party (yeah)/ Party just for you (yeah)/ We just want the money (yeah)*. The black man, he seems to suggest, is distracted and appropriated, the occasional celebrity, the odd success story — and "the party" of consumerism, and violence keeps him in his place.

Childish Gambino did not perform in or even attend the Grammys. He has, since the release of the song, not spoken of its rich symbolism. The question, now, is this: How accurate is *This is America*? If the point Gambino appears to be making holds true, the honours he has received may even be seen as just another way to keep alive the nightmare that his song portrays. His dance has indeed "gotten him the money". But, and here there is hope, maybe it can help shake a country out of its slumber.

A REFEREE LESS PARTISAN

Blame for politicisation of the Speaker's office lies with the anti-defection law



CHAKSHU ROY

EARLIER THIS MONTH, the Speaker of the Karnataka Vidhan Sabha was embroiled in a controversy. The chief minister alleged that the Speaker was offered a bribe of Rs 50 crore. He played a tape which purportedly contains a conversation referring to money being offered to the Speaker for accepting the resignation of 15 MLAs. These allegations triggered a fresh political slugfest as any change in the number of MLAs in the Vidhan Sabha will destabilise the coalition government in Karnataka. The larger question this incident raises is of increasing politicisation of the office of the Speaker of legislatures.

Speakers are central to the functioning of a legislature. They are arbiters who steer proceedings in Parliament and state assemblies. They ensure that our legislative institutions fulfil their constitutional mandate of lawmaking, government accountability and representation. For Speakers to do their job effectively, insulation from political pressure is essential. The passing of the anti-defection law in 1985 gave Speakers the power to expel MLAs and MPs for anti-party activities, both inside and outside the legislature. This law single-handedly ensured that the Speaker, in addition to being a referee in legislative proceedings, also became an active player in the politics of government formation and survival.

Asoke Kumar Sen was the Union law minister who piloted the anti-defection law through Parliament. He reasoned that giving Speakers the power to expel legislators would prevent unnecessary delays by courts,

speed things up and give the law more teeth. Some MPs pointed out that this power would involve the Speaker in unnecessary controversies. However, Sen prevailed and the provision found its way into the Constitution. Perhaps he assumed that Speakers would remain immune to political pressures. It took less than three years for this assumption to be disproved. After the death of Tamil Nadu Chief Minister M G Ramachandran in 1987, the ensuing struggle for succession split the ruling AIADMK into two factions. His widow, V N Janaki, was sworn in as the CM. Thereafter, a confidence motion in her favour was moved in the assembly. During the voting, the party whip petitioned the Speaker asking for the disqualification of 27 MLAs from the opposing faction. The Speaker immediately disqualified these MLAs during voting in the House, which resulted in pandemonium. The Speaker's neutrality was questioned and aspersions cast on his decision. In 2017, Tamil Nadu faced a similar situation. The Speaker expelled certain MLAs for anti-party activities. The expelled MLAs, in their defence, alleged that the Speaker was acting with malice and bias. Another MLA described the Speaker's decision as a "murder of democracy". Over the last three decades, Speakers of Vidhan Sabhas have been criticised for decisions on the membership of MLAs under the anti-defection law and their rulings challenged in courts. Often, political pressure to give certain rulings, or not to act in certain cases, has led to the undermining of their constitutional office. There is an urgent need to protect the office of the Speaker from the ill effects of the anti-defection law.

The last three decades, Speakers of Vidhan Sabhas have been criticised for decisions on the membership of MLAs under the anti-defection law and their rulings challenged in courts. Often, political pressure to give certain rulings, or not to act

in certain cases, has led to the undermining of their constitutional office. There is an urgent need to protect the office of the Speaker from the ill effects of the anti-defection law. There is an easy and a hard way for this to be done.

The easy way is to either limit or take away the Speaker's powers when it comes to expelling legislators. This could be done by restricting the Speaker to only act against those legislators who defy the party whip while voting on matters that impact government stability. Or as some expert bodies have proposed, the Speaker's powers in such cases can be given to the President/Governor, acting on the advice of the Election Commission. The hard solution is to get rid of the anti-defection law. It is a law which is systematically hollowing out our legislatures. It has failed in achieving its purpose of political stability. Its provisions have been circumvented and it has stifled voices of our elected legislators.

Mahatma Gandhi, in 1931, observed that, "Democracy is a great institution and therefore it is liable to be greatly abused. The remedy, therefore, is not avoidance of democracy but reduction of the possibility of abuse to a minimum." The anti-defection law was passed in 1985 right after the 38th death anniversary of the Mahatma. It is time to get rid of the anti-defection law to prevent it from doing any further damage to the office of the Speaker.

Roy is head of legislative and civic engagement at PRS Legislative Research



FEBRUARY 15, 1979, FORTY YEARS AGO

EMBASSY BESIEGED SCORES OF HEAVILY armed Iranians stormed the US embassy in downtown Teheran and briefly seized the compound after a prolonged gun-battle. US Ambassador William Sullivan ordered the embassy's 20 marine guards to cease resistance and to surrender with rest of the staff to the attackers. An American spokesman said the staff was free to leave but was remaining on the grounds for their own protection on the advice of Khomeini forces. But forces loyal to the religious leader, Ayatollah Khomeini, rushed to the rescue of more than 100 besieged Americans. Armed youths stood guard around the compound.

US ENVOY KILLED ADOLPH DUBS, THE US ambassador to Afghanistan, was killed after being kidnapped by unknown persons. The kidnappers brought Dubs to Kabul Hotel and held him there for three hours. Several of them were killed during a shootout with the police. Armed members of the Shiite sect kidnapped Dubs from his car and took him to the hotel, saying he would be freed only if their demand was met by the Afghan government. The demand was some recently Shiite mullahs should be released.

BHUTTO HANGING ZULFIKAR ALL BHUTTO won a reprieve from

imminent execution when the Pakistan Supreme Court agreed to undertake a final legal review of his conviction. The court granted his lawyers a stay of execution and fixed February 24 to start hearings on numerous legal questions and new evidence that the defence plans to bring. Without the stay, Bhutto could have been hanged tomorrow, his lawyers said, since the seven-day period for executive clemency appeals has expired. The stay of execution will run until the court disposes of the petition. In granting it, Chief Justice Anwar-ul-Haq said the court feels it has already spent too much time on the case and dislikes the idea of reopening material already covered during its seven-month hearing.

How a successor solves inherited problems

The rules for business and politics are quite different, despite superficial similarities



THE WISE LEADER

R GOPALAKRISHNAN

For a business CEO — to answer the question I have asked in the headline — it is, maybe, two-three years, which is a third of a tenure of seven-10 years, but the cleaning up of the past must be done in a congenial way. The rules for business and politics are quite different, despite superficial similarities.

In Indian politics, we are experiencing shambolic and vituperative public

utterances through which the present government places the blame for its five major problems on its predecessors — black money, employment, farmer issues, health and education. It is sobering to note that these same problems were identified when the Bombay Plan was written in 1944 by a group of eight businessmen, 75 years ago. Of course, they did not explicitly blame the colonial government. Blaming the predecessor occurs in the politics of other countries as well. During his first term as president, Barack Obama said at a fund raiser in Atlanta, "We got here after 10 years of an economic agenda in Washington that was straight forward. You cut taxes for millionaires, you cut rules for special interests, and you have cut working folks loose to fend for themselves. That was the philosophy of the last administration and their friends in Congress."

Business boards and investors act faster when they observe the blame game in business organisations. By experimenting within the 24 hour life cycle of a fruit fly, scientists are able to derive hypotheses for testing on longer living

animals. Analogous to life cycles, CEO tenure can be thought to have four phases: First, seizing the baton; second, dealing with issues firmly (very importantly, be perceived to be dealing); third, envisioning the future; and last, preparing the legacy that the CEO would like to leave.

Faced with increasing predecessor overhang, shareholder activism and technological disruption, CEOs get a short period to seize the baton and deal firmly with the issues on hand. In fact, John Flannery got punished within one year, before being eased out of GE as the successor to Jeff Immelt.

As CEO of Hewlett Packard about a decade ago, Meg Whitman made veiled excuses for four years of write downs, layoffs and revenue declines. She blamed the actions of her predecessors, Leo Apotheker and Mark Hurd. Last year, the Commonwealth Bank of Australia (CBA) CEO, Matt Comyn, laid the blame for wrongful selling consumer credit insurance at the door of his predecessor, Ian Narev. What do you think our bank chairmen would say about non-performing assets (NPAs)?

Or, for that matter, some of the private sector CEOs! All CEOs inherit the predecessor's 'karma' balance sheet of credits and debits — managing the debt is notes sensibly, and being seen to do so robustly are both important.

It is a delicate task and balancing act. Almost certainly, during this period, there would be actions that would suggest a criticism of the past, especially if the predecessor is around in any position of influence as chairman, advisor or board director. Shades of this were visible in the cases of Ramesh Sarin at Voltas, Vikram Pandit at Citi, and Carly Fiorina at HP. Jim Donald, a field-driven, operating man from the retail domain, was hired as CEO-designate of Starbucks in 2005. Within 18 months, Chairman Howard Schultz and the board decided that the 40 per cent slide in Starbucks stock prices between 2005 and 2007 warranted the exit of Jim Donald. Imagine the number of Indian CEOs who would be on the exit list if the stock price of their company became the yardstick for their staying on!

It is only after the first 2-3 years, that the CEO's bigger challenge arise: setting forth his or her own vision for the future and to deliver his or her future legacy. Managing the predecessor's debit notes without playing the blame game, and yet doing so robustly and visibly, is a complex twin challenge for any incoming CEO. Through examples, I have explored this subject while writing my recent book, titled *Crash: lessons from the rise and exit of CEOs*.

There is an old joke about the advice that a predecessor gave his successor. "I have left you three envelopes in the right drawer. Open them and follow my advice whenever you face a dilemma." When the successor opened the first one at a difficult moment, it read "Blame the predecessor". On the next occasion, the slip read, "Reorganise the company". On the third occasion, the envelope said, "It is time to prepare three envelopes for your successor".

The writer is an author, corporate advisor and distinguished professor of IIT Kharagpur. During his professional career, he has served as vice chairman of Hindustan Unilever and Director, Tata Sons

CHINESE WHISPERS

Action, reaction



A day after Samajwadi Party patriarch Mulayam Singh Yadav (pictured) praised Prime Minister Narendra Modi in Parliament, posters sprang up in Lucknow, thanking the former Uttar Pradesh chief minister. "Thank you Mulayam Singh Yadav, today you reiterated the wish of 125 crore Indians in the Lok Sabha," a poster read. The same day, former Bihar chief minister Rabri Devi, who is related to Yadav through marriage, expressed her dismay at the latter's statement. She remarked what Yadav said had no relevance in today's politics and that his memory was fading.

False ceiling, real alarm



The court room number three in the Supreme Court premises saw some commotion on Wednesday after a lawyer pointed out that a false ceiling appeared to come apart. This stopped the hearing and the judges returned to their chambers. The lawyers and law interns present also scrambled out. Just a couple of minutes later, repairmen were seen rushing into the courtroom to check the cracks in the false ceiling.

Kishor spreads his wings

Prashant Kishor's Indian Political Action Committee (I-PAC) appears to be expanding its foothold in the field of political consultation across party lines at a rapid pace. While it has been reported that his team has already won the mandate to work with the Shiv Sena in Maharashtra and the Bharatiya Janata Party for various assembly elections, it is also learnt that I-PAC will be working on policy suggestion for the Captain Amarinder Singh-led Punjab government.

Cracking quid pro quo relationships

In the absence of appropriate regulations and sophisticated technology, Indian investigators have their work cut out

SUDIPTO DEY

The Central Bureau of Investigation (CBI) and the Enforcement Directorate (ED), the agencies investigating former ICICI Bank managing director and CEO Chanda Kochhar and her husband Deepak Kochhar and their business dealings with the promoters of the Videocoin group, have pressed charges centring on a quid pro quo relationship between them. The onus will now be on the investigators — and the regulators — to prove that the charges stick in the court of law. That, say forensic experts, would require investigators to establish that the quid pro quo relationship led to a trail of direct or indirect financial benefits for the parties involved. This becomes all the more challenging to establish in the absence of a trail of financial benefits, putting to test the tenacity and capacity of the investigators, they add.

Legally speaking, there is a fine distinction between insider trading and a quid pro quo relationship. According to Arpinder Singh, who heads forensic and integrity services at EY, insider trading generally refers to a person taking unfair advantage of asymmetrical business information for

unfair gains. In a quid pro quo situation, there are two parties where one is reimbursed for something of value, he adds.

Forensic experts such as Reshmi Khurana, head of business intelligence and investigations at Kroll, points out that both could be part of the same problem. "When an insider uses non-public material information to trade on a stock (directly or via third parties who are acting on its behalf), it is assumed that he must have received some personal benefit in return (quid pro quo) which could be in the form of a kick back, benefit from a rising or falling stock price, or greater control over the entity," she says.

Typically, insider trading is tougher to prove as there may be difficulty in establishing how a person came to possess that piece of information and establishing that the transactions have been executed based on that. On the other hand, says EY's Singh, "It may be easier to establish a sequence of events and prove that a quid pro quo relationship exists," says Singh.

According to Samir Paranjpe, partner, Grant Thornton India, when the exchange of tips or confidential information is with a clear understanding of an extended benefit, pecuniary or otherwise, there lies a quid pro



quo arrangement. "Insider trading conceptually involves taking an unfair advantage of the access one has to confidential and unpublished information," he adds.

Globally, regulators and investigators around the world have access to sophisticated tools making it possible to detect insider trading proactively. These include data analytics programs, surveillance mechanisms, whistle-blower hotlines that help identify insider trading and provide the evidence needed to establish the practice. "That has proven to be a strong deterrent in developed markets. The implementation of the law and support from the police and other agencies is also critical for implementing it," says Khurana.

Regulations in many more mature markets are evolved also in terms of specialist discipline and practices around insider trading. "Whistle-blower mechanisms and other proactive measures, like insider trading audits, implementation of corporate governance best practices, health check reviews and proactive certifications around compliances help in evolution of regulations in these markets," says Kartik Radia, partner and head, business advisory services at BDO India.

That is where Indian investigators and regulators have been found wanting. Insider trading cases have a low conviction rate largely because it is difficult to establish exchange of informa-

tion. "In many cases, regulators are increasingly moving to establish individual culpability so that management can be held accountable," says Singh.

The typical legal challenges, says experts, are the long-drawn legal processes involved in proving the existence of real personal benefit, working within an individual's rights on privacy and regulations around it.

Highlighting the limitations under which Indian investigators operate, Paranjpe points out that in the West, there have been several high-profile insider trading cases where convictions took place on the basis of evidence collected through wire taps/phone taps. "That's a route which is not formally available to Indian regulatory agencies," he says.

In emerging economies like India, white collar crimes, such as insider trading and transactions on account of quid pro quo relationships, are still not given the kind of importance that they should, experts point out. "Financial crimes, such as, insider trading need to be treated on par with other criminal activity," says Khurana. Accordingly, the regulatory framework as well as the compliance and detection mechanism at companies needs to evolve to meet this threat.

"Encouraging a strong and independent compliance function within organisations, responding with decisiveness and clarity when such issues are brought up or escalated within the organisation, should help tackle challenges related to these issues," says Singh. In Ms Kochher's case, the onus is on the investigators to live up to the challenge.



INSIGHT

Squandering India's demographic dividend

Looking at the nature of employment among the youth, we find that a disproportionately large share are self-employed



RADHICKA KAPOOR

India is facing a serious jobs crisis. The findings of the Periodic Labour Force Survey or PLFS (2017-18) recently reported by this newspaper, reaffirm the enormity of the crisis. For an economy that has typically been characterised by disguised unemployment and has witnessed open unemployment rates in the range of 2 to 3 per cent, an unemployment rate (UR) of 6 per cent is startling to say the least. What is particularly alarming is that the high UR is largely a consequence of unemployment among the youth (15-29 age bracket). The UR for the youth is reported at 17.4 per cent and 13.6 per cent for rural males and females respectively. The corresponding figures for urban males and females stand at 18.7 per cent and 27.2 per cent respectively. That Narendra Modi came to power backed by the support of the youth on his promise of providing them jobs makes his government's discomfort at acknowledging the recently released data palpable. But, this is not just an election issue. It is about India squandering its demographic dividend — a once in a lifetime opportunity for a country.

All countries have a demographic "window of opportunity" when the growth in the working-age population

UNEMPLOYMENT RATES (%)

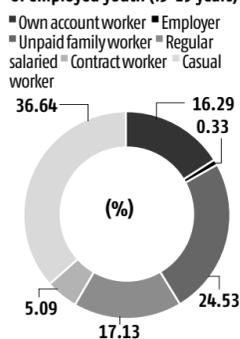
Age group	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
15-29	8.4	12.1	9.4	10.7	25.6	14.0	8.9	14.5	10.3
30-59	0.5	1.8	0.9	0.6	4.7	1.3	0.6	2.3	1.0
Total (15+)	2.9	4.7	3.4	3.0	10.9	4.4	3.0	5.8	3.7

Table 2: Unemployment rate of youth (15-29 years) by educational qualifications

Educational qualification	UR (%)
Not literate	2.72
Literate: Below primary	3.07
Primary	4.06
Middle	4.42
Secondary	7.31
Higher secondary	12.54
Certificate course at undergraduate level	21.46
Diploma at undergraduate level	20.63
Graduate	29.84
Postgraduate and above	28.35
Total	10.33

Source: Labour Bureau, Annual Employment Unemployment Survey, 2015-16

Table 3: Activity wise distribution of employed youth (15-29 years)



is greater than the growth in the total population. The increase in the share of the working-age population is expected to generate more incomes, more savings, more capital per worker, and more growth leading to what is known as a "demographic dividend". At present, India has the largest young population in the world, with over 65 per cent of the population in the working age of 15-59 years. This share is expected to rise till 2035-40 giving India the longest window of opportunity compared to any other country to exploit its demographic dividend. If we have to seize this opportunity, we need to be able to provide the additional labour force with gainful jobs. With youth unemploy-

ment rates peaking, clearly we are doing miserably in terms of harnessing this dividend.

The last officially released Employment Unemployment Household survey conducted by Labour Bureau in 2015-16 allows us to do a more disaggregated analysis and confirms the fact that joblessness among the youth has been festering for some time now. Whilst I would refrain from making comparisons between the PLFS (2017-18) and the Labour Bureau's Employment-Unemployment Survey or EUS (2015-16) since they differ in terms of criteria used for selection of households, trends from the latter also indicate the looming challenge of youth unem-

ployment. In the 2015-16 survey, the UR stood at 3.7 per cent (by the usual principal and subsidiary status) and the UR for those in the age of 15-29 years was considerably higher at 10.3 per cent. The data from EUS (2015-16) shows that [as shown in Table 1] the UR for the older workforce (that is, those in the age bracket of 30-59 years) stood at a mere 1 per cent.

A disaggregated analysis of URs of the youth by education levels in the Labour Bureau's 2015-16 survey is even more disturbing. The data from EUS (2015-16) shows that [as evident from Table 2] unemployment rates are increasing with education levels. The UR for those with graduate and post graduate degrees was close to 30 per cent and reflects the inability of educated jobseekers to find jobs that fully utilise their skills and abilities. On the other hand, those classified as "not literate" reported a UR of just 2.7 per cent. This low figure is not much of a reassurance. It is simply a consequence of the fact that uneducated youth often belong to low income households and cannot afford to remain unemployed for long.

Looking at the nature of employment among the youth, we find that a disproportionately large share are self-employed. Again, data (2015-16) shows that [as evident from Table 3] these are largely unpaid family workers (24.53 per cent) or own account workers (16.29 per cent), not employers who can be considered "job creators". The next highest share of employed are in the category of casual workers (36.64 per cent). The share of regular salaried workers is relatively smaller (just 17.13 per cent) pointing to the lack of decent productive jobs for the youth. Additionally, over 40 per cent of the youth were employed in the agricultural sector in 2015-16 and a paltry 13 per cent

were employed in manufacturing. That such a large number of youth continue to be employed in agriculture even as their education levels rise suggests that the non-agricultural sector has failed to generate enough employment opportunities for them. The inability of young adults to land good jobs at the cusp of their career can not only be demotivating and discouraging leading to what it referred to as a "scarring effect" in the literature but also lead to a higher likelihood of being unemployed later in life and a wage penalty.

There is no silver bullet to deal with youth unemployment. Many suggest reforming the education and skill development sector, increasing emphasis on entrepreneurship and taking steps to increase female labour force participation. But, for any of these recommendations to work, they must be implemented within the context of an overall economic development policy that puts maximisation of employment, and not just maximisation of GDP, centre stage. It is indeed puzzling that India is growing at 7 per cent per annum and yet not being able to generate good jobs for its educated young populace. Political spectacles are likely to unfold in the months to come, but it is imperative that the problem of youth unemployment is tackled head-on. It is not only the economic costs that matter. The social consequences of joblessness among the youth can be even worse. The Arab Spring of 2011 is a reminder of what the frustrations of disillusioned unemployed youth can lead to.

The writer is senior fellow, Indian Council for Research on International Economic Relations

LETTERS

Boosting MSME morale



The government's decision to extend CLCS (Credit Linked Capital Scheme) by another three years with an outlay of ₹2,900 crore is another olive branch offered to micro, small and medium enterprises (MSMEs). The scheme is expected to provide many benefits to the MSMEs. The most welcome feature of this scheme is the special provisions that have been made to promote entrepreneurship among SC/STs, women, the hill states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, island territories like Andaman, Nicobar, Lakshadweep, and the aspirational districts. In these cases, the subsidy is available even for investment in acquisition/replacement of plant and machinery and equipment and technology upgradation of any kind.

Of late, the government has been concentrating to provide necessary financial impetus to MSMEs to make them highly competitive and also accelerate employment generation. The objective to keep doubling the effort and make them self-reliant at various levels of their export production is also appreciable. The government should also look at providing necessary infrastructural facilities to these units to boost both domestic and overseas trade. Their potential in exports should be harnessed to achieve the desired results.

A Sathyarayanan New Delhi

Letters can be mailed, faxed or e-mailed to: The Editor, Business Standard, Nehru House, 4 Bahadur Shah Zafar Marg, New Delhi 110 002. Fax: (011) 23720201. E-mail: letters@bsmail.in. All letters must have a postal address and telephone number

Fix the pilot shortage

DGCA needs to streamline its regulations

Passengers have been inconvenienced by a series of flight cancellations in recent days and weeks, particularly by market leader IndiGo. The budget airline, which has more than 40 per cent of market share, has tried to get ahead of the last-minute cancellation problem by effectively shutting down about 30 flights a day, which, it says, represent only 2 per cent of its flights. On Wednesday, however, it had cancelled almost 50 flights. IndiGo has said that weather conditions and airport disruptions had required it to “re-roster” its crew, and insisted that its regular operations would be resumed by the end of March. However, the problem that IndiGo is facing is structural and not a cyclical one.

India has seen extremely quick growth in the aviation sector. It has been the fastest-growing domestic air travel markets for four years in succession; last calendar year, the number of passengers grew 18.6 per cent over 2017. Last October was the 50th consecutive month of double-digit growth. However, despite this firm growth in demand, supply has been constrained. It is not that there is a shortage of airline options, or that airlines have a shortage of aircraft. The problem is that qualified pilots, particularly those who have the credentials to sit in the commander’s seat on a passenger flight, are too thin on the ground. It is believed that about 100 new aircraft will be added to the Indian civil aviation fleet in the next year. Each aircraft should be associated with 10-12 pilots. India currently has fewer than 8,000 pilots. When the number of additional aircraft is seen together with the current deficit of pilots, it appears that there will be a need for over 1,500 pilots over the next year. Even fewer of these will qualify as commanders, given the more onerous requirements for that post. The number of commanders that were recruited in 2017-18 fell by 10 per cent.

This is clearly approaching a crisis. The Directorate General of Civil Aviation, or DGCA, had better consider what measures it could take to ease this sharp supply constraint. It will, at least in the short and medium terms, be necessary to recruit more qualified pilots from abroad — but, unfortunately, there is a tightness to this segment of the labour market worldwide. Even so, the DGCA’s regulations on foreign pilots will have to be relaxed — there are currently fewer than 350 such pilots in India. Bureaucratic delays are also a problem: The time taken to clear such a pilot by the DGCA can also be 40-60 days, which is too long. The DGCA insists on arcane host-country copies of documents, for example; and foreign pilots frequently have to be sent home to their countries to be re-verified by their local police. Meanwhile, the longer-term solution is to ensure that there are more and better flying schools in the country, and that education loans are more easily available for those who want to become qualified pilots. The requirements for flying instructor in India have been artificially enhanced by the DGCA and must be rationalised. If supply constraints continue in the civil aviation industry, the blame lies squarely at the regulator’s door.

Lessons not learnt

Annual fire safety audit must be made mandatory

At least 17 people lost their lives to a blaze that swept through the Hotel Arpit Palace, located in one of the most densely populated areas of Delhi in the early hours of Tuesday morning. The fire reportedly started on the first floor and engulfed the floors above. The cause of death was suffocation as most of the victims could not figure out a way to exit the hotel. There appears to have been wooden panelling in the corridors, because of which occupants couldn’t use them to evacuate. Two of the victims jumped from the window of the six-storeyed building to escape the inferno. Though the Delhi Hotel Association spokesperson claimed that all rules and fire safety norms were followed, preliminary investigations revealed this was hardly true. Stairs and corridors were too narrow, the emergency exit was blocked, and there was an illegal bar on the roof. The hotel staff were also reportedly not trained enough to handle such exigencies. The hotel reportedly had a “temporary” floor.

What this whole episode reiterates once again is that Indian cities, its residents and lawmakers continue to ignore the lessons of the past. Unsurprisingly then, such fires causing loss of human life happen with alarming regularity. The lax implementation of laws is not restricted to hotels alone. For instance, according to the Delhi Fire Services, at least 250 hotels in the capital continue to operate with fire safety “shortcomings”. Reports also suggest that most nursing homes operate in complete violation of fire norms. This is shocking, as New Delhi doesn’t seem to have changed its approach to fire safety even 22 years after the horrifying fire in the Uphaar cinema hall in 1997, killing 59 people and seriously injuring over 100.

This sorry state of affairs is not restricted to the capital alone. News of deaths because of violations of fire safety protocol is endemic. A little more than a year ago, 14 people died and more than 50 were injured when fire engulfed two restaurants in Mumbai. The fire escape of the restaurant complex was rendered dysfunctional by construction in defiance of safety regulations. Kolkata has seen at least two major fire-related incidents after the death of 73 people at the Amri Hospital in 2011. The list keeps growing every year, exposing the laxity with which building bylaws are enforced in India’s cities. The concern is while there is no dearth of norms for fire safety, what is lacking is efficient execution. For example, buildings that exceed 45 metres in height, or roughly 12 floors, are considered “high-risk” in Mumbai, and those who do not follow fire safety norms can be imprisoned for six months to three years and fined, but rules are violated with impunity, and punishments are rare. What is also required is a mandatory fire safety audit by independent agencies. Governments, both at the Centre and states, must have clear provisions in their safety legislation about the methodology and periodicity of such audits.



‘Rowlatt Acts’ India gifted itself

Detention without charge or trial is rampant today, but our legislators no longer seem to care about oppression by the state

Next month it will be a century since the law known as the Rowlatt Act was enforced on 10 March, 2019. Mahatma Gandhi, only four years after his return from South Africa led an all-India strike against the Act on April 6. One week later, April 13, a large crowd gathered in Amritsar to join the protest at Jallianwala Bagh. The Punjab administration under Governor Sir Michael O’Dwyer claimed that British rule was under threat and responded with violence, unleashing the Gurkha and Baloch Regiments on the civilians, killing over 300. All of us are taught this in school.

The government passed the Rowlatt Act in the face of opposition from all of the Indian members of the Imperial Legislative Council. The British Raj claimed that the law would affect very few Indians. However, Gandhi made it his cause celebre. He called it an “affront to the nation” and was successfully able to mobilise the whole country. He moved on to the Non-Cooperation Movement and it made him a national leader that we see him as today.

So what was so offensive about the Rowlatt Act (more properly, the Anarchical and Revolutionary Crimes Act, 1919)? Why were Indians so angered by it that they were holding public demonstrations and opposing it in the Council?

The Act did away with fundamental principles of the rule of law. It could detain people without charge or trial and it did away with jury trials, in favour of in-camera trials by judges. This is called administrative detention, meaning the jailing of someone without a crime having been committed, merely on the suspicion that they will commit a crime in future.

Now let us have a look at the India of today, when we are a free people. In 2015, over 3,200 people were held in ‘administrative detention’ in India. Gujarat has the Prevention of Anti-Social Activities Act of 1984. It allows for detention without charge or trial for a year. Uttar Pradesh has the National Security Act allowing detention without charge or trial for a year to “prevent a person from acting in any manner prejudicial to the defence of India, the relations of India with foreign powers, or the security of India” or “from acting in any manner prejudicial to the security of the State, or from acting in any manner prejudicial to the maintenance of public order, or from acting in any manner prejudicial to the maintenance of supplies and services essential to the community”.

Recently, this law has been used to jail Muslims accused of cattle smuggling and slaughter in Madhya Pradesh. Tamil Nadu has the Prevention of Dangerous Activities of Bootleggers, Drug-offenders,



REPLY TO ALL

AAKAR PATEL

How can we tax footloose MNCs?

In the last few years, globalisation has come under renewed attack. Some of the criticisms may be misplaced, but one is spot on: Globalisation has enabled large multinationals, like Apple, Google, and Starbucks, to avoid paying tax.

Apple has become the poster child for corporate tax avoidance, with its legal claim that a few hundred people working in Ireland were the real source of its profits, and then striking a deal with that country’s government that resulted in its paying a tax amounting to 0.005 per cent of its profit. Apple, Google, Starbucks, and companies like them all claim to be socially responsible, but the first element of social responsibility should be paying your fair share of tax. If everyone avoided and evaded taxes like these companies, society could not function, much less make the public investments that led to the Internet, on which Apple and Google depend.

For years, multinational corporations have encouraged a race to the bottom, telling each country that it must lower its taxes below that of its competitors. US President Donald Trump’s 2017 tax cut culminated that race. A year later, we can see the results: The sugar high it brought to the US economy is quickly fading, leaving behind a mountain of debt (which increased by more than \$1 trillion dollars last year).

Spurred on by the threat that the digital economy will deprive governments of the revenues to fund function (as well as distorting the economy away from traditional ways of selling), the international community is at long last recognising that something is wrong. But the flaws in the current framework of multinational taxation — based on so-called transfer pricing — have long been known.

Transfer pricing relies on the well-accepted principle that taxes should reflect where an economic activity occurs. But how is that determined? In a globalised economy, products move repeatedly across borders, typically in an unfinished state: A shirt without buttons, a car without a transmission, a wafer without a chip. The transfer price system assumes that we can establish arms-length values for each stage of production, and thereby assess the value added within a country. But we can’t.

The growing role of intellectual property and intangibles makes matters even worse, because ownership claims can easily be moved around the world. That’s why the United States long ago abandoned using the transfer price system within the US, in favour of a formula that attributes companies’ total profits to each state in proportion to the share of sales, employment, and capital there. We need to move toward such a system at the global level.

How that is actually done, however, makes a great deal of difference. If the formula is based largely on final sales, which occur disproportionately in developed countries, developing countries will be deprived of needed revenues, which will be increasingly missed as fiscal constraints diminish aid flows. Final sales may be appropriate for taxation of digital transactions, but not for manufacturing or other sectors, where it is vital to include employment as well.

Some worry that including employment might exacerbate tax competition, as governments seek to encourage multinationals to create jobs in their jurisdictions. The appropriate response to this concern is to impose a global minimum corporate-income tax. The US and the European Union could

Forest offenders, Goondas, Immoral Traffic Offenders, Sand-offenders, Sexual Offenders, Slum-grabbers and Video Pirates Act, 1982. It allows the state to jail without trial or charge “any bootlegger or drug offender or forest offender or goonda or immoral traffic offender or sand offender or slum-grabber or video pirate...to prevent him from acting in any manner prejudicial to the maintenance of public order”.

Karnataka has the Prevention of Dangerous Activities of Acid Attackers, Bootleggers, Depredator of Environment, Digital Offenders, Drug Offenders, Gamblers, Goondas, Immoral Traffic Offenders, Land Grabbers, Money Launderers, Sexual Predators and Video or Audio pirates Act, 1985.

It allows for detention without charge or trial of up to 12 months of “any acid attacker or bootlegger or depredator of environment or digital offender or drug offender or gambler or goonda or immoral traffic offender or land-grabber or money launderer or sexual predator or video or audio pirate...to prevent him from acting in any manner prejudicial to the maintenance of public order”.

Some states have less ornate and more direct phrasing. Assam has the Preventive Detention Act, 1980. It can jail individual for two years, without charge or trial.

Bihar has the Conservation of Foreign Exchange and Prevention of Smuggling Act, 1984. It allows for “detention without charge or trial for up to two years to prevent a person from i) smuggling goods, or (ii) abetting the smuggling of goods, or (iii) engaging in transporting or concealing or keeping smuggled goods, or (iv) dealing in, smuggled goods otherwise than by engaging in transporting or concealing or keeping smuggled goods, or (v) harbouring persons engaged in smuggling goods or in abetting the smuggling of goods.”

Jammu & Kashmir has three laws, one allowing detention without charge or trial for six months, another for a year and third for two years. West Bengal has the Prevention of Violent Activities Act of 1970.

Journalists in Chhattisgarh are regularly jailed under the NSA and kept in prison for a year for their reporting.

As we can see from the dates, none of these are so-called colonial laws. These are laws we have gifted ourselves. Every state uses them liberally and there is no resistance from the judiciary. These days we have classified sections of the Indian people as the enemy through the use of the phrase anti-national.

The Rowlatt Act was never implemented nationwide. But our Rowlatt Acts are used against Indians in every state. Why do we not have Jallianwala Bagh-type gatherings today? Why do our legislators not resist the oppression by the state of its citizens as did those of the Imperial Legislative Council? Is it that we no longer care about tyranny and due process and individual rights? Or is that it has become fine because it’s not foreigners doing it?



JOSEPH E. STIGLITZ

The perfect spy



BOOK REVIEW

KANIKA DATTA

Last year’s sensational headlines about the attempted murder of former Soviet spy Sergei Skripal and his daughter Yulia added a twist to the tumultuous post-Cold War relations between Europe and Russia. Mr Skripal, who inadvertently inhaled near lethal quantities of a nerve agent called Novichok planted in his home by Russian agents, had been a Russian military intelligence officer who had

spied for the British intelligence services in the nineties. Arrested in Russia, he was given asylum in the UK following a spy swap in the 2010.

In the murk of Russian interference in the US elections, and much else, Vladimir Putin’s motives for this act remain unclear. Mr Skripal, who blew the cover of several hundred Russian agents during his career, apparently lived in blameless retirement. If anything, Russia’s dirty tricks brigade appeared to have focused on a far smaller fish than a former agent who lives under 24X7 surveillance under an assumed name in a nondescript suburban street. This is Oleg Gordievsky, the protagonist of Ben Macintyre’s marvellous new book *The Spy and the Traitor: The Greatest Espionage Story of the Cold War*.

Mr Gordievsky was a KGB star who spied

for Britain between 1974 and 1985, passing on invaluable secrets about the Soviet Union’s nuclear arsenal and its decaying leadership before making an astonishing escape to the West after his cover was blown. But “Putin and his people have not forgotten,” Mr Macintyre comments wryly. In 2018, a former KGB bodyguard accused of murdering the defector Alexander Litvinenko in 2006 by poisoning his tea with the radioactive Polonium 210, offered what Macintyre describes as an “intriguing response” when asked about the Skripal poisoning. “If we had to kill anyone, Gordievsky was the one. He was smuggled out of the country, and sentenced here [in Russia] to death in *absentia*,” he said.

Gordievsky, in fact, remains a legend. As Mr Macintyre writes, “For Western intelligence services, the Gordievsky case became a textbook example of how to recruit and run a spy...and how, in the most dramatic circumstances, a spy in peril could be saved.” Unlike others, including Aldrich Ames, the American

double agent who unmasked him to the Soviets (to cover the costs of a young and expensive wife), Mr Gordievsky was not in it for the money. His motives were grounded in a slow disenchantment with Communist ideology.

Ironically, Mr Gordievsky came from a model Soviet family. His father, Anton, was an officer in the NKVD (the KGB precursor), who unquestioningly implemented Josef Stalin’s murderous dekulakization and deportation policies in Kazakhstan in the 1930s, a process that killed some 1.3 million people. He enjoyed the fruits of his position as an establishment stalwart with a comfortable apartment, and access to adequate food and consumer goods that few in Soviet Russia could take for granted.

The younger Gordievsky’s faith was first joggled when he witnessed the Berlin Wall go up but he remained *Homo Sovieticus* for all that. Having gained admission to the elite Institute of International Affairs, he was talent spotted for the KGB, which he joined in 1963,

training at the Red Banner Academy outside Moscow (which included lectures by the legendary Kim Philby on spycraft). His older brother, Vasily, had joined the KGB as an “illegal,” operating undercover in Western Europe and Africa, a job sufficiently stressful to drive him to drink and death at age 39. Oleg worked in the same directorate, preparing documentation for other illegals — “creating people who did not exist” — but was not permitted to follow in his brother’s footsteps on grounds that having two family members overseas might encourage them to defect.

The world beyond the Iron Curtain beckoned but the KGB preferred to post married agents overseas. Mr Gordievsky obligingly found a wife, a German-language expert who shared his ambition to travel abroad. The marriage of convenience proved handy when a slot opened for a posting running illegals in Denmark. That first exposure to life in the West altered Gordievsky’s outlook. The story of how he became a British spy has a Keystone Cops aura about it. The Prague Spring of 1968

was his epiphany. To try and attract the attention of the western intelligence services, he indiscreetly criticised the Soviet actions on an open line to his wife at home, hoping that the eavesdroppers would pick up on his dissatisfaction. Nothing happened. In fact, it was almost five years before the British identified and approached him as a possible asset.

Mr Macintyre, author of such classics of intelligence history as *Operation Mincemeat*, *Double Cross* and *Agent ZigZag*, recreates the story of Oleg Gordievsky’s career with his customary flair. To relate the details of Mr Gordievsky’s recruitment and defection would be to give away the plot of a gripping book.

THE SPY AND THE TRAITOR: The Greatest Espionage Story of the Cold War
Ben Macintyre
Viking, 368 pages, ₹899

The writer is the winner of the 2001 Nobel Memorial Prize in Economic Sciences. His most recent book is Globalization and its Discontents Revisited: Anti-Globalization in the Era of Trump.
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Opinion

FRIDAY, FEBRUARY 15, 2019



KEY TO MIDEAST PEACE

Mike Pompeo, US secretary of state

You can't achieve peace and stability in the Middle East without confronting Iran. It's just not possible



● COMPREHENSIVE REFORMS

THE CHALLENGE IS TO INCREASE BOTH THE SCALE AND IMPACT OF FINANCIAL RESOURCES, IMPROVE LINKAGES, AND BUILD PARTNERSHIPS BETWEEN THE PUBLIC AND PRIVATE SECTORS

Only structural transformation can cure rural distress

A YOUNG POPULATION, entrepreneurial spirit, and stable macroeconomic outlook have made India one of the fastest growing economies in the world. This has lifted millions out of poverty, but India is still home to the largest concentration of poor people in the world. Most of them live in the rural areas with poor access to education, health, roads and electricity. Is increased rural distress a reflection of rising inequality associated with the fast pace of growth, or a concern on the lack of opportunities and unfairness in rural areas, where a majority of the people still live? Rural distress is both a cause and effect of India's structural transformation and fast pace of growth. There are well-understood limits to the pace at which countries can accumulate physical capital. But there are no limits to knowledge diffusions, and the pace at which urban-rural gaps can be closed.

India's fast pace of economic growth and increased rural distress is not a puzzle. Everyone can now see how others live. People in the rural areas have raised their aspirations and are now demanding a better quality of life. Although humanitarian aid is perceived by many economists as the most efficient way of dealing with rural distress, this may not be a substitute for a faster pace of rural structural transformation that India needs to accelerate growth and job creation.

Conventional wisdom suggests that industrialisation and urbanisation grow together and hand-in-hand. India's industrialisation and urbanisation did grow together in the early 1990s. But the two trends have spatially dispersed in the last decade, and the manufacturing sector is now de-urbanising (*bit.ly/2S48PYw*). The share of the manufacturing sector in employment, output, and number of enterprises in the urban areas has declined but it has increased in the rural areas. This process of spatial transformation has brought about a more efficient allocation of enterprises across urban and rural locations. But this process has been too slow, as manufacturing enterprises find it

hard and costly to locate to the rural areas due to inadequate physical and human infrastructure.

More than 40% of total employment is still employed in the agricultural sector in India, compared to less than 20% in China, and less than 2% in the US. People in rural areas depend on agriculture, not because it is remunerative, but because there are few alternative employment opportunities. There is room for improving agricultural productivity, but this is not a substitute for a faster pace of rural structural transformation that India needs to improve the quality of life. Declining importance of agriculture in development is an integral part of an inclusive growth process.

India's rural distress is partly a symptom of its twin balance sheet problem and factor market distortions. Enterprises need three factors of production—labour, capital and land—to produce output. Is labour, capital or land more misallocated in India? Land is much more distorted than capital and labour. Less efficient firms manage to grab more land than more efficient firms. Because land is used as a collateral for most bank loans, capital is also distorted. Most bank loans require some form of collateral to guarantee the loan. Land is simply the best form of collateral due to its immobility (i.e., the debtor can't run off with land). While borrowers can often pledge 80% of land values against loans, for most other forms of fixed investment, the loan-to-collateral value ratio is substantially



EJAZ GHANI

Lead economist at the World Bank

lower (for example, 25%). While there may not be such a thing as a perfectly efficient factor allocation, there are huge gains to be made from reducing land misallocation. India is one of the most land scarce countries in the world, and land is also the biggest asset in the rural areas. Reducing land misallocation will not only reduce rural distress, but also enable India to achieve double-digit growth rates.

Integrating energy efficiency is important not just for reducing rural distress, but also for improving the liveability of cities

India's rural distress also reflects rising concerns of gender inequality. Conventional wisdom suggests that a faster pace of economic growth should reduce gender discrimination. But this is not the case in India. The share of females in manufacturing employment has barely increased over the last two decades, but it has increased in agriculture, as men leave rural areas in search of better jobs in the cities. India's increased feminisation of agriculture has worsened gender equality, due to the heavy work burden in rural areas, and lack of access to basic amenities, including drinking water, sanitation, and much more. While agriculture has become increasingly feminised, the ownership of agricultural assets by women has not increased.

India's green growth has worsened in the rural areas, if we measure green growth by the amount of energy used to produce an output. It is estimated that nearly 70% of the global carbon emissions is contributed by poor energy efficiency. Indian cities have increased energy efficiency, but it has deteriorated

in the rural areas. These trends have been exacerbated by the de-urbanisation of the manufacturing sector. Although the installed capacity of India's power system is the fifth-largest system in the world, it is still insufficient to meet India's rapidly increasing rural demand. Integrating the energy efficiency agenda with the rural structural transformation agenda is important not just for reducing rural distress, but also for improving the liveability of cities.

India's future is in where one would least expect it to be. It is in the rural areas, that will continue to benefit from the demographic dividend. The infrastructure financing needs of rural structural transformation is huge. But the potential for attracting more private investment is also huge. The basic traits of rural infrastructure projects, such as market size, long-term steady revenue stream, and investment returns that exceed inflation make them attractive for most institutional investors. The funds managed by private institutional investors exceed \$100 trillion, but their allocation for rural infrastructure projects is tiny.

Maximising finance for rural structural transformation will not come from a single financing instrument. Only by combining resources—Central and state, international and domestic, public and private, corporate and philanthropic—will it be possible to achieve the necessary levels of financing. The challenge is to increase both the scale and impact of financial resources, improve linkages, and build partnerships. Both markets and administrative institutions are weak in rural areas. This calls for increased coordination, not just increased competition between public and private sector, and between urban and rural areas, as India's manufacturing sector is de-urbanising, and structural transformation is still evolving. Rural distress will not be resolved through humanitarian aid but through rural structural transformation that can benefit the demographic dividend, create more jobs and enable India to achieve double-digit growth rates.

Huge delays in procuring are the real Rafale scam

CAG report has enough to please both BJP and Congress, but the delays in procuring weaponry are unconscionable

WITH THE CAG report on the BJP government's purchase of 36 Rafale fighter aircraft giving both the BJP and the Congress enough ammunition to claim that their stand was correct, it is unlikely the storm over the purchase is going to end anytime soon. The Congress has to be happy with the CAG's observation that, by allowing Dassault to not issue a bank guarantee, this lowered its costs, but the benefit of this was not passed on to the government. The BJP, on the other hand, has to be pleased with the CAG's finding that, after taking various parameters into account, its deal was cheaper than that by the Congress party, even if it was only 2.86%. Also, since the Congress/UPA government never actually concluded its deal due to non-agreement on critical parameters like the labour costs of the aircraft that were to be manufactured by HAL and Dassault's refusal to guarantee the HAL-Rafale's quality, the BJP can convincingly argue that there was no Congress deal, and had these parameters been factored in, the BJP deal would be even better. As the CAG report puts it, "the above two issues led to a stalemate in negotiations. Five years after the bid, and after three years of evaluation and negotiations, there was no finalisation". Indeed, the CAG points to how, during the UPA period, Dassault was allowed to go ahead in the negotiations despite its aircraft failing to qualify technically and despite the fact that its bid did not mention the capital costs of producing the aircraft here.

What is even more worrying, and the Congress alleging foul play in the BJP's purchase will only make this worse, is the huge delays in buying equipment and the impact of this on the armed forces; *Economic Times* has reported that India is in talks with Russia to buy mothballed MiG-29s, after some upgradation—in all probability, this is the result of the urgent need to maintain a minimum-sized fleet. So, despite India buying ₹78,000 crore of equipment each year, there are unconscionable delays in the process; signing the first Rafale contract, done in the UPA period, took 180 months. Part of this is due to the culture of over-specifications by the armed forces instead of just giving their broad requirements—the Air Staff Qualitative Requirements for the Rafale jet deal had 660 parameters! Even something as non-complex as a Doppler Weather Radar had 42 parameters and that is why it took eight years to conclude the contract while the Indian Meteorological Department bought this in just nine months, the CAG points out. Adding to this massive over-specification which meant that no firm could ever meet all the specifications, the procurement procedures are extensively overhauled every 2-3 years. If this wasn't bad enough, when the UPA's defence minister appointed a team of outside experts to oversee the compliance of the Integrity Pact in June 2012, and these experts said it was okay, the minister decided the matter should be examined again by the ministry's officials. The team was not able to give its report in the remaining two years of the UPA(); and when it did, in March 2015, it naturally recommended that the process be scrapped since the issue of the HAL-costs and the Rafale quality-assurance had still not been agreed upon. While it is possible to argue the BJP government influenced the officials once it came to power, there is no satisfactory explanation from the Congress party on either how soon these issues would have been sorted out or how they would have impacted the price; and how was a Rafale plane to be bought, even if it was the cheapest, if the French manufacturer wasn't going to guarantee the quality of the aircraft produced here? Sadly, such issues, including the structural defects in the procurement process and the depletion of the armed forces' firepower as a result, have got brushed aside in the noise about the PMO's interference or why Dassault was allowed to get away with not giving a bank guarantee.

Ending the ratings bias

Instead of firms, a group of investors should pay for them

IT IS A fact that ratings agencies haven't exactly covered themselves with glory; their assessments have often been way too optimistic, to put it mildly. And their alerts and rating changes usually come way too late, leaving investors like sitting ducks. In some instances—like with IL&FS—the agencies seem to have had no idea whatsoever of the goings-on in the company or they simply decided to look the other way.

Some of the blame for this must lie with the regulator since there seems to be no penalty whatsoever for the poor assessments or the delayed alerts. But it is not as though the investors are completely blameless; dishonesty among fund managers is not exactly unknown. Which is why, the system needs to be revamped and it is good news that SEBI is looking to make some changes. News reports suggest SEBI wants investors to pay for the ratings, rather than the companies, which is the practice at present.

Conspiracy theories say this won't work either because bankers and fund managers typically want to embellish the quality of the rating so that they can set aside less capital against the loan exposure or report a better NAV (net asset value), as the case may be. That is not hard to believe, going by the track record of both bankers and fund managers.

One suggestion is that companies continue to pay for the ratings and that a pool of funds be created from the fees; the rating agencies would then be paid from this corpus, but the amount to be paid would be decided by an accredited panel of investors. To be sure, ratings agencies will say this is unworkable since they will have no control whatsoever over their revenues. That is a valid point because, to ensure that the quality of ratings doesn't drop, an agency must invest and, in order to do that, it must have visibility on its revenues. Also, there is no guaranteeing the investors will be altogether unbiased while allocating the fees to the ratings agencies. What this system does achieve is that it breaks the nexus between the company and the rating agency since the fees cannot be negotiated between them and, therefore, the rating outlook cannot be influenced. Perhaps investors—bankers, insurance companies, mutual funds, EPFO—should commission ratings assessments and pay for them jointly. That would ensure that no one fund manager influences the rating and, at the same time, the ratings agency would be assured of its fee. Also, since the costs would be shared, it would not burden a single investor. The companies can also contribute to this pool—a flat amount perhaps—which could also be paid out to the ratings agencies as a flat fee. It is important to free the system of biases.

LoveLost

The reported oath by school students from Surat celebrates anything but the true spirit of Valentine's day

VALENTINE'S DAY is usually celebrated with an expression of love for those who occupy an important part of one's life, and it is marked with a lot of passion and rigour. Social media is swarming with date and gift ideas for your special one(s) while, on the other hand, fringe groups and anti-Valentine's squads menacingly gaze at couples who dare to engage in even the smallest display of public affection. Now, a group of students in Surat will reportedly be taking an oath as a part of a very special ceremony. *The Indian Express* reports that about 10,000 students will be taking a vow declaring eternal loyalty to (not their lovers, but) their parents! The oath will be one that compels students to never marry without the consent of their parents. The unique event is being organised by a voluntary organisation, Hasyamev Jayate, founded by laughter therapist Kamlesh Masalawala who also heads quite a few laughter and cathartic crying clubs in Surat.

This is anything but cathartic though. Masalawala, expounding on the reasons behind this initiative, elaborates "students would come to me with problems like their parents are against them marrying the person they love. I am not against the love affair, but... explain the importance of family and of the devotion they should have for their parents. The parents will compromise and agree to their match but they would get hurt in the process". While not belittling the possible importance of the role parents can play in the nuptial decision of their children, what of the pain, grief and suffering that someone might endure if they are forced to wed anybody else but their chosen beloved? What of the importance of the role one's autonomy plays in one's life? With expressions of romantic love being controlled by and in the name of love jihad and anti-Romeo squads, the students who do end up taking the oath might have to endure the command of their parents over their romantic lives as well, more so on a day when the free, uninterrupted display of affection is commemorated.

Huawei offers case study on free trade

As the internet of things expands, what technology isn't ripe for data theft? Your phone is made in China. So why isn't it just as susceptible to data theft as the network on which it operates?

PRESIDENT DONALD TRUMP is reportedly close to issuing an executive order that would ban Chinese companies like Huawei Technologies Co. from building 5G wireless networks in the US. The significance of such an order goes beyond its obvious implications for American telecommunications companies. The prospect of closing technology-related markets to competitors from China raises a fundamental problem that is going to plague policymakers for the foreseeable future: How can they draw the line between economic protectionism and legitimate national security interests? In a world of data and data theft, will every technology-related industry become an exception to free-trade rules?

On the one hand, from the perspective of liberal trade economics, barring Huawei from US markets is classical protectionism. It is a bedrock principle of free trade that foreign competitors should be allowed into domestic markets. Competition promotes efficiency. Protectionism kills it. It is possible to argue that Chinese companies, whether partly state-owned or outright state-controlled, get illegitimate subsidies from the government, artificially lowering their costs and breaking the rules of fair trade. But the way to address those subsidies, according to free-trade law and ideology, isn't to ban foreign competition altogether. It is to use the tools of trade law to pressure the foreign country to stop the subsidies.

On the other hand, from the perspective of national security, technology infrastructure is a plausible candidate for the kind of industry from which a government should exclude competitors from adversarial countries. There is no doubt that it would be in China's national interests to swipe data from 5G networks—so named as the fifth-genera-

tion of cellular wireless technology—that its companies built in other countries. That means it is in US national security interests to keep that from happening within our borders.

To be sure, the US is probably no better than China in this regard. American companies are easy targets (or partners) for US intelligence to steal the same kinds of data. When it comes to convincing third parties such as Hungary or Poland to buy American 5G infrastructure—a key purpose of secretary of state Mike Pompeo's current visit to Europe—the argument can't be that your data is safe with American companies. No one would believe it. Instead, Pompeo is saying that the US won't want to build military bases in countries with Chinese telecommunications infrastructure in place. Nevertheless, within US borders (though not outside), federal law blocks the government from monitoring the communications of "US persons", meaning citizens and others who live in the country and are entitled to federal constitutional protections. So it isn't necessarily hypocritical to make a national security argument for excluding Chinese 5G providers within the US.

The upshot is that it is very difficult to say whether a Trump administration order blocking Chinese competition in telecommunications infrastructure would be undesirable protectionism or a desirable national security precaution. Very possibly it might be both. The contradiction matters—a lot. It lies in the verisimilitude of the post-war liberal international trade order. Historically, those who favour free trade have depended on being able to draw a clear line between protectionism (bad) and national security (good). And that line usually hasn't been so difficult to draw.

When Trump imposed tariffs on foreign steel and aluminium based on the

theory that US national security demands a strong domestic industry, it was relatively easy to say at a conceptual level that this argument was unconvincing. After all, the same argument could be made about almost any big industry. In economic terms, the tariffs are protectionist. The national security rationale is a fig leaf at best. (A court challenge is pending). Indeed, the possibility of drawing the line between protectionism and national security is built into international trade treaties, which typically prohibit protectionist tariffs while allowing exceptions for legitimate national security interests. Article XXI of the World Trade Organization treaty carves out certain actions that a signing country "considers necessary for the protection of its essential security interests".

The real worry about the 5G case is that it will set the terms for future technology-related protectionism. As the internet of things expands, what technology isn't ripe for data theft? Your phone is made in China. So why isn't it just as susceptible to data theft as the network on which it operates? What about your computer, your car, your smart thermostat, your washing machine, and so on and on?

The national security argument for protectionism in these domains won't be ridiculous, any more than it is ridiculous for telecommunications networks. This conflict isn't going away. It is just coming into focus. For proponents of free trade, 5G represents just the most obvious example of a major challenge that is going to be salient for a while. Without a good answer, they might discover that the national security rationale has the capacity to kill free trade, a little bit at a time.

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NOAH FELDMAN

Bloomberg

LETTERS TO THE EDITOR

Corrigendum

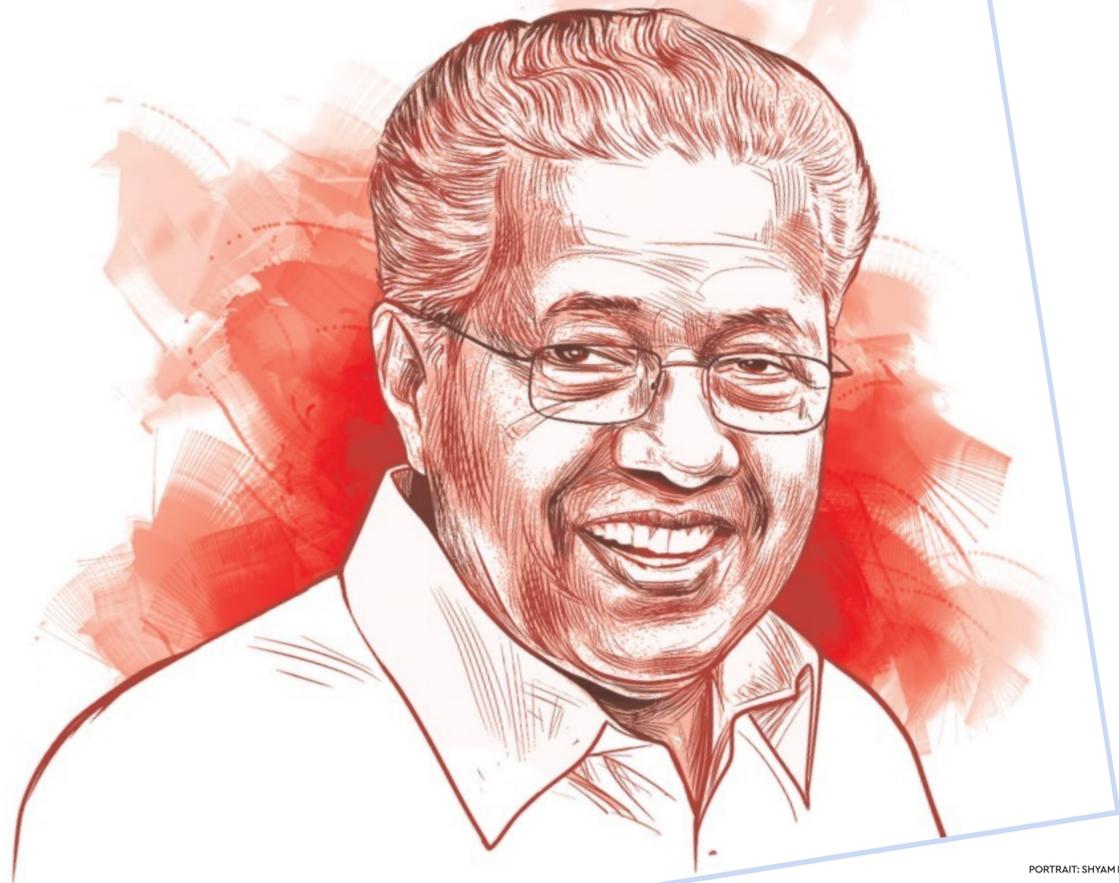
The picture of RK Singh, the minister of state for power (independent charge) was incorrectly carried in the article, *The new avatar of 'Make in India'*, published on February 14 in this paper, as that of the author RK Singh, IRS officer and retired chief commissioner of customs. The error is sincerely regretted

Effort for automation

With the advent of 5G and AI, the market for autonomous vehicles, devices and gadgets is expected to gain an uptick. Although the use of personal/commercial driverless-cars is still limited and business models counting on higher levels of automation are still in a mode of continuous improvement, advancements in robotics and knowledge-driven sensor mechanisms in the near-future can render total automation and increased safety. It is important for a developing economy to re-craft jobs, bridge the skill gap by addressing the training needs of the current workforce. Although sophisticated and low-latency systems can offer high efficiency, throughput and a smoother hand-off, a higher cost ought to be incurred towards installation, deployment and maintenance to fine-tune the new-generation digital technology and prevent potential mishaps. Improved intelligence, predictive capability, productivity and hack-proof information security is a pre-requisite to render consistent user experience, thus allowing consumers to embrace the technological advancement. Welcome initiatives are being undertaken to establish R&D centres, invest in ventures to hone the skills of new entrants/existing professionals in advanced technologies and offer higher onboarding incentives or benefits

— Girish Lalwani, Delhi

● Write to us at feletters@expressindia.com



PORTRAIT: SHYAM KUMAR PRASAD

● **RECORD CAFÉ:**
PINARAYI VIJAYAN, CHIEF MINISTER, KERALA

Centre's policies hurting Kerala, union militancy only propaganda

Kerala scores high on many parameters of social development and governance, and its per capita income is one of the highest in the country. The coastal state, however, faces the issues of very high unemployment rate and below-potential economic growth. It is still to remove the perception of not being investor-friendly, with reports of frequent hartals and trade union militancy. Chief Minister Pinarayi Vijayan spoke to FE's KG Narendranath on the side lines of the recent ASCEND 2019 held in Kochi to showcase steps undertaken by his government to promote entrepreneurship and improve ease of doing business in the state.

Hasn't this investor meet, the first by your government, come a bit late in the day?

In the past over two-and-a-half years, we have taken several legal and administrative steps to facilitate investments into the state and improve ease of doing business. These include an omnibus legislation amending seven existing Acts and a common application form for as many as 14 departments, both aimed at ensuring time-bound, hassle-free clearances, besides the proactive steps to make land available to units in industrial clusters at affordable rates. In all, over 100 reforms have been carried out, solely with investor interest in mind.

The message has gone to all stakeholders including the bureaucracy that entrepreneurs must be treated as valued partners in the state's development. There is a need to find more employment for the state's youth here itself. This conference

(ASCEND 2019) marks a culmination of a series of investor-friendly steps taken by us since assuming office.

While a few global investors may have set their eyes on the state given its abundant human capital and resources like a long coastline, domestic corporate groups aren't viewing Kerala as an investment hotspot yet...

Over the last few decades, apart from other factors, direct or tacit prodding by the Central government has influenced Indian corporate groups' decisions on project sites. These groups don't always take independent calls on where to invest. Unfortunately, Kerala never got the benefit of such government involvement in investment decisions by the private sector.

Do you mean such prodding by the Centre has had a political content?

Politics cannot be wholly separated from it. We are not getting due share of public (Centre/CPSE) investments either; even the commitments made by the Centre are not often getting fulfilled. In case of central transfers, the criteria being evolved tend to militate against us; we are sort of penalised for our relative success in many areas.

Kerala's economic growth is below

potential. GST hasn't bolstered the state's tax revenue buoyancy, and non-development expenditure remains high, leaving very little for capex. Isn't the state of the economy a cause for concern?

It is true that the state's economy and fiscal situation are not exactly in a very good shape. We are making efforts to address the situation and these are yielding results on the ground. There are signs of investments picking up in a big way. Relationships are being forged (with investors). Savings of non-resident Keralites have become a major source of investments.

Why should an investor prefer Kerala to other states?

The firms that are already here have only good things to say about the state. Their experiences are what we can use to invite others to the state. People are our greatest strength. Kerala's labour quality is the best in the country, the state's social and cultural milieu will enthrust investors, along with its fully-digital status, rich biodiversity and impressive travel connectivity by road, rail, sea and air.

The PPP model has hit hurdles in the country, necessitating changes in concession terms and more sops to industry. Kerala seems to have tried its hand in

certain PPP financing structures...

There are many types of PPPs we are employing to boost investments. The Kerala State Industrial Development Corporation has made headway in forging JV units with the industry. Another model is that of CIAL (Cochin International Airport Ltd) where the government retains the leadership role while HNIs and others have equity participation. The state's cooperative sector is very robust and resource-rich to harness private capital for development projects.

Hasn't militant trade unionism been the biggest hurdle to Kerala's development?

It is only propaganda, not the reality anymore. No industry that has set up shop here would say trade unions have been a problem for them.

But frequent, 'lightning' hartals have dented the state's image as an investment/tourist destination...

That is another issue. There is a general agreement among all quarters in the society that hartals at the drop of a hat should be avoided. We cannot, however, subscribe to the view that hartals should be banned as they have a utility as a mode of agitation; hartals may be resorted to at a certain stage (to mark protest). We are going to convene a meeting of all stakeholders soon and, possibly, a consensus might emerge on how to proceed on this matter.

There is a view that Kerala's social development and needs are not exactly compatible with many central schemes. Is there laxity on the part of the state as alleged in implementing such schemes?

We are getting a tiny share from the Centre to implement various social sector schemes, less than 10% in many cases. For instance, we have a pension scheme that benefits 42 lakh families and costs ₹7,000 crore annually, which is run with practically no contribution from the Centre. With the reduction in the Centre's share in such schemes, we are being forced to find alternative resources and this has put a burden on the exchequer. As for welfare schemes, Kerala cannot be treated at par with other states (that are socially less developed) as our needs and priorities are different.

The spirit of cooperative federalism is not being upheld by the NDA government and there is an undue further concentration of power at the Centre.

● GAGANYAAN

India must claim its space

MARTAND JHA

The author is junior research fellow, School of International Studies, Jawaharlal Nehru University



Lessons for India and ISRO from the American voyage to the moon

ONE SMALL STEP FOR man, one giant leap for mankind—these words by Neil Armstrong (first man on the moon) still echo that monumental achievement. The year 2019 marks the 50th anniversary of the feat. A lot has been written about NASA's Apollo mission that placed a man on the moon and made the US the most potent force in outer space, taking it ahead of its rival, the erstwhile Soviet Union. It is interesting to look at the conditions that persuaded the US to take steps towards a manned mission to the moon.

Prior to that, the US was lagging behind USSR, and the pressure was to outdo the Soviets, who were increasing the gap in technological superiority with successful space missions since Sputnik 1. In fact, 1957-61 can be termed as golden years of Soviet space programmes. In the US, the presidency changed from Dwight D Eisenhower to John F Kennedy. Many space historians have pointed out that under Eisenhower, the US was trying its best to beat the Soviet Union in the space race, but wasn't able to do so. The critics of Eisenhower, especially his political rivals including future Presidents like Kennedy and Lyndon Johnson, got an opportunity to target his administration's failures in the race.

Media portrayed it as the US losing the Cold War itself. The launch of the Sputnik by the Soviets was projected as a moment of crisis for the US and the term 'Sputnik crisis' came into being. This is despite the fact that NASA came into being as an institution under Eisenhower, and American engineers and scientists were working to change the 'perception' about the capability of the US in outer space. During 1957-61, the US was investing heavily in making NASA a premier space research and coordinating agency. Things took time because, unlike USSR, the US was democratic where every big and small decision was questioned, discussed, debated and scrutinised.

By the time Kennedy came to power, the perceived 'missile gap' between the US and USSR was doing a serious damage to the former's image as a superpower. Soviet cosmonaut Yuri Gagarin's space travel in 1961 turned the situation alarming, even though the US was launching more satellites than USSR. The time was now ripe for the Americans to make some big announcements to send a strong message.

On May 25, 1961, a month after Gagarin's feat, Kennedy delivered a speech to the joint session of US Congress: "US should commit itself to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to the Earth. Recognising the head start obtained by the Soviets with their large rocket engines, which gives them many months of lead time, and recognising the likelihood that they will exploit this lead for some time to come in still more impressive successes, we nevertheless are required to make new efforts on our own. While we cannot guarantee that we shall one day be first, we can guarantee that any failure to make this effort will make us last."

The speech outlined the US space policy where Kennedy accepted that the Soviets were leading the race. A year later, on September 12, 1962, Kennedy announced that the US would be sending a man to the moon by the end of the decade. He remarked, "We choose to go to the Moon in this decade and do the other things, not because they are easy, but because they are hard; because that goal will serve to organise and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one we intend to win, and the others, too."

Although the task was extremely costly, taking this risk proved extremely successful for the US in the long run. This whole episode is a great lesson for the critiques of ISRO's Gaganyaan mission. What they need to understand is that for India to become a formidable space power, it needs to take risks—much like what the US did in the 1960s—to reap the benefits afterwards.

For India to turn into a formidable space power, it has to take risks—much like what the US did in the 1960s—to reap the benefits afterwards

Going beyond blood donation

The roadmap for creating an adequate and safe blood transfusion system in India

MADAN GOPAL

The author is senior consultant (Health), NITI Aayog. Views are personal

the minimum needed to meet a country's most basic blood requirements. In 2016-17, India's blood collection fell nearly 15%, or 1.9 million units short of this 1% benchmark. The WHO norm, however, is based on global averages and does not take into account India-specific factors and disease burden. Moreover, it is based on population need, assuming universal access to health services, while in reality the actual clinical demand of blood in healthcare facilities is lower.

Ideally, all blood need should be converted into clinical demand by ensuring access, enhancing infrastructure and improving health-seeking behaviour of the population. Even though India has adequate blood banks to cater to its population, these are unevenly spread across

geographies. The gap between need and actual demand should instead be met by focusing on efficient functioning and service delivery as well as infrastructure development of existing facilities.

To improve access and availability without additional resource commitments, there is a scope for institutionalising the partially centralised hub-and-spoke model, where a fully equipped centralised blood centre can cater to multiple satellite blood banks or storage centres performing limited functions. Blood delivery within this model can further be strengthened through innovative technologies, and already some start-ups are exploring drone delivery.

It is imperative for national estimates to be updated periodically to accurately



estimate need and demand, and compare these against blood utilisation. NACO's first Blood Requirement Estimation conducted in 2017 was a step in this direction; it pegged blood demand at 26.5 million units. To meet this demand, a ready pool of healthy low-risk donors needs to be maintained through promotion of voluntary non-remunerated blood donations. There is immense scope for mobilising the private sector to encourage blood donation in fulfilment of their social responsibility.

Another means of ensuring adequate blood supply using the existing donor pool is by reducing dependence on whole blood. The WHO recommends a 90:10 ratio for use of blood components and whole blood (only limited clinical interventions require whole blood). Collections of blood compo-

nents through apheresis or component separation after whole blood collections are means of inching closer to this ratio.

Ensuring blood safety through operational and technological initiatives: Major improvements will have to be made at blood-bank level, as many blood banks don't have proper standard operating procedures (SOPs), even though these are regulatory requirements. Recently, the NITI Aayog, along with Terumo BCT, conducted a blood bank assessment in Sonbhadra, an aspirational district in Uttar Pradesh, and preliminary results show that focusing on rigid processes and commensurate training of staff can go a long way in improving blood safety.

Model donor selection and donor referral processes are also prescribed by the

NBTC to reduce risk of transfusion transmitted infections (TTIs), which endanger patient safety—between 2014 and 2017, 1.58% of the blood collected was discarded due to reactivity for TTIs. Logistical factors like expiry of components or deterioration during storage also contribute to wastage. The risk of infection and quantum of blood wastage can be reduced through maintenance of process integrity, and adoption of advanced, economically-pragmatic technologies. NITI Aayog's experience with disruptive technologies across sectors has been positive, and even in the blood space, promoting advanced screening like NAT and ELISA along with pathogen reduction technologies can reduce the burden of TTIs.

In 2016, the ministry of health and family welfare launched e-Rakt Kosh, an ICT-enabled Blood Bank Management Information System that interconnects all blood banks in a state into a single network, and there is a scope to scale up its usage. For blood banks, it is a tool to standardise and streamline SOPs and workflow. Its citizen interface assists potential donors and patients, giving real-time information about nearest blood banks, donation camps, and blood availability including of a particular blood group.

India is on the right track to strengthen its existing blood transfusion system, but uniform implementation of policy guidelines, adoption of innovative technology, and collaboration between public and private sector is imperative in ensuring translation of policy objectives into action.

The Tribune

ESTABLISHED IN 1881

Akhilesh grounded

Leaders going all out to clip rivals' wings

INDIAN politics is no stranger to the rampant abuse of power to settle scores with rivals. The latest example of this high-handedness was witnessed at the Lucknow airport on Tuesday, when Samajwadi Party chief and former Uttar Pradesh Chief Minister Akhilesh Yadav was stopped from taking a private chartered flight to Allahabad (Prayagraj). Yadav was scheduled to attend a students' union event at Allahabad University. Officials turned back the SP leader, citing the administration's apprehension of a law and order problem if he were to visit the campus. CM Yogi Adityanath said Yadav's visit could have triggered violence between student groups, while unconvincingly claiming that the government had acted on the university's plea. Ironically, violence broke out nonetheless as irate SP workers clashed with the police in Allahabad and other parts of the state.

Quick to back her new-found ally, Mayawati accused the BJP governments at the Centre and in UP of resorting to anti-democratic methods to curb the SP-BSP alliance's political activities. Yadav also received support from West Bengal CM Mamata Banerjee, who said the country had never witnessed such a dangerous situation wherein opposition parties were being barred from holding their programmes. It's apparently a case of the pot calling the kettle black as the wannabe PM had herself been accused of indulging in 'chopper politics' last week. Helicopters carrying Amit Shah, Yogi Adityanath and other BJP stalwarts had been denied permission to land for them to address rallies in West Bengal. Ruling out political interference, Mamata had claimed that the saffron party leaders belatedly sought the go-ahead from the respective district administrations. She even made a counter-allegation that helicopter companies were being forced to cancel bookings by her party (Trinamool Congress) for campaigning.

As the Lok Sabha battle nears, it's obvious that clipping one's foe's wings, literally, is the mantra for the powers that be. It would be no surprise if they use every trick in the book in the coming weeks to fix their enemies. However, as the Yadav episode has shown, such actions can easily boomerang on the oppressors.

Playing with fire

Delhi inferno puts question mark over safety norms

THE first lapse is forgivable, for it serves as a lesson to minimise recurrence. The second is understandable as new aspects may emerge. But any subsequent blunder is unpardonable, downright criminal. There is a massive price for lessons unlearned. Seventeen people, killed in the Tuesday Delhi hotel blaze, paid this price. Before them, five senior citizens died, in a major fire that engulfed a 16-storeyed residential building in Mumbai in December. The worst of all, and one that should have been a compulsive tipping point, was the tragic Uphaar cinema fire that claimed 59 lives. The year was 1997. Over two decades later, the lesson is characteristically elusive.

The toll could have been more; around 120 people were inside the Delhi hotel at the time of the fire. These incidents are not isolated instances of nature's fury or a quirk of fate. These are engineered by humans making light of fire norms and circumventing laws. The hotel lacked mandatory safety measures. Inflammable material was everywhere; wood panels on corridors making any escape impossible. The locked emergency exit sealed the fate of the victims. There were glaring violations, and yet, the hotel was in possession of a no-objection certificate (NOC) issued by the fire department. Unable to use hose reels and fire extinguishers, the staff was clearly not familiar with the basic fire drill.

Incidents of fire occur with frightening regularity, and typically, concerns are expressed over safety; violation of building bylaws; vulnerability of old electrical fittings and buildings; congested, narrow bylanes that restrict the movement of fire engines, hampering rescue operations; and illegal structural changes and encroachments. And yet nothing has come out of it. The owner is on the run and the general manager has been arrested. Should a show-cause notice not be served on the regulatory body that grants NOC—renewed every three years—but does not deem it necessary to follow it up with inspections? We don't seem to be learning even the hard way. How many more must pay this price?

THOUGHT FOR THE DAY

The most powerful weapon on earth is the human soul on fire. — Ferdinand Foch

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, FEBRUARY 14, 1919

India in the King's Speech.

THE King's speech contains the following reference to India: "My counsels with regard to the war and external affairs have been strengthened and enlightened by the presence of the leading Ministers of my self-governing Dominions and my India Empire. The inspiring sacrifice and invaluable service rendered by the peoples of the Dominions and India during the war have won for them an important place in the councils of the world, and it has been source of especial satisfaction to me that their title to representation has been recognised in the Paris conference. I trust that the reports of the committees enquiring into matters connected with Indian constitutional reform will be received in time to enable the Bill on the subject to be presented in the course of this session." The announcement of the intention of Government to introduce the Reforms Bill will be received with sincere gratification in India where all shades of opinion are agreed that the sooner the reforms are inaugurated the better.

The "Pioneer" and the Rowlatt Bill Debate.

IT was to be expected that the *Pioneer* and other papers of the same ilk would be upset by the attitude by Indian members of the Viceroy's Council in connection with the Rowlatt Bills. This section of the Press and the *Pioneer* in particular had tried their best by alternate threats and entreaties to dissuade non-official members from doing their duty to themselves and to their country. For the first time all Indian non-official members present at the meeting, whether elected or nominated, voted against official Bills and in favour of popular amendments. No wonder that the *Pioneer* should take its ignominious defeat to heart. All of us would have done the same thing if we had been in its position.

Murder by negligence

Man-made disasters can't be treated merely as rash and negligent act



NEELAM KRISHNAMOORTHY

PRESIDENT OF ASSOCIATION OF VICTIMS OF UPHAAR TRAGEDY

DIFFERENT places, different tragedies. Apart from the number of casualties being different, there is one common thread that runs through each of the mass tragedies that has rocked our nation in the last quarter of a century — all of them were man-made.

New Delhi has witnessed yet another fire incident, at Hotel Arpit Palace in Karol Bagh on February 12, wherein 17 precious lives were lost for no fault of theirs. According to media reports, short circuit was the cause of the fire. The stairs were not wide enough to allow more than two persons from running out together, there was an emergency exit but the same was blocked with stored goods, the hotel staff abandoned the guests and there was an illegal bar on the rooftop. Moreover, there was wooden panelling in the corridors. This aggravated the fire resulting in the loss of lives. This is nothing but murder by wilful negligence.

Ironically, the cause of fire incidents is mainly short circuit and the cause of death is generally asphyxia. People get trapped due to non-availability of egress, which as per law is mandatory. The failure to provide the required number of exits and non-compliance with fire safety measures by the owners/occupiers result in the death of innocent citizens. The owners/occupiers connive with government agencies to violate fire safety measures, thus endangering lives. It is these very government agencies that 'educate' the owners of public spaces on how to subvert



GRIM SCENARIO: Incidents of such catastrophic magnitude are bound to recur. There is no deterrence that can instil fear in the minds of possible wrongdoers.

New Delhi has witnessed yet another fire incident, at Hotel Arpit Palace in Karol Bagh on February 12, wherein 17 precious lives were lost for no fault of theirs.

the rules and bylaws in exchange for monetary consideration.

Each fire incident represents man's never-ending greed and/or intentional ignorance of public safety laws. These are also indicative of the fact that probably we have learnt nothing from these tragedies. It would be interesting to analyse what happened to the perpetrators of such unpardonable crimes. How many of them were punished and to what extent? The answer is bound to be shameful. It is only the Uphaar fire tragedy, wherein the owners have been convicted all the way up to the apex court under Section 304A (rash and negligent act) of the IPC, but unfortunately, the Ansals were allowed to walk free by paying a paltry sum of Rs 60 crore towards a trauma centre to be built in Delhi. A fire official convicted of issuing NOCs to Uphaar Cinema, too, was allowed to walk free by paying Rs 10 lakh to substitute his sentence of one year.

The Uphaar verdict is certain to go down in history as a travesty of justice. The judgment is both unfortunate and terrible and one which

shows the mindset of the court. Such a judgment will only embolden the owners of public spaces to violate safety rules and compromise on safety. It is a well-known fact that lawbreakers are always ahead of lawmakers, but it is for the courts to see that justice is done and lawbreakers are brought to book. In this grim scenario, incidents of such catastrophic magnitude are bound to recur since there is no legal deterrence that can instil fear in the minds of possible wrongdoers.

I could not comprehend how a man-made disaster could be treated merely as a rash and negligent act. Hence, the Association of the Victims of Uphaar Tragedy (AVUT) made a representation to the Government of India to bring about a new law to deal with man-made disasters. AVUT presented the petition for a proposed legislation to prevent man-made tragedies in public places to the then President and the UPA chairperson.

In 2009, the Law Ministry forwarded our petition to the Law Commission, directing it to come out with a law to deal with such disasters on a

The feet, a good place to be

JS RAGHAVAN

DURING the halcyon days, when elders commanded respect from youngsters, it was customary to prostrate before them when they arrived. It meant unmitigated surrender to their age, experience, erudition and wisdom, even if age might be the only qualifying factor barring others. Nevertheless, since old is gold, and the aged guest had been at the age of the one who prostrated and not the reverse, advancement in years tilted the scales in his favour. If this was not done, the guest with a short fuse may not take it lying down.

In certain sects in Tamil Nadu, the

plurality in prostration would be valued more than a singular, athletic drop-and-rise done in a flash, and furthermore, the obeisance had to be repeated and not aborted, till the guest was pleased by the number and condescended to touch and bless the head of the prostrator.

In those days when Alexander Graham's bell had not begun to ring, people chose to drop in all of a sudden, without any prior notice. It was always Open House. Most youngsters, as a rule, had to undergo this physical exercise, bemoaning their fate, when they would have opted to curl up on the bed, dozing or dipping into the latest James Hadley Chase, unmindful of

the elderly guest's arrival. However, on the flip side, such obeisance served as a push-up exercise for young men who might otherwise be leading a sedentary life.

It was not unusual for a warm-hearted, avuncular elder who was paying a visit after a long gap, to offer on-the-spot cash gift, for the ones who will prostrate with palpable enthusiasm. Youngsters in the family would scramble to line up before him for such a windfall, which would make an enjoyable movie-cum-snack outing a dream come true.

Elders, in those days, fell into two extreme categories: the ones who created happiness when they arrived; and the second, when they left. Some

who arrived enjoyed vicarious pleasure by posing baffling mental sums like — 'What will be the price of a three quarter measure of sugar, if the price for one and a quarter measure is four and a half annas?'

Prostration was done only during the arrival of the elderly guest. And not at the time of his departure, which is forbidden, since it is done when one leaves for the 'mahayatra'. Invariably, the one done at the place before his mortal remains are consigned to the flames will not be without any concomitant gift from the meritorious ones. They would have granted them upfront, in the form of their wisdom, knowledge, and more importantly, even genes.

LETTERS TO THE EDITOR

Fire safety norms

The loss of several precious lives in a Delhi hotel fire exposes us as a nation of apathetic and insensitive people and the administration which fails to learn from past tragedies. This forces us to think whether human life has any value in our country and have we as a nation miserably failed to implement bylaws. The administration points out the deficiencies after a tragedy has occurred and as a knee-jerk reaction goes all out to show its concern for a few days. Strong action should be taken against all those who are responsible for enforcing the laws. Our politicians, irrespective of their affiliations, just start the blame game, trying to score brownie points. The government should ensure strict implementation of law and put into plan an SOP to prevent such tragedies and save lives.

VITULL K GUPTA, BATHINDA

Chopper politics

Apropos 'Akhilesh barred from taking Allahabad flight' (Feb 13), since the past month we are listening to news regarding some politician or other not allowed to land a chopper in the opposition

party's state. This kind of behaviour is despotic and violative of the principles of democracy. Our country has not seen such kind of series of events. The politicians are now playing chopper politics. What is the point of such stunts? It is not their own territory that they decide who can and cannot enter a state.

GUNEET KAUR, YAMUNANAGAR

Right to dissent

Reference to the article 'Shutting up dissent' (Feb 13); dissent is believed to be the essence of democracy. Under the current ruling dispensation, even reasonable dissent is construed as a rebellion, which is sought to be crushed with all means. Artistic freedom is denied and curtailed in a brutal manner. If artists and writers do not endorse and glorify the cultural and ideological philosophy of the ruling dispensation, they are in for big trouble. It is outrageous and shocking that a man of Palekar's stature was not allowed to articulate his views, even in the capacity of the chief guest of an event. The right to dissent must be protected to keep democracy blooming.

ROSHAN LAL GOEL, LADWA

No woman safe

This refers to the editorial 'Yet another gangrape' (Feb 13). It is shameful that our country is witnessing such gangrape incidents. Some men are behaving worse than animals. It is a matter of serious concern that even after stringent laws, there is no fear in the minds of unscrupulous elements. Where are we headed? This ruthless act is another grim reminder of how unsafe women are in our society. The police should promote women safety applications. Time-bound speedy trial should be conducted as a deterrent, so nobody dares to act in such a manner.

HARPREET SANDHU, LUDHIANA

Police fail to inspire

In spite of concerted efforts, the government has not been able to achieve the envisaged results in its pursuit to punish rapists ('Yet another gangrape'; Feb 13). In fact, the police's role in our country has never been inspiring. The inefficiency of the force has given a free hand to criminals and anti-social elements of society. Why can't the courts follow the precedents of other countries, where laws are quite stringent to deal with such crimi-

nals? Even after seven decades of our Independence, our lawmakers have failed to provide the country and its citizens with any concrete measure to curb this menace against women. Financial status of the victim also plays a vital role. Victims belonging to the lower strata suffer the most.

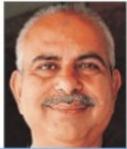
MAJOR VINEY KUMAR (RETD), NAKODAR

Encourage pharma units

Refer to the report 'Bulk drug park in Baddi yet to see the light of day' (Feb 12); in spite of 71 years of our Independence, our country could not industrialise the domestic pharmaceutical industry. Prime active pharmaceutical ingredients (API) are being imported from China at high prices, resulting in high-cost medicines for the poor. The import figures of \$2.5 billion, forming 75-80% on importing API, are not only alarming, but also a fatal flaw for our economic growth. The government must pay serious attention to domestic units, besides establishing research and development institutions and encouraging youth to adopt pharma education for gainful employment.

VUJAY VERMA, BY MAIL

Cong banking on Priyanka to reverse fortunes



RASHEED KIDWAI
SENIOR JOURNALIST & AUTHOR

There is a bright and promising side of the Congress story which is missing from the current narrative. Voters in India tend to be highly volatile; therefore, there is every possibility that they will throw up an unexpected verdict. This is the basic premise on which the Congress is positioning itself, counting heavily on Priyanka's charisma, spontaneity and leadership style.

A lot has been written and said about Priyanka Gandhi's forays into politics, 'Mission Uttar Pradesh' and the upcoming Lok Sabha polls. The crucial point is whether Priyanka can trigger an 'aa ab laut chalen' moment among the Indian middle class, women, the youth and the Congress' erstwhile vote bank consisting of Brahmins, Dalits and Muslims.

Cynics, critics and Congress baiters are unanimous that Priyanka's formal induction is a case of 'too little, too late. Pitted against a belligerent BJP under Narendra Modi and Yogi Adityanath's leadership and a caste-based arithmetic alliance comprising the Samajwadi Party, Bahujan Samaj Party and Rashtriya Lok Dal, Priyanka's task of reviving the grand old party in eastern Uttar Pradesh looks formidable and insurmountable. Given the state of the Congress' organisational set-up, the dearth of winnable Lok Sabha candidates, lack of resources and roots in society are some other significant challenges.

But there is a bright and promising side of the Congress story which is missing from the current narrative. Voters in India tend to be highly volatile; therefore, there is every possibility that they will throw up an unexpected verdict. This is the basic premise on which the Congress is positioning itself, counting heavily on Priyanka's charisma, spontaneity and leadership style.

In any electoral contest, the anti-incumbency factor weighs heavily. In Uttar Pradesh, the bulk of the state MLAs and MPs belong to the BJP. Theoretically, there is a strong chance of this double anti-incumbency working against a majority of BJP MLAs and MPs even if Modi and



TRUMP CARD: Priyanka has the potential to showcase herself as a harbinger of hope and score over Mayawati and Akhilesh Yadav.

Adityanath continue to have a reasonable popularity quotient. If voters are indeed disillusioned and looking for an alternative, Priyanka has the potential to showcase herself as a harbinger of hope and score over Mayawati and Akhilesh Yadav.

Priyanka's roadshow showed glimpses of her prowess as TV news channels went berserk. Almost all of them had four units or more, prime-time anchors and correspondents stationed strategically in Lucknow, bringing the Priyanka show live, every minute and second. Pictures of

her kissing a kid, sitting atop a bus, holding on to a *kulhar* (earthen tea cup) were lapped up.

It is common knowledge that TV news coverage is inseparably linked to TRPs. One may recall 2012 and 2013 when Arvind Kejriwal's press conferences forced news channels to even sacrifice commercial breaks, fearing loss of TRPs. Ditto was the case with Modi throughout 2013 and the early part of 2014, when he was the prime ministerial candidate. The subsequent electoral success of Kejriwal and Modi showed that the TRP mad-

ness does reflect a trend. This is where Priyanka scores over her brother and Congress chief Rahul Gandhi.

The Congress is underplaying this aspect of the Gandhi sibling ratings. It remains to be seen whether the party will continue to adopt an ostrich-like approach or use Priyanka optimally. On social media, too, Priyanka's debut has been both stylish and grand. Without a tweet, her followers have swelled up to over 1.6 lakh.

Uncertainty looms large over the Hindi heartland and the outcome of

the Lok Sabha battle. The Congress calculations are interesting to explore. It has a strong urge to eject PM Modi from the high office just like any other non-NDA political outfit. But that is all. The grand old party is almost obsessed with its 'historic' role in getting the country freedom and playing a pivotal role in nation-building. It also fancies its ideology and political thinking to be nearly identical with the idea of India. Instinctively, the party does not relish prospects of backing a ragtag coalition as a replacement for the Modi regime. Even if the coming together of regional parties becomes inevitable, the Congress wants to hold leverage and improve upon the United Front (1996-98) experiment that was ugly and a certain put-off for the Indian middle class. In order to showcase its 'good governance' model, the Congress is aware that more parliamentary seats in its kitty will help it earn the offices of the Prime Minister, Finance, Defence or Home Minister in the next government. Such is the prospect of a post-poll *mahagathbandan* that the Congress cannot go public with its line of thinking. In Priyanka, the party is confident of achieving its short-term and long-term goals.

One issue that should be bothering Priyanka and the Congress is Robert Vadra and his alleged involvement in corruption cases. Priyanka may have stood by him and dubbed the allegations as politically motivated, but these have the potential of upsetting the Indian middle class. The latter tends to have a rather unforgiving and punishing attitude, often failing to make a distinction between a *mulzim* (accused) and a *mujrim* (convict). Can she overcome that hurdle too?

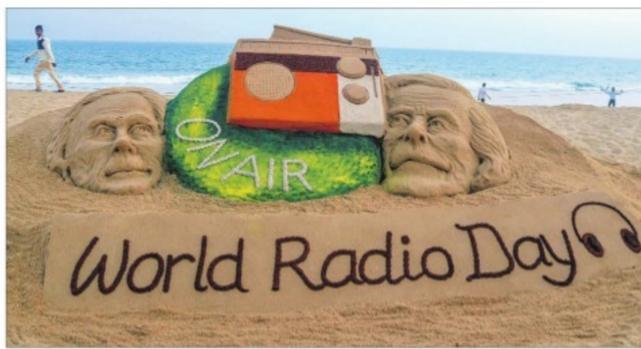
Reach out to Pakistan through radio



HARJAP SINGH AUJLA
FORMER ENGINEER

DURING the early 1970s, following Pakistan's extensive use of the Lahore television service throughout the war for Bangladesh's liberation, India felt the need for expanding TV services in the border regions of Punjab. Sensing a spurt in the demand for TVs in the Amritsar belt, entrepreneur HS Bhatti decided to set up a fabrication unit in Mohali to manufacture Punj Star black-and-white sets. In his address at the inauguration event, Inder Kumar Gujral, then Union Minister of Information and Broadcasting, announced: "Punjab is a rich state. It's people have the will to spend, I want every region of Punjab to be covered by first-grade TV service." He announced a grid of several repeater transmitters to cover "every inch of Punjab". On hearing this, the gathering applauded and gave a standing ovation to the minister.

Being an engineer, I felt the necessity to interject. I told Gujral that there was a cheaper alternative which deserved consideration. I stated that this region was lucky to have Himalayan peaks, which could be used for the installation of TV antennae for long-distance transmission. I did calculations and told him that the peaks at Kasauli and Dalhousie could each have a range of at least 100 miles, enough to cover more than the northern half of Punjab and parts of Haryana. For the rest of Punjab, a couple of high-mast transmitters at Bathinda and Fazilka would suffice. I suggested that TV transmitters be installed at Kasauli,



TARGET: India needs to ramp up its broadcast penetration into Pakistan.

Dalhousie, Bathinda and Fazilka to cover Punjab. Gujral wanted to locate the capital TV station in Jalandhar.

In Punjab, due to the proliferation of cable TV, the bulk of the channel distribution has been taken over by the cable system. The rest has fallen into the share of several satellite dish companies. There is no place for terrestrial TV in present-day Punjab. However, FM radio is doing well, being especially popular among commuters in cars, buses and trains. The towers which transmit TV signals are now offering FM radio services. The Kasauli tower is relaying programmes of All India Radio-Chandigarh on FM 107.2 MHz. Of late, it has started relaying programmes of All India Radio-Jalandhar also on 100.9 MHz. We have FM radio in Patiala on 100.2 MHz; Bathinda broadcasts it on

101.1 MHz; AIR-Fazilka transmits from a 300-metre-high tower on 100.8 MHz with a range of 100 km; and Ludhiana uses 100.1 MHz. All India Radio-Jalandhar uses two more transmitters broadcasting on 102.7 MHz and 100.6 MHz with a 200-metre-high tower having a range of 75 km.

The long-neglected Majha region, located between the Beas and the Ravi rivers and comprising the districts of Tarn Taran, Amritsar, Gurdaspur and Pathankot, is not receiving FM radio service, unlike the rest of Punjab. To correct the imbalance, work was started in 2007 to construct a 300-metre-high Doordarshan and All India Radio tower at Gharinda village in Amritsar district. The all-steel-frame structure was completed by the end of 2013. Subsequently, the authorities of Prasar Bharati (AIR and DD) found

that the tower was slightly inclined towards one side rather than being fully erect. So, they refused to use it.

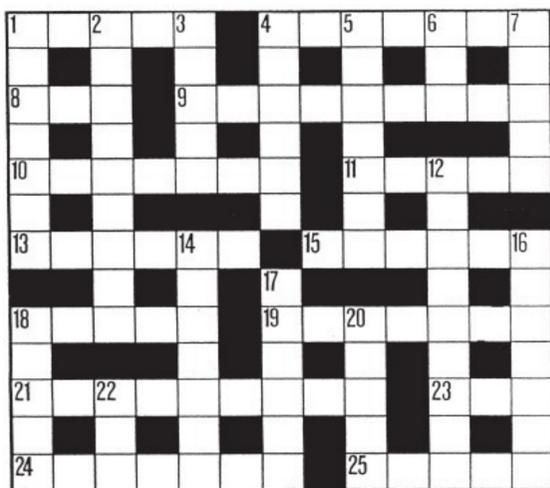
Later, All India Radio decided to temporarily erect its own 100-metre-high tower to start the long-delayed external service transmission from the tower at Gharinda. The new tower was built in 2017 and regular transmission started on September 26, 2018. Since the tower designed to cover the entire region is not functional yet, the new set-up is facing problems. First, the city of Amritsar has a haphazardly constructed downtown area, where the buildings are closely clustered. The signal from the 100-metre-high tower, located 15 miles away, does not reach some parts of central Amritsar; in the other parts, the reception is poor and erratic. Neighbouring Tarn Taran district also has some fringe areas where proper signals are not received. At present, Pathankot district is beyond the reach of the Gharinda tower. Of course, if transmission from the original 300-metre-high tower starts, most of the Pathankot district will also fall within the range of AIR-Amritsar.

There are some hills in Pathankot district, on the road to Dalhousie, where the signal from even the 300-metre-high tower will not reach the shadow areas. For these areas, the government should set up an additional low-powered transmitting station on top of one of the high peaks in Dalhousie. This location is as good as the Kasauli tower location. Its added advantage is that its penetration is about 110

km inside Pakistan. A transmitter at this location will solve the problem of shadow areas in central Amritsar too. When two transmissions hit the same area, one from the north and the other from the west, the shadow areas will start getting at least one signal clearly. The concept behind the relay of external service programmes by AIR-Amritsar FM is to cover some important areas of Pakistan through state-of-the-art broadcast technology. In order to achieve better penetration into Pakistan, India should use the Dalhousie peak to relay FM programmes of the Urdu Service and the Des Punjab Service. The Dalhousie tower will be able to cover several additional areas in the neighbouring Pakistani districts of Sialkot, Gujranwala, Gujrat and Jhelum. Some of these areas can't be covered from any location in Amritsar.

Pakistan is admittedly a difficult neighbour. But the onus is on the Indian Government to reach out to a chunk of its population by radio. A few years ago, short-wave transmission was very popular for country-to-country propagation, but with the arrival of much better sound quality of FM radio, short-wave and medium-wave transmissions are fast losing their appeal. India has the advantage of the Himalayan peaks located not so far from its border with Pakistan, so why not use FM transmitters for broadcast to the sensitive areas of Pakistan from those strategic locations? Communicating with even a hostile neighbour via radio can be useful for the country.

QUICK CROSSWORD



YESTERDAY'S SOLUTION

Across: 1 Watertight, 8 Drive, 9 Opinion, 10 Hearten, 11 Patch, 12 Dreary, 14 Bestow, 17 Ashen, 19 Glaring, 21 Emotion, 22 Dig in, 23 High and dry.
Down: 2 Agitate, 3 Exert, 4 Thorny, 5 Glimpse, 6 Taint, 7 On the wagon, 8 Dehydrated, 13 Running, 15 Trigger, 16 Agenda, 18 Hooch, 20 Added.

ACROSS

- 1 Correct (5)
- 4 Spirited (7)
- 8 Unruly crowd (3)
- 9 Remained in place (6,3)
- 10 To increase (7)
- 11 Dawdle (5)
- 13 Make evident (6)
- 15 Like better (6)
- 18 Heathen (5)
- 19 Antiquated (7)
- 21 Eventually be converted (4,5)
- 23 Be indebted for (3)
- 24 Stinging plants (7)
- 25 Sorrowful poem (5)

DOWN

- 1 Make thorough search (7)
- 2 Be unwanted (2,7)
- 3 Discrimination (5)
- 4 Shortage (6)
- 5 Slight (7)
- 6 Little devil (3)
- 7 Plucky (5)
- 12 Refrained from bothering (4,5)
- 14 Most important (7)
- 16 Unstable (7)
- 17 French World War Two guerillas (6)
- 18 Hickory nut (5)
- 20 Core group (5)
- 22 A floor covering (3)

SU DO KU

		8			3	
		5	3	7	2	8
7			9		8	
	4		6		9	
		6				4
2			5		1	
	3			7	4	
		4	2	8	5	1
		6				4

EASY

CALENDAR

FEBRUARY 14, 2019 THURSDAY

- Vikrami Samvat 2075
- Shaka Samvat 1940
- Magh Shaka 25
- Phalgun Parvishte 2
- Hijari 1440
- Shukla Paksh Tithi 9, up to 2:55 pm
- Ender Yoga up to 8:34 am
- Vaidhra Yoga up to 6:15 am
- Rohini Nakshatra up to 10:01 pm
- Moon in Taurus sign
- Gupt navratre ended.

YESTERDAY'S SOLUTION

3	1	6	9	2	7	5	8	4
9	2	4	8	5	1	7	6	3
7	8	5	4	3	6	2	9	1
6	3	7	5	9	8	4	1	2
5	9	8	1	4	2	3	7	6
2	4	1	6	7	3	8	5	9
1	6	3	2	8	5	9	4	7
8	7	9	3	6	4	1	2	5
4	5	2	7	1	9	6	3	8

FORECAST

SUNSET: THURSDAY 18:09 HRS
SUNRISE: FRIDAY 07:04 HRS



CITY	MAX	MIN
Chandigarh	20	12
New Delhi	19	14

PUNJAB	MAX	MIN
Amritsar	18	10
Bathinda	18	11
Jalandhar	18	09
Ludhiana	18	10

HARYANA	MAX	MIN
Bhiwani	23	12
Hisar	23	11
Sirsa	23	11

HIMACHAL PRADESH	MAX	MIN
Dharamsala	14	05
Manali	08	01
Shimla	12	04

JAMMU & KASHMIR	MAX	MIN
Jammu	14	10
Leh	03	-06
Srinagar	05	0

UTTARAKHAND	MAX	MIN
Dehradun	26	12
Mussoorie	15	07

TEMPERATURE IN °C



Auditor's account

The CAG report does not allay all doubts about the Rafale deal

The price-redacted audit report on the process to acquire 36 Rafale fighter jets is unlikely to bring closure to the controversy over the deal. The report of the Comptroller and Auditor-General of India tabled in Parliament comes in the midst of a vigorous campaign by the Opposition that is questioning the process, based on media revelations about possible lapses and deviations and significant points raised by dissenting members of the Indian Negotiating Team (INT). The Modi government can draw comfort from the fact that the CAG report concludes that the 2016 agreement is slightly better in terms of both pricing and delivery than what was under negotiation in 2007 during the UPA regime. However, the report does not allay all doubts. Pegged at 2.86%, the price advantage in the contract over the 2007 offer is marginal. It is a far cry from the 9% saving claimed by the government. The delivery schedule is only one month sooner than the estimated outer limit in the earlier process. The CAG has found fault with Dassault Aviation being allowed to retain the gains made by the absence of a bank guarantee, which, if executed, would have come with significant charges. Disappointingly, the CAG has not quantified this amount, though it declares that it should have been passed on to the Defence Ministry. The 2007 price offered by Dassault included bank charges, and its absence in the 2016 contract is a clear benefit to the company. In other words, the 'advantage' is lower than the 2.86%.

While the key question of pricing is sought to be resolved by the CAG by comparing the auditors' aligned price with the INT's computation, some issues remain unaddressed. The original issue of bringing down the total acquisition from 126 to 36 aircraft does not draw much comment. Also, the huge outgo on the India-Specific Enhancements (ISEs), despite the final figure being projected as a 17% saving on the aligned offer, is something that requires deeper examination. While auditing the earlier process, the CAG found that ISEs were upgrades allowed to be made so that Dassault's bid would be compliant with qualitative requirements. Even a team of Ministry officials that examined in March 2015 the integrity of the earlier process concluded that "the acceptance of [Dassault's] additional commercial proposal after bid submission date... was unprecedented and against the canons of financial propriety." Dassault was not the lowest bidder in the earlier process, and its technical bid had been rejected. Perhaps, this presented an opportunity to the present regime to reopen the entire process to buy Medium Multi-Role Combat Aircraft (MMRCA) and invite fresh bids. However, it chose the IGA route with France, possibly for diplomatic reasons. The CAG identifies as a major problem the fact that the technical requirements are too narrowly defined for most vendors to comply with. The message from the report is that defence acquisition processes require reforms and streamlining.

Common and minimum

Opposition parties will have to make compromises to build a cohesive front

Political stability is a necessary but not sufficient condition for good governance. But the promise of stability is now such a recurring theme in the speeches of senior BJP leaders, including Prime Minister Narendra Modi, it is almost as if nothing else matters. As Opposition parties of different persuasions are beginning to stitch together a motley coalition, the response of the BJP is in the form of raising visions of the years of instability in the latter half of the 1990s when neither the BJP nor the Congress could get a majority in the Lok Sabha. The BJP would like to believe that 2014, when it became the first party to win a majority on its own since the Congress in 1984, was no aberration. A call to vote for stability used to be the Congress's slogan in the 1990s, but it is now appropriated by the BJP as the biggest party on the political landscape. The more the prospect of a united Opposition draws close, the greater the BJP harps on the need for stability. In Maharashtra and Goa, the BJP runs coalition governments without too much trouble, but it is acutely conscious of the possibility of a coming together of Opposition parties if it falls short of a majority. Finishing as the single largest party might not be enough for the BJP in a situation where it has alienated even its existing allies. The Shiv Sena is a difficult ally, and the Janata Dal (United) an undependable one. A post-poll polarisation of smaller parties could hurt the BJP more than the Congress.

The rhetoric around stability is forcing a response from the major Opposition parties. After the rally organised by the Aam Aadmi Party in New Delhi, the push seems to be towards forming pre-poll alliances and formulating a common agenda as part of developing a more cohesive coalition. Congress president Rahul Gandhi is now talking of a common minimum programme, and of working together with Mamata Banerjee of the Trinamool and Arvind Kejriwal of the AAP, and Sharad Pawar of the Nationalist Congress Party. The AAP rally may have just turned out to be more than a show of hands. But for the Congress, the challenge is to build alliances with different parties in different States to take on the BJP. In Rajasthan, Madhya Pradesh and Chhattisgarh, where it is the dominant party, it might still need the support of the BSP to maximise the yield in terms of seats. In Punjab and Delhi, it could do with the help of the AAP. In Karnataka, it would have to deal with a demanding partner in the Janata Dal (Secular). In Bihar and Tamil Nadu, it is the smaller partner in alliances. A common minimum programme might thus have to be truly minimum in order to remain common.

Stress points of democracy

In this election year in India, we need to keep a sharper eye on the weakening of institutions



M.K. NARAYANAN

These are difficult, as also unsettling, times. It is not the complexity of issues that confront the world as much as the steady undermining of institutional and knowledge structures that are posing a threat to the world.

Across the world, democracy is in obvious retreat, with authoritarian tendencies on the ascendancy. Russia's Vladimir Putin, China's Xi Jinping and Turkey's Recep Tayyip Erdogan are constantly projected as the faces of authoritarianism, but many democratic leaders reveal a similar authoritarian streak, which adds to democracy's woes. It may be too early to predict the demise of democracy, but the reality is that it is not a good time for democratic institutions, or for those who see democracy as the answer to the world's problems.

Examples everywhere

Several examples exist worldwide on how decisions today are handed down, rather than being the outcome of discussion and debate. Hallowed international institutions such as the World Bank are facing the heat today for not conforming to the prescriptions of certain powerful members. At the same time, there are enough examples of democracy going awry. Brexit, and the Brexit debate, in the U.K. and Europe is a good example.

The U.S., which prides itself as a leading democracy, is setting a bad example today. Under President Donald Trump, arbitrary decision-making has replaced informed debate. His diatribe against what he

calls a "ridiculous partisan" investigation against him is an indication. Another is his determination to build a wall to keep out Mexican immigrants, even risking an extended shutdown of the U.S. government. The decision of the U.S. to withdraw from the Intermediate-Range Nuclear Forces Treaty — a key pact signed in 1987, and hailed as the centrepiece of European security since the Cold War — without a detailed internal discussion appears to be setting the stage for Cold War 2.0.

It is, however, the ignoring of democratic conventions nearer home that are cause for greater concern. In a pluralistic, multi-party federal system, disdain for democratic conventions and the violation of well-entrenched behavioural patterns are causing irreversible damage to the polity.

Federal fallout

Currently, we are witnessing vituperative exchanges between the Prime Minister and some Chief Ministers which involve accusations such as fomenting riots and running extortion rackets. This damages the fabric of democracy. Centre-State relations are already under strain, and face the threat of still greater disruption.

Selective interpretation of information is a fallout of such situations. Those in authority deem all information not acceptable to them as nothing but disinformation. Those opposed to the government, on the other hand, insist that the government suffers from a lack of probity. The current sulphurous exchanges between the ruling dispensation and the Opposition over the purchase of Rafale aircraft are an example. The casualty is truth, and the veracity of official facts and statistics.

Many instances of this kind can be quoted, but one specific instance that has caught the fancy of



PTI

the public is the current debate on jobs and unemployment. The Central government has effectively rejected a report by the well-regarded National Sample Survey Office — which showed that unemployment in 2017-18 was at a 45-year high — without giving any valid reason for doing so. The government's only reasoning for rejecting the report is that it is a 'draft', which has only added to existing doubts about its real intentions. Similarly, doubts are being raised about the validity of the government's revised GDP estimates.

Breaches of democratic conventions are adding to the already existing disquiet. Adherence to democratic norms has for long been perceived as crucial to maintaining the independence of institutions and processes. An impression exists today that attempts are being made to effect changes in the existing system. Two instances during the past year when the government breached long-held conventions have raised questions about the intentions of those in authority.

One was the brouhaha concerning the Reserve Bank of India (RBI), and a perceived attempt to reduce its functional independence, to compel it to fall in line with the views of the government. The resignation of the RBI Governor put a temporary quietus to these concerns, but it is widely believed that the RBI has been brought into line with the government's wishes. The second instance relates to the Interim Bud-

get in an election year. The Interim Budget announced on the eve of the 2019 general election clearly breaches certain long-settled conventions, by including many substantial measures that ordinarily would form part of a regular Budget. The intention is plain, viz. build more support for the ruling dispensation in an election year.

Alongside the decline in democratic conventions, another cause for concern is the virtual collapse of key institutions such as the Central Bureau of Investigation (CBI). Touted as India's premier investigation agency, its reputation has of late suffered a near mortal blow, mainly on account of internecine quarrels, as also external interference in its internal affairs. Created out of the Delhi Special Police Establishment in 1963, a brainchild of then-Home Minister Lal Bahadur Shastri, the agency was earlier headed by persons with impeccable integrity and ability. It had also adhered previously to the salutary principle of not carrying out arrests, except in the most exceptional of circumstances. Over time, the quality of the CBI leadership and the tribe of proven investigators has witnessed a decline, which has impacted the image of the organisation.

An agency of the government, part of the Ministry of Personnel functioning under the Prime Minister, supervised at one step removed by the Central Vigilance Commission, and constantly under the watch of the Supreme Court, the CBI serves many masters. The choice of Director, following the Vineet Narain case, by a committee headed by the Prime Minister, with the Chief Justice of India and the Leader of Opposition as the other members, has hardly helped the CBI maintain a reputation for independence. The recent unsavoury drama, which witnessed a 'Kilkenny cat fight'

between the Director and his No. 2, reflects the lack of institutional culture in the organisation.

Compounding the situation arising from the lack of trained and competent investigators is the fact that supervisory officers, who come and go, are most often not in a position to provide proper guidance to investigating officers. At times, they also tend to tinker with the investigation reports sent to them, to reject the findings of investigating officers.

A changing work culture

What is worse is that while earlier the CBI used to carry out arrests of so-called accused persons only as a measure of last resort, today it is overturning this on its head. As its investigating officers' skills have declined, it is increasingly resorting to peremptory arrests, often on very slender evidence, in anticipation of securing approvers to build, or strengthen, a case. The law generally disapproves of approver evidence, but this has become the stock in trade of the CBI. In many instances, the CBI has also been resorting to pressure tactics while questioning individuals, even when they are not accused persons, setting aside legal niceties and requirements. In a few instances recently, the CBI has even resorted to intimidatory tactics, taking recourse to a battery of investigators to question a witness, let alone an accused, in the hope of securing useful leads. The recent incident where a posse of CBI personnel went to question the Kolkata Police Commissioner at his residence late in the evening, though he was only a witness, reflects the changing mores of the CBI. This should be a matter of concern for one and all.

M.K. Narayanan is a former National Security Advisor and a former Governor of West Bengal

The Karnataka model of politics

Its Assembly constituency-level leadership can operate independent of a political party



NARENDRA PANI

The repeated confinement of Karnataka MLAs in resorts suggests that the State's elected representatives have to literally be physically prevented from selling themselves to their ideological opponents. Given the moral compass of our elected representatives, it would be foolhardy to rule out this possibility. Yet viewing the State's political events entirely in such commercial terms ignores the larger transition taking place in grassroots politics in Karnataka, one that political parties are struggling to keep pace with.

Rural politics

An often underestimated aspect of Karnataka has been its success with rural decentralisation. Unlike its urban governance, which continues to be dominated by lobbies at multiple levels, from garbage collectors to elite industrialists, the administration of rural Karnataka has a prominent place for its panchayat institutions. Its experi-

ments with decentralisation gathered momentum in the 1980s, well before the 73rd Amendment to the Constitution.

Administrative decentralisation was accompanied by a similar process in the State's rural politics. Unlike some other States, like Kerala, where administrative decentralisation has taken place under rather more centralised party control, the process in Karnataka has resulted in a greater opportunity, and hence competition, for local political office. The leaders who emerge from this intense competition are typically more confident of their political roots and are not afraid to make this known in Bengaluru.

The BJP, or more accurately B.S. Yeddyurappa (in picture), was the first to recognise the emergence of Assembly constituency-level leadership which could operate independent of a political party. In his first term as Chief Minister, he launched what has come to be called Operation Lotus. In this operation, an Opposition MLA resigned his seat in the State Assembly and was promptly re-elected as a member of the ruling party. This enabled Mr. Yeddyurappa to convert his minority government into a majority one.

A decade later, the same pro-



V. SREENIVASA MURTHY

cess of decentralisation has worked against the BJP leader. With local competition throwing up even more leaders in each constituency, the number of MLAs who can be confident of re-election has declined. The BJP also needs more MLAs to cross over than it did the last time. But Mr. Yeddyurappa, having previously used the emergence of new local leaders to bring the BJP to power, probably feels he can do it again.

In trying to deal with the new set of previously unknown and ideologically promiscuous leaders, parties in Karnataka have usually fallen back on caste. The Janata Dal (Secular) relies quite heavily on its core base of Vokkaligas. The BJP is relatively more broad-based but takes extra care to protect its Lingayat flock. The Congress strategy is to absorb as many caste groups as possible.

This ensures that caste conflicts are internalised within the party, and the possibility of sabotage at election time in the Congress is probably the highest among the State's parties.

Using caste to net emerging local leaders is also not immune to the pressures of effective political decentralisation. Competition among emerging political leaders exists within castes as well. Taking one leader into a party often means the exit of his opponent from the same caste. In some constituencies, in the 2018 Assembly election, the main candidates were the same but they had exchanged parties.

Battle within castes

What is of greater concern to Karnataka's political parties is that the battle within castes can take on a longer-term ideological colour. This is most evident in the case of Lingayats. The caste has for some decades been under a leadership that would like to take it deeper into the Hindu fold. They tend to treat the 12th century poet-saint Basavanna as no more than an important footnote in the history of the caste. This has been challenged by the historically less privileged sections of Lingayats who see Basavanna as one who chal-

lenged the basic tenets of the caste system and hence Hinduism itself. Their demand to treat the followers of Basavanna as belonging to a different religion has become a major bone of contention.

Karnataka's political parties are struggling to come to terms with this division. The conventional wisdom is to pretend it does not exist. The BJP would like see a continuation of the status quo so that Lingayats remain a part of the Hindu community and there is no division in the major support base of the party. The Siddaramaiah-led Congress government supported the case for the followers of Basavanna to be treated as a separate religion. This led his opponents in the party to blame its poor performance in the last election on this decision, though the party did worse in the non-Lingayat regions of coastal and southern Karnataka.

The way out of the current confusion of parties running helter-skelter to capture "winning" leaders would be the emergence of a new vision, one that new leaders would gravitate towards. But there is no such vision, or visionary, on the horizon.

Narendra Pani is a Professor at National Institute of Advanced Studies, Bengaluru

LETTERS TO THE EDITOR

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

Reservation mania

There seems to be a reservation mania in India ("Rajasthan clears 5% quota for Gujjars", Feb. 14). The hope was that with time reservations would be phased out gradually. What is happening is exactly the opposite. Communities have realised that they can get any government to accept their demands. The scant regard for the upper limit mandated by the Supreme Court is highly reprehensible.

K.V. SEETHARAMAIAH,
Hassan

Twist in Parliament

It was strange to see the same Mulayam Singh Yadav who had tried to save Muslims in 1990 say that he hopes that Prime Minister Narendra Modi will come back to power, even as

chants of 'Jai Shree Ram' rang in the Lok Sabha ("MPs bid adieu amid Mulayam's twist", Feb. 14). Politicians are so unpredictable. I wonder what pushed Mr. Yadav to say this, especially when his son is fighting against the BJP. Are father and son going different ways? His statement undermines the SP's credibility.

B. GANGA RAJU,
Hyderabad

Setting a precedent

M.A. Sneha has taken a courageous step; hopefully more people will follow suit ("It's official: Tirupattur woman gets 'no caste, no religion' certificate", Feb. 14). Defining nationality is more than enough on official documents; the more barriers we strike down, the better our

chance of moving towards an egalitarian society.

KISHOR BANSAL,
SELVAKUMAR A.,
Chennai

Incitement to violence

The writer is right when he says the verdict is unsustainable ("Dealing with the thought police", Feb. 14). But if individuals are unsatisfied with the state, they can peacefully protest, organise themselves, put pressure on the government to heed their demands, use established laws to seek redress, etc. But isn't holding radical literature dangerous? Where does incitement to violence begin? Every action originates from such ideas. It's not always political compulsion but the need to keep citizens safe and secure that makes the state

aggressive at times.

KISHOR BANSAL,
Noida

Revolutionary proposal

I doubt the U.S. Congress will approve the Green New Deal ("A clarion call to combat climate change", Feb. 14). In every country, resolutions that speak against racial injustice, economic inequalities and encourage sustainable ways of living are called ridiculous. This is because governments largely serve the interests of corporates.

SURUMARAN C.V.,
Palakkad

Response to a response

Contrary to what Subramanian Swamy argues ("There is nothing to unfetter", Feb. 12) in response to my article, "Ayodhya and the challenge

to equality" (Feb. 7), secularism is deeply relevant to the argument over Ayodhya. Even if the term was introduced as an afterthought in the Constitution, secularism as a principle was inherent in Constituent Assembly debates on religious freedom, equality and the state. Equality demands minimally that the state should not take sides in a dispute between religious groups in secular matters such as land ownership. The Supreme Court decision of September 27, 2018 pertains to the acquisition of the land surrounding the site where the Babri Masjid stood, not its final disposition. The Lucknow Bench judgment of 2010 is by no means the final word. In

staying the judgment, the Supreme Court observed that its partition decree was rather "strange" in that none of the parties had asked for this manner of settlement. While the matter remains under appeal, the Supreme Court's 2002 injunction against a final disposition of the land remains in effect. Finally, neither the Vishwa Hindu Parishad (VHP), nor the Ram Janmabhoomi Nyas has any apparent standing in the matter. The dispute originated over building rights on the Ram Chabutra, part of the patrimony of the Nirmohi Akhara, which has repudiated the claims of the VHP and its affiliates. SUKUMARAN MURALIDHARAN, Sonipat

MORE LETTERS ONLINE:
www.hindu.com/opinion/letters/

YES, NO, IT'S COMPLICATED

Is the unemployment crisis for real?

YES



MAHESH VYAS
is Managing Director & CEO of the Centre for Monitoring Indian Economy Private Ltd. (CMIE)

Employment opportunities, formal jobs and the labour force are all shrinking

The jobs situation in India does not reflect a crisis, but it is a matter of serious concern. A crisis is understood as an emergency that demands immediate attention, without which we could see a calamity of sorts. There is no immediate calamity of any kind on hand. But there is a deeply insidious problem at work in the form of shrinking employment opportunities, shrinking formal jobs, and a shrinking labour force.

A populous and demographically young country like India has a lot

to gain if the expanding working-age population can join the labour force and be provided with gainful employment. More hands at work can ensure greater prosperity and relatively evenly spread growth.

Problems of unemployment

But if India cannot provide employment to its growing working-age population, it does not just miss a chance to become a prosperous country, but also risks becoming an unmanageable or unruly country. Unemployed youth, beyond a

threshold, can lose hope of a job and can easily stray into becoming unsocial elements.

A bigger problem is that those who do get jobs and prosper do not appreciate the plight of those who do not. It is mistakenly believed that those who do not get good jobs are not worthy of getting them. The blame is placed at the door of the unemployed as if it is entirely their problem. The macro-economic and social dimension of the problem is not appreciated in India.

Statistics give us clues of the brewing problem and its insidious



nature. First, we are in the midst of a serious investment deficit. CMIE's CapEx database demonstrates the persistent fall in new investment proposals since 2011-12. New investment proposals had peaked at ₹25 trillion in 2010-11. In 2017-18, these were down to ₹11 trillion, and in 2018-19, these are unlikely to cross ₹10 trillion.

The impact of this fall in investments is visible in shrinking jobs. In a point-to-point comparison, in 2018, the number of persons employed declined by 11 million. An estimated 408 million people were employed in December 2017. This

fell to 397 million in December 2018. The average employment in 2017 was 406.5 million. This fell to an average of 402.1 million in 2018. This shows a smaller fall of 4.5 million. Either way, we see a very substantial fall in employment. One (11 million) is only much worse than a fairly bad fall of 4.5 million, or 10%.

number of people looking for jobs. The latter reflects a fall in the number of people looking for jobs. When we juxtapose this against falling jobs, we see a glimpse of the hopelessness of people who should be looking for jobs.

The crisis is the response

Our real crisis is in the nature of the government's response to the situation. When the establishment works hard to rubbish sound statistical practices and results of large sample household surveys and instead uses back-of-the-envelope calculations to measure employment, we are headed towards a bigger crisis than the jobs crisis.

NO



T.V. MOHANDAS PAI
is Chairman of Aarin Capital Partners

The methodology used in the surveys is questionable. What India has is a wage problem

The furore around the unemployment issue is ill-founded. Most of the analysis is based on incomplete representations of the labour market. The recent surveys that profess spiralling unemployment are either unverifiable or heavily skewed by sampling biases. This narrative raises questions on the political motivations behind these surveys that may intend to change the perception of India's growth trajectory, nationally and globally.

What the surveys ignore

CMIE claimed that the total working population in India declined by

11 million (1.1 crore) in 2018. These preliminary estimates seem opportunistically quoted by the think tank two months ahead of schedule. CMIE has considered a minuscule sample of 1,40,000 respondents for a nation of more than 1.3 billion citizens. With regards to the leaked excerpts of the National Sample Survey Office survey, the public has been unduly kept in the dark about the methodology used to compute the claimed 6.1% unemployment rate.

Estimating a macro profile of employment for the country based on a survey of even 2 million partici-

pants is not statistically valid without a study of the various components of job creation. Such surveys have biased weights which have recently been contradicted by more concrete research. These surveys give higher weight to States with large populations but where less formal jobs are being created. There is a higher supply of formal jobs in Maharashtra and in south India than in States like Uttar Pradesh and Bihar.

Another trend which was noticed was that jobs were being created in big cities. However, cities carry less weight in the aforementioned surveys. A company called BetterPlace Safety Solu-



tions, which has one of the deepest databases of the formal sector workforce in India, had recently released these revelatory migration trends. Until such biases are removed using actual data, we must reserve judgment.

Creation of formal jobs

India has been creating formal jobs in large numbers. Further, deliberations based on other proxy databases like vehicle sales, the annual reports of the IT department, and MUDRA loan disbursements help ascertain jobs in large job-creating markets like transport, the professional sector, and small-scale entrepreneurship, respectively. This pro-

vides us with a robust methodology of ascertaining employment.

We have estimated that India requires around 1.5 crore jobs a year. This is because it has got about 2.5 crore people attaining the age of 21 every year. We estimate that 40% of this population may not want formal jobs, as they choose agriculture or become homemakers after marriage. The social security databases point to around 70 lakh jobs created annually (in companies with over 20 employees), the transport sector creates around 30-35 lakh jobs, and the professional sector creates around 6-10 lakh jobs. That's 1.1 crore jobs from just three sources. The rest (30-40 lakh jobs) is contributed by people starting their own ventures. India has not

improved on its Ease of Doing Business ranking for nothing, and this sector is expected to generate more employment with support from initiatives like Make in India.

Today, if you talk to employers like shopkeepers and small and large firms, they will tell you that they are not finding enough employees. This means that there are not enough skilled people in the market. Manish Sabharwal of TeamLease has been producing an annual labour report documenting a healthy demand for jobs. However, these jobs provide insufficient compensation for the applicants. India has a wage problem and not a job problem. This problem can only be solved by creating higher-quality jobs to meet aspirations.

IT'S COMPLICATED



SABINA DEWAN
is President and Executive Director of JustJobs Network

The issue that is more pressing than unemployment is underemployment

Work is fundamental in determining one's quality of life. Indians rely on their jobs to earn a living, to fulfil family obligations, and to satisfy the aspirations that motivate them daily. Yet jobs that are productive, with fair pay, and that allow citizens to live healthy lives are scarce, and are becoming even more so.

Waiting for a good job

Leaked data from the National Sample Survey Office's (NSSO) latest labour force survey suggests that unemployment rose to an all-time high of 6.1% last year. This is, no

doubt, a worrying trend.

Yet the rise in unemployment can largely be explained by the fact that more young people are obtaining an education. With education comes the expectation of a 'better' job. Those who can afford education also tend to be in a position to wait for a job that meets their requirements. Those who are not as financially fortunate must find the means to make a living, however poor in quality the work may be. The data show that unemployment is higher among the educated, and lower among those with less finan-

cial means and education.

The need to work to make ends meet also fuels India's large informal economy. Over 90% of the employed (farm and non-farm) are informal workers. In the non-farm sector, 66% of those employed are informal workers. The informal economy is characterised by low levels of productivity and low wages because many of these workers are underemployed.

The urgent crisis confronting the economy, then, is underemployment. Underemployment occurs when workers are unable to find employment that makes use of



their qualifications and skills. For instance, an engineer might be working in a mechanic shop. Underemployment and/or refers to the sharing of low-productivity work, as is common in agriculture, for example. Or picture a 16-year-old who spends his mornings selling just enough coconuts to make the bare minimum to survive. And these are just examples of visible underemployment.

Persistent underemployment also contributes to the decline in labour force participation rates. As people grow frustrated with their inability to find a good job, they may stop looking for work and drop

out of the labour force altogether. Data from the leaked NSSO labour force survey suggest that the labour force participation rate declined to 49.8% in 2017-18 from 55.9% in 2011-12.

Both underemployment and this form of discouragement are a significant loss of productive potential. This is particularly troubling when it pertains to India's large and growing youth population. Pathways to productive and high-quality employment are essential to deliver better living standards to citizens, but also for sustainable and inclusive economic growth.

Three-pronged strategy

So, how can we address the pro-

blem? Addressing the underemployment crisis entails a three-pronged strategy.

First, we must improve the quality of jobs by improving productivity in agriculture and in enterprises. Second, we must align education, technical and vocational education and training to market demand. Third, we must make enduring and long-term investments in human capital through good-quality education, skills, and on-the-job training, as well as in basic social protection.

Recent data do suggest that there is rising unemployment. To be sure, this is a problem. But perhaps the larger and arguably more pressing challenge is underemployment.

SINGLE FILE

Removed from reality

India is more interested in maintaining a facade of social harmony than in putting things in order

SAMIR NAZARETH



Given what is at stake in the 2019 general election, much can be read into recent surveys where a majority of respondents found Prime Minister Narendra Modi to be the most trusted leader and that his leadership enhances the country's image abroad.

In this epoch of social media, the hunger for admiration is unbounded, which could explain this national fixation with the country's global image. This craving to prove India's prowess in the absence of real progress in many areas has resulted in certain awkward moments for the government and the country. A recent one was the doctored video of the Vande Bharat Express posted online by Railways Minister Piyush Goyal.

There is enough data to link this image-neediness to other sociopsychological findings. According to the United Nations' 2018 World Happiness Index, India ranks low, lower than the Occupied Palestinian Territories. According to the World Health Organisation, India is the most depressed country in the world. In 2015, India ranked fourth in a Social Hostilities Index. And in the 2018 Global Peace Index, it ranked 137 out of 163 countries and territories.

Herein lies the paradox: an unhappy and depressed country dealing with large doses of internal hostility is concerned with its leader's ability to enhance the country's image. This is a natural corollary to the strategy of impression management, a notion that seems to have come into vogue in recent years after it was promoted by the current dispensation. For example, consider the public and media references to Mr. Modi's 56-inch chest and the bear hugs he gives to global leaders. All of this implicitly gets linked to the broad question of policy performance. Never mind that policies such as demonetisation, implementation of the Goods and Services Tax, and the surgical strikes across the Line of Control in 2016 were seen by many to have failed in some regards; the mere image of the Prime Minister being decisive and driving these policies to bring about positive change seems enough to carry the day. This aura also appears to legitimise taking credit for the previous government's achievements.

The BJP-created need for a strong leader has synthesised into potent individual cravings for global recognition. This has become so chronic that we as a country are more interested in creating and maintaining a facade of social harmony and uninterrupted economic progress than recognising the disarray at home and putting things in order. Or is the high from global recognition a coping mechanism for the despair citizens find themselves in? That India is more concerned about the face it shows to the world than what the world sees behind it indicates how far removed it chooses to be from reality.

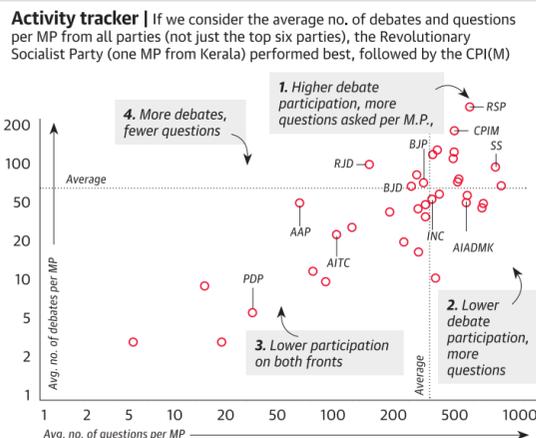
The writer is the author of 1400 Bananas, 76 Towns & 1 Million People



DATA POINT

Parties in the House

The last Parliament session of the 16th Lok Sabha came to a close on Wednesday. Of the six largest parties in the Lok Sabha, BJP MPs had the highest attendance. On average, Shiv Sena lawmakers took part in the most number of debates and also asked the most questions per MP (among the top six parties). By **Varun B. Krishnan**



Party stats
Table shows indicators for the biggest parties in the Lok Sabha (2014-19)

Political party	No. of legislators	Average attendance*	Debates per MP	Questions per MP
BJP	269	86.06%	68	244
INC	45	76.32%	49	275
AIADMK	37	79.11%	46	448
TMC	34	62.55%	24	71
BJD	18	81.57%	63	205
Shiv Sena	18	78.53%	92	677

*Attendance record as on Feb. 9. Ministers' attendance not considered | Source: PRS Legislative Research

Avid debaters

The MP who participated in the most number of debates was Bhairon Prasad Mishra, a BJP legislator from Banda constituency in Uttar Pradesh

MP	State	No. of debates
Bhairon Mishra	U.P.	2,095
P.S. Chandel	H.P.	1,884
Sharad Tripathi	U.P.	660
C.P. Joshi	Rajasthan	380
P.P. Chaudhary	Rajasthan	359

The top five were male BJP MPs elected to the Lok Sabha for the first time. Four of them were graduates

Top billing

Nishikant Dubey from Godda constituency in Jharkhand introduced the highest number of private members Bills

MP	State	Pvt. members Bills
Nishikant Dubey	Jharkhand	48
Kirit Solanki	Gujarat	37
Gopal Shetty	Maharashtra	32
O.P. Yadav	Bihar	28
P.S. Chandel	H.P.	26

All the above MPs won on a BJP ticket. Four of them were graduates

FROM THE HINDU ARCHIVES

FIFTY YEARS AGO FEBRUARY 15, 1969

Jan Sangh ready to co-operate with Congress

Mr. Atal Behari Vajpayee, President of the Bharatiya Jan Sangh, said here [New Delhi] to-day [February 14] that it was for the Congress, as the largest single party in the Bihar Assembly after the mid-term poll, to take the initiative for forming a stable Government there. Talking to newsmen, he said that if the Congress failed to do so, the proper course for the Governor would be to sound the S.S.P., the second largest party, to form a Government. Mr. Vajpayee said the people's verdict had cast the Jan Sangh in the role of an Opposition party in that State, and it would be content and happy to play that part. However, if either the Congress or the S.S.P. sought the Jan Sangh's cooperation in forming a stable Government in the State, then the party's Central Parliamentary Board would consider the offer, in the interest of stability. Mr. Vajpayee said co-operation with Communists in forming a Government anywhere was out of the question.

A HUNDRED YEARS AGO FEBRUARY 15, 1919

Sir R. Tagore at Kumbakonam, Tanjore.

Leaving Trichinopoly by the express train of Tuesday morning [February 11] in which he travelled in a special saloon, Sir Rabinathan Tagore arrived at Kumbakonam at about mid-day. At the Railway Station, Mr. R.M. Statham M.A., Principal of the Government College, Kumbakonam, received the distinguished visitor and took him to his bungalow where he stayed as his guest. In the afternoon, the poet delivered his lecture on the popular spirit in religion to a crowded meeting held at the College. A cheque for Rs. 300 was handed to Mr. C.F. Andrews, Secretary to the poet, by the Principal as the humble contribution of the citizens and the students of the town who took tickets to the lecture in aid of the Shantiniketan and Asramam at Bholpur. Towards the close of the proceedings, the students of the college read an address to the post.

CONCEPTUAL Titanic syndrome

FINANCE

This refers to a market phenomenon where the number of stocks making 52-week lows turns out to be higher than the number of stocks making 52-week highs within seven days from the day when the market reaches a new all-time high. The phenomenon is named after the RMS Titanic, the famous British passenger ship that sank in 1912 after hitting an iceberg. The Titanic syndrome was first proposed by Bill Ohama in 1965 to warn traders about the possibility of an imminent crash in the stock market. Ohama believed that the appearance of the Titanic syndrome could be the prelude to a 10% drop in the stock market.

MORE ON THE WEB

Watch: What we learnt from Mars rover Opportunity

<http://bit.ly/MarsRoverOpportunity>

14 THE EDITORIAL PAGE

WORDLY WISE

THE ONLY REASON YOU SAY THAT RACE WAS NOT AN ISSUE IS BECAUSE YOU WISH IT WAS NOT.
— CHIMAMANDA NGOZI ADICHIE

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

It's a wage crisis

India's challenge is creating a complex ecosystem of high-productivity firms



MANISH SABHARWAL

THE DEBATE AROUND unemployment is unhelpful — since 1947, unemployment has bounced between 3-7 per cent of India's labour force. But reconciling this mathematical accuracy with our painful poverty — it has bounced between 25-75 per cent of our population since 1947, based on your definition of needs, wants and desires — needs an understanding of the "self-exploitation" theory proposed by the Russian economist Alexander Chayanov in the 1920s. He convinced Jawaharlal Nehru that small farms are viable because you don't have to pay yourself rent or pay a salary to yourself, spouse or kids. I make the case that one, self-exploitation — hanging out *vella* (idle) with low or zero marginal productivity in farms, self-employment or subsistence wage employment — has been India's labour market shock absorber since 1947. Two, this shock absorber no longer works because Indians born after 1991 expect a living wage (that meets aspirations) rather than a minimum wage (that keeps mind and body together). And three, these higher wage expectations can only be met by transitioning people to higher productivity sectors, geographies, and firms.

Our current debate confuses jobs with wages. Almost every Indian who wants a job has a job but they don't get the wages they want or need because they work in unviable sectors (48 per cent of our labour force on farms generates only 13 per cent of the GDP), unviable firms (our 6.3 crore enterprises only translate to 19,500 companies with a paid-up capital greater than Rs 10 crore), unviable entrepreneurship (50 per cent of our labour force is not self-employed but self-exploiting), and unviable geographies (2 lakh of our 6 lakh villages have less than 200 people).

Historian Ramachandra Guha reminds us that India may not yet be the most important or powerful country in the world but it is surely the most interesting. Our political parties have created the world's largest democracy on the infertile soil of the world's most hierarchical society. But we had zero chances of creating the world's largest economy on the infertile soil of the economic model articulated by the Avadi Resolution of

1955 and the Second Five Year plan of 1956. High wages need a complex ecosystem of high productivity firms and individuals: IT firms employ only 0.7 per cent of India's labour force but produce 7 per cent of India's GDP. A waiter in Chicago with skills similar to a waiter in Jaipur makes 20 times higher wages because of the productivity of the customers eating at the restaurant, and India's 20 million manufacturing SMEs have at least 25 times lower productivity than Germany's 200,000 *mittelstand* (SMEs).

Essentially, the GDP of 114 million Maharashtrians is more than 204 million people in Uttar Pradesh because Maharashtra is more formalised, industrialised, financialised, urbanised and skilled. Similarly, the GDP of 1.2 billion Indians till 2019 was lower than 66 million Britons because socialism — capitalism without competition and bankruptcy — led to nutty economics after 1947. Three books — *Capitalism in America: A History* by Alan Greenspan and Adrian Wooldridge, *How China Escaped the Poverty Trap* by Yuen Yuen Ang, and *Lost Glory: India's Capitalism Story* by Sumit Majumdar — talk about choices and consequences. America amplified prosperity (35 per cent of people in official poverty have air-conditioning and 60 per cent have a car), China has used markets to move 700 million people out of poverty since 1978, while our licence-radjbed inefficiency. Politician Vasant Sathe pointed out in the 1980s that India's public sector steel industry employed 10 times more people to produce half the steel of South Koreans.

But India is breaking with its past. We have six million new registered enterprises after GST and 30 million new social security payers in three years. Our new monetary policy committee and fiscal discipline have blunted inflation from 8.33 per cent in 2014 to 2.19 per cent. Our new bankruptcy law has started recycling assets of Rs 14 lakh crore. In the 1960s, the-then RBI governor L K Jha had presciently warned that resource utilisation is as important as resource mobilisation. Digital payments have exploded from 0.1 million the month before demonetisation to 650

million last month. Infrastructure spending has doubled in the last five years accompanied by qualitative improvements in air connectivity, ports, highways and railways. Finally, a modern state is a welfare state with a broad tax base; India has more than a crore new individual tax filers since demonetisation with a 45 per cent increase in returns with incomes below Rs 10 lakh last year.

For India's 25th birthday in 1972, the late Sheila Dhar wrote a wonderful book, *This India* that suggested, "Indians have great patience. It is not in their nature to be in a hurry. They can wait longer, suffer more and work harder than other people." This paragraph would probably change for the 75th birthday version in 2022; the impatience of our young is changing India and her politics. And thankfully, our democracy means that the Chinese communist party strategy articulated in the 1980s — fill their stomachs but empty their minds — will not work in India. India's youth don't aspire to replace self-exploitation with the patronising pessimism of loan-write offs, subsidies or income without work; they recognise that a hard day's work in a formal job provides dignity, strength, identity and purpose in addition to living wages.

At a deeper level, our acceptance of self-exploitation was a form of mental bondage that defied Rabindranath Tagore's dream of our country becoming a place where the mind is without fear and the head is held high. In 1910, Tagore articulated this vision in 'Chitto Jetha Bhoyshunno' hoping his country would awake to a freedom where tireless striving stretches its arms to perfection. The end of our acceptance of self-exploitation embodies a freedom that would please the great sentinel. India's challenge is not jobs but employed poverty and while there is much unfinished work, it's delusional to believe we aren't making good progress. And it is unhelpful presentism to believe that policy-makers have no choice other than viewing our youth as petitioners rather than potential apprentices.

The writer is with Teamlease Services

THE NATION MOURNS

The killing of CRPF soldiers sears the nation with grief. This moment also calls for all to summon wisdom and foresight

THE VEHICLE-BOMB suicide attack on a CRPF convoy near Awantipora on Thursday is the deadliest ever terror strike against security forces in three decades of militancy in Kashmir. The loss of so many security personnel while on duty will be mourned across the country. Jaish-e-Mohammed, which works out of Pakistan under the leadership of Masood Azhar, has claimed responsibility for the attack. The Jaish has carried out other attacks in Kashmir in recent years, including the one at Uri and at Pathankot. Yet India's efforts to have Azhar designated as a global terrorist have been repeatedly blocked by China, a staunch ally of Pakistan. It is no wonder that both Beijing and Islamabad have been conspicuously silent as outrage has poured in from all over.

The route taken by the 78 vehicles with more than 2,500 jawans on Thursday is used by troop convoys travelling up from Jammu to camps in Srinagar. As it is the only highway, their movement is no secret. There have been attacks by militants on that road targeting troops and civilians in the past — returning Amarnath yatis were targeted in 2017 further south on the same highway — and for that reason, the road is heavily guarded. But as Thursday's attack has revealed, a bomber in a vehicle loaded with explosives just has to wait for his opportunity. Whether Jaish had advance information and how the bomber slipped through road opening parties that must clear and secure the route, is now a question for investigators to probe. For now, however, this moment calls for sobriety and wisdom. With parliamentary elections only weeks away, the timing of the attack is a fraught one. In BJP-dominated Jammu, a bandh has already been called for Friday. But the nation would be better served if the BJP-led NDA government at the Centre, and all political parties, including those in the Valley, pause and reflect on the grave juncture in Kashmir in which this devastating attack has come.

After years of near normalcy, the Amarnath land row crisis was the first turning point. Then, the 2015 re-emergence of militancy in the Valley took place in the backdrop of a general draining of optimism, with the hardening of the Centre's position on Kashmir and the worsening of relations with Pakistan, despite the initial hopes raised by the decision of the BJP and PDP to come together to form the government in 2014. This moment calls, therefore, for a sober look back, and ahead. Those who project militancy as the last resort of a betrayed people while claiming to speak for the interests of the Valley also need to reflect on how terrorism can delegitimise even a genuine political aspiration.

TWO ENDINGS

Lapsing of citizenship and triple talaq bills is welcome. Former should be buried, latter needs to be debated and finetuned

IT IS JUST as well that two contested pieces of legislation — the Citizenship (Amendment) Bill and the Muslim Women (Protection of Rights on Marriage) Bill — have lapsed with the close of the Budget Session, the last parliamentary session of the 16th Lok Sabha. These bills had been passed in the Lower House and were awaiting introduction in the Rajya Sabha. Both had raised serious concerns that they would have a polarising effect, deepen ethnic, regional and communal fissures. Hopefully, the next government will make no attempt to revive the Citizenship (Amendment) Bill, and will make an effort to forge a greater consensus on the Muslim Women (Protection of Rights on Marriage) Bill, commonly referred to as the triple talaq bill, before seeking the approval of Parliament.

The proposed amendment to the Citizenship Act viewed Indian citizenship as an exclusive privilege of Indic faiths, excluded Muslims, and projected India as a homeland of Hindus. The NDA government shrugged off the criticism that the bill militated against the constitutional idea of Indian citizenship. It chose to ignore the ethnic faultlines in the Northeast and sought to impose a religious binary onto the complicated identity question that is central to politics in the region. The BJP's leader in the Northeast, Himanta Biswa Sarma, made his party's agenda clear when he reiterated on Wednesday that the BJP stands by the bill and that if it is not passed, as many as 17 constituencies in Assam "will go into the hands of Bangladeshi Muslims". This seems in stark contrast to the wider public opinion in the region. It is not surprising, then, that besides civil society groups like AASU, even chief ministers from the region have welcomed the lapsing of the citizenship bill. The BJP needs to understand that the identity question in the Northeast is a nuanced one and it must shun steps that may force open new faultlines. On the other hand, the triple talaq bill is a potentially progressive legislation that has faltered primarily because of the government's insistence on pressing the criminality clause, which has raised fears of a miscarriage of justice.

A lesson to be drawn from the 16th Lok Sabha, particularly the experience of these two bills, is that the party in power needs to engage creatively and persuasively with the Opposition. Consensus-building is a tough ask, but it is a task that is essential to the practice of democracy.

WHAT IS AMERICA?

Childish Gambino's song suggests disturbing answers. His winning the Grammy raises more questions

WHAT IS AMERICA? A superpower, of course, the mover of global capitalism. For some, the bearer of many inequalities and for others, it holds the dream of prosperity. But what is America for a black man? Donald Glover aka Childish Gambino's track, and the violent, absurd and chilling video that accompanies it, provide one answer to that question. And, with *This is America* becoming the first rap song to win the Grammy for both song and record of the year (2018), many are hailing the fact that "history has been made", that the mainstream is acknowledging the havoc that has been wrought on Black America's psyche by a history of violence and despair.

Throughout the video, Childish Gambino dances across frames that evoke a history of oppression: He is wearing trousers from the Confederate uniform (the pro-slavery camp in the US civil war), his posture mimics a famous Jim Crow poster, there are riots in the background while people film violence with their cellphones, a KKK member rides across. Gambino shoots a hooded black man, guns down a black church choir, all the while gleeful, dancing with children. What is this joy in the face of violence, this almost Kubrickesque pleasure in blood? *Dance and shake the frame/ We just wanna party (yeah)/ Party just for you (yeah)/ We just want the money (yeah)*. The black man, he seems to suggest, is distracted and appropriated, the occasional celebrity, the odd success story — and "the party" of consumerism, and violence keeps him in his place.

Childish Gambino did not perform in or even attend the Grammys. He has, since the release of the song, not spoken of its rich symbolism. The question, now, is this: How accurate is *This is America*? If the point Gambino appears to be making holds true, the honours he has received may even be seen as just another way to keep alive the nightmare that his song portrays. His dance has indeed "gotten him the money". But, and here there is hope, maybe it can help shake a country out of its slumber.

A REFEREE LESS PARTISAN

Blame for politicisation of the Speaker's office lies with the anti-defection law



CHAKSHU ROY

EARLIER THIS MONTH, the Speaker of the Karnataka Vidhan Sabha was embroiled in a controversy. The chief minister alleged that the Speaker was offered a bribe of Rs 50 crore. He played a tape which purportedly contains a conversation referring to money being offered to the Speaker for accepting the resignation of 15 MLAs. These allegations triggered a fresh political slugfest as any change in the number of MLAs in the Vidhan Sabha will destabilise the coalition government in Karnataka. The larger question this incident raises is of increasing politicisation of the office of the Speaker of legislatures.

Speakers are central to the functioning of a legislature. They are arbiters who steer proceedings in Parliament and state assemblies. They ensure that our legislative institutions fulfil their constitutional mandate of lawmaking, government accountability and representation. For Speakers to do their job effectively, insulation from political pressure is essential. The passing of the anti-defection law in 1985 gave Speakers the power to expel MLAs and MPs for anti-party activities, both inside and outside the legislature. This law single-handedly ensured that the Speaker, in addition to being a referee in legislative proceedings, also became an active player in the politics of government formation and survival.

Asoke Kumar Sen was the Union law minister who piloted the anti-defection law through Parliament. He reasoned that giving Speakers the power to expel legislators would prevent unnecessary delays by courts,

speed things up and give the law more teeth. Some MPs pointed out that this power would involve the Speaker in unnecessary controversies. However, Sen prevailed and the provision found its way into the Constitution. Perhaps he assumed that Speakers would remain immune to political pressures. It took less than three years for this assumption to be disproved.

After the death of Tamil Nadu Chief Minister M G Ramachandran in 1987, the ensuing struggle for succession split the ruling AIADMK into two factions. His widow, V N Janaki, was sworn in as the CM. Thereafter, a confidence motion in her favour was moved in the assembly. During the voting, the party whip petitioned the Speaker asking for the disqualification of 27 MLAs from the opposing faction. The Speaker immediately disqualified these MLAs during voting in the House, which resulted in pandemonium. The Speaker's neutrality was questioned and aspersions cast on his decision. In 2017, Tamil Nadu faced a similar situation. The Speaker expelled certain MLAs for anti-party activities. The expelled MLAs, in their defence, alleged that the Speaker was acting with malice and bias. Another MLA described the Speaker's decision as a "murder of democracy".

Over the last three decades, Speakers of Vidhan Sabhas have been criticised for decisions on the membership of MLAs under the anti-defection law and their rulings have been challenged in courts. Often, political pressure to give certain rulings, or not to act in certain cases, has led to the undermining of their constitutional office. There is an urgent need to protect the office of the Speaker from the ill effects of the anti-defection law.

The last three decades, Speakers of Vidhan Sabhas have been criticised for decisions on the membership of MLAs under the anti-defection law and their rulings have been challenged in courts. Often, political pressure to give certain rulings, or not to act

in certain cases, has led to the undermining of their constitutional office. There is an urgent need to protect the office of the Speaker from the ill effects of the anti-defection law. There is an easy and a hard way for this to be done. The easy way is to either limit or take away the Speaker's powers when it comes to expelling legislators. This could be done by restricting the Speaker to only act against those legislators who defy the party whip while voting on matters that impact government stability. Or as some expert bodies have proposed, the Speaker's powers in such cases can be given to the President/Governor, acting on the advice of the Election Commission. The hard solution is to get rid of the anti-defection law. It is a law which is systematically hollowing out our legislatures. It has failed in achieving its purpose of political stability. Its provisions have been circumvented and it has stifled voices of our elected legislators.

Mahatma Gandhi, in 1931, observed that, "Democracy is a great institution and therefore it is liable to be greatly abused. The remedy, therefore, is not avoidance of democracy but reduction of the possibility of abuse to a minimum." The anti-defection law was passed in 1985 right after the 38th death anniversary of the Mahatma. It is time to get rid of the anti-defection law to prevent it from doing any further damage to the office of the Speaker.

Roy is head of legislative and civic engagement at PRS Legislative Research



FEBRUARY 15, 1979, FORTY YEARS AGO

EMBASSY BESIEGED SCORES OF HEAVILY armed Iranians stormed the US embassy in downtown Teheran and briefly seized the compound after a prolonged gun-battle. US Ambassador William Sullivan ordered the embassy's 20 marine guards to cease resistance and to surrender with rest of the staff to the attackers. An American spokesman said the staff was free to leave but was remaining on the grounds for their own protection on the advice of Khomeini forces. But forces loyal to the religious leader, Ayatollah Khomeini, rushed to the rescue of more than 100 besieged Americans. Armed youths stood guard around the compound.

US ENVOY KILLED ADOLPH DUBS, THE US ambassador to Afghanistan, was killed after being kidnapped by unknown persons. The kidnappers brought Dubs to Kabul Hotel and held him there for three hours. Several of them were killed during a shootout with the police. Armed members of the Shiite sect kidnapped Dubs from his car and took him to the hotel, saying he would be freed only if their demand was met by the Afghan government. The demand was some recently Shiite mullahs should be released.

BHUTTO HANGING ZULFIKAR ALL BHUTTO won a reprieve from

imminent execution when the Pakistan Supreme Court agreed to undertake a final legal review of his conviction. The court granted his lawyers a stay of execution and fixed February 24 to start hearings on numerous legal questions and new evidence that the defence plans to bring. Without the stay, Bhutto could have been hanged tomorrow, his lawyers said, since the seven-day period for executive clemency appeals has expired. The stay of execution will run until the court disposes of the petition. In granting it, Chief Justice Anwar-ul-Haq said the court feels it has already spent too much time on the case and dislikes the idea of reopening material already covered during its seven-month hearing.

How a successor solves inherited problems

The rules for business and politics are quite different, despite superficial similarities



THE WISE LEADER

R GOPALAKRISHNAN

For a business CEO — to answer the question I have asked in the headline — it is, maybe, two-three years, which is a third of a tenure of seven-10 years, but the cleaning up of the past must be done in a congenial way. The rules for business and politics are quite different, despite superficial similarities.

In Indian politics, we are experiencing shambolic and vituperative public

utterances through which the present government places the blame for its five major problems on its predecessors — black money, employment, farmer issues, health and education. It is sobering to note that these same problems were identified when the Bombay Plan was written in 1944 by a group of eight businessmen, 75 years ago. Of course, they did not explicitly blame the colonial government. Blaming the predecessor occurs in the politics of other countries as well. During his first term as president, Barack Obama said at a fund raiser in Atlanta, "We got here after 10 years of an economic agenda in Washington that was straight forward. You cut taxes for millionaires, you cut rules for special interests, and you have cut working folks loose to fend for themselves. That was the philosophy of the last administration and their friends in Congress."

Business boards and investors act faster when they observe the blame game in business organisations. By experimenting within the 24 hour life cycle of a fruit fly, scientists are able to derive hypotheses for testing on longer living

animals. Analogous to life cycles, CEO tenure can be thought to have four phases: First, seizing the baton; second, dealing with issues firmly (very importantly, be perceived to be dealing); third, envisioning the future; and last, preparing the legacy that the CEO would like to leave.

Faced with increasing predecessor overhang, shareholder activism and technological disruption, CEOs get a short period to seize the baton and deal firmly with the issues on hand. In fact, John Flannery got punished within one year, before being eased out of GE as the successor to Jeff Immelt.

As CEO of Hewlett Packard about a decade ago, Meg Whitman made veiled excuses for four years of write downs, layoffs and revenue declines. She blamed the actions of her predecessors, Leo Apotheker and Mark Hurd. Last year, the Commonwealth Bank of Australia (CBA) CEO, Matt Comyn, laid the blame for wrongful selling consumer credit insurance at the door of his predecessor, Ian Narev. What do you think our bank chairmen would say about non-performing assets (NPAs)?

Or, for that matter, some of the private sector CEOs! All CEOs inherit the predecessor's 'karma' balance sheet of credits and debits — managing the debt is notes sensibly, and being seen to do so robustly are both important.

It is a delicate task and balancing act. Almost certainly, during this period, there would be actions that would suggest a criticism of the past, especially if the predecessor is around in any position of influence as chairman, advisor or board director. Shades of this were visible in the cases of Ramesh Sarin at Voltas, Vikram Pandit at Citi, and Carly Fiorina at HP. Jim Donald, a field-driven, operating man from the retail domain, was hired as CEO-designate of Starbucks in 2005. Within 18 months, Chairman Howard Schultz and the board decided that the 40 per cent slide in Starbucks stock prices between 2005 and 2007 warranted the exit of Jim Donald. Imagine the number of Indian CEOs who would be on the exit list if the stock price of their company became the yardstick for their staying on!

It is only after the first 2-3 years, that the CEO's bigger challenge arise: setting forth his or her own vision for the future and to deliver his or her future legacy. Managing the predecessor's debit notes without playing the blame game, and yet doing so robustly and visibly, is a complex twin challenge for any incoming CEO. Through examples, I have explored this subject while writing my recent book, titled *Crash: lessons from the rise and exit of CEOs*.

There is an old joke about the advice that a predecessor gave his successor. "I have left you three envelopes in the right drawer. Open them and follow my advice whenever you face a dilemma." When the successor opened the first one at a difficult moment, it read "Blame the predecessor". On the next occasion, the slip read, "Reorganise the company". On the third occasion, the envelope said, "It is time to prepare three envelopes for your successor".

The writer is an author, corporate advisor and distinguished professor of IIT Kharagpur. During his professional career, he has served as vice chairman of Hindustan Unilever and Director, Tata Sons

CHINESE WHISPERS

Action, reaction



A day after Samajwadi Party patriarch Mulayam Singh Yadav (pictured) praised Prime Minister Narendra Modi in Parliament, posters sprang up in Lucknow, thanking the former Uttar Pradesh chief minister. "Thank you Mulayam Singh Yadav, today you reiterated the wish of 125 crore Indians in the Lok Sabha," a poster read. The same day, former Bihar chief minister Rabri Devi, who is related to Yadav through marriage, expressed her dismay at the latter's statement. She remarked what Yadav said had no relevance in today's politics and that his memory was fading.

False ceiling, real alarm



The court room number three in the Supreme Court premises saw some commotion on Wednesday after a lawyer pointed out that a false ceiling appeared to come apart. This stopped the hearing and the judges returned to their chambers. The lawyers and law interns present also scrambled out. Just a couple of minutes later, repairmen were seen rushing into the courtroom to check the cracks in the false ceiling.

Kishor spreads his wings

Prashant Kishor's Indian Political Action Committee (I-PAC) appears to be expanding its foothold in the field of political consultation across party lines at a rapid pace. While it has been reported that his team has already won the mandate to work with the Shiv Sena in Maharashtra and the Bharatiya Janata Party for various assembly elections, it is also learnt that I-PAC will be working on policy suggestion for the Captain Amarinder Singh-led Punjab government.

Cracking quid pro quo relationships

In the absence of appropriate regulations and sophisticated technology, Indian investigators have their work cut out

SUDIPTO DEY

The Central Bureau of Investigation (CBI) and the Enforcement Directorate (ED), the agencies investigating former ICICI Bank managing director and CEO Chanda Kochhar and her husband Deepak Kochhar and their business dealings with the promoters of the Videocoin group, have pressed charges centring on a quid pro quo relationship between them. The onus will now be on the investigators — and the regulators — to prove that the charges stick in the court of law. That, say forensic experts, would require investigators to establish that the quid pro quo relationship led to a trail of direct or indirect financial benefits for the parties involved. This becomes all the more challenging to establish in the absence of a trail of financial benefits, putting to test the tenacity and capacity of the investigators, they add.

Legally speaking, there is a fine distinction between insider trading and a quid pro quo relationship. According to Arpinder Singh, who heads forensic and integrity services at EY, insider trading generally refers to a person taking unfair advantage of asymmetrical business information for

unfair gains. In a quid pro quo situation, there are two parties where one is reimbursed for something of value, he adds.

Forensic experts such as Reshmi Khurana, head of business intelligence and investigations at Kroll, points out that both could be part of the same problem. "When an insider uses non-public material information to trade on a stock (directly or via third parties who are acting on its behalf), it is assumed that he must have received some personal benefit in return (quid pro quo) which could be in the form of a kick back, benefit from a rising or falling stock price, or greater control over the entity," she says.

Typically, insider trading is tougher to prove as there may be difficulty in establishing how a person came to possess that piece of information and establishing that the transactions have been executed based on that. On the other hand, says EY's Singh, "It may be easier to establish a sequence of events and prove that a quid pro quo relationship exists," says Singh.

According to Samir Paranjpe, partner, Grant Thornton India, when the exchange of tips or confidential information is with a clear understanding of an extended benefit, pecuniary or otherwise, there lies a quid pro



quo arrangement. "Insider trading conceptually involves taking an unfair advantage of the access one has to confidential and unpublished information," he adds.

Globally, regulators and investigators around the world have access to sophisticated tools making it possible to detect insider trading proactively. These include data analytics programs, surveillance mechanisms, whistle-blower hotlines that help identify insider trading and provide the evidence needed to establish the practice. "That has proven to be a strong deterrent in developed markets. The implementation of the law and support from the police and other agencies is also critical for implementing it," says Khurana.

Regulations in many more mature markets are evolved also in terms of specialist discipline and practices around insider trading. "Whistle-blower mechanisms and other proactive measures, like insider trading audits, implementation of corporate governance best practices, health check reviews and proactive certifications around compliances help in evolution of regulations in these markets," says Kartik Radia, partner and head, business advisory services at BDO India.

That is where Indian investigators and regulators have been found wanting. Insider trading cases have a low conviction rate largely because it is difficult to establish exchange of informa-

tion. "In many cases, regulators are increasingly moving to establish individual culpability so that management can be held accountable," says Singh.

The typical legal challenges, says experts, are the long-drawn legal processes involved in proving the existence of real personal benefit, working within an individual's rights on privacy and regulations around it.

Highlighting the limitations under which Indian investigators operate, Paranjpe points out that in the West, there have been several high-profile insider trading cases where convictions took place on the basis of evidence collected through wire taps/phone taps. "That's a route which is not formally available to Indian regulatory agencies," he says.

In emerging economies like India, white collar crimes, such as insider trading and transactions on account of quid pro quo relationships, are still not given the kind of importance that they should, experts point out. "Financial crimes, such as, insider trading need to be treated on par with other criminal activity," says Khurana. Accordingly, the regulatory framework as well as the compliance and detection mechanism at companies needs to evolve to meet this threat.

"Encouraging a strong and independent compliance function within organisations, responding with decisiveness and clarity when such issues are brought up or escalated within the organisation, should help tackle challenges related to these issues," says Singh. In Ms Kochher's case, the onus is on the investigators to live up to the challenge.



INSIGHT

Squandering India's demographic dividend

Looking at the nature of employment among the youth, we find that a disproportionately large share are self-employed



RADHICKA KAPOOR

India is facing a serious jobs crisis. The findings of the Periodic Labour Force Survey or PLFS (2017-18) recently reported by this newspaper, reaffirm the enormity of the crisis. For an economy that has typically been characterised by disguised unemployment and has witnessed open unemployment rates in the range of 2 to 3 per cent, an unemployment rate (UR) of 6 per cent is startling to say the least. What is particularly alarming is that the high UR is largely a consequence of unemployment among the youth (15-29 age bracket). The UR for the youth is reported at 17.4 per cent and 13.6 per cent for rural males and females respectively. The corresponding figures for urban males and females stand at 18.7 per cent and 27.2 per cent respectively. That Narendra Modi came to power backed by the support of the youth on his promise of providing them jobs makes his government's discomfort at acknowledging the recently released data palpable. But, this is not just an election issue. It is about India squandering its demographic dividend — a once in a lifetime opportunity for a country.

All countries have a demographic "window of opportunity" when the growth in the working-age population

UNEMPLOYMENT RATES (%)

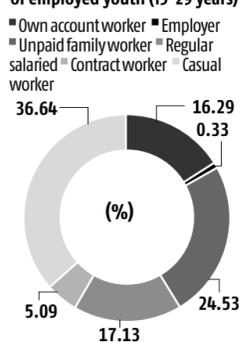
Age group	Rural			Urban			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
15-29	8.4	12.1	9.4	10.7	25.6	14.0	8.9	14.5	10.3
30-59	0.5	1.8	0.9	0.6	4.7	1.3	0.6	2.3	1.0
Total (15+)	2.9	4.7	3.4	3.0	10.9	4.4	3.0	5.8	3.7

Table 2: Unemployment rate of youth (15-29 years) by educational qualifications

Educational qualification	UR (%)
Not literate	2.72
Literate: Below primary	3.07
Primary	4.06
Middle	4.42
Secondary	7.31
Higher secondary	12.54
Certificate course at undergraduate level	21.46
Diploma at undergraduate level	20.63
Graduate	29.84
Postgraduate and above	28.35
Total	10.33

Source: Labour Bureau, Annual Employment Unemployment Survey, 2015-16

Table 3: Activity wise distribution of employed youth (15-29 years)



is greater than the growth in the total population. The increase in the share of the working-age population is expected to generate more incomes, more savings, more capital per worker, and more growth leading to what is known as a "demographic dividend". At present, India has the largest young population in the world, with over 65 per cent of the population in the working age of 15-59 years. This share is expected to rise till 2035-40 giving India the longest window of opportunity compared to any other country to exploit its demographic dividend. If we have to seize this opportunity, we need to be able to provide the additional labour force with gainful jobs. With youth unemploy-

ment rates peaking, clearly we are doing miserably in terms of harnessing this dividend.

The last officially released Employment Unemployment Household survey conducted by Labour Bureau in 2015-16 allows us to do a more disaggregated analysis and confirms the fact that joblessness among the youth has been festering for some time now. Whilst I would refrain from making comparisons between the PLFS (2017-18) and the Labour Bureau's Employment-Unemployment Survey or EUS (2015-16) since they differ in terms of criteria used for selection of households, trends from the latter also indicate the looming challenge of youth unem-

ployment. In the 2015-16 survey, the UR stood at 3.7 per cent (by the usual principal and subsidiary status) and the UR for those in the age of 15-29 years was considerably higher at 10.3 per cent. The data from EUS (2015-16) shows that [as shown in Table 1] the UR for the older workforce (that is, those in the age bracket of 30-59 years) stood at a mere 1 per cent.

A disaggregated analysis of URs of the youth by education levels in the Labour Bureau's 2015-16 survey is even more disturbing. The data from EUS (2015-16) shows that [as evident from Table 2] unemployment rates are increasing with education levels. The UR for those with graduate and post graduate degrees was close to 30 per cent and reflects the inability of educated jobseekers to find jobs that fully utilise their skills and abilities. On the other hand, those classified as "not literate" reported a UR of just 2.7 per cent. This low figure is not much of a reassurance. It is simply a consequence of the fact that uneducated youth often belong to low income households and cannot afford to remain unemployed for long.

Looking at the nature of employment among the youth, we find that a disproportionately large share are self-employed. Again, data (2015-16) shows that [as evident from Table 3] these are largely unpaid family workers (24.53 per cent) or own account workers (16.29 per cent), not employers who can be considered "job creators". The next highest share of employed are in the category of casual workers (36.64 per cent). The share of regular salaried workers is relatively smaller (just 17.13 per cent) pointing to the lack of decent productive jobs for the youth. Additionally, over 40 per cent of the youth were employed in the agricultural sector in 2015-16 and a paltry 13 per cent

were employed in manufacturing. That such a large number of youth continue to be employed in agriculture even as their education levels rise suggests that the non-agricultural sector has failed to generate enough employment opportunities for them. The inability of young adults to land good jobs at the cusp of their career can not only be demotivating and discouraging leading to what it referred to as a "scarring effect" in the literature but also lead to a higher likelihood of being unemployed later in life and a wage penalty.

There is no silver bullet to deal with youth unemployment. Many suggest reforming the education and skill development sector, increasing emphasis on entrepreneurship and taking steps to increase female labour force participation. But, for any of these recommendations to work, they must be implemented within the context of an overall economic development policy that puts maximisation of employment, and not just maximisation of GDP, centre stage. It is indeed puzzling that India is growing at 7 per cent per annum and yet not being able to generate good jobs for its educated young populace. Political spectacles are likely to unfold in the months to come, but it is imperative that the problem of youth unemployment is tackled head-on. It is not only the economic costs that matter. The social consequences of joblessness among the youth can be even worse. The Arab Spring of 2011 is a reminder of what the frustrations of disillusioned unemployed youth can lead to.

The writer is senior fellow, Indian Council for Research on International Economic Relations

LETTERS

Boosting MSME morale



The government's decision to extend CLCS (Credit Linked Capital Scheme) by another three years with an outlay of ₹2,900 crore is another olive branch offered to micro, small and medium enterprises (MSMEs). The scheme is expected to provide many benefits to the MSMEs. The most welcome feature of this scheme is the special provisions that have been made to promote entrepreneurship among SC/STs, women, the hill states of Jammu & Kashmir, Himachal Pradesh, Uttarakhand, island territories like Andaman, Nicobar, Lakshadweep, and the aspirational districts. In these cases, the subsidy is available even for investment in acquisition/replacement of plant and machinery and equipment and technology upgradation of any kind.

Of late, the government has been concentrating to provide necessary financial impetus to MSMEs to make them highly competitive and also accelerate employment generation. The objective to keep doubling the effort and make them self-reliant at various levels of their export production is also appreciable. The government should also look at providing necessary infrastructural facilities to these units to boost both domestic and overseas trade. Their potential in exports should be harnessed to achieve the desired results.

A Sathyarayanan New Delhi

Letters can be mailed, faxed or e-mailed to: The Editor, Business Standard, Nehru House, 4 Bahadur Shah Zafar Marg, New Delhi 110 002. Fax: (011) 23720201. E-mail: letters@bsmail.in. All letters must have a postal address and telephone number

Fix the pilot shortage

DGCA needs to streamline its regulations

Passengers have been inconvenienced by a series of flight cancellations in recent days and weeks, particularly by market leader IndiGo. The budget airline, which has more than 40 per cent of market share, has tried to get ahead of the last-minute cancellation problem by effectively shutting down about 30 flights a day, which, it says, represent only 2 per cent of its flights. On Wednesday, however, it had cancelled almost 50 flights. IndiGo has said that weather conditions and airport disruptions had required it to “re-roster” its crew, and insisted that its regular operations would be resumed by the end of March. However, the problem that IndiGo is facing is structural and not a cyclical one.

India has seen extremely quick growth in the aviation sector. It has been the fastest-growing domestic air travel markets for four years in succession; last calendar year, the number of passengers grew 18.6 per cent over 2017. Last October was the 50th consecutive month of double-digit growth. However, despite this firm growth in demand, supply has been constrained. It is not that there is a shortage of airline options, or that airlines have a shortage of aircraft. The problem is that qualified pilots, particularly those who have the credentials to sit in the commander’s seat on a passenger flight, are too thin on the ground. It is believed that about 100 new aircraft will be added to the Indian civil aviation fleet in the next year. Each aircraft should be associated with 10-12 pilots. India currently has fewer than 8,000 pilots. When the number of additional aircraft is seen together with the current deficit of pilots, it appears that there will be a need for over 1,500 pilots over the next year. Even fewer of these will qualify as commanders, given the more onerous requirements for that post. The number of commanders that were recruited in 2017-18 fell by 10 per cent.

This is clearly approaching a crisis. The Directorate General of Civil Aviation, or DGCA, had better consider what measures it could take to ease this sharp supply constraint. It will, at least in the short and medium terms, be necessary to recruit more qualified pilots from abroad — but, unfortunately, there is a tightness to this segment of the labour market worldwide. Even so, the DGCA’s regulations on foreign pilots will have to be relaxed — there are currently fewer than 350 such pilots in India. Bureaucratic delays are also a problem: The time taken to clear such a pilot by the DGCA can also be 40-60 days, which is too long. The DGCA insists on arcane host-country copies of documents, for example; and foreign pilots frequently have to be sent home to their countries to be re-verified by their local police. Meanwhile, the longer-term solution is to ensure that there are more and better flying schools in the country, and that education loans are more easily available for those who want to become qualified pilots. The requirements for flying instructor in India have been artificially enhanced by the DGCA and must be rationalised. If supply constraints continue in the civil aviation industry, the blame lies squarely at the regulator’s door.

Lessons not learnt

Annual fire safety audit must be made mandatory

At least 17 people lost their lives to a blaze that swept through the Hotel Arpit Palace, located in one of the most densely populated areas of Delhi in the early hours of Tuesday morning. The fire reportedly started on the first floor and engulfed the floors above. The cause of death was suffocation as most of the victims could not figure out a way to exit the hotel. There appears to have been wooden panelling in the corridors, because of which occupants couldn’t use them to evacuate. Two of the victims jumped from the window of the six-storeyed building to escape the inferno. Though the Delhi Hotel Association spokesperson claimed that all rules and fire safety norms were followed, preliminary investigations revealed this was hardly true. Stairs and corridors were too narrow, the emergency exit was blocked, and there was an illegal bar on the roof. The hotel staff were also reportedly not trained enough to handle such exigencies. The hotel reportedly had a “temporary” floor.

What this whole episode reiterates once again is that Indian cities, its residents and lawmakers continue to ignore the lessons of the past. Unsurprisingly then, such fires causing loss of human life happen with alarming regularity. The lax implementation of laws is not restricted to hotels alone. For instance, according to the Delhi Fire Services, at least 250 hotels in the capital continue to operate with fire safety “shortcomings”. Reports also suggest that most nursing homes operate in complete violation of fire norms. This is shocking, as New Delhi doesn’t seem to have changed its approach to fire safety even 22 years after the horrifying fire in the Uphaar cinema hall in 1997, killing 59 people and seriously injuring over 100.

This sorry state of affairs is not restricted to the capital alone. News of deaths because of violations of fire safety protocol is endemic. A little more than a year ago, 14 people died and more than 50 were injured when fire engulfed two restaurants in Mumbai. The fire escape of the restaurant complex was rendered dysfunctional by construction in defiance of safety regulations. Kolkata has seen at least two major fire-related incidents after the death of 73 people at the Amri Hospital in 2011. The list keeps growing every year, exposing the laxity with which building bylaws are enforced in India’s cities. The concern is while there is no dearth of norms for fire safety, what is lacking is efficient execution. For example, buildings that exceed 45 metres in height, or roughly 12 floors, are considered “high-risk” in Mumbai, and those who do not follow fire safety norms can be imprisoned for six months to three years and fined, but rules are violated with impunity, and punishments are rare. What is also required is a mandatory fire safety audit by independent agencies. Governments, both at the Centre and states, must have clear provisions in their safety legislation about the methodology and periodicity of such audits.



‘Rowlatt Acts’ India gifted itself

Detention without charge or trial is rampant today, but our legislators no longer seem to care about oppression by the state

Next month it will be a century since the law known as the Rowlatt Act was enforced on 10 March, 2019. Mahatma Gandhi, only four years after his return from South Africa led an all-India strike against the Act on April 6. One week later, April 13, a large crowd gathered in Amritsar to join the protest at Jallianwala Bagh. The Punjab administration under Governor Sir Michael O’Dwyer claimed that British rule was under threat and responded with violence, unleashing the Gurkha and Baloch Regiments on the civilians, killing over 300. All of us are taught this in school.

The government passed the Rowlatt Act in the face of opposition from all of the Indian members of the Imperial Legislative Council. The British Raj claimed that the law would affect very few Indians. However, Gandhi made it his cause celebre. He called it an “affront to the nation” and was successfully able to mobilise the whole country. He moved on to the Non-Cooperation Movement and it made him a national leader that we see him as today.

So what was so offensive about the Rowlatt Act (more properly, the Anarchical and Revolutionary Crimes Act, 1919)? Why were Indians so angered by it that they were holding public demonstrations and opposing it in the Council?

The Act did away with fundamental principles of the rule of law. It could detain people without charge or trial and it did away with jury trials, in favour of in-camera trials by judges. This is called administrative detention, meaning the jailing of someone without a crime having been committed, merely on the suspicion that they will commit a crime in future.

Now let us have a look at the India of today, when we are a free people. In 2015, over 3,200 people were held in ‘administrative detention’ in India. Gujarat has the Prevention of Anti-Social Activities Act of 1984. It allows for detention without charge or trial for a year. Uttar Pradesh has the National Security Act allowing detention without charge or trial for a year to “prevent a person from acting in any manner prejudicial to the defence of India, the relations of India with foreign powers, or the security of India” or “from acting in any manner prejudicial to the security of the State, or from acting in any manner prejudicial to the maintenance of public order, or from acting in any manner prejudicial to the maintenance of supplies and services essential to the community”.

Recently, this law has been used to jail Muslims accused of cattle smuggling and slaughter in Madhya Pradesh. Tamil Nadu has the Prevention of Dangerous Activities of Bootleggers, Drug-offenders,



REPLY TO ALL

AAKAR PATEL

How can we tax footloose MNCs?

In the last few years, globalisation has come under renewed attack. Some of the criticisms may be misplaced, but one is spot on: Globalisation has enabled large multinationals, like Apple, Google, and Starbucks, to avoid paying tax.

Apple has become the poster child for corporate tax avoidance, with its legal claim that a few hundred people working in Ireland were the real source of its profits, and then striking a deal with that country’s government that resulted in its paying a tax amounting to 0.005 per cent of its profit. Apple, Google, Starbucks, and companies like them all claim to be socially responsible, but the first element of social responsibility should be paying your fair share of tax. If everyone avoided and evaded taxes like these companies, society could not function, much less make the public investments that led to the Internet, on which Apple and Google depend.

For years, multinational corporations have encouraged a race to the bottom, telling each country that it must lower its taxes below that of its competitors. US President Donald Trump’s 2017 tax cut culminated that race. A year later, we can see the results: The sugar high it brought to the US economy is quickly fading, leaving behind a mountain of debt (which increased by more than \$1 trillion dollars last year).

Spurred on by the threat that the digital economy will deprive governments of the revenues to fund function (as well as distorting the economy away from traditional ways of selling), the international community is at long last recognising that something is wrong. But the flaws in the current framework of multinational taxation — based on so-called transfer pricing — have long been known.

Transfer pricing relies on the well-accepted principle that taxes should reflect where an economic activity occurs. But how is that determined? In a globalised economy, products move repeatedly across borders, typically in an unfinished state: A shirt without buttons, a car without a transmission, a wafer without a chip. The transfer price system assumes that we can establish arms-length values for each stage of production, and thereby assess the value added within a country. But we can’t.

The growing role of intellectual property and intangibles makes matters even worse, because ownership claims can easily be moved around the world. That’s why the United States long ago abandoned using the transfer price system within the US, in favour of a formula that attributes companies’ total profits to each state in proportion to the share of sales, employment, and capital there. We need to move toward such a system at the global level.

How that is actually done, however, makes a great deal of difference. If the formula is based largely on final sales, which occur disproportionately in developed countries, developing countries will be deprived of needed revenues, which will be increasingly missed as fiscal constraints diminish aid flows. Final sales may be appropriate for taxation of digital transactions, but not for manufacturing or other sectors, where it is vital to include employment as well.

Some worry that including employment might exacerbate tax competition, as governments seek to encourage multinationals to create jobs in their jurisdictions. The appropriate response to this concern is to impose a global minimum corporate-income tax. The US and the European Union could

Forest offenders, Goondas, Immoral Traffic Offenders, Sand-offenders, Sexual Offenders, Slum-grabbers and Video Pirates Act, 1982. It allows the state to jail without trial or charge “any bootlegger or drug offender or forest offender or goonda or immoral traffic offender or sand offender or slum-grabber or video pirate...to prevent him from acting in any manner prejudicial to the maintenance of public order”.

Karnataka has the Prevention of Dangerous Activities of Acid Attackers, Bootleggers, Depredator of Environment, Digital Offenders, Drug Offenders, Gamblers, Goondas, Immoral Traffic Offenders, Land Grabbers, Money Launderers, Sexual Predators and Video or Audio pirates Act, 1985.

It allows for detention without charge or trial of up to 12 months of “any acid attacker or bootlegger or depredator of environment or digital offender or drug offender or gambler or goonda or immoral traffic offender or land-grabber or money launderer or sexual predator or video or audio pirate...to prevent him from acting in any manner prejudicial to the maintenance of public order”.

Some states have less ornate and more direct phrasing. Assam has the Preventive Detention Act, 1980. It can jail individual for two years, without charge or trial.

Bihar has the Conservation of Foreign Exchange and Prevention of Smuggling Act, 1984. It allows for “detention without charge or trial for up to two years to prevent a person from i) smuggling goods, or (ii) abetting the smuggling of goods, or (iii) engaging in transporting or concealing or keeping smuggled goods, or (iv) dealing in, smuggled goods otherwise than by engaging in transporting or concealing or keeping smuggled goods, or (v) harbouring persons engaged in smuggling goods or in abetting the smuggling of goods.”

Jammu & Kashmir has three laws, one allowing detention without charge or trial for six months, another for a year and third for two years. West Bengal has the Prevention of Violent Activities Act of 1970.

Journalists in Chhattisgarh are regularly jailed under the NSA and kept in prison for a year for their reporting.

As we can see from the dates, none of these are so-called colonial laws. These are laws we have gifted ourselves. Every state uses them liberally and there is no resistance from the judiciary. These days we have classified sections of the Indian people as the enemy through the use of the phrase anti-national.

The Rowlatt Act was never implemented nationwide. But our Rowlatt Acts are used against Indians in every state. Why do we not have Jallianwala Bagh-type gatherings today? Why do our legislators not resist the oppression by the state of its citizens as did those of the Imperial Legislative Council? Is it that we no longer care about tyranny and due process and individual rights? Or is that it has become fine because it’s not foreigners doing it?



JOSEPH E. STIGLITZ

— and should — do this on their own. If they did, others would follow, preventing a race in which only the multinationals win.

Since its inception, the OECD/G20 Base Erosion and Profit Shifting Project has made an important contribution to rethinking the taxation of multinationals by advancing understanding of some of the fundamental issues. For example, if there is true value in multinationals, the whole is greater than the sum of the parts. Standard tax principles of simplicity, efficiency, and equity should guide our thinking in allocating the “residual value,” as the Independent Commission for the Reform of International Corporate Taxation (of which I am a member) advocates. But these principles are inconsistent either with retaining the transfer price system or with basing taxes primarily on sales.

Politics matters: The multinationals’ objective is to gain support for reforms that continue the race to the bottom and maintain opportunities for tax avoidance. Governments in some advanced countries where these companies have significant political influence will support these efforts — even if doing so disadvantages the rest of the country. Other advanced countries, focusing on their own budgets, will simply see this as another opportunity to benefit at the expense of developing countries.

The OECD/G20 initiative refers to its efforts as providing an “Inclusive Framework.” Such a framework must be guided by principles, not just politics. If the goal is genuine inclusiveness, the top priority must be the wellbeing of the more than six billion people living in developing countries and emerging markets.

The writer is the winner of the 2001 Nobel Memorial Prize in Economic Sciences. His most recent book is Globalization and its Discontents Revisited: Anti-Globalization in the Era of Trump. © Project Syndicate, 2019

The perfect spy



BOOK REVIEW

KANIKA DATTA

Last year’s sensational headlines about the attempted murder of former Soviet spy Sergei Skripal and his daughter Yulia added a twist to the tumultuous post-Cold War relations between Europe and Russia. Mr Skripal, who inadvertently inhaled near lethal quantities of a nerve agent called Novichok planted in his home by Russian agents, had been a Russian military intelligence officer who had

spied for the British intelligence services in the nineties. Arrested in Russia, he was given asylum in the UK following a spy swap in the 2010.

In the murk of Russian interference in the US elections, and much else, Vladimir Putin’s motives for this act remain unclear. Mr Skripal, who blew the cover of several hundred Russian agents during his career, apparently lived in blameless retirement. If anything, Russia’s dirty tricks brigade appeared to have focused on a far smaller fish than a former agent who lives under 24X7 surveillance under an assumed name in a nondescript suburban street. This is Oleg Gordievsky, the protagonist of Ben Macintyre’s marvellous new book *The Spy and the Traitor: The Greatest Espionage Story of the Cold War*.

Mr Gordievsky was a KGB star who spied

for Britain between 1974 and 1985, passing on invaluable secrets about the Soviet Union’s nuclear arsenal and its decaying leadership before making an astonishing escape to the West after his cover was blown. But “Putin and his people have not forgotten,” Mr Macintyre comments wryly. In 2018, a former KGB bodyguard accused of murdering the defector Alexander Litvinenko in 2006 by poisoning his tea with the radioactive Polonium 210, offered what Macintyre describes as an “intriguing response” when asked about the Skripal poisoning. “If we had to kill anyone, Gordievsky was the one. He was smuggled out of the country, and sentenced here [in Russia] to death in *absentia*,” he said.

Gordievsky, in fact, remains a legend. As Mr Macintyre writes, “For Western intelligence services, the Gordievsky case became a textbook example of how to recruit and run a spy...and how, in the most dramatic circumstances, a spy in peril could be saved.” Unlike others, including Aldrich Ames, the American

double agent who unmasked him to the Soviets (to cover the costs of a young and expensive wife), Mr Gordievsky was not in it for the money. His motives were grounded in a slow disenchantment with Communist ideology.

Ironically, Mr Gordievsky came from a model Soviet family. His father, Anton, was an officer in the NKVD (the KGB precursor), who unquestioningly implemented Josef Stalin’s murderous dekulakization and deportation policies in Kazakhstan in the 1930s, a process that killed some 1.3 million people. He enjoyed the fruits of his position as an establishment stalwart with a comfortable apartment, and access to adequate food and consumer goods that few in Soviet Russia could take for granted.

The younger Gordievsky’s faith was first joggled when he witnessed the Berlin Wall go up but he remained *Homo Sovieticus* for all that. Having gained admission to the elite Institute of International Affairs, he was talent spotted for the KGB, which he joined in 1963,

training at the Red Banner Academy outside Moscow (which included lectures by the legendary Kim Philby on spycraft). His older brother, Vasily, had joined the KGB as an “illegal,” operating undercover in Western Europe and Africa, a job sufficiently stressful to drive him to drink and death at age 39. Oleg worked in the same directorate, preparing documentation for other illegals — “creating people who did not exist” — but was not permitted to follow in his brother’s footsteps on grounds that having two family members overseas might encourage them to defect.

The world beyond the Iron Curtain beckoned but the KGB preferred to post married agents overseas. Mr Gordievsky obligingly found a wife, a German-language expert who shared his ambition to travel abroad. The marriage of convenience proved handy when a slot opened for a posting running illegals in Denmark. That first exposure to life in the West altered Gordievsky’s outlook. The story of how he became a British spy has a Keystone Cops aura about it. The Prague Spring of 1968

was his epiphany. To try and attract the attention of the western intelligence services, he indiscreetly criticised the Soviet actions on an open line to his wife at home, hoping that the eavesdroppers would pick up on his dissatisfaction. Nothing happened. In fact, it was almost five years before the British identified and approached him as a possible asset.

Mr Macintyre, author of such classics of intelligence history as *Operation Mincemeat*, *Double Cross* and *Agent ZigZag*, recreates the story of Oleg Gordievsky’s career with his customary flair. To relate the details of Mr Gordievsky’s recruitment and defection would be to give away the plot of a gripping book.

THE SPY AND THE TRAITOR: The Greatest Espionage Story of the Cold War
Ben Macintyre
Viking, 368 pages, ₹899

Opinion

FRIDAY, FEBRUARY 15, 2019



KEY TO MIDEAST PEACE

Mike Pompeo, US secretary of state

You can't achieve peace and stability in the Middle East without confronting Iran. It's just not possible



● COMPREHENSIVE REFORMS

THE CHALLENGE IS TO INCREASE BOTH THE SCALE AND IMPACT OF FINANCIAL RESOURCES, IMPROVE LINKAGES, AND BUILD PARTNERSHIPS BETWEEN THE PUBLIC AND PRIVATE SECTORS

Only structural transformation can cure rural distress

A YOUNG POPULATION, entrepreneurial spirit, and stable macroeconomic outlook have made India one of the fastest growing economies in the world. This has lifted millions out of poverty, but India is still home to the largest concentration of poor people in the world. Most of them live in the rural areas with poor access to education, health, roads and electricity. Is increased rural distress a reflection of rising inequality associated with the fast pace of growth, or a concern on the lack of opportunities and unfairness in rural areas, where a majority of the people still live? Rural distress is both a cause and effect of India's structural transformation and fast pace of growth. There are well-understood limits to the pace at which countries can accumulate physical capital. But there are no limits to knowledge diffusions, and the pace at which urban-rural gaps can be closed.

India's fast pace of economic growth and increased rural distress is not a puzzle. Everyone can now see how others live. People in the rural areas have raised their aspirations and are now demanding a better quality of life. Although humanitarian aid is perceived by many economists as the most efficient way of dealing with rural distress, this may not be a substitute for a faster pace of rural structural transformation that India needs to accelerate growth and job creation.

Conventional wisdom suggests that industrialisation and urbanisation grow together and hand-in-hand. India's industrialisation and urbanisation did grow together in the early 1990s. But the two trends have spatially dispersed in the last decade, and the manufacturing sector is now de-urbanising (*bit.ly/2S48PYw*). The share of the manufacturing sector in employment, output, and number of enterprises in the urban areas has declined but it has increased in the rural areas. This process of spatial transformation has brought about a more efficient allocation of enterprises across urban and rural locations. But this process has been too slow, as manufacturing enterprises find it

hard and costly to locate to the rural areas due to inadequate physical and human infrastructure.

More than 40% of total employment is still employed in the agricultural sector in India, compared to less than 20% in China, and less than 2% in the US. People in rural areas depend on agriculture, not because it is remunerative, but because there are few alternative employment opportunities. There is room for improving agricultural productivity, but this is not a substitute for a faster pace of rural structural transformation that India needs to improve the quality of life. Declining importance of agriculture in development is an integral part of an inclusive growth process.

India's rural distress is partly a symptom of its twin balance sheet problem and factor market distortions. Enterprises need three factors of production—labour, capital and land—to produce output. Is labour, capital or land more misallocated in India? Land is much more distorted than capital and labour. Less efficient firms manage to grab more land than more efficient firms. Because land is used as a collateral for most bank loans, capital is also distorted. Most bank loans require some form of collateral to guarantee the loan. Land is simply the best form of collateral due to its immobility (i.e., the debtor can't run off with land). While borrowers can often pledge 80% of land values against loans, for most other forms of fixed investment, the loan-to-collateral value ratio is substantially



EJAZ GHANI

Lead economist at the World Bank

lower (for example, 25%). While there may not be such a thing as a perfectly efficient factor allocation, there are huge gains to be made from reducing land misallocation. India is one of the most land scarce countries in the world, and land is also the biggest asset in the rural areas. Reducing land misallocation will not only reduce rural distress, but also enable India to achieve double-digit growth rates.

India's rural distress also reflects rising concerns of gender inequality. Conventional wisdom suggests that a faster pace of economic growth should reduce gender discrimination. But this is not the case in India. The share of females in manufacturing employment has barely increased over the last two decades, but it has increased in agriculture, as men leave rural areas in search of better jobs in the cities. India's increased feminisation of agriculture has worsened gender equality, due to the heavy work burden in rural areas, and lack of access to basic amenities, including drinking water, sanitation, and much more. While agriculture has become increasingly feminised, the ownership of agricultural assets by women has not increased.

India's green growth has worsened in the rural areas, if we measure green growth by the amount of energy used to produce an output. It is estimated that nearly 70% of the global carbon emissions is contributed by poor energy efficiency. Indian cities have increased energy efficiency, but it has deteriorated

in the rural areas. These trends have been exacerbated by the de-urbanisation of the manufacturing sector. Although the installed capacity of India's power system is the fifth-largest system in the world, it is still insufficient to meet India's rapidly increasing rural demand. Integrating the energy efficiency agenda with the rural structural transformation agenda is important not just for reducing rural distress, but also for improving the liveability of cities.

India's future is in where one would least expect it to be. It is in the rural areas, that will continue to benefit from the demographic dividend. The infrastructure financing needs of rural structural transformation is huge. But the potential for attracting more private investment is also huge. The basic traits of rural infrastructure projects, such as market size, long-term steady revenue stream, and investment returns that exceed inflation make them attractive for most institutional investors. The funds managed by private institutional investors exceed \$100 trillion, but their allocation for rural infrastructure projects is tiny.

Maximising finance for rural structural transformation will not come from a single financing instrument. Only by combining resources—Central and state, international and domestic, public and private, corporate and philanthropic—will it be possible to achieve the necessary levels of financing. The challenge is to increase both the scale and impact of financial resources, improve linkages, and build partnerships. Both markets and administrative institutions are weak in rural areas. This calls for increased coordination, not just increased competition between public and private sector, and between urban and rural areas, as India's manufacturing sector is de-urbanising, and structural transformation is still evolving. Rural distress will not be resolved through humanitarian aid but through rural structural transformation that can benefit the demographic dividend, create more jobs and enable India to achieve double-digit growth rates.

Huge delays in procuring are the real Rafale scam

CAG report has enough to please both BJP and Congress, but the delays in procuring weaponry are unconscionable

WITH THE CAG report on the BJP government's purchase of 36 Rafale fighter aircraft giving both the BJP and the Congress enough ammunition to claim that their stand was correct, it is unlikely the storm over the purchase is going to end anytime soon. The Congress has to be happy with the CAG's observation that, by allowing Dassault to not issue a bank guarantee, this lowered its costs, but the benefit of this was not passed on to the government. The BJP, on the other hand, has to be pleased with the CAG's finding that, after taking various parameters into account, its deal was cheaper than that by the Congress party, even if it was only 2.86%. Also, since the Congress/UPA government never actually concluded its deal due to non-agreement on critical parameters like the labour costs of the aircraft that were to be manufactured by HAL and Dassault's refusal to guarantee the HAL-Rafale's quality, the BJP can convincingly argue that there was no Congress deal, and had these parameters been factored in, the BJP deal would be even better. As the CAG report puts it, "the above two issues led to a stalemate in negotiations. Five years after the bid, and after three years of evaluation and negotiations, there was no finalisation". Indeed, the CAG points to how, during the UPA period, Dassault was allowed to go ahead in the negotiations despite its aircraft failing to qualify technically and despite the fact that its bid did not mention the capital costs of producing the aircraft here.

What is even more worrying, and the Congress alleging foul play in the BJP's purchase will only make this worse, is the huge delays in buying equipment and the impact of this on the armed forces; *Economic Times* has reported that India is in talks with Russia to buy mothballed MiG-29s, after some upgradation—in all probability, this is the result of the urgent need to maintain a minimum-sized fleet. So, despite India buying ₹78,000 crore of equipment each year, there are unconscionable delays in the process; signing the first Rafale contract, done in the UPA period, took 180 months. Part of this is due to the culture of over-specifications by the armed forces instead of just giving their broad requirements—the Air Staff Qualitative Requirements for the Rafale jet deal had 660 parameters! Even something as non-complex as a Doppler Weather Radar had 42 parameters and that is why it took eight years to conclude the contract while the Indian Meteorological Department bought this in just nine months, the CAG points out. Adding to this massive over-specification which meant that no firm could ever meet all the specifications, the procurement procedures are extensively overhauled every 2-3 years. If this wasn't bad enough, when the UPA's defence minister appointed a team of outside experts to oversee the compliance of the Integrity Pact in June 2012, and these experts said it was okay, the minister decided the matter should be examined again by the ministry's officials. The team was not able to give its report in the remaining two years of the UPA(); and when it did, in March 2015, it naturally recommended that the process be scrapped since the issue of the HAL-costs and the Rafale quality-assurance had still not been agreed upon. While it is possible to argue the BJP government influenced the officials once it came to power, there is no satisfactory explanation from the Congress party on either how soon these issues would have been sorted out or how they would have impacted the price; and how was a Rafale plane to be bought, even if it was the cheapest, if the French manufacturer wasn't going to guarantee the quality of the aircraft produced here? Sadly, such issues, including the structural defects in the procurement process and the depletion of the armed forces' firepower as a result, have got brushed aside in the noise about the PMO's interference or why Dassault was allowed to get away with not giving a bank guarantee.

Ending the ratings bias

Instead of firms, a group of investors should pay for them

IT IS A fact that ratings agencies haven't exactly covered themselves with glory; their assessments have often been way too optimistic, to put it mildly. And their alerts and rating changes usually come way too late, leaving investors like sitting ducks. In some instances—like with IL&FS—the agencies seem to have had no idea whatsoever of the goings-on in the company or they simply decided to look the other way.

Some of the blame for this must lie with the regulator since there seems to be no penalty whatsoever for the poor assessments or the delayed alerts. But it is not as though the investors are completely blameless; dishonesty among fund managers is not exactly unknown. Which is why, the system needs to be revamped and it is good news that SEBI is looking to make some changes. News reports suggest SEBI wants investors to pay for the ratings, rather than the companies, which is the practice at present.

Conspiracy theories say this won't work either because bankers and fund managers typically want to embellish the quality of the rating so that they can set aside less capital against the loan exposure or report a better NAV (net asset value), as the case may be. That is not hard to believe, going by the track record of both bankers and fund managers.

One suggestion is that companies continue to pay for the ratings and that a pool of funds be created from the fees; the rating agencies would then be paid from this corpus, but the amount to be paid would be decided by an accredited panel of investors. To be sure, ratings agencies will say this is unworkable since they will have no control whatsoever over their revenues. That is a valid point because, to ensure that the quality of ratings doesn't drop, an agency must invest and, in order to do that, it must have visibility on its revenues. Also, there is no guaranteeing the investors will be altogether unbiased while allocating the fees to the ratings agencies. What this system does achieve is that it breaks the nexus between the company and the rating agency since the fees cannot be negotiated between them and, therefore, the rating outlook cannot be influenced. Perhaps investors—bankers, insurance companies, mutual funds, EPFO—should commission ratings assessments and pay for them jointly. That would ensure that no one fund manager influences the rating and, at the same time, the ratings agency would be assured of its fee. Also, since the costs would be shared, it would not burden a single investor. The companies can also contribute to this pool—a flat amount perhaps—which could also be paid out to the ratings agencies as a flat fee. It is important to free the system of biases.

LoveLost

The reported oath by school students from Surat celebrates anything but the true spirit of Valentine's day

VALENTINE'S DAY is usually celebrated with an expression of love for those who occupy an important part of one's life, and it is marked with a lot of passion and rigour. Social media is swarming with date and gift ideas for your special one(s) while, on the other hand, fringe groups and anti-Valentine's squads menacingly gaze at couples who dare to engage in even the smallest display of public affection. Now, a group of students in Surat will reportedly be taking an oath as a part of a very special ceremony. *The Indian Express* reports that about 10,000 students will be taking a vow declaring eternal loyalty to (not their lovers, but) their parents! The oath will be one that compels students to never marry without the consent of their parents. The unique event is being organised by a voluntary organisation, Hasyamev Jayate, founded by laughter therapist Kamlesh Masalawala who also heads quite a few laughter and cathartic crying clubs in Surat.

This is anything but cathartic though. Masalawala, expounding on the reasons behind this initiative, elaborates "students would come to me with problems like their parents are against them marrying the person they love. I am not against the love affair, but... explain the importance of family and of the devotion they should have for their parents. The parents will compromise and agree to their match but they would get hurt in the process". While not belittling the possible importance of the role parents can play in the nuptial decision of their children, what of the pain, grief and suffering that someone might endure if they are forced to wed anybody else but their chosen beloved? What of the importance of the role one's autonomy plays in one's life? With expressions of romantic love being controlled by and in the name of love jihad and anti-Romeo squads, the students who do end up taking the oath might have to endure the command of their parents over their romantic lives as well, more so on a day when the free, uninterrupted display of affection is commemorated.

Huawei offers case study on free trade

As the internet of things expands, what technology isn't ripe for data theft? Your phone is made in China. So why isn't it just as susceptible to data theft as the network on which it operates?

PRESIDENT DONALD TRUMP is reportedly close to issuing an executive order that would ban Chinese companies like Huawei Technologies Co. from building 5G wireless networks in the US. The significance of such an order goes beyond its obvious implications for American telecommunications companies. The prospect of closing technology-related markets to competitors from China raises a fundamental problem that is going to plague policymakers for the foreseeable future: How can they draw the line between economic protectionism and legitimate national security interests? In a world of data and data theft, will every technology-related industry become an exception to free-trade rules?

On the one hand, from the perspective of liberal trade economics, barring Huawei from US markets is classical protectionism. It is a bedrock principle of free trade that foreign competitors should be allowed into domestic markets. Competition promotes efficiency. Protectionism kills it. It is possible to argue that Chinese companies, whether partly state-owned or outright state-controlled, get illegitimate subsidies from the government, artificially lowering their costs and breaking the rules of fair trade. But the way to address those subsidies, according to free-trade law and ideology, isn't to ban foreign competition altogether. It is to use the tools of trade law to pressure the foreign country to stop the subsidies.

On the other hand, from the perspective of national security, technology infrastructure is a plausible candidate for the kind of industry from which a government should exclude competitors from adversarial countries. There is no doubt that it would be in China's national interests to swipe data from 5G networks—so named as the fifth-genera-

tion of cellular wireless technology—that its companies built in other countries. That means it is in US national security interests to keep that from happening within our borders.

To be sure, the US is probably no better than China in this regard. American companies are easy targets (or partners) for US intelligence to steal the same kinds of data. When it comes to convincing third parties such as Hungary or Poland to buy American 5G infrastructure—a key purpose of secretary of state Mike Pompeo's current visit to Europe—the argument can't be that your data is safe with American companies. No one would believe it. Instead, Pompeo is saying that the US won't want to build military bases in countries with Chinese telecommunications infrastructure in place. Nevertheless, within US borders (though not outside), federal law blocks the government from monitoring the communications of "US persons", meaning citizens and others who live in the country and are entitled to federal constitutional protections. So it isn't necessarily hypocritical to make a national security argument for excluding Chinese 5G providers within the US.

The upshot is that it is very difficult to say whether a Trump administration order blocking Chinese competition in telecommunications infrastructure would be undesirable protectionism or a desirable national security precaution. Very possibly it might be both. The contradiction matters—a lot. It lies in the verisimilitude of the post-war liberal international trade order. Historically, those who favour free trade have depended on being able to draw a clear line between protectionism (bad) and national security (good). And that line usually hasn't been so difficult to draw.

When Trump imposed tariffs on foreign steel and aluminium based on the

theory that US national security demands a strong domestic industry, it was relatively easy to say at a conceptual level that this argument was unconvincing. After all, the same argument could be made about almost any big industry. In economic terms, the tariffs are protectionist. The national security rationale is a fig leaf at best. (A court challenge is pending). Indeed, the possibility of drawing the line between protectionism and national security is built into international trade treaties, which typically prohibit protectionist tariffs while allowing exceptions for legitimate national security interests. Article XXI of the World Trade Organization treaty carves out certain actions that a signing country "considers necessary for the protection of its essential security interests".

The real worry about the 5G case is that it will set the terms for future technology-related protectionism. As the internet of things expands, what technology isn't ripe for data theft? Your phone is made in China. So why isn't it just as susceptible to data theft as the network on which it operates? What about your computer, your car, your smart thermostat, your washing machine, and so on and on?

The national security argument for protectionism in these domains won't be ridiculous, any more than it is ridiculous for telecommunications networks. This conflict isn't going away. It is just coming into focus. For proponents of free trade, 5G represents just the most obvious example of a major challenge that is going to be salient for a while. Without a good answer, they might discover that the national security rationale has the capacity to kill free trade, a little bit at a time.

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NOAH FELDMAN

Bloomberg

LETTERS TO THE EDITOR

Corrigendum

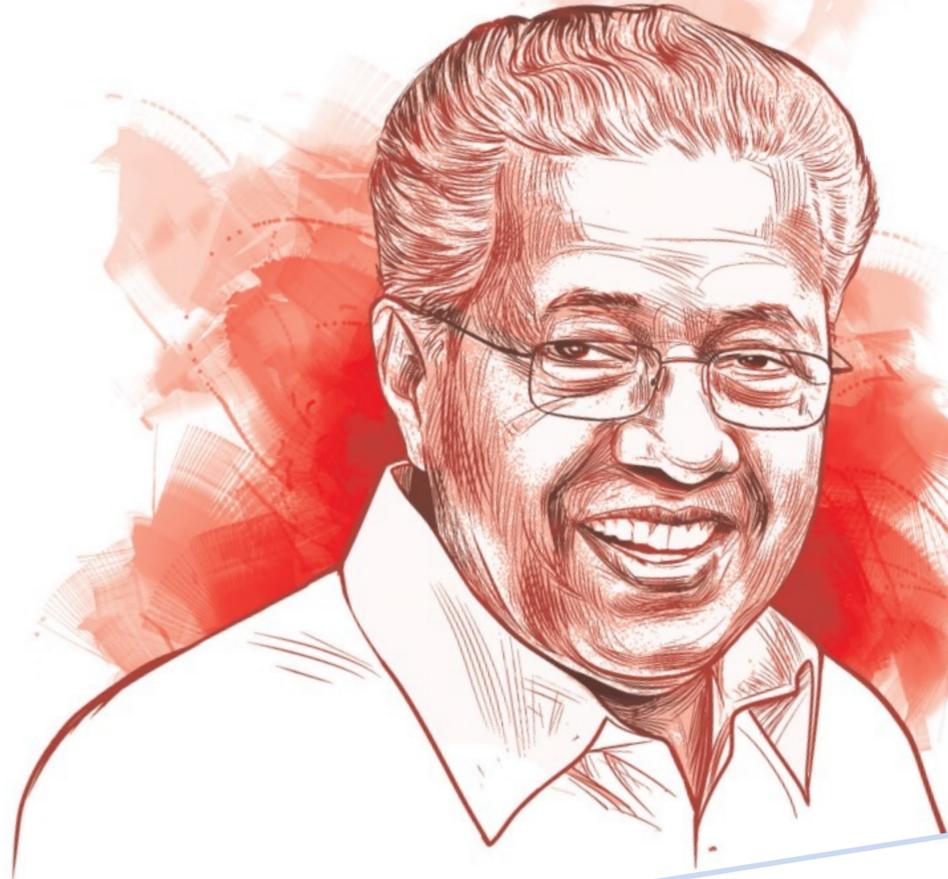
The picture of RK Singh, the minister of state for power (independent charge) was incorrectly carried in the article, *The new avatar of 'Make in India'*, published on February 14 in this paper, as that of the author RK Singh, IRS officer and retired chief commissioner of customs. The error is sincerely regretted

Effort for automation

With the advent of 5G and AI, the market for autonomous vehicles, devices and gadgets is expected to gain an uptick. Although the use of personal/commercial driverless-cars is still limited and business models counting on higher levels of automation are still in a mode of continuous improvement, advancements in robotics and knowledge-driven sensor mechanisms in the near-future can render total automation and increased safety. It is important for a developing economy to re-craft jobs, bridge the skill gap by addressing the training needs of the current workforce. Although sophisticated and low-latency systems can offer high efficiency, throughput and a smoother hand-off, a higher cost ought to be incurred towards installation, deployment and maintenance to fine-tune the new-generation digital technology and prevent potential mishaps. Improved intelligence, predictive capability, productivity and hack-proof information security is a pre-requisite to render consistent user experience, thus allowing consumers to embrace the technological advancement. Welcome initiatives are being undertaken to establish R&D centres, invest in ventures to hone the skills of new entrants/existing professionals in advanced technologies and offer higher onboarding incentives or benefits

— Girish Lalwani, Delhi

● Write to us at feletters@expressindia.com



PORTRAIT: SHYAM KUMAR PRASAD

● **RECORD CAFÉ:**
PINARAYI VIJAYAN, CHIEF MINISTER, KERALA

Centre's policies hurting Kerala, union militancy only propaganda

Kerala scores high on many parameters of social development and governance, and its per capita income is one of the highest in the country. The coastal state, however, faces the issues of very high unemployment rate and below-potential economic growth. It is still to remove the perception of not being investor-friendly, with reports of frequent hartals and trade union militancy. Chief Minister Pinarayi Vijayan spoke to FE's KG Narendranath on the side lines of the recent ASCEND 2019 held in Kochi to showcase steps undertaken by his government to promote entrepreneurship and improve ease of doing business in the state.

Hasn't this investor meet, the first by your government, come a bit late in the day?

In the past over two-and-a-half years, we have taken several legal and administrative steps to facilitate investments into the state and improve ease of doing business. These include an omnibus legislation amending seven existing Acts and a common application form for as many as 14 departments, both aimed at ensuring time-bound, hassle-free clearances, besides the proactive steps to make land available to units in industrial clusters at affordable rates. In all, over 100 reforms have been carried out, solely with investor interest in mind.

The message has gone to all stakeholders including the bureaucracy that entrepreneurs must be treated as valued partners in the state's development. There is a need to find more employment for the state's youth here itself. This conference

(ASCEND 2019) marks a culmination of a series of investor-friendly steps taken by us since assuming office.

While a few global investors may have set their eyes on the state given its abundant human capital and resources like a long coastline, domestic corporate groups aren't viewing Kerala as an investment hotspot yet...

Over the last few decades, apart from other factors, direct or tacit prodding by the Central government has influenced Indian corporate groups' decisions on project sites. These groups don't always take independent calls on where to invest. Unfortunately, Kerala never got the benefit of such government involvement in investment decisions by the private sector.

Do you mean such prodding by the Centre has had a political content?

Politics cannot be wholly separated from it. We are not getting due share of public (Centre/CPSE) investments either; even the commitments made by the Centre are not often getting fulfilled. In case of central transfers, the criteria being evolved tend to militate against us; we are sort of penalised for our relative success in many areas.

Kerala's economic growth is below

potential. GST hasn't bolstered the state's tax revenue buoyancy, and non-development expenditure remains high, leaving very little for capex. Isn't the state of the economy a cause for concern?

It is true that the state's economy and fiscal situation are not exactly in a very good shape. We are making efforts to address the situation and these are yielding results on the ground. There are signs of investments picking up in a big way. Relationships are being forged (with investors). Savings of non-resident Keralites have become a major source of investments.

Why should an investor prefer Kerala to other states?

The firms that are already here have only good things to say about the state. Their experiences are what we can use to invite others to the state. People are our greatest strength. Kerala's labour quality is the best in the country, the state's social and cultural milieu will enthrust investors, along with its fully-digital status, rich biodiversity and impressive travel connectivity by road, rail, sea and air.

The PPP model has hit hurdles in the country, necessitating changes in concession terms and more sops to industry. Kerala seems to have tried its hand in

certain PPP financing structures...

There are many types of PPPs we are employing to boost investments. The Kerala State Industrial Development Corporation has made headway in forging JV units with the industry. Another model is that of CIAL (Cochin International Airport Ltd) where the government retains the leadership role while HNIs and others have equity participation. The state's cooperative sector is very robust and resource-rich to harness private capital for development projects.

Hasn't militant trade unionism been the biggest hurdle to Kerala's development?

It is only propaganda, not the reality anymore. No industry that has set up shop here would say trade unions have been a problem for them.

But frequent, 'lightning' hartals have dented the state's image as an investment/tourist destination...

That is another issue. There is a general agreement among all quarters in the society that hartals at the drop of a hat should be avoided. We cannot, however, subscribe to the view that hartals should be banned as they have a utility as a mode of agitation; hartals may be resorted to at a certain stage (to mark protest). We are going to convene a meeting of all stakeholders soon and, possibly, a consensus might emerge on how to proceed on this matter.

There is a view that Kerala's social development and needs are not exactly compatible with many central schemes. Is there laxity on the part of the state as alleged in implementing such schemes?

We are getting a tiny share from the Centre to implement various social sector schemes, less than 10% in many cases. For instance, we have a pension scheme that benefits 42 lakh families and costs ₹7,000 crore annually, which is run with practically no contribution from the Centre. With the reduction in the Centre's share in such schemes, we are being forced to find alternative resources and this has put a burden on the exchequer. As for welfare schemes, Kerala cannot be treated at par with other states (that are socially less developed) as our needs and priorities are different.

The spirit of cooperative federalism is not being upheld by the NDA government and there is an undue further concentration of power at the Centre.

● GAGANYAAN

India must claim its space

MARTAND JHA

The author is junior research fellow, School of International Studies, Jawaharlal Nehru University



Lessons for India and ISRO from the American voyage to the moon

ONE SMALL STEP FOR man, one giant leap for mankind—these words by Neil Armstrong (first man on the moon) still echo that monumental achievement. The year 2019 marks the 50th anniversary of the feat. A lot has been written about NASA's Apollo mission that placed a man on the moon and made the US the most potent force in outer space, taking it ahead of its rival, the erstwhile Soviet Union. It is interesting to look at the conditions that persuaded the US to take steps towards a manned mission to the moon.

Prior to that, the US was lagging behind USSR, and the pressure was to outdo the Soviets, who were increasing the gap in technological superiority with successful space missions since Sputnik 1. In fact, 1957-61 can be termed as golden years of Soviet space programmes. In the US, the presidency changed from Dwight D Eisenhower to John F Kennedy. Many space historians have pointed out that under Eisenhower, the US was trying its best to beat the Soviet Union in the space race, but wasn't able to do so. The critics of Eisenhower, especially his political rivals including future Presidents like Kennedy and Lyndon Johnson, got an opportunity to target his administration's failures in the race.

Media portrayed it as the US losing the Cold War itself. The launch of the Sputnik by the Soviets was projected as a moment of crisis for the US and the term 'Sputnik crisis' came into being. This is despite the fact that NASA came into being as an institution under Eisenhower, and American engineers and scientists were working to change the 'perception' about the capability of the US in outer space. During 1957-61, the US was investing heavily in making NASA a premier space research and coordinating agency. Things took time because, unlike USSR, the US was democratic where every big and small decision was questioned, discussed, debated and scrutinised.

By the time Kennedy came to power, the perceived 'missile gap' between the US and USSR was doing a serious damage to the former's image as a superpower. Soviet cosmonaut Yuri Gagarin's space travel in 1961 turned the situation alarming, even though the US was launching more satellites than USSR. The time was now ripe for the Americans to make some big announcements to send a strong message.

On May 25, 1961, a month after Gagarin's feat, Kennedy delivered a speech to the joint session of US Congress: "US should commit itself to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to the Earth. Recognising the head start obtained by the Soviets with their large rocket engines, which gives them many months of lead time, and recognising the likelihood that they will exploit this lead for some time to come in still more impressive successes, we nevertheless are required to make new efforts on our own. While we cannot guarantee that we shall one day be first, we can guarantee that any failure to make this effort will make us last."

The speech outlined the US space policy where Kennedy accepted that the Soviets were leading the race. A year later, on September 12, 1962, Kennedy announced that the US would be sending a man to the moon by the end of the decade. He remarked, "We choose to go to the Moon in this decade and do the other things, not because they are easy, but because they are hard; because that goal will serve to organise and measure the best of our energies and skills, because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one we intend to win, and the others, too."

Although the task was extremely costly, taking this risk proved extremely successful for the US in the long run. This whole episode is a great lesson for the critiques of ISRO's Gaganyaan mission. What they need to understand is that for India to become a formidable space power, it needs to take risks—much like what the US did in the 1960s—to reap the benefits afterwards.

For India to turn into a formidable space power, it has to take risks—much like what the US did in the 1960s—to reap the benefits afterwards

Going beyond blood donation

The roadmap for creating an adequate and safe blood transfusion system in India

MADAN GOPAL

The author is senior consultant (Health), NITI Aayog. Views are personal

the minimum needed to meet a country's most basic blood requirements. In 2016-17, India's blood collection fell nearly 15%, or 1.9 million units short of this 1% benchmark. The WHO norm, however, is based on global averages and does not take into account India-specific factors and disease burden. Moreover, it is based on population need, assuming universal access to health services, while in reality the actual clinical demand of blood in healthcare facilities is lower.

Ideally, all blood need should be converted into clinical demand by ensuring access, enhancing infrastructure and improving health-seeking behaviour of the population. Even though India has adequate blood banks to cater to its population, these are unevenly spread across

geographies. The gap between need and actual demand should instead be met by focusing on efficient functioning and service delivery as well as infrastructure development of existing facilities.

To improve access and availability without additional resource commitments, there is a scope for institutionalising the partially centralised hub-and-spoke model, where a fully equipped centralised blood centre can cater to multiple satellite blood banks or storage centres performing limited functions. Blood delivery within this model can further be strengthened through innovative technologies, and already some start-ups are exploring drone delivery.

It is imperative for national estimates to be updated periodically to accurately



estimate need and demand, and compare these against blood utilisation. NACO's first Blood Requirement Estimation conducted in 2017 was a step in this direction; it pegged blood demand at 26.5 million units. To meet this demand, a ready pool of healthy low-risk donors needs to be maintained through promotion of voluntary non-remunerated blood donations. There is immense scope for mobilising the private sector to encourage blood donation in fulfilment of their social responsibility.

Another means of ensuring adequate blood supply using the existing donor pool is by reducing dependence on whole blood. The WHO recommends a 90:10 ratio for use of blood components and whole blood (only limited clinical interventions require whole blood). Collections of blood compo-

nents through apheresis or component separation after whole blood collections are means of inching closer to this ratio.

Ensuring blood safety through operational and technological initiatives: Major improvements will have to be made at blood-bank level, as many blood banks don't have proper standard operating procedures (SOPs), even though these are regulatory requirements. Recently, the NITI Aayog, along with Terumo BCT, conducted a blood bank assessment in Sonbhadra, an aspirational district in Uttar Pradesh, and preliminary results show that focusing on rigid processes and commensurate training of staff can go a long way in improving blood safety.

Model donor selection and donor referral processes are also prescribed by the

NBTC to reduce risk of transfusion transmitted infections (TTIs), which endanger patient safety—between 2014 and 2017, 1.58% of the blood collected was discarded due to reactivity for TTIs. Logistical factors like expiry of components or deterioration during storage also contribute to wastage. The risk of infection and quantum of blood wastage can be reduced through maintenance of process integrity, and adoption of advanced, economically-pragmatic technologies. NITI Aayog's experience with disruptive technologies across sectors has been positive, and even in the blood space, promoting advanced screening like NAT and ELISA along with pathogen reduction technologies can reduce the burden of TTIs.

In 2016, the ministry of health and family welfare launched e-Rakt Kosh, an ICT-enabled Blood Bank Management Information System that interconnects all blood banks in a state into a single network, and there is a scope to scale up its usage. For blood banks, it is a tool to standardise and streamline SOPs and workflow. Its citizen interface assists potential donors and patients, giving real-time information about nearest blood banks, donation camps, and blood availability including of a particular blood group.

India is on the right track to strengthen its existing blood transfusion system, but uniform implementation of policy guidelines, adoption of innovative technology, and collaboration between public and private sector is imperative in ensuring translation of policy objectives into action.

The Tribune

ESTABLISHED IN 1881

Akhilesh grounded

Leaders going all out to clip rivals' wings

INDIAN politics is no stranger to the rampant abuse of power to settle scores with rivals. The latest example of this high-handedness was witnessed at the Lucknow airport on Tuesday, when Samajwadi Party chief and former Uttar Pradesh Chief Minister Akhilesh Yadav was stopped from taking a private chartered flight to Allahabad (Prayagraj). Yadav was scheduled to attend a students' union event at Allahabad University. Officials turned back the SP leader, citing the administration's apprehension of a law and order problem if he were to visit the campus. CM Yogi Adityanath said Yadav's visit could have triggered violence between student groups, while unconvincingly claiming that the government had acted on the university's plea. Ironically, violence broke out nonetheless as irate SP workers clashed with the police in Allahabad and other parts of the state.

Quick to back her new-found ally, Mayawati accused the BJP governments at the Centre and in UP of resorting to anti-democratic methods to curb the SP-BSP alliance's political activities. Yadav also received support from West Bengal CM Mamata Banerjee, who said the country had never witnessed such a dangerous situation wherein opposition parties were being barred from holding their programmes. It's apparently a case of the pot calling the kettle black as the wannabe PM had herself been accused of indulging in 'chopper politics' last week. Helicopters carrying Amit Shah, Yogi Adityanath and other BJP stalwarts had been denied permission to land for them to address rallies in West Bengal. Ruling out political interference, Mamata had claimed that the saffron party leaders belatedly sought the go-ahead from the respective district administrations. She even made a counter-allegation that helicopter companies were being forced to cancel bookings by her party (Trinamool Congress) for campaigning.

As the Lok Sabha battle nears, it's obvious that clipping one's foe's wings, literally, is the mantra for the powers that be. It would be no surprise if they use every trick in the book in the coming weeks to fix their enemies. However, as the Yadav episode has shown, such actions can easily boomerang on the oppressors.

Playing with fire

Delhi inferno puts question mark over safety norms

THE first lapse is forgivable, for it serves as a lesson to minimise recurrence. The second is understandable as new aspects may emerge. But any subsequent blunder is unpardonable, downright criminal. There is a massive price for lessons unlearned. Seventeen people, killed in the Tuesday Delhi hotel blaze, paid this price. Before them, five senior citizens died, in a major fire that engulfed a 16-storeyed residential building in Mumbai in December. The worst of all, and one that should have been a compulsive tipping point, was the tragic Uphaar cinema fire that claimed 59 lives. The year was 1997. Over two decades later, the lesson is characteristically elusive.

The toll could have been more; around 120 people were inside the Delhi hotel at the time of the fire. These incidents are not isolated instances of nature's fury or a quirk of fate. These are engineered by humans making light of fire norms and circumventing laws. The hotel lacked mandatory safety measures. Inflammable material was everywhere; wood panels on corridors making any escape impossible. The locked emergency exit sealed the fate of the victims. There were glaring violations, and yet, the hotel was in possession of a no-objection certificate (NOC) issued by the fire department. Unable to use hose reels and fire extinguishers, the staff was clearly not familiar with the basic fire drill.

Incidents of fire occur with frightening regularity, and typically, concerns are expressed over safety; violation of building bylaws; vulnerability of old electrical fittings and buildings; congested, narrow bylanes that restrict the movement of fire engines, hampering rescue operations; and illegal structural changes and encroachments. And yet nothing has come out of it. The owner is on the run and the general manager has been arrested. Should a show-cause notice not be served on the regulatory body that grants NOC—renewed every three years—but does not deem it necessary to follow it up with inspections? We don't seem to be learning even the hard way. How many more must pay this price?

THOUGHT FOR THE DAY

The most powerful weapon on earth is the human soul on fire. — Ferdinand Foch

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, FRIDAY, FEBRUARY 14, 1919

India in the King's Speech.

THE King's speech contains the following reference to India: "My counsels with regard to the war and external affairs have been strengthened and enlightened by the presence of the leading Ministers of my self-governing Dominions and my India Empire. The inspiring sacrifice and invaluable service rendered by the peoples of the Dominions and India during the war have won for them an important place in the councils of the world, and it has been source of especial satisfaction to me that their title to representation has been recognised in the Paris conference. I trust that the reports of the committees enquiring into matters connected with Indian constitutional reform will be received in time to enable the Bill on the subject to be presented in the course of this session." The announcement of the intention of Government to introduce the Reforms Bill will be received with sincere gratification in India where all shades of opinion are agreed that the sooner the reforms are inaugurated the better.

The "Pioneer" and the Rowlatt Bill Debate.

IT was to be expected that the *Pioneer* and other papers of the same ilk would be upset by the attitude by Indian members of the Viceroy's Council in connection with the Rowlatt Bills. This section of the Press and the *Pioneer* in particular had tried their best by alternate threats and entreaties to dissuade non-official members from doing their duty to themselves and to their country. For the first time all Indian non-official members present at the meeting, whether elected or nominated, voted against official Bills and in favour of popular amendments. No wonder that the *Pioneer* should take its ignominious defeat to heart. All of us would have done the same thing if we had been in its position.

Murder by negligence

Man-made disasters can't be treated merely as rash and negligent act



NEELAM KRISHNAMOORTHY
PRESIDENT OF ASSOCIATION OF VICTIMS OF UPHAAR TRAGEDY

DIFFERENT places, different tragedies. Apart from the number of casualties being different, there is one common thread that runs through each of the mass tragedies that has rocked our nation in the last quarter of a century — all of them were man-made.

New Delhi has witnessed yet another fire incident, at Hotel Arpit Palace in Karol Bagh on February 12, wherein 17 precious lives were lost for no fault of theirs. According to media reports, short circuit was the cause of the fire. The stairs were not wide enough to allow more than two persons from running out together, there was an emergency exit but the same was blocked with stored goods, the hotel staff abandoned the guests and there was an illegal bar on the rooftop. Moreover, there was wooden panelling in the corridors. This aggravated the fire resulting in the loss of lives. This is nothing but murder by wilful negligence.

Ironically, the cause of fire incidents is mainly short circuit and the cause of death is generally asphyxia. People get trapped due to non-availability of egress, which as per law is mandatory. The failure to provide the required number of exits and non-compliance with fire safety measures by the owners/occupiers result in the death of innocent citizens. The owners/occupiers connive with government agencies to violate fire safety measures, thus endangering lives. It is these very government agencies that 'educate' the owners of public spaces on how to subvert



GRIM SCENARIO: Incidents of such catastrophic magnitude are bound to recur. There is no deterrence that can instil fear in the minds of possible wrongdoers.

New Delhi has witnessed yet another fire incident, at Hotel Arpit Palace in Karol Bagh on February 12, wherein 17 precious lives were lost for no fault of theirs.

the rules and bylaws in exchange for monetary consideration.

Each fire incident represents man's never-ending greed and/or intentional ignorance of public safety laws. These are also indicative of the fact that probably we have learnt nothing from these tragedies. It would be interesting to analyse what happened to the perpetrators of such unpardonable crimes. How many of them were punished and to what extent? The answer is bound to be shameful. It is only the Uphaar fire tragedy, wherein the owners have been convicted all the way up to the apex court under Section 304A (rash and negligent act) of the IPC, but unfortunately, the Ansals were allowed to walk free by paying a paltry sum of Rs 60 crore towards a trauma centre to be built in Delhi. A fire official convicted of issuing NOCs to Uphaar Cinema, too, was allowed to walk free by paying Rs 10 lakh to substitute his sentence of one year.

The Uphaar verdict is certain to go down in history as a travesty of justice. The judgment is both unfortunate and terrible and one which

shows the mindset of the court. Such a judgment will only embolden the owners of public spaces to violate safety rules and compromise on safety. It is a well-known fact that lawbreakers are always ahead of lawmakers, but it is for the courts to see that justice is done and lawbreakers are brought to book. In this grim scenario, incidents of such catastrophic magnitude are bound to recur since there is no legal deterrence that can instil fear in the minds of possible wrongdoers.

I could not comprehend how a man-made disaster could be treated merely as a rash and negligent act. Hence, the Association of the Victims of Uphaar Tragedy (AVUT) made a representation to the Government of India to bring about a new law to deal with man-made disasters. AVUT presented the petition for a proposed legislation to prevent man-made tragedies in public places to the then President and the UPA chairperson.

In 2009, the Law Ministry forwarded our petition to the Law Commission, directing it to come out with a law to deal with such disasters on a

The feet, a good place to be

JS RAGHAVAN

DURING the halcyon days, when elders commanded respect from youngsters, it was customary to prostrate before them when they arrived. It meant unmitigated surrender to their age, experience, erudition and wisdom, even if age might be the only qualifying factor barring others. Nevertheless, since old is gold, and the aged guest had been at the age of the one who prostrated and not the reverse, advancement in years tilted the scales in his favour. If this was not done, the guest with a short fuse may not take it lying down.

In certain sects in Tamil Nadu, the

plurality in prostration would be valued more than a singular, athletic drop-and-rise done in a flash, and furthermore, the obeisance had to be repeated and not aborted, till the guest was pleased by the number and condescended to touch and bless the head of the prostrator.

In those days when Alexander Graham's bell had not begun to ring, people chose to drop in all of a sudden, without any prior notice. It was always Open House. Most youngsters, as a rule, had to undergo this physical exercise, bemoaning their fate, when they would have opted to curl up on the bed, dozing or dipping into the latest James Hadley Chase, unmindful of

the elderly guest's arrival. However, on the flip side, such obeisance served as a push-up exercise for young men who might otherwise be leading a sedentary life.

It was not unusual for a warm-hearted, avuncular elder who was paying a visit after a long gap, to offer on-the-spot cash gift, for the ones who will prostrate with palpable enthusiasm. Youngsters in the family would scramble to line up before him for such a windfall, which would make an enjoyable movie-cum-snack outing a dream come true.

Elders, in those days, fell into two extreme categories: the ones who created happiness when they arrived; and the second, when they left. Some

who arrived enjoyed vicarious pleasure by posing baffling mental sums like — 'What will be the price of a three quarter measure of sugar, if the price for one and a quarter measure is four and a half annas?'

Prostration was done only during the arrival of the elderly guest. And not at the time of his departure, which is forbidden, since it is done when one leaves for the 'mahayatra'. Invariably, the one done at the place before his mortal remains are consigned to the flames will not be without any concomitant gift from the meritorious ones. They would have granted them upfront, in the form of their wisdom, knowledge, and more importantly, even genes.

LETTERS TO THE EDITOR

Fire safety norms

The loss of several precious lives in a Delhi hotel fire exposes us as a nation of apathetic and insensitive people and the administration which fails to learn from past tragedies. This forces us to think whether human life has any value in our country and have we as a nation miserably failed to implement bylaws. The administration points out the deficiencies after a tragedy has occurred and as a knee-jerk reaction goes all out to show its concern for a few days. Strong action should be taken against all those who are responsible for enforcing the laws. Our politicians, irrespective of their affiliations, just start the blame game, trying to score brownie points. The government should ensure strict implementation of law and put into plan an SOP to prevent such tragedies and save lives.

VITULL K GUPTA, BATHINDA

Chopper politics

Apropos 'Akhilesh barred from taking Allahabad flight' (Feb 13), since the past month we are listening to news regarding some politician or other not allowed to land a chopper in the opposition

party's state. This kind of behaviour is despotic and violative of the principles of democracy. Our country has not seen such kind of series of events. The politicians are now playing chopper politics. What is the point of such stunts? It is not their own territory that they decide who can and cannot enter a state.

GUNEET KAUR, YAMUNANAGAR

Right to dissent

Reference to the article 'Shutting up dissent' (Feb 13); dissent is believed to be the essence of democracy. Under the current ruling dispensation, even reasonable dissent is construed as a rebellion, which is sought to be crushed with all means. Artistic freedom is denied and curtailed in a brutal manner. If artists and writers do not endorse and glorify the cultural and ideological philosophy of the ruling dispensation, they are in for big trouble. It is outrageous and shocking that a man of Palekar's stature was not allowed to articulate his views, even in the capacity of the chief guest of an event. The right to dissent must be protected to keep democracy blooming.

ROSHAN LAL GOEL, LADWA

No woman safe

This refers to the editorial 'Yet another gangrape' (Feb 13). It is shameful that our country is witnessing such gangrape incidents. Some men are behaving worse than animals. It is a matter of serious concern that even after stringent laws, there is no fear in the minds of unscrupulous elements. Where are we headed? This ruthless act is another grim reminder of how unsafe women are in our society. The police should promote women safety applications. Time-bound speedy trial should be conducted as a deterrent, so nobody dares to act in such a manner.

HARPREET SANDHU, LUDHIANA

Police fail to inspire

In spite of concerted efforts, the government has not been able to achieve the envisaged results in its pursuit to punish rapists ('Yet another gangrape'; Feb 13). In fact, the police's role in our country has never been inspiring. The inefficiency of the force has given a free hand to criminals and anti-social elements of society. Why can't the courts follow the precedents of other countries, where laws are quite stringent to deal with such crimi-

nals? Even after seven decades of our Independence, our lawmakers have failed to provide the country and its citizens with any concrete measure to curb this menace against women. Financial status of the victim also plays a vital role. Victims belonging to the lower strata suffer the most.

MAJOR VINEY KUMAR (RETD), NAKODAR

Encourage pharma units

Refer to the report 'Bulk drug park in Baddi yet to see the light of day' (Feb 12); in spite of 71 years of our Independence, our country could not industrialise the domestic pharmaceutical industry. Prime active pharmaceutical ingredients (API) are being imported from China at high prices, resulting in high-cost medicines for the poor. The import figures of \$2.5 billion, forming 75-80% on importing API, are not only alarming, but also a fatal flaw for our economic growth. The government must pay serious attention to domestic units, besides establishing research and development institutions and encouraging youth to adopt pharma education for gainful employment.

VJAY VERMA, BY MAIL

Cong banking on Priyanka to reverse fortunes



RASHEED KIDWAI
SENIOR JOURNALIST & AUTHOR

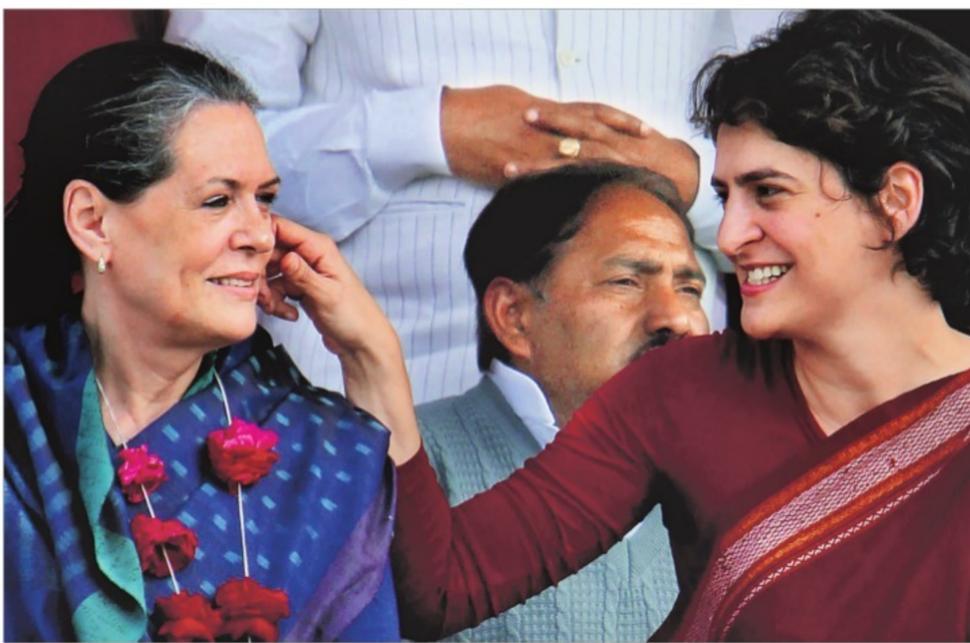
There is a bright and promising side of the Congress story which is missing from the current narrative. Voters in India tend to be highly volatile; therefore, there is every possibility that they will throw up an unexpected verdict. This is the basic premise on which the Congress is positioning itself, counting heavily on Priyanka's charisma, spontaneity and leadership style.

A lot has been written and said about Priyanka Gandhi's forays into politics, 'Mission Uttar Pradesh' and the upcoming Lok Sabha polls. The crucial point is whether Priyanka can trigger an 'aa ab laut chalen' moment among the Indian middle class, women, the youth and the Congress' erstwhile vote bank consisting of Brahmins, Dalits and Muslims.

Cynics, critics and Congress baiters are unanimous that Priyanka's formal induction is a case of 'too little, too late. Pitted against a belligerent BJP under Narendra Modi and Yogi Adityanath's leadership and a caste-based arithmetic alliance comprising the Samajwadi Party, Bahujan Samaj Party and Rashtriya Lok Dal, Priyanka's task of reviving the grand old party in eastern Uttar Pradesh looks formidable and insurmountable. Given the state of the Congress' organisational set-up, the dearth of winnable Lok Sabha candidates, lack of resources and roots in society are some other significant challenges.

But there is a bright and promising side of the Congress story which is missing from the current narrative. Voters in India tend to be highly volatile; therefore, there is every possibility that they will throw up an unexpected verdict. This is the basic premise on which the Congress is positioning itself, counting heavily on Priyanka's charisma, spontaneity and leadership style.

In any electoral contest, the anti-incumbency factor weighs heavily. In Uttar Pradesh, the bulk of the state MLAs and MPs belong to the BJP. Theoretically, there is a strong chance of this double anti-incumbency working against a majority of BJP MLAs and MPs even if Modi and



TRUMP CARD: Priyanka has the potential to showcase herself as a harbinger of hope and score over Mayawati and Akhilesh Yadav.

Adityanath continue to have a reasonable popularity quotient. If voters are indeed disillusioned and looking for an alternative, Priyanka has the potential to showcase herself as a harbinger of hope and score over Mayawati and Akhilesh Yadav.

Priyanka's roadshow showed glimpses of her prowess as TV news channels went berserk. Almost all of them had four units or more, prime-time anchors and correspondents stationed strategically in Lucknow, bringing the Priyanka show live, every minute and second. Pictures of

her kissing a kid, sitting atop a bus, holding on to a *kulhar* (earthen tea cup) were lapped up.

It is common knowledge that TV news coverage is inseparably linked to TRPs. One may recall 2012 and 2013 when Arvind Kejriwal's press conferences forced news channels to even sacrifice commercial breaks, fearing loss of TRPs. Ditto was the case with Modi throughout 2013 and the early part of 2014, when he was the prime ministerial candidate. The subsequent electoral success of Kejriwal and Modi showed that the TRP mad-

ness does reflect a trend. This is where Priyanka scores over her brother and Congress chief Rahul Gandhi.

The Congress is underplaying this aspect of the Gandhi sibling ratings. It remains to be seen whether the party will continue to adopt an ostrich-like approach or use Priyanka optimally. On social media, too, Priyanka's debut has been both stylish and grand. Without a tweet, her followers have swelled up to over 1.6 lakh.

Uncertainty looms large over the Hindi heartland and the outcome of

the Lok Sabha battle. The Congress calculations are interesting to explore. It has a strong urge to eject PM Modi from the high office just like any other non-NDA political outfit. But that is all. The grand old party is almost obsessed with its 'historic' role in getting the country freedom and playing a pivotal role in nation-building. It also fancies its ideology and political thinking to be nearly identical with the idea of India. Instinctively, the party does not relish prospects of backing a ragtag coalition as a replacement for the Modi regime. Even if the coming together of regional parties becomes inevitable, the Congress wants to hold leverage and improve upon the United Front (1996-98) experiment that was ugly and a certain put-off for the Indian middle class. In order to showcase its 'good governance' model, the Congress is aware that more parliamentary seats in its kitty will help it earn the offices of the Prime Minister, Finance, Defence or Home Minister in the next government. Such is the prospect of a post-poll *mahagathbandan* that the Congress cannot go public with its line of thinking. In Priyanka, the party is confident of achieving its short-term and long-term goals.

One issue that should be bothering Priyanka and the Congress is Robert Vadra and his alleged involvement in corruption cases. Priyanka may have stood by him and dubbed the allegations as politically motivated, but these have the potential of upsetting the Indian middle class. The latter tends to have a rather unforgiving and punishing attitude, often failing to make a distinction between a *mulzim* (accused) and a *mujrim* (convict). Can she overcome that hurdle too?

Reach out to Pakistan through radio



HARJAP SINGH AUJLA
FORMER ENGINEER

DURING the early 1970s, following Pakistan's extensive use of the Lahore television service throughout the war for Bangladesh's liberation, India felt the need for expanding TV services in the border regions of Punjab. Sensing a spurt in the demand for TVs in the Amritsar belt, entrepreneur HS Bhatti decided to set up a fabrication unit in Mohali to manufacture Punj Star black-and-white sets. In his address at the inauguration event, Inder Kumar Gujral, then Union Minister of Information and Broadcasting, announced: "Punjab is a rich state. It's people have the will to spend, I want every region of Punjab to be covered by first-grade TV service." He announced a grid of several repeater transmitters to cover "every inch of Punjab". On hearing this, the gathering applauded and gave a standing ovation to the minister.

Being an engineer, I felt the necessity to interject. I told Gujral that there was a cheaper alternative which deserved consideration. I stated that this region was lucky to have Himalayan peaks, which could be used for the installation of TV antennae for long-distance transmission. I did calculations and told him that the peaks at Kasauli and Dalhousie could each have a range of at least 100 miles, enough to cover more than the northern half of Punjab and parts of Haryana. For the rest of Punjab, a couple of high-mast transmitters at Bathinda and Fazilka would suffice. I suggested that TV transmitters be installed at Kasauli,



TARGET: India needs to ramp up its broadcast penetration into Pakistan.

Dalhousie, Bathinda and Fazilka to cover Punjab. Gujral wanted to locate the capital TV station in Jalandhar.

In Punjab, due to the proliferation of cable TV, the bulk of the channel distribution has been taken over by the cable system. The rest has fallen into the share of several satellite dish companies. There is no place for terrestrial TV in present-day Punjab. However, FM radio is doing well, being especially popular among commuters in cars, buses and trains. The towers which transmit TV signals are now offering FM radio services. The Kasauli tower is relaying programmes of All India Radio-Chandigarh on FM 107.2 MHz. Of late, it has started relaying programmes of All India Radio-Jalandhar also on 100.9 MHz. We have FM radio in Patiala on 100.2 MHz; Bathinda broadcasts it on

101.1 MHz; AIR-Fazilka transmits from a 300-metre-high tower on 100.8 MHz with a range of 100 km; and Ludhiana uses 100.1 MHz. All India Radio-Jalandhar uses two more transmitters broadcasting on 102.7 MHz and 100.6 MHz with a 200-metre-high tower having a range of 75 km.

The long-neglected Majha region, located between the Beas and the Ravi rivers and comprising the districts of Tarn Taran, Amritsar, Gurdaspur and Pathankot, is not receiving FM radio service, unlike the rest of Punjab. To correct the imbalance, work was started in 2007 to construct a 300-metre-high Doordarshan and All India Radio tower at Gharinda village in Amritsar district. The all-steel-frame structure was completed by the end of 2013. Subsequently, the authorities of Prasar Bharati (AIR and DD) found

that the tower was slightly inclined towards one side rather than being fully erect. So, they refused to use it.

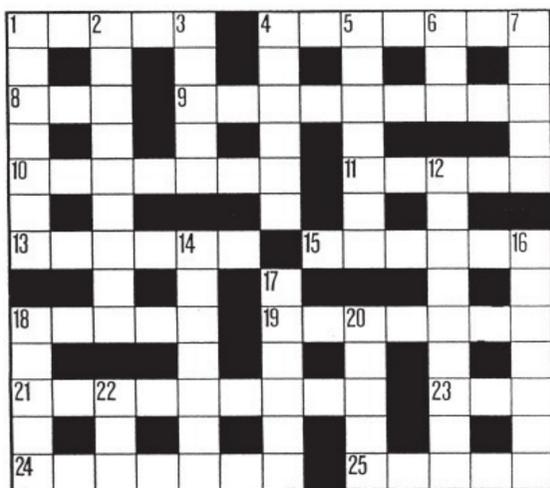
Later, All India Radio decided to temporarily erect its own 100-metre-high tower to start the long-delayed external service transmission from the tower at Gharinda. The new tower was built in 2017 and regular transmission started on September 26, 2018. Since the tower designed to cover the entire region is not functional yet, the new set-up is facing problems. First, the city of Amritsar has a haphazardly constructed downtown area, where the buildings are closely clustered. The signal from the 100-metre-high tower, located 15 miles away, does not reach some parts of central Amritsar; in the other parts, the reception is poor and erratic. Neighbouring Tarn Taran district also has some fringe areas where proper signals are not received. At present, Pathankot district is beyond the reach of the Gharinda tower. Of course, if transmission from the original 300-metre-high tower starts, most of the Pathankot district will also fall within the range of AIR-Amritsar.

There are some hills in Pathankot district, on the road to Dalhousie, where the signal from even the 300-metre-high tower will not reach the shadow areas. For these areas, the government should set up an additional low-powered transmitting station on top of one of the high peaks in Dalhousie. This location is as good as the Kasauli tower location. Its added advantage is that its penetration is about 110

km inside Pakistan. A transmitter at this location will solve the problem of shadow areas in central Amritsar too. When two transmissions hit the same area, one from the north and the other from the west, the shadow areas will start getting at least one signal clearly. The concept behind the relay of external service programmes by AIR-Amritsar FM is to cover some important areas of Pakistan through state-of-the-art broadcast technology. In order to achieve better penetration into Pakistan, India should use the Dalhousie peak to relay FM programmes of the Urdu Service and the Des Punjab Service. The Dalhousie tower will be able to cover several additional areas in the neighbouring Pakistani districts of Sialkot, Gujranwala, Gujrat and Jhelum. Some of these areas can't be covered from any location in Amritsar.

Pakistan is admittedly a difficult neighbour. But the onus is on the Indian Government to reach out to a chunk of its population by radio. A few years ago, short-wave transmission was very popular for country-to-country propagation, but with the arrival of much better sound quality of FM radio, short-wave and medium-wave transmissions are fast losing their appeal. India has the advantage of the Himalayan peaks located not so far from its border with Pakistan, so why not use FM transmitters for broadcast to the sensitive areas of Pakistan from those strategic locations? Communicating with even a hostile neighbour via radio can be useful for the country.

QUICK CROSSWORD



ACROSS

- 1 Correct (5)
- 4 Spirited (7)
- 8 Unruly crowd (3)
- 9 Remained in place (6,3)
- 10 To increase (7)
- 11 Dawdle (5)
- 13 Make evident (6)
- 15 Like better (6)
- 18 Heathen (5)
- 19 Antiquated (7)
- 21 Eventually be converted (4,5)
- 23 Be indebted for (3)
- 24 Stinging plants (7)
- 25 Sorrowful poem (5)

DOWN

- 1 Make thorough search (7)
- 2 Be unwanted (2,7)
- 3 Discrimination (5)
- 4 Shortage (6)
- 5 Slight (7)
- 6 Little devil (3)
- 7 Plucky (5)
- 12 Refrained from bothering (4,5)
- 14 Most important (7)
- 16 Unstable (7)
- 17 French World War Two guerillas (6)
- 18 Hickory nut (5)
- 20 Core group (5)
- 22 A floor covering (3)

YESTERDAY'S SOLUTION

Across: 1 Watertight, 8 Drive, 9 Opinion, 10 Hearten, 11 Patch, 12 Dreary, 14 Bestow, 17 Ashen, 19 Glaring, 21 Emotion, 22 Dig in, 23 High and dry.
Down: 2 Agitate, 3 Exert, 4 Thorny, 5 Glimpse, 6 Taint, 7 On the wagon, 8 Dehydrated, 13 Running, 15 Trigger, 16 Agenda, 18 Hooch, 20 Added.

SU DO KU

		8			3		
		5	3	7	2	8	
7			9		8		4
4			6		9		8
	6						4
2			5		1		6
3			7		4		2
		4	2	8	5	1	
		6				4	

EASY

CALENDAR

FEBRUARY 14, 2019 THURSDAY

- Vikrami Samvat 2075
- Shaka Samvat 1940
- Magh Shaka 25
- Phalgun Parvishte 2
- Hijari 1440
- Shukla Paksh Tithi 9, up to 2:55 pm
- Ender Yoga up to 8:34 am
- Vaidhra Yoga up to 6:15 am
- Rohini Nakshatra up to 10:01 pm
- Moon in Taurus sign
- Gupt navratre ended.

YESTERDAY'S SOLUTION

3	1	6	9	2	7	5	8	4
9	2	4	8	5	1	7	6	3
7	8	5	4	3	6	2	9	1
6	3	7	5	9	8	4	1	2
5	9	8	1	4	2	3	7	6
2	4	1	6	7	3	8	5	9
1	6	3	2	8	5	9	4	7
8	7	9	3	6	4	1	2	5
4	5	2	7	1	9	6	3	8

FORECAST

SUNSET:	THURSDAY	18:09 HRS		
SUNRISE:	FRIDAY	07:04 HRS		
CITY	MAX	MIN		
Chandigarh	20	12		
New Delhi	19	14		
PUNJAB				
Amritsar	18	10		
Bathinda	18	11		
Jalandhar	18	09		
Ludhiana	18	10		
HARYANA				
Bhiwani	23	12		
Hisar	23	11		
Sirsa	23	11		
HIMACHAL PRADESH				
Dharamsala	14	05		
Manali	08	01		
Shimla	12	04		
JAMMU & KASHMIR				
Jammu	14	10		
Leh	03	-06		
Srinagar	05	0		
UTTARAKHAND				
Dehradun	26	12		
Mussoorie	15	07		

TEMPERATURE IN °C