



Calming Arunachal

The polity must foster a civic consciousness to allow equality of opportunity for all residents

The Bharatiya Janata Party-led government in Itanagar has decided not to act on the recommendations of a Joint High Power Committee granting permanent resident certificates (PRCs) to non-Arunachal Pradesh Scheduled Tribes of Namsai and Changlang districts. This decision follows violence in Itanagar, which included arson attacks on the residence of the Deputy Chief Minister. The government took this step to de-escalate tensions despite the fact that both mainstream parties, the Congress and the BJP, were on the same page on the demand to grant the PRCs. The non-APSTs include the Deoris, Sonowal Kacharis, Morans, Mishings, Adivasis and ex-servicemen belonging to the Gorkha community. Successive governments and members of these communities have said PRCs are needed to avail of job and educational opportunities elsewhere in the country, and currently the 26 tribes and numerous sub-tribes who claim to be native to Arunachal Pradesh enjoy this privilege. Members of some of the non-APST communities have been long-time residents of the reconstituted State, and to term them as “outsiders” reflects a chauvinistic mindset that denies a just demand. Previous governments, including one led by the Congress in 2010, had also buckled under pressure on the issue. The indigenous tribes opposing the move say this is one step away from providing Scheduled Tribe status for the non-APSTs, which they vociferously oppose. While this fear is overblown, the award of PRCs could ensure land rights that are otherwise denied to the non-APSTs.

The fact that the opposition to the demand took such a violent turn could be linked to a retaliation to attempts by the members of the non-APSTs to enforce an “economic blockade” of the State from the neighbouring parts of Assam last month. But these incidents suggest that barely any northeastern State is today free of the pattern of ethnic discord marked by some communities being branded “outsiders” and sought to be denied resident privileges. These include the Chakma issue in Mizoram, the hill versus valley disturbances in Manipur, the longstanding “migration” issue in Assam, the attacks on Sikh residents in Meghalaya, and even the Chakma/Hajong citizenship issue in Arunachal Pradesh itself. The pattern through all these is eerily similar, with ethnic identities trumping civic consciousness in bringing about discord that has even escalated into violence in some cases. Arunachal Pradesh has otherwise remained a peaceful State, and it is incumbent on the government and the polity to foster a civic consciousness that allows equality of opportunity for all residents in the State. This is a difficult task as identity issues persist and fester when there is inadequate economic development - which is the real bane of the Northeast today.

Buhari's return

The Nigerian President's re-election has raised hopes for economic reform

In handing President Muhammadu Buhari a huge overall margin in the polls, Nigeria has plumped for political continuity. In an election that had been postponed by a week, the anti-corruption crusader romped home with enough votes to avoid a run-off. In what had been set up as a close contest, Mr. Buhari, who heads the ruling All Progressives Congress, beat former vice-president Atiku Abubakar by four million votes. The rumblings in the Opposition about vote-rigging by the ruling party may continue to be heard for a while, given the widespread delays and irregularities at polling booths, apart from incidents of violence and several fatalities. But some poll observers believe that the Opposition's claims are not backed by sufficient proof to make them legally sustainable. The question now is whether Mr. Buhari can convert his convincing mandate for a second term into policies that can boost investment and growth, generate jobs and narrow inequalities. The challenge of unemployment, at over 20% according to official figures, is made more formidable by the rapid increase in the working-age population. The prospects for change hinge on whether Mr. Buhari can live down his reputation as an old-fashioned interventionist leader and open the economy to competition. A test case of that makeover would be the passage of oil sector reform legislation aimed at the privatisation of the state-owned petroleum firm. Mr. Buhari's record in countering the Islamist Boko Haram in the north of the country and the conflict between herdsmen and farmers in the central region remain unfinished business. On the external front, of particular interest to investors would be the new Nigerian government's stance on joining the African free-trade agreement. Equally crucial would be Abuja's backing for Morocco's membership of the Economic Community of West African States, the 15-nation trading bloc.

Exactly 20 years since the country returned to democratic rule in 1999, Nigerians have decisively left behind the uncertainties of repeated military coups that marred their immediate post-colonial history. Equally significant, recent elections suggest limited progress in the conduct of transparent elections compared to the previous decade. But the postponement of the poll by a week, just hours before voters were to cast their ballot, did not inspire confidence. In 2015, the delay was as much as six weeks. Moreover, the large number of poll-related deaths in the last few days points to a disturbing absence of official accountability. A peaceful election is one of the crucial indicators of a credible transfer of power through the ballot. Calm must return in Abuja and the ruling party and the Opposition have a duty to respect the rule of law. Among sub-Saharan Africa's largest countries, Nigeria should strive to clean up its act.

Think like a civilisation

The biggest casualty of unquestioning enthusiasm for war is democracy and rational thought



SHIV VISVANATHAN

This essay is a piece of dissent at a time when dissent may not be welcome. It is an attempt to look at what I call the Pulwama syndrome, after India's bombing of terrorist camps in Pakistan. There is an air of achievement and competence, a feeling that we have given a fitting reply to Pakistan. Newspapers have in unison supported the government, and citizens, from actors to cricketers, have been content in stating their loyalty, literally issuing certificates to the government. Yet watching all this, I feel a deep sense of unease, a feeling that India is celebrating a moment which needs to be located in a different context.

Peace needs courage

It reminded me of something that happened when I was in school. I had just come back from a war movie featuring Winston Churchill. I came back home excitedly and told my father about Churchill. He smiled sadly and said, “Churchill was a bully. He was not fit to touch Gandhi's chappals.” He then added thoughtfully that “war creates a schoolboy loyalty, half boy scout, half mob”, which becomes epidemic. “Peace,” he said, “demands a courage few men have.” I still remember these lines, and I realised their relevance for the events this week.

One sees an instant unity which is almost miraculous. This sense of unity does not tolerate difference.

People take loyalty literally and become paranoid. Crowds attack a long-standing bakery to remove the word “Karachi” from its signage. War becomes an evangelical issue as each man desperately competes to prove his loyalty. Doubt and dissent become impossible, rationality is rare, and pluralism a remote possibility. There is a sense of solidarity with the ruling regime which is surreal. Prime Minister Narendra Modi, who was encrusted with doubts a week before, appears like an untarnished hero. Even the cynicism around these attitudes is ignored. One watches with indifference as Bharatiya Janata Party president Amit Shah virtually claims that security and war are part of his vote bank.

Thought becomes a casualty as people conflate terms such as Kashmiri, Pakistani and Muslim while threatening citizens peacefully pursuing their livelihood. One watches aghast as India turns war into a feud, indifferent to a wider conflagration. The whole country lives from event to event and TV becomes hysterical, not knowing the difference between war and cricket. It is a moment when we congratulate ourselves as a nation, forgetting that we are also a civilisation. In this movement of drum-beating, where jingoism as patriotism is the order of the day, a dissenting voice is not welcome. But dissent demands that one faces one's fellow citizens with probably more courage than one needs to face the enemy. How does one begin a conversation, create a space for a more critical perspective?

What war feels like

Sadly, India as a country has not experienced war as a totality, un-



like Europe or other countries in Asia such as Vietnam or Afghanistan. War has always been an activity at the border. It did not engulf our lives the way World War II corroded Germany or Russia. War is a trauma few nibble at in India. When our leaders talk even of surgical strikes, one is not quite sure whether they know the difference between Haldighati or modern war. They seem like actors enacting an outdated play. In fact, one wonders whether India as a society has thought through the idea of war. We talk of war as if it is a problem of traffic control. Our strategists, our international relations experts fetishise security and patriotism. The aridity of the idea of security has done more damage to freedom and democracy than any other modern concept. Security as an official concept needs a genocidal count, an accounting of the number of lives and bodies destroyed in pursuing its logic. The tom-tomming of such words in a bandwagon society destroys the power and pluralism of the idea of India as a society and a democracy.

The biggest casualty of such enthusiasm for war is democracy and rational thought. Our leaders know that the minute we create a demonology around Pakistan, we cease to think rationally or crea-

tively about our own behaviour in Kashmir. We can talk with ease about Pakistani belligerency, about militarism in Pakistan, but we refuse to reflect on our own brutality in Kashmir or Manipur. At a time when the Berlin Wall appears like a distant nightmare and Ulster begins appearing normal, should not India as a creative democracy ask, why is there a state of internal war in Kashmir and the Northeast for decades? Why is it we do not have the moral leadership to challenge Pakistan to engage in peace? Why is it that we as a nation think we are a democracy when internal war and majoritarian mobs are eating into the core of our civilisation? Where does India stand in its vision of the civility of internationalism which we articulated through Panchsheel? Because Pakistan behaves as a rogue state, should we abandon the civilisational dream of a Mohandas Gandhi or an Abdul Ghaffar Khan?

Even if we think strategically, we are losers. Strategy today has been appropriated by the machismo of militarism and management. It has become a term without ethics or values. Strategy, unlike tactics, is a long-range term. It summons a value framework in any decent society. Sadly, strategy shows that India is moving into a geopolitical trap where China, which treats Pakistan as a vassal state, is the prime beneficiary of Pulwama. The Chinese as a society and a regime would be content to see an authoritarian India militarised, sans its greatest achievement which is democracy. What I wish to argue is that strategy also belongs to the perspectives of peace, and it is precisely as a democracy and as a peace-loving nation that we should out-think and outflank

China. Peace is not an effeminate challenge to the machismo of the national security state as idol but a civilisational response to the easy brutality of the nation state.

Dissent as survival

In debating with our fellow citizens, we have to show through a Gandhian mode that our sense of Swadeshi and Swaraj is no less. Peace has responsibilities which an arid sense of patriotism may not have. Yet we are condemned to conversation, to dialogue, to arguments persuading those who are sceptical about the very integrity of our being. Dissent becomes an act of both survival and creative caring at this moment. One must realise that India as a civilisation has given the world some of its most creative concepts of peace, inspired by Buddha, Nanak, Kabir, Ghaffar Khan and Gandhi. The challenge before peacedom is to use these visions creatively in a world which takes nuclear war and genocide for granted. Here civil society, the ashram and the university must help create that neighbourhood of ideas, the civics that peace demands to go beyond the current imaginaries of the nation state.

Our peace is a testimony and testament to a society that must return to its civilisational values. It is an appeal to the dreams of the satyagrahi and a realisation that peace needs ideas, ideals and experiments to challenge the current hegemony of the nation state. India as a civilisation cannot do otherwise.

Shiv Visvanathan is an academic associated with the Compost Heap, a group in pursuit of alternative ideas and imagination

Tailing a virus

The Zika outbreak response should not end when an outbreak ends



PRIYANKA PULLA

It is a time of peace and quiet for India on the Zika front. Madhya Pradesh and Rajasthan, which saw large outbreaks late last year, stopped seeing new cases before the year end. For health authorities, the temptation may be to consider the threat past, and move on to more pressing concerns, like the large number of H1N1 influenza cases this year. The truth, however, is that this is an excellent time to study Zika epidemiology in India. Public health officials must do this while disseminating data quickly and transparently, so that it can be analysed by the global scientific community. This is in India's best interests.

All strains can hurt

What are the data that health authorities should be collecting? First, they must leave no stone unturned in following up on every pregnant woman who was diagnosed Zika positive in Rajasthan and Madhya Pradesh. When the epidemics began, there were worrying indications that Central and State health officials were downplaying the risk to pregnant women. Even though there is no evidence conclusively linking a particular viral strain or mutation with foetal anomalies, the Indian Council of Medical Research (ICMR) said the Rajasthan strain did not have the S139N mu-

tation linked to microcephaly.

This is incorrect. Even though microcephaly was first observed as a consequence of Zika during the 2015 Brazilian epidemic, strains other than the Brazilian strain, which do not have the S139N mutation, have been linked with the abnormality. For example, in 2017, when the virus from a foetus with microcephaly in Thailand was sequenced, it did not have the S139N mutation. Researchers also showed that a 1966 Malaysian virus strain - isolated long before Zika was seen to cause microcephaly in Brazil - was as effective at infecting foetal mouse brains as the Brazilian one. In another 2017 study, published in *Development*, a strain from the African virus lineage, which was hitherto not thought to cause microcephaly, was seen to be more damaging to mouse brains than the Asian lineage (to which the Brazilian strain belongs). Given this research, we must assume that all Zika strains can cause microcephaly.

If this is the case, why did the link between microcephaly and Zika become evident only in the 2015 Latin American epidemic? Prior to this, numerous outbreaks had occurred in Southeast Asia. Yet, no one picked up on this phenomenon. Scientists have proposed several explanations for this mystery. One is that Zika has always caused microcephaly, although the link became obvious only in Brazil because so many people were infected. Another possibility is that poverty and malnutrition worsen the progression of the disease in pregnant women. This



would explain why northeast Brazil, with its widespread poverty, was the most severely affected by microcephaly. Scientists are also probing whether simultaneous infection with dengue or chikungunya make the children of Zika-infected women more prone to foetal anomalies. Two studies published earlier this year show conflicting evidence for the role of dengue. The first, published in *Immunity*, showed that in mice, the presence of dengue antibodies led to more foetal damage and restricted foetal growth due to Zika. Another study in *Science* showed that people infected by dengue were protected against Zika during an outbreak in Salvador, Brazil.

Given this conflicting evidence, scientists are very far from understanding what makes Zika deadly to foetuses. This means that any data on how the pregnancies of Zika-infected women pan out in India can be enlightening. Careful studies must be carried out to see if there is increased prevalence of microcephaly, and to understand the risk-factors. Already, the TORCH (Toxoplasmosis, Other, Rubella, Cytomegalovirus, and Herpes) infections are known to

cause foetal abnormalities, including microcephaly, among newborns. Wherever women are screened for TORCH, they must also be screened for Zika.

It's also important to remember that the Zika risk doesn't end after the baby is born healthy. The experience of Latin America showed that even healthy newborns can go on to develop symptoms later. This has led to estimates of the incidence of birth defects being revised upwards.

Herd immunity

The other important bit of actionable information that health authorities can and should gather concerns population immunity. To study immunity, authorities must conduct seroprevalence surveys, in which they screen people in several States for antibodies to Zika. Many Indians could well have such antibodies, which means they are protected to some extent. The reason they are likely to have antibodies is because the Rajasthan outbreak virus was around in the State since at least 2016. Moreover, as a recent paper by researchers from the National Institute of Virology revealed, the Rajasthan strain is endemic to Asia, which means it could have been in India for decades now. Still, exposure to the virus does not guarantee a lifetime of protection. So, seroprevalence surveys are needed to identify pockets of low immunity in India. Health authorities can then focus their efforts on these regions, because they would be most vulnerable to future outbreaks.

It is true that seroprevalence studies are not easy to do, given

the cross-reactivity that plagues flaviviruses. The Enzyme-linked immunosorbent Assay (ELISA), which is commonly used in seroprevalence studies to detect antibodies, can throw up false positives for Zika if a person has dengue antibodies. This is because dengue antibodies can neutralise Zika and vice versa.

Separating dengue from Zika

The good news is that researchers are working to develop alternative tests that are specific to Zika alone. One multinational team, including Swiss firm Humabs BioMed, has developed an ELISA test that is able to distinguish Zika from dengue. The test was used in a survey at Managua, Nicaragua after a large epidemic hit the city in 2016. It found that in 2017, 56% of tested adults had antibodies to Zika, suggesting that the city wouldn't see another large epidemic in the near future. India should consider doing such surveys too.

The outbreaks in Rajasthan and Madhya Pradesh have seemingly ended, which is good news. But given that the virus is already in these States, and these States have well connected transportation links, there is reason to expect future outbreaks when the mosquito season begins again. Outbreak response should not end when an outbreak ends, because that is when efforts to contain the next epidemic begin. If India is lucky, the next epidemic will not be a big one. But it is not an assumption that health authorities should make.

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LETTERS TO THE EDITOR

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India's response

In the wake of the Pulwama incident, the response from India has left Pakistan isolated on every possible front (Page 1, “India bombs Jaish camp in Pakistan's Balakot” and “India gets support from Australia, France”, both February 27). Economically it is on the verge of collapse. Therefore it is bound to follow its old tactic, of proxy war, by instigating elements in Jammu and Kashmir and existing modules in India. Now that the first step, of airstrikes, has been taken, India must strengthen its intelligence infrastructure so that we are prepared for the underhand tactics of Pakistan.

ASHISH KUMAR, Lakhimpur Kheri, Uttar Pradesh

While many are upbeat that India has responded after the Pulwama incident, we should not play down the circumstances which led to the situation in Jammu and Kashmir. There are some questions which need immediate answers: what was the source of the explosives used in the Pulwama attack? Why has the government been unable to stop the alienation of youth in the Valley? Unless the government tries to address the flaws in its Jammu and Kashmir policy, ending extremism will remain a pipe dream.

VIMAL VASUDEVAN, Alathur, Palakkad, Kerala

If Indian intelligence services had drawn flak for the security lapses in the wake of the Pulwama attack,

they have more than made up for it with the precision air strikes against terror elements in Pakistan. Amid speculation of the crisis escalating into another mutually destructive war, India, by virtue of being the larger country and a robust democracy, must agree to talks to defuse the tension in the subcontinent.

NALINI VIJAYARAGHAVAN, Thiruvananthapuram

India's pre-dawn air strike should not lead to triumphalism or chest-thumping. Pakistan has captured an Indian pilot. In the current highly volatile situation, it is important to ensure that the situation - with the electronic media having a field day - does not escalate into war. In a conventional war,

Pakistan cannot match India's forces. The consequences of the use of the nuclear arsenal would be too catastrophic to bear thinking about. The UN, the U.S., Russia, China and others should impress on India and Pakistan, which are home to a sixth of the world's population, the need to defuse the tension. Voices urging restraint and peace over belligerence and war should not be dubbed unpatriotic and drowned in the din of hyper-nationalism.

G. DAVID MILTON, Maruthanode, Tamil Nadu

It is no surprise that a rogue nation like Pakistan would retaliate. However, it is disheartening that one of India's fighter pilots has been taken into custody by Pakistan. The entire nation is

behind him and wants his safe return. India should act strongly, exploring all options, against Pakistan. SREERAG RAMAN SREENIVASAN, Thiruvananthapuram

Dogs under check

No doubt every living creature has the right to space but people who support community dogs should ask themselves how they would feel if they are chased and bitten by a

community dog even if the animal has been vaccinated (Chennai, “Corporation to intensify sterilisation drive against stray dogs”, February 27).

The suffering can be very traumatic. Safe living is also a fundamental right, especially as Chennai city is estimated to be “home to 58,000 dogs”.

SAMPATH R., Chennai

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CORRECTIONS & CLARIFICATIONS:

The second deck headline that accompanied the report, “BJP spokespersons stress pre-emptive focus of strikes” (Feb. 27, 2019), erroneously said that the party MPs had been asked to stick to government line. Actually it was the spokespersons who had been asked to adhere to the government's line.

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The vexatious question of Masood Azhar

India can take up its fight against terrorism at the United Nations Security Council in various ways



CHINMAYA R. GHAREKHAN

The UN Security Council adopted a statement on February 21 condemning the Pulwama terrorist attack of February 14, for which the Jaish-e-Mohammad (JeM) took responsibility. India is applauding this development and it should. A lot of diplomatic effort had gone into achieving this result. But this statement should be looked at with a proper perspective.

Hierarchy of actions

Some media organisations and analysts have mistakenly described the Council as having adopted a resolution. This is not true; the Council made a presidential statement. It may be worthwhile to understand the nuances of the action the Council takes in a given situation.

The least forceful action that the Council can take is to authorise the current month's President to speak to media representatives about the proceedings of the Council. There is no official record of these remarks.

The second level is when the Council adopts a presidential statement. A lot of negotiations are undertaken in the small room reserved for informal consultations next to the Council chamber where only members of the Council are present. Of necessity, it has to be a consensus, as distinct from unanimous, document, meaning that not all the members support everything included in it but go along since they do not have a serious problem with the text. Even if one member has strong objections to the text, the statement cannot be approved. The draft of the text could be prepared either by the President or by one of the members; for the most part, that member is the representative of one of the permanent members. Also, the statement could be issued either in the name of the Council or in the name of 'members of the Security Council'. The former is generally regarded as carrying more weight than the latter.

The third level is the resolution, which is the most authentic voice of the Council, carrying maximum



"The only consequence of naming Masood Azhar as a global terrorist is that he cannot travel to other countries and his funds in foreign accounts will get frozen." A file photo of the JeM chief in Islamabad, Pakistan. ■ AP

weight. Again, the resolution can be under Chapter VI or Chapter VII of the Charter. Resolutions adopted under Chapter VII are enforceable unlike those under Chapter VI (Resolutions regarding Kashmir are under Chapter VI).

Some analysts dismiss the statements and resolutions of the Council as of no consequence, arguing that the countries concerned should pursue their interests irrespective of the Council's action. In practice, the country against which the resolution or statement is aimed cares a lot about the text of the resolution because countries care about their image in the international community. Israel, which has the maximum number of resolutions critical of its actions, makes strenuous efforts, through its protector, the U.S., to have the resolutions moderated to make them less critical. Hours are spent on negotiations, discussing whether to 'condemn', 'deplore' or 'strongly deplore' something.

The February 21 statement was in the name of the members of the Council. It is not that it is not worth much; it is just that it is a notch below a statement that is issued in the name of the Council. A statement in the name of the members might also suggest that not all them were fully on board with the entire text. A statement in the name of the Council would suggest that all the 15 members are in agreement with the text.

The fact that China went along with the statement does not signify

much of a shift in its position, since the Council had already declared the JeM as a terrorist organisation. The statement does not name Masood Azhar. It is not known if the French, who took the initiative in this matter, had at any stage included Azhar's name in the text and took it out at China's insistence. From the French perspective, this initiative will earn them brownie points from India, without having to pay much of a price.

In 2016, India moved the sanctions committee to include Azhar's name, with the support of three permanent members: the U.S., the U.K., and France. Again, in 2017, India took a similar initiative, supported by the same countries. On both occasions, Russia did not actively support the proposal, though it went along with it. China vetoed it both times.

It is for consideration whether and why it is so important for India to have Azhar included in the list of global terrorists. The only consequence of naming an individual is that the person cannot travel to other countries and his funds in foreign accounts will get frozen. In Azhar's case, this will not cause him much discomfort. Is it worth India's while to invest so much effort and perhaps political capital in getting him named an international terrorist? Suppose China at some stage removes its veto on Azhar's name, which it will only do with Pakistan's approval, it will be doing a big favour to India. Will that be regarded enough of a conces-

sion by Pakistan for India to resume dialogue with it?

There is no doubt that India's relations with West Asia have improved significantly in the past five years. The invitation to External Affairs Minister Sushma Swaraj from the Organisation of Islamic Cooperation (OIC) to be guest of honour on March 1 at the Foreign Ministers meet is ample evidence of this. The past record of the OIC with respect to India is most objectionable. In 2017, the OIC adopted a resolution condemning "the intensified Indian barbarities since July 2016, after the extra-judicial killing of Burhan Wani, against unarmed and innocent civilians in Indian occupied Kashmir" and "denouncing India" for refusing the Independent Permanent Human Rights Commission of the OIC access to "IoK". It makes sense not to allow the present to be held hostage to the past. Ms. Swaraj has a challenging mission to accomplish. However, to regard the previous OIC resolutions regarding Kashmir as of no consequence is in the nature of rationalising the current approach. Hopefully, the OIC will respect India's gesture and refrain from embarrassing Ms. Swaraj after her departure.

Raising issues in the Council

The successful preventive non-military strike carried out by the Indian Air Force on the JeM's terrorist training camp in Pakistan on Tuesday undoubtedly caught Pakistan by surprise. Apart from military action, which Pakistan has already taken, it will certainly try to raise the issue in the Council. It may be difficult to prevent it, since what has happened would certainly be regarded as threatening international peace and security. Pakistan's all-weather friend, China, may take the initiative on behalf of its protégé. According to Council rules, if a member of the Council asks for a meeting, the meeting has to be called. India must have spoken to the U.S. and others about this possibility. If the Council does meet, it would give India an opportunity to expose Pakistan's true face. It will no doubt screen footage and photos to buttress its case in the Council.

Chinmaya R. Gharekhan, a former Indian Ambassador to the UN, is the author of 'The Horseshoe Table: An inside view of UN Security Council'

A patchwork approach to GST problems

Transparency and simplicity in the tax regime are casualties of the GST Council's recent decisions



T.C.A. SHARAD RAGHAVAN

It has the best intentions, but the Goods and Services Tax (GST) Council is nevertheless systematically eroding the strongest features of the new tax regime – simplicity and transparency.

From three to eight rates

Before the GST was introduced, the government set up a panel under the then Chief Economic Adviser, Arvind Subramanian, to come up with a suitable rate at which most items should be taxed under the GST. Mr. Subramanian came up with a standard rate of 15% for most items, a "low rate" for essentials, and a "high rate" for demerit goods. Presumably dissatisfied with just three rates, the government chose to introduce GST with five different tax slabs: 0%, 5%, 12%, 18% and 28%. Still not satisfied, the GST Council then introduced two more highly specific rates: a nominal 0.25% for rough diamonds and 3% for gold. Those of a critical bent of mind immediately pointed out that the major beneficiaries of this would be Gujaratis. The latest GST Council meeting on Sunday took this a step further and introduced yet another rate of 1% for the sale of under-construction affordable houses. So, from what should have at most been three rates, we now have eight!

To be clear, the number of tax slabs does not affect the concept of 'One Nation One Tax', as a single product is still taxed at the same rate across the country. But specifying eight different GST rates is a blow to tax simplicity, which the GST was to provide.

That said, the GST Council has not spared the concept of 'One Nation One Tax' either. However necessary the government felt it was to provide Kerala additional funds for rehabilitation after the devastating floods of 2018, it had several options available apart from the one it chose, which was to allow the State to impose a 1% disaster relief cess. As a result, for two years, the Indian market will be divided into two: Kerala, where goods and services are 1% more expensive, and the rest of India. While it can be argued that the cess in Kerala is a one-off, the fact remains that this is a bad precedent to set. It's not too hard to imagine a situation where States start clamouring for a cyclone relief cess, drought

relief cess, flood relief cess, etc. Recovery from natural disasters is an expensive process, and additional funds must be made available. But mechanisms for this have already been put in place. There is a National Disaster Response Fund at the Central level and each State has a State Disaster Response Fund. Increasing budgetary allocations in these areas instead of spending on giant statues and advertising campaigns is an option.

Increasing opacity

Transparency is the other casualty of the GST Council's need to provide temporary fixes to problems. Sunday's decision to remove the input tax credit provision from the real estate sector will likely go a long way in increasing opacity in an already murky sector.

The input tax credit system was designed to create a seamless chain in the entire supply process. Normally, a company can claim credits for the tax it has paid on its inputs. Under a fully functioning GST system, the government can verify the amount of credits to be paid to the company by matching its invoices with those provided by the vendor. Such a system encourages honesty and transparency. This is the third time the Council has removed this vital provision, and its reason for doing so is weak. Finance Minister Arun Jaitley said that the Council had noticed that real estate developers were not dropping their prices in line with what they should be doing, considering they were getting the benefit of input tax credits. This happened before in the case of restaurants. In both situations, the government took the easy way out and simply removed the input tax credit provision altogether. So, rather than relying on the body it had created to handle such issues, the National Anti-Profitsteering Authority, the Council instead chose to weaken the entire tax system. This wouldn't have been too much of a problem if the real estate sector was as small as the restaurant industry or the sanitary pads industry (the third industry where there is no input tax credits). But the real estate industry is estimated to be at least ₹40,000 crore in size. Not to forget the fact that cement, a huge input in real estate, is taxed at the highest rate of 28%, and will now not be offset by credits.

In both cases – disaster relief and anti-profitsteering – the GST Council has chosen to ignore established institutions designed for those very purposes in favour of a patchwork approach that is likely to cause more problems than it solves.

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SINGLE FILE

Manufacturing unanimity

Giving cash grants to gram panchayats electing sarpanchs unanimously is antithetical to democracy

SATYA NAAGESH AYYAGARY



Using cash or other favours as an inducement to garner votes in any election, whether to Parliament, Assembly, or the gram panchayat, is a punishable offence in India. The logic is that voters must exercise their choice based on free will and the choice they make should be an informed one using a secret ballot. That is a cornerstone of democracy. While inducements of every sort are endemic during elections, what is to be done when the state itself is the inducer?

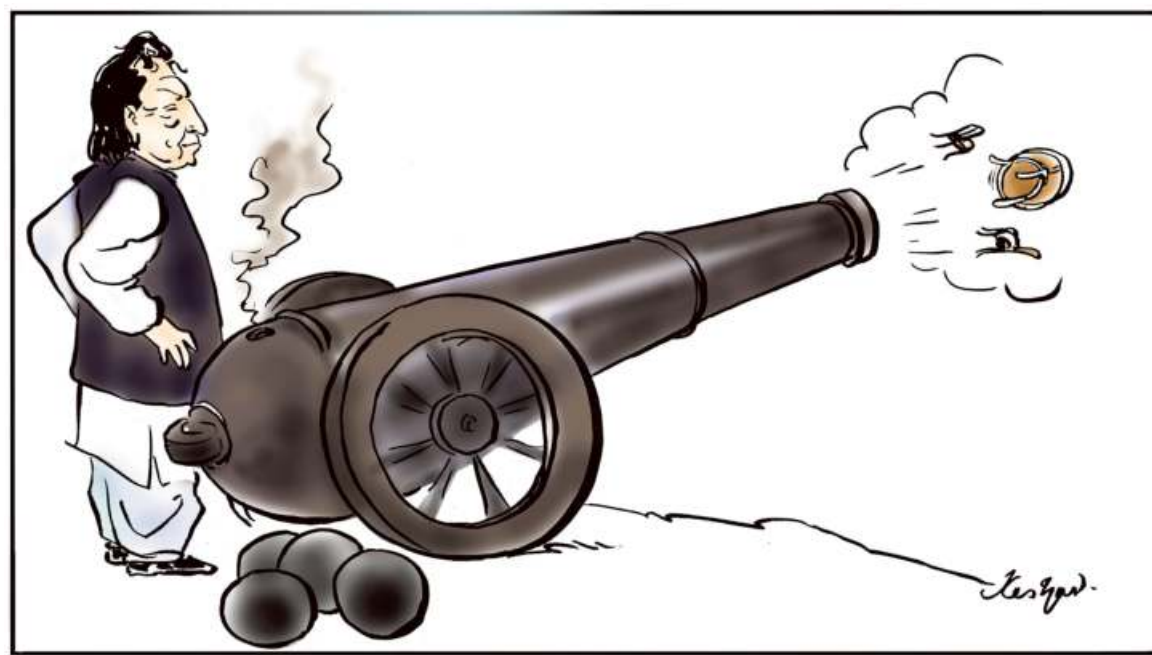
Consider this. In the run-up to the Panchayat elections in Telangana, the government led by the Telangana Rashtra Samithi (TRS) encouraged 'unanimous elections'. The carrot offered to those gram panchayats that elect their sarpanchs unanimously was a cash grant of ₹10 lakh for those with a population less than 15,000 and ₹25 lakh for those with a population more than 15,000. This had an unexpected fallout: large-scale 'auctions', which of course are illegal, were held in many gram panchayats across the State. The State Election Commission was seized of the matter when civil society groups cried foul.

This is not something new. It has a precedent. In fact, Andhra Pradesh has been encouraging unanimous elections for gram panchayats. A Congress-led united Andhra Pradesh in November 2008 issued a government order announcing ₹5 lakh for those gram panchayats with a population less than 15,000 and ₹10 lakh for those with a population more than 15,000, that elect their sarpanchs unanimously. This was revised, in August 2013 to ₹7 lakh and ₹20 lakh, respectively. The TRS-led government only made an inflation-adjusted increase.

United Andhra Pradesh and now Telangana are not the only ones encouraging this practice. In Gujarat, there was a scheme which began in 1992 that provided incentives for unanimous elections. It was revised and named Samaras-Yojana. States including Haryana and Punjab took a leaf out of the Andhra Pradesh strategy book, and in 2008 launched cash grants for unanimous election schemes. There was an echo in Himachal Pradesh too. There was criticism of this democracy-subverting practice, but nothing seems to have come out of it.

What was purportedly meant to save precious resources and avoid rancour among villagers is turning out to be something akin to manufactured unanimity, or manufactured consent, under duress or political pressure. How is this illegal practice being encouraged by States despite posing a threat to democracy?

The writer is a Hyderabad-based Editorial Consultant with The Hindu



FAQ

Regulating drug prices

More needs to be done to make medicines affordable

BINDU SHAJAN PERAPPADAN

What has been the impact of market-based pricing?

The largest share of out-of-pocket expenditure on health is due to medicines (approximately 70%, according to the NSSO). This is a major access barrier to healthcare, especially for the poor. Health experts have criticised the Drug (Prices Control) Order (DPCO), 2013 for doing little to increase the affordability of medicines. Data from the Department of Pharmaceuticals show that the majority of medicines have price reductions of 20% or less.

How are prices regulated?

The DPCO controls the prices of all essential medicines by fixing ceiling prices, limiting the highest prices companies can charge. The National List of Essential Medicines (NLEM) is drawn up to in-

clude essential medicines that satisfy the priority health needs of the population. The list is made with considerations of safety, efficacy, disease prevalence and the comparative cost-effectiveness of medicines, and is updated periodically by an expert panel set up for this purpose under the aegis of the Ministry of Health and Family Welfare. This list forms the basis of price controls under the DPCO.

What is the mechanism for price capping?

The NLEM 2015 contains 376 medicines on the basis of which the National Pharmaceutical Pricing Authority (NPPA) has fixed prices of over 800 formulations using the provisions of the DPCO. However, these formulations cover less than 10% of the total pharmaceutical market. The DPCO follows a market-based pricing mechanism. The ceiling price is worked out on the basis of the simple

average price of all brands having at least 1% market share of the total market turnover of that medicine.

Have any other methods been used?

Prior to 2013, the DPCO followed a cost-based pricing mechanism that was based on the costs involved in manufacturing a medicine along with reasonable profit margins. Health experts have argued that this policy resulted in comparatively lower prices than the current market-based policy.

Since the implementation of the DPCO, 2013, the NPPA has made certain departures from the market-based pricing mechanism, which was found to be insufficient for ensuring affordability. This has been done through the use of special powers to act in public interest under Paragraph 19 of the DPCO, to regulate the prices of cardiac stents and knee implants. These moves have brought about dramatic

price reductions: 85% in the case of stents and 65% in the case of knee implants.

What about cancer drugs?

"The government is planning to cap the trade margins for highly priced drugs for cancer and rare diseases to bring down their prices," says Malini Aisola, health researcher and co-convenor of the All India Drug Action Network. She explains that this move is in the wake of recent amendments to the DPCO that exempted patented medicines and rare disease drugs from price controls. But Ms. Aisola claims that the trade margin capping will not sufficiently bring down prices. "We urge the government to take serious policy measures to ensure true affordability such as through price controls, implementation of the national rare disease policy and the use of legal flexibilities under patent law," she says.

FROM The Hindu ARCHIVES

FIFTY YEARS AGO FEBRUARY 28, 1969

India not for arbitration on Kachchativu island

The Minister for External Affairs, Mr. Dinesh Singh, today [February 27, New Delhi] ruled out in the Lok Sabha India agreeing, now or in future, to international arbitration for settling the dispute on Kachchativu island with Ceylon. Mr. Dinesh Singh was replying to a calling attention notice tabled by Mr. George Fernandes and four others on reports in newspapers that India had agreed to refer for arbitration the dispute on Kachchativu. India, Mr. Dinesh Singh said, had not had any doubt about (its ownership of) the Island. If there were any doubt on that score, India would not have talked with Ceylon. Raising the issue, Mr. Fernandes asked whether Ceylon had demanded that the matter be settled through arbitration, that the Palk Strait and the Gulf of Mannar be partitioned in such a manner that Kachchativu should go to Ceylon and whether Government was clear in its mind that the island was Indian territory.

A HUNDRED YEARS AGO FEBRUARY 28, 1919

Wars Without Casualties.

A Soldier who is bomb, bullet, and shell proof, who does not mind either liquid fire or the most vicious kind of gas, has been invented by a Danish engineer. He has taken out patents on a device known as the "Automatic Soldier". The "automatic soldier" consists of a special double steel cylinder made of shell-proof Tungsten steel or the like. There is one outer stationary cylinder, and a second inner cylinder, the latter telescoping into the stationary one. The entire device is set into trenches, the contrivance taking the place of a human soldier. When the "soldier" goes into action the inner cylinder rises 18 in., which brings it above the parapet of the trench. In other words, the automatic soldier normally is invisible, and only can be seen when the inner cylinder rises. The gun, as well as the entire mechanism, is entirely controlled by wireless.

CONCEPTUAL

Sub-replacement fertility

DEMOGRAPHY

This refers to any fertility rate below the replacement rate that would cause the population of a certain group of people to decrease over time. A population's fertility rate falls below the replacement rate when adults fail to produce enough offspring to even replace themselves. The sub-replacement fertility rate is generally considered to be anything below the replacement fertility rate of 2.1 children per woman in developed countries. The replacement rate, however, differs across the globe. For instance, it is much higher in developing countries where the infant mortality rate is much higher than in the developed world due to various reasons.

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