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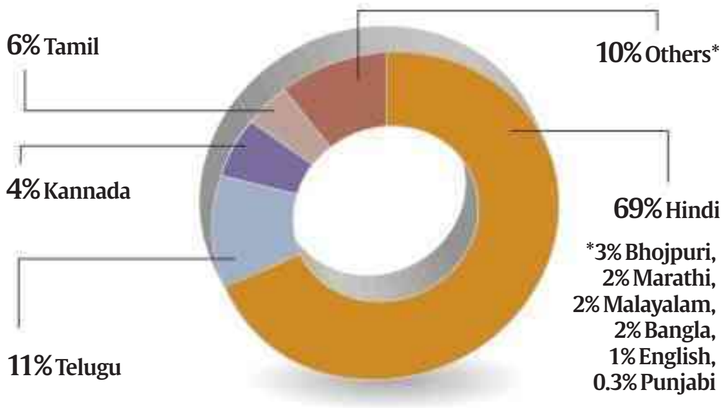
TELLING NUMBERS

Movie channels make up 1/4th of TV viewership, Hindi far ahead

MOVIE VIEWERSHIP BY LANGUAGE



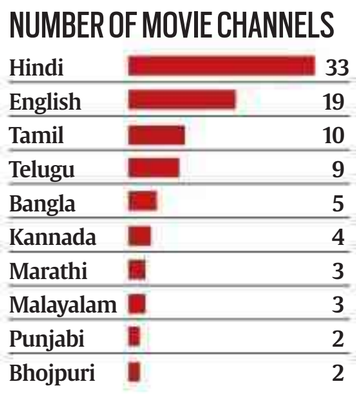
MOVIE CHANNELS account for almost a quarter (24%) of India's television viewership, according to the 2018 Yearbook of the Broadcast Audience Research Council (BARC India), a joint industry company of broadcasters, advertisers, and advertising and media agencies. Within the genre, Hindi-language movie channels lead the rest by far, accounting for 69%. The next three are movie channels in southern languages, with Telugu way ahead of other languages but a distant second to Hindi. The pie diagram is based on the average number of weekly impressions.

In terms of time spent per viewer, Hindi movie channels on an average (01:21:42) engage a viewer for 18 minutes more than Telugu channels (01:03:05). Next to Hindi, viewers spend the longest times on southern-language movies — 00:46:06 on Tamil, 00:45:20 on Malayalam. and 00:44:22 on Kannada channels. The shortest durations are on Punjabi (00:18:06) and English (0:21:17) movie channels.

These viewership times and weekly impressions do not correlate directly with the number of movie channels in a given language. While Hindi leads once again, with 33 movie channels, the next highest number is 19 English movie channels (*see bar graph*).

The gender breakup shows male viewership (53%) higher than female viewership, with slight variations depending on language. However, the urban-rural divide is starkest among southern-language movie channels, with a 61% rural viewership compared to 39% urban. While rural viewership is higher across the country, the gap is much narrower at the national level, and with Hindi-language movie channels. In terms of age, those between 15 and 50 years account for two-thirds of all movie viewership.

NUMBER OF MOVIE CHANNELS



VIEWERSHIP ACROSS LANGUAGE GROUPS

	All India	South Indian	Hindi language
BY GENDER			
Male	53%	51%	54%
Female	47%	49%	46%
BY TOWN CLASS			
Urban	46%	39%	48%
Rural	54%	61%	52%
BY AGE GROUP			
2-14 years	20%	18%	22%
15-30 years	34%	32%	35%
31-50 years	31%	33%	30%
51 years or over	14%	17%	13%

Source for all data: BARC India 2018 Yearbook

SIMPLY PUT QUESTION & ANSWER

What next for Brexit?

With the deadline for Britain leaving the EU approaching, Prime Minister May's proposals have been rejected yet again by Parliament. Amid the uncertainty, a look at various possible courses of events.

EXPRESS NEWS SERVICE
NEW DELHI, MARCH 17

WITH LESS than two weeks to go for the March 29 scheduled date, the nature of Britain's exit from the European Union, or Brexit — if it happens at all — remains uncertain as ever. A series of developments over the last one week has left a number of possibilities wide open. Will Britain and the EU be able to renegotiate an extended deadline? Will Britain eventually leave without a deal? Is it possible that British citizens will vote in a fresh referendum, and what would that be about? A look at where things stand, and what could possibly follow:

What has happened on Brexit so far?

In a referendum on Thursday June 23, 2016, those favouring Brexit (Leave) won by 52% to 48% (Remain). The "transition period" is scheduled to begin on March 29 and end on December 31, 2020. In November 2018, the UK and the EU agreed to the terms of the exit, known as the withdrawal agreement. However, the agreement has failed to clear British Parliament, with MPs voting against it twice this year. On January 15, they voted 432-202 to reject the deal. Prime Minister Theresa May renegotiated certain terms with the EU, but on March 12, MPs voted against the agreement again, this time by 391 votes to 242. The following day, the MPs rejected the idea of leaving the EU without a deal — an option called called "No deal". Then on March 14, they voted 413-202 in favour of Prime Minister May asking the EU for a delay to carry out Brexit. That puts a question mark on whether Brexit will happen on March 29 after all.

What is in the deal?

An explainer on the BBC News website lists out various aspects:

PAYMENTS: This relates to payments that the UK makes to the EU budget. As its financial obligations for leaving, the UK has agreed to continue making these payments until the end of the transition period, and the bill is expected to be £39bn. The withdrawal agreement, however, leaves the option of the transition period being extended. If that happens, there will have to be additional payments, to be agreed later.

IRISH BACKSTOP: The backstop is among the most contentious of issues. It is part of the withdrawal agreement, meant to ensure that there is no hard border between the Republic of Ireland (which will remain in the EU) and Northern Ireland (which is part of the UK). The backstop will come into effect if the transition period ends without wider agreements being reached. Under the withdrawal agreement, it would keep Northern Ireland in the EU Customs Union. This has raised concerns about a part of the UK being trapped in the backstop.

OTHER BORDERS: During the transition period, EU citizens will be free to live and work in the UK, and vice versa. Once the period ends, it will be able to set its own rules on immigration. The PM claims the UK will be "taking back control" of its borders. If the transition period continues, EU citizens will be able to carry on moving to the UK.

LAWS: As of now, the European Court of Justice has the final say on disputes on matters of EU law. Brexit supporters want the last word to be with a UK court. During the transition, the UK will have to continue following EU rules and abiding by ECJ rulings.

A pro-Brexit protester holds up a sign outside UK Parliament on March 14. Prime Minister Theresa May's were voted out in the House. *Reuters*

THE LANGUAGE OF BREXIT

Some of the terms in circulation, and what they mean

'NO DEAL'

UK leaves the European Union and cuts ties immediately, with no agreement at all in place.

The UK would follow World Trade Organization rules to trade with the EU and other countries, while trying to negotiate free-trade deals. Under WTO rules, each country sets tariffs on goods entering. If the UK chooses to put no tariffs on goods from the EU, it must also have no tariffs on goods from every WTO member, according to BBC.

TRANSITION PERIOD

From Brexit day (March 29, 2019) to December 31, 2020, which could be extended by up to two years if both the UK and the EU agree. This is to allow both time to agree their future relationship. All this is subject to Parliament accepting PM Theresa May's deal (already rejected twice).

During this period, the UK would ave to follow all EU rules, but would have no say in the framing of new ones.

ARTICLE 50

Part of the Lisbon Treaty among EU member states. It covers how a member country can leave. This Article was triggered at the end of March 2017, hence Brexit Day in March 2019. To stop the Article 50 process, the UK may act on its own; to extend it, all EU countries must agree, BBC News explained.

IRISH BACKSTOP

As of now, there is free movement of goods and people between the Republic of Ireland (which will remain part of the EU) and Northern Ireland (which is part of the UK). The backstop is a measure in the withdrawal agreement, to ensure that this continues after Brexit, and comes into effect only if the deal deciding the future relationship between the UK and EU is not agreed by the end of the transition period. Until then, the backstop keeps the UK effectively inside the EU's Customs Union (a trade agreement that forbids trade negotiations with EU member states separately from the EU). It also means Northern Ireland conforms to some rules of the single market (goods, services, people and money move between EU member states and some other states).

DIVORCE BILL

This is the money that the UK has agreed to pay to the EU. The bill, expected to be about £39bn, will be paid over a number of years

What happens next?

There are a number of possibilities, the first of which is getting the EU to agree for an extension of Article 50 of the Lisbon Treaty (see 'The Language of Brexit'), which in effect means asking for more time. The request would be taken up at an EU Summit on March 21-22. If Prime Minister May asks for a short extension and all EU member states agree, Brexit can still happen by the schedule. On the other hand, if May asks for a longer extension and all EU members agree, Brexit could be delayed beyond the EU Parliament elections in May (with Britain taking part). If the EU turns down either request, it could lead to a "No deal" Brexit.

How does the "No deal" option work?

It would be legal for the UK to unilaterally cancel Brexit, without the need for agreement from the other 27 EU countries, the BBC explains, citing an ECJ ruling. However, it is not clear what that process would be.

When will the UK decide whether to ask for a longer or a shorter extension?

The government reportedly plans to hold another vote this week. If the Speaker allows the vote, the PM can present it as a choice between passing the deal with a short Brexit delay or rejecting it and facing a longer extension. If successful, the PM could go to the EU Summit and request the short extension.

What if the request is for a longer extension, and the EU agrees?

The delay would keep open a number of possibilities. For one thing, the prospect of "No deal" would remain, but that would happen at a later date. If the EU agrees to renegotiate the deal, the UK Parliament would still need to clear it. If either of these does not happen, various possibilities (besides "No deal"), are listed out on the BBC News website:

REFERENDUM: When Parliament voted to ask the EU for a delay, it also rejected a fresh referendum. BBC News explains, however, that a referendum is possible, although not likely. It could be a non-binding referendum with the question to be determined. That would subject to Parliament approval, with a new piece of law to make a referendum happen and to determine the rules, the website quoted an BBC News analyst as saying.

PARLIAMENT ELECTION: If an election is held, the PM would hope for a mandate in the newly elected House. If she proposes an election, it will need the approval of two-thirds of the MPs.

NO-CONFIDENCE MOTION: If the government loses such as motion, it will open up new possibilities. It will set off a 14-day countdown. During this period, either the current government or a new one will face a vote of confidence. If either one wins, it takes over. If not, a general election will follow.

If there is an election, what are the political leanings of the Leave and Remain camps, respectively?

Theresa May is a Conservative, with Labour in opposition, but that may not reflect in how voters relate to Brexit. Although economic views have in the past helped predict British political support, Brexit is different, according to 'The Interpreter' column in *The New York Times*. It noted that on this issue, voters' social views are far more relevant. "People on the libertarian end of the spectrum tended to vote Remain, while those on the authoritarian end tended to vote Leave. The result is that Brexit views slice across people's party identity. Both parties' voters and legislators include a mix of Leavers and Remainers. There isn't a 'Leave' party and a 'Remain' party," it said.

The Learning State: How information becomes insight

Knowledge is not gathering mounds of information. It is processing that information and translating it into useable propositions that makes people and organisations learners. Two top development economists show the path to a genuine learning state.

IN ELECTION YEAR
EXPERTS EXPLAIN
PART 4

ABHIJIT BANERJEE & SHRAYANA BHATTACHARYA

TOUGH DECISIONS lie ahead for India's social protection system. How can unorganised workers be empowered to access pensions or other income support programs? How do we make sure that benefits from the new PM-KISAN are reaching the intended farmers? The ability of the state to process and consume information to answer such questions for program planning, monitoring, and reform has always been critical and never more so than now.

Program administrators need to be able to track program performance, learn quickly, and incorporate lessons into new designs. In the past 15 years, India has developed an enthusiasm to monitor schemes through hundreds of Management Information System (MIS) portals. In fact, in the past two years, the national Direct Benefit Transfer (DBT) Mission at the Cabinet Secretariat reports the development of 400 MISs for schemes to report payment progress on its national DBT portal. This is more than most middle-income countries.

The vision is that these systems will enable citizens, government officials, and politicians to gain access to all the information that they need to play their individual roles in a democratic society and enable the necessary exchange of knowledge for effective program implementation. Those managing food subsidies can monitor the movement of grains via geo-tagged trucks, while the MGNREGS MIS informs administrators of payment delays, and citizens use online grievance portals to register complaints.

Such information has the potential to be extremely valuable. One reason why these investments are happening now is that the cost of collecting and sharing information has gone down enormously over the last decades, thanks to the IT revolution. It is possible now for a mother at work to watch her toddler at play in a playschool by connecting her cellphone wirelessly to a CCTV at the school through one of multiple available apps. And she might for the first couple of days, but the novelty wears off fast. And then? The app will sit unused, unless there is a specific concern (say, the child is sick).

The problem is that information by itself is not insight; it has the potential for insight. Knowledge is not gathering mounds of information. It is processing that information and translating it into useable propositions — for example, "my child really looks tired, perhaps I should plan to leave early" — that makes people and organisations learners. The mother stops watching the CCTV feed because she needs to focus her mind on other tasks — she already has a tough time fending off the thousand other distractions that life throws at all of us. Processing the volume of information that a CCTV can generate every minute can clog the mind so fast that she needs to take defensive action.

Thus, so it is for organisations. It is not enough to generate information — someone has to process and translate data into something useable, and the more information you generate the harder that necessarily becomes — the more to sort through and discard. And if you have no guidance on how to do that sorting, then more information may actually hurt. Consistent with this, process evaluations suggest that in the wake of the MIS expansion, the local bureaucracy at the district and state levels is drowning in MIS data, with neither the capacity nor the inclination to process it.

> **We need to curate the info that gets highlighted. That does not mean censorship but some filters have to go into choosing what to give prominence...**

With the growing complexity and sophistication of India's social protection systems and schemes, building the capability of the local state to learn and reflect on information is critical. To build a genuine learning state — a state where everyone, citizens, bureaucrats and politicians use the information they need to generate insight and hold each other accountable, we need three building blocks.

■ First, we need to curate the information that gets highlighted. That does not mean censorship — citizens should be able to access any information that they could reasonably need — but some filters have to go into choosing what to give prominence and why, based on a clear theory of how the information would be used, by whom and why that would matter enough to deserve the priority.

This might seem obvious, but both of us have been witness to the many extremely far-fetched theories of change that get used to justify MIS interventions; in particular, the vision of a citizen who gets up in the morning and quickly files a MGNREGS problem report, then tweets about the policeman she observed taking a bribe on her way to work, spends her afternoon responding to a call from a government call-centre about PDS delivery and grain quality, followed by an evening reviewing the accounts of the municipality before turning in (to dream of accountability we're certain), is far-fetched. Even the most committed citizens have many other life problems to deal with, and activism is at best a part-time activity.

■ Second, we need to have clear designation of how the information will be used to provide incentives to actors within the system — if the news is bad, responsibility for it has to be clear. The MLA report cards developed by Satark Nagarik Sangathan and published in various newspapers before state elections, are a good example of prioritisation (a small set of numbers, prominently displayed) and clear designation — it says, more or less explicitly, "you are about to vote for your MLA, here is what he did".

Research shows that this intervention changes how the voters vote, rewarding the best performers according to the report card, and hurting the worst. This example also makes clear that whenever we prioritise information there are hard choices to be made. The report cards, to be effective, left many things out and an MLA could potentially complain that this was unfair to her achievements. There is no perfect resolution here, but there is a clear trade-off between effectiveness and being comprehensive.

■ Third, it is important to test whether the information is doing its job, whether it is being used to provide the required intelligence and insight. Even if the information collected is salient, it may lead to no change in behaviour or local action. For example, the government of Karnataka built an ambitious MIS to biometrically track real-time attendance of nurses at health centres. The pilot hoped to hold front line staff accountable by making their attendance transparent. However, the reform made limited long-run impact as state officials, local-level bureaucrats, and locally elected bodies were reluctant to use the better-quality attendance data for enforcement due to a fear of generating discord among the staff.

To summarise, learning is not a logistical task. We have too many examples now showing us that an MIS is not magic. The mere existence of call centres and information infrastructure does not mean much without effective use and design. Even with the best technology and information monitoring, local administrators may choose not to convert the data they produce and own into knowledge and a body of actionable evidence, unless they have the people, time, and training to do so. Without such resources in the design and use of MIS for social programs, information will become relentless noise, a nuisance rather than an opportunity.

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THE EDITORIAL PAGE

WORDLY WISE

"THERE IS NO QUESTION THAT CLIMATE CHANGE IS HAPPENING; THE ONLY ARGUABLE POINT IS WHAT PART HUMANS ARE PLAYING IN IT"

DAVID ATTENBOROUGH

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

A GREENER WAY

Global Environmental Outlook report encourages policymakers to establish links, break silos

IN 2014, 193 countries asked the UN Environment Programme (UNEP) to analyse how environmental degradation affects the social and economic well-being of people. In response, the UN's environment body roped in 250 scientists and experts from 70 countries to evaluate the state of the world's air, freshwater, oceans, and biodiversity. Their endeavour has produced a chastening report card, the Global Environmental Outlook. It was released last week at the UN Environment Assembly in Nairobi.

The "grow now, clean up later approach" in most parts of the world "has not factored in climate change, pollution or degradation of natural systems. This approach has also contributed to increasing inequality within and between countries," the report notes. It directs attention to the human costs of "poorly enforced environmental regulations". Most countries, for example, have laws to curb air pollution. However, poor air is responsible for more than six million premature deaths and an estimated $5 trillion in welfare losses each year. The number of people succumbing to ailments caused by exposure to dangerous levels of PM 2.5 has increased by more than 10 per cent since 2010 — India accounts for nearly a fifth of such preventable deaths. Water pollution is responsible for nearly 1.5 million premature deaths, the report points out. "Antimicrobial resistance could become a leading cause of early death from infectious diseases worldwide by 2050 if countermeasures are not taken. In addition, the use of pesticides and the dumping of industrial chemicals have introduced pollutants that can disrupt hormonal functions into freshwater systems on all continents," it says.

It would be a mistake, however, to read the Global Environmental Outlook as just another dire picture of the planet. It encourages policy-makers to recognise that global or regional action is often essential due to the transboundary nature of many environmental problems. This is a significant intervention because the ramifications of pollution are rarely seen beyond their local contexts. As a result, there is scarcely any conversation between the agencies responsible for bringing down the levels of particulate matter in air and those involved in curbing greenhouse gas emissions — even though the mandate of both concerns is mitigating the effects of fossil fuel burning. But by emphasising on "synergies" between "the efforts to meet climate change targets and policies to reduce air pollution", the report offers a new pathway to policy-makers. This is particularly significant for India, whose Paris Climate Treaty commitments rely heavily on a shift to renewable energy (RE). But this transition could take at least 20 years and would also be subject to market vagaries. Meanwhile, aligning the country's pollution control imperatives with its climate change commitments could underscore the salience of far less risky measures like bolstering public transport. The Global Environment Outlook should be seen as a call for such creativity by breaking down the silos in environmental policy-making.

RBI'S TEST

Central bank's challenge is not just to boost liquidity, but also to nudge banks to cut rates

IT IS DIFFICULT to believe now that well into the first two quarters of 2018, the commentary on moves by central banks globally was centered around unwinding the stimulus programme after the global financial crisis and the prospect of more interest rate hikes. It is a measure of the dramatic shift since then, following a deceleration in global growth over the last quarter, that central banks are now adopting a softer stance, a dovish tone. With the spectre of a recession in the Eurozone, the European Central Bank (ECB), which had lowered growth projections for this year sharply from 1.7 per cent to 1.1 per cent, has said that it will keep interest rates low through 2019 and will also launch a series of long-term refinancing operations which will run till March 2021 aimed at preventing a credit squeeze for banks in its jurisdiction. The Bank of England, too, has announced a new liquidity facility under which it offers to lend Euros on a weekly basis to provide extra flexibility and to support markets.

All these indicate the mounting challenges for central banks and the policy ammunition they need to have in their arsenal. In India, the test for its central bank now is ensuring not just adequate liquidity but also lowering of interest rates by banks, most of which are yet to revise their lending rates even after the RBI cut its repo rate by 25 basis points to 6.25 per cent last month. That appears to have been the motive for the RBI to unveil a new $5 billion tool to boost liquidity and to nudge banks to cut rates. What the RBI has proposed is a three-year $5 billion rupee-US dollar swap which would mean the central bank buying upto this amount from the market through an auction and simultaneously selling it back to counterparties effective March 2022. This could fuel rupee liquidity, lead to a lower forward premium and hedging costs for importers with the markets reckoning that it could also help prevent a sharp appreciation of the local currency.

The other liquidity tool employed by the RBI has been in the form of Open Market Operations to the tune of over Rs 2.36 lakh crore in 2018-19 with average daily liquidity being in surplus mode in February. Moral suasion on banks may work only up to a point, but from a transmission and signalling point of view, if banks do not bite this time and cut rates, it could cast a shadow on the RBI, especially with expectations of another rate cut in the upcoming monetary policy review. India's central bank will have to brace to face new risks.

FREEZE FRAME

E P UNNY

Deals to rules

India's bad loan policy is finally moving in the right direction

MANISH SABHARWAL

PHILOSOPHERS WONDERING WHY a benevolent god created fear often hear from other philosophers that some fear is conducive — if not essential — to good behaviour. The response finds interesting support in the Vishnu Sahasranamam: Saha-srarchi sapta-jihvah saptai-dha sapta-vahanah, Amoorti ranagho chintyo bhaya-krudbhaya-nashanah (Why has fear been created? So it can be taken away). Not creating the fear of immediate, automatic and borrower-blind consequences for default is one reason why India's credit to GDP ratio is a low 50 per cent (Arunachal is 1 per cent, Bihar is 17 per cent, 100 per cent is the average for rich countries). But over the last three years, the new Insolvency and Bankruptcy Code (IBC) and the RBI's Revised Framework for Resolution of Stressed Assets (RFRSA, issued on February 12 last year) have begun to show impressive results in recognition (we know the truth), deterrence (defaults are reducing), resolution (defaults are being cured) and speed (defaults are being cured faster). This is great news for financial inclusion of the small, honest, and non-politically connected.

The "willful defaulter" tag is a distinction without a difference; banks face pain irrespective of whether a default is caused by Fraud (poet Sahir Ludhianvi's transposed quip "Jo baat teri tasvir mein hai, tujh mein nahin"; that which is in your image, is not in you), Competition (Schumpeter argued that capitalism works because successful businesses stand on ground that is crumbling beneath their feet), or Unsustainable Ambition (what Norwegians call Stormannsgalskap or the madness of great men). Current court petitions by defaulting sugar, shipping and power companies against the IBC and RFRSA should be dismissed because they want pre-IBC bank behaviour (discretionary bad loan recognition via restructuring or evergreening) that created our pre-IBC regime (Eagle's Hotel California, where you check in but never check out).

India's new policy regime for defaults — IBC plus RFRSA — ensures a time-bound exploration of all business, capital and ownership restructuring options before liquidation (an outcome in which everybody loses and therefore nobody wants). It is working; bad loans went from 2.4 per cent in 2007 to 11.6 per cent in 2018 but may now be down to 10.2 per cent. And the direct impact of RFRSA lies in annualised reduction in bad loans for recent quarters being the highest in recent years with a huge acceleration in two-way mobility between standard and non-standard loan classifications. Of the 82 accounts resolved by the IBC, the average realisation by financial creditors was 48 per cent and average time taken for resolution was 310 days (versus World Bank estimates of 27 per cent and 1,580 days). RFRSA fixed birth defects of past RBI interventions like SDR, S4A, JLF, CAP, etc by requiring weekly reporting by banks on all accounts in default anytime during the week with exposure greater than Rs 50 million, requiring all lenders to initiate steps to cure a default with any lender, requiring an independent credit opinion for resolution plans, and setting a 180-day implementation deadline for resolution plans in loans greater than Rs 2,000 crore. Contrary to myth, the Febrary 12 RFRSA circular doesn't apply to small borrowers.

> I don't want to oversell the current state of change; litigation has choked the pipeline with resolution for only three of the RBI's first IBC list of 12, only 63 of the total 1,484 cases admitted under the IBC have the highly desirable outcome of being withdrawn under Section 12A (withdrawal from insolvency prior to expression of interest stage with consent of 90 per cent of lenders), recovery rates are still lower than global averages, and 31 per cent of the 898 ongoing insolvency cases at the end of 2018 have breached the 270-day deadline.

I don't want to oversell the current state of change; litigation has choked the pipeline with resolution for only three of the RBI's first IBC list of 12, only 63 of the total 1,484 cases admitted under the IBC have the highly desirable outcome of being withdrawn under Section 12A (withdrawal from insolvency prior to expression of interest stage with consent of 90 per cent of lenders), recovery rates are still lower than global averages, and 31 per cent of the 898 ongoing insolvency cases at the end of 2018 have breached the 270-day deadline. But the recent Supreme Court judgement upholding the constitutional validity of the IBC, clarifying the relative position of secured and unsecured creditors, and holding the line on Section 29A (defaulter rebidding restrictions) means that the IBC is not a passing shower but climate change. Consequently, action under Section 12A withdrawals is accelerating, a market for corporate control is emerging, and more equity is being raised (not borrowed or stolen).

China can teach us a lot about labour markets but not about banking. Their share of bank lending to the private sector has shrunk by 80 per cent since 2013, total bad loans may exceed $3 trillion, and total debt now exceeds 300 per cent of GDP (most loans went to construction because China produced three times as much cement between 2012 and 2016 as the US did in the entire 20th century). While China's treatment of defaulters is tempting — they recently expanded restrictions on travel, buying homes, holding high-level jobs, kids school eligibility, etc for defaulters — these practices are inconsistent with a democracy.

There is no dishonour in default and Machiavelli estimated "that fortune is the arbiter of half our actions". But he also believed "she leaves the other half for us to govern. God does not want to do everything". RFRSA represents the RBI's atonement for decades of irrational bad loan accounting norms and the IBC recognises that stupidity is not illegal. The Lok Sabha was told in 1969 that "bank nationalisation was being done to help farmers, self-employed and SMEs". Few of them got credit because the politically connected captured loans and the financial inclusion was retarded because the due process, rule of law and fairness for bad loans created by RFRSA+IBC did not exist. Novelist Ernest Hemingway's quip — bankruptcy first happens gradually and then suddenly — suggests he was not familiar with pre-IBC India where bankruptcy happened gradually and then became even more gradual. Transferring information from your head to your heart happens via your arms but the long arm of the law has been missing in bad loans for decades.

Over the last three years, India's bad loan policy moving from deals to rules means the long arc of economic history is finally bending towards justice. This remarkable reform will not only recover Rs 3 lakh crore plus for banks but has hugely positive consequences for India's productivity, wages and prosperity.

The writer is with Teamlease Services

IN EQUAL MEASURE

Parity in political representation for women will help bring bigger, deeper change

ANKITA DWIVEDI JOHRI

SOMETIME IN LATE 2016, following a controversy over the alleged use of "cow meat" by biryani sellers in Doha village, Haryana, a group of village elders gathered in Haji Shah's courtyard around noon. Journalists who had come down from the national capital began asking them questions, and soon, a heated argument broke out between members of the Meo-Muslim community and the Qureshis, who were being blamed for selling the biryani.

Rubiya, in her 20s, stood in one corner, watching the men quibble. A dupatta covering her head, she finally spoke softly. "The biryani sellers are all children between 16-17 years of age. They need education and jobs. They sell biryani because they have nothing else to do," she said. With just that, Rubiya, mother of two and the sarpanch of Doha village, gave the men in that courtyard some food for thought. They calmed down and the discussion changed to the need for jobs and education for the village youth.

In reality, it was her father-in-law, Shah, who was considered "sarpanch" by most villagers. However, Rubiya's position as the head of the village gave her the agency to raise issues that mattered to the community, and to the hundreds of women in Doha village like her.

In this context, Odisha Chief Minister Naveen Patnaik's decision to field 33 per cent women in the Lok Sabha elections, and West Bengal Chief Minister Mamata Banerjee's allocation of 41 per cent of the TMC poll tickets to women, assume significance — measures that will help create women politicians who can represent the aspirations of 49 per cent of India's voters.

> Why shouldn't women be allowed to fail, to make mistakes, and then be given the opportunity to prove their worth again, just like men? It is through the sheer rigour of their work, by getting the opportunity to be in the political fray, that Lata and Rubiya have become role models for many women, especially in rural spaces where there are none. And we need more like them.

It may well be that eight out of ten times Rubiya's voice gets drowned out by the men in the panchayat. But, for the sake of even those two occasions, when her decisions could bring about a small change on the ground, it is important for the government to ensure a higher level of political engagement by women. These are the small changes that will add up to a bigger transformation.

In Bhusli village, Haryana, where several women form the farming workforce, sarpanch Kusum Lata explains why farmers burn stubble: "We can get the harvester to cut the stubble, but it still leaves a 60-cm high stubble." She also states why many women cannot help with cutting the stubble manually: "It is very time consuming. We have our home and children to look after too." As a woman leader, Lata eventually urged the government to find solutions keeping in mind the many other responsibilities that farmers, especially women, had in her village. Through her demand, she became the voice of thousands of women in Haryana who worked tirelessly in their homes and fields.

Following the decisions by Patnaik and Banerjee, if we find political parties competing to ensure that women get an equal stake in politics, it will serve the political discourse of the country, which is now caught up in daily allegations and name calling. In June 2018, in Umaria district, Madhya Pradesh, Bhawna Devi, a former sarpanch in her 30s recalled to this reporter her fear of failure on being elected the village head. Subsequently, she did very well. Her most significant contribution was the drive to encourage women to use sanitary napkins instead of cloth and straw during menstruation. In rural Madhya Pradesh, which fares the worst in the country in menstrual health, this was a major step.

Political parties have often cited "winnability" as an excuse to avoid fielding more women candidates. Some women may fail, or like Devi, fear failure. But to use this as an argument is akin to those discouraging women from taking up driving as a profession, or those who dismiss women reporters from more "challenging" beats such as politics, or even the misconception that women would struggle to succeed in the STEM sectors.

Why shouldn't women be allowed to fail, to make mistakes, and then be given the opportunity to prove their worth again, just like men? It is through the sheer rigour of their work, by getting the opportunity to be in the political fray, that Lata and Rubiya have become role models for many women, especially in rural spaces where there are none. And we need more like them.

In the past five years, many of the central government's schemes have been targeted at women: The drive to end open defecation under Swachh Bharat, Ujjwala scheme, Beti Bachao Beti Padhao. But any legislation put together by a group of men, with only a handful of women involved in shaping its contours, can never fully capture the aspirations of the women on the ground. Equal political representation is the first step in addressing the concerns of both genders.

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MARCH 18, 1979, FORTY YEARS AGO

Judgment on Bhutto's petition reserved

BHUTTO CASE

THE PAKISTAN SUPREME Court reserved its judgment on the revision petition of Z A Bhutto in the Kasuri murder case. Chief Justice Anwarul Huq said the court would take three or four days to examine the submissions of defence counsel. Yahya Bakhtiar, counsel for Bhutto, pleaded before the court that, while arriving at the judgment, introduction of Islamic laws in the country be also taken into consideration. He pleaded that Bhutto should get lesser punishment than the death sentence as he was not present at the spot of the crime, committed on November 10, 1974. Ahmed Raza Kasuri, 's political opponent, had escaped an ambush at Lahore on that date but his father, Nawab Mohammed Khan, was killed.

SAUDI-EGYPT TIES DIP

SAUDI ARABIA HAS warned Egypt that it will impose economic sanctions immediately after Egypt signs a peace treaty with Israel. Damascus Radio of Syria reported that the Saudi warning was given to the Egyptian vice-president, Hosni Mubarak. Saudi Arabia is Egypt's main financial backer and a likely cut-off of Saudi financing would be a very serious blow to the ailing economy. Meanwhile, the Palestine Liberation Organisation leader, Yasser Arafat said the "whole Middle East will explode" once the US-sponsored peace treaty between and Israel is signed.

URS FACES HEAT

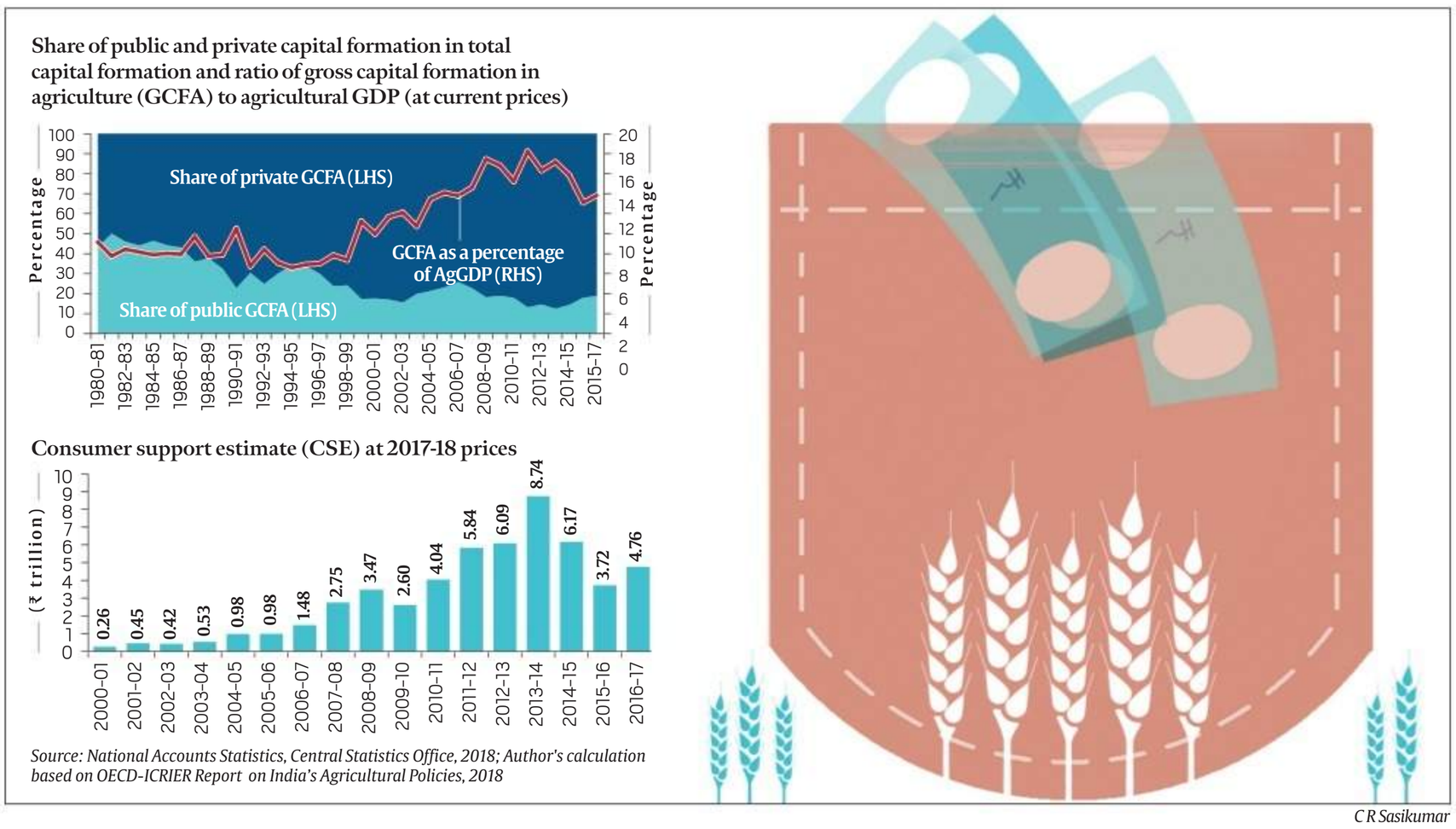
THE GROVER COMMISSION is understood to have indicted Karnataka Chief Minister Devraj Urs on several counts. Justice A N Grover had submitted the final report of the commission recently. In his interim report submitted in January 1978, Justice Grover had upheld four of the seven charges he had inquired into by then. These included the charges of favouritism in the appointment of Kemparaj Urs (brother of CM Urs) as director of the Karnataka Film Industries Development Corporation, and the grant of 20 acres of land in Nelamangala taluk of Bangalore district to his son-in-law, M D Nataraj.

THE IDEAS PAGE

WHAT THE OTHERS SAY

"At a moment that calls for leadership from Washington, Mr. Trump is turning his back not just on the world but also on the United States' tradition of compassion for those in need."

— THE WASHINGTON POST



C R Sasikumar

Fielding the right incentives

Income support under PM-Kisan is only one small step. It must be complemented by large-scale reforms in agri-marketing and trade policies

BY ASHOK GULATI AND RITIKA JUNEJA

JUST AHEAD OF the announcement of the 2019 general election dates, the prime minister launched the centrally sponsored 'Pradhan Mantri Kisan Samman Nidhi' (PM-Kisan) scheme of Rs 75,000 crore for small and marginal farm families. On February 24, from Gorakhpur in Uttar Pradesh, he transferred the first instalment of Rs 2,000 each (out of Rs 6,000 per annum) into the bank accounts of 1.01 crore farm families, amounting to Rs 2,021 crore. By March 9, 2.6 crore farm families had been given Rs 5,215 crore. The target is to cover about 12.6 crore beneficiary farm families by the end of March 2019.

Although the amount involved per family is too little, and coming too late, yet direct income support (DIS) marks the beginning of a new policy direction. It can reach about 86 per cent of farm families compared to loan waivers that can benefit a maximum of 30 per cent of the peasantry and higher MSP policy which can benefit a maximum of 10-15 per cent of peasantry. However, at this stage one does not know whether this PM-Kisan is just for one year or likely to continue for the next few years. If it is just for one year, it is more a bait for votes than a genuine step towards improving incentives for farmers in a more predictable and structured manner.

Similar moves towards DIS for farmers have been made by a number of states, especially Telangana (Rythu Bandhu scheme), Odisha (KALIA scheme), West Bengal (Krishak Bandhu), and Jharkhand (Krishak Aashirwad Yojana). Each one has its pros and cons, and can be improvised in due course. But we welcome all these, especially if they continue for at least three years to alleviate farm distress.

In any case, it may be worth pointing out that such a policy of DIS is not a substitute, but a complement, to agri-marketing reforms on the one hand, and raising investments in agriculture on the other, to make Indian agriculture more productive, competitive, inclusive, and sustainable.

One of the key variables that influences the performance of any sector in the medium to long term is investments and capital formation in that sector. Graph-1 suggests that gross capital formation (public plus private) in agriculture, forestry and fishing (GCFA) as a percentage of agri-GDP (in current prices) dropped to the lowest level of 6.6 per cent in 1994-95, but gradually increased thereafter, reaching a peak of 18.2 per cent in 2011-12. Thereafter it started declining and stood at 13.8 per cent in 2016-17. With incremental capital output ratio (ICOR) hovering around 4.1, this level of investment cannot give more than 3 to 3.5 per cent growth rate in agriculture, and can never double farmers' incomes by 2022-23, an ambitious target set by the prime minister. Another interesting fact that Graph-1 shows is that of the total capital formation in agriculture: The share of public investments has gradually declined from 43.2 per cent in 1980-81 to 18.8 per cent in 2016-17 at current prices, and consequently, the share of private sector investments in agriculture has risen.

While the share of private investments in agriculture is overwhelming (81 per cent), they need the right incentives to go up further as a percentage of agri-GDP. This is critical if the annual growth rate in agri-GDP is to be put on a sustainable trajectory of four per cent plus range. The incentive structure in Indian agriculture, however, is perverse. For the triennium ending 2016-17, the Producer Support Estimate (PSE), a measure that captures farmers' incentives from output price front as well as budgetary allocations for input subsidies or any income support, was negative to the tune of 6.4 per cent of gross farm receipts. In contrast, China and OECD countries had PSEs of 15.5 per cent and 26 per cent respectively, as per OECD estimates released in 2018.

> Direct income support (DIS) marks the beginning of a new policy direction. It can reach about 86 per cent of farm families compared to loan waivers that can benefit a maximum of 30 per cent of the peasantry. However, one does not know whether this PM-Kisan is for one year or likely to continue for the next few years. If it is just for one year, it is more a bait for votes than a genuine step towards improving incentives for farmers.

Looking at these figures, it appears that the income support of Rs 75,000 crore that the PM has announced under the PM-Kisan scheme is only a small step to improve incentives for farmers. A more sustainable solution will be to carry out large-scale reforms in agri-marketing and trade policies, along the lines of GST with states, and, incentivising the private sector to build more efficient and inclusive value chains for agri-commodities from the farm gate to the consumer end.

The first step in that direction will be to change the policy mindset, and eliminate the inbuilt consumer bias in our food and agri-policies. This requires stopping of subsidies to consumers by suppressing food prices through archaic laws of the 1950s (such as the Essential Commodities Act, 1955). As per OECD, the Consumer Support Estimate (CSE) for India for the period 2000-01 to 2016-17 is about Rs 3.13 trillion (lakh crore) per annum at 2017-18 prices. About 81 per cent of this comes from farmers who cannot realise the best prices for their produce due to restrictive trade and marketing policies (Graph-2). Further, the food subsidies of Rs 1,84,220 crore as provisioned in the current budget (plus a minimum of Rs 1,20,000 crore of pending FCI bills) need to be revisited to target it to the bottom 20-25 per cent of the population, rather than providing 90 per cent subsidy to 67 per cent of the population. This would then provide a level playing field to farmers, improve their incentives and propel private investments in agriculture — it would be a step towards augmenting farmers' incomes on a sustainable basis. The investments need not be restricted to just augmenting agricultural production but also fixing its marketing infrastructure, logistics, as well as linking production by farmers' groups to organised processing and retailing, with a view to minimise market risks, save wastages, and augment farmers' price realisation.

Gulati is Infosys Chair Professor for Agriculture and Juneja is Consultant at ICRIER

Decoding the Priyanka gamble

It is strategically timed, a tacit admission of defeat by Congress ahead of the upcoming elections

AKHILESH MISHRA

"IT IS MY hope that you (Modi) become Prime Minister again." This was the parting wish of Mulayam Singh Yadav on the last day of the 16th Lok Sabha. How will this wish of the patriarch of Samajwadi Party resonate in Uttar Pradesh as the country officially enters poll season? It would be instructive to look at some of the recent developments to see how the two main political parties are positioning themselves.

On the BJP front, three big developments in recent weeks have strengthened the position of both Prime Minister Narendra Modi and the party. First, the announcement of 10 per cent reservation for the economically weaker sections in the general category has been a unique and unqualified success. It is to the credit of Modi, and the trust he generates, that he could get this done without any social tension. Second, the decision to completely exempt from income tax those whose taxable income is up to Rs 5 lakh has been met with uniform cheer. That this move is likely to benefit more than 80 per cent of the taxpayers and immediately contribute to an increase in their disposable income indicates how well-thought out this decision was. Third, the PM Kisan income augmentation amount has been rolled out at an unprecedented speed and unlike the hassles associated with getting farm loan waivers, this is directly reaching the farmers' accounts. These three recent announcements, along with the milestone of every home in India now being fully electrified, the remarkable success of Ayushman Bharat, the human story of more than 15 million families now having the security of their own homes through Awaas Yojana, the 70-million milestone of Ujjwala Yojana and the firm control on inflation make the development basket of Modi quite irresistible. Add to it, the bold and decisive action in Balakot and Modi has further strengthened his formidable image as a decisive leader.

On the Congress front, the Priyanka Gandhi Vadra card has finally been played. She comes with her strengths. Anecdotal evidence suggests that she is more natural than Rahul Gandhi when it comes to connecting with people, she has more flair than her brother and because she is fresh, she does not have the baggage of being labelled a failure like Rahul Gandhi. Arguably, Priyanka Gandhi Vadra is also less likely to make the gaffes that her brother has made a habit of. Of course, she has her own baggage of Robert Vadra to deal with.

If we consider India's electoral verdicts since the first elections in 1952, we would find that no government at the Centre, other than the Congress, has been re-elected. The Janata Party experiment in 1977 failed after three years in office. As did the experiments in 1989, 1996, and 1998. Atal Bihari Vajpayee did technically return in 1999, after getting elected in 1998. But that term lasted just a year; so 1999 was, for all purposes, a first term. In 2004, after five years in office, Vajpayee too lost.

The initial hope of the Congress, and the establishment it nurtures, was that Modi too will suffer the same fate in 2019 after a full term. But as 2019 approached, this hope quickly evaporated. Modi's popularity has, in fact, increased. His schemes have positively changed the lived experiences of people and have also paid dividends in terms of votes. All in all, Rahul Gandhi was staring at a second successive defeat. The Gandhi family survived the rout in 2014. But it feared that a wipe-out in 2019 may actually portend doomsday in so far as the family's hold on the Congress is concerned. No other Gandhi family member has, after all, lost elections successively and kept the Congress out of power for so long.

A defeat in 2019 would be like a double whammy for the family. First, there would be a strong possibility of a real revolt within the Congress for a change of leadership. It would be impossible to hold on by arguing that Rahul is fresh and hence needs more time to learn. And second, this could lead to the desertion of the permanent establishment the family has reared in Lutyens' Delhi. This establishment is of vital importance to the family — it is this that runs its legal, judicial, bureaucratic, academic and media empire, even while not in power. And while it is sometimes mistakenly referred to as the Congress establishment, the truth is that its only loyalty is towards the family. The scorn poured on Pranab Mukherjee by the members of the Congress establishment, after the Bharat Ratna was conferred on him, demonstrated the true loyalty of the establishment in real time. Permanent establishments need permanent anchors to survive in rough times, and the only permanent anchor is the family — not individual leaders who come and go.

A loss of family leadership of the Congress, with no new member of the family waiting to take over, would have meant this establishment would finally wither away. This is where the entry of Priyanka Gandhi Vadra was strategically timed. She has been given a responsibility which is not too small to go unnoticed and not big enough either for her to be blamed for the overall defeat. In a way, it is a tacit admission by the Congress that it has lost the 2019 elections. Priyanka Gandhi Vadra is an insurance policy that in case the rebellion against Rahul Gandhi becomes too hot to handle post-defeat, then instead of the leadership going to a non-family person, she would be there to step in.

The family would retain its hold and the Lutyens' establishment would continue to have its anchor to hold on to, in severely adverse times. The only way to assess the Priyanka Gamble, if we can call it that, is that the Congress party has already started to prepare for a post-Rahul Gandhi regime.

The writer is CEO, Bluekraft Digital Foundation and was earlier director (content) MyGov

VIEW FROM THE NEIGHBOURHOOD

A weekly look at the public conversations shaping ideas beyond borders — in the Subcontinent. Curated by Asad Ali

RECOGNISE RIGHT TERROR

AN EDITORIAL IN *Dawn* holds forth on the unchecked rise of white supremacist forces, especially in the context of the New Zealand mosque attacks. The New Zealand terror strike, the editorial says, just reaffirms "the pernicious spread of Islamophobia and other forms of racism, emboldened by the ascent of far-right parties across the developed world and the activation of the (only barely latent) ideology of white supremacy embedded in the history and body politic of these nations." It goes on to link terror attacks against Muslims in Quebec and the Finsbury Park mosque attacks, as also the terrorism against African-Americans in Charleston, and, even the 2011 Norway attacks perpetrated by Anders Behring Breivik. The commonality in all such mass murders, the editorial strives to establish and argue, lies in the spread of a virulent "ultra-right radicalisation that Western political and intellectual leaderships have done little to address, and in many cases have, knowingly or inadvertently, mainstreamed by demonising groups and pitting communities against each other."

The editorial says that such ultra-radicalisation has even been legitimised via legislation in many countries. In a pointed manner, the editorial says that "Investigative authorities, with their eyes trained elsewhere, are thus entirely in the dark about these networks that actively inspire and recruit individuals to carry out such attacks. Many, such as the alt-right, are hidden in plain sight, with their proponents given a platform on social media websites — including Facebook, on which one of the terrorists in New Zealand live-streamed his rampage as well as mainstream Western news outlets." The editorial reasons that "The inverse of this phenomenon is, of course, that it gives oxygen to the propaganda machine of radical fringe elements spreading hatred against the West and religious minorities in Muslim countries, thus perpetuating an unending cycle of hate." But it ends saying that whataboutery can't be a solution: "These nihilist, clash-of-civilisations narratives — whichever ideologies inform them — leave all nations more vulnerable to extremist violence. Regardless of whether terrorist attacks are perpetrated by white or Islamist extremists, their narratives must not be enabled through whataboutery."

BAD AIR

AN ADVOCATE WITH the Dhaka Judge Court, Aiman R Khan writes in *The Daily Star*, on the need to legislate on clean air in Dhaka: "Dhaka has been consecutively maintaining the highest position among the cities having the lowest air quality in the world... As decentralisation of Dhaka is not happening anytime soon, the risk of a major population being exposed to air pollution becomes inevitable. It is indeed sad to say, the city full of life has also been ranked as the second least liveable city in the world by The Global Liveability Index 2018."

Khan talks of the efforts of the Department of Environment (DoE) under the Bangladesh government and how it is "working to keep such pollution in check by operating Clean Air and Sustainable Environment (CASE). CASE publishes monthly reports and charts on air quality. It has undertaken several ambitious projects such as the National Ambient Air Quality Monitoring Programme, Brick Kilns Emission management and vehicular emission standards." He mentions The Bangladesh Environment Protection Act 1995 and the Brick Manufacturing and Brick Kilns Establishment (Control) Act, which ordered Brick Kilns companies to "convert" the kilns into modern technology within two years' time. But both measures, he says, have failed to reign in air pollution. Therefore, he says, "imposing a strict liability is the only way to ensure cleaner air. The Act would need further push from the Ministry and DoE in order to be enacted. If that doesn't happen, the previous Acts would need greater amendment."

CLOSING THE WAGE GAP

AN EDITORIAL IN *The Kathmandu Post* discusses the gender pay gap in Nepal's Makwanpur district and highlights how the women there rallied against such inequality, eventually ensuring local level officials formulate an equal pay policy. It says that "Raghunath Khulal, head of the coordination committee, made public his commitment to close the gender pay gap in Makwanpur. Chiefs and deputy chiefs of all 10 local units of Makwanpur were present at the programme signalling their willingness to support this initiative." The editorial states that, "Equal pay is a legal requirement. Article 18, Schedule 4 of the constitution prohibits gender-based discrimination with respect to remuneration. Meaning, there should be the same wage for the same work. But unequal pay is rampant throughout Makwanpur. For example, women masons get paid Rs600 per day while men get paid Rs800 for the same work." Even within the subset of unskilled workers, women are worse off, it says: "Unskilled women workers have been getting paid less than unskilled male workers. Perhaps the prevailing belief is that men work harder and produce more while women are weaker and take longer to do the same thing; hence, they should be paid less. But nothing could be farther from the truth. As poor working women keep getting paid less than men, in the long run this means more and more women will be retiring into poverty."

LETTER TO THE EDITOR

CHINA'S NO-SHOW

THIS REFERS to the editorial, 'After China's Veto' (IE, March 15). India needs to work out a multi-pronged policy to blunt Pakistan's proxy war. No country operates on moralistic grounds and geopolitical factors influence a nation's decision matrix. India should explore ways to leverage China's strategic interests elsewhere in exchange for its support against Pak-sponsored terror. India can take a cue from China's pro-India stance at the 2017 FATF meeting where China had agreed to put Pakistan on the grey list in return for an Indian vote supporting China as Vice President of FATF.

Rahul Kapoor, *New Delhi*

EDUCATION, POVERTY

THIS REFERS to the article, "Why education doesn't become a poll issue" (IE, March 15). Indeed, education yields no direct dividend in our electoral politics because it cannot be a burning issue like water, road, electricity and employment. It isn't seen as "needed" to win an election. It is unfortunate that we cannot assess the most urgent need of our life.

Tapomoy Ghosh, *Purba Bardhaman*

THIS REFERS to the article, 'Why education doesn't become a poll issue '(IE, March 15). One of the major reasons of education not being a poll issue is the presence of poverty in India. A population which is facing such immense poverty cannot afford to think of education as a significant element of their lives in a situation where they are unable to get food for even once a day. Poverty is a major national concern which cancels the positive effects of many national schemes and projects like Swachh Bharat Abhiyaan, restricting the scope of education from becoming a poll issue.

Sambhav Mishra, *Delhi.*

LETTER OF THE WEEK AWARD

To encourage quality reader intervention, The Indian Express offers the Letter of the Week award. The letter adjudged the best for the week is published every Saturday. Letters may be e-mailed to editpage@expressindia.com or sent to The Indian Express, B-1/B, Sector 10, Noida-UP 201301. Letter writers should mention their postal address and phone number.

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