

FRIDAY, MAY 10, 2019



TALKING TOUGH ON CHINA

US president Donald Trump

We won't back down until China stops stealing our jobs. We don't have to do business with them. They broke the deal. They can't do that.

With the DeMo boost gone reality check for tax regime

With a likely shortfall of over ₹1 lakh cr in FY19 taxes, tax-GDP ratio will be 11.2 *vs* 10 in FY14 & 11.1 in FY17; FY20 targets are tough

FTER ANALYSTS AT Kotak Institutional Equities put out a note on the minor contraction in the number of e-returns being filed for personal income taxes in FY19—after averaging a growth of more than 25% in each of the preceding three years—the income tax department put out a press release saying that, in reality, personal income tax e-returns had risen 19%. It arrived at this number by arguing that the tax returns that mattered were really those filed for the current year, and those had risen sharply. So, of the 6.74 e-returns in FY18, the taxman said, just 5.47 crore pertained to FY17 (these are, by law, filed in FY18) and 1.21 crore were for FY16.Of the 6.68 crore e-returns filed for income tax in FY19, 6.49 crore were for FY18; hence the 19% growth claim.

While the analysis is correct, with such a detailed break up of each year's e-returns not publicly available, it is not clear whether the previous high growth rates of earlier years – each one celebrated in an income tax department press release – were based on the correct comparison either. To get caught up in this, however, is missing the wood for the trees. What is more important is the level of tax collections and whether they are growing as fast as the growth in the number of e-filers, for instance. The picture here is mixed. Total tax collections were 8.9% of GDP in FY04, the year before the UPA first came to power, and while these rose to 11% of GDP in FY09—thanks to higher GDP growth—they fell to 10% in FY14, the year before the NDA came to power. This rose dramatically to 11.2% in FY17, the demonetisation year, clear proof of how the policy had boosted compliance. The problem, however, is that the tax-to-GDP ratio for FY19 is likely to be flat at 11.2%, suggesting that the demonetisation bump is over. Indeed, 11.2% of GDP represents a fairly significant shortfall in projections since the budget had projected FY19 collections at 11.9% of GDP; while the government itself admitted to a ₹1 lakh crore shortfall in FY19's central GST collections when the FY20 budget was presented in February, there has been, in addition, a further shortfall of about ₹1.1 lakh crore in personal income tax collections as well as GST.

In which case, if total tax collections for FY19 are ₹21.4 lakh crore, this means a taxto-GDP of 6% in the case of direct taxes and 5.2% in the case of indirect taxes; the tax-to-GDP ratio for direct taxes was last at 6% in FY08, a year in which nominal GDP grew 15.1% as compared to 10.2% in FY19. The fact that tax-to-GDP levels are comparable despite lower GDP growth today suggests greater tax compliance and, to that extent, is welcome, but compliance levels are still quite low. Also, with FY20 tax collections targeted at ₹25.5 lakh crore, this means tax revenues will have to rise 19%, which is a tax buoyancy of 1.7, a growth last seen in FY08.With just 81,344 individuals declaring their FY17 incomes as more than ₹1 crore, for instance, it is clear there is huge evasion here since, according to PRICE's all-India survey, around 6.6 lakh individuals have such an income in the country. If India is to achieve the kind of tax growth required in FY20, this means the taxman will have to get more taxes from those who managed to dodge demonetisation by simply depositing their cash in the bank and pretending this was their income for FY17; the tax notices sent to them need to be converted into actual demand notices and, then, payment of taxes. Also, invoice matching needs to be implemented in GST to not only stop evasion here, but once this happens, even direct tax collections – both personal income and corporate income—will rise much faster. Also, with the tax department's Project Insight—a linking of various databases of taxes, credit card payments, jewelery purchases, etc—now up and running, this should help catch chronic evaders.

Volkswagen must pay

Pollution and emissions-cheating is a worry for India, too

HE SUPREME COURT breather to Volkswagen India—in connection with the ₹500-crore penalty that the National Green Tribunal (NGT) imposed on it for the Dieselgate scandal—brings regulatory gaps and corporate misconduct into focus yet again. While the top court has ordered that "no coercive action" be taken against the automaker, NGT believes that there is just cause for punitive action. Ever since the scandal broke in the US in 2015, Volkswagen has been held liable in 17 countries for using cheat-software in diesel cars since 2009 to meet pollution standards in laboratory tests. The lab performance was instrumental in the cars getting approval in these jurisdictions while the on-road emission levels were much higher. Indeed, tests conducted by Automotive Research Association of India (ARAI) showed that NOx emissions by Volkswagen cars from the period was 5-9 times the lab test limits. The ministry of heavy industries directed the company to initiate recall of nearly 3.2 lakh vehicles.

The company contended before the NGT that it had carried out on-road tests in the presence of the ARAI and the emissions were found to be 1.1 to 2.6 times the BS IV norms—this was later debunked by an expert commitee set up by the NGT—and, since the standards were very different, the action taken by other nations wasn't relevant. While the expert committee had observed that no testing protocol had been notified at the time of inspection of the emission fraud charges, Volkswagen had posited that since there were no norms prescribed for on-road testing, it couldn't be held non-compliant. It also submitted before the NGT that, since the Portable Emissions Measurement System (PEMS) that is used for measuring real driving emissions globally, was notified by India only on September 16, 2016, as a protocol for on-road testing, testing carried out by ARAI using PEMS in 2015 didn't hold. The NGT, however, has rightly refused to buy the argument saying that the mere fact that PEMS was introduced in September 2016 doesn't mean that it was prohibited earlier. Since it was used in exposing cheat devices the world over, it became a globally accepted protocol and, that "no specific protocol existed in India to detect cheat devices does not mean that globally accepted protocol could not be used".

The Supreme Court needs to keep in mind the real environmental cost of deliberate inaction on pollution by companies. As the NGT order notes, 22 of the 30 most polluted cities in the world are in India, and in Delhi, 15,000 die prematurely because of pollution. Also, given India is one of just four nations globally whose climate efforts put the Earth on a below- 2° C warming path if all nations were acting in the same manner, it has a right to expect that MNCs seeking its market should play by the rules it sets to realise it ambitious climate vision. If the US, one of the largest current polluters and the largest historical polluter, can extract \$25 billion in fines, restitution and penalties for 5.8 lakh faulty cars, India is well within its right to impose the penalty it has.

Birthing SLAVERY

A Thomson Reuters investigation finds that unnecessary hysterectomy is pushing families into debt bondage

THOMSON REUTERS INVESTIGATION shows that a particularly shocking form of medical malpractice—unnecessary hysterectomies conducted on poor and barely literate young women from rural areas in many states to bilk stateprovided health insurance cover—is leading to further impoverishment of victims' families and pushing them into debt. In many cases, unable to pay the debt, family members end up in debt bondage—where they work on the money-lender's farm without pay to clear off the debt. A 2018 government survey found that nearly 3% of Indian women have had hsyterectomies. As per the government data, 50% of the women had never been to school and two-thirds had their surgery done at private hospitals where the likelihood of the scam being perpetrated was higher. The Indian Council of Medical Research is writing guidelines for the procedure and the health ministry plans to bring a pre-op standard operating procedure for gynaecologists.

While medical malpractice is one angle—Thomson Reuters reports how despite the procedure losing cover under state-funded insurance schemes, unnecessary hysterectomies continue to be advised—the other is of women voluntarily choosing the procedure. A small number of those who received unnecessary hysterectomy sought the procedure thinking it would help in resolving abnormal bleeding or painful periods that were interfering with them working. Visting hyesterctomy-receivers in villages in Maharashtra, Rajasthan and Telangana, Thomson Reuters found that the families of many had been pushed into debt and bonded labour by the procedure. States like Telangana—which records the highest number of hysterectomies—and Chhattisgarh have cracked down on the hysterectomy scam, but the scam doggedly continues to thrive in the country.

DATA TRANSPAPRENCY

RATHER THAN STRIVE FOR SPEED IN DISSEMINATING DATA ON A MORE REAL-TIME BASIS, IT WOULD BE BETTER TO TARRY AND PROVIDE FINAL NUMBERS EVEN IF THERE ARE LAGS INVOLVED

The puzzle of India's economic data

CONOMIC DATA IS probably the most important piece of information as it is the basis for formulating policy. It is used for making global comparisons, and benchmarks are set based on the data supplied by the official sources. This is what makes it different from private estimates which appeal to the closed user group that is involved, but not to the outside world. Global institutions like IMF and World Bank also have their calculations, but their estimates are based on what is supplied by the local authority and there are fixed formats for the same. This is why credibility is very important when it comes to dissemination of data.

India has always taken pride in the data systems, notwithstanding a very complex economy. But, now, controversies have surrounded the datasets on GDP and employment because of a large degree of opacity in the approaches given the complex structure of the economy. RBI data, by far, is the most robust

dataset as it has tied up the sources in a systematic manner for several decades now. Therefore, data on bank credit or deposits never changes and there is no room for speculation. The presentation of accounts by banks has been homogenised to ensure that there is no ambiguity in definitions, and hence there are no revisions in the data. The monetary and banking data is probably the best in the country and respected everywhere. But, this is possible because the data flows from a regulated set of entities which have to comply with the structures and, also, in terms of number, are quite small compared to the size of the economy.

The same is not straightforward for real sector data. If one looks at the IIP or WPI or CPI series, there are revisions made regularly, and this creates problems—especially for, say, monetary policy that is based on these numbers. When the variation is significant, it could give the incorrect indication to users. The problem is mainly because of data sources not being readily available.



Agricultural prices are based on mandis or retail touch-points, where such data may not be final and there are changes after the data is released. Prices of manufactured goods come from associations where data may get revised periodically, thus giving a different picture. Also, at times, the prices for certain commodities are just not available which leads to sudden bumps in movements when it is provided by the relevant agency. While the methodology is stated upfront, the delivery has several lacunae which lead to provisional numbers undergoing substantial changes.

Trade data, too, is based on how the reporting is done, and while the RBI-BOP data is straightforward as it looks at entry and exit of forex from the system in a particular time period, the data from the Directorate General of Commercial Intelligence and Statistics is subject to changes and, at times, the conclusions drawn could be different.

GDP, however, has become the most controversial bit of information because it is the leading indicator of any economy. The change in methodologyshifting to the 2011-12 base year—that was in line with the global methodology of looking at market prices instead of 'at factor cost'has become a political game. GDP calculations require the use of several proxies since data is not available to the CSO. If one looks at agriculture, it is probably the most complex setup.

The marketable surplus that can be accounted for can vary from 60-80% of total output, and hence, it is hard to fathom the actual output as a lot of the produce is used for self-consumption or seed. Also, the marketable surplus never gets recorded fully in the mandi and the data on AGMARKNET on arrivals could be as low as 20-30% of the final number

that is presented in official data. Therefore, the output is probably a guess.

When it comes to organised manufacturing or services that cover transport, trade and construction, amongst others, the reliance is on data with the MCA which covers 5 lakh companies. While this number is surely impressive, as it supersedes the ear-

2,500 companies' data, it is hard to accept these numbers. Most commercial corporate data bases cover technically around 20,000-30,000 companies but data is practically available on a continuous basis for not more than 3,000-5,000 companies. When it comes to quarterly results, the availability of information is much leaner.

lier approach of looking at

This raises the question whether the database of MCA is really updated for all these companies as this can drastically change the

value-added numbers used for Q4 that are presented on May 31. One must remember that both the output numbers and prices are susceptible to change over time, which will cause the GDP growth numbers to vary. The answer is that it is, at best, a far guess which could be right. Also, as the IIP is used as proxy for unorganised manufacturing and can change significantly after even three months, are we getting the true picture? When the GDP number changes, other targeted ratios like current account and fiscal deficit receive an impetus, especially if the former is in the upward direction.

Employment data is tricky because the concept is amorphous. Also, there is no database on employment and most private source data as well as NSS data are based on Surveys. Can a survey tell us the right story, considering no one can cover the entire country? The quality of sampling could be outdated and the responses given could be vague. Also, in unorganised sector, no one would like to give the right number as it can lead to other issues like getting enrolled for provident fund, etc. To bring more transparency in employment numbers, the focus should be on the organised sector to begin with where every entity (like the 5 lakhs covered by MCA) has to report the

headcount based on a predefined concept. But, for the unorganised sector, Data should not be including agriculture, it would always remain a political debate as grey area with duplicity involved—especially if unskilled labour gets jobs with multiple projects dur ing a year. This can hold for construction sector in particular. Two conclusions can

lags involved. This would

goal in the be drawn from the above international arena discussion. The first is that, rather than strive for where our data will speed in disseminating not be taken data on a more real-time seriously anymore basis, it would be better to tarry and provide final numbers even if there are

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avoid the embarrassment of changing the discourse or commentary when reacting to new numbers. This became apparent when the revised number for GDP growth in FY17 were higher but never had any such commentary when the first set of numbers were released when every analyst attributed the lower performance to demonetisation. Second, data should not be used as a tool for political debate as it raises doubts that are quite unnecessary. This could otherwise become an own-goal in the international arena where our data will not be taken too seriously.

Living in different worlds

After all the talks between Chin and the US, there is still a huge gap in perception. That says as much about countries' leaders as about the state of diplomacy





HAVE US AND Chinese trade negotiators been meeting with each other in recent months, or with bands of convincing impostors?

You almost have to ask the question, because media reports about who " broke the deal" over the past week seem to have been filed from two different universes.

In a Reuters report published Wednesday and attributed principally to three US government sources, the Chinese had been on the brink of an unconditional surrender before trying to wriggle out of it at the last minute. A nearly 150-page, seven-chapter draft had included binding legal language to change its legislation on intellectual property theft, forced technology transfers, competition policy, currency manipulation and access to financial services, Reuters reported, alongside an enforcement regime similar to those imposed on troublesome countries like North Korea and Iran. Beijing tried to reverse all that in a series of last-minute edits, according to the report.

That backs up an earlier report by Jenny Leonard, Saleha Mohsin and Jennifer Jacobs of *Bloomberg News* citing people familiar with the matter saying that the Chinese went back on promises to include changes to its laws in the text of the deal.

An article in the Wall Street Journal, sourced to "people familiar with the thinking of the Chinese side," had a vastly different read. President Donald Trump's tweets about his friendship with President Xi Jinping; praise of China's economic stimulus; criticism of the US Federal Reserve; and positive statements about planned Chinese purchases of US soy beans—

all were taken as evidence that Washington's resolve was weakening along with its economy, according to the report. Beijing never had any intention of specifying which laws it was prepared to change to get a deal over the finish line, and didn't take seriously hints from the US that time was running out, it said.

Such starkly differing interpretations of the same event aren't all that unusual. There's even a term for the phenomenon: the "Rashomon effect," in reference to an Akira Kurosawa film in which witnesses give contrasting accounts of a murder. Still, the risks of such misinterpretation are a familiar hazard of diplomacy, especially in discussions between negotiators with different languages and cultural contexts, so it's somewhat astonishing to see such a gap still yawning between the two sides after all the talking that's been done over the past year. What would a more realistic accord look like? As we've argued from the start of this process, the two sides are much more evenly matched than Washington's negotiators appear to recognise—with the odds, if anything, likely to marginally favour China.

Factions in Beijing including Premier Li Keqiang and Xi himself—have long favoured reform around IP and inward investment that would meet many US demands. Indeed, in areas such as foreign investment and patent enforcement, legal changes are already quietly taking place away from the spotlight. But national pride, and a Communist Party ideology grounded in resisting unequal treaties in the name of free trade, mean that such shifts could never be seen to be

done under duress. As for the more expansive demands from Washington's trade hawks around reducing the state's role in the Chinese economy, those have always seemed delusional. A limited agreement, with a few commitments on agricultural and energy purchases dressed up in fancy language, always looked like the most credible

Why has this plain reality been so opaque to the political leaders in Beijing and Washington, leading them to drastically miscalculate and overplay

their hands? One explanation is that the information flow among senior officials hasn't been structured to communicate difficult realities to the top. In a well-functioning political system, the whims and pride of political leaders should be kept in check by honest advice that keeps their ambitions tethered to reality. When those ties are loosened, decision-making risks becoming lost in a fog of self-aggrandizement.

It's hardly a surprise that this latter style is now prevalent in both Beijing and Washington. President Trump's unwillingness to tolerate dissent is well-documented, but even within China's more inherently dysfunctional authoritarian leadership the centralisation of power under President Xi has had a similar effect.

Still, it bodes ill for the prospects of the current round of talks starting Thursday. So far, we've only seen denial and anger from both sides; if we want to make it to a deal, we'll likely have to go through a good amount of bargaining—and depression—first.

THE EDITOR India should continue

LETTERS TO

importing from Iran From May 2, following the unilateral

decision of the US government to end sanction waivers on import of Iranian crude, India stopped importing crude oil from Iran. With its continuously increasing demand of oil and production dropping 4% in FY19, India had to import about 84% of its crude requirements—Iran meets about 11% of the total needs. Iran has been one of India's most preferred suppliers of crude oil at lucrative terms such as 60-day credit period unlike 30-days offered by others. The official pricing of Iranian crude oil is, of course, lower and insurance is also cheaper. Contrary to this, proposed crude imports from the US, an alternative exporter, comes at a hefty price. More worrying is the likely negative impact higher oil prices will have on India's current account deficit, fiscal deficit and inflation in the wider economy. Besides, the oil price cycle has been on an upward trajectory for quite some time now. It is possible that, owing to world imbroglio, the price of crude oil globally would hover shortly between \$90-100 a barrel. Since the US has unilaterally imposed these illegal sanctions, India must reject these sanctions. — SK Khosla, Chandigarh

ECI and MCC

Apropos of the MCC and EC's enforcement of the same, not entertaining unimportant issues is different from exonerating a person against whom a complaint has been entertained for genuine reasons for examination. The practice of lodging complaints at the drop of hat must be discouraged. Elections must be fought purely on issues concerning the nation and people. — KV Seetharamaiah, Hassan

Write to us at feletters@expressindia.com

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FINANCIAL EXPRESS







The author is senior research fellow & research lead (Trade & Economic Policy) at the Institute of South Asian Studies in the National University of Singapore. Views are personal



When countries use 'security' to restrict trade

Although the WTO has expressed its right to adjudicate security exceptions invoked by members under Article XXI of GATT—as it did on a dispute between Russia and Ukraine—it remains to be seen whether WTO members, particularly major powers like the US, China and the EU, accept this point of view

RECENT JUDGEMENT BY the World Trade Organisation (WTO) on a dispute between Russia and Ukraine has great implications for the controversial relationship between international trade and national security. Separately, the ruling has implications for India, too, as India has joined several other WTO members in disputing the steel and aluminium tariffs imposed by

the US last year on national security grounds. The judgement would be utilised by various countries in the future to interpret the extent by which national security interests enable exceptions from obligations that WTO members need to extend to each other.

Ukraine took Russia to the WTO dispute settlement for the restrictions it imposed on transit of goods through Russia by road and rail meant mainly for movement from Ukraine to Kyrgyzstan and Kazakhstan, but also to Mongolia, Tajikistan, Turkmenistan and Uzbekistan. Russia countered the complaint by arguing it had done so on its essential security interests following the 'emergency in international relations' in 2014: primarily alluding to the outbreak of military hostilities with Ukraine in the year. More importantly, and in what has a direct relevance to the US trade actions on national security grounds, Russia invoked Article XXI of GATT (the General Agreement on Tariffs and Trade). The article, as Russia argued—as much as the US also had—allows security interests to determine trade restrictions even if they work against the spirit of the WTO; and such actions are 'non-justiciable' by the WTO. In other words, the WTO is not empowered to review trade restrictions introduced by countries on national

security grounds. The WTO has delivered an interesting judgement on the dispute. It has upheld Russia's rights to impose the transit restrictions that it did in the light of the tense situation and hostile circumstances between the two countries. At the

same time, it has indicated that the WTO is empowered to review and judge such measures. This indicates that countries can't get away by invoking trade restrictions on security interests, and by alluding to Article XXI of GATT. While accepting that WTO members can 'self-judge' the circumstances that underscore threats to security, the WTO—according to the judgement—retains the right to adjudicate whether those same circumstances satisfy the requirements of

Article XXI; in other words, whether the members are justified in using security for blocking trade, or whether invoking security amounts to a misuse of Article XXI.

The judgement's implications are crucial for the relationship between international trade and security. Globally, geopolitics is becoming one of the most important determinants of trade. Countries are moving towards trade alliances on the basis of geopolitics. In some cases, mutual security interests are driving trade relations. The opposite is also equally true. Countries are taking to trade restrictions for 'safeguarding' essential security. However, such measures might also be efforts to 'manage' trade in specific fashions. The tariffs of the US on steel and aluminium imports imposed in March 2018 are a major example. The US imposed these tariffs under Section 232 of the US Trade Expansion Act of 1962, describing higher imports as detrimental to national security. It is the same section under which it is pursuing investigations on imports of automobiles and auto parts, for assessing the possibility of retaliatory action.

Both Russia and the US have argued that invocation of national security by employing Article XX1 is 'non-justiciable' by the WTO. But the WTO has overruled this contention. It now remains to be seen what it decides on the ongoing dispute between the US and India (along with several other countries) on American tariffs. If the current judgement is an indication, then the American rationalisation of the tariffs on national security—as decided by its own assessment of national security under Article XXImight not hold. However, a new panel adjudicating the dispute might have a different view on the subject.

Both the US and Russia favour using national security exceptions for unilateral trade actions. This proclivity on part of

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large global powers, once established, might become a dangerous trend. It might lead to situations where other countries begin using security as a convenient tool for 'managing' trade. Furthermore, they might begin using Article XXI for protective economic policies—as the US already has, through its steel and aluminium tariffs. With trade increasingly getting digital and national security assuming complex proportions, the possibility of countries using national security as a ground for

blocking cross-border data flows can't be ruled out. Security, as it is, is central to most data localisation policies.

Although the WTO has expressed its right to adjudicate security exceptions invoked by members under Article XXI, it remains to be seen whether WTO members—particularly major powers like the US, Russia, China and the European Union—accept this point of view. After all, security is a sovereign concern and countries are best placed to judge threats to their security. While not undermining the sovereign rights of countries to act on core security interests, it is important to exercise utmost caution in using security as an excuse for restricting trade. Such a tendency is highly inimical to the orderly functioning of global trade.

Big data for big development

NEHA SAIGAL, **SAUMYA SHRIVASTAVA** & ASHITA MUNJRAL

WILL NOT SHARE ANY DATA on the coverage of beneficiaries till you are able to show me a letter from higher authorities" was the prompt response of a dis-

Authors work with IPE Global on the Matrix of Change for Nutrition programme. Views are personal

Transparency of data can improve nutrition for India's poorest

trict social welfare officer to our request for data related to nutrition schemes. This reluctance to share data by a government official at the district level in India is not a new phenomenon, and it was not the first time we got such a response. But, as development practitioners working on implementation of nutrition programmes at the community level, the data we require to design our programmes should be no secret. This is reinforced by Section 4(1) of the Right to Information (RTI) Act, 2005. This incident not only urged us to think about the impor-

tance of transparency of data related to government schemes and programmes, but more specifically on data related to nutrition and the Integrated Child Development Services (ICDS) scheme, which is aimed at improving nutrition intake of children till six years of age, and also pregnant and lactating mothers.

Once we moved beyond this incident, there was a challenge—not much has been written about the transparency of the ICDS data. A rare but thought-provoking mention has been made by Venkatesan Ramani, a retired IAS officer of the Maharashtra cadre, in a policy document titled 'Fixing Child Malnutrition in India: Views from a Public Policy Practitioner'. It mentions that the ICDS Monthly Progress Report that is collated in every state from every Anganwadi Centre (AWC) has relevant information on the coverage of beneficiaries as well as weight of children under five for each AWC. But, unfortunately, it is not easily available. Further, Ramani makes a valid point that lack of access to data for interested stakeholders results in the absence of public accountability and has huge implications on policy implementation.

Before we get on to the issue of public accountability, there is a hurdle, i.e. there isn't enough information and data available in the public domain for us to understand the nutritional status and effectiveness of nutrition-related schemes of a particular district, block or village. The government, on its part, collects a range of information including the number of beneficiaries, their nutritional status and variances in coverage across villages and social groups like scheduled castes and scheduled tribes. But this local level data is not available in public domain. While one can argue that there are large nutrition surveys like the National Family Health Survey, but unfortunately their design does not capture locally-relevant information and it is not real-time.

Ideally, the ICDS data on target beneficiaries, people reached, services offered and funding for different services should be available at all levels of service delivery. Relevant break-up at each level including state, district, block and gram panchayat should give a holistic picture for decisionmakers. Also, communities at village level should have access to the data relevant to their AWC, so they are aware of the beneficiaries, their entitlements as well as the nutritional status of women and children. This will help take forward the dialogue between service providers and the community, generate demand, and improve service delivery.

The ICDS scheme needs to emulate MGNREGA in this regard, in which the principles of transparency and accountability are ingrained through proactive disclosure of information at all levels of scheme delivery, social audits and grievance redressal. This is evident from their management information system—NREGAsoft—that makes information readily available from the national to the beneficiary level, on every aspect of the scheme and is real-time. Information is also made available to public at community level through display boards and wall paintings under MGNREGA.

As a country that is aiming to end all forms of malnutrition by 2030 and has been on a successful path of reducing undernutrition, India is still faced with certain challenges holding us back from achieving our targets. Higher malnutrition prevalence in certain marginalised populations including the STs is one of the biggest challenges.

Transparency of data can be a huge support to governments to identify vulnerable geographies and populations, evaluate schemes, and come up with new innovations. But, most importantly, transparency of this data can support communities to engage with an issue like malnutrition and hold service providers accountable, which will improve service delivery. We also hope that, one day, instead of struggling to access ICDS data, our struggles will focus on analysing that data to find solutions.

Managing Fani's aftermath HE SUPERCYCLONE FANI, with wind speeds of 220-250 km per hour, on May 3, 2019, had a devastating effect on the coastal districts of Odisha, one of the most cyclone- and flood-prone areas of India. The extent of the damage is much more than what was previously thought.

The awareness and previous experiences of Odisha in dealing with natural disasters The support and relief prompted the state government and peoprovided to Odisha so ple to move to safer areas, and this minimised loss of lives. However, the loss of far has been largely infrastructure, basic public services, and inadequate loss to private property and livelihood are

is prone to a huge number of cyclones and storms. Apart from small and moderate cyclones and storms, Odisha has suffered colossal damages during a supercyclone and flood in 1999, killing more than 10,000 people, Phailin in 2013, Titli in 2018, etc. In fact, every big natural disaster takes back the people and affected areas by

Odisha, particularly its coastal districts,

irreparable in the short-term.

and the level of development, putting lot of stress on both the people and the state. This time, Fani—said to be India's strongest cyclone in 43 years—caused huge destruction. Going by the reported figures, almost 1.4 crore people in 11 coastal districts—of the total 4.2 crore people (2011 census) in Odisha—are badly

affected, around 40 people have lost their

lives so far, and about 5 lakh people have

few years in terms of the standard of living

lost their houses. The infrastructure, livestock, properties, crops, coconut trees and horticulture have been destroyed completely, especially in Puri, Khordha and Bhubaneswar. The entire plantation devel-

Author is professor, Institute of Economic Growth. Views are personal

oped over decades—source of livelihood has been uprooted. As reported, around 4,600 buildings, 6,000 educational institutions such as primarily schools, 1,000 health facilities, and over 300 factories have been badly damaged. Further, 5,030 km of 33 kV lines, and 38,613 km of 11 kV lines, 11,077 distribution transformers, and 80,000 km of low tension distribution lines are also damaged. People have been deprived of clean water since May 3 due to

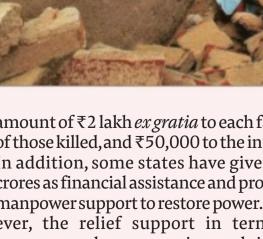
damage to the water supply infrastructure

and lack of electricity. The lifeline of the people, i.e. water, electricity and telecommunication, were taken away by Fani.

PRAVAKAR

SAHOO

Given the extent of the damage, the support and relief provided so far has been largely inadequate. Odisha needs billions of dollars (\$14 billion, as reported by the state government) to rebuild damaged houses and public infrastructure. Odisha sought help of ₹17,000 crore (₹10,000 crore for disaster-resilient power infrastructure, and ₹7,000 crore for converting 5 lakh damaged *kutcha* houses to *pucca*) from the Centre on May 6. The Centre has offered ₹1,000 crore interim funding, in addition to the ₹341 crore advance given before Fani. The Centre has announced an



of those killed, and ₹50,000 to the injured. In addition, some states have given few crores as financial assistance and provided manpower support to restore power. However, the relief support in terms of resources and manpower is grossly inadequate, given the colossal loss in terms of livelihood and infrastructure. The support of international agencies is lukewarm, except a loud appreciation to the state government in minimising human losses.

It's sad to observe that the coverage in the national media about the extent of the damage appears under-reported. In fact, the air time on the Fani was much more before the landfall. International media

has given a one-liner thumbs up, stating that the Odisha government has done an excellent job. Unfortunately, it gives an impression of little damage whereas it needs to be categorised as a national disaster. The expected material support in terms of materials and resources from central and state governments, international agencies, the general public and the private sector is not forthcoming. Lakhs of families need housing with electricity and water connection. Since Fani, people are literally in the dark, without water and telecom services. What Odisha needs now is huge resources and manpower to bring about some semblance of normalcy by providing basic lifesaving services, not an appreciation certificate for minimising human loss. Being in a federation, people affected by the ruthless Fani have a right to get appropriate support from the central government as well as other states to restore life in affected areas.

Given the extent of the damage and livelihood loss, a one-time meagre compensation in terms of a few thousands of rupees for housing or a few kilos of rice is not of great use. All affected coastal districts need immediate special package from the Centre to restore housing, power, water supply and road network. There should be measures like farm-loan waiver and credit opportunities as crops have been destroyed and people have lost income-generating assets and avenues.

Apart from these short-term measures, the Centre and states have to seriously work on cyclone-resilient infrastructure like underground power supply, cycloneresilient housing, enhancing disaster management personnel and infrastructure, restoring plantation, all-weather and well-established communication network, prepare a 24/7 contingency plan, and enough government shelters and basic services such as food, water and medicines to meet any such kind of calamity. These are all the more necessary steps for a state like Odisha that is the most vulnerable to supercyclones and floods. Fani is not going to be the last, and people of Odisha deserve better support immediately and for future preparedness.

