Capital buffers

The RBI's draft norms for non-banking financial companies are timely

Non-banking financial companies, already reeling under a painful liquidity crisis, are up against a fresh challenge in the form of new regulatory norms set by the Reserve Bank of India. The central bank has released draft norms on liquidity risk management for deposit taking and non-deposit taking NBFCs. According to these proposed rules, NBFCs would have to comply with a higher liquidity coverage ratio (LCR), which is the proportion of assets that an NBFC needs to hold in the form of high-quality liquid assets that can be quickly and easily converted into cash. The new norms, which are expected to be implemented by the RBI over four years starting from April 2020, would likely put significant pressure on the margins of NBFCs. Under these norms, NBFCs would have to maintain their LCR at 60% of net cash outflows initially, and improve it to 100% by April 2024. If the norms are implemented, NBFCs may be forced to park a significant share of their money in low-risk liquid assets, such as government bonds, which yield much lower returns than high-risk illiquid assets. The strict norms have to be seen in the context of the present crisis where even prominent NBFCs are struggling to meet their obligations to various lenders.

While the profit outlook and other short-term financial metrics of NBFCs may be affected by the norms, there are good reasons to be optimistic about their long-term impact on the health of NBFCs and the wider financial sector. NBFCs, which are in the business of borrowing short term to lend long term, typically run the risk of being unable to pay back their borrowers on time due to a mismatch in the duration of their assets and liabilities. This is particularly so in instances where panic sets in among short-term lenders, as happened last year when lenders, worried about the safety of their capital, demanded to be paid back in full. In other words, NBFCs rely heavily on short-term lenders rolling over their loans without fail in order to avoid any kind of liquidity crisis. The new norms would discourage NBFCs from borrowing over short term to extend long-term loans without the necessary buffer capital in place. This could compel NBFCs to shrink the scope of their lending from what it is today, but it would save them from larger crises and significantly reduce the need for the government or the RBI to step in as the lender of last resort. Undeniably, NBFCs have done a tremendous job in recent years in widening and deepening access to credit by taking a share from the public sector banks, which have been severely affected by the bad loans crisis. However, the latest liquidity norms for NBFCs are still necessary to ward off systemic crises.

Changing the earth

The move to recognise the Anthropocene as an epoch is a caution to humanity

The pervasive and persistent signatures of modern human activity on the earth have been so striking that they are set to be officially recognised and named as a new geologic epoch. On May 21, the Anthropocene Working Group (AWG) overwhelmingly voted to recognise Anthropocene as an epoch. The vote gives form to the efforts of scientists, notably the Nobel Laureate Paul Crutzen and Eugene F. Stoermer, who coined the term in 2000 to highlight how human activity had changed many facets of the earth. So overwhelming is the concept of the Anthropocene that it got mainstreamed in scientific and general literature years ago. The AWG vote is a sobering reminder to humanity that failure to end destructive activities will irrevocably change the face of the earth and make it uninhabitable. Officially, humans will continue to live in the Holocene epoch for a couple of years more before the Anthropocene epoch is finally ratified by the International Union of Geological Sciences. The vote by the working group will contribute to the formalisation of the Anthropocene as a stratigraphic entity on a par with other geologic epochs. But unlike the others, it will be the first time that the beginning of an epoch would be based on human activity and not the consequences of changes brought about by nature. For instance, the start of the Holocene epoch 11,700 years ago marks the end of the transition from the last glacial phase to a period of warming and a rise in sea level. Human activity has been drastically changing the earth, with the greatest impacts coming from agriculture, large-scale deforestation, the industrial revolution and increase in atmospheric carbon dioxide, besides the creation of materials such as concrete and plastic. However, the working group voted to look for unique signatures around the 1950s to define the start of the Anthropocene.

A decrease in deuterium excess, a proxy for climate change, owing to the reorganisation of North Atlantic Ocean-atmosphere circulation was a definitive geologic marker, or golden spike, to signify the base of Holocene. Now, radionuclides from atomic bomb tests from the early 1950s are emerging as a favourite golden spike candidate to define the base of the Anthropocene. To be chosen as a geologic marker, the golden spike must be present globally across most environments and must be a part of deposits for a geologically significant length of time. Thus, plutonium isotope Pu-239 with a half-life of 24,110 years will remain detectable for more than 1,00,000 years and continue to exist as uranium 235 when Pu-239 decays. The next task is to find a single site from among the 10 sites chosen across the world for inclusion in the formal proposal. Here, coral reefs and Antarctic glacial ice located far from nuclear detonation test sites might be more suitable as they would not reflect any local spike but a global distribution pattern.

Bills of rights for the vulnerable

Why the second Modi government should send lapsed legislation back to the drafting stage

GAUTAM BHATIA

Towards the end of the previous government's tenure, a number of controversial bills were introduced in Parliament. Political imperatives ensured that they were not, ultimately, enacted into law: some were stalled in the Rajya Sabha after being passed by the Lower House, while in other cases, the government itself decided not to proceed with them. With the dissolution of Parliament, these bills lapsed; however, with the 2019 general election yielding a decisive mandate in favour of the ruling Bharatiya Janata Party (BJP), the attention will undoubtedly turn to whether the new government will attempt to revive some aspects of its erstwhile legislative programme.

The problematic social bills

In the social sphere, the government introduced the Transgender Bill, the Surrogacy Bill, and the Trafficking Bill. In each of the cases, the draft legislation was – correctly – introduced with the aim of addressing an existing lacuna in the legal landscape. The recognition of transgender rights by enshrining them in law had long been a demand of the community; the legal regulation of surrogacy and the tackling of trafficking as well arose out of the articulated claims of grassroots social movements, debated and framed over many years of engagement and activism.

However, when it came to the content of these bills, consultation with impacted communities was effectively eschewed, and the result was a set of drafts that, far from protecting rights, actively harmed them. Unsurprisingly, therefore, the draft bills were met with a spate of objections and protests. For example, the Transgender Bill did away with the fundamental and non-negotiable principle – and one recognised by the Supreme Court in its NALSA judgment – of the right to self-determination of gender identity. Instead, it placed such decisions in the hands of government-appointed committees, extending state control over gender identities rather than liberating or emancipating them. It also contained deeply suspect provisions on gender reassignment surgery.

Similarly, the Surrogacy Bill excluded LGBT individuals from its ambit (despite their recognition as equal citizens under the Constitution by the Supreme Court), imposed discriminatory age restrictions upon men and women, and by entirely outlawing "commercial" surrogacy (instead of regulating it with appropriate safeguards) opened up space for underground and unreported exploitation of women, effectively creating a black market.

Lastly, the Trafficking Bill criminalised begging without providing any manner of effective alternatives and failed to distinguish between non-consensual trafficking and consensual sex work. It thus opened the door to criminalising livelihoods on the basis of what was effectively a set of narrow, moral objections.

Thus, what united these three problematic bills were the following aspects. First, each of them dealt with intimate subjects such as individuals' decisions of what to do with their body, personal dignity and autonomy, and gender identity. Second, they concerned

AP

the rights of some of the most vulnerable and marginalised members of our society. Third, they were drafted without adequately consulting with, or listening to, the members of the communities who were impacted. Fourth, instead of guaranteeing and securing the rights of these communities to be free from state interference, they extended the state's control and domination. And last, they were met by extensive and widespread protests from the communities themselves.

The Citizenship Bill and NRC

The government also attempted to enact the Citizenship (Amendment) Bill into law – an attempt it was forced to abandon when its own allies protested against it. Advertised as a measure for benefiting the vulnerable and the marginalised, the bill would have granted fast-track to citizenship to persecuted minorities from neighbouring countries, who were Hindus, Sikhs, Jains, Buddhists, Parsis, and Christians – but *not* Muslims. This was, at a very basic level, illogical and self-contradictory, apart from being clearly discriminatory on grounds of religion: the examples of the Ahmadiyyas and the Baloch in Pakistan make it clear that, just like any other identity, there are communities of Muslims in neighbouring countries who face persecution on the basis of their religious beliefs. Had the bill been enacted, therefore, it would undoubtedly have been challenged in the courts and tied up for a long while in litigation. However, strong movements in the northeastern States – concerned both about the demographic consequences and the anti-secular nature of the bill – ultimately forced the government to not go through with the legalisation.

At the same time, however, the Supreme Court-driven National Register of Citizens (NRC) process in Assam became a significant aspect of the ruling party's election rhetoric during the recent campaign, with some senior party figures stating that they would replicate the NRC process for the whole of India. Apart from the principle of it – there is something particularly repugnant over placing the entire country under a presumption that they are interlopers, unless they prove otherwise – such a move would be a nightmare of administration and implementation, as the example from Assam has shown. There has been considerable – and continuing – confusion over the methods and form of identity that one can use to "prove" one's citizenship (including "family trees", which have been found to have a disproportionate impact upon vulnerable and minority claimants). The overlapping functions of the NRC process and the Foreigners Tribunals have added to the confusion, the "objections" process has been openly and publicly abused by individuals in order to harass NRC applicants (what they have called "collateral damage"), families have found themselves bizarrely separated from each other in the NRC, and there have been reports of suicides after each round of the draft.

When this is all happening in Assam, one can imagine the consequences of an attempt to scale it up to the national level. And as a backdrop to the debate, it is important to remember that there is no credible evidence to demonstrate that there actually is large-scale, illegal immigration taking place in India. Therefore, apart from being constitutionally suspect, a massive waste of resources, and a gateway to triggering violence, it is unclear why there even exists the need for such a step.

What lies ahead

It is trite to say that a general election confers a mandate upon the incoming government to legislate in the manner that it deems best and in the public interest. While the government is, of course, entitled to frame its own policies, and draft and implement legislation to enact those policies, there are certain constraints upon how it *should* go about that task. At the minimum, the voices of those who will be directly impacted by the policy should be listened to and engaged with in good faith, and basic constitutional principles and values ought to be respected.

The last phase of the previous government's tenure presented a number of examples where these constraints were insufficiently complied with, and the resulting bills would therefore have ended up harming those whose rights they were meant to protect, apart from falling foul of crucial constitutional rights. It is to be hoped that these lacunae and shortcomings are remedied by the continuing government in power. Apart from the courts, however, this would need a sustained public movement around these issues, which can make its voice heard in the halls of power.

Gautam Bhatia is a Delhi-based lawyer

Season of populist discontent

Elections worldwide show that liberal democracy cannot be taken for granted

KRISHNAN SRINIVASAN

Over the past few months it has been a season of elections. The word populism has been much used, though never clearly defined, and it becomes necessary to fall back on the dictionary meaning – 'various, often anti-establishment or anti-intellectual political movements that offer unorthodox political policies and appeal to the common person'. The election result in India has been greeted with predictable hostility in the British and U.S. media, with commentators, often of Indian origin, scorning the electorate's decision and accusing Prime Minister Narendra Modi of populism, majoritarianism and failure to deliver on promises. These analysts clearly want India transformed into a mirror image of the subsiding Western liberal democratic model.

The European transformation

It is in Europe that the populist nationalist trend is most pronounced. In Ukraine, Volodymyr Zelensky, whose political experience is confined to portraying a president on TV, beat the incumbent by winning over 70% of the vote to become the head of state. His new political party, Servant of the People, will now contest elections to Parliament. President Emmanuel Macron of France brought a new party called Republic on the March into office with him. Nigel Farage, an ardent champion for Britain leaving the European Union, launched a new party called Brexit Party to contest European Parliament elections, and in France Marine le Pen rebranded her party 'National Rally'. The changes of name are to distance the new entities from the well-established parties of the centre-right and centre-left.

In Spain this April, despite bitter memories of dictator Francisco Franco, the far-right Vox party won nearly 10% of the vote. In the Philippines, President Rodrigo Duterte, condemned in the West for authoritarianism and abuse of human rights in dealing with drug users and traffickers, has swept the mid-term polls, enabling him to restore the death penalty. Newly-elected Brazilian President Jair Bolsonaro has made common cause with U.S. President Donald Trump against immigration, climate change, abortion and gun control. Prime Minister Viktor Orban of Hungary, presenting himself as the defender of Hungarian and European values, secured a third term last year for his party Fidesz.

The Italian Five Star Movement, founded by comedian Beppe Grillo, is in a government coalition with the far-right Lega Nord, and

AFP

Deputy Prime Minister Matteo Salvini has emerged as a powerful personality in trying to unify right-wing parties across Europe, including Austria, Denmark, Germany, Sweden, Estonia and Finland, with some success. The Dutch provincial elections saw the newcomer Forum for Democracy win most seats.

Mr. Salvini has pledged to change the European Union (EU) by making the populist alliance one of the largest groupings in the European Parliament. This group, seeing the chaotic process of Britain leaving the EU, prefers instead to stall any reforms proposed by France and Germany, and to change the EU from within. Its stated aim is to regain sovereignty for their countries, take back the power to make their own rules and control their borders. With typical bravura, Mr. Salvini described the European Parliament elections as a "referendum between life and death".

Enthusing voters

These populist parties have internal differences on free trade, fiscal responsibility and dealings with Russia and China. It is of little consequence that they hold different positions; this is about political marketing, presenting an alternative to current Europe, and obtaining power in the European institutions. The populist surge has squeezed the traditional political parties; only the populists seem to be able to light the fire of enthusiasm among voters. The elections for the European Parliament for the first time became national rather than purely European; all the top leaders were involved, including the British political bosses, ironically when the country is on the cusp of leaving the EU. The overall EU voting turnout of 51% was the highest for two decades. The results announced on May 26 showed the traditional centrist parties losing ground, nationalist-populist parties gaining, and the Greens and Liberals also doing well across Europe. No group appears to be able to dominate the agenda. It will be harder for the European leaders to manage the Parliament or the European Commission, and reformers like Mr. Macron will have to lower their ambitions.

The EU is a hybrid confederacy where political fragmentation and polarisation have reached serious proportions. The public are abandoning mainstream political parties because they feel that existing political and economic systems have failed. After the global financial crisis of 2008, for which bankers were responsible but none were punished, the implicit Western social contract that promised equal opportunity and rising incomes for both elites and masses is discredited. While financial corporates benefitted hugely from globalisation, the working class lost jobs in global competition. In the U.S., the average income of the bottom half declined, while the average income of the top 1% was 138 times higher than the bottom 50%.

Basket of anxieties

The democratic insurrection seen in recent elections is a sign of acute concerns about globalisation, corruption, immigration, alienation, dilution of national identity, social injustice and economic inequality. The conclusion is that liberalism and liberal democracy cannot be taken for granted; Western democracy, the flagship model which prolonged its career through widening the franchise and the empowerment of women, is now heading for a long decline. Economic redistribution of wealth is the answer to the dilemma confronting liberal and inclusive societies. Economists from Adam Smith to Thomas Piketty have stressed that an economically equal society is a contented society. Prime Minister Narendra Modi and his Ministers must now take heed and bend themselves urgently to this task.

Krishnan Srinivasan is a former Foreign Secretary

LETTERS TO THE EDITOR

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

The troubleshooter

It is unfortunate that Arun Jaitley won't be a part of this government ("Citing ill-health, Arun Jaitley opts out of ministerial position," May 30). This will be a great loss to the BJP as he was the party's main troubleshooter. His tenure as Finance Minister will be remembered for the implementation of key reforms like the Goods and Services Tax and the Insolvency and Bankruptcy Code. We pray for his quick recovery and return to office.

VIDHYA B. RAGUNATH,
Thanajvur

Mr. Jaitley's defence of demonetisation and the murky Rafale deal went a long way in helping the government save face. It is unfortunate that at a time when his services are required by the new government to set right its past blunders in the financial and economic arenas, he has decided to call it a day.

THARCIUS S. FERNANDO,
Chennai

No redress mechanisms

This incident reminded me of the mental harassment I faced during my stint as a DNB trainee in a trust hospital in Mumbai which led to my resignation from the post ("2 more held for abetting suicide of Mumbai doctor," May 30). I highlighted this fact to multiple functionaries, including the director of the governing body, but no action was taken against the erring senior doctors or the institute. It is important to recognise that region-based, caste-based and religion-based harassment are everyday occurrences and there are no redress mechanisms available to students who face such discrimination.

RAHUL D. ARORA,
New Delhi

Religious divide

The Lokniti post-poll survey indicates that the majority of Hindus support the BJP while the minorities don't ("The verdict is a manifestation of the deepening religious divide in India," May 30). While the NDA has reasons to celebrate its astounding victory in the election, it is shocking to see how polarised India has become. We need to think about how we arrived at this juncture. One hopes that political parties will refrain from further dividing the nation in the name of religion for petty political gains.

V. SHUJAATH AHMED,
Ambur

Many minorities do not take Prime Minister Narendra Modi's catchphrase 'sabka vishwas' seriously. BJP leaders use it to gloss over the party's strident stand on linguistic and religious minorities. If the stray incidents of violence against Muslims on the heels of the party's victory are anything to go by, things are not likely to be any different in the next five years. Second, the BJP's oft-repeated criticism of vote bank politics doesn't hold water as the party has carved out a mammoth vote bank for itself along religious lines. Third, the survey also shows that polarisation is most where the proportion of Muslims is high. However, Hindus in the south have voted differently. What explains the lack of consolidation of Hindu votes in favour of the BJP proportional to the concentration of minorities in Kerala, where Muslims and Christians together constitute nearly 45% of the population? I think this exception is the only saving grace in the election. There is very little to dispute the conclusion of the survey. It basically means we are seeing the demise of secularism.

ABDUL ASSIS, P.A.,
Thrissur

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Is India's growth story plateauing?

PARLEY

A government with a mandate can bring about structural changes needed for economic growth

After a decisive verdict in the Lok Sabha election, Prime Minister Narendra Modi begins his new term faced with the difficult task of reviving economic growth and fixing India's job problem. In a conversation moderated by **Anuradha Raman**, *Rathin Roy and M.R. Madhavan discuss the challenges ahead for the economy and polity. Edited excerpts:*

Rathin Roy
is Director, National Institute of Public Finance and Policy, and member, Economic Advisory Council to the Prime Minister of India

M.R.Madhavan
is the president and co-founder of PRS Legislative Research

Scan the QR code to watch the full interview online

You have been saying that India is going through an economic slowdown. The government, on the other hand, says everything is fine.

Rathin Roy: If you look at the state of the economy, we've had very sound macroeconomics over the last five years. Our fiscal deficits have been reasonably under control. Inflation is low, and the balance of payments problem and current account deficit are also reasonably under control.

I don't tend to get alarmed by short-term ups and downs. The trouble is a more long-term one and it's a bipartisan problem. It's a consequence of the way we have grown over the last 25-28 years, which is that we haven't been an export-led economy and I am presuming that this will not happen in the near future. But you are not going to make the Indian economy rich by merely exporting. You have got to make it rich by producing what people in India consume. And the trouble is, so far we have been meeting the consumption demands of those who have become more and more affluent over the last 28 years, and that is the top 150 million Indians. When you go to Bombay and look at what they call leading indicators of economic growth, you hear about four-wheelers, two-wheelers, air conditioners and fast-moving consumer goods, but this is not what all of India consumes, it is what some Indians consume. And so far this was okay because 150 million is a big market. It's a bigger market than Germany, so growth was just fine.

But what I am noticing now is that this consumption demand is beginning to plateau. Therefore, we really have to now think about how, without subsidies, the next 200-300 million Indians and their consumption demands can spur growth in the years ahead. And what do they consume? They consume what we consume. A nutritious meal, clothing. They would like to buy one house in their lifetime, they would like decent health and education. So unless we move away from our four-wheelers, two-wheelers and air conditioners-based economy to an economy in which these things are produced at affordable prices, growth will begin to peter out. And I wouldn't like that because there's huge potential in the Indian economy to change the composition of growth such that our growth is sustainable and we complete our development transformation without subsidies. A beginning has been made by thinking about agriculture as a place where we maximise output to doubling farmers' income. That's positive. The NDA government promised affordable housing and healthcare. So I'm quite confident that the sort of plateauing of India's growth story can be avoided if economic actions to do so are put in place.

Affordable housing for all has been a policy of almost all governments in the past. Governments over time have placed emphasis on nutrition and health and we have several programmes targeting the population that is outside the growth story. So, what is different this time?

RR: Until this government increased the scale of it, affordable housing was essentially given to people with a subsidy. Now, here's my proposition. If you're earning, let's say, twice the minimum wage in Delhi, that would mean ₹16,000-₹18,000 a month. Now, if you are earning ₹16,000-₹18,000 a month over a 30-year period, what is the likelihood that you will be able to buy a housing unit with a secure land title and amenities that some would consider minimum for someone with those kind of wages? The probability is very low. There is plenty of land available with the Government of India. But the government has given it away to media companies, group housing societies, clubs. I am saying you take the land and re-purpose its use and provide modest but decent housing to people who earn the minimum wage, through the market without subsidy.

Coming to nutrition, yes, we have talked about nutrition but I challenge any economist in this country to tell me in any part of the country what the non-subsidised price of a nutritious meal is. They won't be able to. That's why this doubling of farmers' income initiative is so important because we are saying okay, if we double farmers' income, then it is reasonable to expect that they won't need subsidies. This is the kind of economic calculus that we have to start doing.

With textiles it is a different matter. Upmarket textiles are mostly made in India. But if you go to Fashion Street [in Delhi] and try and buy a ₹400 shirt, you will discover that it is made in Bangladesh and Vietnam. So why are we uncompetitive compared to Bangladesh and Vietnam? The answer is we are wage uncompetitive. And how are we wage uncompetitive? Wages in U.P., Bihar, Chhattisgarh and Odisha are not much higher than in Bangladesh or Vietnam. But wages in south Gujarat and Tiruppur are higher. So we are not able to make textiles in our country because we are unable to actually locate industries where wages are low. We are also increasing regional inequality because if you ask the question which I often ask, which is that since 1991 what has been the major benefit to eastern U.P., Bihar and Jharkhand, I would say it has been in the migration to the south and west of India. We have to change this. And these structural changes are what I am pointing to as barriers to India's growth story going forward.

S. SIVA SARAVANAN

You are not going to make the Indian economy rich by merely exporting. You have got to make it rich by producing what people in India consume.

So, you say from 1991 respective governments have not really focused on the structural shifts that need to be made to change the growth story? Where does the fault lie?

RR: I don't think that is the right way of putting it. If I go back and break up the objective of the development state in India, I would say that from 1950 to about 1971, the objective was self-reliance and we succeeded. From 1971 to the late 1980s, the objective was to continue with modernisation but also to end poverty and hunger. We succeeded in substantial measure. From 1991 onwards, macro-economic stability became very important as the world globalised and old formulations broke down. So, what we had to do was find our place in the growth story that was consistent with some economic liberalisation which was not terribly iniquitous, and be successful in transforming the lives of at least the first 150 million Indians. And we did that quite substantially. The period from 2004 till very recently is the period when we tried to recognise that productive inclusion was not happening. Hence we had MGNREGA, Sarva Shiksha Abhiyan. We've had mixed results. This is why I have been uncomfortable with the Nyuntam Aay Yojana (NYAY). The development state needs to continue the business of development. NYAY or universal basic income is not development.

You also mentioned in an interview that if we don't look at these things, we are going to probably end up like Brazil and South Africa.

RR: That was, of course, rhetorical, but I do want to point out something that is not rhetorical. If you look at the history of post-war development, you have Japan, South Korea and now China. You can see how they have transformed the lives of the majority of the population. That's what I call a development transformation. But if you look at countries like Brazil and Indonesia, they have not done so. Despite the per capita income of Brazil being four times that of India's, there is endemic poverty and crime there. So there are two development stories, and a linear growth path may not actually lead to a development transformation. We have to choose in favour of getting productive inclusion into the economy. By that I mean how to get people to participate in growth and what are the factors that inhibit them from taking part... you have to fix that.

How is this huge mandate going to play out in Parliament?

M.R. Madhavan: Clearly, the structure of the Lok Sabha in terms of parties has not had any major change. The BJP had a majority on its own last time. It has a slightly larger majority on its own this time. The NDA enjoys a very comfortable majority now. The largest Opposition party is the Congress and it remains without the post of Leader of the Opposition. What is worrying me – and it has nothing to do with this Parliament or this government or the last government – is the structure that has been built up.

I would say 1985 was the break point when we ended the parliamentary system of the Indian government by passing the anti-defection law. We have a Parliament. We have a set of bosses who tell everybody under them to vote in a particular way in Parliament. The period from 1985 to 1990 was bad. After that we had coalition governments where you needed to convince your allies of what you wanted to do. But in a single majority government, you don't need to convince anybody. So one huge check is gone and this goes against everything that a parliamentary democracy stands for. Why do we have a Parliament? We have it as there is legitimacy when representatives discuss issues in public and reach some sort of a consensus.

There was another check which developed from 1993 onwards. This has disappeared in the last five years. That is the committee system. Committees were behaving in a reasonably non-partisan manner. They were discussing Bills and coming up with good recommendations. They have continued to do that in the last five years but there was one major issue, which is that only 25% of the Bills were referred to committees. When the Bills were referred to them, the committees did a great job. For example, the Insolvency and Bankruptcy Code went to the joint committee. It made a number of changes and all of them were accepted. Committees were performing a check. But we are not referring that many Bills to the committees. I hope the new Parliament will look into that. The other check was the Rajya Sabha. That could change in 2021-22 when the BJP/NDA has 45% of the seats.

The primary job of Parliament is to hold the government accountable for its actions. I would say the burden of this will always fall on the Opposition and I hope that they learn something from the British and say, let's form a shadow government. Let's allocate certain people with certain responsibilities. From day one we will focus on our job. Clearly, there are over 350 with the government and we have about 200 in the Opposition, but 200 is not an inconsequential number. Let us at least organise ourselves so that we can hold the government to account for its action. Will they do that?

SINGLE FILE

The maker of secular India

Though there is overwhelming evidence of Nehru being a decisive leader, he is hardly ever acknowledged as one

UDAY BALAKRISHNAN

THE HINDU ARCHIVES

In 1938, concluding a report that he made after lunching with Jawaharlal Nehru, the Viceroy of India, Lord Linlithgow, observed, "Judging the man as I found him today I can hardly suppose that he could ever emerge as an outstanding leader of men, much less that he has in him to prove himself a great man of action." Linlithgow was among those who grossly underestimated Nehru.

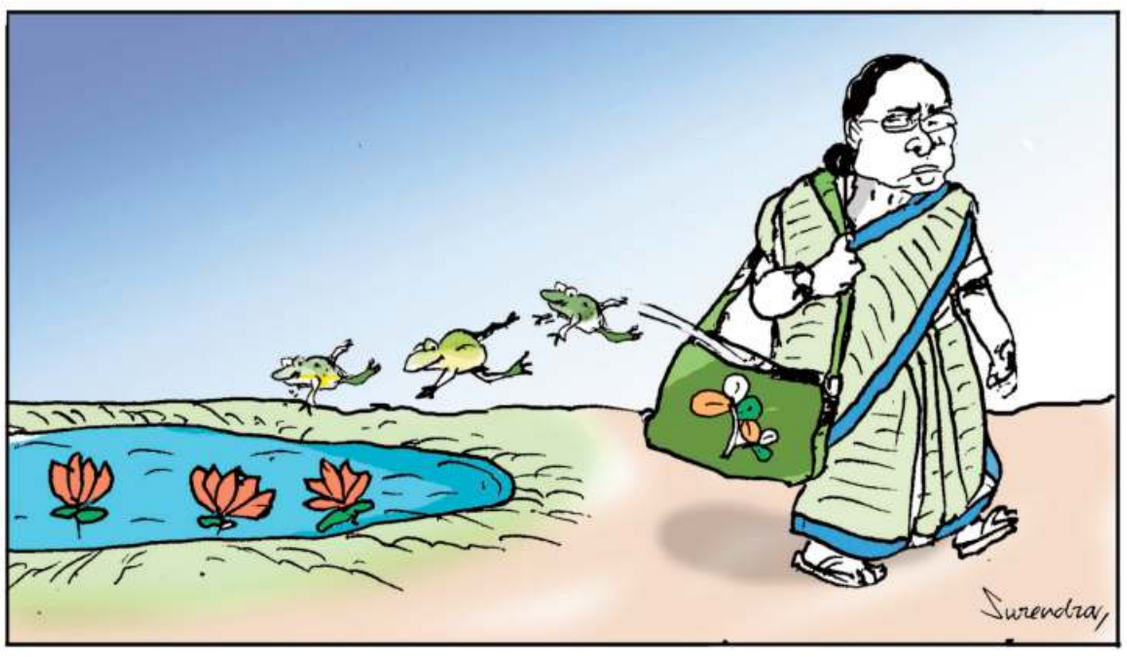
As Indians paid tributes to Nehru on his 55th death anniversary this week, they remembered him, among other things, for establishing India's space and atomic energy programmes and for setting up the Indian Institutes of Technology and Indian Institutes of Management that make Indians proud. But what is hardly ever acknowledged or accepted is Nehru's decisiveness as a leader.

After being inducted into the Congress party by Mahatma Gandhi, Nehru rose to become its most powerful leader and its sole negotiator of the terms of India's freedom with the British. He ensured India's emergence as a secular state with universal adult franchise and not one that had long been saddled with an electoral system that allowed communal representation, even if that meant conceding Muhammad Ali Jinnah's demand for a separate Muslim homeland.

As Prime Minister, Nehru had a troubled relationship with his powerful Home Minister, Sardar Vallabhbhai Patel, widely credited for integrating the princely states into the Indian Union. Gandhi had to mediate between them. When, with Patel's support, Purushottam Das Tandon – who Nehru disliked for his "obscurantism", "communalism" and "zeal for Hindi" – became President of the Congress, he forced him to resign and proceeded to get himself elected in his place. Nehru stood up for India's Muslims at a time when it was unfashionable to do so and intervened strongly to make sure that Hindi was not forced on the country's non-Hindi speakers. Some of his actions bordered on the undemocratic but in hindsight they were necessary. He retained several of colonial India's repressive laws and never hesitated to use them. He had Sheikh Abdullah dismissed as Kashmir's Prime Minister and imprisoned him for 11 years for conspiring against the state. He had an elected communist government in Kerala dismissed in 1959 and proceeded to quell an insurgency in Nagaland by forcing its leader, Angami Zapu Phizo, to flee the country in 1956.

It is strange then that many, including well-known historians such as Perry Anderson, view Nehru as a waffler in the face of overwhelming evidence to the contrary. But for the decisive way that he repeatedly intervened to preserve the integrity, unity and secularism of a fledgling country, we wouldn't have this India to call our own today.

The writer, a former civil servant, taught public policy and contemporary history at IISc. Bengaluru



NOTEBOOK

'What's your opinion on elections, cricket and Ranveer Singh?'

The art of fielding questions on a range of subjects as a foreign correspondent

MEERA SRINIVASAN

Months ahead of the general election in India, friends in Sri Lanka would eagerly ask me: "So, do you think Narendra Modi will come back?" As someone following the polls only through media coverage in India – some shrill and some sane – there was little I could say that they may not have already known. I did not predict the number of seats the BJP would win or speculate much on how Tamil Nadu might vote. It was not just difficult, it was impossible to sit across the Palk Strait and attempt astute readings.

As avid news trackers, these friends are often disappointed that I have nothing "latest" to add. In fact, often they are the ones alerting me to news breaking in India, or to political analysis that they think offers nuance.

This sort of eagerness hit me harder during the string of Assembly elections in 2018, when they wanted State-specific updates and, worse, trends comparing past results. I found it hard to keep up.

I have noticed over the last few years that their interest or familiarity isn't confined to Indian politics. I've got a range of useful pointers from my Sri Lankan friends on lesser known bookshops, quiet cafes and reasonably priced handloom outlets in different Indian cities. I have also received YouTube links – for instance, to a Farida Khanum ghazal, a brilliant rendition by a 'super singer' contestant, and a newly released cover version of an Ilaiyaraja classic.

One day I got really lucky; I was treated to home-cooked pav bhaji that my friend made virtually from scratch, following a recipe from a big cookery book with glazed pages that lay on his kitchen counter. "I didn't get coriander leaves to put on top," he said apologetically.

Cricket buffs bring another degree of intensity to this India acquaintance. It isn't just about Virat Kohli's last innings. They want to discuss lapses in team selection and BCCI controversies. I know the World Cup has begun, but there is little else I can bring to the table on this subject. I do even worse with Ranveer Singh fashion updates. Often, I wonder if Sri Lankans know more about India than Indians perhaps know about Sri Lanka.

And then there's another dimension to this that gets tricky. After a significant development in Sri Lankan politics – be it elections or a political crisis like last year's – some keen analysts of politics and policy invariably ask, "What is India thinking?" They mean the Indian state and mostly the government of the day. "Do you'all support him?" some quiz me on India's position on a political leader. "Can't you'all push?" they ask about New Delhi possibly pressuring Sri Lankan polity on delivering on the promised, but much-delayed constitutional reform.

In an extension of this line of thinking, I have even been credited for an Indian government-backed development project. At a recent background briefing with a Colombo-based diplomat, a civil society member was arguing passionately that all that friendly countries do must not be viewed through the geopolitical lens. He spoke of "India's good intentions" in Sri Lanka, pointing to its big housing scheme in the Tamil-majority north and hill country.

Suddenly turning towards me, he said: "You have built 50,000 houses in the north, no?" I had to break it to him: "No, I haven't built a single house."

FROM The Hindu. ARCHIVES

FIFTY YEARS AGO MARCH 31, 1969

India to get $45 million aid from Japan

Although Japan did not make any pledge as to its share of contribution for the coming year at the Aid India Consortium meeting in Paris last week, it is understood from qualified Foreign Office sources here [Tokyo] to-day [May 30] that it will again make available the same amount as in previous years, namely $45 million (Rs. 33.75 crores), all in commodity aid. The sources said Japan's contribution to Pakistan for the same period would also remain constant at $30 million. However, while there would be no project aid for India, in case of Pakistan, project assistance would continue to be made available within the pledged amount.

A HUNDRED YEARS AGO MAY 31, 1919.

Restrictions on Private Work.

As considerable abuses existed by teachers taking up private work, Mr. C.R. Reddy, Inspector-General of Education in Mysore, issued a circular [from Bangalore] restricting teachers from undertaking private work without the previous sanction of the Inspector-General. Interested criticisms were made against the circular and the matter was brought before the Representative Assembly and the Legislative Council. The Government have now issued a revised circular which will come into force from 1st June next. The circular lays down that no teacher employed in a public institution shall take up private work of any kind, except in the case of a master employed in a Government school, with the express permission of the inspecting officer who conducts the inspection of that school and in the case of a teacher of an aided or Municipal school with the express permission of the Manager of the Municipal Board. Officers empowered to grant permission are expected to exercise the utmost vigilance in seeing that the private work permitted to be taken up does not cause any interference with the professional duties of any kind whether relating to teaching in school, preparation at home or correction of exercises.

CONCEPTUAL

Emotional contagion

PSYCHOLOGY

This refers to a form of social influence wherein a person's emotional state can have a significant impact on the emotions of other people as well. Even momentary exposure to negative emotions experienced by others can cause a person's own mood to deteriorate instantly. Positive emotions can also similarly spread quickly among people. It is believed that such emotional contagion is often subconscious in nature and is caused by the triggering of mirror neurons within the brain. There are various theories to explain the phenomenon. Some believe that the mimicking of emotions can help people empathise with each other.

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