



The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

False dawn

India's crucial security challenge is not external, but relates to maintenance of domestic harmony and unity



ARUN PRAKASH

THE SEVEN DECADES since Independence have seen numerous analysts, scholars and researchers — foreign as well as Indian — bemoaning the absence of a "strategic culture" in India and the consequential disregard of national security by its rulers. Historically, India suffered a succession of invasions over its north-western passes by Persians, Greeks, Arabs, Turks, Afghans, Mongols and Mughals, and over its shores, by Europeans. While we failed to defeat any of these invaders, let us note that those who came overland were assimilated into India's rich cultural fabric and became "Indians". The European seaborne invaders, not in the least interested in assimilation, stayed for four centuries; only to exploit, plunder and establish empires.

The lacunae that, historically, enabled foreigners to violate our sovereignty and deprive us of freedom were: Lack of internal unity, absence of strategic thinking and planning, and technological backwardness. Proof that lessons of history have remained unlearned is to be found in the Indian polity's sustained indifference towards national security issues, despite five major conflicts, ongoing internal insurgencies and frequent terror strikes. Rarely, in the past 72 years, has India's Parliament found the inclination to discuss the defence budget, address national security issues or demand a defence review/security strategy from the government. Not only does Parliament ignore the annual recommendations of its own Standing Committee on Defence, the government is seen showing displeasure when the Committee presents unpalatable facts.

The 1999 near-disaster of Kargil brought home to the political establishment that there was a great deal wrong with national security. Consequently, both the NDA and UPA regimes that followed constituted high-level expert groups mandated to undertake national security reviews and propose reforms. The crucial recommendations of both bodies, however, disappeared into the bureaucratic maw of the Ministry of Defence and Ministry of Home Affairs and national security reform has remained in limbo thereafter.

Starting with the 1999 IC-814 hijacking, the early years of this century saw successive crises catching India by surprise. Each time, the country was unprepared and invariably in the reactive mode. The historic void in strategic thinking and planning apart, India's in-

decisiveness and vacillation in the face of repeated provocations were suggestive of timidity, masked by the fig leaf of "strategic restraint". While this display of forbearance did garner international applause, it was frustrating and demoralising for the Indian citizen.

All this changed on September 29, 2016, when the NDA government deployed special forces to deliver a punitive strike on terrorist camps across the LoC, thereby breaching the self-imposed taboo that had paralysed previous regimes. The February 2019 air-strike that followed, on a terrorist facility in Khyber Pukhtunkhwa, re-affirmed this government's resolve that cross-border terrorism by Pakistan would not go unpunished.

While these resolute actions have earned well-deserved public approval, two important aspects need to be highlighted. One, while the government deserved full credit for initiating long-overdue military action, clumsy use of these operations by party apparatchiks for election propaganda embarrassed the military, trivialised its achievements and undermined India's "perception management" campaign. Two, September 2016 became a "missed opportunity" for promulgating a national security doctrine — with the objectives of signalling red-lines for adversaries, providing guidelines for own forces, conveying a clear message that cross-border terrorism would invite guaranteed retribution, thereby boosting national morale and confidence.

India will soon have a newly-elected government in place. But as far as national security goes, all party manifestos appear equally insipid and unfocused, confirming fears that the recent hoopla about security was superficial and election-driven. Therefore, as a concerned citizen, one feels obliged to offer advice — albeit unsolicited — to the incoming government on three areas of national security; all of them "old chestnuts".

First, India's most crucial security challenge is not external, but relates to maintenance of domestic harmony and unity. History is replete with examples like the Austro-Hungarian and Ottoman empires as well as the Soviet and Yugoslav republics, which attempted to forge multi-religious and multi-ethnic populations into nation-states, but eventually failed and fragmented. With every major religion represented, and with thousands of ethnic groups co-existing harmo-

nously, India remains a brave but fragile experiment, but one that has stoutly upheld the citizenship rights accorded to everyone by its Constitution. Once the elections are over, our politicians need to reflect on whether India can afford to have religious majoritarianism dominating the political discourse.

Without stepping into this minefield, we need to remind ourselves that the Indian state can never consider itself truly secure unless it assures safety and freedom from fear and intimidation for each of its citizens. A fact unknown to most is that the Indian armed forces, as currently structured, are the embodiment of "sarva dharma sama bhava". Our newly-inducted soldier-politicians must explain to their parties, how the unit cohesion and fighting efficiency of our armed forces would suffer unless they can pursue their tradition of religious tolerance and co-existence.

Second, India's half-empty arsenal and heavy dependence on arms imports make a mockery of its claims to "growing power" status. A complacent and unaccountable scientific community entrusted with defence R&D and a languid MoD bureaucracy, charged with defence production and acquisition, has stalled India's military modernisation. "Make in India" remains an inspiring slogan that needs to be fleshed out and underpinned by a 50-year vision-cum-action plan. Its implementation must be accompanied by a drastic re-structuring of India's military-industrial complex and the creation of a new "Ministry of Defence Production & Acquisition".

The last but most crucial national security flaw lies in sequestration of India's armed forces from a MoD, run exclusively by a generalist civilian bureaucracy, and its failure to integrate the armed forces with each other. Consequently, India is unique amongst major military powers in persevering with a bloated military and an outdated higher defence organisation of dubious utility in this age of cyber, nuclear and space warfare.

The media tends to fret about China's skyrocketing defence expenditure. But the two things that should keep our politicians awake are China's recently downsized, integrated and modernised regional military commands, and the visionary White Papers its defence ministry issues biennially.

The writer is a retired chief of naval staff

BOARDROOM ROT

Recent incidents of corporate misconduct raise questions about governance standards in India's premium companies

MANY OF INDIA'S listed firms have a ready template on how they conform to the highest standards of corporate governance. That is increasingly becoming unconvincing as the corporate misconduct in some of the country's top companies show and reflected lately in a series of on-going stories on ICICI Bank in this newspaper, on a "culture" of doing a deal "at any cost", mistakes "made knowingly" and "suppressing" facts during the tenure of Chanda Kochhar as the bank's managing director and CEO.

The past few months and 2018 were marked by governance failures or shortcomings in some of India's top listed private banks, leading to the exit of CEOs in Axis Bank and ICICI, of course, and in firms such as Ranbaxy and IL&FS, besides the National Stock Exchange. Unlike earlier such episodes, a common thread, and a worrying one at that, in this new wave of misconduct is that almost all of them feature professional managers, and boards that allowed themselves to be overrun by powerful managements. That's in sharp contrast to the scenario over a decade and a half ago, when a string of corporate scams, including the accounting fudge at the erstwhile software services firm, Satyam, led to a shift in favour of professionally managed companies with attractive salaries and monetary incentives and a more diversified shareholding base. This model, it was argued then, could better align all interests which could lead to maximisation of shareholder value. Sadly, it is that belief which is now open to question as also the larger issue of ethical conduct and integrity underlying corporate governance in the country, both public and corporate.

It is true that India is not an outlier when it comes to corporate scandals, looking around at what keeps unfolding in the US, Japan and some other countries. But unlike in India, huge fines or penalties, class-action suits, shareholder activism and regulatory oversight are often seen as deterrents in those countries. What's encouraging, however, is the growing recourse by India's regulators to claw back bonuses or stock options of executives found guilty of wrongdoing and easing them out. That should be accompanied by tighter supervision and regulation and far greater oversight by boards of companies and drawing clear lines on their accountability. The fact that just a handful of companies command a governance premium is a poor reflection of standards. India needs a huge leg-up on the governance front, not just for companies to raise capital, soak savings and boost the real economy, but also to dispel the unease about growing inequality and ensure that capitalism doesn't get a bad name.

GENDER HURDLE

Ban on Caster Semenya reveals limits of trying to ensure equal opportunity while delineating between male, female athletes

THE COURT OF Arbitration for Sport on Wednesday rejected an appeal from 800m champion runner Caster Semenya to declare void a regulation that barred females with Differential Sex Disorders (DSD) from running in races between 400m and a mile without bringing down their testosterone levels to under 5 nmol/L. The decision sent shock-waves through track and field because it was discriminatory and exclusionary against women with naturally occurring high-testosterone. It has been criticised worldwide with athletics governing body, IAAF, antagonising the sport's biggest star female athlete. One must wonder why they would stand up defiantly for nameless athletes who aren't on podiums, and invite the wrath of a world demanding diversity and inclusion, and with no patience to suffer gender insensitive foibles, interphobia or racism. It's because they are tasked with an impossible balancing act — to preserve the outdated delineation between male and female classifications, because sport is determined to be slotted into either-or for sake of competition.

There is consensus that sex has no binaries — and there are several DSD variations on the spectrum. Society has far outpaced and outlived this binary, but sport is visibly struggling to deal with this natural fluidity, because central to its pursuit are the actual human body-form with all its complexities, gifts and limitations. Female bodies can produce testosterone as high as 7 to 29 nmol/L closer to the male range, far above the 1.79 nmol/L seen in 98.3 percent of females. So, the natural advantage for a high-T athlete and equally natural disadvantage for a low-T competitor co-exist with the uneasy 5 nmol/L delineation. IAAF with its best intentions to accommodate every niche interest and encourage their right to participate is perennially cast as villain, not doing right by every section post each ruling. Empathy is desired from all sides, though battlelines span minefields in biology, sociology, sporting physiology and gender rights, taking the debate further away from consensus. Women's sport faces its toughest test at the moment.

While even the CAS ruling strikes down unequivocally on getting DSD athletes to ingest chemicals to lower their testosterone, the IAAF cannot lie about testosterone being an absolute non-factor in sport, as some would have the courts believe. Exclusion in sport is always discriminatory and there's no bigger tragedy than Semenya not running her event. But it is also the IAAF's responsibility to ensure that a 800-race is equal-opportunity for all the eight lanes — and not a lost cause for women not blessed with higher T-levels.

MAGIC IN THE FOOT

Lionel Messi's 600th goal is also a celebration of football's most enchanting sight — the free-kick

SUCH WAS THE grandeur of Lionel Messi's free-kick — an arrow of nuclear-tipped precision propelled by a ponderous whip of his left-instep, a banana-shaped wreath behind the Liverpool goal — that the English commentators, retired players of repute themselves, fleetingly forgot they were sitting in a studio and began celebrating frenziedly like teenage fans who had just witnessed the most supernatural event of their life. Messi's goal, though, was anything but supernatural, rather an embodiment of forensic finesse — where every minute aspect of bending a spherical object over a leaping human wall, making it trace a semi-circular path to its contrived destination, was placed to outrageous perfection. The weight, the curve, the exact point of curve, the pace and drop — that left-instep seemed fitted with an invisible calculator, or divinity to give life to a dead ball.

That's essentially what free-kick virtuosos do — breathe life into a static ball, make it weave wondrous, unfathomable patterns in the air, wreak untold mischief (and careers), make the defenders and goalkeepers look ridiculously silly, and besides all it, add another layer of masterful intrigue into the game. It's that element of the beautiful game that continues to enchant physicists, trying to decode and fathom the supernaturalism of some free-kicks through principles of aerodynamics and Magnus Effect. Yet, some free-kicks of devastating beauty remain absurdly mysterious, like Roberto Carlos's screamer against France in 1997.

In his autobiography, *I Think, Therefore I Play*, Andrea Pirlo, one of the finest free-kick exponents of this century, explains his free-kick fixation: "For me, the best feeling in life is watching the ball fly into the net after it whizzes a couple of centimetres over the heads of the defenders. They can almost reach it, but not quite. They can read the maker's name, but they can't stop it going in. Sometimes a pinch of sadism is the ingredient that makes victory taste that little bit sweeter." As the cameras panned into Messi that night in Nou Camp, you could see the pinch of sadism flicker in his eyes.



KHALED AHMED

THE WOMEN WHO RULED

In patriarchal South Asia, women leaders have to act tough or risk being toppled

ANNA A SUVOROVA has written an extraordinary book, *Widows and Daughters: Gender, Kinship, and Power in South Asia* (OUP 2019), affording us a closer look at the women who served as prime ministers in our region. In each case, she opens the door to a realistic analysis of what caused the patriarchal societies of India, Pakistan, Sri Lanka and Bangladesh to accept them as leaders, even to invest them with charisma. There is the invariable factor of violence and suffering as "daughters and mothers" playing their role on top of the political order of their states.

Dynasties emerged before or after the strongwomen of South Asia took control. Death established the dynasties where women got to climb to the top because of an instinctive public reverence of the assassinated fathers. Sheikh Hasina, daughter of the "founder" of Bangladesh, Sheikh Mujibur Rahman (1920-75), had to live down the assassination of her father, mother, brothers, sisters-in-law, and nephews (20 people altogether) in August 1975 by a group of officers of the Bangladesh army.

Prime Minister Zulfikar Ali Bhutto was overthrown by the army in 1977 and killed by another general, Zia ul-Haq. Bangladesh saw a coup-on-top-of-a-coup, led by General Khaled Mosharraf. But after three days, Mosharraf was killed in another coup.

General Ziaur Rahman, later president, survived 21 attempted army coups between 1977 and 1980 and was killed in Chittagong in 1981.

In 1977, Prime Minister Zulfikar Ali Bhutto of Pakistan was toppled by a military coup staged by his chosen army chief General Zia-ul-Haq. A servile judiciary allowed the general to hang Bhutto in 1979. Bhutto had sent his two sons, Murtaza and Shah Nawaz, out of the country, thus making the onus of his charisma fall on his daughter Benazir. She too was killed by a suicide-bomber while General Pervez Musharraf ruled Pakistan.

Sonia Gandhi — Italian by birth — had to face a region getting more sinister by the day. She was to be one of the widows that came to power indirectly in South Asia. Her husband, the dynastic heir of the Nehru family, Prime Minister Rajiv Gandhi, died in 1991 at the hands of a Tamil terrorist. But the transfer of dynastic charisma got her party the Congress to win again despite the malicious opposition charge of "foreigner" against her.

A Buddhist monk killed the born non-Buddhist — but later-converted from Anglican to Buddhist — Solomon Bandaranaike, prime minister of Sri Lanka in 1959, leaving behind his widow, Sirimavo with three children. She was often called "the weeping widow" — a pun on "weeping willow" — by her myriad ill-wishers. Her daugh-

ter, Chandrika, after losing her father also became a widow after her husband, actor Vijaya Kumaratunga, was killed by a Sinhalese extremist in 1988.

In the patriarchal world of South Asia, women have to act tough or risk being toppled by men. In a sense, this applies universally, as Prime Minister Margaret Thatcher was often said to be "the only man in the cabinet". Sheikh Hasina is authoritarian and harsh, bordering on cruel. She got her father's killers hanged, vanquished the opposition, has the army under her thumb and has a majority in parliament touching two-thirds. Sirimavo Bandaranaike too had to act tough despite being a Buddhist. After her election as prime minister, she made Sinhalese the official language of the country (in place of English), which alienated the Tamil minority.

Why do women rulers act tough? Suvorova has this diagnosis: "The male majority considered women to be inherently apolitical, passive, easily swayed, eager for compromise, incompetent, subject to the influence of their male entourage, and in a word, marionettes controlled by puppeteers present among advisors in the party hierarchy or cabinet."

The writer is consulting editor, Newsweek Pakistan



MAY 4, 1979, FORTY YEARS AGO

NO MINORITY STATUS EDUCATION MINISTER P C Chunder turned down in the Lok Sabha the demand for making the Aligarh Muslim University a minority institution under Article 30 (1) of the Constitution. Replying to the three-day debate on the AMU (Amendment) Bill, he said the present Bill sought to restore to the university as much minority character as it had under the 1951 amendment Act initiated by Maulana Abdul Kalam Azad. Chunder also rejected the demand for referring the Bill to a joint committee of Parliament.

IMPORT POLICY, 1979-80 CANALISATION OF THE import of aluminium,

natural rubber, cement, and items of chemicals and drugs, enlargement of the list of capital goods allowed for import to actual users, liberalisation of import of spares, and simplification of procedures to cut down delays are the highlights of the export-oriented import policy for 1979-80 announced by commerce minister, Mohan Dharia in Parliament. While the structure of the policy remains unchanged, improvements have been made to give animetus to home production and exports, while protecting the interests of indigenous industry and agriculture.

CHINA POLICY CHANGE AFTER 30 MONTHS OF marching resolutely

to the right, China's top leadership has suddenly wheeled to the left in a dramatic turn of economic policy which may have sharp implications for the nation's political leadership. While still denouncing the leftist crimes of the deposed radical "gang of four", the nation's press is blossoming with a new cry to support "the four basic principles." These principles are to "keep to the socialist road, uphold the dictatorship of the proletariat, the leadership of the Communist Party and Marxism-Leninism-Mao Zedong thought." Proclamation of the four principles is being accompanied by a sharp cutback in modernisation targets and a reordering of development priorities on a massive scale.

# 13 THE IDEAS PAGE

## A Rashomon election

After the results of general elections are declared, India will be able to escape to realism from the alternate reality it is presently inhabiting



**NO PROOF REQUIRED**

BY SURJIT S BHALLA

MY FOUR GREATEST movies of all time, are, in no particular order, Satyajit Ray's *Charulata*, Vittorio De Sica's *Bicycle Thieves*, Akira Kurosawa's *Rashomon*, and Michael Curtiz's *Casablanca*. Today, I want to talk about *Rashomon*.

Most of us decode the meaning of reality as what you see is what you get. What reality is or is not was vividly brought home to the world by Kurosawa in *Rashomon*. The genius of that film was in the way it communicated so brilliantly that while we think we recognise truth, the truth of reality is often more complex, because each person brings her own subjectivity to the experience.

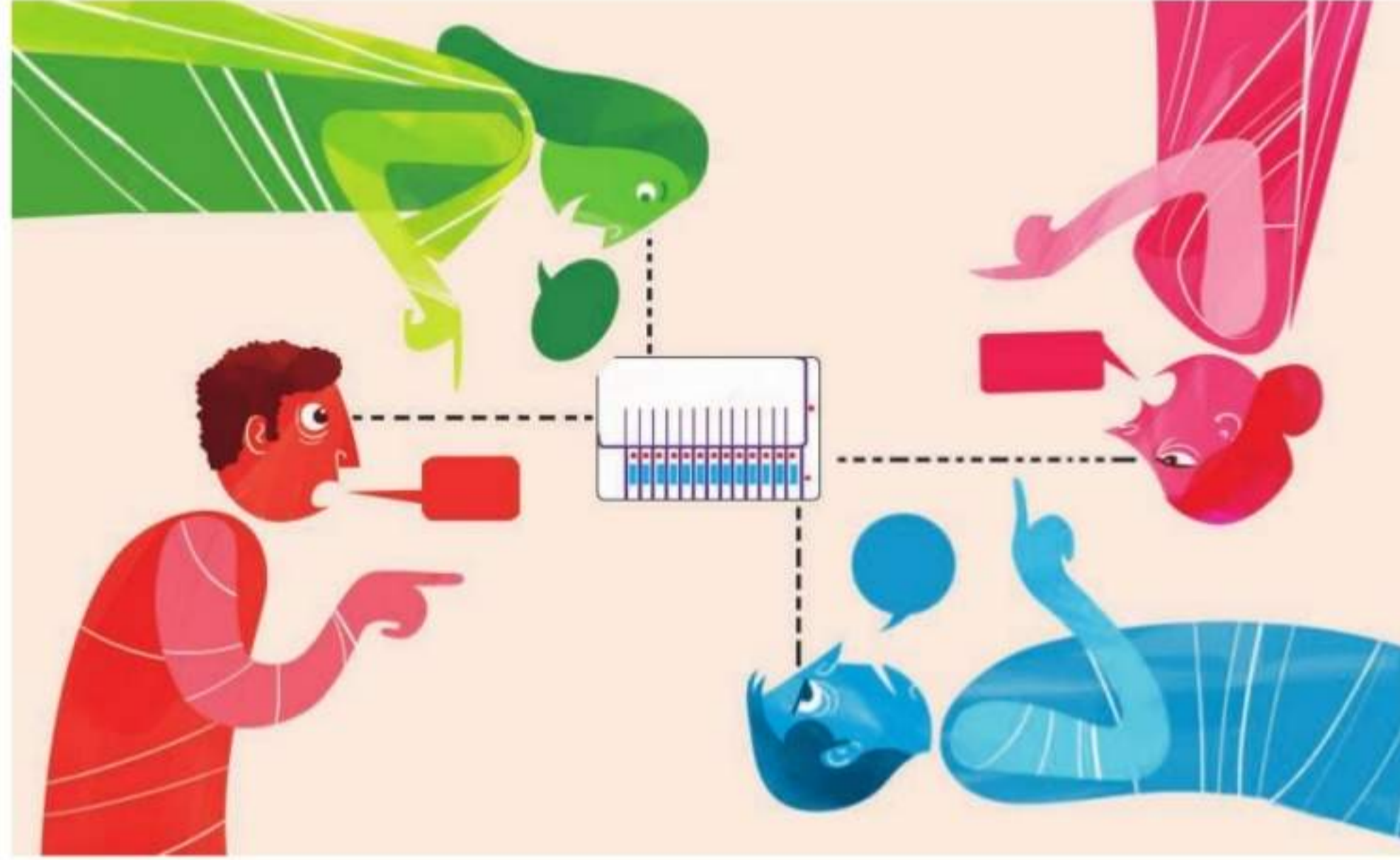
Well, Election 2019 is turning out to be Rashomon-esque. Everybody is seeing the same "facts" yet each has a different description of the reality, and its effect on the election. I will present several economic, political, and social examples below. You figure out which belongs to an alternate universe and which does not. Ten times out of nine the interpretation will be a function of your preconceived ideology. You don't believe me? Read on.

On the surgical strike, former prime minister, Manmohan Singh, came out with an observation that even under the UPA government, there were surgical strikes. The reality of the surgical strike, as we were made to believe till now, was an incursion at least a few kilometers away into Pakistan Occupied Kashmir. We now have a new definition offered by the Congress, echoing the comedy film *Hum Kisise Kum Naheen*, that a surgical strike is any skirmish a few metres around the Line of Control. Alternate universe or what?

China finally allowed Masood Azhar to be branded a global terrorist. In prospect and retrospect, this was a well-crafted diplomatic effort under Prime Minister Narendra Modi for which the Indian diplomatic corps should be congratulated by everyone. Step by step, brick by brick, Azhar was castled. All Indians should be celebrating. But wait: We are in the midst of Election 2019 in which gold becomes rust. According to former finance minister and Congress leader, P Chidambaram, all political honours are even: "The process to name (Azhar) as a global terrorist was started by the UPA government" (emphasis added). Does that mean the Congress will now allow revenge of Pulwama (Operation Balakot) to be mentioned in campaign speeches as long as the statement is preceded by the disclaimer: "We succeeded in a surgical strike made possible because of 70 years of misguided efforts to solve the 'Kashmir' problem as started by Nehru and the Congress government in 1947?"

PM Modi shocked the nation, and the world, by openly discussing the need for an open-defecation free (ODF) India. No longer left for hushed discussions, and never in front of children, discourse of habits of defecation became a policy goal. An ambitious goal was declared by the Modi government: India was to be ODF by 2019.

How impossible was this goal? Looking at the international evidence, definitely impossible in just three years, with the base as 2015-



CR Sasikumar

16. And there were plenty of critics who marshalled all the evidence about habit formation, and lack of water, etc. to claim that rural India could not achieve zero open defecation in 2019 from a level of 55.6 per cent in 2015.

There is strong international evidence to back the impossibility claim. Since 2000, the World Bank has been reporting data on open defecation for more than 120 countries (urban and rural). Data are available from 2000 — in that year India is reported to have 82.2 per cent of rural areas as Not ODF; both government of India (GoI) and World Bank report rural NODF as 55.6 per cent in 2015. What are the statistical chances of achieving zero NODF by 2019? Zilch.

But government data suggests that in 2018, only 8.8 per cent of rural India was not ODF; for 2017, the estimate is 30.8 per cent. The 2018 number is an improvement of around 46 percentage points (ppt) in just three years. One of the important aspects about Alternate Reality Election 2019 is that suddenly, in just three to five years, all Indian institutions have transformed from pristine to sullied, contaminated, and worse. In other words, government data just cannot be believed anymore because it is all inspired creativity to fool the Indian public — and BJP, and the institutions, are obviously stupid in thinking that they have any credibility left (and hence will be defeated in Election 2019 but that is best left for another occasion).

Given that "facts" are at best unknown and at worst manipulated, let us assume that not 10 per cent but 25 per cent of rural India was NODF in 2018, that is, the Swachh Bharat Mission (SBM) was misguidedly over-estimating achievements and reporting a 25 per cent NODF reality figure as 8.8 per cent. This would be one of the gravest errors of the Modi government. But let us assume that this error was made.

Some of the most critical professional sanitation experts do grant that substantial progress has been made in toilet usage. It is also acknowledged that in many areas, water supply is a problem; also that women and girls are motivated to use toilets and that old men are most hesitant to change habits. Hence, an estimate that reality may be better approximated by 25 per cent, not 8.8 per cent. The move from 56 per cent to 25 per cent is a 31 ppt move in just three years.

According to World Bank data, the best three-year performance in NODF change among 108 countries since 2000 was in Ethiopia — a decline of 11.5 ppt between 2004 (74.3 per cent) and 2007 (62.8 per cent). The second and third best performers — Cambodia (decline of 8.3 ppt) and Pakistan (decline of 8 ppt). Number 7 best performer was neighbouring Nepal and India was ranked 13. Rural NODF in India declined by 5.3 ppt (from 60.9 per cent to 55.6 per cent) between 2012 and 2015, according to World Bank data.

Even with the troll-free decline of 31 ppt between 2015 and 2018, the pace of NODF decline in India was three times as fast as the best performer in the world since 2000. Research into NODF decline in Europe and the US in the 19th century (the first toilet was discovered in 1852) might confirm that what has been achieved by the SBM is a world record, and by a huge margin.

A lot has been written about the alternative fact that very few jobs were created in India during the six years between 2011-12 and 2017-18. It is argued that these years, rather the time since May 2014, represent a data-distorted universe. The years between 2004-05 and 2011-12 represented the highest GDP growth in India, and it was a 'clean', 'reliable' data dissemination period because the UPA was in power. According to the usual status definition (the same which reports unemployment at a 45-year high of 6.1 per cent in 2017-18), there were only five million jobs created between 2004-05 and 2011-12.

Strangely, this alternate reality is not talked about by those waxing eloquent about the reliability of NSSO data. I believe there are legitimate grounds for the new government (under whichever leadership) to junk the NSSO household interview surveys on employment and unemployment in favour of NSSO surveys of employees, potential and actual. NSSO should be again made a leader in the provision and quality of statistics, as it was under the chairmanship of the late P C Mahalanobis in the 1950s and 1960s. Only then will we be able to separate signal from noise, from alternate to real reality.

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The writer is contributing editor at The Indian Express, and consulting editor at Network 18. Views are personal

### WHAT THE OTHERS SAY

"China's nuclear force must be enough to deter US hawks' ideas of making strategic threats toward China, which should be the minimum for China's nuclear forces." — GLOBAL TIMES, CHINA

## For a simpler GST

It should remain primarily a destination tax, meant to support poorer states — not be burdened with multiple objectives



ARUN KUMAR

GST IS NOT being flaunted by the BJP as its major achievement in the ongoing election campaign. It was launched with a special session of Parliament similar to the one at the dawn of Independence. It was billed as the biggest tax reform. It was to lead to the unification of the country and improve ease of doing business. These were all significant political slogans. But they have receded to the background in favour of a more muscular nationalism.

GST collections have risen to a high of Rs 1.13 lakh crore in April. But on the whole, has it delivered what was expected? Not quite, because the unorganised sectors including the BJP's base, the small traders and producers, are hurting. And adverse impacts on small producers are being reported from the shoe industry in Agra, brassware industry in Moradabad, pressure cooker industry, etc.

The large and medium-scale producers who are expected to benefit the most from GST are confused since hundreds of changes have been announced from the time it was launched. Even chartered accountants and lawyers who are to help businesses cope with GST are often left befuddled. More and more cases are being filed in courts due to lack of clarity and varying interpretations.

The government has been arguing that the problems are transitional. The government suspended the more difficult parts of the GST provisions — like e-way bill, GSTR2 form — for a while. It has raised the limit for registration under GST from Rs 20 lakh to Rs 40 lakh and for the composition scheme from Rs 75 lakh to Rs 1.5 crore to exempt most small businesses. Many tax rates have been brought down. But the problems persist because they are structural and not just a result of poor implementation. Of course, implementation has been poor because difficulties were not anticipated and GST was rushed through. GST needs a structural change but the government is reluctant to admit its mistake.

The opposition parties have raised the issue of the adverse impact of GST on the economy, especially on the unorganised sector. They have promised to bring about a simpler GST.

The proponents of GST believe that the problems are temporary and that structural changes take time to give dividends. They suffer from a confirmation bias. Because they said GST is the biggest reform in India, no matter what the difficulties, they maintain that eventually all will be well. They argue that price rise has been moderated as promised. But that is a result of the deflation in agriculture prices due to slack demand consequent to the decline in the unorganised sectors. Otherwise, all services prices have risen given that the GST rate on them is higher than the service tax that they bore earlier. Since November 2016, the unorganised sector has been hit hard and is declining. But, the official production figures are based only on the organised sector data. So, the

growth data given out officially is incorrect. Proponents quote RBI, IMF and World Bank data to bolster their argument on prices and growth. But none of these agencies collect independent data on these variables. They simply take the government's figures. So, if the government figures are incorrect so are their figures. Growth rates have declined sharply but that is not captured in the official data.

The arguments for GST are based on the various reports on indirect taxes since the 1970s. The first was the L K Jha Committee report in 1978 and the last one was the Subramaniam Committee Report in 2015. The government website lists the various benefits of GST: It would check black income generation, promote exports, improve tax collection and benefit consumers.

Unfortunately, these arguments are based on partial analysis. Each of the variables is analysed independently and the interconnections with other variables are missed. A macroeconomic analysis substantially changes these results.

For instance, even though the unorganised sector is largely exempt or under the Composition Scheme, it is declining because GST tilts the scales in favour of the large and medium businesses. The poor face price rise even though most of the items of their consumption bear no GST or a low rate. The reason is that the point of levy of an indirect tax is different from the point of its impact. Further, even though GST is a destination tax which should benefit the poorer states, they are losing out. Also, GST has not been able to check the growth of the black economy because it is so complex.

GST has become a very complex tax since the government wanted to serve multiple goals — like check the black economy through invoice matching and keeping petroleum products and alcohol for human consumption out of the tax regime. But if the black economy is not getting checked, inflation is still hurting and growth is down why go for complexity?

The government has been saying that GST is a destination tax so that the citizen buying at the end is paying all the tax. In between, there are many stages of intermediate production, sales, transportation, storage and accounting; each time a tax is paid and given as an input credit to the next stage. So, the tax is calculated dozens of times and then subtracted leading to billions of entries every month creating massive difficulties in implementation of GST. There are other arguments as to why all this is not desirable from the point of efficiency.

Further, the finance minister has stated that 5 per cent of the businesses pay 95 per cent of the tax. So, a last point tax (collected from the dealer or the manufacturer on MRP) with a high enough exemption will simplify GST without loss of revenue and much gain in efficiency.

It should be remembered that the benefit of GST is largely due to computerisation. These two things should not be mixed up. So computerisation and its benefits would continue in the simpler GST. It is not a return to the old system with all its drawbacks. A simplified alternative is possible if the proponents give up their confirmation biases.

Kumar is Malcolm Adiseshiah Chair Professor, Institute of Social Sciences and author of Ground Scorching Tax

### LETTERS TO THE EDITOR

#### INCLUSION IS KEY

THIS REFERS TO the editorial, 'The Maoist challenge' (IE, May 4). The Maoist movement in India has sustained for more than six decades and continues to pose a grave threat to internal security. However, the Naxal belt today is confined to a few pockets of central India, largely comprising thickly forested areas. While police action is an option, it must be used sparingly. Socio-economic development holds the key to end this predicament.

Anirudh Parashar, Solan

#### AZHAR AND TERROR

THIS REFERS TO the editorial, 'Tagging Azhar' (IE, May 3). The Pulwama attack on February 14 was one of the deadliest in the Valley, Jaish-e-Mohammad (JeM) claimed responsibility for the attack. This Pakistan-based terror outfit was also responsible for many other attacks in India including on Parliament, in Pathankot and in Uri. It was after the Pulwama attack that the US, UK, and France moved a fresh proposal in the UN Security Council to designate Azhar listed as a global terrorist. That China did not act as a roadblock and the tag came through is indeed a diplomatic victory for New Delhi.

MC Joshi, Lucknow

THIS REFERS TO the editorial, 'Tagging Azhar' (IE, May 3). While the long-pending designation of Masood Azhar as a "global terrorist" has finally been achieved, India would do well to down-

#### LETTER OF THE WEEK

#### MODEL EC

THIS REFERS TO the report, 'PM majority-minority speech: EC says does not violate poll code' (IE, May 1). The Election Commission's (EC) clean chit to the PM isn't surprising. But the opposition parties can hardly accuse the EC of partiality. It has ignored blatant violations of the model code by parties across the board. The recent two-day bans don't even qualify as a rap on the knuckles. It is imperative that post the election season, the Supreme Court deals firmly with the EC's abdication of responsibility. There is a model code of conduct in writing — it will be easy to pinpoint lapses by EC officials.

SBBhalerao, Mumbai

play the development instead of gloating about it in national and international forums. This would be a mature approach, one that would give space to Pakistan to clamp down on him. Any chest thumping is bound to antagonise Pakistan. India should not lower its guard against Pakistan-sponsored terrorism at this juncture.

Vijai Pant, Hampur



HARSH MANDER

## When children walk with fear

Over five years, the BJP has consistently sought to marginalise Muslims

ANIS KIDWAI, WHO lost her husband as he fought to save lives in a communal riot in 1947, went to Mahatma Gandhi in Delhi offering her services for the survivors of Partition. In great sadness, Gandhiji spoke to her of the fires of hate that burned around him. Until a Muslim child is able to walk outside without fear, he said to her, he could not leave Delhi. One of Gandhiji's tests of the country that we must build was simply this, of a Muslim child living here without fear. Apply this to the India of 2019.

The BJP's election campaign makes it abundantly clear that it has declared war on a segment of India's citizens. Since the Constitution assures equal citizenship to all regardless of their faith and caste, this is also a war on the Constitution. It is war against the ethos of the freedom struggle, and against what is finest in India's civilisational legacy — its pluralism, its accommodation of diversity.

The 2014 general elections were crafted by the BJP to render India's Muslims politically irrelevant by welding disadvantaged Hindu castes with privileged castes — and in India's Northeast even with Christians — against the constructed common enemy, India's Muslims. The state elections which succeeded saw the growing political invisibilisation of the Muslim, with even opposi-

tion parties reluctant to raise issues of concern to Muslims or field Muslim candidates.

In 2019, Prime Minister Narendra Modi has led from the front. He taunts his political adversary, Rahul Gandhi, for fighting elections in a seat in which "the minority is the majority", insinuating that this is somehow an insult both to Hindus and the nation. Since Hindus are 48 per cent of the population of this constituency, Rahul can win only by asking for votes also from Muslim and Christian residents. How is this illegitimate, unless we believe that Muslims are lesser citizens?

These lines are drawn even more unambiguously by Amit Shah. Shah pledges to extend the National Register of Citizens, currently restricted to Assam, to all of India. In Assam, this process is interrogating the citizenship of four million people, creating potential statelessness on a scale unmatched anywhere in the world. He also promises to ensure Indian citizenship to Hindus, Sikhs and Buddhists. He describes Muslims and Christians, mainly the former, as infiltrators and "termite". This belligerent language is at its most crass in the speeches of UP Chief Minister Yogi Adityanath, who founded a Hindu youth militia which has still not been disbanded. He rages about his party's crusade against the "green virus". He pits "our"

Bajrang Bali against "their" Ali.

Through PM Modi's stewardship of the country, there has been a surge in hate speech and lynching. NDTV found an exponential increase in hate speech in Modi's government compared to the five years of UPA rule that preceded it. And 88 per cent of these hate speeches were by BJP leaders.

This period also saw a massive rise in hate-lynching, which mainly targeted Muslims and Dalits. IndiaSpend found that between 2010 and 2017, 97 per cent cow-related violence occurred after PM Modi came to power, and 86 per cent of the fatalities were of Muslims. In many journeys of the Karwan e Mohabbat to families hit by lynching, we have found them isolated and in fear, unsupported by the state administration, which instead mostly criminalises the victims. In fact, the lynch mobs are not just protected from punishment, they are valorised as heroes. One Union minister garlands men convicted of lynching; another wraps the body of a lynching accused who dies in jail in the national flag.

India's criminal justice system has long reflected a communalised institutional bias. This touched a new low in the Modi years. Mayaben Kodnani, the first senior political leader convicted for instigating and leading the most brutal massacre in Gujarat in 2002,

was given bail soon after Modi assumed office and subsequently acquitted of all charges. Criminal cases which accused Amit Shah, now BJP president, and many senior police officers of extra-judicial killings were all discharged. People accused of Sangh terror crime have one by one been acquitted, mostly on grounds that the prosecution did not marshal even the evidence which was available to them. The clearest signal yet of this declaration of war against Muslims was when Pragna Thakur, accused (and not still discharged) of being one of the key conspirators of a series of terror attacks targeting Muslims, was hand-picked as the BJP candidate to Parliament from Bhopal.

A Muslim child in Gurugram is attacked for playing cricket, while a mob attacks his home, smashing windows and beating everyone at home. After the police registers criminal cases against his family, they surrender, resolving not to pursue the case against their attackers. These are the only terms on which they would be allowed to continue to live and work in Gurugram.

I think wistfully of Gandhiji's longing for an India in which a Muslim child can walk without fear. We travelled far from the India of Gandhiji's imagination.

Mander is a human rights worker and writer