



## The visible hand

BJP must not stake claim to form a Ministry in Karnataka without an absolute majority

The political crisis in Karnataka that has been brewing for months has boiled over, threatening the Congress-Janata Dal(S) coalition government. With 13 of its MLAs resigning from the Assembly in phases, and one independent withdrawing his support, the coalition's original strength of 118 in the 224-seat House appears to have come down to 104. If all the resignations are found valid and accepted by the Speaker, the halfway mark will drop from 113 to 106. The BJP has 105 MLAs and the support of independent MLA Nagesh, who has resigned as a Minister. All the Congress and JD (S) Ministers have resigned to allow the leadership the space to lure back the dissidents. With allegations of bribery, and abduction and confinement of lawmakers, what is unfolding is a mockery of democracy and a shameful disregard for the 2018 verdict. Though there are contradictions in the coalition and both parties had fought last year's election separately, post-poll coalitions are a legitimate and honourable route to the formation of a government in a hung Assembly. The legislators driven by nothing more than their greed are not setting a good example. Even if the Congress and the JD (S) manage to quell the rebellion and save the government, the truce will be dubious and tainted.

The BJP's hand in the crisis is not invisible. In fact, its imprimatur is unmistakable in the turmoil. The party, which emerged as the single largest in the election but short of a majority, has not been able to accept the verdict and play the role of a responsible Opposition. The BJP's maximalist approach of seizing power by all means and in all places may have served it well in terms of expanding its footprint. But this approach does not conform to its claimed adherence to democracy. In Arunachal Pradesh and Goa, the BJP had acted on its philosophy that the pursuit of power justifies all means. In Karnataka, the party has used the strategy of engineering resignations of MLAs to force by-elections several times over the last decade. Given this pattern, and considering the BJP State unit's relentless attempts to destabilise the coalition from the word go, Defence Minister Rajnath Singh's protestations in Parliament on Monday that the BJP had nothing to do with the current crisis in Karnataka carries little credibility. The party has meanwhile said that it would seek to form an alternative government, should the coalition crumble. The BJP must resist that temptation and instead wait for the results of the by-elections caused by the resignations. If the coalition collapses under its own weight, any alternative arrangement that is short of an absolute majority of the total strength of the House will be shaky and lacking in political legitimacy. That situation is best avoided.

## A regrettable conviction

Mr. Vaiko being found guilty of sedition strengthens the case to scrap Section 124A

The conviction of prominent pro-LTTE politician Vaiko on the charge of sedition, based on a typically impassioned speech he had made in Chennai a decade ago, is a worrying development. Even though Section 124A, the IPC section that makes sedition an offence, attracts either a three-year term or imprisonment for life, the trial court sentenced him to a somewhat lenient one-year jail term. Yet, it is a matter of concern that political speeches are criminalised to the point of being deemed an offence against the state. Further, the timing of a political leader being found guilty of sedition is quite inopportune. In recent years, there has been an alarming rise in sedition charges being used to quell political dissent. This conviction will needlessly send out a message that such provisions are necessary to protect the government against being brought into hatred and contempt. Also, it comes at a time when demands to scrap the section is gaining momentum. There is greater recognition now than in the past that Section 124A is neither relevant nor needed today. The Law Commission released a consultation paper highlighting arguments for its reconsideration. There is a body of opinion that a modern democracy does not need a free speech restriction based on political concepts such as disloyalty and disaffection towards the state. Britain, which introduced the offence of sedition in India in 1870 to check the use of speech and writing to criticise its colonial administration, has abolished it.

It is true that Mr. Vaiko had unleashed a diatribe against the Union government by accusing it of betraying the Sri Lankan Tamil cause, and holding it responsible for the death of Tamil civilians in large numbers. However, whether his harshly worded indictment amounts to incitement of violence against the government is debatable. The speech was made at a function to mark the release of the Tamil version of a book that accused the Congress-led regime of complicity in Sri Lanka's military campaign. The court ruled that his allegations would sow the seeds of disaffection and hatred towards the government. Here is where the real mischief of Section 124A lies. Its definition of sedition as anything that excites disaffection against the government, or brings it under hatred and contempt, is too wide and can take in its fold not only incitement to taking up arms but also harmless, even if strident, criticism. In 1962, the Supreme Court limited its scope to acts that show actual intent or a tendency to create disorder or foment violence. Regrettably, the court has held that anyone who heard Mr. Vaiko's speech would develop hatred towards the government; that "mere advocacy" is the essence of the crime, and there need not be actual violence as a consequence. Higher courts will have the final say on whether he was guilty, but the case for abrogating Section 124A just became stronger.

# Reinforcing caste hierarchies

The Maratha quota is a case in point of what a progressive Indian polity should not be doing



ASHWINI DESHPANDE

The description "backward" to define communities is yet another colonial relic which we, as a collective, embrace with such enthusiasm, that we almost forget what it is supposed to mean. Nowhere is this more apparent than in the arguments in favour of reservations by landowning castes that are politically and economically dominant. The demand for being classified as "backward" by Marathas has been ongoing since the 1990s. With the announcement of the inclusion of Marathas into the Socially and Educationally Backward Communities (SEBC), the Maharashtra government has, once again, yielded to the demands of this powerful caste group. This would be the third attempt in the last five years to grant this quota, which has been repeatedly struck down by the courts.

### Turning to the state

The ferocity with which dominant castes, mostly rich, landowning, politically influential communities (Marathas in Maharashtra, Patidars in Gujarat, Jats in Haryana, Kapus in Andhra Pradesh), have turned towards the state and the public sector, demanding quotas in jobs and higher education, indicates that the economic growth in the last two decades, such as it was, did not manage to swing the fortunes of a large proportion of these communities upward enough. Their demand for being included in the quota bandwagon can be seen as an expression of their desire for good jobs and stable sources of livelihood for their youth, as their traditional sources

of livelihoods become more fragile due to a widespread and multifaceted agrarian crisis.

Yet, quotas are not magic wands that create jobs. And everyone would like a good job or a decent stable source of livelihood. Given that public sector jobs represent a shrinking and much coveted pie, what should the yardstick be to determine the validity of the demand for quotas?

### Insights from data

What does the evidence tell us?

Rajesh Ramachandran and I looked at data from the India Human Development Survey (IHDS), and compared Jats in Haryana, Patels in Gujarat and Marathas in Maharashtra. We compared these to Brahmins, non-Brahmin forward castes, existing Other Backward Classes (OBC) and Scheduled Castes-Scheduled Tribes, in their respective States.

The results are very stark. Marathas, similar to Jats and Patels, are more likely to own or cultivate land than all other social groups in their respective States. Marathas have a lower per capita consumption expenditure than Maharashtra Brahmins, but are at the same level as other forward castes and OBCs, and significantly higher than SC-STs. Marathas, on an average, are as poor as Brahmins and other forward castes, but less poor than OBCs and SC-STs. Maratha households have greater access to electricity compared to SC-STs. Marathas are 6 and 14 percentage points more likely than OBCs and SC-STs, respectively, to have access to a flush toilet in Maharashtra. The average years of education for Marathas is 6.58, which is lower than Brahmins by 2.18 years, but is similar to other forward castes and OBCs, and 1.22 years more than the SC-STs. The Marathas are 13 percentage points less likely to have completed 12 years



PRASHANT NAKVE

or more of education as compared to the Brahmins, but are very similar to the forward castes, and do 2 and 6 percentage points better than the OBCs and SC-ST, respectively. Summing up, in most of the crucial socio-economic indicators, the Marathas are second only to Brahmins in the State, and are significantly better off than all other social groups.

The main bone of contention and the main motivation for quotas is access to government jobs. The surprising fact is that even before being included in the quota, the access of Marathas to government jobs is already similar to that of Brahmins, and higher than that for other forward castes and OBCs, and not different from that for SC-STs.

We examined both rounds of the IHDS data to see whether the position of these dominant communities deteriorated relative to the other groups. The short answer is no.

In terms of average per capita expenditure, their position has improved over time. In terms of probability of being poor, there is no worsening. There is, however, some evidence of a decline in the probability of owning or cultivating land, which could be the reason for the heightened anxiety.

### Factors underlying anxieties

The Marathas are a predominantly agricultural community which be-

nefited from the Green and White Revolutions. The structural transformation of the Indian economy, especially the declining importance of agriculture, and growth of corporatised agriculture and water shortages affecting productivity, have meant that these groups feel increasingly vulnerable.

Yet, data show that the Marathas have lower levels of casualisation of the labour force in both the agricultural and non-agricultural sectors, as compared to the OBCs and SC-STs.

Overall, there is discontent among powerful farming communities due to the perception that real economic power lies in the hands of the big corporations, and the state, overtly or covertly, acts in their interest. These communities feel their power slipping away or eroding, in addition to feeling ill-prepared to shift towards urban, formal sector livelihood opportunities.

Individuals or communities who feel strongly that the odds of economic success are stacked against them are more likely to feel deprived. Other estimates from IHDS panel data show that "forward castes were about 30 per cent more likely to feel that they were worse off in 2011-12 than in 2004-05". Thus, perceptions of being worse-off are real: our analysis suggests that these perceptions are exactly that – feelings – not supported by evidence on the ground.

Having said this, economic changes that give rise to widespread anxieties, definitely need to be understood and genuine grievances, including those that might come from forward castes dealing with agrarian transformations, need to be addressed.

However, is reservation the real answer? Given increasing privatisation, the base, i.e. total jobs that are eligible for reservations, is al-

ready shrinking. Our other research shows how existing OBCs and SC-STs are further lagging behind upper castes on a range of material indicators. In this context, extending quotas to relatively richer and powerful groups would amount to diluting the already small and shrinking entitlement for communities that are truly disadvantaged and discriminated against.

### A dilution

Recently, the Marathas have had two main demands: one, being made quota beneficiaries, and two, the repeal of the Scheduled Castes and the Scheduled Tribes (Prevention of Atrocities) Act. The State government has, once again, given in to the first. Should it consider the second, ours would be no country for the most marginalised.

Quite apart from turning the term "backward" on its head, the writing on the wall is clear. Despite the rhetoric that accompanied the 10% quota, the plan is not to move to a caste-free system. It is to dilute the entitlement of castes that are objectively "backward", stigmatised and discriminated against.

In the context of the lynching of Dalits for pursuing their traditional occupations, snatching away their livelihoods in the name of cow protection, violence targeted at inter-caste marriages, and other violence related to temple entry or for not following the illegal social norms dictated by untouchability, this move would legally reinforce the obnoxious hierarchies of the caste system. A forward-looking, progressive Indian polity should be discussing instruments to weaken the deadly tentacles of caste, not embolden and reinforce existing hierarchies.

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# A shot at economic logic

India needs to anticipate the promising impact of the African Continental Free Trade Area



MAHESH SACHDEV

The 12th Extra-Ordinary Summit of the African Union (AU) which concluded on July 8 at Niamey, the capital of the Niger Republic, saw 54 of 55 of its member states signing the African Continental Free Trade Agreement (AfCFTA) for goods and services. Of these countries, 27 have already ratified it. Actual cross-border free trade could start by July 2020 with an elimination of custom duties on 90% of the tariff-lines. If taken to its logical conclusion, this audacious project would eventually create an African Common Market of 1.2 billion people and a GDP of over \$3.4 billion – the metrics are comparable to India's. The AfCFTA would be world's largest FTA, and in a world dependent on African markets and commodities, it would have global impact.

### Hurdles and optimism

However, there are three main reasons to be sceptical about the viability of the AfCFTA. First, the African Union (founded as the Organisation of African Unity in 1963) has been largely ineffective in dealing with the continent's myriad problems such as decolonisation, underdevelopment, Islamic terrorism and the Arab Spring. The AU's grand plans, including

the Muammar Qadhafi-funded Africa Unity project, have been spectacular flops. It is, therefore, natural to take the AfCFTA, the AU's most ambitious project so far, with a ladleful of salt. Second, serious political, organisational and logistical challenges to the AfCFTA notwithstanding, the national economies in Africa are generally weak with a low manufacturing base. They also lack competitiveness and mutual complementarity. Only a sixth of Africa's current total trade is within the continent. Third, the AfCFTA seems to be countercyclical to the ongoing global protectionist trends as seen in the U.S.-China trade conflict, Brexit, and the stalemates at the World Trade Organisation and the United Nations Conference on Trade and Development. World trade is likely to grow only by 2.6% in 2019, a quarter of last year's figure. Commodity prices are stagnant and globalisation is often being reversed. With Africa accounting for only 3% of global trade, can the AfCFTA defy the contrarian global tendencies?

Still, there are reasons to be cautiously optimistic. Given the strong global headwinds including a cooling Chinese ardour for Africa, greater collective self-reliance through African economic integration makes eminent sense. Further, the AfCFTA can build upon the experience of the continent's five regional economic blocks. While the AU Commission is not famous for efficient planning, it has prepared an extensive road map towards the AfCFTA with prelimi-



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ary work on steps such as incremental tariff reduction, elimination of non-tariff barriers, supply chains and dispute settlement. In December 2018, it organised the first Intra-African Trade Fair in Cairo with 1,086 exhibitors signing \$32 billion in business deals. A new breed of African transnational corporations such as Dangote, MTN, Ecobank and Jumia have continental ambitions. Indeed, the logistical and financial networks across the continent are poor and customs formalities are foreboding, but these can be eventually overcome with stronger political will. Moreover, vigorous "informal" trade across porous national borders is already a fact of African life.

Thus, by adopting the AfCFTA, African leaders are only following the economic logic. Looking into the future, a recent UN projection showed that nearly half the world's population growth between now and 2050 would come from sub-Saharan Africa, the population of which would double to nearly two billion. This surge in

consumer base would make the proposed AfCFTA even more important.

### From the Indian angle

Africa is already an important economic partner for India with total annual merchandise trade estimated at \$70 billion or nearly a tenth of our global trade. India is Africa's third largest trading partner. While India's global exports have been largely stagnant, those to Africa have surged. For instance, exports to Nigeria in 2018-19 grew by over 33% over the previous year. Africa still has unfilled demand for Indian commodities, especially foodstuff, finished products (automobiles, pharmaceuticals, consumer goods) and services such as IT/IT-Enabled Service, health care and education, skilling, expertise in management and banking, financial services and insurance.

India needs to anticipate the AfCFTA's likely impact on its interests and try to influence and leverage it to enhance India-African economic ties. In principle, African economies becoming more formalised and transparent would be in India's interest. While local manufactured items and services may ultimately compete with Indian exports, Indian firms can co-produce them in Africa. If handled in a proactive manner, the AfCFTA is likely to open new opportunities for Indian stakeholders in fast-moving consumer goods manufacturing, connectivity projects and the creation of a financial backbone. India donated \$15 million to

Niger to fund the Niamey AU Summit. As the next step, New Delhi can help the AU Commission prepare the requisite architecture, such as common external tariffs, competition policy, intellectual property rights, and natural persons' movement. It can also identify various African transnational corporations which are destined to play a greater role in a future continental common market and engage with them strategically. The cross-linkages of a three million strong Indian diaspora spread across Africa can also be very valuable.

Finally, once the AfCFTA is accepted as beneficial game changer, the African elite could perhaps contemplate crossing another Rubicon: an India-African FTA.

Before Africa was "discovered" by the West, it had a thriving overland trade. Large camel caravans ferried commodities such as ivory, gold, mineral salt, precious stones and slaves across prosperous trading centres such as Timbuktu, Ghana, Kano, Burnu, Agadez, Edo, Zinder, Ghat, Addis Ababa, Dar es Salaam and Cairo. Subsequent colonialism and mercantilism destroyed internal trade routes, replacing them with an ecosystem in which Africans had better links with their foreign "mentors" than among themselves. By the AfCFTA, the Africans are only trying to correct this historic distortion.

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## LETTERS TO THE EDITOR

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### Coalition power-play

The resignation of 13 lawmakers in Karnataka has exposed the innate vulnerability of fractured verdicts (Page 1, "CM to seek postponement of session," July 8). Governance in the State has gone for a toss as a result of constant political manoeuvring. It would be sheer naivete here to believe that the ruling party at Centre has had no role to play. However, this does not absolve the opportunistic coalition in the State of its responsibility either. Both groups have been playing power games, unmindful of ethics or people's interests. D.V.G. SANKARARAO, Vizianagaram, Andhra Pradesh

### Vacuum at the top

The major reasons for the Congress's debacle were both its inability to remain a political force to reckon with and the BJP's success in convincing the Indian voter that they needed a party with a Hindu orientation at the helm (Editorial page, "The search for Chakravya," July 8). Rahul Gandhi failed to impress as a leader. References to the past, as done in the article, cannot justify the perpetuation of rule by the Nehru-Gandhi family for this long. The Congress has so far done deservice to the nation by blocking the emergence of more efficient leaders. V. LAKSHMANAN, Tirupur, Tamil Nadu

■ Some of us old-timers were delighted to see a Gandhi remembering and recalling K. Kamaraj, arguably the most self-effacing, disciplined and dedicated Congress president. We remember Kamaraj for the historic Avadi session when the party adopted as its aim the establishment of a socialistic pattern of society. Jawaharlal Nehru trusted and admired Kamaraj as party president. But Indira Gandhi didn't. It didn't take much time for her to make the party "her field of action". This dynastic hold continues. Rahul Gandhi's resignation is not acceptable to the 'hangers-on' in the party. And though there are many such 'hangers-on' in Congress, there are also

youngsters who are committed, sincere and dedicated to the cause of the party. Mr. Gandhi has been wise in resigning as president. But he should ensure the Congress does not get a dummy leader as replacement. C.V. VENUGOPALAN, Palakkad, Kerala

### Trading in EI leather

The Budget announcement of abolition of export duty on East India (EI) leather comes as a welcome corrective measure. Produced predominantly in Tamil Nadu for centuries, EI leather was exported for more than hundred years to European countries. Tanneries used natural materials like *avaram*,

Konnan barks and wattle extract and emitted less harmful effluents as compared to chrome tanneries. However, vested interests in the leather industry influenced the government and trade in EI leather was restricted first through quota and then using export duty. Many tanneries in places like Tiruchi Dindigul and Vellore were forced to shut down. The removal of export duty can spur employment opportunities and bring development to Tamil Nadu's backward regions. V.N. MOHAMED HUSSAIN, Chennai

### Past continuous

The article, "Sub-soil water for Madras" (Op-Ed page,

'From the Archives', July 8) reminded me of the water crisis in 1969. A severe drought prevailed and thousands of animals died. The present crisis in Tamil Nadu is not much different and this is in no small measure due to the over-exploitation of natural resources. Former U.S. Congressman William Bourke Cockran once said: "The earth is a generous mother; she will provide in plentiful abundance food for all her children if they will but cultivate her soil in justice and in peace." We have to care for nature if we expect it to be kind to us. GOPAL MARIMUTHU, Chennai

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The importance of democratic education

Without it, we will continue to allow unhealthy scepticism about democracy to grow



A persistent concern exists about democracy's failure to fulfil our expectations. While our votes are forceful 'paper stones', effective in getting rid of governments we dislike, they are powerless to give us effective, efficient, good governments. Why do we have to put up with corrupt rulers with criminal records – qualities that obstruct good governance? Why tolerate those who strive to do more good for themselves than for the people, who have neither vision nor wisdom? Why have mediocre politicians who shun contact with people with ability and talent?

Better, wiser governments
Some cynics may respond to this crisis of democracy by arguing the following: to achieve our national goals, we must assemble the best team to govern. Such a team cannot be elected by popular mandate but instead by those who have the intellectual wherewithal to select those fit for it. To such people, democracy – which is committed to the principle of one person, one vote, and which extends franchise to all regardless of ability – can never produce the best team. They might draw an analogy from cricket where we play to compete at the highest level and win – something not possible if the best cricketers are not selected. But this is not achieved by popular vote. Instead, we rely on experts – a selection committee consisting of experienced cricketers. If popular mandate can't give us the best team that realises our national goal in cricket, why expect a different result in politics? Why not select our government by a similar procedure involving experts? So, to reiterate the conundrum: democratically elected governments in our times are neither efficient nor wise. They show a propensity to fail at achieving their national goal – a high quality of life for all people. Then why not abandon democracy? Or at least introduce an eligibility criterion, restricting the vote to those with formal education? Won't educa-



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tion help in identifying the best political representatives? A democrat need not reject this argument. She may respond that this need not entail abandoning universal adult franchise but the distribution of education to all. This seems a decent solution. Sustainable democracies require a high rate of literacy. The more educated we are, it might be claimed, the better we become at choosing the best people to run our government. But this argument is flawed. Literacy and education by themselves do not create good citizens or yield mature democracies. Many are formally illiterate but are politically astute and even possess qualities of good citizenship. Conversely, many educated people are prone to being self-obsessed, undemocratic, and even authoritarian. Primary, secondary or even higher education by itself does not guarantee good citizenship. The solution then is not just education per se, but universal education of a certain kind, one that is focused on improving the quality of our democracy. Our current education system does not focus on education in democracy or what we might call democratic education. Nor does it build on elements of democratic culture embedded in our traditions. Core elements
What then are the core elements of democratic education? For a start, it requires the cultivation of democratic virtues. For instance, the ability to imagine and articulate a minimally common good. This requires that we distinguish what is merely good for me from what is the good of all. And since each of us may develop our own distinct idea of the common good, to find an overlapping common good. Relatedly, an ability to

handle difference and disagreement and to retain, despite this difference, the motivation to arrive at the common good through conversation, debate, dialogue and deliberation. The ability to imagine and conceive a common good is inconsistent with what the Greeks famously called 'pleonexia', the greed to grab everything for oneself, to refuse to share anything, to not acknowledge what is due to each person, to have no sense of reciprocity or justice. It follows that the idea of the common good cannot be developed without some sense of justice. Democratic education requires training in not succumbing to pleonexia. Also crucial is a spirit of compromise, of moderation, and a willingness, within acceptable value parameters, of mutual give and take. None of this is possible without other general capabilities such as listening patiently to others, being empathetic to the plight of others, and having a commitment to continuing a conversation with people despite disagreement. More important is the ability to participate in a particular historical narrative or, as the political theorist Jeremy Webber puts it, a "commitment to a particular debate through time". Members of a political community become better citizens when they relate to critical issues through historically inherited terms of debate, a continuing narrative, a specific ongoing conversation. The reflection of that debate in political decision-making is central to the members' feeling of engagement and participation. For example, there is a particular way in which the question of religion has been framed in India, as also issues of nation, caste and gender. Individuals become effective and meaningful citizens only by

learning the terms set by debates around these specific issues. Since a useful entry to them is available through rich debates in the Constituent Assembly, a familiarity with them is a crucial ingredient of democratic education in India. It also follows that democratic education involves a basic understanding of our society and its history, of its multiple cultural, intellectual and religious traditions, which set the terms of specific debates. I am frequently appalled at my own ignorance of the historical trajectory of our complex social problems. And saddened to find that my highly educated friends do not know that a constitutional minority in India is not just a numerically small group but one potentially disadvantaged by virtue of that fact; some mistakenly believe that religious minorities have reservation in jobs and in institutions of higher education; massive illiteracy continues to exist about the atrocious nature of our caste system; many continue to think that 'secularism' is a wholly western concept, as if 'religion' is not! Only a proper democratic education can remove these misunderstandings and flaws. What then is democratic education? Conceived broadly, it is a historically specific enterprise, determined by the inherited vocabulary of specific political languages and the terms of debates in a particular community. It is designed specifically to enable conversation on issues central to a particular community, to strive for agreement where possible and to live peacefully with disagreement where it is not. In short, it involves social and historical awareness and key democratic virtues. Many of these understandings and virtues can be inculcated by a good liberal arts education. The 2019 National Education Policy recognises this but alas insufficiently. And as far as I can tell from my skimpy reading, it has virtually nothing to say about how this relates to democracy. So, it appears relatively innocent of the more specific requirements of democratic education. Without proper democratic education, I am afraid we will continue to perpetuate bad democratic practices, allow unhealthy scepticism about democracy to grow and eventually imperil it.
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A myopic view of foreign-made generic drugs

The U.S. is using the Ranbaxy experience to create a bogey



Allegations of widespread fraud concerning generic drugs manufactured overseas, especially in India, were recently highlighted in the U.S. Much focus was on the contamination found in one drug made by Ranbaxy. I do not wish to support Ranbaxy's deplorable behaviour. Nor do I wish to belittle the importance of the ongoing efforts to fix India's drug regulatory framework. The point here is that this focus has been deployed to undermine foreign generics. For instance, the Ranbaxy saga unfolded 14 years ago. Since then, several pharmaceutical companies, both foreign and local, generic and innovative, have been implicated in similar or worse behaviour. Notable examples include those of Martin Shkreli's Turing Pharmaceuticals, which hiked the price of a drug to 5,000%, and Purdue Pharmaceuticals, a company currently implicated for causing the opioid crisis. The strategy of raising fears of 'contaminated' foreign generics has successfully prejudiced Americans against valid generic drugs, even though they have remained a viable option. This frenzy about contamination of drugs is due partly to the expansion of the Food Safety Modernization Act (FSMA) to include global inspections. One objective in thus empowering the Food and Drug Administration (FDA) was to work with regulators of foreign countries and create a universal Current Good Manufacturing Practice (CGMP) system for drugs.

FDA's regulatory overreach
Instead, the FDA has positioned itself as a 'global regulator'. For example, in a recent statement, it mentioned that it inspects all brand-name and generic manufacturing facilities around the world based on information from whistleblowers or out of concern for drug safety. Arguably, this amounts to regulatory overreach as there is no international instrument standardising American CGMP practices as the global standard. Further, under the FSMA, if a foreign facility refuses inspection, the FDA's power is limited to refusing the food/drug entry into the U.S. America's interest in good manufacturing practices to protect its citizens is commendable. Nevertheless, given Washington's current zeal to propel exports, if India or

China pass legislation to inspect U.S. food or drug manufacturing facilities, U.S. companies not readily welcome the move. A prejudiced dialogue
In 2018, out of the 4,676 human pharmaceutical sites inspections that the FDA conducted worldwide, 61% were of foreign-based facilities. Similarly, out of 1,365 human drug CGMP surveillance inspections conducted, 55% were conducted at facilities outside the U.S. The FDA's publicising of its 'global vigilante experience' paints a picture of foreign-manufactured drugs as 'defective' or 'contaminated' while not fully acknowledging some of the regulatory failures within America. To provide a perspective, the 'drug recall list', a list of drugs deemed defective in spite of having cleared FDA regulatory approvals for the last 14 years, runs into over 149 pages. I cite this to merely highlight that a prejudiced dialogue that does not capture all perspectives can create imprecise impressions. As such, when the FDA inspects production facilities, there are both smaller and bigger issues that will come up. There is no scale to determine whether the problems portrayed in the final report are simple ones, such as one tap not working, or more impactful ones, such as use of contaminated water. The absence of a proper scale provides a loophole, enabling the regulator to cherry-pick and treat all instances of non-compliance as egregious violations. In addition, in the U.S., there is no proper legal definition of the oft-used term 'contaminated drugs'. Section 351 of Title 21 of the U.S. Code defines 'adulterated drugs' and when a drug is deemed 'adulterated' for being contaminated, the regulator needs to specify whether the adulteration relates to the manner of preparation, the packaging standards or the manufacturing practices. For India, the discussion in the U.S. is notable not only because it houses generic manufacturing facilities but also because India is a nation on the verge of breaking into the innovation market. Thus, it is time India took a more robust role to ensure public availability of facts on both the importance of generics and their limitations. The country needs to create strong voices and partnerships that can highlight the benefits and pitfalls alike to create a robust space for innovation that can coexist with access to medication. After all, innovation and policy failings need not be an excuse to deny access to lifesaving medication to productive workforces.
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Towards a free trade agreement

India and the U.S. should aim to progressively eliminate trade and investment barriers

MARK LINSOTT

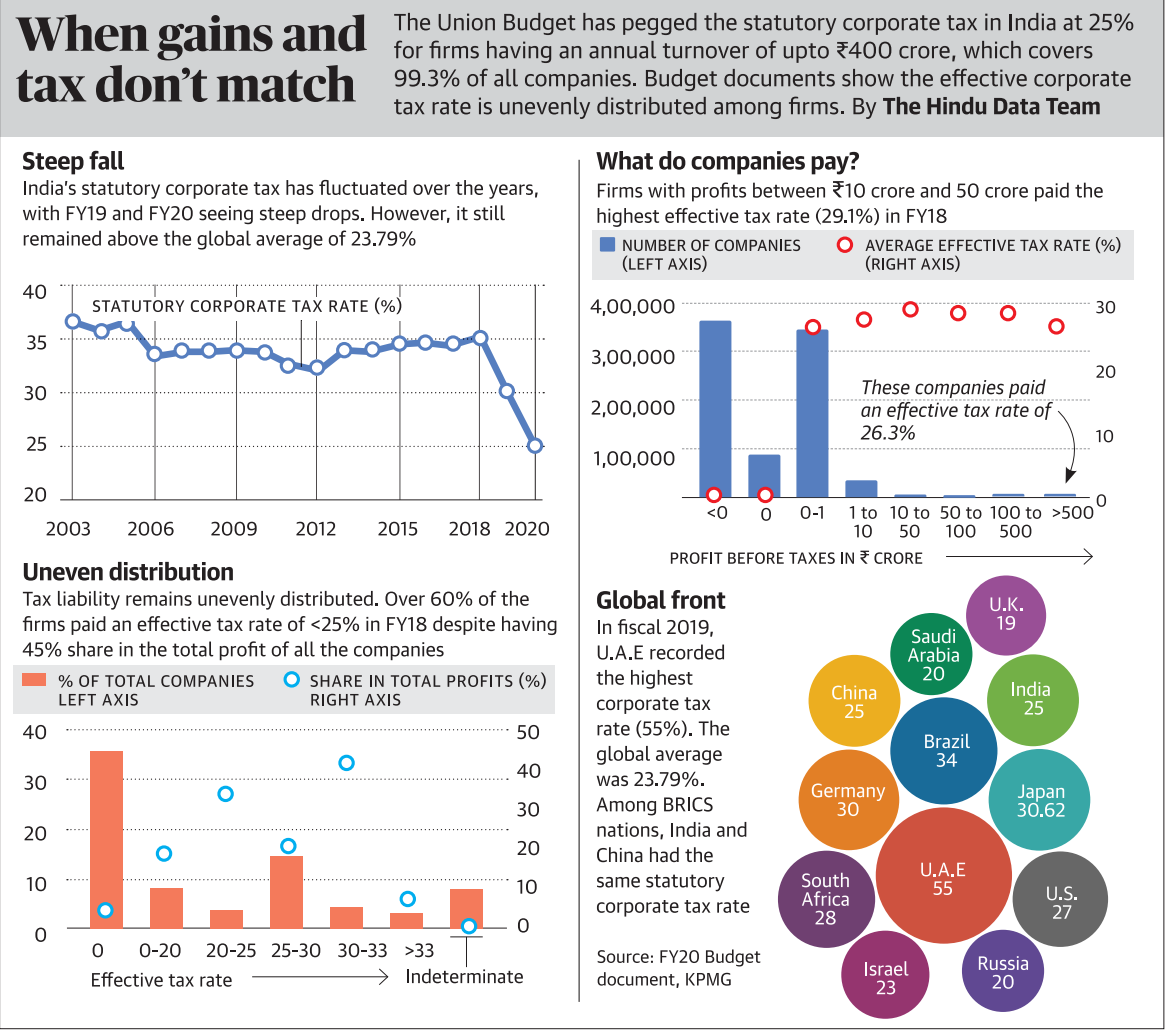
Trade turmoil has been putting at risk the U.S.'s strategic partnership with India. In the last two months, the U.S. has withdrawn from India preferential tariff benefits under its Generalized System of Preferences (GSP) programme, and India has imposed retaliatory tariffs in response to tariffs that the U.S. applied last year on steel and aluminium. Conflict and disputes are not new to the U.S.-India relationship. They have ranged from trade in jute and almonds in the period of the General Agreement on Tariffs and Trade to poultry and solar panels under the World Trade Organization (WTO). But this moment is different because the conflict may run deeper with more serious implications. If the two fail to relieve the building tension, a tit-for-tat trade war mimicking that between the U.S. and China may follow. The U.S. is India's single most important export market; India is a huge and growing market for U.S. investment and exports. An escalating series of retaliation and counter-retaliation could undermine efforts to advance what might be the most consequential bilateral relationship in the 21st century. Resolving differences
On the positive side, a serious effort by both to solve some trade problems could even lead to a new and exciting set of opportunities. But this will require moving from effective management of current tensions to thinking big for the future. Assuming the two sides can come together to resolve outstanding issues such as the GSP, U.S. tariffs on steel and aluminium and India's retaliatory tariffs, and differences on e-commerce, they can set the stage for building a trade relationship that better complements the strategic one. A starting point would be to empower the Office of the U.S. Trade Representative and the Ministry of Commerce and Industry to develop some problem-solving cooperative efforts under the existing Trade Policy Forum on issues such as digital

trade, regulatory coherence, and intellectual property rights, matching their earlier successes on the WTO Trade Facilitation Agreement. This future work would be better advanced if India created a new career trade staff that reports directly to the Prime Minister's Office. The U.S. administration has experienced trade staff, even at senior levels, who build negotiating skills over their careers and relationships of rapport and trust with their foreign counterparts. India could better serve its trade interests with the same kind of approach. This is a scenario that could evolve into a new relationship of common purpose on trade. Trade disputes will continue to crop up, as they do even in the healthiest of relationships, but these would be best pursued through the WTO.

Thinking big
However, even this scenario is a limited one; the U.S.-India strategic partnership deserves higher aspirations on trade. The goal should be a more comprehensive platform for expanding trade and investment through the progressive elimination of trade and investment barriers, from protectionist regulatory measures to tariffs and restrictions on trade in services. This might even lead some day to the negotiation of a free trade agreement, which is the ultimate example of economic integration in a trade relationship. Neither country has been particularly successful at negotiating free trade agreements compared to others around the world – the EU just concluded one with Vietnam. Each has a strong but messy democracy with many voices against free trade agreements. Each is a tough negotiator with a passionate commitment to its national interests. But both can dream big together and trade should be central to those dreams.
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DATA POINT



FROM THE HINDU ARCHIVES

FIFTY YEARS AGO JULY 9, 1969

U.S. troops in Viet Nam begin pull out

The initial pullout of 25,000 American troops from Viet Nam began to-day [July 8] with the departure of a battalion of 814 infantrymen. Garlanded with plastic flowers thrown round their necks by pretty Viet Namese girls, most of the young troops laughed and smiled as they boarded nine giant transport jets. The men had stood to attention in blazing sun at Saigon's Tan Son Nhut airport for three hours. Girls handed them parcels of gifts - dolls, tapes of Viet Namese music and flags. South Viet Nam President Nguyen Van Thieu flew in by helicopter minutes before the end of the ceremonial farewell parade and told the soldiers: "Your departure bears testimony to the success of the role of the U.S. force in Viet Nam." The departure of the battalion, the third of the 60th Infantry Regiment, Ninth Infantry Division, for Tacoma, Washington, marked a turning point in the Viet Nam war, which has cost 36,866 Americans dead. To-day's vanguard left exactly a month after President Nixon and President Thieu announced on Midway Island that 25,000 Americans would be sent home by the end of August. The pull-out reverses a process that began almost exactly 19 years ago.

A HUNDRED YEARS AGO JULY 9, 1919.

Housing in Bombay.

At a meeting of the Bombay Municipal Corporation on Monday [July 7], Mr. Cowasjee Jehangir presiding, discussion was resumed on the proposition moved by Dr. A.G. Veigas that the President be requested to address the Government regarding the desirability of appointing a committee to investigate and report early the housing question in all its bearings and suggest practical measures for increasing the housing accommodation for the poor and the middle class population of the city. The subject was discussed at great length. The Medical members of the Corporation touched upon the medical aspect of the question and urged that on the proper solution of the housing question depended the health of the city. The city's slums had become the breeding places for a number of diseases and it was the duty of the Government, the Municipality and public bodies to take up the question in right earnest. The President pointed out that the question of housing was at present occupying the serious attention of the Government who were considering the scheme whereby the Government, the various local bodies and the employers of labour could solve it.