



## The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

## RATES AND RISKS

Linking floating rate loans to external benchmarks might improve transmission. But there are challenges

**I**N AN ATTEMPT to improve the transmission of monetary policy, the Reserve Bank of India (RBI) has mandated banks to link all new floating rate loans extended to both retail consumers as well as micro and small enterprises to an external benchmark next month onwards. Banks have the option of choosing the external benchmark which could be either the repo rate or the yield on the three- or six-month treasury bill or any other benchmark interest rate published by the Financial Benchmarks India Private Limited (FBIL). This move comes after repeated attempts by the RBI, such as the shift to the marginal cost of funds based lending rate regime, have failed to improve the transmission of monetary policy in India. As was pointed out by the monetary policy committee in its last meeting, even as the policy rate was slashed by 75 basis points between February and June 2019, lending rates (weighted average) declined by only 29 basis points during the same period. While the shift to this new framework might lead to faster transmission, it poses significant challenges.

For banks, mandating external benchmarking of lending rates could lead to interest rate risks. As external benchmarking will sever the link between bank deposit and lending rates, banks interest margins will come under pressure in a scenario where interest rates are falling, as lending rates will fall faster than deposit rates. Banks may thus want to price in this risk by increasing the spread they have been allowed to charge over the benchmark rate. This may lower the expected benefit from shifting to external benchmarking. The new framework may also lead to banks wanting to link their deposit rates to an external benchmark. This will not please depositors as they may prefer the option of having fixed rates. There is also the issue of small savings instruments to contend with. As rates on these instruments tend to be more sticky in nature compared to bank deposit rates, banks will face greater competition when interest rates are on a downward trajectory, which could lead to a flight of deposits. Then there is also the issue of which benchmark to adopt. There may be a preference for the repo rate as yields on T-bills tend to be more volatile in nature. Sudden shocks to the system could push up short-term yields sharply, which will then have to be transmitted to borrowers.

Instead of mandating external benchmarking, a preferable option would have been to allow banks to gradually move towards this framework. The State Bank of India has already linked its savings deposit and short-term loans to the repo rate. Proposals for linking bulk deposits have also been mooted. Such voluntary moves could have, over time, forced others to follow suit.

## IMPERFECT ICON

Robert Mugabe leaves behind a contested legacy which offers insights into building of post-colonial states in Africa

**R**OBERT GABRIEL MUGABE, who ruled Zimbabwe for nearly four decades before he was ousted by the military in 2017, was a representative figure among Africa's anti-colonial nationalists. Like Gamal Abdel Nasser in Egypt, Patrice Lumumba in Congo, Kenneth Kaunda of Zambia, Julius Nyerere, Jomo Kenyatta in Kenya, Leopold Senghor in Senegal, Ben Bella in Algeria, Kwame Nkrumah in Ghana, Mugabe too had led his country to freedom, promising to remove poverty and usher in prosperity. But, like some of his illustrious contemporaries and predecessors, he too overstayed in office and turned into an authoritarian ruler. As the promise of liberation faded and the country began to fall apart, Mugabe, almost as if following a pattern, centralised power, banned all opposition and ruled with an iron-fist, until his luck ran out and he had to leave office.

Announcing Mugabe's demise, Zimbabwe President Emmerson Mnangagwa called him "an icon of liberation, a pan-Africanist who dedicated his life to the emancipation and empowerment of his people. His contribution to the history of our nation and continent will never be forgotten." Every word is true, but so is the sharp criticism in many quarters that Mugabe rule left Zimbabwe in ruins. Soon after he negotiated independence from Britain in 1980, Mugabe spoke about reconciliation with the white minority that had oppressed the native communities, and of building a multi-racial society. This was in sharp contrast to many African nationalist governments which had sought to rebuild their society and economy by expelling minority communities that controlled the resources. However, Mugabe's reconciliation project was stymied by the reality on the ground, where almost all arable land was owned by the white minority while its former colonial ruler, Britain, refused reparations to facilitate distribution of resources. Zimbabwe's largely agrarian economy collapsed in the wake of land seizures in the last decade, leading to hyper inflation, corruption and collapse of the state itself.

Mugabe's record mirrors similar failures elsewhere in the African continent, where a host of nationalists had failed to translate the imagination of the anti-colonial struggles they led to building successful democracies. Ideas like Pan Africanism, African socialism, Pan Arabism and Negritude could not transcend the logic of capitalism and the nation-state. The transition from colony to republic was also complicated by Cold War politics and the reluctance of the former colonial powers to let go of their influence. The projects of nationalisation and socialisation of resources of these leaders could not meet the needs and aspirations of their people. The contradictions that emerged out of the clash between ideals and reality turned many of these leaders into authoritarian rulers, if not outright despots, tainting their legacies in enduring ways.

## THE TRUE ORIGINAL

The game has thrown up someone like Steve Smith after years, and the cricketing fraternity doesn't know how to respond

**H**OW TO GET Steve Smith out? is the cricketing question of our times. Should the bowlers give up trying to get him out lbw? Should they abort the bouncer tactic? Should they give up bowling around off stump? That most experts reckon the best way to bowl to him is at the fifth or sixth stump, way outside off stump, with monotonous regularity, hour after hour, is ridiculous to say the least. But that's the effect he has had. In just his third game after the comeback, he has already become the highest run-getter this year in world cricket.

Cricket has thrown up a true original after years, and it seems the cricketing fraternity doesn't know how to respond. If the conclusion is now to abandon the game's age-old wisdom, gained over 130 years, of either attacking the stumps or teasing the edge by bowling in the off-stump corridor, then there can be no greater compliment to Smith. The soul of his art seems to be distraction. It's an effect that bowlers with unusual actions usually have on batsmen. The lack of rhythm in a strange action puts off batsmen. Smith seems to have that effect on the bowlers, who can't find a rhythm to his batting that they can prey on.

He can drive off the back foot. He can pull off the front foot. He can hit the ball on the legs inside-out to the off if the mood seizes him. The English, in particular, seem to have given up and are waiting for boredom to get him out. The best ball, probably, is still the leg cutter from the off-stump line that paid them rich dividends last time he was in England. But caught in his whirlpool of distraction, they have abandoned that weapon and are bleeding runs. The English crowd came to boo him. They leave the arena in a daze.



UPAMANYU HAZARIKA

Only way of protecting Assam's indigenous population is through a legal regime reserving land, resources

THE NATIONAL REGISTER of Citizens in the national debate and discussion has been seen only through the prism of the foreigners who have been excluded from the list. The "human rights" of those excluded has been the primary cause for concern. What has been forgotten and overlooked is that there is virtually no discussion on why the NRC was necessitated, and for whom.

Large scale and continuous migration through a porous border, primarily in quest of land and government-sponsored benefits, is the primary cause. It has seen an exponential increase since the 1980s, Assam being the easiest place to get proof of citizenship. The estimates of the number of infiltrators have shown a consistent increase over time (1992, 32 lakh, state government; 2004, 50 lakh, UPA government; 2016, 80 lakh, NDA government) and they comprise over 25 per cent of the population of the state (3.11 crore, population of Assam, 2011 census).

These are only the post March 25, 1971 migrants, as infiltrators in Assam after Independence and upto this date are granted citizenship (unlike the rest of India), which would be an additional 10 per cent of the population. Three independent studies have estimated that by 2040 to 2051, the indigenous people in Assam will become a minority under the weight of the Bangladeshi influx. The Northeast and Assam are a treasure trove of ethnic diversity — out of 525 ethnic communities in India, 240 are in the Northeast and Assam has 115. The size of such communities varies from 5,000 (Tai Phake, Tai Khamyang etc) to 60 lakh for Koch Rajbongshis (the largest ethnic group). But all of these communities, individually and collectively, face the threat of extinction at the hands of Bangladeshi immigrants.

A significant section of self-described liberals shows sympathy for infiltrators who are economic migrants, and not for the small indigenous groups who face extinction. Only a few days ago, two senior advocates, Raju Ramchandran and C Uday Singh, in these columns, made a strong case for retaining all

migrants. Charity at others' expense is convenient.

The NRC, from all indications, will exclude less than 20 per cent of all the foreigners staying in Assam, which will legitimise Bangladeshi infiltrators becoming permanent citizens and subsequently turning into a majority. Thousands of instances, reported in the local press on a daily basis, have shown large-scale subversion of the NRC process by the immigrant population, but self-serving political leaders', their gaze locked on their vote banks, have turned a blind eye.

Given an earlier reluctant Congress government, it is the prodding of the Supreme Court, laying down timelines and monitoring the process, that has seen completion of the NRC process. The inorganic intervention of the Supreme Court making one person the single point of responsibility, in the face of reluctance of the political executive (with the BJP also dragging its feet), has resulted in huge discrepancies in the NRC, with a large number of foreigners enabled to enter their names. The NRC procedure looks perfect on paper, but is riddled with huge flaws evident from two glaring facts — exclusion from the NRC draft in border districts (which have seen the highest population growth) is far lower at an average of 75 per cent against a state average of 12.15 per cent. Those declared foreigners through an adjudication process by the Foreigner Tribunals have, however, passed the citizenship test in the administrative process under the NRC. In fact, foreigners housed in detention camps have been verified to be citizens and said to be residing in their homes by the ground personnel of the NRC. In the border districts and migrant-dominated areas, many of Bangladeshi origin were involved in the NRC and quite a few of them, including school teachers, were found to have been adjudicated to be foreigners by the tribunals and superior courts.

The NRC inclusion process had rigorous standards of furnishing a prescribed set of documents, followed up by a parallel verification process of co-relating data of those de-

scended from a common ancestor (family tree verification). But the entire process fell flat as field verification — which was resorted to when documentation was incomplete, not found and/or appeared to be forged — did not verify documents. Rather, field personnel would record the statements of witnesses, neighbours of the applicant, vouching for the citizenship of the applicant. Surprisingly, while all the records of the applicants were digitised, the field verification reports, crucial for large-scale inclusion of doubtful applicants, were not digitised and consequently not verified or verifiable by the superiors.

The Supreme Court on August 28, 2018, being cognisant of these discrepancies, directed a 10 per cent sample re-verification of those included in the list. However, the government and the state NRC coordinator did not show any enthusiasm. And the court was proved right in as much as nearly 10 months after the final draft, the NRC authorities, after gathering the list of declared foreigners, their descendants, etc from the government, proceeded to exclude them on June 26, 2019 by an additional list of 1.2 lakh, clearly demonstrating the failure of the NRC identification process. The court, however, chose to proceed without re-verification.

The only means to protect indigenous people, to the extent possible, is to take a leaf out of other Northeastern states, which are protected from such infiltration by virtue of legal regimes reserving land, trade opportunities, jobs and other resources for the local indigenous population acting as a disincentive to economic migration from Bangladesh. As a commissioner appointed by the Supreme Court in 2015 on the State of Border and Infiltration from Bangladesh, I had strongly proposed and recommended that the only means of protecting the indigenous population in Assam is through a legal regime reserving land and resources for them.

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KHALED AHMED

PRIME MINISTER IMRAN Khan said in Washington in August that Pakistan had informed the US about Osama bin Laden's presence in Abbottabad and thought that it was therefore unfair on the part of the US to covertly attack Abbottabad and take out the al Qaeda leader without informing Pakistan.

But an ex-head of Inter-Services Intelligence (ISI) General (ret) Asad Durrani, talking to AS Dulat, India's former special director of the Intelligence Bureau and former chief of the Research and Analysis Wing (R&AW) from 1999 to 2000, in the book *Spy Chronicles* (2017), came out with more detail about how the Americans found that bin Laden was living in Abbottabad.

"I have no doubt that a retired Pakistani officer who was in intelligence walked in and told the Americans. I won't take his name because I can't prove it and also I don't want to give him any publicity. How much of the 50 million dollars he got, who knows. But he is missing from Pakistan. I should know."

After this, Major General Asif Ghafoor, director of Inter-Services Public Relation (ISPR) of the media wing of the Pakistan Army, stated: "Lt Gen Asad Durrani, retired, is being called to the GHQ on 28 May 2018. He will be asked to explain his position".

Who was the officer who took "50 million dollars" to sneak on bin Laden? Will his name be forever hidden from the public? Journalist Amir Mir, author of *Talibanisation of Pakistan: From 9/11 to 26/11 and Beyond* (2010) and *The True Face of Jihadis* (2006), in his blog, dug out the name too; but even then the discussion will not stop about who informed the US

## THE ABBOTTABAD MYSTERY

How did the Americans find Osama bin Laden — is the question

about bin Laden's house near the prestigious Pakistan Military Academy.

Mir relied on US Pulitzer Prize-winning journalist Seymour Hersh "who had claimed on May 10, 2015 that a former Pakistani intelligence official had informed the Americans about the Abbottabad hideout of the al Qaeda chief". The Hersh story was published in the *London Review of Books* and claimed that the May 2, 2011 raid by the US Navy SEALs was planned by the Americans "with full knowledge and cooperation of the Pakistan Army and the Inter-Services Intelligence (ISI), which at that time were headed by General Ashfaq Kayani and Lt Gen Ahmed Shuja Pasha".

Hersh had stated: "In August 2010, a former senior Pakistani intelligence officer approached Jonathan Bank, then the CIA station chief at the US Embassy in Islamabad. He offered to tell the CIA where to find Osama bin Laden in return for the [hedge money] reward that the United States had offered in 2001. The CIA did not believe him, and the intelligence agency's headquarters sent out a polygraph team which believed the Pakistani intelligence official only after he had passed the test."

Amir Mir adds: "The former intelligence official and his family were subsequently smuggled out of Pakistan and relocated in Washington [before the Osama hideout was raided]. He [the former Pakistani intelligence official] is now a consultant for the CIA".

Apart from General Durrani, there was another officer who got into the habit of expressing views that were not liked. Former ISI chief Lt Gen Ziauddin Butt, cashiered abruptly from

his job by Army Chief General Musharraf, had got into the habit of making "revealing" statements. American journalist and novelist David Ignatius revealed in 2012 that Butt had stated to him that "the Abbottabad compound was used by Intelligence Bureau" and that a report in the Pakistani press had quoted Butt as saying that bin Laden's stay at Abbottabad was "arranged by Brigadier (ret) Ijaz Shah, during 2004-2008, on General Pervez Musharraf's instructions".

Amir Mir asserts: "Well-informed intelligence circles in...Rawalpindi concede that the vital information about the bin Laden compound was actually provided to the Americans by none other than an ISI official — Brigadier Usman Khalid. The retired brigadier, who has already been granted American citizenship along with his family members, had also persuaded Shakeel Afridi, a Pakistani physician, to conduct a fake polio campaign in the Bilal Town area, Abbottabad to help the CIA hunt down Osama".

Wikipedia adds: "The Abbottabad Commission Report is a judicial inquiry paper authored and submitted by the Abbottabad Commission, as led by Justice Javed Iqbal, to the Prime Minister of Pakistan on 4 January 2013. The report investigates the circumstances surrounding the death of Osama bin Laden in Abbottabad. Upon submission, the report was immediately classified by the Prime Minister as secret and its findings were not made public."

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## SEPTEMBER 7, 1979, FORTY YEARS AGO

### JANATA GOVT QUILTS

THE 17-MONTH-OLD JANATA government in the Union Territory of Arunachal Pradesh, headed by P K Thungon, quit office following mass desertions from the party, reducing the government support in the 30-member Assembly to a minority of four. Thungon tendered the resignation of his ministry to the Lt Governor, R N Haldipur at Itanagar, capital of Arunachal, shortly after mid-day. While accepting the resignation, the Lt Governor asked him to continue in office till alternative arrangements were made.

### KASHMIR IN HAVANA

PRESIDENT ZIAUL HAQ OF Pakistan brought

up the question of Kashmir in his address to the non-aligned conference in Havana. He said, "Pakistan is determined to seek the resolution of the dispute regarding the future of Jammu and Kashmir in accordance with the relevant United Nations resolutions and the spirit of the Simla agreement. A just and peaceful solution of this problem will usher in a new era of cooperation and amity in South Asia".

### PRICES SHOOT UP

THE PRICES OF essential food items have shot up by 10 to 20 per cent in just the last 10 days or so. A survey of retail shops at Karol Bagh, Chandni Chowk, Daryaganj, Bhogal and INA

Market reveals that the price of atta, maida, sugar, ghee, cooking oil, lentils and detergents have shot up.

### STREAK ACT

SOME STUDENTS OF Delhi University's St Stephens College were caught with their pants down by the police last night. A group of 50 to 60 boys from the college danced, sang and stripped in front of the Miranda House girls hostel around midnight. A bright moon and the streetlight made the boys' revelry very visible to girls who came rushing on to the balcony to see what it was all about. Some boys stripped completely while others shouted naughty limericks.





# 11 THE IDEAS PAGE

## WHAT THE OTHERS SAY

"The prime minister (Boris Johnson) sees a route to a hard Brexit by resigning and forcing opponents to answer the question they have yet to find an answer for: who leads the rebel alliance?" —THE GUARDIAN

## Misunderstanding Nehru-Patel

They often disagreed with each other. Yet they worked closely, presented a united front



YASHWANT SINHA

THE "HIGHLY educated" and "learned" people who rule the country today are teaching us a new history of India. I am not merely referring to the assertions that in ancient India, we had all the scientific and technological inventions of today like airplanes, rockets, TVs, spacecrafts and artificial intelligence but to their fulminations about the more recent events surrounding our independence, the integration of the princely states and the roles played by Prime Minister Jawaharlal Nehru and the Deputy Prime Minister and Home Minister Sardar Vallabhbhai Patel. Their version is that whatever the Sardar handled was a great success and whatever was handled by Nehru turned out to be a great blunder. Thus, while they are trying to co-opt the Sardar as one of their own (what an irony), Nehru is being projected as a villain.

I recall the angry reaction of the home minister in the Lok Sabha during the debate on J&K when Manish Tewari of the Congress tried to assert that it was Nehru who was responsible for the accession to India of the princely states of Junagadh, J&K and Hyderabad. The moment Tewari mentioned Hyderabad, the home minister sprang to his feet to assert angrily that it was Patel who was responsible for the accession of Hyderabad, not Nehru. Tewari did not respond. I wish he had and said that the home minister was absolutely right because by the same logic the "credit" for doing what was being done in J&K must go to him rather than the prime minister.

Sardar Patel was 14 years older than Nehru and was a leader of the masses in his own right. Though Nehru had become the prime minister, the Sardar, as deputy prime minister and home minister was almost, if not truly, his equal. The recent comparison which comes to mind is that of Atal Bihari Vajpayee and L K Advani during the 1998-2004 period when they were both in government. Like Vajpayee and Advani, Nehru and Patel had their differences, sometimes very sharp ones. But the beauty of their relationship was, like in the relationship between Vajpayee and Advani, these differences were always resolved through discussions, or, in the case of Nehru and Patel, through the Mahatma's intervention. At times the differences became so sharp that they led to Patel offering his resignation from the government, to be followed by Nehru making a similar offer. They also played politics with each other, especially when it came to party affairs or, for instance, the choice of the first president of India. Patel, who had a better grip over the party, invariably won these contests. Do you recall the Loh Purush and Vikas Purush episode when the then BJP President Venkaiah Naidu made a comparison between Advani and Vajpayee and described Advani as Loh Purush and Vajpayee as Vikas Purush? Vajpayee told Naidu that the party could march forward under the leadership of the Loh Purush and left the meeting.

Yet, despite their differences, Patel continued in government until his death and even accepted Nehru as his leader after the death of Gandhi.

The Constitution of India was still being drafted and the country had decided to adopt the Westminster type of democracy with a prime minister and his cabinet, which was supposed to be collectively responsible to Parliament. The Constitution was still a work in progress and so was the system of collective responsibility and the authority of the PM in the cabinet. Nehru was obviously keen to establish his position as *primus inter pares* in the cabinet and wanted his view to prevail. This often led to differences between Nehru and Patel as indeed between them and the other ministers. But is this not natural? In every cabinet there are differences among the ministers and between them and the prime minister on issues which are finally resolved and a joint front presented in Parliament and outside.

There is enough material on record to support those who are interested in only highlighting the differences between these two great men just as there is enough material to support that they got along very well. But both these views represent the two extremes. The truth lies in the middle: Nehru and Patel jointly played a decisive role in the making of Independent India. Those who contend otherwise do not understand the working of the cabinet system. So whether it was the accession of J&K to India or that of Hyderabad after the "police action", there were many rounds of negotiations, ups and downs, harrowing moments and differences of opinion among the decision-makers. Both Nehru and Patel played a vital role in the decision-making process. Governor General Lord Mountbatten also played a key role.

Patel was also party to the idea of plebiscite wherever there was dispute — Junagadh, J&K and Hyderabad. This was the clear position of the government of India then. It was Pakistan which was constantly running away from it. Patel did not resign from the cabinet when it was decided to refer the J&K issue to the UN or when ceasefire was accepted by India. He might have had his reservations, but went along with the decisions.

It is equally clear from contemporary accounts that Patel would not have objected if J&K had acceded to Pakistan but he was absolutely clear that Hyderabad should accede to India. All the decisions in those tumultuous days were taken either in the defence committee of the cabinet headed by Mountbatten or in the cabinet. Patel was a member of both. He expressed his views freely, frankly and at times, even bluntly. But always went along with the final decision taken, as did Nehru and the others.

It is easy for us to sit in judgement today after 73 years over the great men who fought for India's independence and then ruled the country. Judgement based on hindsight is a dangerous game played by especially those who are in a hurry to use history selectively to prove their prejudiced view of it.

Let us leave history to the historians.

The writer is a former Union external affairs and finance minister

# The problem of skilling India

India's employment crisis calls for more government expenditure in education, adequate training



CHRISTOPHE JAFFRELOT AND VIHANG JUMLE

PRIME MINISTER NARENDRA Modi, in his recent Independence Day speech, said, "We need to worry about population explosion". These words stand in stark contrast to his previous references to India's demographic dividend where the country's population was seen as an asset. This shift reflects a new awareness, according to which demography brings a dividend only if the youth is trained properly. Without proper training, instead of benefits, the country gets massive joblessness — at least, this is what common sense suggests. Reality is more complicated.

A minimum of eight million new job seekers enter the jobs market every year. In 2017, only 5.5 million had been created, and the situation is worsening: Unemployment rate is the highest in 45 years today. The Indian youth has become the first casualty, with the unemployment rate reaching 34 per cent among the 20-24-year-olds in the first quarter of 2019 — it was 37.9 per cent among the urban lot, according to the CMIE. Official sources from the government of India do not give very different data: According to the last 2018 Periodic Labour Force Survey (PLFS), the unemployment rate among the urban 15-29-year-olds (a very large bracket) was 23.7 per cent. One may hypothesise that this pervasive joblessness was due to the poor training of the youth as only seven per cent of the people surveyed in the framework of the PLFS declared any formal or informal training.

But there is a paradox here: According to a recent survey, 48 per cent of Indian employers reported difficulties filling job vacancies due to talent shortage. The worst affected sector — which is also one of the strong points of India's economy — has been Information Technology (IT), where 1,40,000 skilled techies could not be recruited in 2018 despite the employers' efforts (a high proportion of the 5,00,000 job offers that had been made that year). Indeed, the CMIE reports show that the more educated Indians are, the more likely they are to remain unemployed too. The last PLFS for 2018 revealed that 33 per cent of the formally trained 15-29-year-olds were jobless.

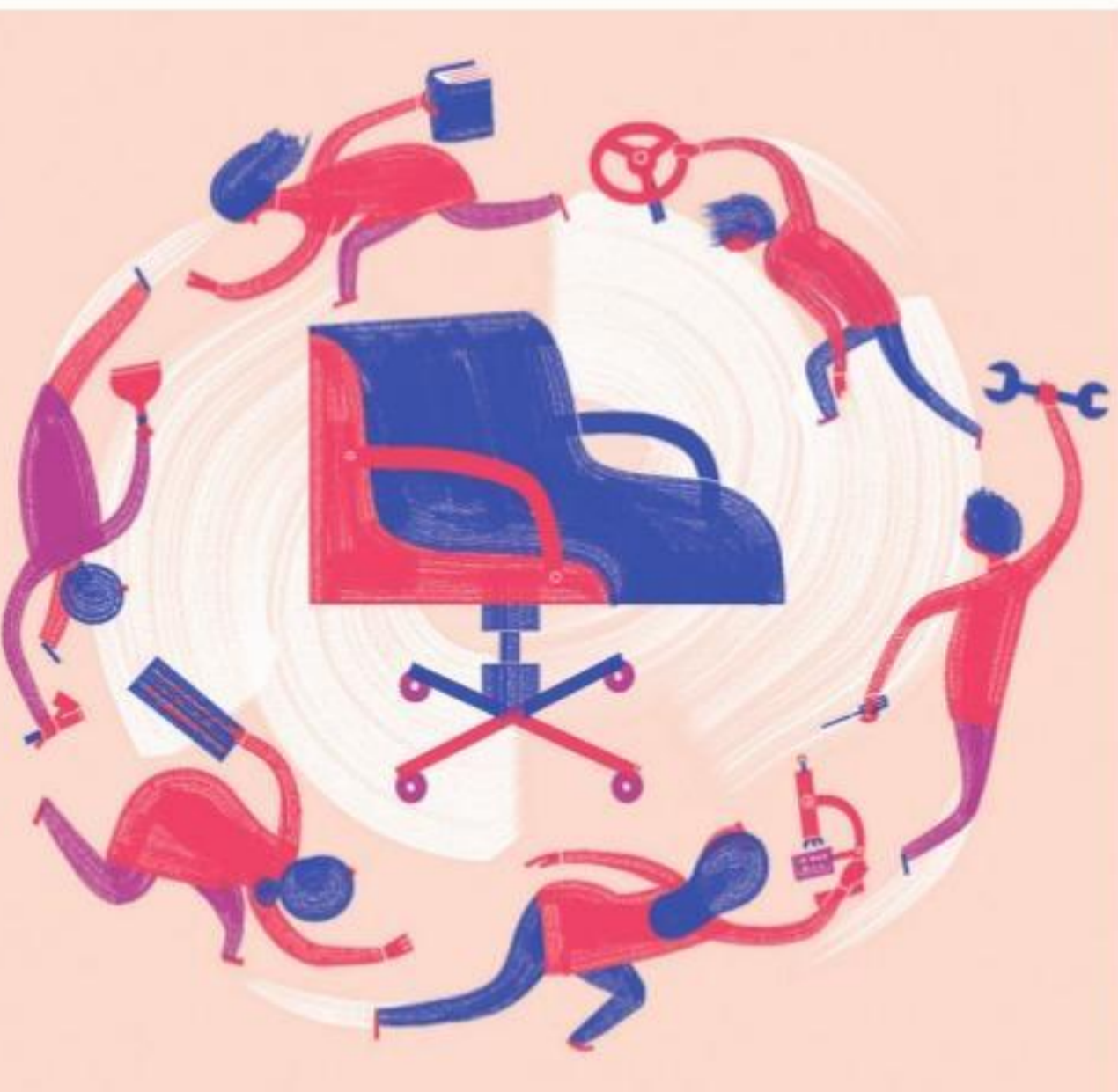
The Modi government assumed that this problem crystallised because the trained youth were not well-trained enough. Hence, the "Skill India" programme, whose objective was "to train a minimum of 300 million skilled people by the year 2022". In 2014, Modi created a Ministry of Skill Development and Entrepreneurship to harmonise training processes, assessments, certification and outcomes and, crucially, to develop Industrial Training Institutions (ITIs) — the building blocks of this endeavour. The Executive Committee monitoring the mission gathered representatives of nine ministries, as vocational training was seen at the intersection of different domains, including agriculture, information technology, human resources development.

Modi, who chaired the governing council and announced the setting up of 1,500 new ITIs and 50,000 Skill Development Centres, committed himself to "Skill India" in eloquent terms: "Today, the world and India need a skilled workforce. I also want to create a pool of young people who are able

### FUNDS FOR PMKVY HAVE STAGNATED AND OFTEN LIE UNUSED



"The figures for 2016-17 and 2017-18 are actuals and those for 2018-19 are revised estimates  
Source: PLFS 2017-18



CR Sasikumar

to create jobs. My brothers and sisters, having taken a resolve to enhance the skill development at a highly rapid pace, I want to accomplish this".

Clearly, Modi saw "Skill India" as a plan complementary to another flagship scheme he launched in 2014 — "Make in India", a policy inviting foreign investors, and, as a way to train entrepreneurs (as evident from the name of the ministry in charge of "Skill India").

Besides the creation of more courses and institutes of vocational training, the main innovation of "Skill India" consisted in integrating "vocational training classes linked to the local economy" with formal education from class nine onwards in at least 25 per cent of the schools and higher education bodies. A very important aspect of Skill India was its PPP character: Companies were requested to " earmark 2 per cent of their payroll bill (including for contract labour) for skill development initiatives". In parallel, the ITIs were supposed to "tie up with industry in the relevant trades to improve placement opportunities for candidates".

One of the most innovative dimensions of Skill India was the Pradhan Mantri Kaushal Vikas Yojana under which the training fees was paid by the government. The PMKVY's budget was approximately Rs 12,000 crore for four years (2016-2020). Its main tool was the "short-term training", which could last between 150 and 300 hours, and which included some placement assistance by Training Partners upon successful completion of their assessment by the candidates.

While the intentions of Skill India are commendable, the scheme falls short of the initial objectives. The target of this scheme was to reach out to 300 million young people by 2022, but only a mere 25 million had been trained under this scheme by the end of 2018. Partly due to mismanagement and partly due to the fact that funds available for "Skill India" were either not spent sufficiently quickly — because of a lack of candidates — or too little was spent. The money problem is evident from the graph and from the PLF Survey mentioned above which showed that, in 2018, only 16 per cent of the youth who had received "formal training were funded by the government".

While the intentions of Skill India are commendable, the scheme falls short of the initial objectives. The target of this scheme was to reach out to 300 million young people by 2022, but only a mere 25 million have been trained under this scheme by the end of 2018. Partly due to mismanagement and partly due to the fact that funds available for "Skill India" were either not spent sufficiently quickly — because of a lack of candidates, or because of a paucity of funds.

But the real problem lies elsewhere: Those who have been trained don't find jobs. The number of those who have benefited from the Skill India scheme has increased, from 3,50,000 in 2016-17 to 1.6 million in 2017-18, but the percentage of those who could find a job upon completion of their training has dropped from more than 50 per cent to 30 per cent. If one focuses only on the PMKVY, the results are even more disappointing. Responding to a question in the Rajya Sabha in March 2018, the then minister for skill development, Dharmendra Pradhan, told the House that in the framework of this programme 4.13 million people had been trained, but only 6,15,000 (15 per cent) of them got a job.

These limitations may be explained from three points of view. First, the training was not good enough — and this is why the employability rate remains very low. Second, while the government expected that some of the PMKVY-trainees would create their own enterprise, only 24 per cent of the 6,15,000 mentioned above started their business. And out of them, only 10,000 applied for MUDRA loans — a drop in the ocean. Third, and more importantly, India's joblessness issue is not only a skills problem, it is representative of the lack of appetite of industrialists and SMEs for recruiting. The decline of the investment rate is a clear indication that the demand is weak — hence huge idle capacities — and investing is not an easy thing to do anyway because of the limited access to credit that the accumulation of Non-Performing Assets has generated.

Skill India will not be enough to create jobs if the slowdown continues. But in the long run, Skill India will also not be enough if government expenditures in education remain low and if, therefore, the ground isn't prepared for proper training. In fact, under the Modi government, allocation for school education has declined from 2.81 per cent of the budget in 2013-14 to 2.05 per cent in 2018-19. It was above 3 per cent during UPA II.

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KUNAL RAY

## Writer who was a listener

Kiran Nagarkar's oeuvre owes much to his interest in people and their stories

I ALWAYS thought of Kiran Nagarkar as a mythical being. Growing up, I saw little of Nagarkar on television or in print. Many writers were featured on a regular basis and there were long commentaries about their work. Some publications would dedicate weekend issues to celebrating the genius of a writer. But there was no Nagarkar. Or, did I miss him?

I read *Ravan & Eddie* during my school days. I understood the novel much later while pursuing my undergraduate education in Pune. It demands a political consciousness or the appreciation of a context, which a school-goer might not always have. My proximity to Mumbai and later familiarity with the city's history aided my reading of this remarkable novel.

Having said that, Nagarkar's bawdy and iconoclastic humour is never easy. His self-mockery is evident. Ravan is Hindu, Eddie is Catholic. Nagarkar's novel also takes you inside the congested *chawls* of Mumbai where the private and the public constantly intersect. It is one of the best Mumbai novels that captures the city's zeitgeist, while also addressing the ascent of conservative religious forces that were undermining the cosmopolitan, multi-ethnic character of the city. Nagarkar was threatened with conse-

quences. His play *Bedtime Story*, written soon after the Emergency and based on episodes from the Mahabharata, was banned for years and released not too long ago, in 2015. In *God's Little Soldier*, Nagarkar holds forth on his pet peeve, religious fanaticism.

For anyone interested in English writing in India, *Cuckold* is unmissable. It is Nagarkar's magnum opus and a work of great artistic imagination. *Cuckold* weaves together history, mythology and poetry into a compelling narrative about Meerabai's (Green Eyes in the novel) love story told through a fictional character, Maharaj Kumar, who is quite anachronistic to the feudal setting of the novel. There have been very few attempts in Indian writing in English that would parallel the scope of *Cuckold*. It is a watershed for historical fiction written in English in India.

*Cuckold* was sadly eclipsed by the phenomenal success of Arundhati Roy's *The God of Small Things*, which appeared in the same year and also went on to win the Booker Prize. Would *Cuckold* be treated differently if the two novels had appeared at different intervals? Good writing is never time bound. It is engaged in constant self-renewal as we have seen with *Cuckold*. The question, however, remains — who else could have written a *Cuckold*? This perhaps applies to a lot

of Nagarkar's other writing, including his rendering of Indian mystic and poet Kabir's life in a contemporary setting in his last novel, *The Arsonist*. To me, his works evidence a strong bilingual sensibility, which is paramount to understand and discern the complexities of our nation. This makes Nagarkar unique amongst his peers writing in English in India. The critic George Lukacs draws parallels between the epic and the novel. I would like to think of *Cuckold* in that respect.

I first met Nagarkar at a literary festival in Pune, which I had helped organise. In our first meeting, Nagarkar became Kiran and the facade of the serious and taciturn writer disappeared. He asked my opinion about his books. I wondered why was he asking. Why should it matter to a celebrated author what a young graduate thought about his work?

UR Ananthamurthy did something similar when he asked me about *Samskara*. I am not prone to generalisations but Kiran, like Ananthamurthy, was a great listener. He wasn't keen to only let the world know what he thought but had a great capacity and interest to listen — listening with empathy is increasingly a rare quality in the times we live in, when shrill debate gets prioritised over discussion. He was generous in his praise and affec-

tion for Mahatma Gandhi and Jawaharlal Nehru and spoke freely against any kind of autocratic or fascist regime. At a lit fest, I remember his excitement on spotting someone with a pile of his books. He invited the reader and inscribed each copy with a personal message. His immense reserves of warmth often perplexed me. Perhaps the genesis of his writing was his vast interest in people and their stories.

His later work, which includes novels like *The Extras*, *Jasoda* and *Rest in Peace* didn't resonate with a large section of his readers as deeply as his earlier pieces of writing. Kiran never understood the lack of enthusiasm towards his later writing and often complained in private about it.

Kiran was always at work though he never shared details about what he was writing. I disassociated myself after his name featured in the Me Too allegations. I thought why should Kiran do this? Some months ago I was in Mumbai and wondered if I should meet him. I didn't. He wrote me an email soon after asking, "Will you come this side anytime soon?"

I will now look for him in his books. The writer teaches literary and cultural studies at FLAME University, Pune

## LETTERS TO THE EDITOR

### FRIENDS IN NEED

THIS REFERS TO the editorial, 'Restoring the bond' (IE, September 6). Prime Minister Narendra Modi and Russian President Vladimir Putin have taken initiatives to improve the relationship between the two countries. India is looking forward to Russia's support in its war against terrorism as well as on the economic front. Russia's support is crucial in the current geopolitical context: The abrogation of Article 370 has strained India's relations with Pakistan and China. The country also needs to be prepared for the ramifications of the US-China trade war.

Vihaan Gupta, Ujjain

### LESS MONEY

THIS REFERS TO the article, 'The revival path' (IE, September 6). There seems to be a consensus amongst economists that lack of demand is the main reason behind the economic slowdown. There are toll taxes on roads, bills for water, public transport fares have gone up, many trains run on flexi fare, education and health are privatised to a large extent and the Motor Vehicle Act imposes stringent penalties. So people have less money to spend.

Suchak D Patel, Ahmedabad

### HUMAN ERRORS

THIS REFERS TO the editorial, 'The heal-

### LETTER OF THE WEEK

#### NAVY MATTERS

THIS REFERS TO the article, 'The world's most happening place' (IE, September 4). Indian Ocean is the theatre of changed geopolitical situation. But is India ready to take advantage of the situation? A powerful navy is must to defend our borders and marine trade routes. Unfortunately the navy's budget this year was slashed by about 5 per cent.

Vasant Nalawade, Satara

#### ing touch' (IE, September 5).

The doctor who was beaten to death in Assam was reportedly a septuagenarian who was working amongst tea garden labourers and his past record was exemplary. He possibly made a mistake by not being present when the patient in concern developed complications. The question, however, is why was the fate of these patients left to a physician working past his retirement years? Much of the tension between doctors and patients is exacerbated by the shortage of doctors. This needs to be addressed urgently.

Prachee Deshpande, Pune