CHATTERBOX

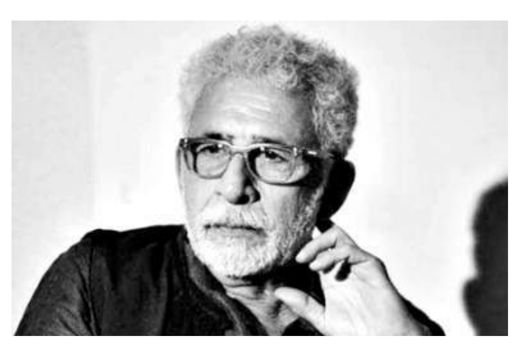
Prasad to the rescue

Detractors of Bihar Chief Minister Nitish Kumar in his alliance partner, the Bharatiya Janata Party (BJP) say, Kumar did nothing to alleviate the suffering of Patna residents during the floods and it was not until Lok Sabha MP from Patna Saheb and Union Minister for Law and Telecom Ravi Shankar Prasad reached Patna on the night of September 29, that some sort of rescue effort began. Prasad cancelled several high-level meetings, spoke to Union Minister for Coal Prahlad Joshi and sought four de-watering pumps that are used in coal mines to be sent immediately to Patna from Chhattisgarh. The 18-member team of men and machines from South Eastern Coalfields Limited had to stay in private hotels as the Kumar government could not offer them accommodation. Prasad also spoke to Central Water Minister Gajendra Shekhawat and asked him to open all the gates of the Farakka dam so that the water level in the region could go down. He then spoke to the defence secretary, after which two helicopters were given for distribution of relief material. All this is being recounted gleefully to highlight Kumar's failure. Of course, Patna is Prasad's constituency.

'Burdened' by work

Recently during a television interview to NDTV's Nidhi Razdan, Madhya Pradesh Chief Minister Kamal Nath was asked about Jyotiraditya Scindia's open play for being the next state PCC chief (currently the job is being held by Nath himself). Deadpan, Nath replied that he was "very open" to the idea of Scindia being the state Congress chief as he felt "burdened" by the additional responsibility.

DID THEY REALLY SAY THAT?



"I never had any close relationship with the film industry and fraternity in any case. I don't know whether it has affected my standing or not because I don't often get offered work very much. What I felt I said and I stand by it,"

Actor Naseeruddin Shah in a recent interview talking about whether his views on political and social issues have adversely affected his ties with the film fraternity

CHECKLIST

THE SWADESHI JAGARAN MANCH'S CONCERNS

- On the Regional Comprehensive Economic Partnership (RCEP): "The government of India is moving forward to enter into a free trade agreement called RCEP, with other 15 countries, with a provision to reduce import duty to zero on 80–95 per cent of goods. If this agreement is reached, it will have far-reaching effects on India's manufacturing, agriculture and dairy, due to which not only will there be a huge adverse effect on domestic production due to increase in duty free imports in these areas, the possibilities of new capacities will also cease to exist."
- On Indian participation in a Huawei conference: "Instead of adhering to the highest standards of integrity required in the Central Civil Services Conduct Rules, the entire top echelons of the Department of Telecommunications are attending a conference paid for by Huawei, which together with other Chinese telecom companies, faces outright bans/severe restrictions. Even in India, the operations of Huawei are not beyond suspicion, and are never investigated thoroughly."
- On China's protection to Masood Azhar at the UN: "The government needs to take immediate action to raise tariff duties on all Chinese imports to discourage Chinese imports. China, which is already under economic stress, thanks to trade war initiated by the US and other trade partners of China, will definitely realise the implications of unjust action of protecting terrorists. This action of India will help our and global fight against terrorism."
- On action by PepsiCo against farmers using seeds supplied by it: "PepsiCo is coercing farmers by using legal action to force them to either sell their output to the company or to stop growing the FC5 potato variety at all. It is a clear case of a large MNC (multi national corporation) arm-twisting India's poor farmers."

OPINION

MOHAN BHAGWAT

There is a covert effort to create disaffection

We all know that, in the past few years, there has been a transformation in the direction of the thought process of *Bharat*. There are many people in the world and in *Bharat* as well, who do not want this. A developed *Bharat* creates fear in the minds of vested interests: such forces will also not want *Bharat* to be strong and vibrant. Unfortunately, the prevailing state of social unity, equality and harmony in *Bharat* is not up to the desired level. Diversities of caste, creed, language and region are being used to separate one from another; turning them to differences; widening the fault-lines already existing in the society; imposing fabricated identities on manufactured separations, thereby creating diverse and conflicting streams in the national mainstream — such efforts are underway. It is essential to be alert in identifying these plots and counter them. Even well-meaning policies, decision or statements coming from persons in the government or administration are used by misinterpretation or distortion, to benefit their nefarious designs by these forces. Alertness is a constant necessity. While all these activities are underway, there is an overt or covert effort to create disaffection towards the civil discipline and law of the land. This has to be countered at all levels.

Nowadays, there have been reports that members of a community in our society have been attacked by another community, making them victims of social violence. Such incidents have not been one-sided. There are reports of incidents happening from both sides and allegations and counter-allegations. However, it must be accepted that these tendencies of violence have somehow or the other crossed the limits of the law and order and wreaked havoc by eroding the mutual relations in the society. Neither this tendency is the tradition of our country nor does it fit in the spirit of the Constitution. The Sangh has never supported the people who were involved in such incidents and it stands against each and every such incident. Swayamsevaks are working in this direction so that such incidents do not take place. But by branding such incidents by the words like "lynching", denoting the traditions that were alien to Bharat and belong elsewhere, efforts are underway to defame our country and the entire Hindu society and create fear among the so-called minority communities. We have to understand that such a conspiracy is also being hatched. Everyone should keep away from talking in provocative language or indulging in provocative acts. The so-called leaders—who in the name of advocating the interests of a specific community create clash in between the two communities of our society and have made an industry out of their pursuits for self-aggrandisement—should not be patronised. Adequate laws exist in the country to curb such incidents. They must be honestly and strictly implemented.

Different sections of the society should strive to increase goodwill, dialogues and cooperation among themselves. In today's context, it is absolutely important to work for the goodwill, harmony and cooperation among all sections of society. The Swayamsevaks have been taking efforts to enhance this type of dialogues and cooperation. Even then, decisions on some matters are required to be taken by the courts. Whatever be the decision, it is the duty of responsible citizens that they should not hurt the mutual goodwill through words or deeds. It is not the responsibility of any one community; it is the responsibility of all.

Slowing down of the world economy has left its impacts everywhere. Many countries including *Bharat* have to suffer the resultant of the ongoing global trade war between the US and China. The government has taken many initiatives to tide over the situation in the last one-and-a-half months. This gives a definite indication of the government's sensitivity towards people's interests and its prompt attitude. We will definitely come out of this cycle of so called recession. The personalities leading our economy are competent enough.

To strengthen the economy, the government is compelled to take steps such as allowing Foreign Direct Investment and disinvestment of industries. However, while implementing many government schemes and welfare policies at the lower level, more alacrity and efficiency and avoiding unnecessary stringency can set many matters right.

Forgetting the *Swadeshi* consciousness, while seeking answers to the pressures of the situation, will also lead to loss. Acharya Vinoba Bhave described it as self-reliance (Swaavalamban) and non-violence (Ahimsa). As per any yardstick, those who have got the capacity to be self-reliant and provide employment for all in the country, keeping themselves secured, can only build and expand the international trade relations and offer a secure and healthy future for the entire humanity.

However, to minimise the impact of other immediate crises and the ups and downs of the world economy on our financial system, we need to go to the basics and ponder. We have to formulate our own economic vision keeping in mind our requirements, profile and condition of our people and our resources and potential to realise our national aspirations. We have to take steps to formulate our own economic vision, policy and system that instil in us capacity to create more and more employment with least consumption of energy that is beneficial for the environment, make us self-reliant in every respect, and create and expand trade relations with the world on the basis of our strength and terms.

We are lagging behind in thinking about this 'Swa' even decades after attaining Independence, the root cause behind this is the education system, which was contrived during the period of slavery to keep us slaves, and the same is being continued even after attaining freedom. So we have to give a shape to our educational framework also in tune with Bharatiya vision. We need a relevant, logical, truthful, dutiful education system, based on an approach on the basis of love towards the whole universe and compassionate outlook towards all living beings, which gives comprehensive knowledge and pride about our language (Swa Bhasha), our attire (Swa Bhoosha), and our culture (Swa Sanskriti).

Edited excerpts from the annual Vijayadashami address by Rashtriya Swayamsevak Sangh (RSS) chief Mohan Bhagwat at Nagpur, October 8

ILLUSTRATION BY BINAY SINHA

With just a week to go for the Haryana elections, Bharatiya Janata Party state President **Subhash Barala** is campaigning intensively along with other leaders. He speaks to **Nitin Kumar** about the work done by the party in the state, the main contenders, the party's inclusive agenda, and how the steps taken by the central government will help the party in Haryana. Edited excerpts:

'Over 70,000 got jobs under Khattar govt'

Q&A

SUBHASH BARALA

Bharatiy Janata Party
Haryana State President

Under your leadership, the party has won all the elections held since 2014. This includes the mayoral elections, Jind by-poll, and the 2019 Lok Sabha election. What will be your strategy for the upcoming Vidhan Sabha elections? Do you see a repeat of the previous elections?

Continuous victories since 2014 is certainly a big achievement for the BJP, given that it came to power in the state for the first time. The prime reason for this accomplishment is the work done by Prime Minister Narendra Modi at the Centre and Manohar Lal Khattar at the state level. The government worked with transparency, honesty, and accountability.

Not only the government but every single party worker helped us spread schemes like UJALA, Pradhan Mantri Ujjwala Yojana, Pradhan Mantri Awas Yojana. We are taking these accomplishments to the people.

We are fighting this election on our state and central government's policies of social welfare, employment, farmer welfare and investment.

The high unemployment rate is a key poll issue this time. What will be the party's strategy to tackle this?

During Om Prakash Chautala's regime from 1999 to 2005 and Bhupinder Singh Hooda's government from 2005 to 2014, there were about 8,000-12,000 jobs created in each tenure. In several of these recruitments, the matter went to the court, or people were forced to hit the streets. Against this, our government gave jobs to over 70,000 people in the state.

Apart from this, direct or indirect employment was given to more than 500,000 people under our Saksham Yojana. And loans were provided to the unemployed youth under the Pradhan Mantri MUDRA Yojana. We have provided the highest number of jobs in the last five years. The Opposition is just trying to deceive people.

The state's total debt has risen from ₹76,263 crore in 2013-14 to ₹1.64 trillion in 2017-18.

You talk about debt, but see our government's Budget, it has increased exponentially every year after 2014. It has reached ₹1.32 trillion for 2019-20. Second, we put an end to fund leakages. Rajiv Gandhi said if one rupee is sent from Delhi, only 15 paise reaches the village. We stopped that. The previous government left a debt of ₹38,000 crore to the power sector that our government paid. The government has had to make some adjustments with various departments, but the Opposition is portraying a false picture. Funds have been better utilised under Khattar.

The Opposition is accusing the government of giving jobs to the youth from other states. What is your take on this?

They are simply misleading people because they don't have any other issue or achievement to talk about. Our youth is educated and they know that not even a single candidate can get a job above the other state's quota. Our government is not like the previous ones, which were giving jobs on their whims.

What will be the BJP's strategy for the 11 Assembly segments where the Congress and the Jannayak Janata Party (JJP) took lead during the Lok Sabha election, which includes Mewat- and Jat-dominated constituencies such as Sapla, Jhajjar, Beri, etc?

These 11 seats and the remaining 79 have 19,441 booths. We have a list of every booth and that has a list of 10 pages and we have made *panna pramukhs* for every page. Let alone the 11 Vidhan Sabha seats, with this strategy, we will win every *panna*.

The Opposition is accusing the BJP of fighting the state election on national issues such as Jammu and Kashmir and National Register of Citizens (NRC), as they have no work to show in the state.

The regionalism that prevailed during their rules has ended. They did caste politics in the state, which we ended. In previous regimes, jobs were given to relatives or in exchange for money. They even botched the BPL cards by distributing them to their relatives and associates; farmers were treated unfairly — they were not given fair prices for their crops. During their rule, even transfers in government jobs were done on the whims of their leaders. In the southern Haryana, which is under NCR, they acquired lands under sections 4 and 6 of the Land Acquisition Act at throwaway prices. The BJP has brought in transparency in the system.

Be it the abrogation of Article 370 or 35A, various positive steps were initiated by the BJP under the leadership of the PM. This long-pending demand to do away with "ek desh mein do vidhan, do pradhan aur do nishan (two constitutions, two prime ministers and two flags in one country)" was fulfilled by our government. This dream was shared by Dr B R Ambedkar, but Jawaharlal Nehru went against the suggestions and imposed Article 370 and 35A. We have fought against this from the days of the Bharatiya Jan Sangh. Now that the Article has been abrogated, they're asking us not to raise the issue.

Haryana's population is just 2 per cent of the country's, but we comprise 10 per cent of the national defence forces — the highest in the country.

We are a nationalist state: our brothers protect our country at the border and our farmers provide food for the nation. Now, if the BJP has fulfilled these dreams, why should we not discuss our achievements? Now, they have realised that people are with the BJP, as we won all 10 Lok Sabha seats, and defeated their star candidate Randeep Surjewala in the Jind by-poll. We won the first direct mayoral elections. They are questioning us as they are restless, but people won't fall into their trap.

But the Congress also accuses the BJP of doing caste politics in Haryana.

These people knew that if the BJP forms the government in Haryana, it would be very difficult to remove it, like in other states. So, they conspired against our party, it didn't work and the conspirators are behind the bars. Everyone in Haryana knew what they were trying to achieve, so the people of Haryana, panchayats, khap panchayats, NGO groups and other social organisations rejected their politics and they approved and believed in our CM's slogan of '*Haryana ek Haryanvi ek*'.

Instances of Hindu-Muslim conflict in the state have made national headlines. Do you think the situation is any better than before?

People understand that the BJP takes everyone along. Some of these incidents, like the ones in Badshapur and Gurugram were fake. The incidents were given a communal colour to spread a false propaganda against the BJP. But the people have understood their strategy now.

In fact, in Mewat, an independent MLA Rahish Khan was with the BJP for five years. Muslim leaders have now seen that the BJP is working for all-inclusive development. It was only because of this that leaders like Zakir Hussain and Nasir Ahmed decided to join the BJP.

We have provided employment, roads, transportation, education institutes in Mewat. And we are very confident that the BJP will win all the 3 seats there.

The BJP had said Robert Vadra and state Congress leaders who helped him will be put behind bars. But that has not happened.

The BJP and our government will not take any step, which will be seen as a revenge. The law is taking its own course, and the administrative machinery is doing its job. When the inquiry is complete, the department concerned would take the legal route against every culprit. In fact, there are other names apart from Robert Vadra, which are not much talked about. People would get to know about them too.

The BJP has dropped 12 sitting MLAs, including two ministers. What could be the reason behind this?

I don't think there is a need to discuss all the reasons why the tickets have been denied to the sitting MLAs.

The Opposition is accusing the state BJP leadership of various corruption cases like the roadways and mining. What's your take on this?

If evidence is found against anybody, law will take its course and nobody will be spared, irrespective of which party they are from.

Lost Dhokra artisans find hope

A skill development project is helping the community in Kankheri village of Odisha enhance their knowledge of Dhokra art and bring it to the mainstream, writes **Sneha Bhattacharjee**

Thirty-eight-year-old Butra Kansari long aspired to purchase a motorcycle while working in Kerala as a wage labourer. Nobody in his native village ever owned a motorcycle. Kansari belongs to Kankheri village, a nondescript habitat situated in the remote parts of Kalahandi district in Odisha. Today, Kansari owns a motorcycle that he bought with the money he "earned" on his own.

The Census 2011 shows the population of Kankheri to be at approximately 3,800. Cut off from any form of civilisation and steeped in abject poverty, the villagers had originally depended on agriculture to meet their livelihood. However, with time and advancement in technology, it has become difficult for them to make a proper living without the right machineries. Consequently, they have been forced to seek menial jobs outside their homes. While most of them left for Kerala to earn a living, the uncertainty of jobs was too much to bear for many.

In 2018, while working on the Lanjigarh plant with the community there, a team from Vedanta came to learn of Dhokra art — an ancient technique of wax and metal casting that originated in Odisha and Bengal from the community of traditional metalsmiths called 'Dhokra Damar' — and of Kankeri, where the almost extinct craft holds on to a sliver of life.

Soon a daily visit to the village 30 kms away from the plant led to the evaluation of opportunities. The idea was to revive the form and merge it with mainstream art, and enable the community to earn a sustainable livelihood out of it. In 2018, trainers were hired from Mayurbhanj, Odisha, who have already made a mark and worked regularly with the government. One trainer would put up in the village for four months at a stretch, teaching the artisans daily, helping them develop their skill and attain a level of professional quality that would enable them to present their works in national art and crafts fora. The company got them new tools necessary for artwork and essential raw materials like bee wax and brass.

THE OTHER INDIA

"Most villagers do not want to leave their home, and travel to far-off places to earn a living. They did it out of necessity. So, when we shared the idea of making a living from the art which they have acquired from their forefathers and a skill they honed through generations of practice, they were excited. The support was there from the very first day", said Rakesh Mohan, COO, Vedanta Aluminium, Lanjigarh Unit.

As efforts started bearing fruit, the next strategy was to help the artisan community create a raw material bank that would enable them to work seamlessly; open a self-help group bank account to provide adequate financial support; assist each of the 35 households to open a bank account where they can keep their hard-earned money and earn an interest on their deposit; organise an artisan's card in collaboration with the government of Odisha that would give the artisans of Kankeri public recognition and access to government-held exhibitions to participate, demonstrate and commercialise their works.

Butra Kansari showcasing his dhokra products at a state exhibition

"The artisans are very dedicated and their willingness to learn makes me happy. The practise of this art form, though ancient, requires intricate skill sets which cannot be honed without tools, equipment, and more importantly, a proper source of electricity. That is how we have been able to hone them well," says Sondhar Baghel, one of the trainers of Dhokra art.

The community is currently sitting on an order pipeline of well over ₹70,000. Four to five artists have reached a professional level and are ready to take off independently. Two artisans have already received ₹50,000 each from the government's Mudra loan scheme to bankroll their artwork. "When we first started, there were considerable challenges before us. There was no communication network, no road for commercial vehicles to ply. But the main challenge was to make them find faith in the value of their art form", adds Baghel.

Though the village has been provided with solar-generated electricity. "We are looking to increase the solar capacity to feed enough electricity that will be able to power the large cleaning and polishing and other machineries. These equipments are essential to give the art its much-required sheen," says Baghel adding that she is hopeful the government will take note of the artisan's work and help aid the much-needed electricity requirement to the village.

Meanwhile, the likes of Butra Kansari are happy to earn a living, receive pension from the government and also logistical support to showcase their work across the state.

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Delhi's idol pursuits

Immersion controls a model for other public interest initiatives

In India where people tend to stand on their right to disrupt in the name of religion, the Delhi government has demonstrated that it is possible to impose discipline on religious festivities without hurting their so-called sentiments. This year, the state government managed to ensure that no idols were immersed in the Yamuna after the Ganesh Chaturthi and Durga Puja festivities. This is the first time this has occurred and is no small achievement on the Arvind Kejriwal government's part, especially at a time of heightened politically motivated public displays of religiosity.

To be sure, Mr Kejriwal was following the directives of a National Green Tribunal (NGT) order passed last year. This order came after the findings of tests conducted by the Central Pollution Control Board (CPCB) after Durga Puja and Ganesh Puja immersions last year. The tests revealed untenably high concentrations of chromium, lead, nickel, and mercury, which made the river unfit for bathing. The NGT had suggested setting up colony-level immersion pools to ensure that the idols did not come to the Yamuna for immersion. The Kejriwal government, however, chose not to rely on the arbitrary compliance of local residents' welfare associations (RWAs). Instead, it rose to the occasion, literally, by setting up of 89 immersion pools across the city to ensure that the exercise did not become too burdensome for the puja committees. More remarkably, the state administration worked in rare cooperation with the Delhi Police — over the control of which Mr Kejriwal has had many famous run-ins with the lieutenant-governor and the Union home ministry. Police personnel were co-opted to man the immersion ghats and ensure that immersion traffic was diverted to the pools. Police were present every 20 metres along the traditional immersion sites to ensure that no one slipped through the gaps. It is worth noting that the idea of immersion pools is not specific to the Delhi state government. The NGT had, in fact, drawn on the idea from Surat, Gujarat, a hotbed of Hindutva ideology, which successfully enforced a ban on idol immersion in the River Tapti.

That this event occurred without major disruption, beyond the expected grumbling from some RWAs, is testimony to the state government's ability to mobilise cooperation across stakeholders to achieve goals in the public interest. The seamlessness with which the state government has managed to organise its odd-even traffic orders in cooperation with local enforcement agencies is another case in point. Both these events suggest that it is well within the state government's ability to work with RWAs and the police to enforce a ban on burning crackers during Diwali. It may be recalled that it is the Delhi Police's cussed refusal to cooperate with the state government and enforce a Supreme Court order prohibiting the burning of crackers during the festival of lights that turns the National Capital Region (NCR) into a sinkhole of lethal air toxicity for at least a week that followed.

Equally, it should not be impossible for Mr Kejriwal to take the lead in curbing pre-sowing stubble burning in surrounding fields that shroud the NCR in lung-burning smoke for days. The odd-even traffic scheme that he has launched for the first fortnight this November is but a unilateral initiative to tackle this biannual menace and past schemes have not yielded conclusive evidence of reduced air pollution. Equally, it is hard to see why the state government cannot enforce effluent norms on factories near the Yamuna. In the immediate future, however, it is vital that the state government ensures that these best practices in idol immersion are institutionalised so that the city does not lapse into the bad old practices if the political regime were to change.

Aiming for more of the global pie

Indian services export growth has outperformed that of the average emerging market in recent years. If global growth continues to be sluggish, India could enlarge its share of the cake

PRACHI MISHRA

India's share in global merchandise exports has been almost flat at 2 per cent since 2000. By comparison, China's share is now 12 per cent, having increased from a mere 4 per cent in 2000

We often hear that India is a closed economy, and is insulated from global shocks. Empirical evidence, however, can put both these arguments to rest.

India's trade integration

India's trade openness — defined by the sum of exports and imports to GDP — has grown at a rapid pace. Trade as a share of gross domestic product (GDP) rose from 25 per cent in 2000 to 56 per cent in 2013; the share of exports increased from 11 per cent to 25 per cent, while imports increased from 13 per cent to 31 per cent. Nevertheless, India did not escape the de-globalisation phenomenon, with exports declining to 19 per cent by 2017, and imports to 21 per cent.

How open is India compared with peers? While India's trade performance appears to be in line with Indonesia's and possibly better than China's, most of India's Asian peers were far more open during their stages of development at which India currently stands. We compare India's current trade-to-GDP with that for a larger set of emerging economies at points of time when their per capita incomes were similar to India's current level, at $8,000, in purchasing power parity terms. We find that India's openness is similar to that of Indonesia, higher than Latin American economies, such as Mexico and Brazil, but lower than Asean economies such as Thailand, Malaysia and Vietnam.

Exports' role in growth slowdown

The lack of export growth has been a major source of concern for the Indian economy for the last several years. Export growth declined from an average annual rate of 15 per cent during 2004-2011 to 6 per cent in 2012-2019. The slowdown in exports could, in fact, explain the entire slowdown in GDP growth over the two time periods. However, while exports weakened, imports slowed down too. Real import growth averaged 16 per cent during 2004-2011, compared to 6 per cent during 2012-2019. Net exports contracted by 1.4 per cent during 2004-2011. They contracted by less during the slowdown period; therefore, net exports have constituted less of a drag on growth during the slowdown phase.

India could gain from slowdown

The growth of Indian exports of goods and services broadly mirrors that of emerging markets (EM). More recently, commodity exporters have been hit by lower prices; therefore, Indian exports seem to be doing better. In particular, since 2016, Indian services exports have shown healthier growth than manufacturing. Although this is true globally, with structural demand growth for services being robust, Indian services export growth has actually outperformed the average EM in recent years.

If global growth continues to be sluggish, India instead could potentially take a bigger piece of a shrinking pie. India's share in global merchandise exports has been almost flat at 2 per cent since 2000. For comparison, China's share is 12 per cent and has increased from 4 per cent in 2000.

Despite a flat overall share, India's export composition has been transformed — away from goods toward services; and, within goods, away from textiles toward engineering and electronic goods, transport and chemicals. Mobile phones are the largest component of domestic electronics production, and their share in electronics production has risen by almost four times since 2015. Mobile phone exports have increased, while imports have fallen. Notably, Indian electronics exports are not increasing in sophistication or rising up the value chain. In fact, India is increasingly importing electronic components, assembling mobile phones onshore, and then exporting the final product. Therefore, the net value addition for mobile phones in India is limited. This is in contrast with China, for example, which is moving up the value chain, with more of the inputs going into final products, being sourced from inside the country, rather than outside.

The lack of export growth has been a major source of concern for the Indian economy in the last several years. But it has been less of a drag on growth during the slowdown phase

Reasons for export slowdown

A slowdown in trading partners' growth explains 40 per cent of the decline in India's exports over the past year. Although the role of a global slowdown is important, we find that it is not global demand alone. A stronger rupee explains about a quarter of the export slowdown, and the rest is explained by domestic factors, which include supply bottlenecks, and the availability of export credit.

Significant pick-up in exports unlikely in short term

The natural question weighing on markets' and policymakers' minds is how much longer India's slowdown can last. For most investors, the duration of the slowdown has been a considerable source of anxiety. Our baseline scenario suggests that export growth would likely remain close to its current level, by March 2020. Although weak global macroeconomic conditions and an appreciating rupee lead to a drag on export growth, we see this partly offset by greater availability of export credit as financial conditions ease along with measures to boost export credit.

In recent weeks, the Indian government has rolled out several measures to boost exports, which were rather modest, in our view. However, a much bolder step was announced on September 20 by the finance minister — a cut in corporate income tax rates to 22 per cent (from 30 per cent previously) and to 15 per cent for newly incorporated manufacturing firms. This move makes India's corporate income tax rates among the lowest in major emerging markets. While there are clearly other obstacles to expanding the domestic manufacturing sector — among them land and labour laws — the policy announcement sends a strong message of intent at a time when many firms are reconsidering their regional supply chains, with the escalation of the US-China trade war. Overall, to the extent some of these announcements start to filter through the economy, and if these are combined with measures to actively promote special economic zones and free trade agreements, we see a brighter medium-term prospect for India's exports.

The writer is managing director, Global Macro Research, and India chief economist, Goldman Sachs

India's mining sector needs a strong push

SUNIL DUGGAL

There are abundant investment opportunities in India's mining sector, for both domestic and foreign investors, but the key would be how they redefine sustainability with technology and bring in long-term changes in operations. Legacy issues that plague the mining sector need to be resolved by going to the root of each issue.

India is among the few countries that are blessed with immense mineral resources. It possesses 95 minerals — including four fuel-related, 10 metallic, 23 non-metallic, and three atomic — but is still awaiting extensive exploration of its mineral wealth for the greater economic and social good. Non-metallic minerals account for the majority of mines (792), coal and lignite for about 500, and metallic minerals for about 635.

India has not been able to utilise its mineral wealth. Government policies, legal frameworks, delays in approvals, land issues, health and safety, community unrest and sustainability have all contributed to the sluggish growth of mining in India.

Illegal mining continues, tarnishing the reputation of law-abiding and responsible miners, though the latter have continued to contribute towards the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET), apart from paying royalty, dividend distribution tax, corporate tax, and spending 2 per cent of net profit on corporate social responsibility (CSR), as well as creating millions of jobs in remote rural and tribal areas.

When we are aiming for a $5 trillion economy, can we choose to go slow on mining, knowing that, out of eight core sectors of the economy, five depend primarily on raw materials from mines?

In the year 2017-18, the value of India's domestic production of all major minerals (excluding coal, lignite and minor minerals) was ₹58,638 crore, and this increased to ₹72,490 crore in 2018-19. But the gap between imports and the domestic production of minerals continues to widen, with the value of mineral imports touching almost ₹4.35 trillion. The production of minerals increased from 497 million tonnes in 2014-15 to 690 million tonnes in 2018-19.

Yet, as per the 2016 report of the International Council on Mining and Metals, *Minerals and Coal Production*, India's mineral output is just 12 per cent of China's in value terms.

The Indian mining sector and foreign mining companies that are looking to invest in India need to be data- and technology-driven and must think digital. Robots and drones would need to become a large part of the workforce, while artificial intelligence, 3-D simulations and 3-D printing will provide the cutting edge to new-age mining.

Digitisation of mines has been successful in developing intelligent mines in India and around the world. These mines are smart, connected, wired and analytical, and support sustainable mining.

Local communities will always play a pivotal role in the development of mining. Sustainable mining clubbed with their well-being and prosperity will be a key factor in the smooth functioning of mines. The Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) offers an excellent framework for welfare schemes to be undertaken, through the funds collected under DMF, for the development of mining-affected areas and communities.

Under the PMKKKY, at least 60 per cent of the funds are earmarked for drinking water supply, environment preservation and pollution control measures, health care, education, welfare of women and children, welfare of aged and disabled people, skill development and sanitation. The rest is to be utilised for physical infrastructure, irrigation, energy and watershed development, and for enhancing environmental quality in mining districts.

Though a large amount under DMF remains unutilised (only 24 per cent of the ₹23,600 crore collected in 2017-18 has been utilised), it is also an opportunity to channel these funds in such a manner as to bring back the focus on growth and development of the mining sector. Of the ₹1,500 crore collected under NMET, only 13 per cent (₹200 crore) has been utilised. This also offers opportunities to start extensive exploration for minerals without further delay.

Optimum utilisation of funds collected under DMF and NMET by the government, 2 per cent mandatory CSR spent by mining companies on the communities living around mining areas, focus on modern technology, digitisation of mines to improve efficiency and minimise damage to the environment, waste utilisation, safety, water conservation, and compliance with laws of the land would revolutionise India's mining industry.

When we are aiming for a $5 trillion economy, do we have the choice of going slow on exploration and mining, knowing that, out of eight core sectors of the Indian economy, five — coal, steel, cement, electricity and fertilisers — are primarily dependent on raw material supplies from mines?

Mining companies also need to ensure that the contribution of the mineral sector in India's GDP should increase from the current 1.53 per cent to the global benchmark of 7-7.5 per cent in countries like Australia and South Africa.

We can let minerals remain where they are, underground. But for how long? When countries like Brazil, South Africa, Australia, Canada, America and China are developing their mineral wealth to strengthen their economies, why should India remain behind?

The writer is president, Federation of Indian Mineral Industries

OTHER VIEWS

Self-reliance in the defence sector seems a distant dream

Need to involve private sector entities and offer them a level playing field

PTI

It took plain-speaking from Olivier Andries, the CEO of the French engine manufacturer associated with the Rafale fighter jet, to drive home the point that the ambitious Make in India initiative — launched with fanfare in 2014 — has a long way to go in the defence sector. Mr Andries, who heads the multinational Safran, the maker of M88 state-of-the-art engines, told Defence Minister Rajnath Singh that the company planned to invest about $150 million in India towards training and maintenance, but was apprehensive of the country's tax and customs "terrorism". He sought support on easing tax norms for a business-friendly environment. In her Budget speech, Finance Minister Nirmala Sitharaman had announced that since defence modernisation and upgrade was a national priority, the import of equipment not being manufactured in India was being exempted from basic customs duty. Many more such confidence-building measures are needed to attract foreign investors.

The transfer of technology is a must for achieving the lofty goal of self-reliance in the defence sector. Last year, the government had unveiled the strategic partnership model, which envisages a long-term tie-up of Indian entities with global original equipment manufacturers to set up domestic manufacturing infrastructure and supply chains. Amid the mixed response to this policy, the private sector has been demanding a level playing field and a transparent bidding process. Unless the bottlenecks are removed, India — now the fourth largest defence spender in the world — will continue to depend heavily on imports in the high-stakes military arena.

The Tribune, October 11

Delhi's pollution season starts

It requires a long-term solution

If Wednesday brought some cheer to the capital, Thursday was a reminder that all is not well. The Central Pollution Control Board data showed that the city's air a day after Dussehra was the cleanest in five years for a day after the festival. The city's air quality index (AQI) was recorded at 173 compared to 326 last year. Delayed withdrawal of the monsoon, fewer cases of stubble burning, and a conscious decision by many to cut back on fireworks and effigy burning on Dussehra has also helped keep pollution under check. But while this was good news, reports indicate that Delhi is now staring at the onset of severe pollution, with a spike in PM 10 and PM 2.5 levels, and the beginning of farm fires in neighbouring states.

Stubble burning has started in Haryana and Punjab. Diwali celebrations will soon take place. And weather conditions are beginning to change, with winter approaching. Delhi desperately needs a long-term plan to tackle air pollution, which includes improving public transport, dust control and waste management. Also critical is cooperation from other states, as pollutants don't regard state boundaries. Delhi is taking the right steps, but the battle against air pollution will be a long and hard one. Thursday has shown that the problem is now deep and structural, and will require deep and structural solutions.

Hindustan Times, October 11

OTT services as listening posts?

There will be privacy issues

A year ago, the Telecom Regulatory Authority of India (Trai) had commenced a process of consultations to bring over the top (OTT) services like WhatsApp and Telegram under "lawful interception". Now, it is reported to be ready to submit recommendations to the Department of Telecommunications. The objective of the exercise is public security, since criminals and terrorists are known to use the end-to-end encryption offered by such services to fly under the radar. However, the most significant question remains unanswered: Is interception technologically feasible, at all?

Concerns about crime, terrorism and lethal mischief-making using encrypted communications are legitimate and, worldwide, pressure is developing on providers and platforms to make content available for inspection. However, privacy concerns are equally legitimate, because compromising security would degrade privacy across platforms. Blackberry, the pathbreaker in the secure communications sector, had kept a copy of encrypted communications and provided it to the governments of India, Saudi Arabia and the United Arab Emirates. As a consequence, the former smartphone giant is now an inconsequential player. Governments are asking OTT providers to go the Blackberry way, but it is insupportable. The cost to privacy, now recognised as a right, would be immense.

The Indian Express, October 11