

The other side of the story

Poor resource allocation and swankier private competitors are two of the many reasons government schools are losing students rapidly



OUT OF THE BLUE

ANJALI BHARGAVA

The government primary school at Buddi village in Uttarakhand is more an aberration than the norm. Run by a highly motivated 56-year-old head teacher, the school has 86 Muslim children across five grades. It, however, has only four teachers, including the head herself, to teach the five grades. Not long ago, the school functioned with three teachers but after the recent thrust on Urdu, a new Urdu teacher was allotted to the

school, taking their count to four.

Not far away in Bhoodpur village, a single teacher manages a total of 35 students across five grades, leading to a chaotic school day. The days when she takes a casual leave, the school in Buddi sends one of its teachers to substitute, more as a goodwill gesture than because of any directive. In yet another primary school in the same cluster — it has seven in all — there are two teachers (a head and an assistant teacher) managing a total of 12 students. In many schools that have few students, teachers spend the day sitting in the sun, eating peanuts and playing cards.

The three primary schools highlight a plight faced in almost every district in the state — and in many states in India — where poor resource allocation leaves teachers struggling to manage classes along with all the other duties they are required to do. On the day I am at the school in Buddi, the head teacher is busy

with parents who are there for some purpose, one teacher is absent and the other two are trying to manage the 80-odd students present. The school has no sweepers, no peon or any other ancillary staff. Students clean toilets and sweep under the direction of the teachers. A “bhojan mata” hired for ₹2,000 a month cooks the mid day meal for which the school is reimbursed ₹4.48 per child per meal. The meal looks rather unappetising to me — a watery mix of rice and yellow dal but I observe the children eating eagerly.

Meagre takes on a new perspective when I learn how little the school manages with. Till very recently, the budget for maintenance and contingencies was ₹12,000 a year, an amount that has now increased to ₹25,000 to their delight. The teachers themselves earn upwards of ₹50,000 a month with the head teacher drawing a take home of almost ₹80,000, a mini fortune in the village. For

the first time ever, the school has a fund of ₹5,000 towards sports. They're planning to add a basketball ring and a net for badminton or volleyball.

The other good news for this particular school is that while it routinely loses students to the private schools in the vicinity, it often gets reverse migrations. The private schools have better buildings and infrastructure and take students at three years plus. Parents often don't want to wait till five years to admit their wards and the Buddi school loses students to the private alternatives. Moreover, the marginally better infrastructure at the private schools attracts parents especially those with boys as they feel they will get a better deal. The head teacher, however, proudly introduces me to three boys — all cases of reverse migrations, that is, those who soon realised the private option wasn't any better. The parents woke up to the fact that better buildings don't necessarily translate into better

learning and they were paying for no additional value.

To stem the outflow from government schools, the head teacher at this school is of the firm view that the government schools must start admitting children from the age of three as no parent is willing to wait till the child is five plus. Once they have admitted the child in a private school and she is settled, they are reluctant to withdraw even if a government option which is free is available.

While they admit that many government teachers are not motivated and take the job for granted, the Buddi school head teacher and her team argue that it's unfair to paint everyone with the same brush. Her teachers are rarely absent. The three teachers at this school do seem quite motivated and as I watch two of them conduct a Class I and observe that they are rather involved with the students.

She and her team argue that delivery outcomes of government schools often suffer as no one is available to do actual teaching. There are innumerable administrative chores, forms to be filled, norms to be met and guidelines to be followed. All this accounts for a large percentage of school day

and there are days when the actual teaching is limited to just a couple of hours since no one is free from other tasks. The day I visit the Buddi school, the head teacher is busy helping parents fill forms that entitle them to a ₹300 a month per child scholarship. Since almost all the parents are illiterate, the task of form filling falls squarely on her. If it wasn't for the scholarship and the mid-day meal, many of the girls would be withdrawn, she explains. So it's in everyone's interest to get the job done. This is just one of the endless non-teaching related obligations they are required to fulfill. As the tasks pile up, often many or sometimes all the teachers are pulled into administrative and other non-teaching duties. This is the single biggest factor why the performance of students fails to meet expectations.

As I sit and talk to the head, I realise half the battle is won if one has the right attitude. Despite having very little, she has no complaints barring one. “We don't need teaching aids, training workshops or guidance from NGOs. All we need is to be left free to do what we were hired to do,” she says. In her case, it is also what she really loves to do: Teach

CHINESE WHISPERS

Ready for the next round



With less than two and a half years left for the 2022 Uttar Pradesh Assembly elections, the Samajwadi Party (SP) and the Congress have upped the ante against the ruling dispensation, but the Bharatiya Janata Party (BJP) leadership is drawing succour from the fact that the two main opposition parties are trying to hobble each other in their bid to position themselves as the “main opposition party”. On its own, the Bahujan Samaj Party (BSP) is in no position to put up a fight. The SP and the BSP, which came together for the Lok Sabha polls, broke off their alliance because of an unexpectedly poor performance. In the recent by-polls, the SP bagged three seats while the BSP logged zero. The Congress, though failing to open its account, did better than the BSP. It finished second in two seats and was a close third in five. The party ascribed this to the recent rejig of the party's state unit. The SP has already declared that going solo in the recent by-polls worked in its favour and nothing can stop it from regaining lost ground if it followed the same formula.

Wrong address

Bharatiya Janata Party (BJP) legislator Rahul Narvekar, an MLA from Mumbai's Colaba Assembly constituency, landed up briefly at the Yashwantrao Chavan Centre at Nariman Point, where the National Congress Party (NCP) was holding its meeting to decide on its strategy relating to the Maharashtra impasse. Narvekar left immediately, telling journalists who had been waiting outside that his driver had mistakenly brought the car there. Narvekar was formerly with the NCP. He had joined the NCP after quitting the Shiv Sena. His father was in the Shiv Sena, and his father-in-law is in the NCP.

Made-for-TV devotion

A leading Hindi news channel, in its zeal to capture the sentiment after the Supreme Court's Ayodhya verdict, took it upon itself to “manufacture” the sentiment. A camera person of the channel was seen egging on the crowd gathered in the media lawns of the Supreme Court to follow his cue and chant *Jai Shri Ram*. As many joined in, the court precincts reverberated with the religious chant. Of course, it was not the journalists alone — earlier, some *sadhus* had also given a shout out to Ram as they entered the premises — but their on cue performance surely made for great prime time television.

The fight over online prices

As traders prepare to hold a nationwide agitation against Amazon and Flipkart this week, the government weighs its options

VIVEAT SUSAN PINTO

Online and offline retailers in India have been at loggerheads with each other for long. But the chasm appears to have widened in recent months, as the consumer slowdown gets worse and purchase baskets shrink.

Market research agency Nielsen has lowered its growth forecast for the consumer market in the October-December period to low-single digits from mid-single digits in July-September, saying sentiment remains weak.

Traditional traders, especially, small retailers, corroborate the view, saying deep discounting, online-only launches by manufacturers and a growing preference for e-commerce in the value chain has further vitiated the atmosphere, resulting in a sharp decline in business for them.

National traders body Confederation of All India Traders (CAIT) will begin an agitation this week against Amazon and Flipkart as they harden their stand against e-tailers.

“This year's festive season has been very bad for small retailers and even larger stores across the country,” says Praveen Khandelwal, general secretary, CAIT.

“While the consumer slowdown has impacted business, what has made matters worse is the lack of a level-playing field for us. Since September-end and into the month of October, there were multiple online festivals held by e-tailers, where products were sold at deep discounts to consumers. Business has suffered as a result for traders,” says Khandelwal.

According to market research firm RedSeer, e-commerce players including Amazon and Flipkart had clocked \$3 billion in gross merchandise value (of goods sold) during the six-day festive sales it ran at the start of October. By the end of October, both firms, RedSeer estimated would have doubled GMV to \$6 billion, given that festive sales continued through the month on both platforms.

INDIAN RETAIL MARKET

Year	\$ trillion
2019	0.85
2022	1.20

Source: Deloitte

Khandelwal argues that deep discounting by e-tailers has happened in violation of the foreign direct investment (FDI) rules for the sector that were implemented earlier this year. The rules stipulate that marketplace entities cannot buy more than 25 per cent from a single vendor nor can they offer products from sellers in which they hold an equity stake. They cannot manipulate product prices and offer deep discounts or push for exclusive launches.

The head of a popular electronics retail chain that has stores in Mumbai, Delhi and other parts of India says that festive sales picked up during the five-day Diwali week only, stretching from October 25-29.

“Earlier, people would come out to shop around a fortnight before Diwali. This subsequently came down to about seven days before Diwali. This year, we saw footfalls during the Diwali week. These were the last-minute shoppers who had missed out on the online sales of e-tailers. Though we were able to make the best of this rush, this trend is not good,” he says.

Experts have argued that it is

MARKET SHARE (%)

Segment	2019	2022
Traditional trade	88	75
Modern trade	9	18
E-commerce	3	7

impossible to turn the clock back as far as retail growth goes in India. “Let market forces decide which part of the business deserves attention,” says Harish HV, managing partner, Ecube Investment Advisors, who has observed the growth of e-commerce closely in the country, both as a consultant and investor.

“Traditional trade is a significant part of the retail market here. However, consumer preference for e-commerce has been growing in India over the last few years. Convenience has been a key reason besides price. Also, the cost incurred to set up and maintain a physical store doesn't exist as far as an online platform is concerned. These gains are passed on to customers,” he says.

At the India Summit of the World Economic Forum last month, US Secretary of Commerce Wilbur Ross admitted during a debate on trade partnerships that e-commerce resulted in lower prices for consumers.

“If a hundred years from now, India still has as many small retailers as now, it would hold back the growth of the

country immensely,” he said.

But Ross's counterpart Piyush Goyal, India's Commerce and Industry Minister, believes small retailers require protection from large players, flush with capital from global investors and multi-national companies. Walmart paid \$16 billion to acquire Flipkart last year, while Amazon has committed \$5.5 billion for the India market.

“Around 120 million are dependent on small retail here. There are 50-60 million small shops across the country. We welcome all e-commerce companies to work in India as an agnostic platform. However, they cannot become platforms that engage in predatory pricing, putting small retailers out of business,” he said at the WEF summit.

Estimates by audit and consultancy firm Deloitte peg the current size of the total retail market in India at \$850 billion. Of this, traditional trade is around 88 per cent, while organised or modern trade is around 9 per cent and e-commerce is around 3 per cent.

In the next three to four years, Deloitte says the total retail market in the country will touch \$1.2 trillion in size, led by growth in e-commerce. From 3 per cent, e-commerce will constitute nearly 7 per cent of the total market. Traditional trade will shrink to 75 per cent, while modern trade will double to 18 per cent.

Anil Talreja, partner, Deloitte India, says online and offline retailers will have to co-exist. “Both consumers and brands are happy. I don't see what the debate is about,” he says.

ON THE JOB

Warning: Analysis can cause paralysis



MAHESH WAS

Until the Ministry of Statistics and Programme Implementation released the Periodic Labour Force Survey (PLFS) report in late June 2019, the dominant narrative on employment from the establishment was one of denial that jobs were being lost or that there was stress in the labour markets. After the release of the PLFS, such summary dismissal of the problem has declined.

This is because the PLFS itself has shown that the unemployment rate in the country in 2017-18 was at a 45-year high. There was only a brief attempt to insist that the PLFS was not comparable to earlier surveys. But, that did not stick and gratefully the argument was not pursued aggressively.

In October 2019, two papers published by researchers compare the results of PLFS with the earlier NSSO surveys. One of them, “Emerging Employment Crisis: Rising Education Levels and Falling Non-Agricultural Job Growth” by Santosh Mehrotra and Jajati Parida is published by the Centre for Sustainable Employment at Azim Premji University.

Both papers have no hesitation in comparing the PLFS with the EUS (Employment-Unemployment Survey). The former does not fuss over comparability and the latter asserts that the two are comparable.

The paper by Bhandari and Dubey for the EAC-PM shows an increase in employment between 2011-12 and 2017-18 — from 433 million to 457 million. However, the paper by Mehrotra and Parida shows a fall in employment from 474 million to 465 million in the same period.

The difference is not small. There is a difference in both magnitude of employment and in the direction of change. First, employment estimates of Mehrotra and Parida are systematically higher than those of Bhandari and Dubey. Second, Mehrotra and Parida imply a 9 million decline in jobs while Bhandari and Dubey suggest an increase of nearly 24 million jobs over the same six year period.

Mehrotra and Parida have explained this difference in a separate note. They explain that while their estimates are based on the usual principal and subsidiary status of employment (UPSS), those of Bhandari and Dubey are based on only the usual principal status (UPS). Researchers who use the NSSO surveys usually use the UPSS to estimate aggregate employment in India. Laveesh has explained to this author that it is principal status that is important and subsidiary status is mostly unpaid family labour and disguised employment or under-employment. However, unpaid family labour is not small. Jajati tells me that 22 million jobs were lost here and another 26 million were lost in casual labour.

Using both estimates, we could infer that while UPS employment has increased smartly (by 24 million) as demonstrated by Bhandari and Dubey, subsidiary employment has declined so sharply that it has caused a decline in overall employment as suggested by Mehrotra and Parida.

But, Mehrotra and Parida point out a second source of the difference between the two papers. This is the projected population in 2017-18 to estimate the absolute numbers of employment from the ratios provided by the NSSO. Bhandari and Dubey have used a slightly higher rate of growth in population

than the projections made by Mehrotra and Parida.

Nevertheless, it seems to be clear that while employment as defined by principal status has increased, there was a massive fall in employment as defined by the subsidiary status between 2011-12 and 2017-18.

I may conjecture here that employment in the unorganised sectors also declined and this is where all the unpaid family workers were engaged.

GST came into force in July 2017 and brought grief to small and micro industries. Employment in these units is predominantly informal and these are also the ones that provide the subsidiary employment of the non-agricultural sectors.

The PLFS survey was conducted from July 2017 through June 2018, a period of substantial distress in the unorganised sectors. It is also the period when the organised sector gained market share from the unorganised sector that was cracking up. Excluding subsidiary status employment during this period would reveal this increase in market share of the organised sector but it would not tell us the rest of the story.

Here is one evidence of the fall in employment in the unorganised sectors. Mehrotra and Parida's paper tells us that employment in manufacturing declined from 59.8 million in 2011-12 to 56.4 million in 2017-18. Separately, the Annual Survey of Industries tells us that employment in organised manufacturing increased from 13.4 million to 15.6 million in the same period. We can therefore deduce that the employment in unorganised manufacturing declined from 46.4 million to 40.8 million — that is, a fall of 12 per cent.

Neither of the two sets of researchers have spoken their last word on the subject and, more will dissect the data. Hopefully, these will not paralyse us with too many contradictory views but will thaw the establishment out of its paralysis by denial.

The author is the MD & CEO of CMIE

LETTERS

The real picture

This refers to “Moody's rating action and the ₹28 trn push” by Soumya Kanti Ghosh (November 11). The writer wrongly sees the asset quality review of the banks and the imposition of prompt corrective action (PCA) norms as a way of penalising the banks for past actions. This is not true. This was done to know the real quality of the advances of the major, true level of non-performing assets (NPAs) and temporarily restrict the lending activities etc to conserve capital, stop reckless lending and strengthen the concerned banks. The state of affairs in the banks had less to do with procyclicality and more to do with politically induced reckless lending to dodgy borrowers. It was to protect the interests of the depositors of these banks, a fundamental duty of the Reserve Bank of India. Second, before liberally allowing NBFCs to access liquidity, it is imperative that an AQR of advances portfolio of big NBFCs/HFCs be carried out to know the quality of assets they hold and level of actual NBFCs. For too long, we have treated public tax money and central bank money as milch cows that can be milked at will to paper over serious problems in the financial system. There must be an end to band aid treatment where serious surgery is required. Third, I agree about the suggestion of monetising/privatising state assets.

Arun Pasricha New Delhi

Soumya Kanti Ghosh responds: No one can deny that AQR has nudged banks to start recognising restructured assets as NPAs. Simultaneously, it has forced banks to start rethinking about ways to resolve the ever-growing menace of NPAs. But it is also a fact that prior to this, restructured assets were seen largely as good assets but buffeted with policy issues. And it is also true banks were restructuring such assets as per regulatory guidelines. They were not doing it on their own or flouting any regulatory prescriptions. Post AQR, all of a sudden, all such restructured assets turned

NPAs and banks, especially the bigger ones, were suddenly grappling with the rising provisioning cost for such assets. Thus, intrinsically, the problem arose not because of the banks, but because of the earlier recognition methods.

In a scenario where the growth cycle is continuously weakening, rising provisioning costs of banks help no one, certainly not the drying credit cycle. Any banker will vouch for the fact that almost all economic activities go through different growth cycles. With the right intentions and robust internal S&Ps, many are able to weather such fluctuations successfully and start growing again. As far as AQR for NBFCs is concerned, the RBI has categorically stated that as of now it doesn't have any such proposal. But, yes, the NBFC monitoring mechanism needs to be strengthened, which the RBI is working on. Such a mechanism must include all aspects of the functioning of NBFCs including their capital adequacy, stability, their cash inflow and outflow.

United we stand

This refers to the edit “Awaiting real closure” (November 11). Kudos to the Supreme Court for finally deciding the emotion-laden Ram Janmabhomi-Babri Masjid case that was pending in courts for a long time. It deserves credit for a fair and just verdict that allotted the disputed land for a Ram temple in Ayodhya. It did not give the land to the contending parties thus depriving them of making religious or political gains. It gave it to the government through a trust to ensure objectivity in the construc-



tion and maintenance of the new temple. Secondly, it held the destruction of the Babri Masjid in 1992 as illegal — the trial in the case should be put on fast track. Thirdly, it compensated the Muslims by giving them five acres of land in a prominent area, almost twice the size of the land they claimed (2.77 acre).

The court has done its job and the verdict has cast a greater responsibility on the people, parties and the government to derive the possible benefits. The verdict was the victory of justice in which no one won or lost. We should now rebuild the bond of harmony and respect among all communities, the onus on Hindus being the most. This should put an end to the strategy of using places of worship as an election play. The trust should comprise those who enjoy reputation for fair play. The government should make certain that the logic of faith is not exploited to lay claims on other places of worship as insisted by the apex court also.

Y G Chouksey Pune

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Seshan's legacy

Election Commission's independence must be maintained

Tirunellai Narayana Seshan, the indefatigable crusader for voters' rights, passed away in Chennai at the age of 86 on Sunday. Seshan, a lifelong civil servant, rose in the Indian Administrative Service to the highest possible position, that of Cabinet Secretary, a post that he held until Rajiv Gandhi lost power in 1989, when he was moved to the Planning Commission. He spent the V P Singh government's time in the Planning Commission but when Chandra Shekhar came to power with the Congress party's backing, he was appointed Chief Election Commissioner (CEC). It was as CEC that Seshan came into his own, and became something of a national hero.

Prior to Seshan's tenure, the Election Commission — an independent body according to the Constitution — was in many ways an arm of the government. Seshan ensured that it became *de facto* independent and not just *de jure*. He laid out a lengthy list of electoral malpractices and did not hesitate to pull up even Union ministers who appeared to be deviating from it. The 1993 elections across much of northern India, conducted under his supervision, were a landmark in the country's electoral history. Even areas known for rampant malpractice and violence saw relatively free and fair elections. He pushed the government into ensuring that voter ID cards were handed out, and investigated elections to the Rajya Sabha that he felt might be contravening rules — even that of then finance minister Manmohan Singh.

Seshan's life and work is a reminder that even institutions with solid constitutional backing need persons of integrity if they are to carry out their designated function. However, once one such person invigorates the functioning of such an institution, it can continue to be effective even after that leader has moved on. This was the case with the Election Commission. While Seshan may have objected to the Commission becoming a three-person outfit, it added stability to the system and ensured that throughout the contested coalition era, the Commission was far more than a paper tiger. The question is, however, whether the fact that Seshan's tenure came at the beginning of the coalition era is crucial to the story of the Commission. Unlike in the one-party state that India was in many ways — at least at the level of the Union government — prior to 1989, in the 1990s and 2000s, an independent Election Commission was a crucial arbiter and largely seen as a useful referee.

India has now, once again, entered a period when coalitions are not essential for government at the central level. It is perhaps no coincidence that Seshan's legacy is being lost, as the Election Commission finds itself increasingly under siege. Consider the fallout of the 2019 general elections: The member of the commission who dissented against the "clean chit" to the prime minister and current home minister for violations of the electoral code of conduct has found himself under attack by government agencies. Members of his family have been put under investigation. This intimidation will certainly have an effect on the Commission's institutional independence going forward. It is to be hoped that future commissioners will nevertheless be able to summon some of Seshan's indomitable spirit and maintain the Commission's proud history of fighting for electoral fairness.

Taxing issue

Lower transaction costs alone won't increase capital market activity

At a recent event marking the 25th anniversary celebrations of the National Stock Exchange, its Managing Director and Chief Executive Officer, Vikram Limaye made a strong pitch for bringing down securities transaction and compliance costs in the Indian market. Investors not only have to submit margin; they have to compute and pay a plethora of taxes, including the securities transaction tax (STT), capital gains tax, stamp duty and the goods and services tax, on every capital market transaction. In addition, companies must pay a dividend distribution tax if dividend is paid.

Mr Limaye's point is that all this makes India's capital markets less competitive compared to its peers, and hence less attractive and less liquid. In turn, that means less investment flows into the Indian economy, thereby constricting the ability of businesses to raise financing. In comparative terms, investors do need to cope with far lower taxes and much less in the way of compliance costs in other markets. There is certainly a case for streamlining the tax regime, and for cutting rates. There would undoubtedly be more investment in Indian financial assets if the overall transaction costs were reduced. This would indeed make it easier for investors to enter the capital market, and that would facilitate companies in making public offers to raise funds.

The government's case for continuing to impose this basket of taxes is simple enough. Most of these are levied at source and automatically collected whenever there is a transaction. Moreover, during the current economic downturn, where tax collections are running well behind Budget estimates, the government would be reluctant to forego any source of revenue. There would also be complications involved in attempting to reduce or simplify several of the applicable taxes. For example, while the STT and the capital gains tax are specific to the capital markets and apply nationally, the stamp duty payable is specific to the state of residence. Hence, there is a political angle and states would have to be persuaded to forego stamp duty, or to reduce the rates. In the case of GST, the GST Council, which includes states, would have to be convinced that it makes economic sense to reduce the applicable rate on capital market transactions. There is also the point that tinkering with GST rates to offer sector-specific relief sets a bad precedent. Such tinkering has already led to a more convoluted GST.

There is another point. Investments track earnings and the promise of profits. While ease of transaction and low costs are both important factors in attracting investments, the ultimate magnet is earnings growth. India has seen five successive quarters of slowing growth and earnings downgrade. Under the circumstances, it is no surprise that investors have been cautious and transaction volumes have reduced. A streamlining of the tax regime would certainly be desirable. Indeed, there is a case for tax reform across the board; not just in the narrow sphere of financial markets. But in itself, lower transaction costs might not be enough to trigger higher trading volumes in capital markets. For that, a turnaround in the economic cycle is required.

ILLUSTRATION: AJAY MOHANTY



Houses for living, not investment

If you want to fix the housing sector, fix the market for houses — don't try to bail out projects, developers, banks or homeowners

It is something of a relief that the Union government finally appears to have accepted that the Indian economy is slowing sharply, across sectors and geographies, thanks to a combination of cyclical and structural factors. This means that the government's famed decisiveness is finally being applied to the Indian economy. The problem is, however, that the diagnoses are wrong, and perhaps even the understanding of the problems is a little deficient, thanks to the shortage of economics expertise at the highest level. Thus, too many of the decisions move in the wrong direction. Rather than making the minimum intervention required to ensure that markets begin to work properly, they seek to prop up all stakeholders in the hope that recovery is just around the horizon.

Consider as an example the decision by the Union Cabinet on November 7 to set up an alternative investment fund (AIF) worth ₹25,000 crore to address the stalled projects problem in the real estate sector. Here the issue appears clear. There are over 1,500 stalled projects in the sector, affecting nearly half a million housing units. More than two-thirds of these are in Greater Mumbai and the National Capital Region. The developers behind these projects have mostly taken out loans to finance their development; they cannot complete the projects without more financing, but banks that are already seeing their bad loans to the sector multiply are reluctant to throw good money after bad. The AIF, in this context, is simply an infusion of capital into the sector that will provide the gap financing necessary to unblock the pipeline, complete some projects, get those housing units into the market, and allow the market to resume normal operation. There are some positive aspects to the design. First of all, there is unquestionably an

appetite in private capital for stressed assets as long as there is explicit government partnership. Second, the AIF will take an interest in the relatively high-cost units that are actually blocking the pipeline — up to ₹2 crore unit price in Mumbai, and ₹1.5 crore in Delhi. The notion here is that this is a cyclical issue which can be addressed by appropriate counter-cyclical policy. Revive the projects, the developers, and the banks, and recovery will follow. Comparisons are being drawn to the real-estate bailout by the United States following the financial crisis.

But the questions that are being asked of the proposal need to be addressed. Perhaps the most basic is this: Will even ₹25,000 crore be enough? As this newspaper has pointed out editorially, by some estimates this will be able to impact only 16 per cent of stalled projects. Efforts of this sort, such as the US' TARP programme, need to be overwhelming in size in order to restore confidence in the market. A cash-strapped government might not be able to commit the resources that are actually needed. The hope perhaps is that with budgetary support of ₹10,000 crore, further inputs from the Life Insurance Corporation and nationalised banks, private capital might be enthused to match government funds.

But then the next question that will have to be asked is whether private capital — or even for that matter the banks — will consider this programme a safe enough deployment of their funds. The AIF has been structured to include, for example, projects that may have to go through the National Company Law Tribunal. But such cases have been demonstrated recently to be vulnerable to legal challenges of one sort or another. There is a degree of reluctance in finance to become exposed to a process in which



POLICY RULES

MIHIR SHARMA

India's mood = Moody's India?

Last Friday, I provided hard copies of some medical documents stored on my computer to a laboratory. The printout was hazy due to the humid weather. I apologised to the technician and wondered when our extended monsoon would end. "When *achhe din* come," the young lady said, without cracking a smile. She looked a solidly conservative Gujarati, not given to sarcasm, who had almost certainly voted for Narendra Modi in all elections, regardless of who the actual candidate was.

It is not yet six months since the landslide general election victory of Mr Modi and the Bharatiya Janata Party (BJP). After the jubilation of that historic triumph, other sugar rush events, such as Howdy Modi in Houston and the Mamallapuram summit with Xi Jinping followed, along with the much-cheered (within India excluding the Kashmir Valley) scrapping of Article 370 and reorganisation of the erstwhile state of Jammu and Kashmir. One expected that the victors would bask in the warm afterglow for some while yet. But my interlocutor's obvious mockery indicates a deeper discontent prevailing even in Mr Modi's backyard.

Gujarat is not the only region to register such a reaction. Last month's Maharashtra and Haryana Assembly elections showed a wider spread of the dismay. After the tidal wave of popular vote in its favour in the general election, every analyst assumed that the BJP juggernaut would roll on, decimating what little remained of the opposition in these states following *en masse* defections to the ruling party. The Congress leadership was missing in action, while Sharad Pawar ploughed his lonely furrow in an inhospitable terrain. It appeared that the BJP would sweep the polls by default even before the first vote was cast. We know that this did not quite happen. The

customary hosannas after the famous "victories" were muted. The BJP won a majority in Maharashtra with its truculent ally, the Shiv Sena, but is not forming the state government, at least for now, due to the Sena's hard bargain for its pound of flesh. In Haryana, a hasty marriage of convenience with greenhorn Dushyant Chautala saved the day, but only after a hefty dowry of deputy chief ministership.

Although the BJP was the largest single party in both the states, the result cannot be termed as anything but its defeat, with the opposition having nothing to do with it. It is tempting to say this was due to the BJP's complacency or arrogance of power, but the fact of the matter is the much quoted James Carville aphorism, "It's the economy, stupid!"

Economic bad news has been trickling in since the beginning of 2019, but was buried under the nationalist election rhetoric. After Modi 2.0, the alarm bells rang louder and more frequently: Recession in the automobile industry, falling industrial production, tax revenues below expectations, international and domestic agencies cutting growth forecasts, until the last weekend's downgrade of Moody's outlook from stable to negative.

Finance Minister Nirmala Sitharaman has been trying bravely to turn back the tide of economic woes through a slew of measures: Sops to housing, medium, small and micro enterprises, shoring up the tottering financial institutions, but there is as yet not much cause to cheer. No wonder columnist Tavleen Singh reported gloomy forebodings from the corridors of corporate power, albeit only *sotto voce* (*The Indian Express*, November 9, 2019). Consider this: The Prime Minister himself pro-



ET CETERA

SHREEKANT SAMBRANI

all the legal kinks have not yet been worked out.

More broadly, the question that should be asked is whether the correct diagnosis has been made of the problem. The government has said that the investment managers can take a call to replace the project developers if necessary. But this should, in fact, be necessary much of the time. Yet if the promoters are replaced, who will market and sell the completed units? The AIF? The lenders? Or should the government instead also focus on building a platform that allows such completed units to be auctioned so that proper price discovery takes place?

The real problem here is that few of these projects will approach anything close to the value that has been set on them in the past, not just by developers but also by lenders. This is a natural consequence of the weakened demand in the economy, and the consistent refusal to lower prices over the past decade. Demand in metro areas is growing at only four to five per cent, while supply is growing in double digits and perhaps close to 20 per cent. Meanwhile, there are over a million unsold units. When you have this sort of mismatch, there is only one possible response: To drop prices till supply and demand are once again in balance. But if you drop prices, then both promoters and lenders will have to take a haircut — which nobody is willing to do. It is this basic problem that the government will have to address. It cannot ginger up demand. But it can certainly incentivise the lenders that it controls to come clean about the extent of the hole they would be in if the market were functioning cleanly, and prices were to drop.

In other words, we have to stop trying to fix things for lenders, projects, homeowners and developers — and think instead about how to fix the market for houses. Only then will the sector emerge from its current crisis.

Throughout the economy, a clean-up process that would require the loss of equity by promoters and haircuts for lenders has been postponed, and so investment and growth has not returned to natural levels. The real estate sector is just one instance of this problem, if more consequential than most. The government will have to accept that it needs to ensure a structural clean-up rather than viewing this as a cyclical problem that can be solved with a small amount of money.

The real estate sector is crucial to the broader economy not just because of its backward linkages — to cement and steel sectors, for example — but also because it is a big employer of unskilled labour and an investment asset for the middle class. The problem has traditionally been that the latter function takes on great political salience, with government policy towards the sector biased towards maintaining prices rather than deepening the market. This bias must end. The Indian middle class will have to learn, just as other middle classes in other economies have, that house prices can fall. Houses are not an investment asset for individuals and households. They are something you buy to live in.

He said that without breaking the logjam, the growth rate in the immediate future could fall to 5 per cent. He also said that India needed an investment of \$1 trillion to get back on the high growth path. His economic advisers listed steps needed to revive India's growth: Policy predictability, quick project clearances and payments, encouragement to investment, containing inflation, fiscal consolidation. The new measures are at best pot-shots at the devils that hobble the economy, not in themselves sure-fire means of taming them.

Of course, that did not happen. These observations are from a 2013 column talking about the economic mess of the second Manmohan Singh government, but they are just as applicable to the situation today. Mr Modi only speaks of the \$5 trillion economy, and not the measures needed to get there. He may have turned to domain experts in foreign policy, but has been his own chief economic adviser all along.

All this is of little concern to the *aam aurat*. She is increasingly worried about two things: *Berozgari* (unemployment) and *mehngai* (inflation). Almost everyone knows or has heard of someone being laid off, or put on short hours, or youngsters not getting jobs. And even if the inflation indices are low, *mehngai* crops up because in the overall scheme of things of a household, incomes are not growing, or not fast enough, to meet its aspirations. Its young now mostly figure only in the denominator of the family welfare equation and not in the numerator as they used to earlier with their incomes, however small they may have been.

Share markets are often moved by that elusive factor, "sentiment." The political scene is also subject to similar sentiments. And the 1.3 billion stakeholders in India are not upbeat at all, sharing Moody's negative outlook.

The writer is an economist

A short guide to GDP



KITABKHANA

T C A SRINIVASA-RAGHAVAN

For the last 42 years my sister and her friend have grimly and grittily edited a little journal called *The Book Review*. Snobbishly, they only review academic books; and, cloyingly, children's books.

I regularly steal books of both types

from there. When I get caught they make me write a review. But often, I manage to avoid writing it by the oldest trick known to reviewers: Postpone till your pursuers give up.

Anyway, the other day while looking for some other book at home I found one I have no recollection of buying or borrowing. I had probably stolen it from my sister. The date of publication is 2014 so I guess it's safe to write about it in 2019.

It's got a marvellous title: *GDP — A Brief But Affectionate History*. The author is an economist called Diane Coyle. She has a PhD from Harvard and obviously loves economics. Why else would she feel affectionate towards, of all things, GDP?

The kids these days would call it a "cute" book, just 140 pages. The publisher is Princeton University Press, which is surprising considering it's the sort of book any trade publisher would have

happily published. That way the book would have got more of an airing.

As things stand, I don't think anyone has heard of it in India. Or may be less than 25 have and even fewer read it, which is a pity because it is by far the best book I have ever read on this pesky and surreal subject.

But Ms Coyle breathes coherence into it. She makes GDP comprehensible. So even though I have avoided writing about economics in this space, I think I can be allowed a little latitude.

Besides, GDP is the flavour of the day. Even politicians are talking about it. They (and young journalists) must read it as an exercise in adult education. It will improve their perspective on what, in the end, is a statistical abstraction that is best referred to once, not four times, a year.

A troublesome thing

Ms Coyle has devoted the first five chapters to the history of GDP and its vexatious measurement. She makes it quite a fun read and I think even someone as

exasperatingly exacting as T N Srinivasan would have been hard put to find fault with her discussion of it. These chapters leave you fully aware that GDP is important but not the be all and end all of economic performance.

That said, it's the last chapter that hooked me. It's called "The Future: Twenty-First Century GDP". She says GDP must now keep in mind three things: Complexity, productivity and sustainability.

This not only thickens the soup, it makes targeted intervention impossible. You have to rely on the two broad-spectrum antibiotics — fiscal and monetary policy and pray.

Complexity means, just to mention one thing about it, an increase in the types of one product. How do you account for 100 different types of soap? Or how do you account for what happens when driverless cars become the

norm? Then there is the global supply chain problem of outsourcing. It overstates import bills but understates import volumes. And so on.

Higher productivity means you produce the same amount with less inputs. Does the reduced consumption of some things — say, energy — increase or reduce GDP?

She cites a telling example: Musicians can double GDP by doubling the number of performances, rendering the music at twice the speed. Apply this to health and see what happens. And, of course, there's information. If the Modi government has increased the number of official web-sites and the consumption of information by citizens, how does this reflect in GDP growth?

Then there is the Nordhaus-Tobin question about capital widening as opposed to mere widening. Broadly,

this means there has been an increase in the per capita use of capital to keep future consumption steady. This is also something the Modi government has succeeded in doing without realising it, of course. Conventional measurement methods don't account for this sort of thing.

Finally, there is sustainability. If your current consumption will lead to overall reduced output in the future, how do you account for it? As she asks, what's the balance between "investment in new assets and the depletion or depreciation of existing assets?"

This lies at the heart of the sustainability question and no answers are available. The Modi government's emphasis on solar energy and the inability of current methods to account for it — is a case in point.

To sum up, the measurement and importance of GDP is not captured by the number of underclothes and cars sold. It is certainly not something for amateurs to discuss.

Opinion

TUESDAY, NOVEMBER 12, 2019

INDIA'S GROWTH ARM

Union defence minister Rajnath Singh

Defence sector will play a major role in making India a \$5 trillion economy. Our aim is to make the Indian defence industry self-reliant & less dependent on imports



ACCESS WANI

DELINKING ACCESS FROM NETWORKS THROUGH WIFI ACCESS NETWORK INTERFACE WILL ALLOW ACCESS PROVIDERS—FROM MVNOS TO STREET- AND VILLAGE-LEVEL ENTREPRENEURS—TO THRIVE

Can WANI be to telecom what UPI is to payments?

AN EDITORIAL IN one of the pink papers estimates the valuation of Flipkart subsidiary PhonePe at ~\$10 billion, and says a major reason for its success is Aadhaar-associated India Stack and United Payments Interface (UPI). It highlights the potential of such a development in encouraging Indian start-ups beyond copycat efforts, and creating genuine value. It is encouraging that the government's role in creating and promoting technology, while common in the US, is slowly being recognised in India.

India's telecom sector is fighting for survival. As telcos lobby for minor and major reliefs, the need of the hour is to ensure that the current struggles do not affect India's pace of innovation. UPI's success was largely due to delinking payment from banking. A UPI-like techno-strategic innovation would not only help the sector but also secure India's future in the post-5G and ubiquitous-IoT disruptive world.

The Indian telecom regulator, Trai, recently proposed setting up a Wifi Access Network Interface (WANI) architecture with the ability to delink telecom infrastructure from access services. This bold vision, coupled with a few modifications, can easily be extended to provide access across technologies.

WANI (as recommended by Trai) provides for seamless authentication within the WiFi world. It will allow users from one Wi-Fi network to "roam" on another without need for any repeated authentication. Apart from the convenience of one-time and one-stop authentication, the additional benefit of seamlessness is greater security. Today, many hotspots operate on the principle of "OTP" (one-time passwords) which provide access for a limited time. Such hazards will be done away with the WANI architecture.

With some minor modifications, WANI could provide access across technologies in a truly seamless manner. As an example, connecting operators via an exchange will provide for seamless connectivity, in addition to the above-mentioned authentication. WANI 2.0 could then support device-to-device communication, which could be extremely useful in the IoT space. India could, thus, steal a march over several other countries in designing and imple-



President, Broadband India Forum & honorary fellow of the IET (London). Views are personal

menting truly ubiquitous multi-vendor IoT. Establishing WANI across networks is a much simpler exercise than the one undertaken by UPI, which involved connecting across legacy systems of many banks, as the number of network providers are limited and also because they are already used to inter-connecting for seamless roaming.

WANI 2.0 will provide an alternate connection to private IoT networks, so they can enjoy ubiquitous connection with the same levels of security as within private networks. While countries like China are defining standards for IoT, India can continue to rely on its core strengths of using open standards for a multitude of proprietary IoT networks so long as they use WANI standards for inter-operations. Taking the digital payments analogy further, just as any payment technology or standard is allowed in India so long as it can interface with UPI for inter-operability, WANI can ensure India maintains its technological sovereignty while ensuring that our business/consumer requirements are met in an open and transparent manner.

From a business model perspective, delinking access from networks will allow for a proliferation of access providers—from big branded MVNOS to street- and village-level entrepreneurs. This will also benefit operators by allowing them to focus on providing quality services in limited areas rather than spreading themselves thin. From a consumer perspective, quality will be enhanced while competition will help lower the price thresholds. Studies estimate a positive impact of >\$10 billion annually to the Indian economy.

Most industries face disruption every decade or two, but the telecom sector reinvents itself every 3-4 years, given its technological evolution. Unlike the rapid obsolescence of hardware-based technologies, WANI can be further scaled to play a lead role in adapting to emerging

technologies like 5G in defining "network slicing" standards (essentially, a mechanism which determines in which component of the network a certain information will be stored). Given the growing concerns about data security and individual privacy, current network slicing discussions are a long way from being implemented. Ensuring adherence to WANI architecture will enable India to adopt network slicing and other advanced features of 5G while maintaining the security and privacy of its citizenry.

Few issues that WANI architecture and its later iterations can solve are:

Separation of access from core network can be provided through virtual network operators (VNOs): WANI is a good example of unbundling/disaggregation—separation of the access from the underlying network through its platform, which could be termed as a perfect 'liberalisation of access'. Again, drawing a parallel with UPI, where digital wallets co-exist with banks, light touch regulation with simpler methods of online registration (as recommended by Trai) can enable many small entrepreneurs become aggregators. As was seen in payments, many larger wallet companies later became payment banks. Such a policy regime will not only enable proliferation of aggregators, but will also allow the larger ones to eventually become VNOs.

India setting its own IoT standards for multi-vendor IoT like the rest of the world: Like other countries, India too will be working on setting standards for multi-vendor IoT (mvlIoT) platforms and seamless communication across net-

works. While that helps, interfacing any mvlIoT platform with WANI 2.0 will benefit IoT systems in functioning seamlessly by accessing nation-wide network across multiple technologies. This will not only enable Indian IoT systems to be mobile but also allow users of IoT systems to economically access alternate networks—very essential in a country like ours, where networks lack ubiquity either in terms of coverage or quality. Access to a nation-wide ubiquitous network will also encourage global IoT providers to comply with Indian standards, much like global payment wallets did with UPI.

WANI will disrupt an already fragile ecosystem: Incumbent players across the telecom ecosystem would certainly raise issues regarding the timing and the disruption this will cause. UPI has proven similar fears from banks were unfounded. Additionally, the cost-benefits of seamlessly connecting to alternate networks like WiFi or IoT will allow operators to save on enormous duplication costs with immediate impact on bottom-lines.

No reasons to intervene in a lowest-cost market: India, unlike what is popularly held, doesn't offer one of the cheapest rates for data access globally. The total cost of data

It will benefit operators by allowing them to focus on quality services in limited areas rather than spreading themselves thin. For consumers, quality will be enhanced while competition will help lower prices

includes cost of device, cost to deliver, quality coefficient cost, and cost of access to consumer. Taken holistically, cost to deliver at sustainable levels of quality is over two times higher in India than in the US. It is no small wonder that gaping holes have already appeared in India's telecom story.

The good news is that WANI can perhaps mean a change for telecom similar to how UPI revived the payments industry, which was in the doldrums. Trai's WANI recommendation should be seized without further delay, and architecture should be implemented for unleashing Telecom Revolution 2.0. Co-authored with **Kartik Raja & Debu Bhattacharya**, Broadband India Forum

LETTERS TO THE EDITOR

On the slowdown

On the eve of the third anniversary of demonetisation, credit rating agency Moody's Investors Service changed the outlook on the Indian government's ratings from stable to negative even as it reaffirmed the existing foreign and local currency ratings. Two years ago, Moody's had upgraded India's rating. According to Moody's, there has been an increase in the risk that economic growth will remain materially lower than in the past. This is a dismal conclusion about India's future trajectory. Moody's, for all practical purposes, has questioned the efficacy of the government's policies addressing the slowdown. Consequently, the agency expects a rise in India's debt burden. The government has certainly taken some positive steps to mitigate the slowdown, but it still hasn't come up with a coherent vision. Moody's downgrade should serve as a wake-up call to address the economy's structural problems. — TAM Merc, on email

Maharashtra polls

With the BJP falling short of the required number and Devendra Fadnis expressing his inability to form the government in Maharashtra, it is not surprising that the Shiv Sena has got the governor's invitation to take over the baton of leadership. Though the Sena has the backing of the NCP, it will also need the support of the Congress to enable it to form the government. Should the 'grand old party' decide to turn its back on the saffron party, the crisis could deepen, and force the state to go under President's rule. The situation is anything but hunky-dory at the moment. — NJ Ravi Chander, Bengaluru

Write to us at feletters@expressindia.com

Treading a fine line at Ayodhya to deliver justice

SC negotiates between faith and evidence, and gave the best possible judgment under the circumstances

GIVEN THE CONSTRUCTION of a Ram temple at Ayodhya should always have been settled politically, by involving both Hindu and Muslim religious leaders, the Supreme Court (SC) has done well to finally deliver a verdict on the issue, and a unanimous one at that; had there been dissenting views, both Hindu and Muslim leaders would have cited this to point to the flaws in the judgment. Matters were complicated by some prominent historians arguing that there was, in fact, no evidence that a temple had been destroyed to build the Babri Masjid; if archaeological evidence were to be used as a clincher, many other Muslim monuments could get threatened. In the event, SC negotiated faith and evidence—nor was the evidence of the type courts normally deal with—and came up with a solution that seems fairly balanced.

SC accepted the Archaeological Survey of India (ASI) finding that there was a Hindu temple—made in the 12th century AD—upon which the mosque was constructed. Possibly, since such a finding could fan movements to demolish other Muslim monuments that are built on Hindu temples—though the Places of Worship (Special Provisions) Act of 1991 prohibits this—the SC said there was no ASI evidence on whether that temple was, in fact, destroyed solely to build the Babri masjid; indeed, SC said that there was a gap of 400 years between the construction of the two. While this could be challenged on grounds that ASI had talked of when the temple was built and not when it was demolished, the SC wisely ended the discussion by saying "a finding of title cannot be based in law on the archaeological findings which have been arrived at by ASI".

Having taken note of a non-Islamic structure underneath the Babri Masjid, the SC then looked at whether the Hindus or the Muslims were in continuous possession of the site, and whether they prayed there. The Hindu side's argument that the Babri Masjid "did not accord with Islamic tenets" was rejected, as was the plea that no *namaaz* was ever offered in it; the *namaaz* ended, the court says, when Hindu idols were put into the Masjid in 1949, and desecrated the mosque—the court comes down heavily on this. SC then noted that the Hindus had "exclusive and unimpeded possession of the outer courtyard where they have continued worship" while the inner courtyard was used by both communities; the Muslims, the court said, "have offered no evidence to indicate that they were in exclusive possession of the inner structure prior to 1857 since the date of the construction in the sixteenth century". The setting up of the *Ram-chabutra*, in or around 1857, the court said "must be seen in the historical context as an expression or assertion of the Hindu right to worship at the birth-place of Lord Ram".

Given this, the court ruled that a Ram temple was to be constructed on the disputed side, and since the Muslims had been deprived of a functioning mosque, the Sunni Waqf Board was to be allotted five acres of land in Ayodhya to build a mosque. While it is possible for both communities to argue against some of the SC's individual findings, the judgment uses Article 142 of the Constitution, which allows it to deliver 'complete justice' in a creative manner to offer a solution to a burning issue that has polarised India for decades. While the government has done well to try and dampen passions after the verdict, and to reach out to Muslim groups, the Sunni Waqf Board's offer to give up its claims, made before the judgment was pronounced, indicates a desire to move on. Having won a big victory, Hindu groups need to accept that every historical wrong cannot be righted, and should give up their claims for other temples.

Bad news for democracy

Andhra Pradesh moves to silence critical media

THE ANDHRA PRADESH government will brook no criticism—that is what its order empowering secretaries to initiate legal action, against traditional media as well as social media users, for "false, baseless and defamatory news" means. The information minister of the state, Purni Venkataramaiah, tried to justify the move saying that adverse news will affect the morale of the officials, and will ultimately pull down their performance and affect the progress of the state. It can be no one's case that the government shouldn't step in to correct the media where it is wrong, but corrections and defamation suits are two very different things. More so, when the definition of what is false, baseless, or defamatory is left entirely to the government's discretion. Bringing down all the might of the state on media organisations—whose very *raison d'être* is to facilitate holding the government accountable—will crush criticism and scrutiny, and make the media a propaganda vehicle.

The threat of prosecution will always be a Damocles' sword for investigative journalism, critical voices, even lay citizens who have every right to directly hold their elected representatives accountable, and will significantly erode the freedom of the press. Indeed, such a provision would have ensured that the 2G scam, or more recently, the incident of children being given just salt and *rotis* under the government-sponsored mid-day meal scheme in Uttar Pradesh would have never been reported. This means public pressure for the government to correct its course would have been nearly impossible to build. To be sure, state governments have been vindictive even without an Andhra-like government order in place—for instance, the Uttar Pradesh administration has gone after the journalist who broke the salt-*roti* story—but, the order institutionalises clamping down on criticism, and sets a dangerous precedent.

It is argued that media organisations in many states, including Andhra Pradesh, have staunch political loyalties and, therefore, are not truly independent. But, as the Press Council of India chairperson Justice CK Prasad stated while taking suo motu notice of the Andhra order, "the problems which the order... seeks to redress can very well be remedied by the (Press) Council itself". The order, given it allows multiple departments and authorities to slap as many cases against a journalist or a media organisation or a social media user, is not just about coercing critics into silence but also wreaking vengeance. And, there are few things that can harm democracy as fundamentally.

Empowering INSTITUTIONS

Seshan's legacy is making the ECI a force to reckon with; true progress lies in empowering institutions

TN SESHAN, WHO died on Sunday, will be best remembered for his 1990-1996 stint as the chief election commissioner. Under Seshan, the Election Commission of India (ECI), a constitutional body, earned its repute of being the resolute arbiter of elections in India that it is seen as today. Even the most trenchant of his critics agree that Seshan set the standard for efficiency in preserving the fairness and independence of the election process, and was married to the laws and statutes governing the conduct of elections. Indeed, during the 1993 general elections, provisions that had been rarely invoked were yielded with an unsparing hand—nearly 1,500 candidates were disqualified for three years for failing to submit expenditure accounts while nearly 14,000 candidates had been disqualified for submitting false information. In Uttar Pradesh, incidence of booth capturing fell from 873 in 1991 to 255; the number of those killed in poll-related violence fell, too.

While it was as much the Seshan effect, the ECI's efficiency in conducting elections in a fair manner also stems from the fact that it is an institution that is empowered to resist interference by the state's executive and the legislative arms. Institutions with teeth—the Comptroller and Auditor General is another good example—have historically served to preserve the faith of the masses in democracy and governance in the most challenging of times. Given how efficient institutions genuinely empowered to hold the legislative accountable have proven, it is necessary that the political class doesn't undermine their functioning. Just as assaults on the ECI—allegations of EVM tampering sans proof, going after election commissioners for enforcing code of conduct, etc—threaten its credibility, laws that make information commissioners beholden to political masters will erode transparency. The political class must beware the consequences of public trust getting eroded.

India's RCEP decision: A tactical retreat

Since trade negotiations ultimately boil down to bread-and-butter issues, having no deal is far more prudent than signing up for a bad one

ASHISH KUNDRA

IAS officer, Govt of Mizoram Views are personal



INDIA FINALLY OPTED out of the much anticipated Regional Comprehensive Economic Partnership (RCEP). Even in its truncated shape, it remains a formidable economic grouping. Free trade economists have questioned this move, on grounds of its protectionist inspiration. Strategic analysts lament the lost opportunity of being an integral part of the new geo-political alignment. Some have gone so far as to describe it as a failure of the Act East Policy. Indian industry, on the other hand, has hailed the withdrawal for pre-empting the flooding of Indian markets with cheap Chinese imports. Behind this decision to abstain lies the cold logic of economic pragmatism.

At the outset, it needs to be understood that any free trade agreement is merely an instrumentality by which a set of countries choose to accord favourable access to their market, vis-à-vis others, by lowering the ceiling of applicable custom duties. Trade negotiators have a herculean task in arriving at the right balance of concessions, which would enhance market access for goods produced in their country while allowing greater choice to domestic consumers through cheaper imports. In doing so, they have to be equally judicious in assessing the impact of such imports on domestic manufacturing and agriculture. The underlying spirit of such agreements is that nations would draw upon their respective comparative advantage to shape a robust economic partnership. In a nutshell, a fair and balanced agreement, like a good marriage, would be mutually beneficial, without hurting the growth prospects of either partner.

With the virtual collapse of World Trade Organization, regional and bilateral trade agreements have gained

salience. RCEP was positioned as a game changer. It embraced the ten nations of ASEAN, and four Asian economic giants—China, Japan, India, and South Korea—apart from Australia, and New Zealand. ASEAN has signed FTAs with the six dialogue partners while India does not have an FTA with either China, Australia, or New Zealand. Economically disparate countries of ASEAN, from Singapore to Laos, have effectively embedded themselves into regional production value chains anchored in China and Japan. On the other hand, Indian experience of FTAs has seen a modest export growth, but a burgeoning trade deficit. This impelled the finance ministry to initiate a review of FTAs, citing concerns about their impact on manufacturing. Contrary to expectations, barring the case of Japan, there has been no significant increase in foreign investment or technology transfer as a result of these FTAs. The proverbial elephant in the room is China. A huge trade imbalance, touching \$60 billion, is a sure deterrent, especially at a time when our domestic economy is witnessing a slowdown. The nature of imbalance is more worrisome—we end up exporting commodities, and importing finished goods. A maze of non-tariff barriers and hidden subsidies have ensured that this dynamic remained unaltered over time. It has been argued that Indian negotiators should have sought greater market access for pharmaceuticals and IT, areas of strength. Bilaterally, China has stymied such efforts in the past, and would hardly be expected to cede ground plurilaterally. Concerns of small dairy farmers of India were not unfounded, given that they were pitted against multinational companies of New Zealand, the world's largest dairy

exporter, holding sway over a third of global dairy trade. It is no surprise that we have been unable to conclude our bilateral negotiations with New Zealand even after nine years.

It has been argued that Indian industry has hidden behind a wall of protectionism for far too long, and must open itself to global competition. After all, Indian consumers deserve wider choice at better prices. This may be partly true, but, at the same time, let us not lose sight of the fact that India is still a laggard in the ease of doing business, despite impressive gains in the recent past. Competitiveness of Indian industry must be augmented through deeper economic reforms in critical areas such as labour laws and taxation.

Prime minister Modi invoked Gandhi's Talisman while announcing India's decision to a domestic audience from a global stage. The politics behind all global trade negotiations is always rooted in the local. A couple of years ago, president Trump jettisoned the Trans Pacific Partnership as he believed it was detrimental to the interests of American industry and jobs. If the biggest proponents of free trade adopt a cautious stance towards trade liberalisation, India can hardly be blamed for economic realism. India is no longer the closed economy it used to be decades ago. The focus, at this juncture, should remain on attracting greater foreign investment, which would boost manufacturing, and generate jobs. Having no deal is far more prudent than signing up for a bad one. Strategic arguments apart, in the ultimate analysis, trade negotiations boil down to basic bread-and-butter issues. It is easy to succumb to the rapturous sound of global applause, but far tougher to make a tactical retreat in the larger national interest.

THERE IS A lot of debate around 5% GDP growth and its impact on the organised sector. Although the government has been taking multiple steps to trigger the economy, there is a need to focus on rural India, in terms of optimising fund allocations and revision of MGNREGA wages. This may improve earnings in rural India, supported by good kharif crop. And, could be the beginning of recovery in consumer goods demand and, eventually, the economy. A further push towards systematic value addition locally in the form of strategic investments in industries and group of Panchayats may provide extra income and employment.

More than two-thirds of the country resides in 6 lakh villages. The 73rd and 74th amendment to the constitution and the finance commission directly providing funds to the local self bodies have transformed rural infrastructure. A panchayat with a population of 2,500 gets around ₹60-70 lakh per annum, one with a larger population of around 20,000 gets ₹2.5 crore. If allocations are merged with MGNREGA to aid asset creation, it can trigger infrastructure growth, resulting in extra income and improved conditions.

The first requirement will be to ensure the development of non-negotiable structures like development of drainage following systematic planning of topography, cement concrete lanes for every habitat in village, source for drinking water, piped drinking water, *pucca* housing, Panchayat bhavan with computer and internet connectivity, appropriate school buildings, play grounds etc. This will require drawing from pool of funds from ministry of rural development, Panchayat, drink-

Of the total developmental funds available to each district annually from both the Centre and the states (₹800-1,200 crore), fund utilisation is only around 60% and the qualitative outcome only 40-50%

ing water and sanitation. Funds from human resource department, women and child welfare for *anganwadi* buildings can also be used.

Thus, the government will create smart villages and smart panchayats without generating a demand for additional funds. This would also contribute to better health outcomes.

MGNREGA wage revision, which sets the trend of minimum wages in rural India, is long overdue. If wages are revised during kharif pre-harvest, they can increase incomes and thereby spending. In lieu of good monsoon, there is a need to provide farmers the best price for their produce. Demand to match the MGNREGA wages with minimum wages of individual states is long pending. The last time the MGNREGA wages were aligned was in 2009. Two committees in last four years have suggested revisions. One headed by agriculture economist Mahendra Dev suggested indexation of wages as per the consumer price index (CPI) to protect against inflation, as against the previous approach indexing wages with consumption patterns. In 2016, the government set up a second



ILLUSTRATION: ROHNIT PHORE

ARUNA SHARMA

Development economist and retired secretary, Gol. Views are personal



● REVIVING GROWTH

Focus on rural India

If panchayat allocations are merged with MGNREGA to aid asset creation, it can trigger infrastructure growth, resulting in extra income and improved conditions

INDIA IS FACING an imminent water crisis. Mismatch between demand and supply, in many parts of the country, is growing rapidly.

As per a study, the way water resources are depleting, by year 2030 India can meet only 50% of its current water demand.

Of the total demand for water, around 80-85% is required by agriculture. Households and industries need more to meet the objectives of piped water supply to every household by 2024, under *Har Ghar Nal* scheme, and to increase industrial activities. The government also has the herculean task of providing food security to a growing population. Therefore, any possibility of diverting water from agriculture does water not hold good, without putting food security objectives at risk.

Agriculture, undoubtedly, is a water guzzler. Globally, agriculture uses only 70% of water leaving 30% for industries and households. In a report to Niti Aayog, a former ISRO chairman had suggested that water requirements in agriculture can be brought down to 50% of the present demand. This may be difficult to achieve, nevertheless, there is a large scope of increasing farm water efficiencies.

Water crisis in agriculture has emerged primarily due to overuse of ground water, and adoption of flood method of irrigation. Reckless exploitation of ground water, a phenomenon that emerged alongside green revolution, has

Turning the tables

Effective and efficient utilisation of water for agriculture will act as an insurance against water scarcity, and will provide assurance of food security

DHRUVA KUMAR SINGH

Controller of Accounts, Ministry of Finance, Government of India. Views are personal

deteriorated acquifers.

There appears to be perception deficit regarding the seriousness of the issue. Central Ground Water Board has made block-wise assessment of ground water availabilities and has categorised them as safe, critical, over exploited etc. In 2005, it also prepared a Model bill, to be enacted by states/UTs, to regulate and control the development and management of ground water. The bill seeks to make unregulated extraction of ground water a punishable offence. But in the past fifteen years, it has been enacted by only 11 states and 4 UTs.

Artificial recharge of ground water and rejuvenation of rivers, lakes and springs etc, in a mission mode is a typical solution to overcome the impending crisis. In 2013, Central Ground Water Board

prepared a Master Plan for Artificial Recharge of Ground Water in India to create 11.1 million artificial recharge structures over a decade at a cost of ₹79,178 crore (at 2011 prices). Along with this, water conservation and water harvesting related works comprise a significant part of Development Plan prepared annually at gram panchayat level under MGNREGA. In later half of year 2019, the government launched Jal Shakti Abhiyan to propagate water conservation.

Some of these measures have become successful models of execution. Dhara Vikas or Springshed development works of Rural Management and Development Department (RMDD) of Sikkim led to revival of dried springs and lakes in south and west district of Sikkim. The project was initiated in 2008, in convergence

committee to study the financial implications of the Dev panels report. In its 2017 report the Nagesh Singh panel suggested a shift from CPI Agriculture to CPI Rural. The panel highlighted that this could be done by incurring an additional burden of ₹,2500 crore. But the government has not deterred. Even the present allocation of ₹55,000 crore, this is just a 2.9% increase from last year, needs a relook.

Financial inclusion—having an account in 5km radius and ensuring social protection debit—can also trigger the economy.

Social protection can be ensured if the government provides death and accident insurance for everyone, ensures accuracy of BPL data and easy access to financial institutions.

Livelihood opportunities in the vicinity can be created by encouraging value addition to agriculture produce. For instance, vegetable mint be made into menthol. Such solutions will add to the income of households.

This will trigger a consumption economy. The road, internet and financial access itself is good stimulant.

Plethora of issues have to be addressed. The first challenge is the lack of financial resources to match competitive demands. My experience of being an administrator for 37 years shows that lack of financial resources is actually the least of the problems; the main challenge is to set quality standards and establish a system to appraise the status of households and infrastructure to ensure appropriate interventions.

Sustainable development cannot be achieved with the gap between the rich and the poor getting wider; there can be no lasting peace or security in such a society. From the competing demands of a development agenda, the government's first responsibility is to enhance the quality of lives of the poorest citizens. The Millennium Development Goals (MDG) and the new Sustainable Development Goals (SDG), which replaced them in 2015, are not just rhetoric, but a commitment to ensure that no one goes to bed hungry, and that no one misses an opportunity for a better life because of poverty. This can be attained only when disaggregated efforts are made by all elected representatives.

It is estimated that the total developmental funds available to each district annually—combining all the central and state government schemes—are between ₹800 crore and ₹1,200 crore (this does not include the salary component). However, fund utilisation is only around 60% and the qualitative outcome only 40 to 50%. (Budget 2017)

An intergovernmental transfer from the centre to the states place through three channels: statutory and other transfers mandated by the Finance Commission, formula-based transfers for State Plan Schemes, and other discretionary transfers by various central ministries. As much as 40% of the total grants are released directly to implementing agencies. As such, the utilisation of available funds under various grant schemes becomes a function of the institutional setup and efficiency at three levels—panchayats, districts and the state. As the extent of such utilisation has caused some concern in recent years, various aspects of this issue merit a detailed examination. A system and systematic approach is the key to trigger the demand in rural India and, thus, accelerate GDP growth.

● RCEP

Rationality or protectionism?

KUSHANKUR DEY

Faculty, CFAM, IIM Lucknow. Views are personal.



Opting out of RCEP had little to do with 'protectionism' on the agri front

INDIA'S DECISION TO opt-out of RCEP trade pact could be a well thought-out plan in the context of agricultural (excluding dairy products) trade. However, whether this decision turns out to be prudent or not should be contested in the light of comparative advantage argument.

Directorate General of Commercial Intelligence and Statistics (DGCIIS) reported that overall exports of agricultural products had grown by 2.64% in 2016-17, from the previous financial year. The exports of tea, spices, and manufactured tobacco increased by 1.56%, 12.22%, and 2.41%, respectively, while the raw tobacco registered a decline of 4.65%. Some of the major commodities for which India has enjoyed a revealed comparative advantage, registered a negative growth, for example, buffalo meat (-4.07%), basmati rice (-7.75%) and cotton (-16.38%). It is palpable that the share of agricultural sector in total exports has observed a gradual decay from 12.07% in 2016-17 to 11.76% in 2018-19.

Using export and import intensity indices, we assess India's performance. India has relative export competitiveness in agricultural exports over Malaysia, Indonesia, Philippines, and has improved its export trade relations with Thailand and Vietnam. In 2001-2013, India had a very high import intensity with Indonesia, Malaysia, and Vietnam. Its import intensity, however, had been reduced with Philippines, Singapore and Thailand. Though India enjoyed comparative advantage with a gradual decreasing trend in 2001-2008, the situation further worsened in 2009-2011.

Post AIFTA inception in 2010, India regained its comparative advantage in some agricultural products except milk and milk products. In recent times, it has lost comparative advantage in Asean markets for marine products. Thailand, China, Indonesia, Vietnam, and Philippines have emerged as the major rivals because they produce and supply large quantities of farmed shrimp and hybrid fingerlings to the international market.

For meat products, India enjoyed comparative advantage until 2004, the inertia has been observed afterward due to the imposition of stringent non-tariff barriers (NTB) related to process standards, slaughterhouse certification, and other sanitary issues, etc. For edible vegetables and fruit products, India appears to enjoy comparative advantage after China. But due to lack of cold chain or preservation facilities, India lost its edge post-2012. Signing of AIFTA, in 2010, seems to have no impact on fruit exports. Rather, India is facing a setback in rice (non-basmati) exports due to product standard and grade/quality/specification issues. For example, Indonesia and Singapore often import non-basmati rice to the extent of 20-25%. Other than non-basmati rice, India enjoys comparative advantage in coarse cereals. In the case of coffee and tea, India lost comparative advantage in coffee over Indonesia, Vietnam, and Thailand and for tea, its competitiveness has been stagnated due to gradual increase in domestic demand and decrease in exports to Russia/USSR countries. For group of spices, India demonstrated the comparative advantage until 2009, but the trend has been bleak after 2013.

It is apparent that India opting out of RCEP pact does not make much sense on account of 'protectionism'. The volume of agricultural trade between India and Asean members has not been very significant due to non-competitive tariff structures. However, in the due course, Vietnam, Thailand, Brunei, Cambodia, and Lao PDR, can give us competition. It is worth noting that in 2018, India reported \$14.6 billion trade surplus of agricultural products, especially basmati rice, bovine meat, frozen shrimp and prawns, cotton, and refined sugar. In other words, there should be thrust in exporting of high-value products to Asean and FTA member countries.

India, thus, has consciously chosen to opt out of RCEP from balance of trade and balance of payment point of view in the agricultural trade.

with other departments and NGOs like World Wildlife Fund etc. In four years, the project resulted in successful recharge of 5 lakes, 50 springs and over 900 million liters of ground water per annum. This was feasible due to scientific planning, use of geo hydrology in selection of sites for digging up contour trenches, forming a cadre of scientifically trained manpower and involvement of the community in planning. The successful rejuvenation of Sasur Khaderi river in Fatehpuri district of Uttar Pradesh took place in a similar manner.

The issue, thus, is not dearth of plan or execution models in governance frameworks with regard to water conservation. To address issues like water security, government needs a multidisciplinary approach, interdepartmental convergence and popular participation.

There has been insignificant investment over the years to increase on farm water productivity. Bad cropping pattern and flood method of irrigation are significant cause of lower water productivities. For example, farmers in water scarce area like Marathwada area use water intensive crops like sugarcane. The government has made it mandatory for sugarcane farmers to use drip irrigation, but a shift of farming practices is required.

The most ubiquitous flood method of irrigation causes 50% wastage of water. There are a number of scientific tools for drip irrigation, sub-soil drip irrigation which remarkably improve farm water

efficiency. But they are still costly, their market size is small, and, often, equipment makers have to act as financier for purchase of their equipment. Any broad based application of water efficient equipment will depend on their availability and affordability. Moreover, these equipment are not equally productive for all crops and in all terrain. A comprehensive area-wise and crop-wise water efficiency audit is imperative to manage on farm water.

Participatory Irrigation Management through Water Users Association (WUA) has yielded mixed results. There is gross disparity across states in terms of formation and functioning of Water Users Associations. For example, the number of WUAs in Bihar is less than 1% than in Andhra Pradesh. Water Users Association can function efficiently only when there is adequate availability of water, accountability and transparency.

There are a number of water efficient farm practices. But the benefits of the switch need to be demonstrated to the farmers. Knowledge gap between farmers, farmers bodies and national and state level agriculture research institutes, Krishi Vigyan Kendras etc. is a big liability.

Effective and efficient utilisation of water for agriculture will act as an insurance against water scarcity, and will provide assurance of food security for the country. Additionally, it will also spare enough water for households, improving quality of lives, and for industries, propelling industrial growth of the country.



WORDLY WISE
RICHES CANNOT BE GATHERED WITHOUT
SIN AND EVIL MEANS.
— GURU NANAK

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

Chiselling secularism

Award of five acres for masjid in Ayodhya is not act of constitutional largesse but effort to do complete justice



UPENDRA BAXI

THE SESHAN EFFECT

How he transformed the EC is a lesson for those at the helm of watchdog institutions, more relevant now than ever

THE ELECTION COMMISSION of India was established as a constitutional authority in 1950 with the mandate to hold free and fair elections. But it wasn't until 1990, when TN Seshan took charge as Chief Election Commissioner, that citizens, and even EC officials, became aware of the extraordinary powers that the Constitution vests in the institution. The EC was a different body, after Seshan. In his six years as CEC, the 1955-batch IAS officer from Palakkad, Kerala, turned an unremarkable body into a powerful pillar of democracy, and in the process reformed and strengthened the election process. Changes initiated by Seshan had far-reaching implications, especially in northern India, and went a long way in deepening representative democracy. Elections in India have since become freer and fairer, and the EC itself a model institution for democracies across the world.

The story of Seshan and the EC is a striking example of the transformation an individual can achieve in a complex society with multiple levers of power. In retrospect, all that Seshan did was to enforce the authority of the EC as per its powers laid out in the Constitution. When the push-back came from the politicians, he stood his ground with the backing of the law. In clashes with the political class, his persona, aggressive, even abrasive, loomed larger than life, but it was the institution that ultimately won the battle. Seshan dusted off the model code of conduct and turned it into a powerful instrument to rein in political parties that were playing fast and loose with the rules of the game. The EC began to enforce campaign spending limits and candidates were asked to submit accounts of poll expenses within a reasonable time limit. Cases were slapped on those who refused to comply. The EC also began to monitor the campaign process more closely by staggering elections and deploying a large number of poll observers and central forces. Violations of the model code were punished. Seshan's actions helped weaken the politician-bureaucrat cabal that was subverting the democratic process in large parts of the country and ended practices such as booth-rigging and booth-capturing widely prevalent in states like UP and Bihar. These reforms allowed the less privileged groups which had acquired a new political voice in the wake of Mandal to vote more freely.

As SY Quraishi, a former CEC, wrote in this newspaper, "all his successor CECs basked in his glory, though we always carried the burden of being compared with him all the time". It is Seshan's lasting legacy that the bar has been raised for those who succeed him at the helm of the Election Commission.

SLIPPING DOWN

Moody's downgrade is a wake-up call: A government with a strong political mandate must press the pedal on reforms

THE MOVE BY international credit rating agency, Moody's Investors Services, last week, to revise India's sovereign rating outlook from stable to negative while retaining it at Baa2 hardly comes as a surprise. With growth tapering and in the backdrop of a deepening slowdown, and with international agencies such as the IMF besides the country's central bank sharply marking down their 2019-20 growth projections for India, such rating action was inevitable. Moody's has said that its action partly reflected government policy ineffectiveness in addressing economic weakness, which in turn led to an increase in the debt burden. Governments typically contest such action by raters, and the finance ministry has said that the government has proactively taken policy action in response to the global slowdown and was expecting to attract more investment flows. It may be easy to brush aside the revision in rating, especially after the loss of credibility faced by rating firms following the 2008 financial crisis and also closer home. But the focus should now be on raising revenues and preventing fiscal slippages, instead of resorting to accounting sleight of hand.

That would mean some big ticket privatisation, as during the Vajpayee-led NDA 1, not the sham divestment seen with ONGC, IOC or LIC being nudged to buy into other state-owned companies. A couple of big divestments, including ones which attract foreign firms like BPCL and Air India, could be gamechangers in terms of enhancing competitiveness and efficiencies. Given the credibility deficit on fiscal accounting, it would be better for the government to be more transparent and account for all subsidies, including fertiliser, food and fuel on its own balance-sheet. Financial markets and investors may take a fiscal slippage of 25 to 30 basis points or close to 4 per cent in their stride as long as the budget figures and government accounting are transparent and credible.

Alongside, the government must also make an effort to shed what is generally perceived to be its anti-business approach, which threatens to hurt industry. Former Prime Minister Manmohan Singh had rightly said three years ago that in a crisis "we act constructively and when it is over, status quo takes over". The bottomline is this: A government with a strong political mandate and which is still in the early days of its second term, can surely press the pedal on reforms.

TREAT THE DISEASE

Helping those with paedophilic tendencies before they harm children is a welcome and necessary move

IN MATTERS OF sexual crime and criminals, where there is an understandable social revulsion towards the perpetrators, the law tends to be blunt and the public discourse vitiated by a collective desire for revenge. While paedophilia has been classified by the World Health Organisation as a disease, there are few mental health professionals in India equipped to deal with it. Over the last five years, though, that has been changing. As reported in this newspaper, over 300 people suspected of having paedophilic tendencies have reached out to a network of psychologists and psychiatrists based in Mumbai and Pune, seeking help.

There are, as there should be, severe legal consequences for those who sexually assault and target children under the POCSO Act. But doctors at the KEM Hospital Research Centre in Pune and the KEM hospital in Mumbai attempt to treat paedophilia through counseling and anti-depressants, especially those who are "at the lower threshold of the disease" and have not been booked under the Act. According to Klaus Beier, director of the Institute of Sexology and Sexual Medicine in Berlin's Charité University, at least 1 per cent of the male population suffers from paedophilia. Given India's population, that's too sizeable a number to leave unaddressed and untreated.

The initiative to open the door to those who want to deal with their paedophilic tendencies is welcome. Too often, the fear of the stigma that comes with articulating such feelings keeps them bottled up, leading to horrifying consequences. That a section of mental health professionals is taking a series of steps — from anonymous helplines to expanding the number of doctors capable of managing the disorder — to make a conversation possible is welcome. No society can leave the well-being of its children outside the ambit of the law, and once acts of sexual violence are committed, they must be prosecuted. But it is also important to deal with those who seek treatment, before the worst happens, with compassion and sympathy. It is important to treat the disease, not merely punish the diseased.

THE SUPREME COURT of India has performed many an interpretive wonder but a unanimous judgement by a constitutional bench of five justices must count as a miracle. And that too in as volatile a situation as the Ayodhya dispute. Several mediation attempts proved fruitless, and all parties expressed faith in the eventual judicial reasoning and result. A 40-day hearing (from October 16, till the judgment on November 9) was a unique achievement in the annals of the apex court.

The court was particularly mindful of the social impact of violence and the chequered history of 135 years of "flashpoint of continued conflagration". All political parties have issued appeals for social harmony and the prime minister's appeal to his party to maintain social peace and not to politically polarise the decision has been echoed by several parties and leaders. One hopes that maximum restraint and responsibility will prevail for the good of the nation and the discipline with which it has been greeted so far will continue.

In a finely chiselled decision, the court rules the award of 2.77 acres for the construction of Ram Mandir in Ayodhya and an alternate space of five acres for a new mosque. The decision is open to recourse to review and a curative petition, although all parties had agreed to accept fully the final decision.

The addendum, running into 116 pages, discusses whether the disputed structure is the holy birthplace of Lord Ram as per the faith, belief and trust of the Hindus. This, clearly, cannot be part of the judgment because anonymous judicial opinions are constitutionally impermissible.

If the litmus test of a good constitutional decision is the scrupulous judicial avoidance of constitutional othering, this judgment valiantly succeeds. It clearly frames 16 "points for determination" and firmly holds that during the intervening night of December 22/23 1949, Hindu idols were installed under the central dome of Babri Masjid and that the 1992 demolition of the masjid was "unlawful". And it decides, fur-

ther, that the court must, "as a secular institution, set up under a constitutional regime, steer clear from choosing one among many possible interpretations of theological doctrine". "Above all", it said, "the practice of religion varies according to the culture and social context", which "indeed is the strength of our plural society". This means that not faith, but secular law and evidence, should help decide all constitutional matters.

Ill-informed comments, even by some eminent leaders of the Bar, prevail about the future. They remain ignorant of the fact that Parliament in 1991 enacted the Places of Religious Worship Act. This prohibits the conversion of any place of worship (save Ayodhya, which was then before the courts) and "speaks to the future by mandating that the character of a place of public worship shall not be altered" and "seeks to impose a positive obligation to maintain the religious character of every place of worship as it existed on 15 August 1947". Going through parliamentary debates, the court finds a clear legislative intention to "bind those who govern the affairs of the nation at every level" and that these norms "implement the Fundamental Duties under Article 51A and are hence positive mandates, every citizen as well". Secularism is again declared a constitutional commitment and obligation and "a part of the basic feature of the Constitution". Any future amendment or repeal of the law is rendered unconstitutional because these principles are "non-derogable" and based on the principle of "non-retrogression".

In a long-ish analysis of legal personality, the court explains why (while ruling that Asthan Shri Ram Janam Bhumis is not a juristic person) "in a country like ours where contesting claims over property by religious communities are inevitable", it "cannot reduce questions of title to a question of which community's faith is stronger". All these are strong assurances of secularity that the apex court now chooses to reinforce, and these negate altogether the facile claim that it is, or may be, swayed in future by considerations extra-

neous to constitutional secularism.

And yet, it seems, that the indictment of constitutional othering may have to do with the way in which the court has dealt with the issue of "preponderance of probability" of evidence and the reliance on the ASI report as secular evidence. The latter has been subjected consistently to two caveats in any final determination: First, that the report does "find the evidence of pre-existing structure" and second, it leaves unanswered whether a Hindu temple had been demolished to pave the way for the construction of the mosque.

As regards the former, it rules that for a long period "of over 375 years which elapsed since the date of the construction of the mosque until the setting up of a grill-brick wall by the British", the Sunni Waqf Board has not adduced any clinching evidence of the exercise of possessory control over the disputed site; nor "is there any evidence of offering namaz in the mosque over this period". Strange though it may look to non-lawyers, the law requires a party which claims uninterrupted, continuous, adverse possession to fully meet the burden of proof.

This article is a plea for a careful study of this encyclopaedic decision. The award of five acres of land in Ayodhya is not an act of constitutional largesse but an exercise of power and duty to do complete justice under Article 142 of the Constitution. What is addressed here is the meagre remedy for "a wrong committed" because justice would cease to exist if the court "were to overlook the entitlement of the Muslims who have been deprived of the structure of the mosque through means which should not have been employed in a secular nation committed to the rule of law." "Equality of all faiths" is a constitutional command. And the Constitution requires "tolerance and mutual co-existence", which alone will nourish "the secular commitment of our nation and its people".

The writer is professor of law, University of Warwick, and former vice chancellor of Universities of South Gujarat and Delhi



PRITAM SINGH

A HUMANIST ABOVE ALL

Guru Nanak's message transcends time and space

GURU NANAK (1469-1539), whose 550th birth anniversary is being celebrated on Tuesday, is the greatest thinker, philosopher, poet, traveller, political rebel, social leveller, mass communicator and spiritual master the land of Punjab has produced. He was born in a village, Talwandi Rai Bhoi, near Lahore which was renamed later as Nankana Sahib. The room in which he was born constitutes the inner sanctum of the Gurdwara Nankana Sahib.

There are fairly reliable accounts about Guru Nanak's life. His was an upper caste Khatri Hindu family and his father was an administrative official in the office of a local Muslim chieftain. In his youth, he used the medium of music, poetry, song and speech to preach the love of God and to attack the politically oppressive policies of the Mughal regime and the socially oppressive practices of casteism of the orthodox Brahminical Hindu religion. He also attacked the wealthy and spoke in favour of an equitable social status for women.

He used the language of the masses, Punjabi, to preach his ideas. This was in sharp contrast to that of the Hindu priests and the Muslim clergy, who used Sanskrit and Arabic respectively. Rejecting Sanskrit (which was called *dev bhasha*, the language of the gods), Guru Nanak used Punjabi (*lok bhasha*, people's language) to communicate his egalitarian teachings. He also attacked the following among the lower castes, mainly Hindus but also some converts to Islam.

His followers came to be known as Sikhs;

sikh, a Punjabi word, means a learner or a disciple and is a variant of the Sanskrit word *shishya*. Some of his early followers came from his own Khatri caste. However, for the large mass of Punjabis who were attracted to Guru Nanak's teachings, it was the content of his teachings (equality), the medium of his communication (Punjabi) and the form of his communication (poetry, song and music), which attracted them to Sikhism. He can, therefore, be legitimately characterised as the founder and articulator of a truly Punjabi religion which attracted followers from all caste groups in Punjabi society but predominantly from peasant and artisanal classes.

The time when Guru Nanak was born was a period of great strife in Indian society, especially in the Punjab region. Guru Nanak responded — as all great thinkers, philosophers and those whom we call prophets respond — to the historical crisis of the society in which he was born. However, it is also vital to grasp how he transcended the limitations of geographical space and historical time in delivering a message that had universal relevance. The fact that in his own lifetime, communities of his followers had emerged in what are today India, Pakistan, Bangladesh, Afghanistan, Nepal, Tibet and Sri Lanka — and even in Iraq and Iran — illustrates that his message had transcended the geographical boundaries of Punjab. He consciously went on long journeys (called *ud-dasian*) to far off places along with his two companions Bhai Bala, a Hindu, and Bhai Mardana, a Muslim, to hold dialogues with

many saints and Sufis — even, some charlatans who claimed some spiritual powers and had some social following.

His written compositions were included in the *Adi Granth* compiled by Guru Arjan (1563-1606), the fifth Sikh guru. This came to be known as *Guru Granth Sahib* after the additions made by the 10th guru Guru Gobind Singh (1666-1708). In compiling the *Adi Granth*, Guru Arjan showed a remarkable commitment to pluralism while retaining the unity of thought initiated by Guru Nanak. He included in the *Granth* the teachings and writings of all the five Sikh gurus but also the contributions made between the 12th and 16th centuries by many Hindu bhaktas and Sufi saints such as Baba Farid, Sant Kabir, Guru Ravi Das and Sant Namdev.

The best way of understanding Guru Nanak's universal vision is to read the *Guru Granth Sahib*. The ecological message of his teachings, which has strong relevance for our times, is perhaps, the best illustration of the universalism of his teachings.

In the last phase of his life that Guru Nanak spent at Kartarpur Sahib, he provided a practical demonstration of building a community based on strong egalitarian values of cooperative agricultural work and innovative social institutions of *langar* (collective cooking and sharing of food) *pangat* (partaking food without distinctions of high and low) and *sangat* (collective decision making).

The writer is visiting scholar, Wolfson College, University of Oxford



NOVEMBER 12, 1979, FORTY YEARS AGO

CHARAN VS RSS

PRIME MINISTER CHARAN Singh blamed "Jana Sangh-RSS elements" for disturbing his public meetings and warned that, in retaliation, Lok Dal would not allow the Jana Sangh to hold a single election meeting anywhere in the country. For the fourth time in a row, his election meeting was sought to be disturbed in Indore through heckling by sections of the audience. He was repeatedly jeered at all the earlier three meetings also, which he addressed in Jhabua, Ratlam and Dharon on the first day of his two-day election tour of Madhya Pradesh. At all the three places, he squarely blamed Jana Sangh-RSS elements "for fomenting trouble".

WORLD FOOD CRISIS

THE THIRD WORLD is heading towards a massive food shortage that could lead to "economic disaster" within the next 20 years, according to a report to be presented at a UN food conference opening in Rome tomorrow. By the year 2000, nearly 250 million people would suffer from serious malnutrition "even if we make the most enormous efforts to increase food and agricultural production", says Edouard Saouma, director-general of the United Nations Food and Agriculture Organisation in the report. If the present trends continue, the number of those suffering from malnutrition would remain at about 400 million.

SECULAR RSS

THE RASHTRIYA SWAYAMSEWAK Sangh chief, Balasaheb Deoras, attacked the critics of dual membership and said this bogey had been raised by some persons with vested interests who wanted to destroy the party. However, he did not name the Janata Party. Addressing a gathering at the conclusion of the three-day camp of swayamsewaks in Amritsar, Deoras defended the ideology of the Sangh and refuted the charge of communalism levelled against the RSS. Deoras said a Hindu, historically, could never be communal. "Secularism is in the blood of the Hindus," he said.

15 THE IDEAS PAGE

WHAT THE OTHERS SAY

“Both China and India are victims of air pollution and two countries should join hands to create clear blue skies. What China has achieved offers valuable experience to India, while China could also learn from India’s plight. China and India mirror one another, and there is plenty of room for cooperation.”
— GLOBAL TIMES, CHINA

Going beyond Kartarpur

Building on the Punjabi spirit can help the Subcontinent transcend divisions



RAJA MANDALA
BY C RAJA MOHAN

THE KARTARPUR Sahib Corridor, which has materialised against all odds, is a political enigma. Some see it as a ray of hope amidst the darkness that has enveloped India-Pakistan ties. For others, it is very much part of the problem that afflicts the bilateral relationship. The divergence cuts across the political divide.

For former Prime Minister Manmohan Singh, the corridor could be a harbinger of improved relations between Delhi and Islamabad. But his party colleague and chief minister of Punjab, Amarinder Singh, had consistently drawn attention to the possibility that the initiative is part of Pakistan’s longstanding interest in stoking Sikh separatism.

On its part, Delhi has extended strong support to the construction of the four-kilometre corridor connecting Dera Baba Nanak on the Indian side and Gurdwara Darbar Sahib at Kartarpur across the border. But there is no hiding the wariness in the Indian security establishment about Pakistan’s sudden enthusiasm for the corridor that it was unwilling to consider in the past.

In Pakistan, too, differences have been manifest. Although Prime Minister Imran Khan and the Army have both been eager to promote the corridor, the differences between them have been open. The Army, for example, contradicted Khan’s affirmation that Sikh pilgrims can enter through the border without passports. Many Islamic leaders in Pakistan have criticised the corridor as a violation of the nation’s sovereignty.

Despite many critical voices on either side and some difficult negotiations between Delhi and Islamabad, the corridor is now open. Even as the world welcomes it, there is no escaping the fact that the corridor is a remarkable exception to the current dynamic between India and Pakistan.

There is no formal dialogue between the two countries for quite some time now. Nor is there any speculation about a back-channel dialogue that is sustaining a minimum level of communication between the two leaderships. Political and military tensions are running high since the Pulwama terror attack in February, India’s bombing of the Balakot terror training camp in response, the skirmish between the two air forces that followed, and Pakistan’s angry reaction to India’s decision to change the constitutional status of Jammu and Kashmir.

While the Pakistan army’s motivation in pushing for the corridor will continue to be debated, it is important to note an unintended consequence of the initiative. The corridor has drawn attention to an important but neglected dimension of the relations between Delhi and Islamabad—the Punjab question.

The Kashmir issue has long dominated the regional framing of India-Pakistan relations within the Subcontinent and beyond.

The intractable nature of the dispute casts a pessimistic shadow over the region. But Punjab, in recent years at least, has often shown the possibilities for potentially transformative breakthroughs in bilateral relations.

Unlike Kashmir, which is a loose collection of cantons that came together accidentally, Punjab is a coherent geographic and civilisational space. If the diverse regions of Kashmir have been marginal to the geopolitical evolution of the Subcontinent until the middle of the 20th century, Punjab has been very central to the ebb and flow of Indian history through the ages.

In contrast to Jammu and Kashmir, there is shared ethnic, linguistic and cultural identity that binds the people of Punjab. This shared identity has indeed survived the unspeakable tragedies that Partition inflicted upon the province. It is the cultural bond as well as the shared sorrow that makes the region most eager in the Subcontinent for a reconciliation between India and Pakistan.

While some in Rawalpindi might want to turn the Kartarpur corridor into the Khalistan card, Delhi must focus on the possibility of strengthening what unites the people of the province — the idea of Punjabiyaat. Since the late 1990s, the governments led by Atal Bihari Vajpayee and Manmohan Singh in Delhi, as well as the Congress and Akali governments — led respectively by Amarinder Singh and Parkash Singh Badal, have actively sought to develop economic and cultural cooperation across the Radcliffe Line that divides the two Punjab.

There were moments in the last two decades when these initiatives appeared very close to fruition. The plans included the expansion of the scope of overland trade at the Attari-Wagah border, facilitating hydrocarbon and electricity exports from the Indian Punjab to Pakistan and expanding cultural contacts.

That Rawalpindi seemed to pull the plug each time might suggest that the prospects to advance cooperation between the two Punjab is limited. Even as he lauds the corridor as a new beginning in bilateral relations, Khan insists that the resolution of Kashmir is critical for normalisation of bilateral relations between the two countries.

But, the fact that the Kartarpur corridor has been realised despite Pakistan’s traditional logic on the relationship with India, should encourage Delhi to reconsider initiatives to promote cooperation across the Radcliffe Line. Even more important, Delhi must look beyond the formal dialogue with Islamabad and the para diplomacy between Chandigarh and Lahore.

Delhi should recognise that the footprint of Punjab and its people goes beyond India and Pakistan — it has significant influence in many parts of the world. Prime Minister Narendra Modi could add a new layer to his diaspora diplomacy if he promotes the celebration of ‘Punjabiyaat’. That might help transcend the Kartarpur exception, facilitate the long-overdue collective reflection on what binds us together in the Subcontinent and how we might overcome our current divisions.

The writer is director, Institute of South Asian Studies, National University of Singapore and contributing editor on international affairs for The Indian Express

A vision for equality

On his 550th birth anniversary, Guru Nanak’s teachings are more relevant than ever. They provide a road to a better future



M VENKAIAH NAIDU

AS WE CELEBRATE the 550th birth anniversary of Guru Nanak Dev ji, saint-composer and amongst the great spiritual leaders, his ideas, thoughts and teachings assume far greater relevance today than ever before. They can promote peace, equality and prosperity across the globe.

In a world that is increasingly fragmented with a narrow, tunnel vision, bigotry and dogmatism, we have to walk on the path shown to us by Nanak and other illustrious gurus to dispel the darkness that constantly threatens to envelop individuals, communities and nations.

Our worldview has been continually broadened by the timeless messages of enlightened pathfinders like Guru Nanak.

The “seers” like Guru Nanak see what ordinary people do not. They enrich people’s lives through their insights and ideas. In fact, that is the meaning of the word “guru”. Guru is one who provides illumination, dispels doubt and shows the path. Each one of us, in whatever walk of life we are in, has so much to learn from the teachings of this great personality.

Guru Nanak was a great champion of equality. For him, the differences and multiple identities based on caste, creed, religion and language were irrelevant. He had said, “Preposterous is caste, vain the distinction of birth. The Lord gives shelter to all beings”. He aimed at creating a casteless society in

which there is no hierarchy.

Respect for women and gender equality is another important lesson to be learnt from Guru Nanak’s life. Referring to women, the Guru says: “How can they be inferior when they give birth to men? Women as well as men share in the grace of God and are equally responsible for their actions to Him.”

For him, the whole world is God’s creation (*Jeeyee kaa ik daata*) and all are born equal. There is only one universal creator. “Ik Omkaar Satnaam.”

Echoing the Sanskrit saying “Vasudhaiva Kutumbakam” that describes the whole world as one family, Guru Nanak Dev goes on to say:

“When he stops thinking in terms of ‘mine’ and ‘yours’/Then no one is angry with him./When he clings to ‘my own, my own’/Then he is in deep trouble./But when he recognises the Creator Lord/Then he is free of torment.”

This spirit of living together and harmoniously working together is a consistent thread of thought that runs through Guru Nanak hymns.

What is remarkable about Guru Nanak is the fact that he not only formulated the principal doctrines of Sikhism, but took care to ensure that his teachings would endure.

The ideal of equality was given a concrete institutional form in the community meal, “langar”, where all devotees, irrespective of caste, creed, region and religion sit in a row called “pangat” to share a meal. The place of their meeting, called “dharmsal”, is regarded as sacred and the common religious congregation — “sangat” — was open to all.

These institutional structures are an eloquent testimony to the Guru’s timeless vision of equality and non-discrimination. This spirit of equality began with Guru Nanak’s clear recognition that there is no distinction between a Hindu and Mussalman. For him, no country was foreign and no people were alien.

Guru Nanak was a great champion of equality. For him, the differences and multiple identities based on caste, creed, religion and language were irrelevant. He had said, ‘Preposterous is caste, vain the distinction of birth. The Lord gives shelter to all beings’. He aimed at creating a casteless society in which there is no hierarchy.

It is worth noting that Guru Nanak initiated inter-faith dialogue way back in the 16th century and had conversations with most of the religious denominations of his times. The world needs such spiritual leaders who can engage in a meaningful dialogue to exchange ideas in order to promote peace, stability and cooperation.

Guru Nanak’s vision was pragmatic and holistic. It was not a vision of renunciation but of active involvement. Between the ascetic and the epicurean, Guru Nanak chose the middle path — the Grihastha Ashram or the life of a householder. It was an ideal path as it offered opportunities for social, material and spiritual growth of an individual.

Work, worship and share (*kirat karo, naam japo and vand chhako*) was the motto he placed before his disciples. Earn by honest labour and share the earnings with the needy. He suggested that one should share one’s prosperity with others who needed help. He advocated the concept of “daswandh” or donating one-tenth of earning among needy persons.

Nanak was an extraordinary saint who synthesised the best elements in various religions and spiritual traditions.

I am happy that the corridor that connects the Sikh shrines of Dera Baba Nanak Sahib in Punjab to Gurdwara Darbar Sahib at Kartarpur in Pakistan, the sacred space where Guru Nanak spent the last 18 years of his life, has been opened to enable pilgrims to visit the shrine.

Guru Nanak’s vision is timeless and has as much relevance today as it was when it was expounded five centuries ago.

If we can internalise and integrate these messages in our daily lives and reshape our thinking and actions, we can certainly discover a new world of peace and sustainable development.

The writer is Vice President of India

Legacy for a civilisation

Nanak’s teachings hold out hope for us all



SACHCHIDANAND JOSHI

THE GREATNESS of a person is not measured merely on the basis of the good deeds done in his or her lifetime but by the impact of such deeds over centuries. India has certainly been blessed with great individuals who left their impact on the Subcontinent, and Guru Nanak Dev was one such person.

It has been 550 years since Guru Nanak Dev graced this world. And, with each passing day, the great glory of Guru Nanak keeps expanding, transcending the boundaries of nation, geography, religion, language and culture. Bhai Gurdas, the eminent Sikh scholar, rightly described Guru Nanak’s birth as something like the end of chaos and the beginning of a new dawn, the rise of a new sun. The long night that preceded his birth was gone the instant he came into this world, even as Guru Nanak declared that God is one — formless and without birth and death.

One can say that Guru Nanak was the harbinger of a new era of Indian civilisation. He was a great spiritual leader but his concerns were not confined to matters of religion. He was an enlightened soul who could see what the science of his time could not see. He had a vision for the upliftment of the society. He could see what other people

could not even imagine then: He had a vision that there are infinite celestial bodies in a galaxy and millions of skies. Guru Nanak said that the earth rests on the foundation of law or dharma. Remember, in Indian tradition, dharma means law, principle or way of life. It is not a direct translation of the English word, religion. We might say that Guru Nanak was preparing the ground for the Indian renaissance.

Guru Nanak Dev was not an armchair philosopher or a world-renouncing ascetic. He stood for karma as the basis of dharma, and he transformed the idea of spiritualism into the ideology of social responsibility and social change. Earning bread through honest labour and sharing its fruit with the community is the idea behind the lasting legacy of Guru Nanak’s teaching.

Guru Nanak cautioned people to not use religion for earning material benefits. He also led a sustained attack on social inequality arising out of false pride, which in turn comes from caste hierarchy. He created a philosophy of social responsibility, and opposed everything that looked like religion but was actually a trap to exploit the vulnerable. Guru Nanak has explained that reciting god’s name, and unflinching faith in the

way god functions is the basis of an ethical life. Guru Nanak was not in search of such notion of truth which had metaphysical, philosophical, logical or other complexities. He valued a simpler notion of truth, a truth that was the basis of honest living. He declared that truth has the highest value in life, but truthful living is higher still in value. In this way, Guru Nanak bridged the gap between the idea and practice of truth.

Guru Nanak also showed how women, who are the embodiment of devotion in Bhakti literature, are central to human life. He even created awareness related to the conservation of water, and the importance of a clean environment. His teachings related to selfless service were very practical and adaptable for the common man: He never preached anything which he did not practice.

Guru Nanak was also a great traveler. He could well be the most travelled saint in the world, who travelled more than 30,000 kilometres. It is difficult to imagine the way he could have managed it with his disciple Mardana, 550 years back. He not only travelled but also had cordial discussions with prominent leaders of different beliefs. He tried to understand their points of view and

then put forward his vision of humanity. Shri Guru Granth Sahib gives an idea of a variety of saints he could have met, and their thoughts also find a prominent place in the holy book.

It was a time when India was passing through a crucial phase, and society was undergoing a lot of changes and imbalances in the medieval period. Guru Nanak had the courage to say “Na koi Hindu na Musalman”, and that all are the children of one god.

He emphasised on three things: “Kirat karni”, which means to work hard, and earn good karma and an honest livelihood; “vand chakhna” which means to not be selfish, and share with others; and, “naam japa”, which means to meditate and remember the name of god.

Guru Nanak’s life, teachings and writings are part of the collective legacy of human civilisation. His path of unity, equality, humility and service to mankind is being followed still by a large number of people across the world. The need of the hour is to remember Guru Nanak Devji and follow his teachings for national unity and social harmony.

The writer is member-secretary, IGNCA

LETTERS TO THE EDITOR

LET’S TALK HARMONY

THIS REFERS TO the editorial, ‘India, a temple and a mosque’ (IE, November 10). While all parties should respect and abide by the apex court’s Ayodhya verdict, it will be a good gesture on the part of the Centre to allot a plot of 5 acres out of the acquired land of 67 acres to Sunni Waqf Board for the construction of a mosque. The area around the Ram temple should be developed as a microcosm of communal harmony.

Anoop Kumar Srivastava

WRONG EXAMPLE

THIS REFERS TO ‘Peace and a temple’ (IE, November 10). The author’s use of the example of demolition of the Russian Church suggests that he has not read the entire Ayodhya judgment. The SC judgement has clearly mentioned that it has not found any evidence of a temple being demolished to build the Babri Masjid. This is also one of the drawbacks of the judgment — an incorrect perception will remain in the mind of people.

SZA Hussain, via email

FARMERS’ INTERESTS

THIS REFERS TO the article, ‘Seeing a blind spot’ (IE, November 8). The development of agriculture needs a multi-pronged strategy which takes

LETTER OF THE WEEK AWARD

To encourage quality reader intervention, The Indian Express offers the Letter of the Week award. The letter adjudged the best for the week is published every Saturday. Letters may be e-mailed to editpage@expressindia.com or sent to The Indian Express, B-1/B, Sector 10, Noida-UP 201301.

into account the challenge of climate change. The 78 per cent increase in budget allocation to agriculture sector over the previous fiscal could be a potential game changer, especially because Rs 75,000 crore is meant for the Farmers’ Investment Support scheme aimed at economic and social security of the farmers. A negligible 0.2 per cent negative growth was reported in this sector, due to irregular monsoon. The role of Food Corporation of India, the country’s principle procurement agency needs a fresh relook in realising the dream of doubling the farmers’ income by 2022.

Indra Satish Reddy, Nalgonda

TELLING NUMBERS

Indian Police: Feeble capacity, high vacancies, and low diversity

THE FIRST edition of the India Justice Report — brought out by the Tata Trusts in partnership with the Centre for Social Justice, Common Cause, Commonwealth Human Rights Initiative, DAKSH, TISS-Prayas and Vidhi Centre for Legal Policy — has ranked states and Union Territories on the four pillars of the justice system: Police, Prisons, Judiciary and Legal Aid.

The report underscores the capacity deficit plaguing policing in the country. According to the report, only 10 of the 22 states for which data were available, was able to fully utilise its police modernisation fund.

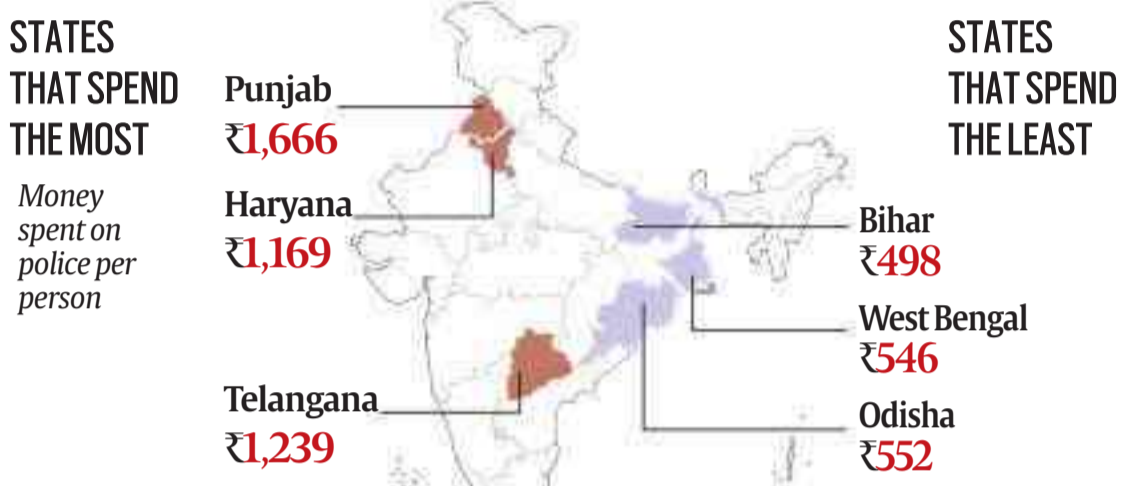
Over the past five years, in just 14 of the 33 states and UTs for which data are available, police expenditure grew more than the state's overall expenditure.

The tables below refer only to the 18 large- and mid-sized states where 90% of India's population lives. The map shows the three states that spent the least and the most respectively on police per person in 2015-16. The report also found that on average there were more than 20% vacancies in the police.

Tables 1, 2 and 3 detail the worst performers among the major states when it comes to vacancies related to SCs, STs and OBCs respectively.

In 2009, the Government of India had adopted a target of 33% reservation for women in police.

As of January 2017, women make up just 7% of police. Table 4 details the number of years required by some states to achieve the 33%-mark at the current rate.



Source: Data on Police Organizations, Bureau of Police Research and Development (BPR&D); Combined Finance and Revenue Accounts of the Union and State Governments in India, Comptroller and Auditor General of India; Primary Census Abstract, Census 2011; Open Budgets India

Note: * 2015-16

TABLE 1: STATES WITH THE HIGHEST VACANCY RATES FOR SC OFFICERS

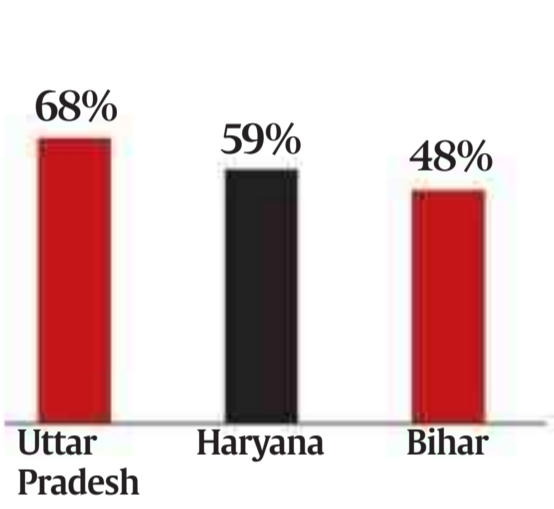


TABLE 2: STATES WITH THE HIGHEST VACANCY RATES FOR ST OFFICERS

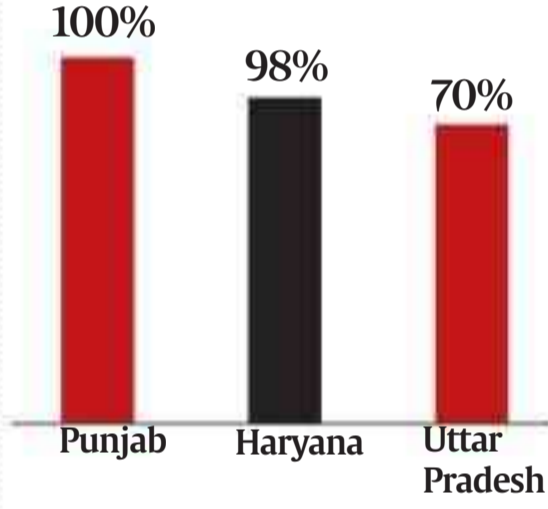


TABLE 3: STATES WITH THE HIGHEST VACANCY RATES FOR OBC OFFICERS

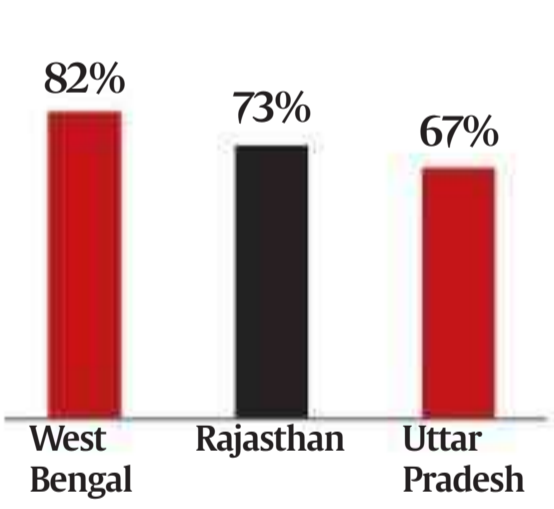
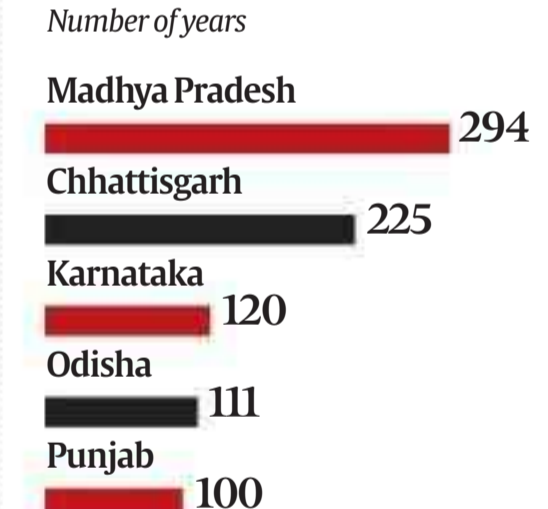


TABLE 4: HOW LONG WILL IT TAKE FOR WOMEN'S SHARE TO REACH 33%? (Number of years)



Source: Data on Police Organizations, Bureau of Police Research and Development (BPR&D)

SIMPLY PUT QUESTION & ANSWER

The battle over H-1B, H-4 visas

H-1B and H-4 visas, at the centre of an important lawsuit in the US, have long served as a common passage for Indians into America. Out of the 4,19,637 H-1B applications in 2018, 74% came from India

KARISHMA MEHROTRA
NEW DELHI, NOVEMBER 11

A UNITED States court ruled on Friday that a group of American-born tech workers have faced heightened job competition from work authorisations given to the spouses of H-1B visa holders. That being said, the judges gave Indian workers living in the US short-term breathing room by leaving the final decision of the ongoing lawsuit up to a lower court.

What are the H-1B and H-4 visas?

The lottery-based H-1B visas allow US companies to employ foreign workers temporarily in specialised occupations for three years, extendable to six years. The issuances are capped at 85,000 a year, but some employers such as universities and research nonprofits are exempt.

Spouses of H-1B workers are granted an H-4 visa, through which some have been allowed to apply to work in the US since a Barack Obama-era 2015 law. Since the law was instituted, a total of 1,20,514 H-4 visas have been granted, of which 1,10,649 have come from India. Out of the 90,946 that were initially approved, 84,935 were for women.

The H-1B visa has long served as a common passage for Indians into the US. Out of the 4,19,637 H-1B applications in 2018, 74% came from India. Most beneficiaries are aged 25-34, and are in fields involving computers.

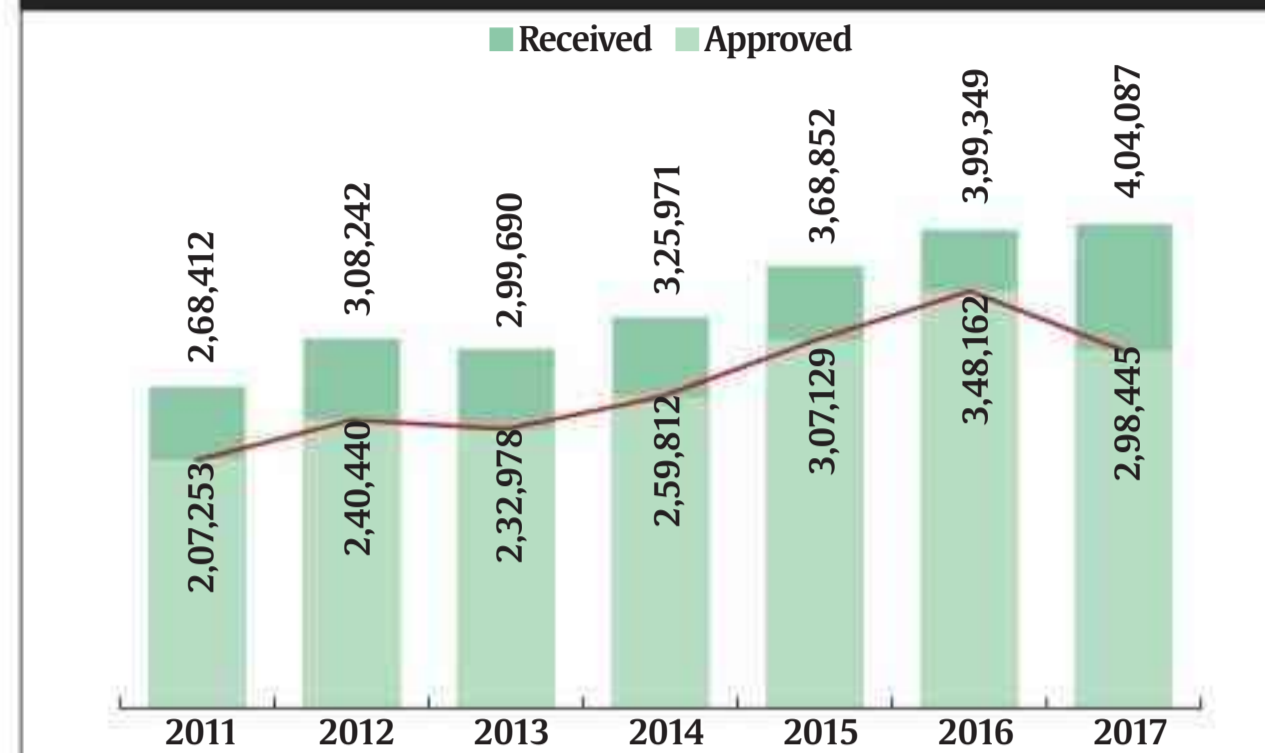
What was the US lawsuit?

The "Save Jobs USA" suit was originally filed in 2015 by two IT workers and one systems analyst against the US Department of Homeland Security. Their affidavits stated that they worked for more than 15 years at Southern California Edison until they were fired and replaced by H-1B visa holders.

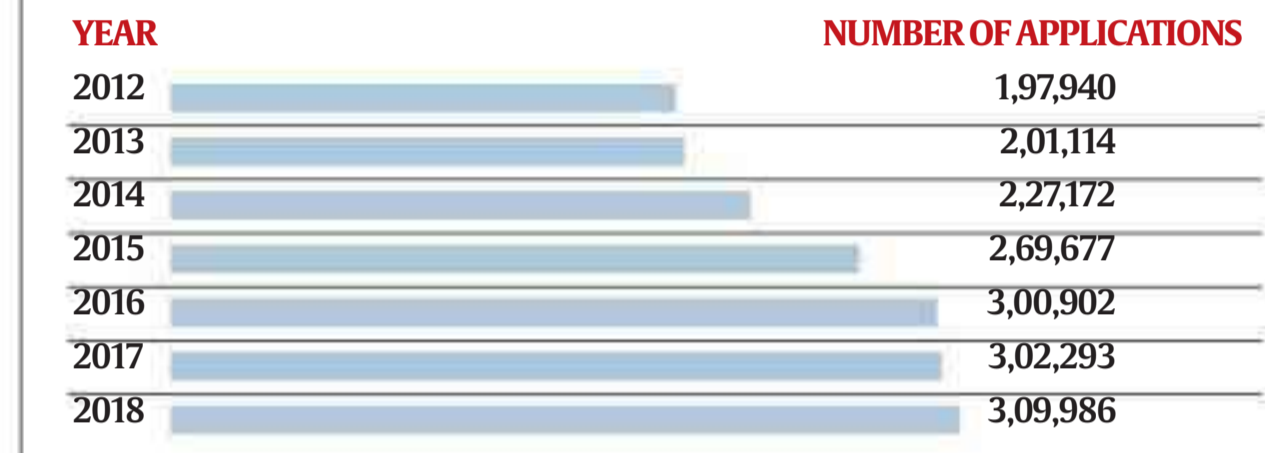
The suit argued that the H-4 work authorisation violates immigration law and exceeds Homeland Security's authority.

The plaintiffs lost in the district court in 2016, and appealed in federal court in Washington DC. During the transition between the Obama and Trump administrations, the appeals court held the matter as the new administration was considering eliminating the work authorisation. Homeland

TRENDS OF H-1B VISAS — APPLICATIONS RECEIVED AND APPROVED



RISING STEADILY: H-1B APPLICATIONS FOR INDIANS



Source: US Citizenship and Immigration Services

5,500 to 8,200 jobs that would've been filled by Americans if they weren't allowed to work.

So what happened last week?

Friday's ruling came from a three-judge panel in the Washington DC circuit. The judges disagreed with Homeland Security that the H-4 work authorisation is also not at fault. "We disagree. The rule will cause more H-1B visa holders to remain in the United States than otherwise would — an effect that is distinct from that of the H-1B visa holders' initial admission to the country". Although the ruling states that the tech workers do face increased competition from the H-4 work authorisation, the final merits of the lawsuit will be determined by a lower court.

How has H-1B changed over time?

The Trump administration has visibly ramped up H-1B denials, under the executive order "Buy American and Hire American". H-4 visas have also been issued at a much lower rate, with initial approvals dipping from 31,017 in 2016 to 27,275 in 2017 to 6,800 in 2019.

In August, the Department of Labor released for the first time the names of companies where H-1B visa holders are conducting work, even if they are employed by a third-party staffing or outsourcing firm. The release of data was seen as another move to target occupation visa programmes that the President and his base believe are cutting into job opportunities for American-born citizens.

Indian outsourcing corporates such as Tata, Infosys, and Wipro faced denial rates of 28%-46% from 2015-19. US-based companies such as Ernst & Young, Deloitte, and Cognizant saw 18%-52% rejection rates, but Big Tech companies like Apple, Google and Facebook faced little change in H-1B visa approvals in that time period, according to a report from National Foundation for American Policy.

Still, Big Tech is affected by the increased rejections. Many of them hire contract workers from the outsourcing companies that have been affected, meaning the Big Tech companies will have to pay US market wages instead of reduced foreign worker wages.

The report states that the Trump administration wants "to make it more difficult for well-educated foreign nationals to work in America in science and engineering fields".

THIS WORD MEANS | ADVERSE POSSESSION

The Muslims' claim that Ayodhya order rejected

KAUNAIN SHERIFF M
NEW DELHI, NOVEMBER 11

ONE OF the key legal questions the five-judge Constitution Bench on Saturday answered was related to "adverse possession", raised by the Uttar Pradesh Sunni Central Waqf Board, in its suit filed in 1961.

In simple terms, adverse possession is hostile possession of a property — which has to be continuous, uninterrupted and peaceful. The Bench concluded that the adverse possession claimed by Muslims was not continuous and exclusive in nature, and hence they could not assert the right of adverse possession.

The Bench reached its conclusion after Hindus were able to establish that the outer courtyard was in their possession after the British erected a railing around the Babri Masjid in 1858.

Why did the Muslim parties claim the right of adverse possession?

Paragraph 11(a) of the pleadings of Sunni

Central Waqf Board specifically asked for setting up a plea of adverse possession. The plea was based on the assumption that even if a Hindu temple had existed at the site on which the Babri Masjid was constructed about 500 years ago, the Muslims had "perfected" their title by adverse possession by "long, exclusive and continuous possession", because of which the title of the Hindu parties, if any, stood extinguished.

This meant that the Muslim parties set up an alternate plea for adverse possession, if it was established by the Hindu parties that the mosque had been built at the site of the Hindu temple.

However, the Hindu parties argued that the disputed property was a juristic person, which cannot be acquired by adverse possession. It was argued that even if the image of the idol is broken, a deity is immortal — and thus the construction of the mosque on the land did not take away from its character as a deity.

And why did Muslims parties fail to establish their case?

The Bench held that the ingredients of adverse possession must be set up in the pleadings — and proved in evidence.

On evidence, the Bench said that the Muslim parties, "beyond stating" that they have been in long, exclusive and continuous possession beginning from the time when the mosque was built, have not been able to furnish any facts in support of adverse possession; importantly, the Bench pointed out that no records were made available by the Muslim parties with respect to possession for the period between 1528 and 1860.

On what constitutes the ingredients of adverse possession, the Bench relied on observations made by the former Supreme Court judge Justice S Rajendra Babu (in *Karnataka Board of Wakf v Government of India*). The Bench quoted the 2004 judgment: "A person who claims adverse possession should show: (a) on what date he came into possession, (b) what was the nature of his possession, (c) whether the factum of possession was known to the other party, (d) how long his possession has continued, and (e) his possession was open and undisturbed."

Which effectively meant that the was onus on Muslims to prove with facts that the possession was undisturbed. Besides being unable to prove possession between 1528 and 1860, the Muslims also failed to establish that the possession was undisturbed.

The Bench observed: "...It is impossible for the plaintiffs (the Muslim parties) to set up a case of being in peaceful, open and continuous possession of the entire property. Dr Dhawan (counsel for Muslim parties) repeatedly asserted that the Muslims were obstructed in their offering worship at the mosque as a result of the illegalities of the Hindus... (Dhawan) refers to the incidents which took place in 1856-7, 1934 and 1949.

"The events which are associated with each of the above incidents constitute indicators in the ultimate finding that in spite of the existence of the structure of the mosque, possession as asserted by the Muslims cannot be regarded as meeting the threshold required for discharging the burden of a case of adverse possession."

What SC verdict indicates: Mandal-Kamandal politics has come full circle

RAVISH TIWARI
NEW DELHI, NOVEMBER 11

WITH THE Supreme Court verdict on the Ayodhya appeals on Saturday, the politics of Mandal and Kamandal as practised so far may have come full circle — and an opening may have been created for their evolution to a new stage.

The forces of Mandal — flagbearers of the politics of social justice and identity — struggled to stay afloat against the rampaging BJP in the Lok Sabha elections of this summer. And the Supreme Court verdict has now put to rest the legal dispute that spanned the politics of Kamandal — or Hindutva — three decades ago.

Both these political forces had in the late 80s and early 90s disrupted the old style politics of the Congress — blows from which the grand old party could not recover. In nine Lok Sabha elections held since then, the Congress has failed to win a majority even once. In contrast, the forces unleashed by Mandal and Kamandal headed the governments formed after six of those nine elections.

While the Mandal demand of caste-based

reservations is older, the BJP was the first to politically weaponise Kamandal — seizing the opportunity presented by the setting up of the Ramjanmabhoomi Nyas in 1986.

While the socialist fragments of the post-Emergency Janata government joined forces with V P Singh in his anti-corruption battle against Prime Minister Rajiv Gandhi, the BJP endorsed the demand for the Ram Temple at its Palampur (Himachal Pradesh) convention months ahead of the 1989 elections.

Once Rajiv was dislodged from power, these forces jostled for the political space the Congress had vacated. While socialist elements in the V P Singh government pushed caste-based reservations, the BJP, which was supporting the government from the outside raised the pitch for the Ram Temple. After V P Singh announced reservation for OBC communities in August 1990, L K Advani's Rath Yatra clashed head-on with Mandal leaders Lalu Prasad and Mulayam Singh Yadav.

As a new era of politics came to be expressed in a new lexicon, and the contradiction between the two narratives sharpened, the issue of Bofors, which had driven Rajiv from power, faded into the back-



L K Advani on his first Rath Yatra from Somnath to Ayodhya in 1990. Express Archive

ground. In the states of the Hindi heartland, Mandal and Kamandal consolidated their gains at the expense of the Congress.

The demolition of the Babri Masjid on its watch came as a crushing blow for the Congress in UP and Bihar. The leaders of so-

cial justice/identity politics — Mulayam, Lalu, Kanshi Ram — benefitted as the Congress's stock fell among the minority community. And the BJP rode the Ram Temple movement to gain robust footholds in (undivided) Madhya Pradesh, Rajasthan, and (undivided) UP. In 139 Lok Sabha seats across UP (including Uttarakhnd) and Bihar (including Jharkhand), the Congress was virtually eliminated from the field.

The Congress sought to recover some ground by bringing fragments of its support base in the Mandal parties into its tent by framing the political battle in terms of secular versus communal. By this strategy, the Congress was able to ensure that the first BJP government in May 1996 lasted only 13 days.

In response, the BJP changed tactics — it toned down its rhetoric on the Ram Temple in order to win allies in power in 1998 and 1999. However, the Congress again managed to use the secular-communal binary to stall the BJP in 2004.

The limits of the electoral utility of Kamandal were exposed in 2009, when its original champion L K Advani led the BJP to one of its worst performances since 1991.

Watching from his vantage in Gujarat, Narendra Modi possibly took the cue to re-define the BJP's Hindutva politics with a heavy dose of muscular nationalism. He had

already experimented with powerful attacks on Gen Pervez Musharraf in the 2007 Assembly elections in Gujarat; the defeat of the Advani-led BJP in the Lok Sabha elections created the space for Kamandal plus nationalism — in effect, Hindutva 2.0.

For the BJP, Saturday's verdict marked the culmination of the resolution made 30 years ago in Palampur in June 1989. Incidentally, Saturday's judgment came on the eve of the thirtieth anniversary of the laying of the foundation of the Ram Temple in Ayodhya by Kameshwar Chopal, a Dalit from Bihar (November 10, 1989).

In a way, the Supreme Court's verdict may be seen as vindication of the BJP's Kamandal politics.

It also raises the question whether the BJP will now aggressively pursue its commitment to bringing a Uniform Civil Code. Its focus on the abrogation of Article 370, the National Register of Citizens, and the Citizenship Amendment Bill indicates it is ready to take its blend of Kamandal and nationalism to a new pitch.

On the other hand, the limitations of the Mandal forces against the new pole of Indian politics, the BJP, have been exposed repeatedly since 2014. Their poor performance in the 2019 Lok Sabha elections could well indicate they have run their course.

