



THE COW AND THE HORSES STOOD ON THEIR HEADS;
THE GUESTS ALL BOUNDED FROM THEIR BEDS.
— J R R TOLKIN

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

India needs a new story

Rising India narrative is suffering due to re-hyphenation with Pak, slowing growth, retreat from RCEP, Trumpism



SANJAYA BARU

RBI'S CHOICE

Monetary Policy Committee must address growth slowdown even as inflation rises. It should frontload rate cuts in December

THE MONETARY POLICY Committee of the Reserve Bank of India is scheduled to meet in the first week of December. With various economic indicators indicating that growth has slowed down considerably over the past few months, the consensus so far has been that the MPC will cut the benchmark repo rate for the sixth straight time in December, bringing it below 5 per cent. It was expected that this accommodative stance would continue in the next year as well until there was firm evidence of a broad-based pick-up in growth. But the sharper than expected spike in headline retail inflation in October has complicated the policy choices before the MPC. Data from the National Statistics Office shows that headline retail inflation edged up to 4.62 per cent in October, up from 3.99 per cent in September, largely on the back of higher food inflation. This upswing, which is unlikely to reverse in the coming months, has created uncertainty over the future course of monetary policy.

The inflation data shows that food inflation has jumped to 7.89 per cent in October, up from 5.11 per cent in the previous month, driven by a surge in vegetables prices, especially of onion and tomatoes. This surge is unlikely to subside. Food inflation is likely to remain elevated over the coming months, driving up headline retail inflation. Core inflation, which is essentially inflation excluding food and fuel, has moderated further, however, signaling continued weakness in demand. In its last policy review, the RBI had lowered its estimate for growth this year to 6.1 per cent, down from its earlier assessment of 6.9 per cent. This estimate was based on growth coming in at 5.3 per cent in the second quarter, and ranging between 6.6-7.2 per cent in the second half of the financial year. But there is little possibility of the RBI's projections materialising as various high frequency indicators suggest that growth is likely to fall below 5 per cent in the second quarter. Thus, the MPC finds itself in a peculiar position of having to address the growth slowdown while inflation rises.

Going by current trends, with little possibility of a meaningful recovery in the near term, the situation warrants further monetary accommodation. So, while the MPC should carefully assess the trajectory of food inflation, its primary concern should be to arrest the slowdown. It should frontload the rate cuts in its December policy, though the magnitude of the cut will depend on the extent to which growth deviates from the RBI's own projection. The shift to external benchmarking should lead to a quicker transmission of the cuts to the broader economy.

THREE DEVELOPMENTS DEFINED the narrative of "Rising India" over the past quarter century. First, India's economic rise; second, as a consequence of that rise, India's globalisation and integration into a "Rising Asia"; and third, a growing recognition that India was liberating itself from the historical baggage of its neighbourhood. Events in the recent past have cast a shadow on each of these elements and are beginning to question, if not yet challenge, the narrative of a Rising India.

The turn of the century was when a new narrative about independent India began to strike root globally. India had not only come out of a serious economic crisis, in 1991-92, but had landed on its feet in the new post-Cold War world, switching sides from an imploding Soviet Union and building bridges with a rising Asia. Prime Minister PV Narasimha Rao's sagacious leadership of major economic and foreign policy changes helped improve the performance of the economy and raised India's global profile. Improved government finances and a growing confidence in the Indian economy allowed Prime Minister Atal Bihari Vajpayee to declare India a nuclear weapons power. Thanks to the economy's new robustness, India overcame the impact of the economic sanctions imposed by the United States, Japan and several European nations in response to the nuclear tests of 1998.

Trade liberalisation, industrial delicensing and decontrol and fiscal stabilisation contributed to an increase in the share of foreign trade and manufacturing output in national income, rather than hurt growth. This boosted investor confidence in the economy's growth potential. New firms began to come up and so did new industries. Years of quiet investment in the teaching of computer sciences had created an army of technicians that the world needed in making the transition from the 20th century to the 21st. It was called the Y2K problem and Indians were equipped to solve it. The internet was entering homes and an Indian called Sabeer Bhatia had invented Hotmail.com and allowed the worldwide Indian diaspora to re-connect and mobilise. Indian companies were quoting on the New York stock exchange and new

sectors of a protected economy were opening up.

Taken together, all these factors made American strategic analyst, Condoleezza Rice, later to become President George W Bush Jr's secretary of state, write an essay in the highly regarded journal, *Foreign Affairs*, in early 2000, urging the US political leadership not to think of India as a neighbour of Pakistan but as a neighbour of China. While China would emerge as a "strategic competitor", said Rice, India could be the US's "strategic partner". While President Bill Clinton gave China an easy entry into the World Trade Organisation in 2000, President Bush decided to get tough and, as he told this writer once, he chose "to break a lot of China (sic) to make sure India got the nuke deal."

Two unrelated developments around that time also contributed to the positive narrative about India. First, the manner in which India responded to Pakistan's incursions into Kashmir, near Kargil, and the fact that terrorists attacking the US in September 2001 had a Pakistan connection. By 2005, when President Bush spent five days in India and five hours in Pakistan, the "de-hyphenation" of the South Asian adversaries had been completed.

Consider the events of the more recent past. For months on end in the run-up to the 2019 Lok Sabha elections, terrorism and Pakistan were on prime time news every single day. While the last major terror attack in India staged by Pakistan was in November 2008, the attacks across the border at Uri and Pathankot became the focal points of a sustained political campaign. Keeping terrorism in the news even when terrorist attacks are down has proved counter-productive and contributed to the re-hyphenation with Pakistan. This was only further facilitated by the decision to repeal Article 370 of the Constitution and alter the status of Jammu and Kashmir.

This in itself could have been managed if the Indian economy had been chugging along, but that was not to be. The slowing down of the economy, be it cyclical or structural, has been compounded by confused handling and mixed signals. Investors remain risk averse and consumers remain

bearish, despite bold policy moves. The widely welcomed fiscal reform has had the adverse effect of reducing the government's fiscal space, further choking off investment even in infrastructure.

Against this background, the prime minister's decision to retreat from the Asian Regional Comprehensive Economic Partnership (RCEP) negotiations has added to a sense of siege. If India delinks itself from the Rising Asia train, would its own Rising India strategy not get derailed? Questions are beginning to be raised not just about India's growth potential and the government's fiscal capacity but also the competitiveness of the agricultural, manufacturing and even services sectors.

In the quarter century from 1991 to 2016, the US emerged as a strategic partner willing to aid India's rise. In the three years since President Donald Trump came to office, the US has signaled a change of gears, if not a change of course. While he has launched a strategy for the geo-economic containment of China, he has not taken his eye off India's trade policies nor has he been re-assuring on all of India's security concerns, with Pakistan regaining diplomatic ground lost in the aftermath of 9/11. On top of it all, global economic growth does not as yet offer much hope for India. One silver lining remains in subdued energy prices that would offer the government much needed fiscal relief.

Taken together, domestic economic management, recent political and geopolitical choices made at home, the regional and global consequences of Trump and Trumpism, the geo-economics and geo-politics of China's rise, are all beginning to pose a challenge to the extant Rising India narrative. The old narrative is taking a beating. A new narrative can only be built on the foundations of improved economic performance and better management of domestic political challenges. A return to the earlier growth path is predicated upon altering recent perceptions about India's economic prospects and policies, the political choices made and geopolitical options explored.

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WHOSE FOREIGN POLICY?

Impeachment proceedings against Donald Trump may or may not unseat him. But they send out disturbing signals

THE FIRST HEARING of the impeachment inquiry being conducted by the Intelligence Committee of the US House of Representatives did not go well for President Donald Trump. Two bi-partisan career diplomats — the acting US ambassador to Ukraine, William Taylor, and the deputy assistant secretary for European and Eurasian affairs, George Kent — confirmed that Trump used the authority of his office to further his personal political agenda. In addition, Taylor presented new facts — a staffer from his office witnessed a phone call between Trump and the US ambassador to the EU, Gordon Sondland, where the former inquired about the progress of Ukraine's investigation into alleged corruption by the former vice president and Democratic presidential hopeful, Joe Biden, and his son.

Both de jure and de facto, the impeachment proceedings are political: They are carried out by the legislature, and in fact, are unlikely to lead to the president being removed from office, given that Republicans enjoy a majority in the upper House, the senate, which has the final say. After a whistle-blower revealed earlier this year that the US president asked his Ukrainian counterpart, Volodymyr Zelensky, to investigate Biden on charges of corruption in return for aid in its conflict with Russia, Trump's political rivals seem eager to use impeachment proceedings to embarrass the president ahead of an election year. The efficacy of the tactic, though, is questionable. While opinion polls have indicated that there is growing support for impeachment among Americans, they also suggest that there are a larger number of people who are broadly unhappy with Trump's leadership but do not support impeachment. Will the revelations and the constant attention on alleged misuse of power over the next few months shore up Trump's base and allow him to play the victim vis a vis the "deep state"? Or will they swing those on the fence towards the Democrats? So far, since his campaign in 2016, Trump seems to have been strengthened by scandals, whether over alleged racism, tax evasion or sexual harassment.

There is little doubt that the impeachment proceedings will be at the centre of the public conversation in the US till the 2020 elections. But beyond the implications for partisan politics, the hearing this week signalled a disturbing trend: US foreign policy objectives under Trump, it seems, can be all too easily influenced by domestic political vendettas. In the medium and long term, for its own strategic interests as well as stability in international relations, it is important for the US foreign policy establishment to change that perception.

JUST SAY MOO

Because, let's face it, some hostels have it easier

FRESHLY CHURNED MILK. Check. Revenue generation. Check. Space management. Check. Subsidised hostel accommodation. Check. The genius of the Rashtriya Kamdhenu Aayog (National Commission for Cows) might, in one fell swoop, sort out some of the woes of urban living, with their proposal to set up cow hostels in 10 to 15 specially designated areas in cities and urban centres across the country. The newly constituted Aayog, whose mandate is to ensure the sustainable development of cows, has reportedly cited the success of the rural "Gujarat model" as motivation for the coming together of private and public enterprises in this initiative and has also dangled the carrot of monetising the venture by putting to commercial use the milk, cow dung and urine. Not one to do things by halves, the Aayog has even requested the Urban Development Ministry to devise a guideline for the setting up of these cow hostels so that they can be incorporated in urban planning frameworks.

One has to admire the deep consideration of the apex advisory body, headed by Vallabhbai Kathiria, here. Not only does the proposal take into account the unfulfilled wish of those citizens who have always wanted to nurture the *gau mata* in the city but were intimidated by a lack of infrastructure and support system, it has also kept in mind some of the key issues facing the nation at the moment — a slump in the economy, the state of public education and urban planning — from the perspective of its chief beneficiary. It is, truth be told, a win-win situation.

Perhaps, there is a lesson or two here for the good people in the Human Resource Development Ministry, whose decision to hike hostel fees and other stipulations at the Jawaharlal Nehru University in Delhi met with massive protests this week. A partial rollback has been announced but one does wonder what it takes to make a case for judicious use of resources to ensure that India's public education system remains robust and equitable. A loud and vociferous "moo", perhaps?



GURU PRAKASH

AN OFFICER FOR SOCIAL JUSTICE

For PS Krishnan, welfare of Dalits, Adivasis, trumped ideological considerations

THE COUNTRY lost two of its most prominent bureaucrats on Sunday. Much has been written and discussed about the former Chief Election Commissioner T N Seshan, but little was said on the passing away of an equally important officer, PS Krishnan. Krishnan, like Seshan, was an institution builder. He was instrumental in making the government architecture more inclusive and accessible for Dalit and tribal communities.

His monumental contributions touched the lives of millions of Dalits and Adivasis across the country. For someone who was born in Kerala and served in Andhra Pradesh, his reputation preceded him. His following among the activists committed to the cause of social justice was spread across the ideological spectrum. He will be remembered for a number of landmark initiatives like the 65th constitutional amendment that gave constitutional status to the National Commission of Scheduled Castes and Scheduled Tribes, and the conception of separate financial allocation for SCs and STs through special component plans among others.

While delivering the first Ambedkar memorial lecture at the Indian Institute of Public Administration in New Delhi in 2006, he said, quoting from the observations of the working group on the development of the Scheduled Castes, "They constitute, in the main, the bedrock on which our society and economy rest. Rarely has any section of a nation con-

tributed so much for so long, in return for so little. Indian society owes the Scheduled Castes a heavy moral and material debt".

For him, social justice and national integration were two sides of the same coin. The caste-based social order was a "civilisational faultline of India" according to Krishnan. However, he rarely advocated a revolution. He remained a dedicated constitutionalist throughout his life and believed in the power of consensus building through discussion and debate. He was influenced by thinkers ranging from Ambedkar, Periyar, Gandhi to Narayana Guru and Swami Vivekananda. His wealth of experience in both activism and academia came from wide ranging interactions with relevant stakeholders from within and outside the community.

One of his most significant contributions to the Dalit movement was towards ending ideological unreachability. Throughout his public life, he shared the stage with both ardent nationalists and communists with equal aplomb if it was for the cause. For Krishnan, the cause was supreme. Many of the emerging Dalit activists and intellectuals can take this inspiration from his life. As Dalit activists, we often fall into the trap of ideological polarisation. This is a great disservice to the interests of the community. Krishnan often used to say that we must persuasively engage with people holding positions of power, influence and authority.

NOVEMBER 15, 1979, FORTY YEARS AGO

PRESIDENT'S RULE
CENTRAL RULE WAS imposed on Manipur by a presidential order issued under Article 356 of the Constitution. The Manipur Legislative Assembly was also dissolved simultaneously. The decision to impose presidential rule was taken by the Centre after the Union Cabinet considered at its meeting the report of the governor which detailed the breakdown of the law and order situation and also gross maladministration, favouritism and nepotism by the state government. Elections to the Manipur assembly, which had outlived its five-year tenure, is likely to be held along with the Lok Sabha elections. Over the years, politics in Manipur has been volatile, resulting in long periods of president's rule and fre-

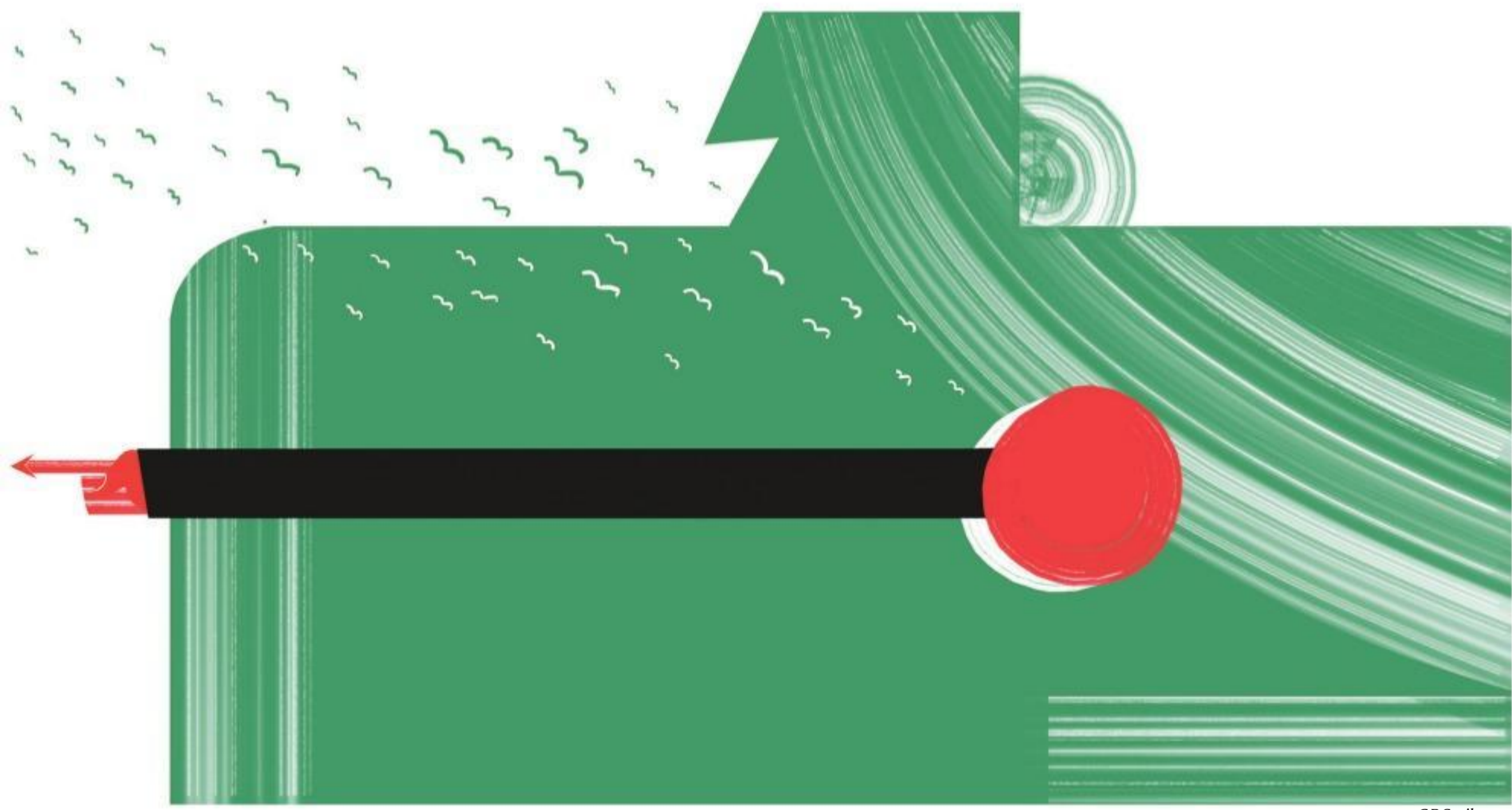
quent changes of government.
BAHUGUNA MOVES
SHORT OF ANNOUNCING it formally, the CFD leader, H N Bahuguna, made it clear at a news conference that he was joining Congress (I). Indira Gandhi had visited Bahuguna's house in the morning where both had talks for 33 minutes in the presence of Kamalapati Tripathi, senior Congress (I) leader. Bahuguna was scheduled to meet Mrs Gandhi again in the night. Earlier, both the leaders had a "chance meeting" at the Shantivana where they had gone to pay homage to Jawaharlal Nehru on his 90th birthday. During their talks, Mrs Gandhi invited Bahuguna to join the Congress (I) "so that we should work to-

gether to give the country a government that should work within the Gandhi-Nehru framework".

IRAN ASSET FREEZE
US PRESIDENT JIMMY Carter swiftly froze all Iranian government assets in America, estimated to total \$13 billion. This followed the Iranian decision to try to take the assets out of the US. The Carter order even grounds Iranian airways planes that may now be in the US until they get a licence from the treasury to depart. Carter's action was approved by congressional leaders. The Iranian finance ministry has been instructed to withdraw all Iranian deposits from US banks, the acting foreign minister, Abol Bani Sadr said.



13 THE IDEAS PAGE



CR Sasikumar

Unhappy echoes in Dhaka

Modi government's policies in J&K and Northeast will have repercussions in the neighbourhood. In Bangladesh, Sheikh Hasina could find it hard to contain anti-India voices



JOSEPH ALLCHIN

IT IS AN extraordinary image. Prime Minister Narendra Modi posing, no less, holding hands with Henry Kissinger, surrounded by a bevy of grinning former world leaders. For many with a memory, or an interest in Bangladesh, it also conjured a muffled, 1970s recording from the White House in which Kissinger is heard talking about India with his then boss, Richard Nixon. The pair can be heard calling Indians "b*****s" and wishing a famine on the country. This racist tirade, in which the astute Henry seems to encourage his vain boss's stale whims, erupted at a time when India was supporting the emergence of an independent, secular Bangladesh. Today, Modi's policies are arguably doing exactly as Nixon and Kissinger's attempted back in 1971 — driving religious and communal division.

Kissinger and Nixon were, of course, ardent supporters of Pakistan's military, as it and its Bengali proxies committed genocide, in erstwhile East Bengal, and in particular of its Hindus. While Pakistan split, a vindictive attitude towards India in American policy did not necessarily diminish; within only a few years, Bangladesh's independence hero, Sheikh Mujib was killed in 1975, and a pro-West/Pakistan/Chinese government took over in a coup supported by American intelligence. In American cables from that era, anti-Indian attitudes reach obsessive, paranoid levels. Military-run Dhaka immediately ramped up arms spending, from the West and from China — as the embassy and General Ziaur Rahman earnestly prepared for a fantasy Indian invasion, like schoolboys moving model soldiers about an imaginary battlefield.

Today, Mujib's daughter, Sheikh Hasina is in power in Dhaka. However, there are two mutually hostile forces which she has had to try and assuage through her long years in office: the communal/religious-right internally and New Delhi. This has not been

straightforward.

Before the Muslim Rohingya refugees crossed into Bangladesh, fleeing genocide in 2016-17, Bangladesh's borders were apparently "sealed". This long-marginalised Burmese community was not Hasina's problem, she said. However, official policy was no medicine for the sheer desperation that flooded into Bangladesh on those brutalised Burmese shoulders. "Sealed" meant little either to members of Bangladesh's security services, who were, probably, both unwilling and unable to enforce the integrity of the border.

However, Hasina's position towards the community changed, not only when her government clearly lacked the ability to physically stop the influx but also when she saw how once fierce critics of her government, the religious right, saw in this tragedy a reason to project their anger outwards. Suddenly, a strange bonhomie existed between the Islamist Muftis in Dhaka and elsewhere, and her Awami League. The enemy was no longer "Lady Hitler" as Hasina is often described by her Islamist adversaries; instead someone else, someone distant and external was. Like a feuding couple suddenly turning their ire towards the neighbours, instead of one another.

This was never Hasina's plan. She never wanted one million new residents, but as the permutations of ethnic cleansing progressed, she played it well. And, just as in Pakistan, the "out group enemy", Myanmar's supposedly Buddhist rulers, drew the brunt of the Islamists' anger — who for years tentatively accused Hasina of being part of an "anti-Islam" conspiracy.

Indeed, this dynamic is crucial to Pakistani policy making and the Lashkar-e-Taiba owes its patronage and existence to it. It was then not surprising when Pakistani politicians started referencing the Ghazwa-e-Hind prophecy — found in the Hadiths — in response to Modi's draconian policy lurches on Jammu and Kashmir.

This prophecy was also harked to in one of Bangladesh's worst terrorist attacks — on Dhaka's Holy restaurant in 2016. The ISIS cell termed their killing spree, "Operation Ghazwa-e-Hind". The attack claimed the lives of some two-dozen hostages, including an Indian national, Tarishi Jain. Women were especially targeted with unspeakable brutality by a group of young Bangladeshis

— who months prior had mainly been regular students — some from extremely privileged backgrounds.

This attack was not dissimilar to LeT's 2008 attack on Mumbai — an *inghimasi* attack where the assailants try to cause maximum damage over an extended period of time, with no intention of survival. Both aspired to draw a wedge between the Muslims and non-Muslims. Both viewed confrontation not only as prophesied and therefore, inherently blessed, but also targeted establishments which for them embodied secular progress or aspiration.

The merging of conspiracy, prophecy and geopolitics is arguably pursued even more effectively by al Qaeda in the Indian Subcontinent — the other major transnational jihadist group that has found adherents in Bangladesh. It emerged in 2014 and their Egyptian leader, Ayman Al Zawahiri seems plugged in to conspiratorial obsessions of Bangladesh's right-wing, as well as those of Modi.

"The events in Bangladesh enjoy the blessings of both India and America, since their interests in fighting Islam overlap," he claimed. He also seems able to share obsessions with Modi. In 2014, Zawahiri claimed that, "the events in Bangladesh and Burma are not too distant from the oppression and killings of Muslims in Kashmir or the racial cleansing in Assam, Gujarat and Ahmadabad either."

In 1971, Modi's friend Henry was, instead, holding hands with the Pakistani generals, as they facilitated his then secret (and ultimately futile) rapprochement with China. Hasina will not be able to contain extremist, anti-India voices in Bangladesh for ever, especially as the Modi government's anti-Muslim agenda ramps up.

The threat of yet more desperate people fleeing into Bangladesh, means Hasina may well have to project understandable anger in Bangladesh outwards, for her government's integrity. Unlike her father, however, she has friends in China, with unmatched economic muscle. And the more Modi alienates Bangladeshis, the more the smile will grow from Beijing to the Brahmaputra.

Allchin, a journalist and writer, is the author of *Many Rivers One Sea: Bangladesh and the Challenge of Islamist Militancy*

A verdict, a test

Ayodhya ruling frames a question: What is the true idea of Bharat?



RAJIV TULI

THE VERDICT IN THE long-standing Ram Janmabhoomi-Babri dispute is finally out. Much to everyone's relief, the unanimous decision taken by the five-judge Supreme Court bench has been received well by the society at large. A section of intellectuals, though, have not been able to digest this unanimous decision.

This is the same group of self-proclaimed gatekeepers of Indian conscience who had failed to read the people's mood before the 2014 and 2019 Lok Sabha polls and were predicting the defeat of the nationalist forces. Now, there is a concerted attempt to create a ruckus over the unanimous decision of the apex court.

The majority of our nation has always viewed the Babri structure as a symbol of invasion by an intruder. The nation felt, and rightly so, that the Babri structure was built only with an objective to show and prove that the Mughals now had control on every

aspect of the lives of Bharatiyas, including their gods and their temples.

The judgment given by the Supreme Court has considered all the documentary and oral evidence put before it. It says that "the oral and documentary evidence shows that the Hindu devotees of Lord Ram hold a genuine, long-standing and profound belief in the religious merit attained by offering prayer to Lord at the site they believe to be his birth place. Evidence has been led by the plaintiffs in suit 5 to show a long practice of Hindu worship to Lord Ram at the disputed site." It further says: "The ASI report does find the existence of pre-existing structure. The report concludes on the basis of the architectural fragments formed at the site and the nature of the structure that it was of a Hindu religious origin."

For Hindus, a temple at the Shri Ram Janmabhoomi is not an issue of mere bricks and mortar. It is an issue of the cultural resur-

gence and national identity, where Shri Ram, as "maryada purushottam", has a prime place of importance. The Ram Janmabhoomi movement is an expression of the collective consciousness of the Hindu ethos.

The real issue is how the present-day Muslims view the Babri structure. Do they consider it as their holy place? If the answer is yes, then they end up owning the barbarism of Babar and others like him. The right way for Muslims is to distance themselves from such vandalism.

Hindus have asked for a peaceful return, through the judiciary and negotiations, of only three of their holy sites (Ayodhya, Mathura and Kashi) that were vandalised. Hindus are not asking for the thousands of other temples that were plundered, looted, destroyed and mosques were built thereupon. Hindus are not even asking for any sort of compensation or restitution. Any interpretation of the Babri structure, other

than that of it being viewed as a monument of our slavery, will clearly indicate that Hindus are being asked to live with a feeling of humiliation.

The apex court's decision needs to be viewed, thus, beyond the mandir-masjid or Hindu-Muslim issue. It is about the idea of Bharat. Do we want a Bharat which represents the legacy of Babar, Ghazni and Ghori or do we want a Bharat where the legacy of the nation is represented by Lord Rama, Lord Krishna, Dara Shikoh, Kabir and APJ Abdul Kalam? The call has to be taken by Muslims in Bharat and the ball is in their court now.

The Supreme Court's decision is surely a formidable test for the judiciary, legislature and executive of the nation. But more than that, it is going to test the resilience of our social fabric.

The writer is member of the state executive of the Delhi RSS

WHAT THE OTHERS SAY

"India can continue its brutal approach in the region for another 100 days but the result is unlikely to be different, as Kashmiris will not start treating their oppressors as their benefactors." —DAWN

Beyond the mandate

Finance Commission is tasked with distribution of tax proceeds between Union and states. Recent amendments threaten to subvert it



V BHASKAR

TWO RECENT AMENDMENTS to the Terms of Reference (ToR) of the 15th Finance Commission (FFC) are examined here. The first requires the FFC to examine "whether a separate mechanism for funding of defence and internal security ought to be set up and if so, how such a mechanism should be operationalised". The second arises from Section 83 of the Jammu and Kashmir Reorganisation Act 2019 (J&K Act), which came into effect when Jammu and Kashmir became a Union Territory on October 31. It requires the President to "make a reference to the 15th Finance Commission to include the Union Territory of Jammu and Kashmir in its Terms of Reference and make award for the successor Union territory of Jammu and Kashmir." Both these amendments are perfunctorily worded, raising constitutional and interpretational issues which the FFC may find challenging. They also work to the detriment of the states.

The use of the words "separate mechanism" points to creating a mechanism distinct from the existing one. The Constitution requires that estimates relating to voted expenditure in the Annual Financial Statement be submitted in the form of demands for grants to the Lok Sabha every year. The Government of India (GoI) submits demands for grants to the Lok Sabha under the defence and home ministries for defence and deployment of armed forces in states as an aid to civil power. The separate mechanism envisaged could be the creation of a defence and internal security fund in the public account to which their annual budgetary allocations could be credited and then spent over a multi-year time-frame without the threat of lapse. Such an arrangement already exists for a number of funds in the public account, like the National Disaster Relief Fund.

The budget provision for 2019-20 for defence and the police grant of the home ministry is about Rs 5,30,000 crore. It will be inappropriate to squirrel away one-fifth of the GoI's budget allocations into the public account for five reasons. First, escrowing such a large amount from its resources will constrain the GoI's budgetary management. Second, similar demands could arise from other critical ministries like infrastructure and health, which if agreed to, will further emasculate budgetary flexibility. Third, it will lead to lazy budgeting by the beneficiary ministries. Fourth, it violates the Government Accounting Rules 1990 (GAR), which allow for creating a fund in the public account only for the implementation of specified schemes of ministries and not for entire budgetary alloca-

tions of departments. Fifth, and most important, it violates the fundamental canons of annual budgeting mandated in the Constitution — providing for lapse of moneys budgeted but unspent during a year, and obtaining Parliament's approval every year for the Annual Financial Statement.

The use of the words "internal security" creates ambiguity. Internal security means maintaining public order and peace by tackling internal threats and upholding the law. Public order and police are part of the state's responsibility. Internal security is, therefore, as much a concern of states as it is of the GoI. The FFC will face a further challenge if such a fund is created in the GoI's public account, since it will have to decide how it will be shared with states.

The amendment relating to Jammu and Kashmir is equally troublesome. The phrase "include Union territory of Jammu and Kashmir in its Terms of Reference" is indeterminate. The ToR of the FFC has 15 clauses. In which clause and where should it be included? The names of no state or Union Territory find place in any of these 15 clauses.

It can be argued that this amendment requires the FFC to treat the UT of Jammu and Kashmir as a state for the purposes of its award. The FFC will submit its report on November 30. J&K ceased to be a state on October 31. It will no longer find a place in list of the states in the Constitution, but appear in the list of UT. The Constitution requires the Finance Commission to recommend the "distribution between the Union and states of the net proceed of taxes". No Finance Commission has ever made an award for any UT. It is not clear how the FFC can now make an award treating the UT of J&K as a state. It is noteworthy that the J&K Act simultaneously requires that the Union Territory of Ladakh be treated on par with the other UT. No case has been made for treating J&K on a different footing. Further, how can the claims of the two other UTs with a legislature — Delhi and Puducherry — which also have been demanding, for a number of years, that FCs award a share of the divisible pool to them, be ignored?

States argue that the impact of such a provision would increase the number of claimants to the divisible pool and thus reduce their individual share. It is further argued that the GoI, which derived political benefits from its decision to convert J&K into a UT should not pass on the financial fallouts of such a decision to the states. The GoI should treat the requirements of the UT of Jammu and Kashmir within the demand of the Union Home Ministry.

The FFC has been burdened with an onerous and a challenging ToR. Some state governments have complained about its perceived inequities to the President. These two amendments unnecessarily raise more challenges for the FFC. Perhaps, it should ignore these amendments and confine itself to its constitutional mandate.

The writer was joint secretary, 13th Finance Commission and a former finance secretary, Government of Andhra Pradesh

LETTERS TO THE EDITOR

KEEP TALKING

THIS REFERS TO the article, 'Listen, Mister Muslim' (IE, November 14). The reason behind the ignorance of Indians — not just Muslims — and their reliance on ulemas, pandits and political leaders is because they do not understand faith well. Superficial knowledge of their own faith and their near ignorance of the other's faith make many Indians vulnerable to manipulation by people with vested interests. The need of the hour is communication between communities — not hasty conclusions.

Afshien Rizvi, Lucknow

RTI'S AMBIT

THIS REFERS TO the editorial, 'Letting in Light' (IE, November 14). The Supreme Court's verdict that places the Chief Justice under the RTI Act is a welcome acknowledgment of the fact that accountability and transparency are not inimical to the judiciary's independence. Let's hope this verdict is a significant step in strengthening the RTI and creates an empowered citizenry.

Divya Singla, Patiala

SPEEDY JUSTICE

THIS REFERS TO the article, 'The speed of justice' (IE, November 14). One of the reasons for people settling their disputes out of court is the inordinate delay in our judicial system. Victims of sexual violence are not only asked embarrassing questions but there is delay in delivering justice. This prevents other victims from approaching the courts. One of the solutions to this problem is

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.

to set up small fast track courts which will dispose off minor crimes. Setting up good law colleges especially in rural areas and encouraging students to take up this profession goes a long way in speedy justice.

Veena Shenoy, Thane

JAGAN'S FAILURES

THIS REFERS TO the editorial, 'Failure to launch' (IE, November 14). When a young political leader fails to live up to expectations, it is disastrous for our democracy. A leader who wins with a massive margin can not afford to let down the voters. Some of the decisions taken up by Andhra Pradesh's last chief minister Chandrababu Naidu need to be revoked. But annulling all Naidu-era project is not justified and shows Jagan Mohan Reddy in very poor light.

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