Opinion

WEDNESDAY, NOVEMBER 27, 2019

WHEEL OF FORTUNE

BJP leader Devendra Fadnavis

The alliance between Shiv Sena, NCP and Congress is like a three-wheeler whose wheels move in opposite directions. It will crumble under its own weight. The BJP will ... try to raise the voice of people

Maha loss of face as stealth victory comes undone

From BJP to Sena, all parties come across poorly, but the biggest casualties were the President and the Governor

NO POLITICAL PARTY that doesn't seize every opportunity that comes its way—including the ones that aren't fully there—can ever hope to do well. So, to that extent, the BJP can't be faulted for trying to form a government in Maharashtra with the NCP's help after its pre-poll ally, the Shiv Sena, decided to act up and start making unreasonable demands. Except, the way this was done exposed not just the party's top brass but also made a mockery of constitutional offices, like that of the state's Governor BS Koshyari and President Ram Nath Kovind. The BJP discussing power-sharing with the NCP was a real shock given the BJP's anti-corruption plank. While ex-chief minister Devendra Fadnavis had had no qualms about taking oath with the NCP's Ajit Pawar as his deputy on Saturday, a few years ago he was borrowing from Dharmendra's famous '*chakki-peesing*' dialogue from Sholay to describe what he would do to Pawar who was alleged to be involved in the ₹70,000-crore irrigation scam in the state.

Since NCP chief Sharad Pawar was being investigated in the Maharashtra Cooperative Bank scam, and Praful Patel for his role in the Air India aircraft deal, among others, the BJP-NCP tie-up suggested the investigations would take a back seat; at that time, no one knew Sharad Pawar didn't approve of what his nephew had done, and that the latter was trying to split the party. It didn't help that, after the swearing-in, the state's Anti-Corruption Bureau closed some of the cases pertaining to the irrigation scam; for the record, the ACB said none of the nine cases were linked to Ajit Pawar.

While the alliance talks between the Shiv Sena, the NCP (with Sharad Pawar at the helm), and Congress smacked of opportunism, too, given their pre-poll animus, it is indeed amazing that Governor Koshyari never paused to think of how Ajit Pawar was offering support to the BJP—as legislative party head, he was, technically, in a position to do so—when newspaper headlines were all about how the Shiv Sena, NCP, and Congress were about to approach the Governor to stake claim to the government. President Kovind's reputation took a beating when he cleared, at 5.47 AM on Saturday, revocation of President's rule in the state—since the Cabinet hadn't cleared the revocation, prime minister Narendra Modi used Rule 12 of the Government of India rules that give him special powers to do so!—and this allowed the Governor to swear in Fadnavis-Ajit Pawar a few hours later.

Given how things unraveled later, it appears clear the operation was conducted in stealth as it wasn't quite *kosher*; on Tuesday, just before he resigned, Fadnavis said the BJP didn't believe in splitting parties, but that's what the operation with Ajit Pawar was. Even now, after the decks have been cleared for the Shiv Sena, NCP, and Congress to stake a claim to form the government, it is not clear how long the alliance will last given the fundamental contradictions between the partners; the anti-BJP glue, of course, should help. While the BJP has lost some of its sheen, at least for now, the big loser, of course, is the voter since it is clear that pre-poll alliances mean little to those who are making them; is there a case for amending the Representation of People's Act to prevent such break-ups? The redeeming feature, though, is that this phase of the farce has come to an end on the 70th anniversary of the day India adopted its Constitution.

Vote anonymity out

Anonymous electoral bonds allow funding by dubious entities

THERE CAN BE no doubt that the electoral bonds programme was a step up from the days when black money could be routed to political parties given how the purchase of the bonds from the State Bank of India triggers a paper trail. But, much of the criticism the programme has been facing recently is quite justified. Based on the BJP's filings with the Election Commission, it has been alleged that the party received donations in 2014-15 from RKW Developers, a firm that is linked to Dawood Ibrahim aide and terror accused Iqbal Mirchi and his family, as well as from firms that have had business dealings with RKW. Given how the electoral bonds programme allows for largely anonymous donations—only the bank issuing the bonds and the government of the day know the identity of the donors, and the parties encashing the bonds—tracing an RKW's contribution to a party would be that much more difficult. Besides, given that the programme does away with the earlier requirement that only profitable companies be allowed to donate to parties, use of shell firms to make donations becomes a distinct possibility. This complicates matters further because, even if it is argued that the government and the bank will have knowledge of the particulars of the donor, money getting routed through a chain of shell companies will make deciphering the identity of the real donor nearly impossible.

The Election Commission has also voiced similar apprehensions on the matter, telling the Supreme Court in a 2017 affidavit that the bonds would have "serious repercussions/impact on the transparency aspect of political finance/funding of political parties." Indeed, it had written to the government earlier that year to make its stand clear on the matter: "any donation received by a political party through an electoral bond has been taken out of the ambit of reporting under the Contribution Report as prescribed under Section 29C of the Representation of the People Act 1951 and therefore, this is a retrograde step as far as transparency of donations is concerned." While many argue that the anonymity of electoral bonds allows a corporate house to donate to a party without being harassed by the latter's rivals or fearing reprisal if they come to power, it also makes tracking *quid pro quo* nearly impossible. At the same time, given how the government of the day will always know to which party a company donated and how much, the programme is skewed towards favouring the party in power.

The government needs to pay heed to the Election Commission's suggestions on junking the anonymity provision and re-introducing the provision that limits the donations to profitable companies with established track-records. Else, the programme will not only remain clouded by doubts on *quid pro quo* but also could become a vehicle for funds from entities possibly inimical to the country's interests.

StallingSURROGACY

Rajya Sabha right in demanding a rework of the Surrogacy Bill as its current provisions make it exclusionary

THE PRIME MINISTER, while addressing the 250th session of Rajya Sabha, remarked that the House has ensured checks and balances for the system, which are essential for a democracy. Although he did go on to say that there is also a difference between checking and clogging, the decision of the Upper House to send the Surrogacy Bill that the government is pushing to a select Rajya Sabha panel is a sound one. Members have raised serious objections against the Bill, passed by Lok Sabha in the monsoon session. Across party lines, members of the Upper House believe that some of the provisions, like surrogacy only by a close relative, the five-year waiting period, and a rule limiting it to only married couples, were prohibitive and exclusionary. They were quick to point out that, in its present form, the Bill would lead to exploitation of close relatives, as also the surrogate parents, who would needlessly have to wait five years.

While there is no doubt that, sans regulations, surrogacy sweatshops had mushroomed across the country—the health minister, in a recent debate, highlighted that there were 3,000 such clinics in India—the government's bill only makes matters worse. Restrictions will mean clandestine sweatshops thrive. With such onerous regulations, people could also go to nations where laws are more liberal. A better solution would be to allow commercial surrogacy while strictly enforcing provisions that safeguard the surrogate's health and commercial interests. Once sweatshops are history, the National Surrogacy Board can regulate the industry, as happened in the case of adoption.

NO PROOF REQUIRED

SOMETIMES, A PROUD NATION HAS TO RECOGNISE THAT ITS STATISTICAL INSTITUTION IS FAILING THE MOST BASIC OF CREDIBILITY "SMELL" TESTS; AND IS IN DIRE NEED OF REFORM

Flawed findings show NSO needs reforms

SURJIT S BHALLA

Executive Director, IMF representing India, Sri Lanka, Bangladesh and Bhutan
Twitter: @surjitbhalla. *Views are personal*

SOME RESULTS OF the NSO Consumer Expenditure Survey (CES) for 2017-18 have been published in leaky form. It is hoped that the official release (not endorsement for reasons enunciated below) of the unit-level data will follow soon, so researchers, analysts, and politicians, and even former prime ministers can evaluate for themselves how bad NSO data really are.

The previous NSO survey on employment (PLFS) estimated the population in 2017-18 to be 1,074 million, when even mathematically challenged individuals estimated it to be upwards of 1,300 million (actually 1,339 million). That error of 265 million underestimation was a national record for the highest under-estimation of such a basic number; most NSO surveys have had an under-estimation of population of around 5-10 %—the 2017-18 underestimation at 20% is a record.

This under-estimation has consequences, for a major policy variable of interest—jobs and job growth. The unemployment rate is not affected by estimate of aggregate population; but number of jobs are affected. Most scholars have estimated the employment generated by the PLFS data to be a decline of around 18 million in the number of jobs in 2017-18 relative to 2011-12. This is according to the usual status of employment, a measure which counts both half-time work (employed for 30-182 days) and full time work (employed for more than 182 days) as full-time employment. In a detailed (forthcoming) paper on employment, Tirtha Das and I find that the desired full-time jobs (defined as principal status) *increased* by 8 million between 2011-12 and 2017-18—a not-that-different increase over what was obtained in the go-go-growth years of 2004-05 to 2011-12 (14 million increase, but over seven years).

It is much easier to count people as employed or not employed, than to ask them about their monthly per capita expenditures. This is where the world record is on the way to being established. The CES survey for 2017-18 shows that real monthly consumer expenditures per person (MPCE in NSO parlance and NOT income as mistakenly assumed by some) *declined* from ₹1,573 in 2011-12 to ₹1,514 in 2017-18 (data converted from 2009-10 prices to 2011-12 prices to make consistent with other data.)

In my book *"Imagine there's no country"*, published by the Peterson Institute in 2002, I had documented how there had been a declining trend in the amount of survey capture, i.e., over time, household surveys (S) were capturing less and less of consumption as revealed by an alternative calculation—national accounts (NA). While the two definitions (survey and national accounts) are not identical, they are broadly comparable.

The average S/NA ratio, around the world, was in the mid-80s in the 1980s, i.e., if the NA estimate of per-capita consumption was 100, then the household survey would estimate it to be 85. It is worth remembering that the S/NA ratio in India in the 1950s and 1960s was upwards of 95%. Too high to be true? In a manner of speaking, yes. For then the household survey provided the estimate of consumption for national accounts.

But, with time, economies became complicated; national accounts data moved with the times, became more sophisticated and captured the trends in the economy much better than surveys. Survey organisations like NSO refused to move. In the 1983 NSO consumer expenditure survey (CES), the S/NA ratio in India had collapsed to 63% from the high 70s level of just a decade earlier. It was to be 30 years later (in 2012) when the world reached the low 60's average.

That year (2011-12) India recorded a 55% ratio for S/NA. Just six years later (2017-18), the S/NA ratio in India has collapsed to just 33%—the second lowest ever recorded around the world for economies without hyper-inflation (when S/NA ratios really get distorted) and with populations above 10 million. The worst ever—Nigeria in 2009 with a S/NA ratio of 27.2%.

There is yet another comparison one can make. The two most recent consumption surveys in India, just six years apart, yield a decline of 22 percentage points. This is the second worst sequential decline in the world. The worst—Pakistan in 2001 when the S/NA ratio was 46.9%, down 26.9 percentage points from the 73.8% estimate recorded in 1998.

> **It is much easier to count people as employed or not employed, than in asking people about their monthly per capita expenditures**

The NSO secular decline has now persisted for some 50 years and marks a sad occasion for an institution that was a trend setting statistical institution in not only emerging economies, but in the world. In the early 1950s, world famous statistician PC Mahalanobis was the head.

I was privileged to be a member of the first National Statistical Commission of India headed by an internationally renowned economist Suresh Tendulkar. I was sent to Calcutta by Tendulkar to interact with the NSSO, and find out why the Indian S/NA ratio had sharply declined and what could be done to improve survey response. I met with little success and came back frustrated with the ancient techniques being followed by NSO.

The most recent statistical commission chairman, PC Mohanan, was a colleague. He has been quoted as not being surprised with the decision of the government to not accept the findings of the latest record low setting NSO survey. His view—government is suppressing reports not "favourable".

If I thought that NSO consumption surveys were misleading and not acceptable in 2002 and 2006, I can be forgiven for thinking that the surveys are even less acceptable today. The NSO 2017-18 data reveals results that are truly bizarre—a decline in average real consumption of 0.6% per year between 2011-12 and 2017-18, when the NA consumption estimate is of a plus 5.8% annual growth. As discussed above, the NSO estimate for 2017-18 is so out of the box that it is actually out of any (reasonable) ball-park. If the government does not accept the findings of the survey (as suggested by a recent press-release) then a genuine reform of the NSO can actually begin. If not the previous glory, a reformed NSO can again become a respectable institution. That will not be easy, but it is a path worth embarking upon.

I have been surprised by how many respected analysts have pointed to the "findings" of NSO 2017-18 and related it to the slowdown in the economy in 2019-20. Some of these very same "analysts" were cheering the RBI/MPC a year ago when it raised repo rates to 6.5% in June 2018, the very last month of the 2017-18 survey. Their reason for cheering the MPC—growth was too high, so high that it was leading to high and accelerating inflation. Both views cannot be right, and it is worse than disingenuous to hold both views simultaneously. The so-called experts have to make up their mind—if growth was disturbingly high in June 2018, then it cannot under any stretch of the imagination be argued that the CES 2017-18 survey is even close to being right.

Not every government report should be accepted. Just like individuals fail exams, and editors reject papers (and columns!), sometimes institutions fail to produce a credible report. But, I do believe the unit-level data should be released. Let the world, and experts, find out for themselves how truly informative and credible the NSO CES data really are.

Rising inflation vs slowing growth

RBI MPC is expected to cut rates by 25bps on December 5 to support recovery despite November CPI inflation expectedly rising to 5% on base effects and an onion price spike

INDRANIL SEN GUPTA & AASTHA GUDWANI

Sen Gupta is chief India economist and Gudwani is India economist, Bank of America Merrill Lynch. *Views are personal*

INCOMING DATA SHOW that onion prices have spiked to 159%, from 119% in October. Higher onion prices aggravate the base effect of inflation, dipping to 2.3% in November 2018 from 3.3% in October. On balance, we advise investors to look through higher CPI inflation as it is driven by a temporary onion price spike and base effects. We continue to expect the RBI MPC to cut policy rates by 25bps on December 5 (and 15bps in February), with growth slipping on rising real lending rates. Real GVA growth should decelerate to 4.7% in the September quarter from even June's 4.9% on November 29.

We continue to track November inflation at 5%, up from October's 4.6% and September's 4% (see graphic). We see inflation climbing to 4.6% in November-February from 3.3% in April-September. A saving grace is that core inflation ex gold, silver et al remains well controlled at 3.3% in October, actually falling 40bps from September.

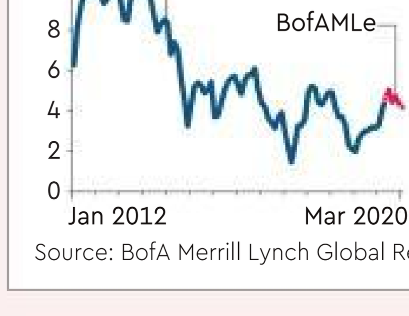
This bout of high CPI inflation does not really worry us as it is driven by the base effects of the dip to 2.2% in November 2018-February 2019. This is aggravated by the spike in onion prices with supply delays offsetting the government ban on onion exports as well as trader stock limits. The government has now decided to import 1,50,000 metric tonnes of onions.

We continue to expect the RBI MPC to ease as fundamental drivers of inflation remain in check. A substantial output gap restrains pricing power. Our BofAML India Activity Indicator is pointing to continued slowdown. Second, liquidity remains tight: we estimate excess M3 gap at 1.5%. Third, agflation should be in check as full rivers augur well for coming winter rabi sowing, although the start is delayed by late rains. Fourth, 'imported' inflation is muted with recent RBI FX intervention ($24 billion FYTD) limiting depreciation (1.1% FYTD) as well as soft weak world growth holding global commodity prices. Finally, fiscal risks are contained (even after 50bps of GDP slippage BofAMLe).

The case for RBI easing is strengthened by the fact that real lending rates are still rising (see graphic). This has pulled real GVA growth down to 4.7% (4.5% consensus) from even June's 4.9%. Core WPI inflation has slipped to 0.7% in October from 3.1% last year as weak demand curtails pricing power. Adjusted for this, real lending rates are going up. Although MCLR has fallen 40bps FYTD, on RBI easing, real MCLR has gone up by 120bps. weighted average lending rates (WALR) are actually up 8bps FYTD with tight M3/loan supply slowing the transmission from falling MCLR. Real average lending rates are up 168bps.

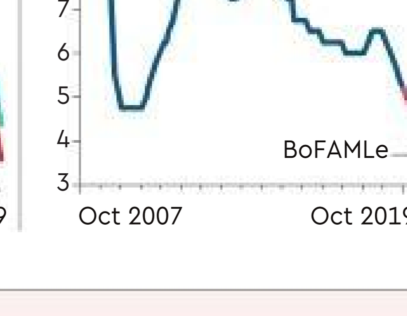
Edited excerpts from BofAML 5% inflation vs 4.7% growth: What now? (November 25, 2019)

Inflation will go up on onion price shock/base effects



Core inflation remains benign on low growth

RBI to ease to support growth



Average lending rates up in nominal and real terms

Source: BofA Merrill Lynch Global Research Estimates, MOSPI, RBI

LETTERS TO THE EDITOR

Passing the pink ball test

Although the one-sided, low-scoring day and night match, against a relatively weaker opponent, ended in nearly two days; it did garner a huge viewership on TV and at the stadium. Lots of preparation is still needed before the team can warmly welcome the proposal to play day and night matches abroad, especially when the change has very little to offer for spinners. After having initially resisted the innovation, the team finally agreed to play the match under lights, with a ball that has extra layers of paint and tends to swing more in the initial overs. The reluctance to limit the number of day and night matches, is understandable as domestic-cricket is known to be dominated by spinners casting spells on brown-wickets, under non-overcast conditions. Batsmen and fielders are comfortable sighting the red-ball and bowlers find it easier to grip. Also, the true test of top-order batsmen, who come in to bat after a nervous night, lies in the ability to combat the morning-dew, by applying techniques to survive against the fast-paced bowlers. The potential cons call for a need to implement strategic-changes, as teams must adapt to the dynamics, especially during twilight hours, evening dew, also the low assistance to spin-bowling and the challenges the wet ball poses. Clearly, the day and night format should remain a novelty rather than a full-time affair and authorities must leverage the concept to increase the overall level of excitement and re-kindle the interest towards following test cricket as a whole.

— Girish Lalwani, Delhi

●Write to us at feletters@expressindia.com

R.N.I. Reg. No. 6188/61 Printed for the proprietors, The Indian Express (P) Ltd by Vaidehi Chintaman Thakar at The Indian Express (P) Ltd Press, Plot No. EL-208, TTC Industrial Area, Mahape, Navi Mumbai-400 710 and published from Express Towers, Nariman Point, Mumbai-400 021. Editorial & Administrative Offices: Express Towers, Nariman Point, Mumbai-400 021. Phone: 22022627/67440000. Fax: 022-22856323.
Chairman of the Board: Viveck Goenka, Managing Editor: Sunil Jain, Resident Editor: Malini Bhupta* (*Responsible for selection of news under PRB Act)

ILLUSTRATION: ROHNIT PHORE

SANJEEV NAYYAR

The author, a chartered accountant, is the founder of eSamskriti.com
Twitter @NayyarSanjeev

Judging by the account

Mandatory declaration of assets by judges will increase transparency

THE SUPREME COURT (SC) order to bring the office of the Chief Justice of India (CJI) under the Right to Information Act, 2005, is welcome and appreciated. Having said that, Alok Prasanna Kumar, senior resident fellow at the Vidhi Centre for Legal Policy, wrote 'Door to greater transparency for courts is now shut' in *HT*: "The respondent Subhash Chandra Agarwal asked what now seems a fairly innocuous question—do judges of the SC declare their assets as they undertook to in accordance with a 1997 resolution? That this question was itself so strenuously resisted tells you about the court's approach to transparency then and now. Even after the Central Information Commission and two benches of the Delhi high court agreed that the CJI's office should be required to answer this question, it is only now, more than ten years later that a definitive answer has come from the court: yes it must."

The SC said that the disclosure of any personal information under RTI will be decided on a case-by-case basis and after assessing whether it serves public interest. Personal information includes assets and liabilities of judges.

This means that anyone wanting to know about assets of a judge would need to apply to the Central Public Information Officer (CPIO) who will decide whether to share such information whilst balancing privacy, transparency, judicial independence and accountability. These parameters are subjective, to say the least.

Food for thought. Do members of the Union Cabinet lose their right to privacy and independence because it is mandatory for them to make a declaration of their assets?

It is not clear whether this order supersedes the 1997 collegium resolution on declaration of assets which read, "full court meeting of the Supreme Court resolved that every judge should make a declaration of all his/her assets in the form of real estate or investments (held by him/her in his/her own name or in the name of his/her spouse or any person dependent on him/her) within a reasonable time of assuming office, and thereafter whenever any acquisition of a substantial nature is made, it shall be disclosed within a reasonable time."

So, does this order do away with the current system of voluntary declaration of assets by the higher judiciary?

In order to ascertain the status of asset declarations, I visited the SC site on November 14, 2019, at 4.10 pm and found that only six out of the 34 judges had declared their assets.

Thus, only 17.6% of the SC judges decided to voluntarily disclose their assets. Was the percentage of declarations always so low? Read on.

In 2016 (as on May 13, 2016), 21 of the then 25 SC judges had declared their assets on the court's website. In 2017, i.e. on October 14, this number was down to 14; and on April 4, 2019, this number was even lower at just seven out of 27 judges.

Would the collegium like to enlighten the public on reasons for falling declarations?

Is making such a declaration not their *dharma*? After all, the SC logo is '*Yato Dharmah Tato Jayah*', i.e. "Where there is righteousness (*dharma*), there is victory (*jaya*)."

The author has the highest respect for the judiciary, especially its orders against corruption and stupendous effort by judges in passing orders before CJI Ranjan Gogoi retired.

Did those who drafted the Constitution visualise a status for the higher judiciary, whereby assets and liabilities of every Cabinet minister are in public domain but not of judges, i.e. higher than democratically-elected representatives?

About a decade ago, few would bother whether or not judges declared their assets. But today the SC has become the most powerful court in the world. It has gone beyond interpreting of law, become prominent in public discourse, and is involved in governance issues like NRC, BCCI, pollution and liquor sale on highways.

Further, the judiciary acts on omission and commission of the executive, individuals and corporate worlds. Some of its decisions have major financial implications.

When courts get into governance issues, like elected representatives do, it must be open to greater scrutiny and questioning. Will mandatory declaration of assets tantamount to compromising judicial independence? Given the important role that the higher judiciary plays today, is the disclosure of assets not a matter of public interest?

In public life, perception is as important as reality. Thus, it is imperative for the judiciary to be perceived to be above board. Can independence of the judiciary become a reason for not disclosing asset details?

Whilst advocating transparency in public life, the SC must be seen to be leading from the front. By recently abruptly stopping the uploading of collegium resolutions on its website, the SC has not endeared itself to the votaries of transparency. Therefore, it is humbly suggested that all judges of the higher judiciary make a 'declaration' of their assets and liabilities, i.e. uploaded on respective court sites. These should be dated, signed and updated at a predefined frequency.

In the euphoria over CJI's office being brought under RTI, can the collegium give the people of India a plan to reduce the 'pending matters' in the SC, which stood at 59,167 as on November 1, 2019.

My Lordships, authority and accountability go hand in hand, "regain public confidence" through quick administration of justice, not "secrecy and awe."

(*The purpose of raising various issues herein is to provoke thought and not cast aspersions on the judiciary. The author has taken utmost care whilst collecting data on declarations by respected judges. If there is any error, it is inadvertent and not intended to defame or spoil the name of any individual judge or judiciary at large.*)

Declaration of assets by judges as November 14, 2019

Name of the judge	Term of office	Statement of assets as on:
Justice R Gogoi	Apr 23, 2012 to Nov 17, 2019	Feb 14, 2012
Justice SA Bobde	Apr 12, 2013 to Apr 23, 2021	Date not given
Justice NV Ramana	Feb 17, 2014 to Aug 26, 2022	Mar 31, 2018
Mrs Justice R Banumathi	Aug 13, 2014 to Jul 19, 2020	Nov 4, 2014
Justice AM Khanwilkar	May 13, 2016 to Jul 29, 2022	Jul 31, 2017
Justice Ashok Bhushan	May 13, 2016 to Jul 4, 2021	Oct 9, 2017

(*Link to Justice Arun Mishra's declaration is broken, hence not included above*)

Trends of declaration of assets by Supreme Court judges

Date of compilation	Number of SC judges	Number who declared assets	Percentage of declarations
May 13, 2016	25	21	84
Oct 14, 2017	25	14	56
Apr 4, 2019	27	7	26
Oct 14, 2019	34	6	18

BRIDGING BHARAT

The journey from interaction to transaction

ANKUR PAHWA

The author is partner & national leader, E-Commerce & Consumer Internet, EY India. Views are personal

Enabling Bharat by easing digital interactions is a key ingredient to bringing India online

INDIA HAS OVER 450 million active internet users, largely driven by tier-2 and tier-3 cities (Bharat). This segment witnessed 35% growth in 2018, and will continue to be the growth engine in India's digital journey. While new users are getting accustomed to the internet, they are struggling due to challenges such as language of interaction, comfort with UI/UX, lack of material "how-to" assistance, and lack of a physical face to the virtual world; all of these have an impact on the "trust" factor of the ecosystem. Consider this, over 90% of users active online still don't prefer to transact online, and therein lies the challenge.

A difference between developed e-commerce markets such as China or the US and India is that while the former are a single large market, India is 10-15 different markets with varying preferences, so the challenges faced in getting online are unique, which require first-principle approach to address. Bharat constitutes about 13% of e-commerce shipments, expected to touch 40% in the next year or two, with a market size of over $15 billion. Here are some ways in which companies can better engage consumers:

Local language content: It is estimated that 695 million people will interact with their devices in local language of choice by 2025. It's an opportunity for start-ups and companies to explore multilingual interface. An example is the recent festive season, where e-commerce giants witnessed 50%-plus growth in sales from Bharat, with a key enabler being Hindi language interface. Another example is a news aggregator app that expects to touch 300 million monthly active user (MAU) base—a jump of 3.6x in two years—because it has an interface in 14 languages. Companies also need to provide for multilingual call centres. A human interface in the digital world is important.

While voice is the next touch, visual search is the new window shopping. Companies must focus on both to bring Bharat online

A study has estimated that, by 2021, India will have nearly three times as many people accessing the internet in local languages as those who use English online. This, in itself, makes a compelling case for companies to explore adoption of multilingual interface.

Voice and visual search: Voice search has become mainstream in Hindi and vernacular languages, with the leading search engine recording 270% year-on-year growth in voice searches. Given the complexity in typing on vernacular language keyboards, voice is anticipated to be the preferred interface for the next set of users. Voice is the next touch.

As more companies invest in digital assistants and with the growth in language-AI start-ups, optimising e-commerce ecosystem for speech queries will be more significant. While the current appeal lies with younger audiences, it can act as a bridge for customers who would be more comfortable with conversation rather than text. This interface can make online shopping easier and more personalised.

Visual search is the new window shopping. It helps discover new content that users may be unfamiliar with or find hard to describe. In a world where attention span is limited, visual search can play a key role in engaging the imagination of the customer. Optimising this tool for search provides targeted results and translates to better usability; helps customers filter their search beyond tags/keywords; eliminates roadblocks that may occur if the customer is not satisfied; and a carefully implemented and visual search programme can show results for a similar colour, style or size preference to keep customers satisfied. This also helps upsell products to customers. A picture is definitely worth a thousand words.

Enabling Bharat by easing digital interactions is a key ingredient to bringing India online. Whilst there are inherent challenges given the diversity of people, education, language, preferences that are unique to India, start-ups are stepping up and providing equally unique solutions. We are witnessing the power of numbers that Bharat brings, and by all estimates it is sticking to script, but there is some way to go to truly unlock the power of Bharat.

Deciphering the occurrence of floods

Long-term flood management requires a healthy coordination between the Centre and states

YASHOBANTA PARIDA & PARUL BHARDWAJ

Parida is research fellow, Verghese Kurien Centre for Excellence, Institute of Rural Management, Anand; Bhardwaj is an independent researcher based in Delhi. Views are personal

THE NEWS OF a normal monsoon this year caused much cheer in policy corridors, given its importance amidst the spectre of a slowdown. But incessant monsoon rains in states such as Bihar and Uttar Pradesh have played havoc, with the death toll rising. As per the National Emergency Response Centre (NIDM), 1,614 people were killed and 1.8 million displaced (as on September 25, 2019) in 14 states. Widespread floods have also damaged crops, houses and infrastructure.

India is one of the most flood-affected nations in the world, after Bangladesh. Floods constitute 52% of all natural disasters in India, and the costliest as well, with over 63% of all damages attributed to it. Between 1980 and 2017, 70,901 people were killed, 1,395 million affected, and 56 million houses damaged due to floods. The economic losses due to this destruction stood at ₹3,686,340 million, which translates to 0.43% of GDP (see table). The damages translate to 2.68% of the Centre's total expenditure every year.

The temporal impact of floods is also varied. According to geo-climatic conditions and socio-economic vulnerability of states, the impact of monsoons remains diverse—UP and Bihar have borne the maximum brunt of floods this year. The average annual flood damage as a percentage of GSDP is the highest in Himachal Pradesh (2.35%), followed by Andhra Pradesh (1.62%), Odisha (0.9%) and Bihar (0.85%), with the lowest damage in Maharashtra (0.03%).

The state-wise average flood fatalities per year are highest in UP, followed by Bihar, Gujarat, West Bengal, Andhra and Maharashtra; among the major states, Haryana is at the other end of the spectrum. The average damages as a percentage of government expenditure are reported to be the highest in Himachal Pradesh (8.73%), followed by Andhra (5.29%), UP (5%), and the lowest print is seen in Madhya Pradesh (0.19%).

Apart from state-wise flood impact, as per a 2019 article in the *Environment and Development Economics* by Yashobanta Parida, there exists an inverse relation between average flood fatalities and real per capita income over 1980-2017. Among the major states, the ones that are low income (proxied by per capita income) such as Bihar, UP, Andhra and Odisha bore the maximum brunt of the deluge. This could be explained by the fact that high income states are adept at spending more on disaster risk reduction measures.

The paper dwells into another interesting finding based on the political economy of occurrence of floods. Specifically, there exists a relationship between the roles of politics in the prevention of flood fatalities—the paper presents evidence that both state election years and political alignment between the state and Centre influence flood fatalities. In state election years, the probability is that 21 fewer people will be killed due to floods when compared to a non-election year, as the incumbent state government tries to minimise fatalities, which, in turn, increases the government's chances of returning to power.

There is evidence that when both the Centre and state have the same political or coalition party in power, that state experiences lower flood fatalities when compared to non-alliance political parties in power—the probability is 16 fewer people will be killed. This political bias is a result of the fact that the Centre is more reluctant to release disaster funding to states that have a non-alliance party in power. The data also suggests that the Centre is often not willing to declare a specific natural disaster as a national disaster if there is a non-alliance political party in the state.

Based on these research findings, to mitigate the impact of floods, we suggest a few measures for the policymakers. One, state governments should focus on economic development by building flood-resilient infrastructure—monitoring embankments of key flood-prone rivers and improving river connectivity, apart from construction of canals, assumes significance. Two, suitable techniques and methods should be in place to predict accurate rainfall, especially in low-lying areas, and appropriate rainfall warning systems be installed in vulnerable areas. Three, long-term flood management requires a healthy coordination between the Centre and states. Unless concerted efforts are undertaken in these areas, the deluge will become a regular event.

The impact of floods across states (1980-2017)

States	Total human lives lost (1980-2017)	Lives lost per year*	Damages per year* (₹ cr)	Total damages* as % of (GSDP)	Total damages* as % of (govt spend)
Andhra Pradesh	4,173	119	1,669	1.62	5.29
Assam	2,367	62	310	0.77	4.29
Bihar	9,560	252	344	0.85	3.18
Gujarat	5,816	153	227	0.23	1.56
Haryana	263	9	76	0.26	1.55
Himachal Pradesh	2,220	63	466	2.35	8.73
Karnataka	3,057	80	979	0.27	2.00
Kerala	3,103	82	210	0.62	4.32
Maharashtra	3,954	107	22	0.03	0.19
Manipur	62	2	25	0.72	1.82
Meghalaya	172	5	56	0.50	1.63
Madhya Pradesh	2,069	59	41	0.04	0.19
Odisha	1,521	45	479	0.90	4.83
Punjab	1,820	54	117	0.45	2.69
Rajasthan	1,833	50	255	0.30	1.68
Tamil Nadu	2,382	66	751	0.16	1.07
Tripura	258	7	24	0.47	1.36
Uttar Pradesh	13,762	362	475	0.81	5.00
West Bengal	5,584	151	1,641	0.63	4.02
All India	**70,901**	**1,866**	**9,701**	**0.43**	**2.68**

Note: Damages include crop, house and public infrastructure damages. For India, the normalisation has been done using the national current GDP in 2011-12 base year. Source: State-wise flood damage statistics based on data on Central Water Commission, 2019; *Figures in average