



Milestones and U-turns

The optics of the 100-day mark cannot conceal changed dynamics for the BJP

As their third term in office gathers pace, the Narendra Modi government and the Bharatiya Janata Party (BJP) are eager to claim a seamless continuity with the first two terms, as a mark of effective governance and leadership. The government and the party have used the arbitrary 100-day milestone to showcase their achievements in various sectors, from renewable energy to infrastructure, and the successes of welfare schemes. They have also used the opportunity to pronounce that nothing has changed, despite the dependence of the government on a coalition in the 18th Lok Sabha. As if to prove the point that there is no rethink on any of its controversial agendas from the previous terms, the Union Cabinet, on Wednesday, approved a report by a committee headed by the former President of India, Ram Nath Kovind, that has endorsed a partisan BJP proposal for simultaneous elections to all State Assemblies and the Lok Sabha. The government has also made it clear that it will work towards a Uniform Civil Code, and continue to push for the expansion of Hindi over English. BJP functionaries are putting on a brave face but cannot wish away the new reality of coalition politics, and the changed dynamics in the party and the larger Sangh Parivar since the results of the 2024 general election.

Stability and continuity at policy and political levels are signs of good governance, but so are negotiations, compromises and consensus in a diverse democracy. In governance, as in driving, proactive and defensive approaches go together, and U-turns are wise when racing ahead can lead to a collision. The BJP has quietly learnt this lesson, though it is unwilling to own up its own new flexibility. Rigidity has been talked up as a sign of virtuous politics by strong man populism around the world, and the BJP is now haunted by the ghost of its own past bombast. On some major policy issues, the BJP has made course corrections after resistance from allies and the Opposition. It has extended the consultation on the proposed amendments to the Waqf Act, abandoned the new pension scheme and the proposed lateral entry scheme in the high bureaucracy. These are areas in need of reforms, but they can be best achieved by openness and flexibility. The BJP's rigidity on issues has also begotten equally rigid resistance from the Opposition, which is no good for governance. Similarly, the BJP itself is increasingly becoming a coalition rather than an ideological monolith. It is good that the leadership has realised this. It will be better if it also articulates this more honestly.

Wrong notion

The idea of simultaneous elections is inherently anti-federal

Notwithstanding the opposition from political parties and many in civil society to the idea of simultaneous elections, the Union government has decided to accept the recommendations of a high-level committee headed by former President Ram Nath Kovind to go ahead with the scheme. The committee envisaged simultaneous Lok Sabha and State Assembly elections as the first step, followed by municipal and panchayat polls within 100 days of the general election. In order to do so, the government would need to get constitutional amendments to be passed, in Parliament and in the State Assemblies. Two key reasons have been evinced for the proposal – first, the costs of conducting these elections would be significantly reduced if held together, and, second, not having simultaneous elections has kept political parties in prolonged campaign mode, impacting governance and legislative work. There has been little to no empirical data to support the first reason. Already, general elections take an inordinately long time, with some State polls being held in phases. Simultaneous elections could prolong this process. One of the committee's recommendations is that if a State Assembly gets dissolved before five years of its term, after the "appointed date" – the date for synchronising Lok Sabha and Assembly elections – fresh "midterm" elections will be held but the new Assembly's will not have a full five-year tenure. Its tenure will end five years from the "appointed date". This provision militates against the original idea of cost cutting through simultaneous elections. It is also an anti-federal idea.

In a multi-tiered governance system, people choose their representatives based on their perception of who is best suited. The power being demarcated for different levels of government allows for distinct roles for each representative and suggests varied voter choices that could be based on party affiliation, candidate strength, ideological positions or socio-economic reasons that are constituency-specific. Each tier has its exclusive importance and so does the related election. The second reason, that representatives are in perennial campaign mode and, therefore, polls to every tier should all be held during the same period, is problematic. For one, that national representatives of parties are forever in campaign mode is a consequence of the centralising tendencies of parties that are in power today and is not a reflection of the extant electoral democratic system. Second, subsuming multi-tier elections into simultaneous mode has the potential to reduce the importance of each tier, especially the Assembly and municipal/panchayat levels, and is anti-federal. Lastly, to effect this proposal, the tenures of quite a few State governments will have to be cut short. Parties and civil society actors committed to federalism must squarely reject this proposal by the Union government.

Two years after the Government of India held that "Europe's problems are not the world's problems" to distance New Delhi from the theatre of the Russia-Ukraine war, speculation about its determination to help resolve the war has gained traction. Prime Minister Narendra Modi's visits to Moscow and Kyiv, a possible meeting with Ukrainian President Volodymyr Zelenskyy at the United Nations next week and with Russian President Vladimir Putin at the BRICS Summit next month, as well as the travels of National Security Adviser Ajit Doval and External Affairs Minister S. Jaishankar all point in this direction.

The fact that Mr. Modi "briefed" United States President Joseph Biden in a phone call after the Ukraine visit, and Mr. Doval told Mr. Putin that he had been tasked to "brief" him about the visit as well when he met him in St. Petersburg last week indicate that India is engaging with all parties and developing its role as an interlocutor.

The question then is how far does Mr. Modi's plan to play peacemaker stretch? And where can India's role be most effective?

India's role, the full picture

India's advantages and reasons for playing such a role are many – it is one of the few countries that is engaging both sides of the geopolitical schism over Ukraine, i.e., the West as well as the Eurasian leadership. India's long-held beliefs on non-alignment and strategic autonomy, which the Modi government has largely carried forward during the war with its abstention votes at the UN and refusal to accept western sanctions, help its image as an "honest broker" or mediator.

India is an important voice for the Global South and it succeeded in ensuring its G-20 presidency focused on war outcomes such as energy and food security that matter to the developing world rather than the war itself. As a result, the increase in India's intake of Russian oil, leading to a six-fold increase in bilateral trade, has been projected as an assertion of its principles rather than profiteering.

In his third term, Mr. Modi would no doubt like to build a global legacy, much like India's first Prime Minister Jawaharlal Nehru was able to do by mediating between the USSR and Austria for the withdrawal of Soviet troops in exchange for a policy of neutrality, or by India leading international efforts and UN commissions on wars in Korea, Vietnam and Cambodia.

If it does essay such a role, the government would need a thorough assessment of the situation, beginning with a study of the state of war in Ukraine. Russian troops remain entrenched in about a sixth of territory of the country for more than two years now, while



Suhasini Haidar

There are indications that New Delhi is engaging with all parties and developing its role as an interlocutor but there are the 'ifs, ands, or buts'

Ukrainian forces are successfully holding the line outside of these areas. This indicates that any change in the status quo could come only from a massive escalation in the war. Mr. Zelenskyy's move to occupy Russian territory in Kursk was a novel tactic, but was perhaps only meant to be used as a bargaining chip or "leverage" as the Ukrainian President put it, in future negotiations. As he heads to New York next week, Mr. Zelenskyy will be seeking a further escalation: western permissions for the long-range Storm Shadow missiles, and Army Tactical Missile Systems (ATACM) for airstrikes deep inside Russia, which he believes is receiving lethal weaponry from Iran and North Korea. Mr. Putin has said in no uncertain terms that if the West clears the request, it would be a declaration of direct war between the North Atlantic Treaty Organization and Russia. An alternative outcome could also arise from the U.S. elections on November 5 – a win for former U.S. President Donald Trump may mean the U.S. curtails its expenditure in support of Ukraine, seen positively by Mr. Putin, and more sobering for Ukraine and Europe, while a win for U.S. Vice-President Kamala Harris will indicate continuity in the U.S.'s support.

An offering that would have to stand out

Second, New Delhi would need to offer its own proposal for conflict resolution or de-escalation taking into account that there are already a number of proposals in the arena, all of which have been rejected by one side or the other. Mr. Putin and Mr. Zelenskyy have rejected each other's proposals, that involve giving up territory on the ground. Mr. Putin rejected the Bürgenstock Communiqué, that India also disassociated from, which dwelt on the issues of nuclear safety, humanitarian access and the exchange of prisoners.

Mr. Zelenskyy recently rejected the six-point Brazil-China joint proposal that proposed the same measures towards a path of "de-escalation". China has, in the past year successfully brokered agreements between Iran and Saudi Arabia and Hamas and Fatah. Hungary too, a country with access to both sides, made a ceasefire proposal which has been rejected by Ukraine.

Summing up India's position in Berlin last week, Mr. Jaishankar listed a four-point principle: This is not the era of war; there are no solutions on the battlefield; Russia must be at the table for talks; and India is concerned and engaged to find a resolution to the conflict. While these principles are incontrovertible, they are by no means a concrete proposal, and India will need to work on a more comprehensive vision of its path to peace.

The next step would be to study what India's

role would be. During their conversation, Mr. Zelenskyy told Mr. Modi that India is simply too large and important a country to seek a role as "messenger" between Moscow and Kyiv. In any case, recent rounds of prisoner exchanges between the two countries make it amply clear that there are enough channels to relay information between them.

A larger role would imply India serving as a mediator or even the host for a summit between the two sides, although given India's recusal from the Swiss Peace Summit outcome, may be a task left to one of the Gulf Cooperation Council countries that have been a part of the process thus far. Whatever the decision, this is an exercise that will require India to use its heft, diplomatic goodwill and other resources apart from intensified travel by officials, Ministers and the Prime Minister focused on discussing solutions to the Russia-Ukraine war.

Consistency would be the key word

At a time when the government is dealing with internal conflicts including Manipur, revving up the economy through international engagement, regional turbulence and a host of other important issues, it could justifiably question the need to spend its resources on this conflict. Externally, when civilian casualties from Israel's bombardment of Gaza or from the civil war in Sudan are far more than those estimated to be non-military casualties in the Russia-Ukraine conflict, the question over which conflict India chooses to intervene in poses a challenge. In addition, India will be judged on the consistency of its message- if "dialogue and diplomacy" are indeed the "only way forward", then it is difficult to account for the Modi government's refusal to consider an opening with Pakistan, for example.

Eventually, the balance of the pull and push factors will decide how far New Delhi will go as a peace-maker in the war that has consumed Europe and the U.S. for more than 30 months. As a country of considerable consequence in the world, one that straddles the West and the east, the Global North and South, and as the only country that is member of both the Quad (Australia, India, Japan, United States) and BRICS, India is uniquely positioned. The critical element is the timing of its foray into a field that has, thus far, only seen failure. As the late Israeli interlocutor Abba Eban once said in words that are as true for the conflict he attempted to resolve as they are for the Russia-Ukraine war: "History teaches us that men and nations only behave wisely once they have exhausted all other alternatives."

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Acclamation for an Indian leadership that still endures

During his state visit to India last month (August 19-21, 2024), Malaysian Prime Minister Anwar Ibrahim delivered a lecture at the Indian Council of World Affairs on August 20. Its subject was "Towards a Rising Global South: Leveraging on Malaysia-India Ties". Mr. Anwar dwelt on his vision of the Global South – its unity amidst "all our diversity, differences and discretions". More importantly, he said that the rise of the Global South is not "meant to exclude the Global North" but to "work together as equals within our complex strategic contexts".

High praise

He praised India's role in imparting energy to the evolution of the positions of the Global South which, he said, were in keeping with the principle of cooperating with the Global North. As he put it, "And to me, India has welcomed this reality with grace, fore-vision, and most importantly, a plan. India's excellent G20 Chairmanship last year and the inaugural Voice of Global South Summits made it amply clear that India is prepared to shape the Global South agenda with its partners, hand in hand".

This high praise came from a leader whose scholarship and intellectualism, is acknowledged worldwide. This is a scholarship and intellectualism that has been honed through years of political experience, suffering and study, which has seen Mr. Anwar's evolution from Islamism to a commitment to inclusivism. This would have been music to the ears of the Narendra Modi government but not so his references to India's leadership that emerged from the freedom movement and the leader who gave shape to the Republic in its formative years – Jawaharlal Nehru. Mr. Anwar's words about Nehru illustrate that despite all the efforts of the Sangh Parivar, Nehru's reputation abroad has not been tarnished. The Bharatiya Janata Party and the Sangh have left no stone unturned in going after Nehru. Indeed, he is held responsible for



Vivek Katiu

a retired Indian Foreign Service officer

The Malaysian Prime Minister's speech in India, with its references to Vivekananda, the Mahatma, Tagore and Nehru, is a pointer to how the world still holds them in high esteem

almost all of the current national ills. But what Mr. Anwar says on Nehru is indicative of how large numbers globally continue to view him.

Mr. Anwar recalled Nehru's association with Malaysia's first Prime Minister Tunku Abdul Rahman and thereafter spoke evocatively about Nehru. It is only if his words are quoted fully that their meaning comes through. He said, "Whither do we go and what shall be our endeavour?" As we all know, that is the question that Pandit Nehru posed in his 'A Tryst With Destiny' speech, and so succinctly answered: "To bring freedom and opportunity to the common man, to the peasants and workers of India; to fight and end poverty and ignorance and disease; to build up a prosperous, democratic and progressive nation, and to create social, economic and political institutions which will ensure justice and fullness of life to every man and woman".

Mr. Anwar thereafter said, "In a world fraught with challenges and uncertainties, it is the unwavering commitment to these principles that will guide us towards a brighter, more just tomorrow. The legacy of the founding fathers is not merely a testament to their time, but a timeless beacon, urging us to dream, to strive, and to forge ahead with undaunted courage and unshakeable resolve".

Still relevant

Significantly, Mr. Anwar began his address by quoting Swami Vivekananda on the 'march' of ideas from this land accompanied by words which had "blessings" behind them and "peace" before them. Remarkably, he noted that Vivekananda was the chief disciple of Ramakrishna – perhaps no other foreign leader has done so. Pleading for multiculturalism and inclusivity, Mr. Anwar recalled what Gandhiji had said, "Hate the sin and not the sinner" is a precept which, though easy enough to understand, is rarely practised, and that is why the poison of hatred spreads in the world." And,

he concluded his address by quoting Tagore whose words he said "echo through the corridors of time, urging us to embrace not the comforts of safety, but the unyielding courage to confront adversity head long: "Let me not pray to be sheltered from dangers, but to be fearless in facing them".

Mr. Anwar's reference to Swami Vivekananda, Gandhiji, Tagore and Nehru point to the agonising difficulty of the Sangh Parivar. While it has denigrated Nehru and sought to co-opt some great personalities of the freedom movement and the Indian Renaissance, its own venerated ideologues and leaders are respected in many quarters in India but they continue to be known only in niche circles abroad.

Right-wing ideologues may assert that this is because they belonged to indigenous cultural traditions which were ignored by the colonialists and that that tendency continues. The fact is that the timeless message of spiritual unity of Vivekananda, the universalism of Tagore and Gandhiji's emphasis on non-violence also derived from indigenous Indian traditions but eschewed muscular exclusivism. And, Nehru's ideal of an inclusive, modern society animated by the scientific spirit was a beacon light for many newly decolonised countries as it should be to India today.

The broad view

India's present policies to ensure that the power of digital technologies are harnessed for popular welfare are gaining the positive attention of the Global South. These are practical measures which have great importance in the lives of the impoverished everywhere and are important for governance. They evoke foreign admiration but in the realm of political and social philosophies, the ideologues of the Parivar do not inspire as do Gandhiji and Nehru and others who Mr. Anwar mentioned. And, this can hardly be attributed to the conspiracies of left liberals.

LETTERS TO THE EDITOR

Simultaneous elections

India is diverse, plural, participative, federal, accommodative and, most importantly, united. Instead of strengthening it, we are introducing the prefix 'One Nation' that attempts to erase India's ethos in the name of democracy and national welfare (Page 1, "Simultaneous polls plan gets Union Cabinet nod", September 19). It is high time that we re-read the Constitution of India, listen

to the Opposition and understand the pulse of the public to know what should guide democracy and national welfare.

R. Srivatsan, Chennai

Simultaneous elections in a diverse and populous country such as India raise significant concerns. Logistics, security concerns, and the risk of undermining regional issues are critical challenges. Implementing

such a system may lead to superficial governance, prioritising national needs over local ones, ultimately diminishing democratic representation and accountability at the grassroots-level.

Sakshi Gawhadem, Indore, Madhya Pradesh

Coalitions and the subsequent collapse of governments in a multi-party system in India are not uncommon in

various States. Under the new poll plan, there could be more political meddling. How effective will oversight by the Election Commission of India be?

P. Paramasivan, Chennai

It is unfortunate that the ruling party has not considered the pros and cons of its plan. I am afraid that such a proposal will only create chaos. The objections by the

Opposition parties seem to be based more out of their fear of being kept away from power. Though the government has talked about consultations, past actions indicate that the party in power for a third term may still try to bulldoze its way. I hope better sense prevails.

Unnikrishnan Nair B.C., Kuthiathode, Alappuzha, Kerala

The recommendation will definitely lead to several

benefits. Imagine the time, energy, money and man days saved. The resources can be utilised for other productive projects. I am unable to understand how simultaneous polls are against the Constitution, democracy, federalism and practicality.

A.K. Rajan, Ayyanhole, Thrissur, Kerala

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Should children be barred from social media?



Amanda Thirudurai

Professorial Research Fellow in Digital Social and Cultural Research in the Institute for Culture and Society and Co-Director of the Young and Resilient Research Centre at Western Sydney University

PARLEY

The Australian Prime Minister, Anthony Albanese, has announced a plan to set a minimum age to use social media platforms. Should children be barred from social media? Amanda Thirudurai and Aparajita Bharti discuss the question with **Mandira Moddie**. Edited excerpts:

Amanda, could you tell us about the ongoing debate in Australia?

Amanda Thirudurai: This policy decision has come out of the blue. It is not a debate that we have been having for a long time. Off the back of the pandemic and the large increases in time spent online by children, along with a recognition that some children are exposed to harm via social media, the debate has heated up.

The debate in favour of a ban has largely been driven by parent groups. The government is under pressure to demand that technology platforms step up and assume responsibility for keeping children safe online. However, there is a political dimension to this too: Australia is in the lead up to a federal election (in 2025) and Meta has declared that it will no longer pay money to news agencies in order to distribute news content. So, the government is keen to keep the Murdoch empire happy. The way to do that is to go along with this impetus for a ban.

While a ban looks seductive, it may not give parents what they are looking for, which is safer spaces for their children and for technology companies to take responsibility. If children are banned from these spaces, companies will have even less of an imperative to design platforms for them and for young people. We need to put more pressure on tech platforms to deliver better spaces for children and young people.

Aparajita, what are your views on age limits?

Aparajita Bharti: When we talk about enforcing age limits, the devil lies in the details. In India, the Digital Personal Data Protection Act, 2023, says children can access any platform which collects their personal data only after getting verifiable parental consent. How do we implement this? In Australia, when the Prime Minister says there should be a social media ban until the age of 16, how would such a ban be implemented? It is unclear.

Bans are hard to enforce in a digital environment. Apart from what Amanda said, children are good at circumventing [barriers]. South Korea's Cinderella Law had banned gaming from midnight to 6:00 a.m. After the law came in, there was identity theft so that children would be able to access the gaming platforms.

Age limits seem to put the burden of compliance on parents. Is that reasonable?

AB: You are right. This is specifically amplified in India, where digital literacy is quite low,



Australian Prime Minister Anthony Albanese attends question time at Parliament House in Canberra. AP

where there are many different languages, and where platforms don't always lend themselves the same way in all these languages. There is also a lot of shared device usage. We conducted a survey of 10,000 children in Tier 2 and Tier 3 cities and in government schools in Delhi and found out that 80% of children helped their parents navigate online platforms. So, to expect parents to guide children on safe online usage is not sensible. Similarly, if you look at the NSSO (National Sample Survey Office) data, only 40% Indians knew how to copy or move files on a computer (2021). This number may have increased, but if we use ID-based verification, for example, which has been proposed time and again as a means to verify age, it would be hard for people who are less literate to do that. Therefore, we also need to think about what responsibility platforms need to take and what kind of design changes they need to make to ensure the safety of children online.

Amanda, what is the conversation at home?

AT: Parents feel overwhelmed by the task of managing their children's digital engagements and that is made difficult by the fact that we have a highly inflammatory media environment where only the extreme cases of children experiencing significant harm get reported. It is a very one-sided conversation. It does not include the positives that come out of the digital engagements of children and young people. We have some wonderful organisations here generating high-quality online safety materials. But even so, the availability and distribution of those resources pales in comparison with the panic narrative that parents are exposed to. We need to moderate the media debate and make sure that we give parents good, strong advice about the things that they can do to keep their kids safe online, but also on how to maximise the value of being online. Research shows that when a parent is able to support their child to really maximise the benefits of being online, this also works to mitigate the harms.

AB: The education system also has a huge role



Children have been telling us that they perceive double standards in the use of technology: parents have one set of rules for their kids and a different set for themselves. Parenting is about role modelling. One of the most powerful things that parents can do is to regulate their own use (of platforms).

AMANDA THIRUDURAI

to play, especially in India. On the one hand, we are making our school curricula more and more digital because there is an understanding that this is a skill that is required for a person to be employable. On the other, we are always discussing screen time. So, what are we doing to our education curriculum? What is that fine balance between going tech and also emphasising physical sport, writing, etc.?

Second, as part of their core curriculum, children should be taught how to be resilient online. We teach our children about good touch, bad touch, and how to be safe in the physical world. But unfortunately, while there have been many scattered initiatives, the core curriculum in India does not include lessons on how to conduct yourself online, on how to know you are in danger, what is unsafe, etc.

Parents share their children's personal data online at the cost of the privacy of children. How do we tackle this?

AT: Spot on. Children have been telling us that they perceive double standards in the use of technology. That is, the parents have one set of rules for their children and a different set for themselves. Parenting is about role modelling. The kinds of habits that you demonstrate in front of your child influences them deeply. One of the most powerful things that parents can do is to regulate their own use (of platforms).

AB: In India, we have not really had a discussion around law on 'sharenting' (the practice of parents publicising a large amount of potentially sensitive content about their children on Internet platforms). But quite a few law-enforcement agencies, such as the Assam Police, have been using their social media to warn parents against 'sharenting'. Under the data protection law, every citizen has the right to correction and erasure of personal data. It will be interesting to see how children, when they grow up, will use this law to remove certain things that their parents put out when they (the children) were minors without their consent.

There are a lot of child influencers on social media, who enter into marketing contracts. What is being done to address the issue?

AB: The National Commission for Protection of Child Rights came out with some guidelines for

child and adolescent participation in the entertainment industry in 2023. These require producers to obtain permission from district magistrates before a child can perform in any audio visual content. It is interesting that they don't put the onus on parents. However, if you look at social media now, certain accounts get flagged because the audience feels that the child is being exploited by their parents to market products. In France, the law says if a child under the age of 16 is an influencer and earns an income, their parents cannot access that income until the child turns 16. We should also consider certain regulations around this in India.

What are the responsibilities of social media platforms and tech companies in ensuring the safety of children online?

AT: We have been too focused on protecting children from possible harms and not focused enough on thinking about the kinds of environments in which we would like our children to roam around online. We have a lot of work to do in moving companies and governments away from a compliance mode into a mode of designing optimal environments for children. One of the big upcoming dilemmas is, what are we going to decide is acceptable in terms of age assurance technologies or age verification? What is our threshold of tolerance for identity verification, particularly where that identification requires private companies to collect yet more data about us?

AB: The same technology that can be used for harm is also used to keep children safe online. For example, if the child is doing something that indicates that they are close to self-harm, the companies cannot do anything about it without tracking. So, every technology can be used both for good and bad. Therefore, banning something in the digital space is difficult.

If banning is not the right way to go, what is the way to get platforms to do better? We have models from around the world. The Age-Appropriate Design Code in the U.K., 2020, has had a real impact on platforms. They have made changes, so that children have better default settings when they join the platform and are exposed to minimum risk. A recent study found that platforms such as Meta, Google, TikTok, and Snapchat have made 128 changes related to child safety and privacy. Sadly, we don't have anything like that in India yet.

There also needs to be more transparency around these design changes. It is not enough for platforms to say we have made design changes; it is also important for platforms to report the changes they see in children's behaviour after making those changes.



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NOTEBOOK

The real, the reel, and the reels

Scripted entertainment often supplants free and fair reporting in film journalism in India

Shilajit Mitra

In a recent work trip, I made myself useful. I assisted a fellow entertainment journalist with the most critical aspect of this profession: making reels. I write this in jest, just about. Shooting quirky, short-format videos has become a nagging, almost unavoidable feature of our beat. Hang back at any film event and you will observe journalists queuing up – after conducting their formal interviews – for some extra minutes with the stars. This is reel time.

There are different kinds of reels, of course. But I am referring to a particular variety: spiffily dressed reporters hobnobbing with celebrities, doing a little jig, or posing inanities: "Tell us three things we will find on your phone..."

This is not a new phenomenon. In recent years, if the lines have somewhat blurred between content creation and formal reportage, in the realm of film coverage they are practically mush. Reels ensure instant virality. They are quick and catchy. As some may argue, they are the "fun stuff", the equivalent of pull quotes in a magazine. But while the point of pull quotes is to snag a reader's attention and direct it to the substance (I use this word loosely) of the piece, reels are their own autonomous things.

It is true that movie journalism, from its beginning, has swayed to its own rhythm. Its ethical and aesthetic boundaries are not as sharply drawn as they are – or ought to be – for, say, political reportage. A certain closeness with celebrities, an animated speaking style, a witty and likeable persona are all fair rules of the game. Often, the anchor on a talk show is the audience's surrogate, conveying the same wonder and awe that ordinary people feel for actors.

While all film journalists are now content creators, are all content creators film

journalists? It is a tough knot to untangle. The PR machinery that controls movie promotions certainly sees it their way. Increasingly, influencers, vloggers, and independent podcasters are being prioritised over traditional news outlets. They are considered pliant and less troublesome; they are willing to forgo a difficult line of inquiry if it means extended access to a star. They also bring legions of followers. The establishment media, caught in a game of hits and likes, is left playing catch up. It is sometimes humbling to see senior (and well-regarded) journalists trying to get down with the kids, recreating 'hook steps' or posting awkwardly framed selfies.

I am not writing this to vent or to assume a moral high ground. I have often clicked pictures with actors and filmmakers and travelled on junkets. In any profession, people take the perks they can get. In a 1995 piece about *The Wild Bunch*, the late film critic, Roger Ebert, wrote about first viewing the film in The Bahamas in the late 1960s, in what he termed "the golden age of the junket". He said: "It was party time, and not the right venue for what became one of the most controversial films of its time."

In the end, film journalism takes all kinds. There are anchors and creators who make genuinely funny reels – you can see their love for trivia and pop culture inform the content they create. Furthermore, no technology or format is inherently insidious or corrupting. My only concern, therefore, is with scripted entertainment thoroughly supplanting free and fair reporting. We have seen the tempers that rise whenever film celebrities are asked incisive questions, or when their films are criticised. It is not what they have come to expect from our tribe any longer. They are used to the fun stuff.

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PICTURE OF THE WEEK

Putting out fires everywhere



An airplane drops water on a wildfire near Freixiosa, Portugal. The country in south western Europe is fighting multiple wildfires and has mobilised more than 5,000 firefighters to contain them. At least six people have died so far and a number of residents have been forced to flee their homes. The fires have been caused by hot, dry conditions. Meanwhile, central Europe is trying to contain floods caused by heavy downpours. REUTERS

FROM THE ARCHIVES



FIFTY YEARS AGO FROM THE SEPTEMBER 19, 1974 EDITION AS THERE WAS NO EDITION ON SEPTEMBER 20, 1974

Bakhia, Mastan & 7 others detained in swoop on smugglers

Bombay, Sept. 18: Nine persons including Sukur Naran Bakhia and Haji Mastan, described to be smuggling kingpins, were arrested and detained to-day under the Maintenance of Internal Security Act (MISA) within hours after it was amended by a

Presidential Ordinance late last night.

The Police, the Customs and the Directorate of Revenue intelligence are combing the Bombay underworld to catch more suspected smugglers in their net.

The tightlipped officials declined to divulge the number of smugglers they are hunting for, but authoritative sources indicated that the net had been spread for a score of notorious smugglers.

Five of the suspected smugglers – Nainmal Punjaji, Shah Champalal Shah, Rajaballi Hirjee Meghani, Nathalal Rupsi Shah and Kantilal Nanchand Shah – were arrested in Bombay and taken to Yeravada jail.

A HUNDRED YEARS AGO SEPTEMBER 20, 1924

Separation issue

Simla, Sept. 19: It is understood that an agreement has almost been reached between the Government and the Nationalist Party on the question of the separation of railway finance: "In view of the fact that the Assembly agrees to the resolution passed in February 1923 in favour of State management of Railways, these arrangements shall hold good only so long as the East Indian Railway and G.I.P. Railway and the existing State managed railways remain under State management.

Text & Context

THE HINDU

NEWS IN NUMBERS

The military aid to be provided by Germany to war-torn Ukraine

397 In million euros. Germany is set to approve close to 400 million euros in view of the continuously deteriorating military situation in Ukraine. German aid to Ukraine was budgeted for around 8 billion euros in 2024. REUTERS

The increase in India's exports of ready-made garments

12 In per cent. The country's ready-made garment exports (RMG) in August rose to \$1.26 billion despite challenges such as high logistic cost. Cumulatively, RMG exports during the April-August period of 2024-25 grew by 7.12% to \$6.39 billion. PTI

Number of beneficiaries under Assam's Orunodoi 3.0

37.2 In lakh. The State government rolled out the third edition of its flagship ₹5,604 crore poverty alleviation scheme 'Orunodoi'. It has upped the number of beneficiaries by around 12.6 lakh people across the State. PTI

Number of tourists who visited Tripura in 2023-24

5 In lakh. Tripura Chief Minister Manik Saha said the tourism sector in the northeastern State has experienced significant growth in recent years. Around 4.7 lakh tourists who visited the State in 2023-24 were domestic while remaining 75,000 were from foreign countries. PTI

Funds to Ukraine directed by EU from frozen Russian assets

160 In million euros. European Commission President Ursula von der Leyen said that proceeds of frozen Russian assets will be allocated to meet Ukraine's humanitarian needs for this winter. REUTERS
COMPILED BY THE HINDU DATA TEAM

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Sri Lankan polls: economy takes centre stage

What caused the unprecedented financial meltdown in the island nation in 2022? What does the International Monetary Fund package entail? How have the government's austerity measures impacted ordinary people? What is the extent of the economic recovery now?

EXPLAINER

Meera Srinivasan

The story so far:

Sri Lanka's presidential election will be held on September 21. Since it is the first time that citizens will have a chance to elect their leader after the unprecedented financial meltdown in 2022, their economic concerns are the chief poll issue. This marks a departure from the island nation's last few elections that were dominated by promises of "eradicating terrorism" (the country's three decade-long civil war ended in 2009), and pledges of delivering "good governance", or "national security". All main contenders running for president this time have promised to fix the country's broken economy, offering mildly different versions of policy outlines tethered to an ongoing International Monetary Fund (IMF) programme.

What happened in 2022?

Sri Lanka's classic twin deficit problem dramatically escalated when President Gotabaya Rajapaksa resorted to rash policy decisions, including significant tax cuts, an abrupt ban on chemical fertilizers, and a failure to devise a plan to meet debt repayment deadlines, especially after foreign reserves dwindled in the wake of the pandemic and questionable policy. In April 2022, Sri Lanka announced it would default on its foreign loans as the "last resort". As the imports-reliant country ran out of dollars, essential supplies were severely hit. People were forced to contend with long queues for fuel and gas, shortage of food and medicines and prolonged power cuts. With no solution in sight, citizens took to the streets. The agitations soon grew into a formidable mass uprising and evicted Mr. Gotabaya from presidency. Soon after, President Ranil Wickremesinghe was elected to the country's top office through a parliamentary vote.

When did the IMF step in?

Although the outgoing government of Mr. Gotabaya was considering seeking IMF assistance, it was only in March 2023 that the agreement for a \$3-billion Extended Fund Facility (EFF) was finalised by his successor Mr. Wickremesinghe. The EFF sought to "restore Sri Lanka's macroeconomic stability and debt sustainability, safeguard financial stability, and step up structural reforms to unlock the country's growth potential". Although Sri Lanka had obtained IMF assistance 16 times earlier, this was its first agreement after defaulting on its loans. The Fund underscored the need for a "comprehensive anti-corruption reform agenda". In order to meet the targets set, the government undertook various policy measures.

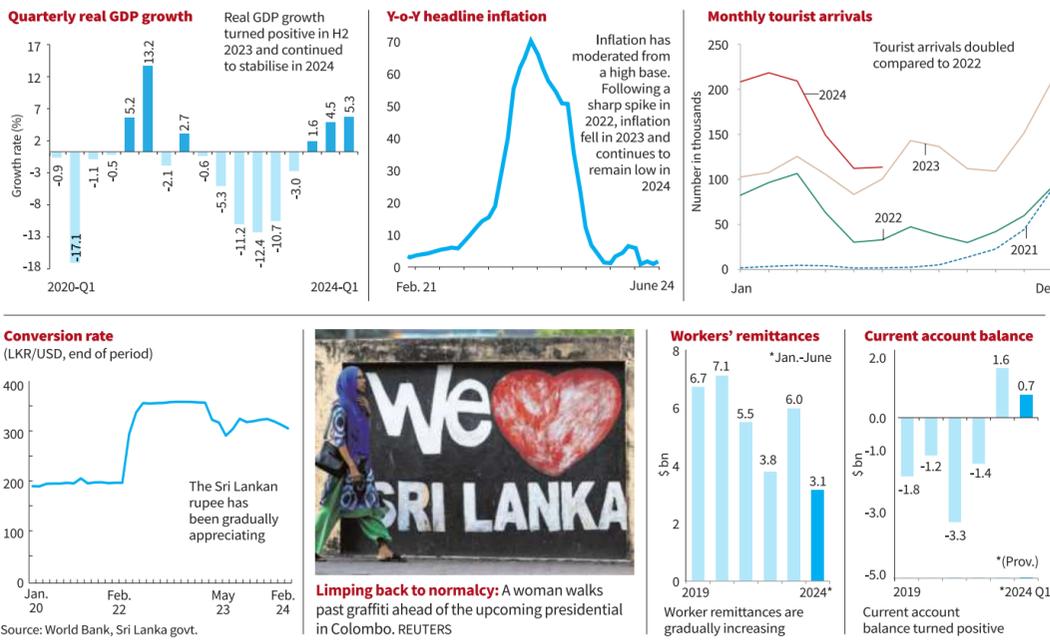
It restored the taxes that were cut by the previous administration and increased the Value Added Tax (VAT) to 18% from January 2024. It went for market-pricing of fuel and energy, and agreed to "reform" state-owned enterprises, best known for their huge recurrent losses. Detractors read that as an alarm bell for a fire sale of strategic assets, but the government's plans have yet to transform into actual deals. The Wickremesinghe government also passed at least 42 legislations for the country's "economic transformation".

What is the status of Sri Lanka's debt?

In June this year, Sri Lanka sealed an agreement with the Official Creditor Committee (OCC), to restructure the debt

Sri Lanka shows signs of recovery

Sri Lanka is clocking consistent GDP growth with inflation remaining under control. Tourist arrivals have picked up with the currency appreciating steadily. Worker remittances are returning to pre-downturn levels with the current account balance turning positive. By The Hindu Data Team



Limping back to normalcy: A woman walks past graffiti ahead of the upcoming presidential in Colombo. REUTERS

owed to its bilateral lenders including India, and signed a separate agreement with China for debt treatment. The OCC is a platform comprising 17 countries including India and members of the Paris Club such as Japan, that Sri Lanka has borrowed from. It was formed in May 2023 to simplify Sri Lanka's debt negotiations following its default. With the OCC, Sri Lanka reached a restructuring agreement for \$5.8 billion of its bilateral loans.

Sri Lanka on September 19, 2024 said it reached agreements in principle to restructure approximately \$14.2 billion of sovereign debt with the holders of its International Sovereign Bonds. On the domestic debt front, Sri Lanka's effort at restructuring has sought to protect local banks, while transferring the burden to superannuation funds, including the Employees' Provident Fund. The move, which diminishes the rate of return on investments and the final value of workers' savings, drew huge flak and has been challenged in the Supreme Court.

Has the economy recovered?

Over the last year, authorities have been highlighting incremental gains towards macroeconomic stability.

State revenue is up from 8% of the Gross Domestic Product (GDP) in the crisis year to 11%. The staggering 70% inflation seen in September 2022 dropped to 5.9% in February 2024. Sri Lanka's economy is expected to grow around 2% to 3% this year, after the dramatic, near-8% contraction in 2022 and further contraction of 2.3% in 2023.

The IMF has commended the government for its efforts and the government sees reason for promise. Foreign investment of around \$1.5 billion made its way into Sri Lanka last year. The crucial tourism industry saw arrivals double, compared to 2022, and bring in revenue totalling over \$2 billion. In the first half of 2024, Sri Lanka's tourism revenue reached over \$1.5 billion. Remittances from workers, mostly women engaged in domestic work in West Asian countries, showed an uptick of over 50%, amounting to nearly \$6 billion in

2023. According to Central Bank data, Sri Lanka's gross official reserves rose to \$5.9 billion in August 2024. Export revenue from tea, rubber and spices increased, although the apparel and textile industry saw a drop in earnings. Flagging these macroeconomic gains President Ranil Wickremesinghe, who is among the key contenders this election, is running on the plank of economic "stability".

How do people view the government's claim of stability?

Some, especially from affluent sections, appreciate the President's efforts towards economic recovery. However, a majority of Sri Lankans are reeling under the enduring impact of the crisis, and the austerity measures introduced as part of the IMF-led recovery programme.

The electricity tariff hike in 2023 threw over a million families off the grid, as they could not afford their bills, the Parliament was told in January. Sri Lanka has the highest electricity bills in the region, with consumers paying nearly three times more than their South Asian counterparts, according to local think tank PublicFinance.lk. Early this year, the energy regulator reduced the tariff by around 20%, but those who lost their connections last year are in no position to save enough to settle the outstanding arrears. There are no power outages in Sri Lanka now, but children studying in candlelight, women cooking with firewood, and refrigerators and fans falling silent in the scorching heat are not uncommon in poor households.

What about inflation?

The reduced rate of inflation is routinely cited by the Central Bank to signal respite, but it has not softened the blow for consumers. From the time food inflation soared to 94% at the height of the crisis, shoppers have been paying much more for essentials. According to the Central Bank of Sri Lanka, food inflation (Y-o-Y) accelerated marginally to 1.5% in July 2024 from 1.4% in June 2024. Further, non-food inflation (Y-o-Y) also accelerated to 2.8% in July 2024 from 1.8% in June 2024. Inflation continued to remain below

the targeted level of 5% even after this acceleration, it noted, implying that compared to its rocketing in 2022, the rate of price increase has slowed down.

Meanwhile, higher utility bills, mainly electricity and water, cooking gas and transport costs, have only further drained the stagnant incomes of families. Add to this the 18% VAT. While some essentials, including wheat flour, baby food, and medicines are VAT-exempt, everything, from a cup of tea at the roadside shop to a lunch packet, costs three or four times as much as it did before 2022. The increased cost of producing, sourcing, and supplying items in Sri Lanka's food ecosystem travels fast to the consumer.

What is the impact on people?

While official numbers appear to scream relative macroeconomic stability, people struggle silently to put food on the table every day. Sri Lanka is recovering, but not for all. During the crushing economic crisis, at least half a million jobs were lost, food insecurity and malnutrition became widespread, poverty doubled, and inequality widened, according to the World Bank. Scores of small and medium-sized enterprises plunged into losses and are struggling to bounce back. A UNDP report published in March 2024 said approximately six in 10 (or 55.7%) of all people are multi-dimensionally vulnerable in at least three of the 12 weighted indicators of access to health, education, employment, and income.

Further, 54.9% of households in Sri Lanka are indebted, and 60.5% of households are grappling with a drop in household income after the crisis, estimates the Department of Census and Statistics. The poor are consuming less, spending a lot more for a lot less, and increasingly, borrowing to make ends meet. The survey showed 91% of households reporting an increase in their total household average monthly expenditure. That too when real wages and incomes have fallen after the pandemic, and job losses exceed one million in the construction sector alone. Sri Lanka's election will see stability and suffering clash at the ballot box.

THE GIST

Sri Lanka's classic twin deficit problem dramatically escalated when President Gotabaya Rajapaksa resorted to drastic policy decisions, including significant tax cuts, an abrupt ban on chemical fertilizers, and a failure to devise a plan to meet debt repayment deadlines.

The reduced rate of inflation is routinely cited by the Central Bank to signal respite, but it has not softened the blow for consumers. From the time food inflation soared to 94% at the height of the crisis, shoppers have been paying much more for essentials.

During the crushing economic crisis, at least half a million jobs were lost, food insecurity and malnutrition became widespread, poverty doubled, and inequality widened, according to the World Bank.

IN THE LIMELIGHT



From left to right: Stills and posters from *Laughing Buddha*, *Pepe* and *Family drama*.

Post-interval blues: Kannada cinema and the curse of the second half

In 2024, several Kannada films have suffered from an underwhelming second half as new filmmakers continue to face the age-old crisis of finishing films on a high after a promising start. How do filmmakers ensure that viewers remain invested in the movie throughout the runtime?

Vivek M.V.

Unlike Christopher Nolan's *The Dark Knight Trilogy*, which was set-piece heavy, Matt Reaves' *The Batman*, the reboot of the popular franchise, uses action sparingly. During the screening of the Robert Pattinson-starrer in a theatre in Bengaluru, the crowd was left grumbling when the screen turned blank for the intermission moments before the film's first big action sequence. Thanks to the Indian concept of the interval, the theatre operator had to stop the movie at a point he deemed correct.

We can't avoid the feeling of abruptness when we break for an interval during a Hollywood film. The reason? Films are made as one single entity. Hollywood filmmakers don't have the pressure to split films into two halves. On the contrary, Indian directors hate the burden of writing two endings for a movie. One arrives at the intermission point, popularly called the 'interval bang', and the second is the film's climax. Commercial filmmakers alter the traditional three-act structure by writing an elaborate interval episode apart from the setup, confrontation, and resolution.

The pressure of taking a break

Social media has made the midpoint an indispensable part of a commercial movie. For highly-anticipated films, fans put out reviews of the first and the second halves, treating the movie as two films clubbed together. However, the post that

garners the most attention on social media is about the interval. So much so that a film's quality is measured based on the excitement you feel at the interval point, fuelled by a shocking twist in the plot or an adrenaline-pumping sequence.

The Kannada short film *Madhyantara*, which recently clinched two National Awards (Best Debut Director and Best Editor), is a fascinating take on the two halves of a film. The movie is about two poor men who are mad about movies in the 1970s.

What happens when all they can afford is one movie ticket? One watches the first half, while the other sits for the second half! Destiny lands them in the film industry, and after years of hard work, they dream of making a film. How will the director duo split its responsibility? One decides to direct the first half, while the other takes the onus of shooting the second half!

The quirky idea works fantastically inside the film's universe, but the reality is a different picture. In a bid to pique the viewers' curiosity at the halfway mark, are filmmakers drifting away from the film's core idea? Are we seeing films that begin strongly and then lose their way after the break?

The curse of the second half is an age-old problem, with even the biggest Indian filmmakers across industries finding it difficult to crack the challenge. In 2024, the issue has been a significant hurdle for Kannada writer-directors. Several interesting films have fallen short of being perfect due to uninspiring second halves.

Post the interval

Pepe, starring Vinay Rajkumar from the Dr Rajkumar family, was supposed to offer the actor a 'mass' image. It does, to an extent, with some high moments. After setting up his film like an epic – involving two groups divided by caste and privilege – director Sreelesh Nair throws his hands up. In the second half, continuous action sequences kill our curiosity. What's the point of seeing the hero kill a thousand people when you have already stopped caring for the film's characters? *Pepe* forgets one of the basic elements of writing: to evoke emotions from the viewers.

The director hesitates to take the story forward, for he has a sequel planned. The first part is always about setting up the story. How can you convince the audience for a sequel after you have lost their trust in the first installment?

Laughing Buddha from Rishab Shetty films portrays the fitness issues of our police officers, ridiculed for having pot bellies. In the second half, *Laughing Buddha* becomes an investigative thriller from a comedy-drama. The jokes dry up, and the narrative gets stretched. Many such films start with one idea and end with another one. To its advantage, however, the film concludes on a high, and that's a big plus. As audiences, we tend to retain visuals of what we see during the closing portions of a film (Remember Rolex in *Vikram*?).

The demands of commercial cinema often push filmmakers to compromise with their stories. *Bheema*, directed by Duniya Vijay, showcases the harmful

effects of drugs in the slums of Bengaluru. After a breezy first half with many theatre-worthy moments backed by Charan Raj's fabulous score, the crime drama goes downhill. Vijay takes the idea of a social message too seriously, and the film becomes too explanatory. Moreover, playing to the gallery, he takes the tried and tested route of one man saving the system.

In *Family Drama*, a quirky comedy made by newcomers, we see the problem of one half hurting the film, albeit in reverse. It has one of the best second halves of Sandalwood this year. An unconventional middle-class family attempting to eliminate a feared don offers a hilarious experience. That said, why leave the best things too late? It's as if the director had a superb interval block but failed to reach there convincingly, resulting in an underwhelming first half.

Waiting in the queue for our popcorn tub, we build a perception about a film after watching it till the middle. How do filmmakers ensure that viewers remain invested in the movie throughout the runtime? Solid writing helps us extract maximum potential from our unique ideas. Perhaps an engaging screenplay can strengthen the overall output.

According to writer Javed Akhtar from the great Salim-Javed duo, a good screenplay increases curiosity at the right place and knows when to slow down. It understands when to make the narrative jump and when to take stress off the conflict. Easier said than done, but when one of our finest writers has a lesson, it would do no harm to practise it.

THE DAILY QUIZ

The revamped version of the UEFA men's Champions League kicked off on September 17. Here is a quiz on the prestigious European men's club tournament

Vighnesh P. Venkitesh

- QUESTION 1**
The tournament started in 1956 as the European Cup and got a facelift in 1992 to become the now-replaced version, the UCL. Name the inaugural winners of both versions.
- QUESTION 2**
What is the most significant change in the latest version of the tournament?
- QUESTION 3**
Real Madrid are regarded as the 'kings of Europe' for their record 15

tournament wins, along with records like most goals scored and most matches won. Which team holds both the record for most defeats and most goals conceded in the tournament?

QUESTION 4
Name the only club outside the top five leagues to win the tournament in the 21st century?

QUESTION 5
Who were the finalists when the infamous Heysel disaster took place?



Visual question:
Name this iconic manager and the club he managed to break Real Madrid's streak of five wins in 1961 to become the second club to win the tournament.

- Questions and Answers to the previous day's daily quiz:**
1. This U.S. President's farewell address was printed in a newspaper, where he implored his country to maintain neutrality. **Ans: George Washington**
 2. This English romance novelist wrote *Hollywood Wives*. **Ans: Jackie Collins**
 3. This person, known by the moniker the Unabomber was an American mathematician and domestic terrorist. **Ans: Ted Kaczynski**
 4. This medical drama stars notable actors like George Clooney and Julianna Margulies. **Ans: ER**
 5. Jawaharlal Nehru and Pakistani President Ayub Khan signed this treaty to control the management of a river and its tributaries. **Ans: Indus Waters Treaty**
 6. This American astronaut was born on September 19 in 1965. **Ans: Sunita Williams**
- Visual:** Identify this poet. **Ans: William Golding who wrote *Lord of the Flies***
- Early Birds:** Tamal Biswas| Siddhartha Viswanathan| Varghese Joseph| M. Suresh Kumar| Debarati Kar



FROM THE ARCHIVES

Know your English

K. Subrahmanian Upendran

"I just don't believe it."
"Believe what?"
"Here you are, sitting at your desk and actually browsing through your dictionary."
"So what?"
"Why it must be the eighth wonder of the world!"
"I don't think it's very funny."
"Oh come on, don't take it so seriously. It's only a joke. Anyway, what are you looking for?"
"I'm trying to find out the pronunciation of e...x...p...a...t...i...a...t...e."
"It's pronounced expatiate. The first syllable 'ex' is pronounced like the 'ix' in words like 'six' and 'fix'. The 'pa' is pronounced the same way as the word 'pay'. The third syllable 'ti' sounds like the 'shi' in words like 'ship' and 'shin'. And the final 'ate' rhymes with 'date' and 'late'.
"And which syllable has the stress?"
"It's the second syllable 'pa'. So the word is pronounced 'expatiate.'
"Expatriate. O.K.?"
"Sounds fine. Do you know what the word means?"
"Doesn't it mean expand or something like that?"
"Yes, that's right. When you expatiate on something, you talk about it in great detail. The word does not have a good connotation. It implies 'long-windedness, ranging without restraint or wandering at will over a subject.' The Vice-Chancellor expatiated for two hours upon the new courses at the university."
"So when you expatiate on something, you write or speak about it in a long winded manner."
"That's right. But remember, 'expatiate' is a formal word. So one has to be careful while using it"
"I see."
"But why are you so interested in this word?"
"Well, I read an article by someone who wanted to expatiate on his sins."
"Expatriate on his sins! That's interesting."
"But why would anybody want to talk/write about his sins in great detail?"
"Maybe he has very interesting sins to write/talk about"
"But that's not the impression I got when I read the article. It seemed as if this person felt sorry for all the bad things he had done. He sounded very sad."
"He wanted to make up for the bad things he had done, eh? Well in that case he didn't want to expatiate on his sins."
"Then what did he want to do?"
"He wanted to expiate his sins."
"Ex... what?"
"Expiate. This is also a formal word. The first syllable is pronounced like the 'ex' in words like 'text' and 'next'. The 'pi' is pronounced like the 'pi' in words like 'pit', 'pin' and 'pill'. And the final syllable rhymes with 'date' and 'late'.
"The stress is on..."
"It's on the first syllable. So it's pronounced expiate."
"Expiate. But what does it mean?"
"It means to make amends for some wrong that you have done. You atone for it."
Published in The Hindu on June 8, 1993.

Word of the day

Approbation:
official approval; official recognition

Usage: *They deserve approbation and applause for this achievement.*

Pronunciation: bit.ly/approbationpro

International Phonetic Alphabet: /æp.ɹəʊˈbeɪ.ʃən/, /æp.ɹəˈbeɪ.ʃən/

For feedback and suggestions for Text & Context, please write to letters@thehindu.co.in with the subject 'Text & Context'

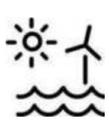
the hindu **businessline.**

FRIDAY - SEPTEMBER 20, 2024

Solar strategies

Latest investment plans are a long-term bet

The recently concluded REINVEST meet at Gandhinagar was ambition personified; it raked in a slew of renewable energy investment proposals, amounting to \$386 billion and a capacity creation of 570 GW in solar power (₹32.45 lakh crore) by 2030. Those lining up to invest include Reliance Industries (100 GW), ReNew Power Private Ltd (41 GW), Adani Green Ventures (39GW), NTPC (41 GW), Tata Power (15 GW), SECI (10 GW) and several others.



To place this resolve in perspective, India has a non-fossil fuel capacity of 207 GW (including hydel and nuclear power) and over 150 GW essentially comprising solar and wind power. Going by the recent meet, achieving the global commitment of 500 GW of non-fossil fuel capacity by 2030 seems easy even as current solar capacity stands at 89 GW. However, annual additions of 10-15 GW will have to be ramped up multiple times to get to India's estimated solar potential of 749 GW. The investment interest comes at a time when India's solar sector is once again seeing some churn. India's production linked incentives for solar cells and modules, accompanied by a hike in tariffs, have resulted in a drop in imports from China, serving India's strategic interests well. Besides, a demand impetus has also been introduced with effect from April this year, which lists out a panel of suppliers for government sponsored solar projects. These empanelled producers are likely to be at the forefront in evincing investment interest. This list is called Approved List of Models and Manufacturers (ALMM).

On imports from China, a reply to Rajya Sabha (August 8) question on solar imports, reported in this newspaper, explains the situation. China's share in imports of solar cells and modules has fallen from nearly 90 per cent in FY22 (\$4 billion out of \$4.5 billion) to 62 per cent (\$3.9 billion out of \$6.2 billion) in FY24. The trend has sustained this fiscal. A September 7 notification by the Ministry of Renewable Energy says that an ALMM list for solar cells (the existing one pertains to modules) is being drawn up. The ALMM push, abandoned in the Covid years owing to the supply shock, has been reintroduced at a time when domestic capacities are improving. However, the selection of companies as well as allocation of land must be done transparently. Finances, be it 'green' equity or bonds, including multilateral credit, must be similarly organised.

The solar push is perhaps more about geopolitics than economics. Indeed, India's solar protectionism coincides with falling module and even battery prices worldwide, which could increase domestic power costs. Domestic module prices at about ₹22 per Watt peak, are higher than Chinese prices of ₹15 per Wp. Likewise 'stationary' lithium ion battery prices have fallen from close to \$400 per kWh in 2017 to about \$150/KWh now. But a high solar capacity will boost energy security. India can emerge as a hub for module and cell production at a time when the US and others are looking at alternatives to China. Solar is a long-term bet.

POCKET

RAVIKANTH

R GOPALANI
MC SINGHI

With the Periodic Labour Force Survey (PLFS) data on job seekers and workers now available on an annual basis since 2017-18 as against their earlier availability on a quinquennial basis, one key data constraint has moderated. The Centre for Monitoring Indian Economy (CMIE) has also been providing regular data on labour participation and employment rate for rural and urban areas for over a decade now.

At the global level, International Labour Organization provides data on unemployment on a comparable basis for all countries including India. The three sets of data on employment do not depict a uniform picture, partly due to coverage and partly due to the definition of unemployment. We propose to examine these data here.

An unemployed person as per ILO is one aged 15 or above, who simultaneously meets three conditions: being unemployed for a given week; being available to take a job within two weeks; having actively sought a job in the last four weeks or having found one starting in less than three months. Unemployment is when potential labourers of an economy are neither working nor actively searching for a job in the market.

NSSO'S APPROACH

NSSO defines unemployment either on the basis of currently weekly status (CWS) or in terms of principal and subsidiary activity status (PS+SS). In CWS, a person is unemployed if he/she is not working for a day in the preceding week of the visit but seeking actively a job. In PS+SS, a person is unemployed if he/she is not working for a reasonable part of the year. The basic issue, however, is the treatment to the unpaid family workers.

CMIE estimates the size of the labour force and the unemployment rate in India by directly interviewing a large sample of randomly selected households and all members therein of over 15 years of age.

Face-to-face interviews are conducted with each household. Responses are sought to classify each eligible member of the surveyed households into any one of the following four statuses with respect to employment/unemployment as on the date of the survey: is currently employed; is not employed but is willing to work and looking for a job; is not employed, willing to work but is not



Labour force participation and unemployment rate

	NSSO PS+SS			NSSO CWS			CMIE		
	Rural	Urban	Total	Rural	Urban	Total	Rural	Urban	Total
Labour force participation rate (LFPR) (per cent of population above 15 years)									
2017-18	50.7	47.6	49.8	48.9	47.1	48.4	44.6	42	43.7
2022-23	60.8	50.4	57.9	56.7	49.4	54.6	40.5	37.5	39.5
Unemployment rate (LFPR-workers)/LFPR*100									
2017-18	5.1	7.8	6	8.4	9.5	8.7	4.5	5.2	4.7
2022-23	2.3	5.4	3.3	4.4	7	5.1	7.2	8.3	7.6

Source: CMIE and Periodic Labour Force Survey, MOSPI

looking for a job; and is not employed, not willing to work and not looking for a job.

The estimate of the labour force in PS+SS includes: (a) the persons who either worked or were seeking/or available for work for a relatively long part of the 365 days preceding the date of survey; and (b) those persons from among the remaining population who had worked at least for 30 days during the reference period of 365 days.

The estimate of labour force according to the current weekly status approach is derived by considering those who worked for at least one hour or were

While NSSO data show an increase in participation rate, CMIE shows it to be declining. Given the differences in the rates of unemployment, question may arise which number is closer to reality

seeking/or available for work for at least one hour on any day during the seven days preceding the date of survey.

The differences in the way the labour force and the unemployed are defined in NSSO, CMIE are reflected in annual labour force rates and the rates of unemployment as indicated in the Table.

Even in case of NSSO, the labour force participation rate as per the CWS is lower than PS+SS and the differences have persisted over the years. Unemployment rate in CWS approach is consistently higher. Labour force participation rate in CMIE has been significantly lower compared with the NSSO CWS.

Further, while NSSO data show an increase in participation rate, CMIE shows it to be declining. Given the differences in the rates of unemployment, question may arise which number is closer to reality.

Before we make an assessment, it may be worthwhile to look at four observations based on PLFS 2022-23. First, on a current weekly basis, data show that more than 80 per cent of the workers were employed on all days.

Workers who were unemployed for more than five days in a week were just 4.8 per cent of total workers.

Second, in terms of hours of work, all categories of workers reported working more than 42 hours a week and in the case of salaried persons it was close to 50 hours.

Thirdly, the family help was predominantly in agriculture, trade and eating joints and though they may have not been paid, they worked for most part of the week. In the case of self-employed persons, wages are implicit in operating surplus. CMIE does not recognise family help.

Fourth, PLFS has also ascertained additional hours of work, if that is available. The number of workers who reported for the availability for additional work was 8.9 per cent of total workers.

CONTRARY TO OKUN'S LAW

CMIE's labour force participation rate (LFPR) has actually moderated, more so in the post-pandemic period.

Notwithstanding the robustness of survey methodology, a near static workforce is contrary to the empirically tested Okun's Law which establishes a relationship between unemployment and GDP growth. The post Covid period has witnessed a sharp recovery and without an increase in the number of workers, such an upsurge may be rather difficult to accept.

In view of this, PLFS unemployment data are considered by us as closer to reality, and actual unemployment may be close to 4 to 4.5 per cent of LFPR only.

The writer is former Secretary, Economic Affairs, and Singhi is former Senior Economic Adviser, Ministry of Finance. Views are personal

Why women's savings don't translate into credit

Lenders perceive women borrowers as riskier and costlier to serve, and many women themselves are not credit-ready

Sonal Jaitly
Ankita Bhat

India has almost eliminated the gender gap in access to bank accounts with the Pradhan Mantri Jan Dhan Yojana (PMJDY). More women have access to bank accounts, and more women are saving in these accounts. Women's accounts hold 20 per cent of all deposits by amount. In the era of shrinking bank deposits, women savers are holding up the bankers. Per capita, savings by women in bank accounts are approximately 3 per cent higher than by men, with an average bank deposit of ₹42,503 by women. Women have been good suppliers of savings to banks; however, they remain severely unserved and underserved when it comes to credit.

According to a 2020 study, women in India receive credit equivalent to only 27 per cent of the deposits they contribute to the banking system, while men receive credit equal to 52 per cent of their deposits.

IFC estimates an ₹1.37 trillion gap in the demand and supply of credit for women-led enterprises in India. Interestingly, this gender gap in credit persists despite women demonstrating lower credit risks across various loan

categories. In 2022, 57 per cent of women borrowers had a prime (credit score of nearly 700 and less risky) and above, compared to 51 per cent of male borrowers, as per TU CIBIL.

If figures from CIBIL are any indication, only 65 million women are credit active in India as compared to 156 million men. This means financial providers serve barely 14 per cent of 453 million credit-eligible women in India.

LIMITED TO SMALL VALUE

The curious case of system-wide credit allocation to women begins and ends with small ticket-size loans in India. Lending to women has become synonymous with microfinance lending under "weaker sections" and loans to individual women up to ₹1 lakh under PSL (priority sector lending) guidelines. The average ticket size of microfinance loans (with 98 per cent female clientele) in 2023 stood at ₹43,200, per the Bharat Microfinance Report.

According to RBI, which classifies loans under ₹2 lakh as "small borrowal accounts," women's share of the total outstanding amount, even under this category, was only 35.5 per cent compared to 58 per cent for men. Women constitute 20 per cent of India's 63 million MSMEs; however, they constitute only 7 per cent of outstanding



LOANS. Women don't get their due share

credit to the MSMEs sector.

The poor supply of credit to women is due to multiple factors. Primary among them is biases that impact both the supply side (the lenders) and the demand side (the women borrowers). Lenders perceive women borrowers as riskier and costlier to serve, with limited data footprint, credit history, and less formal sector experience.

Many women borrowers (individual as well as women-led collectives) are not credit-ready.

This is because they lack the documents, guarantors, and collaterals required for accessing productive credit. They also lack the time and confidence to follow through the application process in many cases.

There is also a hidden segment that is

credit-ready but credit-averse and decides not to borrow from formal lenders.

This self-exclusion is due to various reasons, ranging from bad user experience, time-consuming processes, social norms that discourage debt from formal lenders, lack of support systems, fear of backlash on loan default, and lack of confidence in their ability to repay.

It is time that the sector invests in gender-intelligent banking and does not treat women as customer segments limited to priority sector lending, government schemes, and the micro-lending portfolio. Without access to adequate credit, women entrepreneurs struggle to tap into higher-value areas of even the sectors they dominate, and lenders find it difficult to graduate them beyond microloans. A vicious cycle that needs to be broken.

Credit is an important tool to support women's growing entrepreneurial aspirations across India. Research shows that closing that gap can add as much as \$6 trillion to global GDP. When offered with the right features, in the right context, and responsibly, it can help women and India realise their economic aspirations.

The writers are with MicroSave Consulting

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Flooding concerns

Apropos 'Why monsoons throw cities out of gear' (September 19), though climate change has exacerbated the flooding problem, the root cause lies in unplanned expansion of cities, extensive encroachments obliterating the centuries old water-bodies and lack of proper drainage systems and storm water drains. Political leadership doesn't think beyond their short period of five years in office and focus only on temporary solutions and cosmetic changes. Urban Planning Committees are constituted, long term master plans are prepared, but they mostly remain on paper, as necessary funding is not provided for implementation. Now that climate change is a reality and the floods have become a recurring

problem causing extensive damage to life and property and overwhelming the entire administration, local authorities in cities must focus their attention on comprehensive long-term solutions that would enable the cities to face natural calamities with greater preparedness.

Kosaraju Chandramouli
Hyderabad

Probes by regulators

With reference to the editorial 'Investigation deficit' (September 19), the investigative skills of regulators and enforcement agencies haven't been good enough in establishing proper evidence against culpable offences. Considering the long-winded procedures involved in forensic

investigation to bring out the accurate factual position, regulators may adopt AI and other scientific techniques, to save costs and the time involved in deciding trivial cases.

Sitaram Popuri
Bengaluru

Simultaneous elections

The Cabinet nod for 'One Nation, One Election' displays the misplaced priority of the government. Except for the cost factor, there is little else to back the decision. Election is an opportunity for the people to demonstrate their democratic sanction or resentment over the policies and programmes of a government. People exercising this right should not be curtailed just to reduce expense. The very idea of

mandating holding elections to assemblies along with those to Parliament goes against the very federal structure of the Constitution. The proposal to hold elections to local bodies in 100 days after general elections is also expensive and it is aimed at taking advantage of the outcome of national-level elections.

AG Rajmohan
Anantapur, AP

Antimicrobial resistance

According to a recent Lancet study, antimicrobial resistant bacteria kill five million people every year, with India bearing the brunt where the overuse or wrongful use of antibiotics is rampant. The study has set the alarm bells ringing, by pointing out that nearly 10.4 lakh sepsis deaths in India (deaths occur

when one's immune system has a dangerous reaction to a bacterial infection and without treatment can lead to organ failure) in 2019 were linked to AMR (antimicrobial resistance).

Though AMR has been recognised as a major global public health challenge, much needs to be done to regulate the use of antibiotics. More focus has to be turned towards eliminating indiscriminate use of antibiotics over the counter. Improving diagnostics at the local level to identify disease-causing bacteria to enable doctors to prescribe appropriate antibiotics and not broad-spectrum ones that do not target the specific bacteria is the need of the hour.

M Jeyaram
Sholavandan, TN

Financial skulduggery

FATF lauds India's anti-money laundering efforts

Ritvik Pandey
Smarak Swain

India's exemplary performance in the 2024 Financial Action Task Force (FATF) Mutual Evaluation Report (MER) underscores the nation's robust and multifaceted approach to addressing the critical issues of money laundering (ML) and terrorist financing (TF). As one of the few countries to be placed in the "regular follow-up" category (which is the best outcome possible), India's achievement highlights its strong commitment to financial integrity.

Authorities in India have a strong understanding of ML/TF risks, as documented in the 2022 National Risk Assessment (NRA), and various sectoral and thematic risk assessments conducted from time to time. These assessments are crucial in identifying new and emerging threats and vulnerabilities. For example, the risk arising from a cash-based economy has led to enhanced focus on developing the infrastructure for seamless digital transactions. The government's policies have been aimed at promoting digital transactions and reducing reliance on cash, which are more difficult to trace and more vulnerable to being used for ML/TF purposes. The Jan Dhan, Aadhaar and Mobile (JAM) trinity is as much about mitigating ML/TF risks as it is about financial inclusion.

The threat assessment revealed that major ML threats in the banking sector stem from loan frauds and cyber frauds. The MER acknowledges the effectiveness of many measures taken by India to address these, such as: widespread access to Central Fraud Registry (CFR) to stakeholders; establishment of the Indian Cybercrime Coordination Centre (I4C) in 2020; establishment of a semi-automated helpline for cybercrime victims in 2021, which has helped in recovery of monies stolen in cyber frauds; and establishment of a FinTech Department within RBI in 2022 to foster innovative initiatives and to facilitate live testing of products or services in a controlled environment.

WHOLE-OF-GOVT APPROACH
In today's volatile, uncertain, complex, and ambiguous (VUCA) global environment, it is important to embrace a strategic, adaptable, and forward-looking approach to identifying and addressing risks. A key strength of



ENSURING. Financial integrity
/ISTOCKPHOTO

the Indian system is its use of a whole-of-government approach to addressing emerging risks. There is continuous domestic coordination and co-operation on Anti-Money Laundering (AML) and Countering the Financing of Terrorism (CFT) issues at both the policy and operational levels at the central and state levels.

The Inter-Ministerial Coordination Committee (IMCC), headed by the Revenue Secretary, and the Joint Working Group (JWG), headed by the Additional Secretary (Revenue), are the key bodies ensuring that all relevant ministries, departments, and law enforcement agencies work in a coordinated manner to tackle ML/TF threats effectively.

Overall supervision and monitoring is conducted at the apex level by the Economic Intelligence Council (EIC) chaired by the Finance Minister. As noted in India's MER, the goals and objectives of law enforcement agencies both at the Central and State level are in line with the ML/TF risks identified in the NRA.

Greater coordination and information sharing has also been possible due to greater digitalisation, such as through NCRB's CCTNS, NATGRID, and FIU-India's FINNET 2.0 portal.

The MER also acknowledges public-private partnership in developing a nuanced understanding of risks and in policymaking.

One of the key findings of FATF is that there 'is a good general understanding of risks and obligations as well as application of mitigating measures in the financial sector.' Hence, what we see evolving in India is a whole-of-society approach to financial integrity, fighting financial crimes, and policymaking.

Pandey is Secretary (Finance Commission), and Swain is Director in the Department of Revenue. They were part of the Central Coordinating Team for India's Mutual Evaluation. Views are personal

US immigration, abortion decoded

POLL ISSUES. Immigration has been a growth driver. Liberal abortion laws have led to reduced crime rates over time



NILANJAN BANIK

In the early nineties, crime rate in the US began to rise. Most of these crimes were committed by the teenagers.

However, starting in the early 2000s, there was a drastic decline in the crime rate. Experts attributed the decline in crime rates to strong US economic performance during the 1990s, more policing activities, and the proliferation of gun control laws, among others.

Apart from these factors, the landmark *Roe vs Wade* judgment in 1973 that legalised abortion also played a key role in reducing crime rates.

Studies show that children born into a poor income households are uneducated and are more likely to take up criminal activities when they grow up. After *Roe v. Wade*, many women from poorer backgrounds were able to choose abortion. This significant factor led to a drastic and indirect effect on falling crime rates.

This explains a lesser crime rate in the US during early 2000s, with abortion arguably playing an important role.

ABORTION AND IMMIGRATION

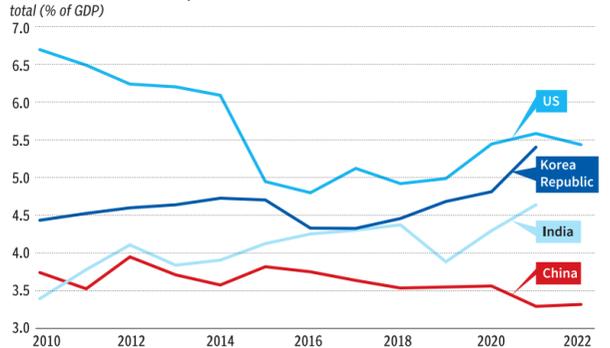
Fast forward 2024. As the battle for the next US President intensifies, a key issue that both candidates are contending with is their stance on abortion. While Kamala Harris advocates legalisation of abortion, Donald Trump is generally seen as supporting states that have enacted abortion bans. Harris criticized Trump for his role in the *Dobbs v. Jackson Women's Health Organization* ruling, which rolled back abortion rights. Trump appointed three of the Supreme Court justices who voted to overturn the landmark decision. The long-term impact of abortion curtailment, studies point out, could be the growth of an educated workforce.

A higher uneducated workforce in the long run can inhibit growth. Cross-country evidence suggests that increased investment in education is associated with higher per capita income.

In the early 1960s, China, India, and South Korea had similar levels of per capita income. The dramatic rise of South Korea to high-income status and China to upper middle-income status is largely attributed to their significant



Government expenditure on education



Source: World Bank Data

investment in primary education as a proportion of GDP (see graph).

Out of the 101 middle-income countries from the early 1970s, only 23 advanced to become developed nations by 2018. Almost all of these successful countries placed a strong emphasis on education.

While the impact of abortion on a nation's economic well-being can be felt over a longer period, immigration is the other contentious issue among the US presidential candidates. Immigration can, however, have more immediate

effects on economic and social conditions.

Trump criticized the Biden-Harris administration for being lenient on immigration, claiming that their policies have allowed "terrorists," "criminals," and "drug dealers" to enter the US. Additionally, a more liberal approach to immigration contradicts Trump's own "America First" policy.

It is commonly perceived that immigrants take away local jobs. However, this may not always be the case. Whether for high-skilled or low-skilled positions, the US has historically effectively utilised foreign migrant labour without significantly displacing native workers and increasing the wage.

A recent analysis by the Brookings Institution estimated that employers could add 160,000 to 200,000 jobs per month this year without significantly leading to a rise in wage or price

Foreign migrant labour has led to a significant growth to the US labour market and has helped maintain US consumption, a key component of GDP

thehindubusinessline.

TWENTY YEARS AGO TODAY.

September 20, 2004

BSNL, Reliance bag deal for community phones

BSNL and Reliance Infocomm will share the contract for setting up community phones in 50,000 villages with support from Universal Services Obligation (USO) fund. While the two companies had separately bid for most of the villages, BSNL won the contract for rolling out community phones in two-thirds of the specified villages.

FMCG firms plan capacity expansion to prune costs

Steadily increasing input costs have pushed FMCG companies to rethink their manufacturing strategies. Many of them are moving away from contract manufacturing to begin investing in capacity expansion. According to research firm SSKI Securities, the industry could witness as much as Rs 600 crore investment this fiscal in capacity expansion.

The right 'Fit' for textiles, post quota era

With the quota abolition in the global textile trade around the corner, the Government in collaboration with UNCTAD's International Trade Centre has introduced an IT-based benchmarking tool called 'The Fit', which would enable firms to compare their performance with that of competitors.

Making AI work in customer service

M Muneer

Whether it is your bank, travel agency, hospital or appliance company, you are subjected to automated voices, or chatbots that are at times so frustrating. Chatbots are nothing but AI programmes. The idea is to use them to answer in the normal conversational way when the customers raise frequently asked questions. It avoids directing people to information like Google does.

The global chatbot market is slated to grow 8-fold in the next decade to \$43 billion and Indian market is already growing at 24 per cent y-o-y. But can they really replace humans in terms of handling specific and difficult queries? More importantly, will they have empathy, one of the key parameters to excel in customer service?

AI algorithms will have a tough journey in terms of languages and its nuances to understand and then suggest solutions. Translation and recognition will be another challenge.

The complications of AI-based chatbots will be even more in India where the diversity in culture, language and dialects is huge. The implementation of AI cannot be a one-size-fits-all model. It will face unique challenges and may result in worst-case scenarios that impact customer satisfaction and business reputation. What could be some of the scenarios?

First is potentially the failure to understand local languages and dialects.

Second, AI algorithms have a limitation to grasp cultural nuances and sensitivities, which can result in responses that seem inappropriate or offensive.

A third case is tech glitches during high demand periods. As with most things technological, AI systems can experience technical failures, especially during peak periods such as festivals or sales events.

Fourth is data privacy and security concerns. India may not as yet has



AI. Tread with caution GETTY IMAGES

stringent data privacy regulations, but a breach can lead to severe consequences for businesses. AI systems that collect and process customer data can sometimes be vulnerable to security breaches, and will cause trust issues.

Fifth, an over-reliance on automation can lead to poor human support. In an attempt to cut costs, some companies over-rely on AI, reducing their human support staff to a minimum. Disaster strikes when AI fails to resolve issues and there are no human agents to take over to resolve

them. Inadequate training data that leads to poor AI performance is the sixth scenario. AI requires extensive training data to function effectively. Our customer service scenarios are highly varied or inadequate, and this biased training data will be problematic.

Instead of blindly joining the AI bandwagon, consider the following:
* Train the AI systems to understand local languages, dialects, and cultural nuances

* Implement a hybrid approach of AI efficiency with human empathy

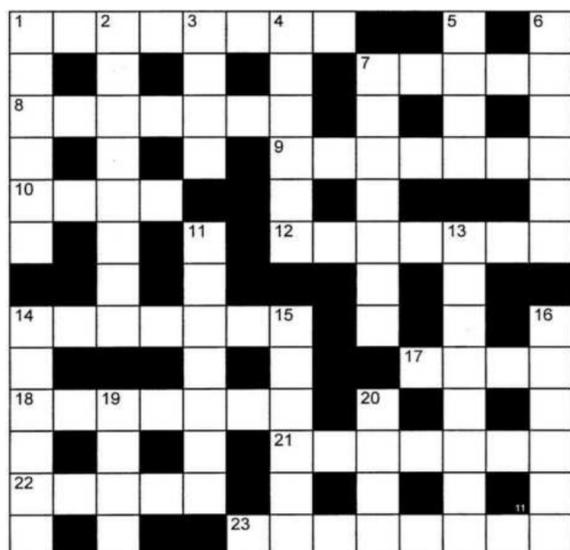
* Invest in strong data protection measures to safeguard customer information.

* Ensure your AI is scalable and reliable, especially during high-demand periods.

* Regularly update and improve AI systems

Muneer is a Fortune-500 advisor, start-up investor and co-founder of the non-profit Medici Institute for Innovation

BL TWO-WAY CROSSWORD 2530



EASY

- ACROSS**
01. Reduce by a tenth (8)
07. Kind of lyric poem (5)
08. Back trouble (7)
09. Sudden inclination to act (7)
10. Clothed in (4)
12. General pardon (7)
14. Nuclear-powered weapon (7)
17. Sound of feline content (4)
18. Fetter somebody (7)
21. Arch of the spectrum (7)
22. Possessed (5)
23. Flower of the lily family (8)

- DOWN**
01. Great overflow of water (6)
02. Force into narrower space (8)
03. A repast (4)
04. Three-horse Russian vehicle (6)
05. Fencing-sword (4)
06. A cure (6)
07. The cost (7)
11. Duped (7)
13. In the outskirts of town (8)
14. Talisman (6)
15. Vim (6)
16. Gradual increase (6)
19. Female relative (4)
20. Record (4)

NOT SO EASY

- ACROSS**
01. Mice back in a historical occasion reduce it by a tenth (8)
07. Nothing deep maybe about this sort of poem (5)
08. Start to use balm and back pain may go (7)
09. Sudden desire to get up and smile perhaps (7)
10. Clothed in different rig at end of August (4)
12. Many set out to achieve general pardon (7)
14. Rocket-launched weapon will not hit, but lie around (7)
17. Contented sound turns up right, and right again (4)
18. Put one in chains: if slack, he might (7)
21. Arc-en-ciel depicted by artist in East End of London (7)
22. Admitted having done wrong to have put tungsten in it (5)
23. Flower from China - thy version of it (8)

- DOWN**
01. River will flood when it comes round the ear (6)
02. Make it smaller cross MEP has to bear (8)
03. It may be lunch made by the mill (4)
04. With a team of three it got nothing the Ark could provide (6)
05. It will frustrate one if the sword has a button to it (4)
06. My red eczema starts to be shifted by this cure (6)
07. Cost of former penny seen to change (7)
11. Deceived by use of red tick (7)
13. In the outskirts burn a bus for it (8)
14. Mother's bed may bring her good luck (6)
15. Power exerted as men without a leader turn grey (6)
16. Development of acceleration due to gravity worth adapting (6)
19. She may give her nephew a nut to chew (4)
20. Record is compact, as this shows (4)

SOLUTION: BL TWO-WAY CROSSWORD 2529

ACROSS 7. Concatenation 8. Penultimate 12. Siphon 14. Taking 16. Strine 18. Ranked 19. Professions 23. Building-block

DOWN 1. Hoop 2. Scan 3. Stolen 4. Insist 5. Stoa 6. Dove 9. Emperor 10. Thicken 11. Aged 12. So-so 13. Own 15. Ala 17. Emetic 18. Resign 19. Pout 20. Owls 21. Oily 22. Sock

Fed's balancing act

This easing cycle will be different

The US Federal Reserve (Fed) did not want to be wrong again. After misreading the inflation surge following the pandemic, it wants to ensure a soft landing for the US economy. The unemployment rate increased to 4.2 per cent in August, as against 3.8 per cent a year ago. Consequently, the Federal Open Market Committee (FOMC) of the Fed on Wednesday decided to reduce the target range for the federal funds rate by 50 basis points to 4.75-5 per cent. The US central bank raised policy interest rates 11 times, starting early 2022, to the highest level in decades to contain the inflation rate, which peaked at 9.1 per cent in June 2022. Although the markets expected a rate reduction of 25-50 basis points, stocks in the US ended the day's trade in the red after the S&P 500 hit record highs. The stock markets in India remained flat on Thursday.

While the Fed started the easing cycle with a 50-basis point-rate cut, its future action and the scope of rate reduction remain debatable. Fed Chairman Jerome Powell was categorical in his post-policy media interaction that the markets should not interpret this as the new pace. Projections by Fed officials suggest another 50-basis-point policy rate reduction this year, followed by a 1 percentage-point cut in 2025. However, projections are always subject to revision and it remains to be seen how the FOMC moves forward. While the inflation rate at 2.5 per cent is close to the Fed's medium-term target of 2 per cent, a large reduction in the policy interest rate will run the risk of inflation getting sticky above the target, something the Fed will want to avoid.

In this context, it is important to note this easing cycle is markedly different from the usual. Since the economy is not in any kind of distress, lower interest rates could increase spending relatively quickly. Further, Mr Powell termed the rate decision a calibrated attempt to take the policy rate to the neutral rate. The neutral rate — a policy rate that is neither restrictive nor accommodative — was said to be around 2.5 per cent before the pandemic but has arguably increased since, partly because of a structural increase in the US Budget deficit. According to one estimate, it ranges between 3.5 per cent and 4.8 per cent, which could limit the scope of rate reduction.

Although the Bank of England and the European Central Bank have also eased policy rates recently, global financial markets and capital flows are more influenced by the Fed's actions. A lower policy rate will be expected to ease financial conditions, which has been happening for a while in anticipation. However, again, this easing cycle will be different because the policy rate is expected to settle much above the near-zero level, where it remained for a significant period since the global financial crisis. Global capital flows may also remain comparatively constrained because of the structurally higher needs of the US government's deficit financing. India had weathered the Fed-tightening storm relatively well because of substantial foreign-exchange reserves and the deft handling of the currency by the Reserve Bank of India (RBI). With the Fed's easing cycle underway, the RBI will need to ensure that capital flows don't put unnecessary upward pressure on the rupee, which would affect the competitiveness of India's tradable sectors. In terms of policy, the RBI will be expected to remain focused on aligning the inflation rate with the target of 4 per cent on a durable basis.

Lagging behind

States show no signs of convergence

Rapid economic growth in India has been marked by unbalanced development, rising inequality, and spatial concentration of growth in a few urban agglomerations. The issue has been closely examined by a new working paper titled "Relative Economic Performance of Indian States: 1960-61 to 2023-24", published by the Economic Advisory Council to the Prime Minister. It does well to closely review the trajectory of Indian states in terms of their relative weighting in macroeconomic terms and the economic well-being of their people. It focuses on the states' share in India's gross domestic product (GDP) and their relative per capita income (compared to the national average).

On both parameters, the western and southern regions of the country have outperformed the other regions over six decades. In fact, Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, and Telangana — the five southern states — together account for about 30 per cent of India's GDP. Notably, Maharashtra and Gujarat have displayed remarkable growth and a rise in per capita incomes since the 1960s. The per capita incomes of both states have remained above the national average since the 1960s, with Gujarat's at 160.7 per cent of the national average and Maharashtra's at 150.7 per cent in 2023-24. Odisha, Sikkim, Haryana, and the states in the south have grown significantly since the 1990s. However, at the same time, the relative per capita income of states such as West Bengal, Bihar, Assam, and Uttar Pradesh have declined since their 1960-61 levels, and are now far below the national average. West Bengal, in particular, saw a declining economic share and a drop in relative per capita income to 83.7 per cent of the national average in 2023-24 from the third-highest in 1960-61, when it was 27.5 per cent higher than the national average.

Further, Bihar has not only had a per capita income below the national average since the 1960s, but it has also declined from 70.3 per cent in 1960-61 to a meagre 32.8 per cent. Other than regional variations, the fortunes of neighbouring states also diverged over time. While Punjab and Haryana experienced a steep rise in income levels following the Green Revolution in the 1960s, Punjab could not keep pace and its economic trajectory diverged from Haryana's. Punjab's per capita income was 106.7 per cent of the national average in 2023-24, down from 119.6 per cent in 1960-61. On the other hand, Haryana's relative per capita income stood at 176.8 per cent in 2023-24, up from 106.9 per cent in 1960-61. Overall, variances in infrastructure, urbanisation rates, trade and transportation costs, and state-level policy differences can explain some of the differences in regional incomes and growth rates.

The growing divergence among states poses significant policy challenges. There are existing tensions in terms of how fiscal resources are distributed among states, which is likely to exacerbate as the difference between high- and low-income states increases. Nonetheless, there is a need for targeted and focused intervention to bring the lagging states up to speed as quickly as possible through Finance-Commission devolution or other means. There is also a need for greater effort in improving human capital in such states for a more regionally balanced growth experience. None of this is easy, but there is no other way.

A checks and balances challenge

Parliament's oversight of statutory regulatory authorities is weak. Strengthening it is both necessary and desirable

ILLUSTRATION:BINAY SINHA



Parliamentary oversight of the workings of statutory regulatory authorities (SRAs) is an established norm in many democracies. It is an essential feature of the checks and balances required for SRAs, which work at an arm's length from the executive.

Indian SRAs like the Securities and Exchange Board of India (Sebi) fuse all three branches of the state. They have the power to make binding regulations (the legislative function), the ability to enforce these regulations (the executive function), and the authority to adjudicate and sanction violations of regulations by the regulated entities (the judicial function). This departure from the separation of powers makes Indian SRAs unique, both in comparison with SRAs abroad, and other Indian government organisations.

Given this unique design of SRAs in India, a *sui generis* and comprehensive set of accountability mechanisms is required. The Sebi Act, 1992, and subsequent amendments to it have attempted to provide for such an accountability mechanism. Over the years, we now know that these mechanisms have not been very effective.

Let's start by summarising the existing checks and balances. By its very nature, Sebi's judicial function cannot be supervised by Parliament. Parliament, therefore, provided (in Chapter VI B of the Sebi Act) for a multi-member Securities Appellate Tribunal (SAT) to hear appeals against the quasi-judicial orders of Sebi (and some other financial sector SRAs). Through this multi-member SAT mechanism took time to evolve, over the years, SAT has been a powerful source of checks and balances against Sebi, demanding that punishments be backed by proof, and striking down Sebi's excesses.

For Sebi's legislative functions, the Act has the standard Indian mechanism of post-facto parliamentary scrutiny of administrative law. All regulations made

by Sebi are placed before Parliament, which has the power to review, modify, or strike them down. This important role is assigned to the parliamentary committees on subordinate legislation. The reality of parliamentary scrutiny over regulations made by SRAs, however, has been disappointing.

Over a 23-year period, between 1999 and 2022, the Lok Sabha parliamentary committee reviewed 13 regulations issued by all SRAs, and the Rajya Sabha parliamentary committee reviewed four such regulations. Sebi alone has issued more than 650 regulations since it came into being. There are more than 20 SRAs at the level of the Union of India, and most of their legislative activity is not being subject to parliamentary scrutiny. In addition, SRAs have also been pushing a lot of legislative activity into legal instruments that go by other names, further diluting an already weak parliamentary scrutiny.

A critical part of regulatory design is the composition and role of the governing board. The board is required to oversee the executive functions, and also the overall working of the agency. A well-structured board should have a majority of private citizens as members, and should approve each regulation issued by the regulator. All these features are lacking. The composition and functioning of the governing boards of all SRAs in India leave much to be desired. They are almost entirely composed of internal persons and serving government functionaries. In practice, the board delegates most of the powers to the chairperson and provides very little oversight. There is a striking gap between the governance standards that Sebi demands of listed companies or the Reserve Bank of India (RBI) demands of banks and how Sebi and the RBI themselves are governed.

The Sebi Act prescribes an annual audit of Sebi to be conducted by the Comptroller and Auditor General



AARTHIKAM CHINTANAM

K P KRISHNAM

AI@India: Navigating growth & safety

The European Union led the way in data protection by introducing the General Data Protection Regulation in 2018. Now, it has again taken the lead with the AI Act, aimed at preventing potential harms from uncontrolled artificial intelligence (AI) use. India, which took nearly five additional years to implement its Digital Personal Data Protection (DPDP) Act, cannot afford a similar delay with its AI regulation.

The discussion around the need for AI regulation is increasingly relevant because AI, in the hands of malicious actors, poses significant risks to society. AI can easily compromise cybersecurity, jeopardising the entire digital landscape. It can invade privacy, enable unauthorised surveillance, facilitate cybercrime, automate attacks, and even create autonomous weapons. Moreover, AI can blur the distinction between fact and fiction through deepfakes and misinformation, manipulate public opinion, and harm mental health by encouraging addictive behaviours and distorting social dynamics.

One of the lesser-discussed but potentially most serious long-term harms of AI is its impact on human learning. In his book *Trapped in the Net: The Unanticipated Consequences of Computerisation*, Gene Rochlin explains that human learning benefits from the friction experienced in dealing with natural challenges we face in the real world. Automation and technology reduce these challenges, making it harder for us to solve problems and handle crises. The 2009 crash of Air France Flight 447 over the Atlantic Ocean occurred because the aircraft's fly-by-wire system encountered a storm, and the pilots, accustomed to automation, were unable to manually manoeuvre out of the storm. AI could create even more reliance on technology, further reducing our ability to solve problems and adapt to challenges.

Yet, technological advancements need to be embraced because their benefits often outweigh the risks. AI is no different; it offers great potential benefits if its risks are properly managed through regulation.

For a rapidly developing country like India, AI could play a crucial role in enhancing agricultural productivity, improving education, and advancing health

care for its underserved populations. AI could be the key to accelerating India's growth and achieving its vision of Viksit Bharat. To harness AI's potential while minimising its risks, India needs to create a supportive ecosystem for its development and use. Given that a large portion of India's population has recently entered the digital world and may lack the awareness and precautionary measures found in more developed economies, careful consideration and proactive measures are essential.

India's AI regulatory framework could be built on a 3-3-3 framework. The first 3 relates to three key principles: Permissive development ecosystem, which encourages a supportive environment for the development of AI technologies; risk-based categorisation, which classifies AI applications based on their potential for harm and address them according to their risk levels; and effective accountability and liability, which, while fostering innovation, also establishes a swift and effective system for accountability and liability to manage any adverse effects.

A permissive development system should result in minimal restrictions on the development of AI for legitimate purposes. It must foster an environment where best practices and standards can be established, focusing on model development, data quality, and skill enhancement. The IndiaAI Mission approved earlier this year is a step in this direction.

Risk-based categorisation is crucial in managing AI applications based on their potential for harm. The apps can be categorised into three risk levels: Limited, moderate and high. Before deployment, AI applications should undergo risk assessment by third-party professionals to determine their appropriate risk category. Limited risk applications, subject to minimal regulation, would involve self-certification by developers to ensure adherence to established best practices, with transparent declarations for users. Moderate risk applications would require developers and deployers to follow governance practices, ensuring adoption of ethical and transparent practices, removal of biases in data bases, and such others checks and balances required to mitigate the risks in such apps. The norms

(CAG). This needs to be read with the Indian Constitution and the provisions of the CAG Act, 1971. The CAG is required to conduct both financial proprietary as well as performance audits of SRAs in exactly the same manner as it does for the executive government. The Sebi Act mandates submission of an annual report to Parliament. Sebi's annual report must be read by Parliament alongside the CAG's report on Sebi.

In practice, the CAG has seldom gone beyond auditing Sebi's expenditure and its staff. Its reports bring out very little on the performance of Sebi in the discharge of its executive functions. Sebi's annual reports lack the information required for a critical assessment of its performance. Over the past 32 years, Parliament has not discussed the annual report of Sebi (or any other SRA) even once.

According to newspaper reports, the Public Accounts Committee (PAC) plans to discuss the performance of SRAs. This decision needs to be seen in the above context. Regulators like Sebi are unique by world standards in that they breach the separation of powers, and they are simultaneously afflicted with weak checks and balances when compared with global insights into regulatory theory. Enhancing these checks and balances is a part of strategic thinking in reform (i.e. modifications to the law as envisaged by the Financial Sector Legislative Reforms Commission) and also tactical moves (e.g. PAC oversight).

The finance committees of Parliament — namely, PAC, the Committee on Public Undertakings, and the Estimates Committee — are tasked with scrutinising various aspects of government finances and expenditures. Their focus is on funds sanctioned by Parliament and their utilisation by the executive government. SRAs typically do not receive government budgetary support and are thus outside the purview of these committees. Another parliament committee relevant to this discussion is the Departmentally Related Standing Committee (DRSC), which also primarily examines utilisation of funds allocated to a ministry. It will hence be interesting to see the pathway taken by PAC to obtain the much needed improvements upon the checks and balances over SRAs.

Nearly 15 years ago, former finance minister Yashwant Sinha proposed the creation of a new parliamentary committee to review the performance of SRAs. SRAs could be grouped into two or three categories and the committee secretariat could build up internal capacity and source external expertise and enable Parliament to exercise its oversight on SRAs. This work could ideally involve parliamentarians and their teams jumping off from (a) better CAG reports (b) better SRA annual reports and (c) studies obtained from independent research organisations.

The writer is an honorary senior fellow at the Isaac Centre for Public Policy, and a former civil servant

Portrait of an art activist



BOOK REVIEW

CHINTAN GIRISH MODI

“How does a German, part-Jewish man end up in India ahead of the Second World War and become the ‘kingpin’ of an art movement?” asks arts writer and researcher Reema Desai in her introduction to *The Catalyst: Rudolf Von Leyden and India's Artistic Awakening*.

The entire book is an answer to this question. It focuses on political cartoonist Rudolf Von Leyden (1908-1983), aka Rudi, and his role as an art critic, championing the work of Krishnaji Howlaji Ara, Maqbool Fida Husain, Sayed Haider Raza and Francis Newton

Souza of the Bombay Progressive Artists' Group formed in 1947 — the year of India's independence from British rule — much before they became legendary figures on the international art circuit.

Instead of jumping straight into Rudi's work as an art critic committed to supporting these “audacious pioneers who rebelled against academic styles to forge a bold, new artistic vision for a nation reborn”, the author provides a glimpse of the socio-political context in Germany. She draws from Rudi's younger brother Wolfgang's memoir, *Growing Up Under the Weimar Republic, 1918-1933: Reflections on Personal Identity and the Past* (1984). Rudi was a member of the German Communist Party. Wolfgang was once mistaken for Rudi, and a prominent man in the Nazi hierarchy told him, “Plans are being made to shoot you.”

On the advice of older relatives, Rudi left for India in 1933 to save himself from being persecuted by the Gestapo. Apart from the fact that India was considered a

safe haven for Jews who were in danger elsewhere, Bombay (now Mumbai) was also a favoured choice because Rudi's elder brother Albrecht had been living in India since 1927 and working for a Dutch company. Albrecht was well-established, and offered to host Rudi until things got better in Germany. Little did they know that India would soon occupy a special place in Rudi's heart.

Ms Desai notes, “Rudi lived with Albrecht in a bungalow at 17 Pali Hill, with expansive views of the Arabian sea. Albrecht worked in the bustling Fort district of Bombay and had selected Pali Hill for its cooler climate and tranquillity compared to the city centre.”

Using archival material, especially Rudi's letters to his mother, the book paints a vivid picture of those early days in India when he went horse-riding, socialising with fellow expatriates, and swimming at Juhu beach, and also soaked in the delights of Kashmir, Delhi and Agra.

Rudi, trained as a geologist, could not find a job in that field either in India or in South Africa where he had applied. Thanks to his artistic skills and his brother's social circle, Rudi began to find work designing advertisements, posters, invitation cards and menus. Within a year of arriving in Bombay, he set up an advertising studio and later found a job

at a reputed newspaper's layout department for six months because an English employee was on leave.

Ms Desai points out that Albrecht's high-ranking corporate job gave Rudi access to an affluent group keen on “pushing the aesthetic dialogue in the city forward”. Rudi's “natural flair for the arts” was encouraged and his opinion “held in high esteem” before his formal career as an art critic began in 1938. This is a telling piece of information because, even today, the hallowed world of art criticism in India

remains the domain of the well-heeled.

Artist Krishen Khanna, a close friend of Rudi's, who has written the foreword to Ms Desai's book, reveals that Rudi was also criticised by “some who considered that he was violating Indian sensibilities and planting foreign views and aesthetic theories which were inimical to what was considered as specifically Indian”. While

THE CATALYST: Rudolf Von Leyden and India's Artistic Awakening
Author: Reema Desai (née Gehi)
Publisher: Speaking Tiger
Pages: 216
Price: ₹799



Khanna calls these views “insular”, and believes that they “could not accommodate Rudi's knowledge of Indian aesthetics”, his decision to mention the critical reception that Rudi received is worthy of appreciation.

Rudi did not merely write about the rising avant-garde artists in India. He was a talent scout and mentor. He also helped some of them with financial resources. Ara was a Dalit artist. He worked as a cleaner when Rudi first met him. That said, the politics of patronage should

not be brushed under the carpet. In a quote that Ms Desai discovered during her research, Rudi confessed, “I liked the country and its people from the word go, but I now realise that my initial attitudes were very ‘sahib’, and that friendships begin when the ‘sahib’ disappears.”

The book ventures into several other aspects of Rudi's life, including his position as the publicity and marketing director at Voltas for over two decades, his interest in Ganjifa cards, his work with stalwarts like Dr Homi Bhabha and Verghese Kurien, the women he loved, his support for Indian theatre, his fondness for the Jamali-Kamali mosque and tomb in Delhi, and his life in Paris and Vienna after he left India. Ms Desai's commentary documenting the story of how she put together this book, how serendipity worked its magic and led her to various people and places, show that it takes a village not only to raise a child but also to birth a book.

The reviewer is a journalist, educator, book reviewer and cultural commentator. He is @chintanwriting on Instagram and X



OPINION

The
Hindustan Times
ESTABLISHED IN 1924

{ OUR TAKE }

Message from US Fed rate cut

This could nudge MPC to dial down hawkishness, and facilitate flow of capital into Indian economy

That the United States Federal Reserve would reduce interest rates in its September meeting was widely expected even though the jury was out on whether the reduction would be quarter or half of a percentage point. By deciding on the latter — federal fund rates are now in the range of 4.75%-5% — the US central bank has sent a clear signal that it is more concerned about cushioning the labour market than reining in inflation. Financial markets, both in the US and outside have taken the announcement in their stride and not shown wild reactions. This underlines the claim that the decision was largely on anticipated lines. What happens now?

Unlike the Reserve Bank of India, Federal Open Market Committee (FOMC) — US equivalent of India's Monetary Policy Committee (MPC) — members give dot-plots of interest rate projections going forward. The projections indicate that rates could fall by another 50 basis points by the end of the year. FOMC also sees yesterday's pivot as the beginning of a long phase of monetary easing with interest rates expected to be just under 3% by the end of 2026. What is the import of this pivot in US monetary policy?

If Fed chairman Jerome Powell manages to ensure a "soft-landing", which would mean inflation aligning with the target rate without triggering a recession or high unemployment, he would go down as one of the most successful central bankers in the history of modern capitalism. Tailwinds from lower mortgage costs could also help the Democratic Party in its bid to regain the White House. As a corollary, the decision also risks a backlash against the Federal Reserve's independence if Donald Trump were to win the November presidential elections.

Because the US is the largest economy in the world, and the dollar the dominant currency, its monetary policy stance is consequential for the rest of the world too. What will it mean for India? Expect MPC to dial down its hawkish rhetoric for sure even if there is no rate cut in the October meeting. More importantly, a return to the days of cheap money could also end the ongoing bear phase in long-term investment flows such as from the venture capitalist route for start-ups in the Indian economy. Both of these are good news for medium-term prospects of the Indian economy.

To be sure, cheap money has its own set of complications but that is not something which would concern markets and policymakers at the moment. The world and US monetary policy has a lot of distance to cover before it gets there.

Indus Treaty must reflect new realities

India has finally served a formal notice to Pakistan for a review and modification of the Indus Waters Treaty of 1960, largely because of Islamabad's intransigence in dealing with disputes related to the management of cross-border rivers and other concerns such as the support for terrorism. Problems related to the Indus Waters Treaty, which has survived several wars involving the two South Asian rivals, have been brewing for some years now. New Delhi has threatened Islamabad several times to have a relook at the treaty when ties have hit rough patches, largely because of terror attacks carried out by Pakistan-based groups.

India formally informed Pakistan of its intent to review the treaty in early 2023 and the notice served last month is in line with those efforts. One of the triggers for this action was Pakistan's decision in the past decade to refer disputes over the Kishanganga and Ratle hydropower projects on the Chenab and Neelum rivers in Jammu and Kashmir (J&K) to both the "neutral expert" mechanism and the Permanent Court of Arbitration under the provisions of the agreement. India has argued that this goes against the graded mechanisms under the treaty for handling disputes and could lead to inconsistent and contradictory rulings. India's contention that the treaty also requires a relook because of demographic changes and environmental concerns too is important, given the impact of the climate crisis.

India is contemplating changes to the agreement at a time when relations with Pakistan are at an all-time low and there are genuine concerns about a spurt in terror attacks in J&K. New Delhi should proceed with caution since the management of cross-border water resources is a complex and delicate matter, but genuine efforts to update the treaty should be welcomed.

The new grammar of India-US relations

The Modi-Biden book is tilted more towards substance than thrills. Leaders, diplomats, and security establishments in both nations have worked towards building resilience in the ties

"Will Biden continue to double down on India?" was the refrain amongst experts and officials as Joseph Biden began his tenure as the 46th President of the United States (US). Four years later, it is safe to say that India-US ties have undergone a second transformation. The first was roughly between 2001 — when George W Bush came to power — and the end of the Donald J Trump presidency. That period deserves a book in its own right. Indeed, many have been written.

On Saturday, when Prime Minister (PM) Narendra Modi meets President Biden for the Quad Leaders Summit in Delaware, they will be concluding a new book that underscores the ideational and material conversions that have taken place in the past four years. This will be the last in-person and official meeting between the two leaders. So, what defines the Modi-

Biden era?

A well-defined cognitive shift to unhesitatingly strengthen different kinds of ties shaped the way both sides dealt with each other's imperatives. Some of this had to do with China's differentiated challenge to both countries. A lot of this was driven by re-discovering lost opportunities of the past and realising the new and emerging potential of the present. India's increasing import of oil and deep military dependencies on Russia may have, at best, led to a quiver between the two bureaucratic States. It left the strategic design for deeper partnerships largely untouched.

The manifestations of this ideational shift were real and can be counted in investments and new industry-led arrangements alike. In January 2023, National Security Advisors (NSA) on both sides inaugurated the India-US initiative on Critical and Emerging Technology (iCET). This was a new way of deepening cooperation. It requires as much from industry and academia as from different parts of both governments.

An American semiconductor company was the first of at least six projects till date that tapped into India's incentive scheme. Bricks and mortar are being laid to build a new Out-sourced Assembly and Testing Plant (OSAT) in Gujarat. Two legacy defence agreements on the co-innovation of jet engines and the pur-

chase of armed drones were re-invigorated. Reportedly, they are close to conclusion. A chip-making facility for national security to be built in India is being negotiated.

Export controllers in the US loosened their grip. The key was to create a communication bridge between firms besieged by the enormity and complexity of controls and controllers struggling to understand the problem at hand. Of course, this process will need to be sustained. A Strategic Trade Dialogue (STD) was created to institutionalise this channel.

The third INDUS-X summit concluded in early September 2023 in Palo Alto. This new ecosystem connects those creating and investing in cutting-edge technologies in both countries; iCET deliverables have a long way to go, but much has been achieved in a relatively short period of time.

There was every likelihood that this would not have been the case. The two sides confront several global and local challenges. These include the respective stakes at play regarding the war in Ukraine, differing views on the meaning of rights, and the effects of an alleged Indian intelligence-led operation on American soil.

But, the two countries have managed to move ahead despite these. Further, defence ties are deeper than they have ever been. This is as much a function of legacy arrangements,



When Prime Minister Modi meets President Biden in Delaware, they will be concluding a new book that underscores the ideational and material conversions that have taken place in the past four years

established processes, and the current state of geopolitics as it is for a fresh fervour in India to diversify away, at least as far as possible, from age-old but necessary dependencies. Five 2+2 meetings (with respective defence and foreign ministers) have taken place. A key supply agreement was signed last month. C-130Js, C-17s, P81s, Apaches, Chinooks, and MH60R helicopters are changing capabilities for the Indian military. The US army has reached out to Indian defence firms to produce everything from nuts and bolts to cartridges and artillery. There are five sets of ever-more complex bilateral military exercises that include all three Indian services. In sum, the commitment to military and security ties is clear.

The combination of the ideational clarity to deepen ties and the mate-

rial benefits of the same has built a grammar for resilience that may not be irreversible but can't be taken for granted either. Leaders, diplomats, and national security officials on both sides work hard — between the two countries and within their own systems — to keep the resilience going. This is also why the Modi-Biden book is tilted more toward substance than thrills. Challenges exist. There is much to be done. But, for a moment, as the two principals meet, it is well worth thinking about both the drivers and effects of this new book in India-US ties, and how that might be sustained as the 47th American president is elected later this year.

Rudra Chaudhuri is director, Carnegie India. The views expressed are personal

On semiconductor mission, learn from China's missteps

Prime Minister (PM) Narendra Modi has made building a globally competitive semiconductor industry a national priority. The Covid-19 pandemic and geopolitical tensions have exposed vulnerabilities in global supply chains, underscoring the need for domestic chip production to ensure both economic growth and national security. However, India's current investment in low-level assembly and packaging mirrors China's missteps, which limits the country's ability to move up the value chain. To truly compete on a global scale, India must aim higher.

India's semiconductor industry is in a foundational phase, with a \$15 billion initiative underway to establish its first advanced fab and packaging facilities. A joint venture between Taiwan's Powerchip and Tata Electronics to produce 28-110 nanometer chips for power management is a good start. As Silicon Valley entrepreneur Govind Kizhepat said, India must "start somewhere" rather than waiting for a technology transfer of the latest semiconductor fabrication technology. However, Micron's packaging plant in Gujarat is an example of what not to do. Despite being touted as a significant milestone, this facility focuses on low-level assembly and testing, which provides minimal value in the semiconductor ecosystem. Micron continues to fabricate chips in the United States (US) and China, leaving India to handle only the final stages of assembly, offering little in terms of technology transfer or advancement in high-value areas like chip design and fabrication.

With India subsidising 70% of the \$2.75 billion cost (around \$1.925 billion), the country is effectively investing in low-end jobs rather than fostering the critical advancements needed for long-term success — much like China's early efforts. A recent paper, *China's Interdependent Positioning in the Semiconductor Global Value Chain*, by Seamus Grimes (University of Galway) and Debin Du (East China Normal University), highlights the pitfalls China encountered in its quest to build a competitive semiconductor industry. Despite significant government investments, China remains largely stuck in lower-value segments such as assembly and packaging while lagging in higher-value areas like design, intellectual property (IP) creation, and advanced manufacturing. It still relies heavily on foreign IP, often acquired through questionable means.

India must avoid repeating these mistakes by fostering innovation, encouraging private-sector leadership, and pursuing global collaborations to access cutting-edge technologies. It needs a more comprehensive and forward-thinking strategy. The following areas are critical for achieving PM Modi's goals:

Invest in research and development (R&D): A strong R&D ecosystem is essential for chip design, fabrication, and advanced manufacturing.

Develop advanced manufacturing capabilities: Building state-of-the-art fabrication facilities (fabs) is essential for India's semiconductor aspirations. However, these fabs must focus on cutting-edge technologies. India should aim to produce chips at smaller nodes, such as seven nanometers or below, to stay competitive with global leaders.

Prioritise intellectual property creation and protection: India must invest in homegrown technologies and IP creation. Innovation in the semiconductor industry is driven by new intellectual property, and countries that lead in IP creation will ultimately lead in the market. India should encourage both domestic and foreign firms to invest in R&D within the country.

Build a skilled workforce: India's large pool of highly educated workers is a strength, but the country must invest in developing specialised skills in chip design, fabrication, and semiconductor equipment maintenance. Strengthening partnerships between academia and industry will ensure graduates are ready to meet the semiconductor industry's needs. Scholarships, training programmes, and collaborations with top universities can develop the talent pool.

It is not going to be easy. As Grimes told me, "Even though India is benefiting from the reconfiguring of the technology value chain, China continues to have major advantages in the sophistication of its supply chains." But, he acknowledges that with its strong background in software — an important element of the chip industry — and by becoming part of trusted collaborative networks of shared IP, India can build its own niche in the global semiconductor landscape, capable of meeting domestic needs and competing on the global stage.

Vivek Wadhwa is CEO, Vionix Biosciences. The views expressed are personal

ing innovation. India must significantly increase its investment in relevant semiconductor research and encourage collaborations between universities, private companies, and the government. Channelling the country's engineering talent into semiconductor research and establishing top-tier institutes will be key to driving breakthroughs.

Foster global collaborations: Unlike China's inward-looking approach, India must embrace international partnerships. Collaborations with global leaders such as TSMC, Intel, and Samsung will provide India with access to critical IP and technological know-how. Joint ventures and technology transfer agreements can help accelerate India's learning curve and bolster its position in the global value chain.

Encourage private-sector leadership: Innovation thrives in competitive, market-driven environments. In addition to the big industry support that India is providing, it must create a favourable ecosystem for startups and entrepreneurs to enter the semiconductor space by offering incentives such as investment tax breaks and funding opportunities.

Expand venture funds with deep tech expertise: Arun Kumar, managing partner, Celesta Capital, emphasises that fostering the expansion of venture funds focused on deep tech expertise is crucial to advancing India's semiconductor capabilities. Global Capability Centres of MNCs in India reportedly already employ over 200,000 chip designers working on chip design, verification, and related activities for companies like Intel, AMD, Qualcomm, and Broadcom. With the right venture ecosystem, many of these engineers could become entrepreneurs.

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{ JEROME POWELL } CHAIR OF THE US FEDERAL RESERVE

We're trying to achieve a situation where we restore price stability without the painful increase in unemployment that comes sometimes with disinflation. Investors should take the Fed's rate cut as a sign of its strong commitment to achieving that goal

Building on the gains of Swachh Bharat Mission

Swachh Bharat Mission (SBM) is set to complete 10 years. Under SBM, 120 million families have been provided access to safe sanitation at their homes and most of them use the facility. Beyond some counter data crunching, there is universal and scientific admission that India's toilet revolution brought a range of benefits for human health and well-being. This includes a significant reduction in infant mortality, better school attendance for girls, fewer crimes against women, higher employment and earnings, and better groundwater quality. UNICEF reported in 2018 that, by reducing damage costs, freedom from open defecation has saved 5.2% of the Gross Domestic Product (GDP) a year.

The massive number of household latrines will need to be functional and used, not to fritter away the valuable gains. Public and community toilets to cover the excluded, are over six-and-a-half lakh, but less than 4,000 cities are certified to have kept these clean and hygienic. Slippages can happen if users and managers are not alert.

The celebration of a golden decade of Indian sanitation set in motion by Prime Minister Narendra Modi, is legitimate. But now the mission faces the more slippery world of solid and liquid waste management, compared to the provision of low flush, twin-pit toilets across needy communities. For urban spaces, the task is bigger and more complex. Only 248 of the cities have broadly reached the parameters of Garbage Free Cities (GFC) covering aspects of collection, segregation, storage, scientific processing, cleaning of surface water, compliance and civic behaviour. Another 500 are hopefully approaching the goal. Still, most of the 4,900 urban bodies must do significant heavy lifting to be fully garbage-free in a shorter time.

Processing of waste is true only with the elimination of waste. It starts not at the processing plant, but with segregation at the source. The task needs to be universalised without compromise. Despite a spirited campaign, the urgency has not yet sunk into the civic mind. This calls for a full-scale revival of behaviour change, like in the last phase. By systematic action, 18% processing of waste in urban areas in 2014 has moved close to 80% today. Source segregation at the ward level moved from about nothing to 91%. This

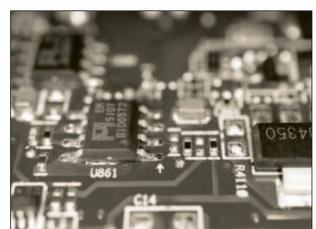
official data is encouraging. But gaps and garbage still stare us in the face.

Processing infrastructure, designed to convert waste to resources, be it compost, biogas or electricity, has caught the attention of SBM managers. Plants of all categories are over 6,000, with the highest capacity under waste-to-compost units. This is where technology, innovation and enterprise must come in. About 5,000 startups are recognised in the Water Sanitation and Hygiene (WASH) category, spread over 230 districts. Policymakers and experts know that this has to grow exponentially. Policy and private sector response look to be moving in the direction of a vibrant waste-to-wealth industry. Public funding and budgetary outlays have never faltered from the inception of SBM.

The country has over 220 million tonnes of waste lying in landfills bordering many cities — Bhalwsa, Ghazipur, Okhla, and Bandhwari in the National Capital Region, Deonar and Mulund dumping sites in Mumbai, Mittaganahalli in Bengaluru to name a few. These depressing hillocks, 2,425 of them, occupy 28,500 acres of land. The good news is that 40% of this waste has already been remediated and 4,500 acres of land recovered. Cities like Indore and Lucknow have set examples by converting recovered land to popular green-scapes. Smaller towns may find the task arduous in terms of mobilising the necessary resources for transforming garbage dumps. Also, legacy dumpsites can pose a chicken-and-egg situation during the process of getting dismantled. City waste must have an end destination. If not segregated and processed, and not allowed in old dumpsites, it may be dumped in new garbage sites.

Local communities have taken the responsibility to transform as many as five lakh specially identified spots of filth as part of a Swachhata Hi Seva programme in the run-up to Gandhiji's birth anniversary. This is a great demonstration of resolve. But the Swachh Bharat Mission and the people of India will be required to do much more to deliver *sampoorna swachhata* (total cleanliness) in the coming years.

Akshay Rout is former director general, Swachh Bharat Mission. The views expressed are personal



India can build its own niche in the global semiconductor landscape

Vivek Wadhwa is CEO, Vionix Biosciences. The views expressed are personal


OUR VIEW


The Fed's policy pivot complicates RBI's task

The US Federal Reserve's jumbo rate cut is aimed as a cushion for its economy, but impacts others too. Think of capital flows. Unless Indian inflation cools, RBI may face tough calls

The US Federal Reserve has shifted policy with a chunky half-percentage point cut in its policy rate on Wednesday, joining others like the European Central Bank and Bank of England in lowering the cost of borrowing. This is the US Fed's first post-pandemic reduction and marks the start of a monetary easing cycle. Also, it pivots the American central bank's focus away from inflation-control to ensuring a soft landing for the world's biggest economy. Having faced criticism for being late in acting against the cost-of-living on its way up, and then effecting steep rate hikes (over 2022-23), the Fed seems wary of erring on the jobs front as US prices have cooled, which may explain the jumbo sized cut. Rate changes take time to work their way through the economy. So, the Fed, finally confident that its 2% inflation target is within reach, may have judged it prudent to go for a big cut now before other economic indicators could turn gloomy. "The US economy is in a good place and our decision today is designed to keep it there," Fed chair Jerome Powell said. America's unemployment rate has risen by almost a percentage point since early 2023 to about 4.2% now. While this is not painfully high, it's at risk of worsening. By encouraging consumers to spend more and businesses to invest, cheaper credit should act as a cushion against the turbulence of a possible slowdown.

With the Fed funds rate now in a lower range of 4.75% to 5%, data on the US economy as we go forward will determine the pace and timing of the Fed's future moves. Its rate-setting panel's 'dot-plot' points to cuts of another 150 basis points by 2025-end. What the economy's 'neutral' rate is, the one at which output growth gets

neither spurred nor squeezed, remains under debate. If it is assessed to have gone up, as the US bond market fears, then this easing cycle may plateau higher than before, leaving the US with real rates above pre-covid levels. Still, America escaping a recession would be good for all its trade partners. As for capital flows, a rise in global risk-on sentiment, typical of rate cuts, could boost capital flows to emerging markets (EMs), strengthening their currencies and assets. US equities had a muted response to this week's Fed action, but over time, the Indian stock market could gain. Even though high valuations may make some overseas investors demur, its recent edging out of China's market as the world's largest EM on a key index reflects its growing heft and appeal overall. Indian bonds may also draw more inflows if their yield gap with US paper gets more attractive (US bond yields rose at first, though). Our businesses may seek more foreign loans, too. While inflow volumes may stay moderate at most, they could yet prove large enough for the Reserve Bank of India (RBI) to step up its rupee vigil.

A strengthening currency is bad for our exports, but can be moderated by RBI with dollar purchases, the excess local liquidity caused by which need not be mopped up with open-market bond sales ('sterilized') if it happens to coincide with a policy pivot of its own. Some forecasters expect Indian inflation to soften, letting RBI shift stance and effect a repo rate cut, but this would only be towards the end of 2024. While retail prices may turn benign by then, as some trends suggest they would, India's central bank must retain price-stability as its priority till this goal is securely met. This means it will need to either let the rupee rise or sterilize its forex-market buys.

THEIR VIEW

Don't club nano businesses with other MSMEs for policy efforts

Tiny enterprises face distinct challenges and addressing them separately would serve India well



SRINATH SRIDHARAN & NIRUPAMA SOUNDARARAJAN are, respectively, a policy researcher and corporate advisor, and a partner at Policy Consensus Centre.

Are we looking at the Indian micro, small and medium enterprise (MSME) sector through the wrong lens? According to government data, there were over 63 million MSMEs in 2015, of which over 60 million were micro enterprises. Of these micro enterprises, though, how many would be 'nano' businesses?

The Annual Survey of Unincorporated Sector Enterprises (ASUSE) for 2023 offers a contemporary indication. It puts the total number of unincorporated enterprises at 65 million, of which 55.3 million are 'own account enterprises' (OAEs) and 9.7 million are 'hired worker enterprises' (HWEs). The survey data indicates that 95% of Indian MSMEs are not incorporated.

The term 'business' means something very different to this cohort, and so improving their ease of doing business demands a dedicated approach. Unfortunately, policy biases and misconceptions seem to have resulted in this large group of entrepreneurs going underserved, perhaps even ignored.

So what characterizes nano businesses? According to the ASUSE survey, unincorporated enterprises are mostly sole proprietorships operating from their homes or from temporary work places. They work long hours and have marginal access to credit. Only 6.4% have audited accounts, but a little over 36% have registered themselves under

some authority or Act; 7% have contributed to manufacturing and other services through contractual work. They employ as many as 110 million people and their outstanding loans average around ₹50,000.

Nano businesses represent a large chunk of India's employment base. They each employ an average of 1.5 to 2 people. They are largely informal, using cash transactions primarily, and are generally not registered on the goods and services tax (GST) portal.

Scant data has kept policymakers back from studying the challenges that hinder their livelihoods and make it difficult for them to scale up. Consider the local street *chaat* seller or vegetable vendor outside a suburban railway station. They are entrepreneurs. They work hard, probably harder than many of us, to make an honest living.

Unfortunately, not only do we lack data on them, we barely recognize them as a separate category of business for targeted policy intervention. Nano businesses should not be clubbed with other MSMEs in this broad category because they have very different needs and challenges.

Many studies have examined MSMEs, but none that we could find has specifically analysed nano enterprises over a sustained period to track

changes in their business performance over loan cycles.

Estimates suggest that nano entrepreneur credit could add up to a sum as large as ₹3.25 trillion, making it the biggest potential credit segment within the larger MSME category, with demand estimated to be growing at a compounded rate of over 35% annually. However, the supply of finance has not kept pace. Only a fraction have access to loans through formal sources, while a vast majority bootstrap their businesses through their savings or rely on financial support from family and friends.

Operating in the informal economy, most of these nano-entrepreneurs work with minimal paperwork, thin margins and even thinner hopes. Some of them depend for earnings on larger enterprises, with which they have little to no bargaining power. As they do not maintain proper financial records, lenders find it challenging to assess their creditworthiness. Their inability to provide collateral for loans also acts as a major obstacle. All this is compounded by inadequate financial knowledge.

The new account aggregator network, plus the expected rollout of the Unified Lending Interface, which will collate data from various sources to allow assessments of creditworthiness, could conceivably be of help. But the need of the hour is for the government to classify nano businesses as a separate group for policy attention.

Their potential to drive inclusive growth remains untapped, and given sufficient credit and other support, they could be sources of innovation too.

We need a comprehensive cross-ministerial approach to nano businesses, with efforts ranging from financial inclusion and skill development to technology adoption and regulatory simplification. If the ministry of MSMEs and Department for Promotion of Industry and Internal Trade (under the commerce ministry) cannot coordinate such an agenda, then maybe it is time to create a separate ministry altogether.

QUICK READ

Nano businesses are estimated to number over 60 million and should not be clubbed with other MSMEs in this broad category because they have very different requirements and challenges.

Dedicated policies aimed at driving their growth will boost inclusion and generate jobs. Perhaps it's time to consider a separate ministry that focuses on such entrepreneurs.

10 YEARS AGO

JUST A THOUGHT

A U.S. dollar is an IOU from the Federal Reserve Bank. It's a promissory note that doesn't actually promise anything. It's not backed by gold or silver.

P. J. O'ROURKE

THEIR VIEW

Reducing debt is the same as tightening the fiscal deficit

MADAN SABNAVIS



is chief economist at Bank of Baroda and author of 'Corporate Quirks: The Darker Side of the Sun'.

Conceptually, for the administration of any country, targeting its debt-to-gross domestic product (GDP) ratio is tantamount to controlling its fiscal deficit ratio. It is not possible to influence the debt ratio without a firm grip on the fiscal deficit. This issue has been on the discussion table of late. The question is whether we should be obsessed with attaining a fiscal deficit of 3% or should we realistically look at achieving a debt-to-GDP ratio of around 60%. A notable point is that the fiscal deficit in itself may not be significant from the perspective of economic sustainability, but it is the most important component of future debt.

The fiscal deficit is financed mostly by borrowings by the central and state governments. These get added to the debt of the country. In India, typically, the debt ratio of the Centre is twice that of the states taken together. In 2023-24, for instance, the states had a debt-to-GDP ratio of 28.2%, while the Centre's was double that proportion, at 57.1%, taking the country's total to 85.3%.

It has been observed that the Centre's debt ratio increased sharply from 50.7% in 2019-20 to 60.7% in covid-year 2020-21, mainly on account of its fiscal deficit ratio doubling to 9.2% of GDP. A similar rise was observed for states, although their combined debt ratio rose less steeply, from 26.6% to 31.1%, with their deficit ratio rising from 2.6% to 4.1%. In years when the fiscal deficit ratio came down, the debt-to-GDP ratio also moved south, and vice-versa. It is certain that only when the fiscal deficit is reduced can the debt-to-GDP ratio come down.

What is open to discussion is whether India's fiscal deficit ratio should be 3% or 4%. As for debt, if we go by the latest norms set under the Fiscal Responsibility and Budget Management Act, the debt-to-GDP level should be 40% for the Centre and 20% for states, taking the combined figure to 60%.

Is a debt level of 60% reasonable? Globally, countries which issue currencies that are accepted for cross-border payments and are held as reserves by others have tended to sustain higher levels of debt. In 2023, US debt was 122% of GDP, while the UK's was 101%. Japan had the highest level of 252%. For the Eurozone, it was 89%. Within it, Germany was at 64%, while France and Italy had debt levels of 110% and 137%, respectively.

Switzerland had a ratio of just 38%. Among emerging markets, India's ratio is comparable with China's and Brazil's, which had 84% and 85%, respectively. South Africa's was 74%. This global picture makes a target of 60% appear too aggressive. Instead, a level of around 70-75% could be India's final goal, though the glide path towards it must take our development aims into account.

The broader issues that need attention relate to the attributes of government borrowing. For one, the quality of spending (done with partly borrowed money) needs to be fine-tuned to ensure the desired impact. It is true that money is fungible and it's hard to separate expenditure for economic purposes from general spending. But we need to set a target for what portion is deployed as capital expenditure, which can support further income generation and thus counts as better-quality spending.

Second, the tenure of borrowings is important. The government's tend-

ency has been to borrow for maturity periods of over 10 years. In 2023-24, over half its debt was in this bracket. While it helps to spread out repayments, these debt securities reside on the books for that much longer and become sticky elements over time in the government's outstanding debt.

The third issue relates to the cost of borrowing. Shorter tenures cost less and would be beneficial, as interest costs account for around 25% of the 2024-25 Union budget's aggregate outlay of ₹48.20 trillion.

So the debate is not really about targeting a 60% or 70% debt-to-GDP ratio versus a fiscal deficit ratio of 3% or 4%.

The real concern is that as we embark on a journey to lower the government's debt and deficit levels, its budget may run into a 'fiscal cliff.' This refers to a massive obstacle that confronts a government that borrows less to keep its deficit and debt in check, but also has substantial expenditure commitments. In our case, these would

QUICK READ

There has been talk of aiming for a lower debt level rather than obsessing over the fisc. But one is not possible without the other. The real question is how well the borrowed money is spent.

The government should raise the quality of its expenditure and ease its interest burden by shortening the tenure of its debt. Its real challenge, though, is to avoid running into a 'fiscal cliff.'

include subsidies, farmer payouts and various schemes, among other programmes. The Centre's fiscal deficit target for 2024-25 is set at ₹16.13 trillion, which amounts to a ratio of 4.9%. Assuming it reaches 4.5% next year and is reduced by half a percentage point in every subsequent year, with nominal GDP growth of 11%, the deficit will come down numerically to less than the 2024-25 level by 2027-28. To sustain inflation-adjusted outlays on social welfare, revenue growth must accelerate. This may prove hard, as optimal levels may already have been reached. In such a situation, it could be a challenge to rein back expenditure to get the country's fiscal and debt ratios down.

Understandably, improving India's fiscal parameters are a matter of concern. But, given the global context, our ratios are not out of sync with numbers in other countries. While lowering public debt will relieve the government of its debt-servicing burden and release funds for other developmental activities, the path taken should be cognizant of our particular economic conditions, with the Centre playing a major role in welfare and infrastructure development.

All considered, the path we are currently on appears appropriate. *These are the author's personal views.*



THEIR VIEW

MINT CURATOR

The global economy confronts yet another 'impossible trinity'

It may not be possible to simultaneously combat climate change, boost the rich world's middle class and reduce global poverty



DANI RODRIK is a professor of international political economy at Harvard Kennedy School, and the author of 'Straight Talk on Trade: Ideas for a Sane World Economy'.

I wrote a speculative article in 2000 on what I called "the political trilemma of the world economy." My claim was that advanced forms of globalization, the nation-state and mass politics could not coexist. Societies would eventually settle on (at most) two out of three. I suggested that it would be the nation-state that would give way in the long run. But not without a struggle. In the short term, the more likely consequence was that governments would seek to reassert national sovereignty, to address the distributive and governance challenges posed by globalization.

To my surprise, the trilemma proved to have long legs. My book *The Globalization Paradox*, published a decade later, developed the idea further. The concept of the trilemma has become a handy way to understand the backlash against hyper-globalization, Britain's exit from the European Union, the rise of the far right and the future of democracy in the EU, among other issues.

Lately, another trilemma has preoccupied me. This one is the disturbing possibility that it may be impossible simultaneously to combat climate change, boost the middle class in advanced economies and reduce global poverty. Under current policy trajectories, any combination of two goals appears to come at the expense of the third.

During the early post-war decades, policies in the developed and developing world alike emphasized economic growth and domestic social stability. The advanced economies built extensive welfare states, but also progressively opened their markets to poorer countries' exports, so long as the distributional and social consequences were manageable. The result was inclusive growth in rich countries, as well as significant poverty reduction in those developing countries that were pursuing the right policies.

Successful as this strategy was, it side-stepped the risks of climate change. Over time, the consequences of economic growth powered by fossil fuels have become increasingly difficult to ignore.

The post-war Keynesian-social democratic bargain in advanced economies was further undone by the internal contradictions generated by my original trilemma. As hyper-globalization replaced the earlier Bretton Woods model, labour markets in the advanced economies experienced greater disruption, undermining the middle class and democracy itself. Both of these developments required new strategies.

In the United States, President Joe Biden's administration has tackled these new realities head-on. It has broken new ground by promoting substantial investment in renewables and green industries to combat climate change. And it also deliberately aims to restore the middle class by



promoting labour's bargaining power, re-shoring manufacturing and creating jobs in regions that were badly hit by imports from China.

This new focus on climate and the middle class is long overdue. But what US and European policymakers see as a necessary response to the failures of neoliberalism looks, to poor countries, like an assault on their development prospects. The recent crop of industrial policies and other regulations are often discriminatory and threaten to keep out manufactured goods from developing countries.

Green subsidies in the US incentivize the use of domestic over imported inputs. The EU's carbon-pricing mechanism will soon require 'dirty' exporters from developing countries to pay additional tariffs. Governments in poor countries believe that such measures will sabotage their efforts to replicate East Asian nations' export-oriented industrialization.

We can imagine an alternative combination of policies that focus on poor countries and the climate. This would entail a large transfer of resources—financial and technological—from the North to the South, to ensure the requisite investments in climate adaptation and mitigation in the latter.

It would also require significantly greater access in the North's markets to goods, services and workers from the poor countries of the South, to enhance these workers' economic opportunities. This policy configuration is morally appealing; it would effectively apply the philosopher John Rawls' principles of justice on a global scale.

But here, too, the trilemma rears its ugly head. Such an approach would work at cross purposes with the imperative of rebuilding the middle class in advanced economies. It would create much greater competition for workers without college or professional degrees, driving down their wages. It would also reduce the fiscal resources available for

investment in their human capital and physical infrastructure.

Fortunately, some of these conflicts are more apparent than real. In particular, policymakers in advanced economies and poor countries alike need to understand that the vast majority of the remunerative middle-class jobs of the future will have to come from services, not manufacturing. And economic growth and poverty reduction in developing economies will be fuelled mainly by the creation of more productive jobs in their service sectors.

Labour-absorbing sectors such as care, retail, education and other personal services are non-traded for the most part. Promoting them does not

create trade tensions in the same way as in manufacturing industries. This means that the conflict between the middle-class imperative in rich economies and poor countries' growth imperative is less severe than meets the eye.

Similarly, it will be virtually impossible to address climate change without significant cooperation from developing countries. While emissions from the US and Europe have been declining, developing-country emissions are still rising, in some cases rapidly, and their contribution to global emissions (excluding China) will soon exceed 50%. Hence it is in rich countries' self-interest to promote green-transition policies that poor countries regard as part of their own growth strategies, not just as pure cost.

Climate change is an existential threat. A large and stable middle class is the foundation of liberal democracies. And reducing global poverty is a moral imperative. It would be alarming if we had to abandon any of these three goals. Yet our current policy framework imposes, implicitly but forcefully, a trilemma that appears difficult to overcome. A successful post-neoliberal transition requires us to formulate new policies that put these trade-offs behind us. ©2024/PROJECT SYNDICATE

QUICK READ

Can we tackle climate change and poverty while shoring up the middle-class in rich economies? Policy trajectories suggest any combination of two goals may be at the expense of the third.

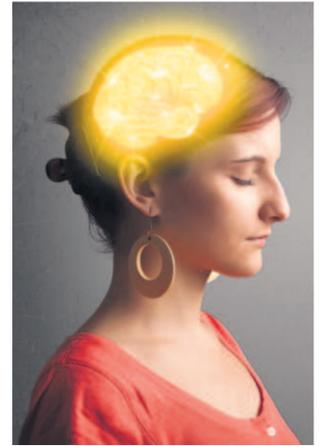
It would be alarming, however, if any of these three important goals had to be abandoned. The world needs to formulate new policies that will enable us to overcome troubling trade-offs.

How pregnancy affects one's brain is finally being studied

A long neglected field of research is yielding startling revelations



LISA JARVIS is a Bloomberg Opinion columnist covering biotech, health care and the pharmaceutical industry.



The human brain undergoes dramatic changes during pregnancy. ISTOCKPHOTO

'Pregnancy brain' is often treated as a punchline, but a new study shows it's a stunning metamorphosis that scientists are just beginning to grasp—potentially unlocking new knowledge about pregnancy complications and the amazing plasticity of our most complex organ. The research, published today in *Nature Neuroscience*, offers the first detailed look at the incredible transformation of the human brain during pregnancy.

"Pregnancy is like a stress test for the body," says Emily Jacobs, director of University of California, Santa Barbara's Ann S. Bowers Women's Brain Health Initiative, and a co-author on study. The massive changes include shifts in hormone levels and the immune system, and more work for organs like the heart and kidneys. Yet, to date little has been known about the details of brain changes. Jacobs points out that less than 0.5% of the 50,000 brain imaging studies published since the 1990s specifically focus on women's health.

The previous studies we have, while early steps in this field of maternal brain mapping, only captured images of the brain before and after childbirth (with one recent large study also getting a third trimester peek). The UC researchers went far further. MRIs were conducted before conception, every few weeks during gestation, and two years after birth for a total of 26 scans—offering a more comprehensive picture of the brain's transformation during and after pregnancy.

"This approach captures subtle neural variations that might otherwise go unnoticed, enhancing our comprehension of brain adaptations during this critical period," Ann-Marie de Lange, head of FemiLab at Lausanne University Hospital in Switzerland, said in an email.

Indeed, researchers found what prior research would have missed: a metamorphosis driven by hormonal fluctuations, with some changes in the brain returning to baseline by birth and others persisting for years after. Most strikingly, nearly all parts of the cortex showed a reduction in grey matter, the tissue responsible for processing and interpreting information, commanding things like movement and memory. It persisted for years after birth.

That might sound alarming. The part of the brain responsible for processing is... shrinking? Jacobs compares the transformation to Michelangelo sitting before a block of marble. "The underlying beauty is revealed through the art of removal, carefully honing and fine tuning the material." In other words, this amazing display of

neuroplasticity could potentially represent not a loss of function, but a gain in efficiency as women prepare for parenthood. It's an exercise in cortical refinement that the brain undertakes at a few distinct stages of a woman's life—adolescence, matrescence and again during menopause.

They also found transient increases in the quality of connections in the brain tissue known as white matter, peaking in the second and third trimester before returning to baseline at birth. We'll need more research to tell us what this metamorphosis means for human behaviour. Animal scans have linked certain brain changes to a mother's sensitivity to smells and sounds from her newborns and maternal behaviour like nest building and grooming.

"Humans are way more complicated," Jacobs says, and parental behaviour manifests in partners, grandparents, adoptive parents and others. The UC team has already captured biweekly snapshots of the brains of seven more pregnant women and plans to recruit up to 20 people. Eventually, more than 200 first-time mothers will be followed monthly. The hope is to illuminate changes in the brain during pregnancy across women from many walks of life to help scientists better understand the underlying mechanisms of and risks for conditions like preeclampsia, migraines and postpartum depression. Researchers will need to look not only at the anatomical changes in the brain, but study the vascular and functional ones, says Joana Pinto, a neuroimaging expert who leads Oxford's Maternal Brain Project.

Preeclampsia is a dangerous condition typically marked by soaring blood pressure. All pregnant women experience increased blood flow to the brain during pregnancy, but something goes awry in women with preeclampsia, explains Pinto.

Women's health has been understudied for far too long. "Thankfully, there's growing understanding that these fluctuations play a dynamic role in brain structure and function, and that findings based on male participants do not necessarily apply to women—we are not just smaller versions of men," says de Lange.

Studies like this one are critical to closing the egregious knowledge gap in the field of neurobiology—and in medicine overall. ©BLOOMBERG

MY VIEW | PEN DRIVE

Uniform civil code: What's symmetry got to do with it?

ARESH SHIRALI



is editor, Mint Views.

Open days onwards, all the way into this Age of AI, symmetry has held us under an aesthetic spell. It's mostly about beauty, what poets call truth, but it is also a concept in math. In a blurry mix of grief and awe after I lost my mathematician father recently, I asked OpenAI's chatbot about the big head-spinner he shared credit for: The Shirali-Ford Theorem. ChatGPT said something foxing about what makes a "real linear algebra" a "division algebra." An itchy thumb asked MetaAI next. It spoke mysteriously, though at least in English without Greek squiggles, of a graph and its ability to take on all values between two points in its range. My added grasp of college math will not allow me to grade chatbots, but what AI-aided Google put into a nutshell left me struck. "...hermitian implies symmetry." That did it. The idea of a test for Generative AI began to buzz around till the point of haunting me.

Almost every chat with a chatbot whets my hunch that no matter how smart AI gets,

and even if bots begin to view humans "like we see ants," to cite a Chinese academic's caution, or start impressing us with flashes of 'wisdom,' as science-fiction envisions, it would let us down on complex matters of deep consequence. Like human affairs, in general. Or the vexed question of Indian family laws in particular.

Here's what struck me: One could bet AI won't be able to help India find a consensus on a "secular civil code," no matter how comprehensively it is fed with data on marriage, divorce and inheritance.

Yet, it's not as if this is a doomed project for, say, a legislative bot dreamt up by legal eagles to take up. After all, a key challenge we face is one of symmetry: Equality as a basic right demands that we address gender asymmetry—or skewness. And to the extent AI has some mastery over stuff that uses concepts from axiomatic math, its chances need not be negligible. Hence, for whatever it's worth, here's my GenAI prompt:

Inheritance: Under succession laws, we inherit what's willed in bequests. This makes sense. But should it fall upon the state to split assets among inheritors, then even-handed justice calls for equity to prevail over various forms of man-made asymmetry.

Divorce: Apart from male and female agency needing to be at par, it's not always obvious what aligns well with the equality that "We the People" pledged to secure. Take alimony. Are monthly transfers better than, say, pre-nuptial deals that promise a lump-sum adjusted for inflation? What would a global study of all pre-nups show? And when will India acquire the fiscal space to offer divorced dependents a safety net?

Marriage: Even more research will be needed before we frame rules for this public memo on the most private of human relations: conjugal. Low levels of recourse to India's Special Marriages Act and the Supreme Court's recent refusal to widen this law's ambit to cover a wider spectrum of sexuality reveal the power of inherited norms.

Taken as a sacrament, bond or seal of love, the typical Indian wedding invokes divine blessings. For most, it's a religious event.

To mull marriage, does the likely path taken by our evolution hold any relevance? Christopher Ryan and Cacilda Jetha's *Sex at Dawn* holds up exhibits of anthropology that speak of a 'wild' lifestyle, polyamory and all, before the advent of farming. If this book has a leftish whiff, given the role it assigns private property in curbing female agency for the sake of lineage trails (to pass assets along), try David Baker's *The Shortest History of Sex*. Focused on facts, it also notes evidence of pre-historic sexual diversity.

Any unbiased look back at *sapiens* sexuality would argue it's far too intimate for rigid regulation.

That's an argument of 'nature.' But what about 'nurture' and the human urge to be better beings? Even if our marital codes were originally forged by the need for asset control, then as creatures of a capitalist zoo today, we'd have little or no incentive to undo marriage as a social institution (sorry, Groucho Marx).

QUICK READ

One can bet AI won't be able to help India find a consensus on a secular civil code, no matter how well it's fed with data on marriage, divorce and inheritance. Yet, it's not as if its chances are nil.

Symmetry, as in gender parity, sounds like an aim mathematical enough to set for an AI bot. Even so, it's hard to quell the hunch that such complex human stuff is beyond this technology's ken.

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

New code, old capacity

Success of reframed criminal laws will hinge on plugging infrastructure deficits and knowledge gaps



MAJA DARUWALA

THERE HAS BEEN many a furrowed brow and heavy hand on the pen about whether there was a need for a new criminal code, the abbreviated legislative process of its enactment and the content of the Bharatiya Nyaya Sanhita (BNS), Bharatiya Nagarik Suraksha Sanhita (BNSS), and the Bharatiya Sakshya Adhiniyam (BSA). They replace the longstanding IPC, CrP, and Evidence Act with the stated intention "to safeguard the rights of the public and to eliminate obstacles in the people's access to those rights" and "adapt them according to present-day needs". The question now is how to give effect to these new mandates. That remains a matter of immense disquiet.

One of the ambitious aspects of the new laws is the emphasis on speeding up trials. Judgments must now be delivered within 45 days after trial completion, and charges must be framed within 60 days of the first hearing. This raises concerns about the system's preparedness to cope with the stringent timelines. National Judicial Data Grid (NJDG) data show that 5.1 crore cases are pending across all courts. The workload that averaged 2,391 per judge in 2022 has gone up to 2,474 in 2024. This means trials take longer. The cascading effect is seen in the number of people being held in prisons while awaiting trial or investigation. Between 2020 and 2022, the number of undertrials has gone up from 3.7 lakh to 4.2 lakh.

Concerned that prisoners must be afforded more opportunity for bail, the BNSS now extends the provision of bail, as provided under CrPC's Section 436A, to allow first-time offenders who have served a third of their sentence to apply for bail. Earlier, this provision, known in the jargon as the "statutory right to bail", kicked in only after an undertrial had served half of the maximum period of imprisonment. Policy-wise, this shortening of time is welcome. Practice, however, indicates a considerable laxness across the justice system in ensuring that "bail not jail" is a reality, or that the judicial maxim that holds life and liberty "paramount" is honoured.

Several safeguards against unjust incarceration exist within the system. To mention a few — free legal aid and prison visiting lawyers for anyone without representation,

undertrial review committees that recommend which inmates could be given bail; State Human Rights Commissions whose members can visit jails anytime to see if there are overstays. However, to come close to making intention a reality — leaving out, for a moment, issues of quality and infrastructure — the entire system, from police to legal aid to the judiciary, will need significant increases in numbers. The India Justice Report records a 21 per cent vacancy in lower courts and a 30 per cent vacancy in high courts. In other words, one in three judges is missing from the bench. Every increase in the number of judges will require a bump up in physical infrastructure and supporting administrative manpower and machinery. Between 2022-23 and 2023-24, budgets for the judiciary have increased but not in proportion to increases in state GDP, nor have they kept up with inflation. A cost-benefit analysis that measures the cost of increasing human resources and infrastructure against the administrative cost of lengthening trials and incarceration seems imperative.

The BNSS also mandates that statements of victims in sexual violence cases must be recorded in the presence of female police officers and must be videographed. It's uncertain how many complainants would want to be recorded, what that means for privacy if she agrees and what that means for the continuation of the complaint if she refuses.

The mandate assumes women may be more likely to report complaints if a woman is present, though evidence for this is uncertain. Serious logistical challenges are more certain. Despite the sharp rise in gender-based violence cases, only a small percentage of women officers are at ranks qualified to take statements — 80 per cent of women police personnel are in the constabulary. The growing press of cases on a small number of officers can stunt the willingness of victims to come forward and jeopardise the nascent trust being built between victims and law enforcement.

The new laws also mandate forensic investigations for crimes punishable by seven years or more and videography for search and seizures. Failure to comply with these strict requirements can have significant conse-

quences at trial. Chargesheets could be rendered invalid and courts can dismiss cases or exclude evidence if proper procedures are not followed. This is how it should be. The move from coercion towards more rigorous evidence-based law enforcement must be welcomed. However, current capacities to assist law enforcement are wanting by a long measure — a chronic shortage of labs and trained forensic professionals, inadequate infrastructure, mismatches between human resources, equipment and demands from the ground, and of course underfunding. This situation could be exacerbated by the recent legal mandates despite the government's launch of the National Forensic Infrastructure Enhancement Scheme, which aims to inject Rs 2,254 crore for upgrading and expanding forensic capacities.

The embrace of technology assumes that electronic evidence presented in court is tamper-proof and that the chain of evidence has remained intact as it passes from hand to hand over time. Standards to ensure that the integrity of all kinds of evidence has been maintained will need to be overhauled with rapid changes in technology. Judges will need to be upskilled to be able to provide reasoned decisions for accepting or rejecting its authenticity. They do have the benefit of relying on experts who must be independent, qualified, and available for cross-examination that tests their conclusions.

The success of the new laws hinges on more than addressing structural deficits. It requires comprehensive, across-the-board training to upgrade quality and knowledge and change mindsets. Decades of neglect in training infrastructure requires urgent correction, ensuring that all stakeholders — police, forensic personnel, public prosecutors, defence counsel, and judges — are equipped to apply the law with utmost fairness.

Without urgent attention to these foundational issues, the promise of a faster, more accessible and equitable criminal justice system will wither on the vine.

The writer is Chief Editor, India Justice Report and Senior Advisor, Commonwealth Human Rights Initiative

THE FED'S PIVOT

US central bank cuts rates as inflation moderates, unemployment rises. Its reverberations will be felt across economies

IN ITS SEPTEMBER meeting, the US Federal Reserve has begun to ease policy, cutting interest rates by 50 basis points. The federal funds rate is now in the range of 4.75 to 5 per cent. The Fed's policy pivot follows other central banks who have in recent months started lowering rates — the European Central Bank has now cut interest rates twice, while the Bank of England cut rates in August. This, however, marks only the beginning of the rate cut cycle. The Fed's dot plot indicates further easing of 50 basis points by the end of this year. Additional cuts are expected in 2025 and 2026.

The quantum of the cut indicates that the Fed is comfortable with the trajectory of prices. The committee said that it had "greater confidence" that inflation was moving towards its target. CPI inflation has fallen to 2.5 per cent in August. As per the projections by Fed officials, as measured by the personal consumption expenditures index, inflation is expected to fall to 2.3 per cent in 2024, and further to 2.1 per cent in 2025. The cut also suggests that the Fed's focus has now shifted to employment. It noted that the "unemployment rate has moved up", though it "remains low". The unemployment rate, which stood at 3.7 per cent at the beginning of this year, has risen to 4.2 per cent in August, and is expected to rise further to 4.4 per cent this year, pointing to weakness in the labour market. There are expectations that quick action by the Fed could ensure a soft landing for the economy. When the Fed had begun to raise rates in 2022 to fight inflation, some had argued that the central bank should have raised rates earlier, that it was behind the curve. This time, too, similar concerns have been voiced, with some pointing out that, considering the signs of weakness in the labour market, policy action should have come earlier. Jerome Powell, Fed Chairman, sought to address these concerns, saying "We do not think we're behind, we think this is timely". He sought to underline the strength of the US economy, saying that it was in good shape and "growing at a solid pace".

The reverberations of the Fed's policy action will be felt across economies. The Bank of Indonesia cut its interest rate just a few hours before the Fed's policy. In India, the next meeting of the RBI's monetary policy committee is scheduled to be held on October 7-9. In committee meetings in the past, there has been dissent on maintaining the status quo, with two external members voting in favour of changing the policy stance and for cutting rates. According to reports, three new external members on the committee are expected to be appointed this month. Members' assessments of the domestic and global scenario, their expectations of the domestic growth-inflation dynamics, will determine the path of monetary policy.

DIVIDING WATER

Indus Water Treaty has survived war, terrorism. Both India and Pakistan need to tread cautiously

NEW DELHI HAS followed up last year's notice to Islamabad on the "modification" of the Indus Waters Treaty (IWT) with a stern message asking for a "review and modification" of the more than six-decade-old agreement.

The two countries have a longstanding dispute over two run-of-the-river power projects — the fully operational Kishanganga on the Jhelum, and the under-construction Ratle project on the Chenab. IWT asks India to "let flow" the waters of these western rivers to Pakistan. At the same time, the Treaty allows India to use these rivers' waters for non-consumptive purposes, including projects that use the natural flow of these water bodies. Pakistan, however, has objected to these projects, despite the Hague-based Permanent Court of Arbitration (PCA) giving India a go-ahead for Kishanganga. Islamabad has also refused intergovernmental negotiations. Mediation by a World Bank-appointed neutral expert would have been the next step under the IWT's dispute resolution mechanism. Pakistan had indeed requested such an arbitration in 2015. However, it retracted the application a year later and the Bank too "paused" its intervention, asking Pakistan to seek an "amicable way out". Then, in July last year, the PCA intervened and said it has the "competence" to adjudicate on Kishanganga and Ratle. India disagreed on the ground that the next step under the IWT's graded approach should be mediation by a neutral expert — not by the Hague-based body.

A large part of Delhi's latest claim pertains to the role India assigns to renewable energy in its climate action plans. The 850-MW Ratle hydroelectric project is a part of its approach. Ratle's employment-generating capacity too cannot be understated. New Delhi's notice to Islamabad emphasises "the need to accelerate development of clean energy to meet emission targets". The IWT provides for "modification from time to time". But the two countries should continue to safeguard the spirit of cooperation underlined in the treaty. Climate change, in fact, has amplified the IWT's underlying principle — water doesn't recognise national borders and upper riparians have a responsibility to lower riparians.

If Islamabad has been intransigent, New Delhi has not always fully upheld the IWT's spirit. After the Uri attack, Prime Minister Narendra Modi said: "Blood and water cannot flow together". India has legitimate ecological and economic concerns but talks on an energy-sharing agreement, which should have been the next step to IWT, have proved a non-starter. IWT has withstood war and terrorism. Both India and Pakistan should make efforts to protect the treaty in times of myriad ecological crises.

GOING PLACES

This year's Booker Prize shortlist features an unprecedented number of women. That's as it should be

IN 1991, WHEN the Booker Prize shortlist was announced, it featured no women. It was a year when a significant percentage of books published had been by women; the year when the Nobel Prize for Literature had gone to a woman, Nadine Gordimer, for the first time in 25 years. That the statistics were skewed against women was a given but the extent of it troubled several writers, publishers, agents and editors enough to institute an award for women five years later. The Women's Prize has grown to be one of the most prestigious annual prizes but it is also a reminder of the gendered reading of literature.

The 2024 Booker Prize shortlist, therefore, comes as a happy exception: It has five women on it for the first time in its 55-year-old history — Anne Michaels (*Held*), Rachel Kushner (*Creation Lake*), Samantha Harvey (*Orbital*), Yael Van Der Wouden (*The Safekeep*) and Charlotte Wood (*Stone Yard Devotional*). The only man on the list is Percival Everett for *James*. Over the years, international literary awards such as the Nobel and the Booker have attempted to become more diverse and representative, even though equality seems to be a long way off. Of the 116 Literature Nobels awarded between 1901 and 2023, only 17 have gone to women writers. The Booker Prize, too, has had a similar trajectory.

At the heart of this anomaly is the way in which literature by men and women is received. Women's literature is seen as what Nobel Laureate and Booker winner VS Naipaul had dismissed as "sentimentality, the narrow view of the world" in 2011 — a smaller canvas against the purportedly wider scope of male writing. Books by women are ghettoised variously as "chick lit" and "women's writing", reducing them to subsets of the larger world of male writing. And yet, in their world building or their interiority, there is little that sets apart male and female writers. The difference, then, is only in attitude. As Margaret Atwood once put it: "When a man writes about things like doing the dishes, it's realism; when a woman does it, it's an unfortunate genetic limitation."

THE ILLUSION OF EQUALITY

The point is — it feels great to be treated as special in crowded spaces



DEVDUTT PATTANAİK

THAT GOD TREATS all humans equally is an Islamic and Christian belief, not a Hindu, Buddhist or Jain one. Certainly not a Chinese or Japanese one. This idea of equality shaped the Enlightenment discourse and gave rise to ideas like nation-state and individualism. French revolutionaries spoke of equality and freedom in the same breath. It spread to all corners of the world through colonial forces and is now considered a global discourse. Equality sounds good — in theory.

Hinduism has been accused of amplifying inequality using caste. Even in urban ecosystems, where caste is not prioritised, we see amplification of class divides in Hindu temples and festivals. The rich, the powerful, the popular, the connected get easier access to the deity enshrined in a temple or a pandal. This has been amply evident in the Ganesh celebrations in Mumbai in recent years. If you point this out, you become a liberal person, one who frowns upon inequality. Never mind the fact that the opinion makers often use their own wealth, power, celebrity status and networks to get easy access to crowded shrines. The VIP line. The VIP pavilion.

There is generally no segregation of women in Hindu temples. Nothing on the scale that is visible in Muslim communities. In the mosques and on the streets, during Friday prayers, and during Eid, we see images of hundreds of men. Women, when seen, are hidden behind masks. In recent times, the masks are becoming more and

IN GOOD FAITH

Human beings are competitive. And competition implies inequality. There is always someone higher and lower than us. Society creates scales to enable measurement and comparison. And we would rather be up than down. We want to live in better neighbourhoods. We want our Instagram posts to get more likes. The rich want to feel rich, the powerful want to feel powerful, and the famous want to feel powerful, and the only way to do that is to get a spot ahead in the queue.

more homogenous across Islamic nations that wish to stamp out local differences. Thus all women appear equally masked.

Buddhism is believed to be egalitarian. But then, as many neo-converts have noticed, it privileges the male monk over the nun. There is no equality between the many Buddhist sects.

In Bhutan, the happiest nation in the world, only the king is allowed to wear a yellow stole, and the people are told what clothes they must wear in public. So they all appear as belonging to a single group — and distinguish themselves from the non-Bhutanese.

At celebrity weddings of the rich and famous where parties go on for months, segregation is clearly established by who is invited to which party. Bands on wrists tell guests which areas they can access. The more famous you are, the richer you are, the closer you get to the host. You get access to private lounges, where special food is prepared for the special people. But since this is a private function, not a religious one, this is acceptable. Like service lifts and staff toilets in building societies. We can rationalise inequality by using words like efficiency.

The idea of equality has played a key role in shaping societies since the World Wars. People have challenged oppression based on race, caste and gender. Women know they deserve the same opportunities as men. LGBTQIA+ people seek the same rights as their heterosexual counterparts. Black men

and women demand the same opportunities as White folks in America.

Positive discrimination is aimed at reducing inequality in society. Increasingly, however, the equality discourse is being challenged — we now have movements that reject the idea of merit, that challenge common understandings of gender. People are wondering why pride parades are being blocked in Muslim neighbourhoods in Europe and America, why tribal communities are expected to follow the practices of dominant communities around the world. Not every tribe believes in Judgement Day.

Human beings are competitive. And competition implies inequality. There is always someone higher and lower than us. Society creates scales to enable measurement and comparison. And we would rather be up than down. We want our children to go to better schools. We want to live in better neighbourhoods. We want our Instagram posts to get more likes. The rich want to feel rich, the powerful want to feel powerful, the famous want to feel powerful, and the only way to do that is to get a spot ahead in the queue. This applies to work, life and religious spaces. We can rationalise this using politics and economics, or spiritual ideas like karma. The point is — it feels great to be treated as special in crowded spaces. That is why even myths of heaven and hell have levels.

Pattanaik is a writer and mythologist

SEPTEMBER 20, 1984, FORTY YEARS AGO

CONGRESS MP EXPELLED

F M KHAN, MP, who undertook a fast at the AICC(1) headquarters recently to protest against the raw deal given to loyalists by the Congress (I) leadership, was summarily expelled from the party for "gross indiscipline and anti-party activity". The expulsion is seen as a major bid by the party leadership to crush a possible revolt by the followers of Sanjay Gandhi who have been sidelined ever since Rajiv Gandhi took over the reigns of the party.

Programme has evoked the Indian government's wrath over the defection of three senior officials of Ariana Afghan airlines in New Delhi. Reports said that the three officials pulled the shutters on the airline offices, went to the UN agency's office in New Delhi and succeeded in getting certificates ensuring refugee status for themselves and their families.

AKALI DAL MEET

THE AKALI DAL reached a consensus that the Shiromani Gurdwara Parbandhak Committee (SGPC) should not accept any condition imposed by the government for taking control of the Golden Temple complex from the army.

About 60 Akali leaders, including district presidents, legislators and other special invitees attended the meeting, which discussed the launching of the march on October 1 to liberate the Golden Temple complex.

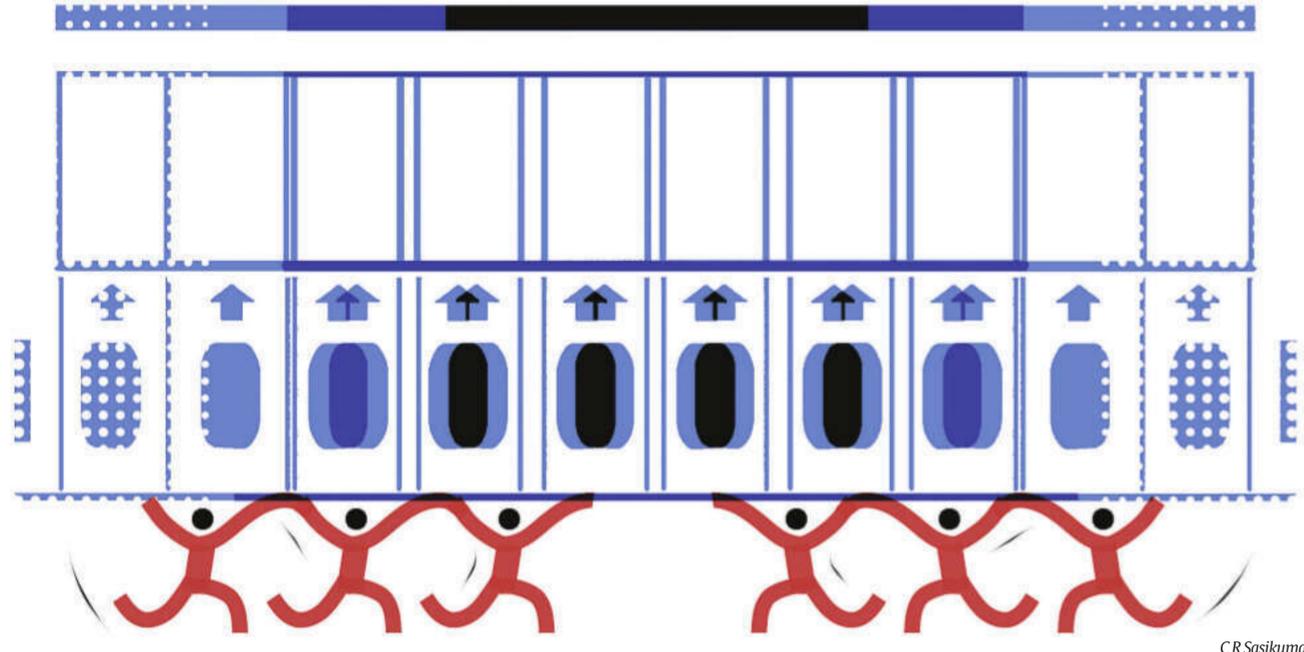
YOUTH CONGRESS CRISIS

THE DELHI PRADESH Youth Congress (I) is in the throes of a crisis. A convention of Delhi Pradesh Youth Congress (I) functionaries has been called by general secretary Shadi Lal to discuss the leadership issue. The convention has been called against the wishes of the Delhi Youth Congress (I) president, Brahm Yadav, who is sought to be ousted.



DIS/AGREE
THE BEST OF BOTH SIDES

A fortnightly column, which offers not this-versus-that, but the best of both sides, to inform the debate



C R Sasikumar

This week, Cabinet approved the One Nation, One Election proposal. Is it an idea whose time has come or a move to flatten India's diversity, undermine federalism?

For a more efficient democracy

Simultaneous polls will reduce burden on voter, lessen election expenditure



RAVI SHANKAR PRASAD

IT HAS BEEN 77 years since India gained Independence. The country's democratic journey has seen ups and downs and a serious aberration when Emergency was imposed and rights were curtailed. However, overall, the people of India have justified the trust reposed in them by the makers of the Constitution — that is, every Indian citizen regardless of caste, religion, gender, community or educational qualification shall vote in the election. Many problems clouded the election process — money power, booth capturing, abuse of government machinery, etc — but over the years, changes were made, technology was used and concerns were addressed. Indian democracy became stronger. Today, people know they can unseat any government at the Centre or the state through their vote.

We need to continuously strengthen our democracy so that it reflects the popular will and simultaneously, reduces problems for the administration and Election Commission (EC). Rising expenditure and the convenience of voters must be kept in mind. The Union Cabinet's decision to accept the report of the committee headed by former President Ram Nath Kovind recommending One Nation, One Election is not only welcome but represents one of the most significant steps in the pursuit of making our democracy more meaningful and vibrant.

There were simultaneous elections to the Lok Sabha and Vidhan Sabha from the first general election in 1952 till 1967. Prime Minister Indira Gandhi opted for mid-term polls in 1971, followed by the dissolution of various assemblies and the imposition of President's Rule from time to time, all of which led to incongruities in election schedules. Today, there are, on average, five elections every year. Take 2024. In April-May, there was the Lok Sabha election, currently, elections are being held in Jammu and Kashmir and Haryana, closely followed by Maharashtra and Jharkhand. These will be followed early next year by an election in Delhi, followed by Bihar and then West Bengal and Uttar Pradesh.

Due to the imposition of the Model Code of Conduct (MCC), development work stops. Huge expenditure is involved and a particular state election also impacts development projects at the national level. Our country remains in election mode every year and negative or positive verdicts in a particular state

also impact the stability of the polity as a whole. In Haryana and J&K, the MCC was in place during the general elections just months ago, and it is in effect once more now. Therefore, frequent elections cause inconvenience to the voters.

EC recommendations (1983), Law Commission Reports (1999/2018), the Constitution Review Commission report (2002), the parliamentary standing committee and Niti Aayog have all emphasised the need to hold simultaneous elections.

Prime Minister Narendra Modi and Home Minister Amit Shah must be complimented for constituting a high-level Committee to study and report on simultaneous elections. Former President Kovind did a remarkable job. There was an elaborate consultation process. From the report, it is evident that four retired Chief Justices of India, dozens of other judges and retired high court chief justices, former chief election commissioners and other stakeholders, including political parties, were consulted. A majority of political parties supported the proposals. The report considers constitutional and legal issues, several relevant judgments and how simultaneous elections are held in different democracies.

The Committee has proposed various amendments to Articles 83 and 172, as well as the addition of Article 82A. The sum and substance of the amendment is that if the

Due to the imposition of the Model Code of Conduct, development work stops. Huge expenditure is involved; a state election also impacts development projects at the national level. It impacts the stability of the polity as a whole.

Lok Sabha is dissolved before the full term of five years and if an election is held, it will be only for the balance period of five years. Further, under the proposed amendment 82A, the President on the date of the first sitting of the House of the People after the general election will bring into force Article 82A by a notification and the date of the notification will be the appointed date. All the Vidhan Sabhas constituted in any general election held after the appointed date shall come to an end on the expiry of the five-year term of the Lok Sabha.

This amendment can be made by Parliament and may not need ratification by state assemblies.

There are also other salutary provisions to make the task workable. The Committee has recommended that all the political parties should agree to make simultaneous polls effective from 2029. It has also emphasised the need for simultaneous polls for municipal corporations, and panchayats within 100 days of the Lok Sabha polls. There should be one common voter list for all polls. For municipal and panchayat elections, the Committee has proposed amendments to the Constitution, which would need ratification by 50 per cent of state assemblies.

One nation, One Election will be the biggest tool in making our democracy effective, vibrant and participative.

The writer is an MP, Senior Advocate at the Supreme Court and a former Union minister

Must be challenged in House and Court

The Kovind Committee report usurps the role of Election Commission, does not reflect the concerns of states



MANURAJ SHUNMUGASUNDARAM

EARLIER THIS WEEK, the Union cabinet met to approve the proposal for One Nation, One Election as laid out by a High-Level Committee headed by former President of India Ram Nath Kovind. The Committee had recommended a two-stage process with elections to the House of the People and state legislative assemblies held together followed by elections to the panchayats and municipal corporations. Though the pros and cons of simultaneous elections have been discussed since when it was first mooted in 2017, the modalities of this exercise along with the constitutionality of such a policy will now need to be analysed. The future of our democracy will be determined by whether the policy of holding simultaneous elections now passes the test of Parliament, constitutional courts or public opinion.

The notion of simultaneous elections was never part of the original constitutional scheme that was set up when India became independent. There was no mention of simultaneous elections, even when the Constituent Assembly discussed extraordinary powers — under Emergency Provisions of the Constitution — providing the President of India with the authority to dissolve elected state governments. It is only fair to conclude that simultaneous elections did not seem logical, prudent or in consonance with our democratic architecture, even for a fledgling republic in 1950.

The first serious signals of holding simultaneous elections emerged from the President's Address delivered by Pranab Mukherjee on the eve of Republic Day in 2017. In the speech, the then President, speaking for the Union government led by Prime Minister Narendra Modi, called for a "constructive debate on electoral reforms" and a "return to the practice of the early decades after Independence when elections to Lok Sabha and state assemblies were held simultaneously". However, the President went on to say that it "is for the Election Commission to take this exercise forward in consultation with political parties". In contrast, in its second term, the Union government under PM Modi usurped this power from the Election Commission and appointed a High-Level Committee to look into the issue.

The very idea of free and fair elections is at stake and it is a matter of deep concern and considerable anxiety, related to the Constitution's Basic Structure, that the fundamentals of the country's election process are being modified by a committee set up by the government, not the Election Commission of India. It remains to be seen whether the Election Commission, a constitutional authority created to be independent of political regimes, will fight for its constitutionally guaranteed space or meekly give in to the whims of the executive.

Dehors the role of the Election Commission of India, the High-Level Committee itself must be questioned for the very fact that it did not represent India's diversity, it didn't reflect the concerns of states and failed to have the expertise required to understand the constitutional and legal issues attendant to this issue. The proposed scheme of recommendations of the High-Level Committee states that a two-step process should be adopted. In the first step, simultaneous elections to the House of the People (Lok Sabha) and state legislative assemblies must be held and the second step — which needs to take place within a hundred days — would include elections to all rural and urban local bodies.

This scheme further proposes that in case governments are dissolved before the completion of their full term, a separate mid-term election should be conducted to put in place a government only for the unexpired period — what remains of the full term. Such a commitment is egregious coming from a Union government that dissolved the elected state government of Jammu and Kashmir in 2018 and did not hold elections for more than five years. Equally outrageous claims are made in the scheme that amendments concerning the term of the state legislative assemblies under Article 172 of the Constitution can be carried out without the ratification of states.

It is expected that the scheme, in its entirety and for several of its contravening portions, would be challenged in courtrooms across the country. However, the strongest challenge must emanate from the halls of Parliament and ultimately, the arena of public opinion. The bills seeking amendments to the Constitution and the Representation of People Act ought to bring out the best in our parliamentary processes. This is not the time for grandstanding or sloganeering. All political parties and persons who are indebted to the diversity of the country and the federal structure of the Constitution must speak in one voice against simultaneous elections. The future of free and fair elections is at stake.

The writer is spokesperson, Dravida Munnetra Kazhagam and an advocate practising before the High Court of Madras

WHAT THE OTHERS SAY

"Israel has sent mixed signals, saying it does not want war, but is ready to confront Hezbollah; Sunday's pager blasts did not seem like a peace offering. Israel can fire the first shot in a new regional war, but where such a conflagration leads will be in no one's control."
— DAWN, PAKISTAN

The legacy of Paris 2024

Olympic and Paralympic Games were a display of audacity, ambition and unity. India, bidding to host the 2036 Games, can carry forward the spirit



THIERRY MATHOU

THE PARIS OLYMPIC and Paralympic Games 2024 ended a few days ago. The Games were not just an occasion to witness records breaking, including the remarkable achievements of the Indian para-athletes' delegation. They will also be remembered in history as one of the most inclusive, diverse and sustainable sports events.

From the opening ceremony on the Seine, the first ever to be held beyond the walls of a stadium, to the last parade, which took place on September 14, the Paris 2024 Games gathered, physically and virtually, hundreds of millions of sports fans. Athletes and para-athletes have made history in iconic venues in France such as the Eiffel Tower and the Grand Palais in Paris, the Palace of Versailles, as well as in the French overseas territories. Throughout this sporting extravaganza, some remarkable moments will be remembered: The triumphant comeback of Simone Biles in women's gymnastics, the new world record of Armand Duplantis in men's pole vault, French swimming superstar Léon Marchand's four gold medals, or Harvinder Singh's gold medal in men's para archery — the first ever for India in this sport.

The Paris 2024 Games were watched by almost a billion people across the world, including in India where the Alliances Françaises network had deployed "fan zones" across the country. The Games were an "unprecedented success" with over 12 million tickets sold, surpassing the previous record set in London 2012. Over a million people thronged the streets of Paris to witness the bike race, and millions more gathered in free "fan zones" across the country.

Nonetheless, the greatest success of these Games extends beyond the field of sports. In spite of the best tally of medals that French athletes and para-athletes have ever won, the legacy of Paris 2024 will lie, above all, in its contribution to a more diverse, tolerant, inclusive and sustainable society.

The Games have been a great catalyst for adapting society to persons with disabilities. One thousand seven hundred and fifty "inclusive clubs" were created in France before the Games to develop para sports and to train more para-athletes — the objective is to create 3,000 of these clubs by the end of 2025. The Games have also been an occasion to invest in the accessibility of the main sport facilities as well as to take concrete measures to facilitate the mobility of spectators with disabilities: Hundred per cent of the bus and tram networks in Paris were made wheelchair-friendly, the national railway company and the main airports doubled the number of available wheelchairs, 1,000 taxis were made available, among other measures.

The Games have also shown that sport has a much broader role to play in our society — to foster unity and encourage people

to better accept differences. For instance, Paris 2024 was marked by a picture of North and South Korean athletes standing together, as well as by the words of the Indian para-athlete Sheetal Devi after her incredible comeback to win a bronze medal: "When I started playing, no one knew me. Now the entire world knows me — they know who Sheetal Devi is, and I am proud of that." These images, these words, will definitely leave a mark on our society.

The role of sports in strengthening health and preventing illnesses has also been put forward. The Games have been an occasion to further develop sports in French schools (30 minutes of sports have been added to the daily programme of elementary schools), as well as to reach new publics with "sports dating" everywhere in France, along with swimming projects and investment programmes throughout the country.

Sustainability has been a key priority during the Games and will remain one of their main legacies. Paris 2024 will create a long-lasting heritage in our cities. Two thousand French companies have been involved in the Games to ensure sustainability. Four thousand apartments in La Seine-Saint-Denis will be turned into a new neighbourhood and the new Olympic aquatic centre, built in the north of Paris, will be turned into a green park for the public. The Games will accelerate the eco-transition of many facilities and places: The cleaning of the Seine will probably be remembered as one of the most relevant examples. The Paris 2024 Committee worked tirelessly over years, with one of the smallest budgets ever for such an event (€4.4 billion, of which 95 per cent came from private funding) to achieve this great success.

The Paris 2024 Olympics also made history by achieving gender parity on the field of play, ensuring equal representation of male and female athletes.

Overall, these Games have been a display of audacity, ambition and unity and France is convinced that India will show the same qualities in its bid to host the 2036 Games. As President Macron underlined in a recent interview, we are willing to share our experience of hosting the Games as we strongly believe in the future of India. France is ready to transfer knowhow, in particular by exchanging expertise regarding the organisation of major international sporting events, as well as to encourage the participation of French companies to support India's candidacy. In this context, joint work has already started: India helped France by sending a canine squad for security purposes. Indian officials, including Sports Secretary Sujata Chaturvedi, were welcomed in Paris during the Games to meet French experts, and a bilateral working group on sports cooperation will soon be launched to boost exchanges and links between economic and institutional actors.

"Faster, Higher, Stronger" is the motto of the Olympics and Paralympics. This is also the spirit of the partnership between our two nations. In sports, as in many other areas, the Indo-French ability to partner and innovate together will allow us to set new records.

The writer is the ambassador of France to India

LETTERS TO THE EDITOR

TWISTING TRUTH

THIS REFERS TO the article, 'Rahul needs an education' (IE, September 15). I am the daughter of M S Gill. I was very surprised to read your columnist Tavleen Singh attacking Rahul Gandhi, and referring to my father as someone who was "nominated to the Rajya Sabha as soon as he retired and made a minister in the government she controlled" (Sonia Gandhi). This is a mischievous misrepresentation of the truth. My father stepped down from the Chief Election Commissioner's post in 2001 and was elected as Rajya Sabha MP three years later. He had offers from other political parties as well because of his reputation for honest work. I remember him being well retired, weighing the decision carefully. He said that since a fair amount of time had passed, this could now be another way to serve the country, and Punjab. It's very different from being made an MP right after retiring from a government job, as your columnist has written! I am writing this because he is no longer able to defend himself — not that he would have bothered to, because he believed the record spoke for itself.

Gauri Gill, via email

UNEQUAL GROWTH

THIS REFERS TO the editorial, 'Part and whole' (IE, September 19). Economic Advisory Council to the Prime Minister, which studied the trajectory and trends

of economic growth of states over the past six decades, has revealed that the Southern and Western states of Gujarat and Maharashtra have performed better and are richer compared to North-Central and Eastern states. Even though Southern states contribute 30 per cent to GDP, their share of the divisible tax pool fell from 21.1 per cent to 15.8 per cent during 11th to 15th Finance Commission. In effect, rich states are subsidising lower-income states. This contentious fiscal issue is bound to get aggravated with delimitation.

L R Murmu, New Delhi

A PLAY AT POWER

THIS REFERS TO the article, 'One election, many problems' (IE, September 19). The BJP, with its One Nation, One Selection proposal, seeks to be in power at all levels — Centre, state and municipal. It hopes to reduce to insignificance the Opposition, regional parties particularly. It will put local issues on the back burner. Moreover, it is not a practical idea. In the event of the collapse of a state government, the party in power at the Centre will grab the opportunity to rule it under the garb of the President's Rule, throwing the popular will to the winds. Frequent elections keep a check on those in power. The idea of simultaneous elections may put the nation on the path of authoritarianism and must therefore be opposed tooth and nail.

SH Quadri, Bikaner

Why US Fed cut interest rates, how India could be impacted

UDIT MISRA
 NEW DELHI, SEPTEMBER 19

THE UNITED STATES Federal Reserve (henceforth just 'the Fed'), which is in charge of the country's monetary policy, on Wednesday announced that it will cut the benchmark interest rate — the Federal Funds Rate — by 50 basis points, or half a percentage point. A cut in interest rate typically incentivises economic activity, promotes growth, and increases job creation by making it cheaper for people to borrow money. Conversely, a hike in interest rates or persistently high interest rates tend to drag down economic growth and employment generation.

Changes to the US monetary policy — be it the amount of dollars being made available in the market or the price at which they can be borrowed (the interest rate) — has an impact that goes far beyond the country's geographical borders. Among the most affected

are emerging economies like India. This is not just due to the US being the world's biggest economy but also because the US dollar is the world's most trusted and traded currency. Several countries hold US dollars as assets.

Why did the Fed cut interest rates?
 To counter the economic disruption and a recession experienced in the wake of the Covid-19 pandemic, the Fed had brought down interest rates close to zero (0.25% to be precise). However, as the US economy recovered, inflation started rising fast. Russia's war with Ukraine and the associated supply disruptions made matters worse.

Initially the Fed was of the view that the inflationary spike was transitory but by March 2022, as inflation touched historic high levels, the Fed was forced to aggressively raise interest rates to cool down prices. Over the next 15 months, the Fed raised interest rates to 5.5%, and kept them at that high level

until this decision. By July, when the Fed last reviewed its policy stance, most expected a cut in interest rates because inflation had moderated considerably, and started moving towards Fed target rate of 2%. At the same time, as evidenced by jobs data, it was becoming clearer that the restrictive monetary policy was beginning to have a significant adverse impact on unemployment levels.

As such, it was widely believed that it is only a matter of time before the Fed shifts its focus from prioritising inflation-control to ensuring maximum employment. These two matters — stable prices and maximum employment — are part of the Fed's "dual mandate".

While announcing the cut on Wednesday, Fed Chair Jerome Powell accepted that if some of the recent reports on unemployment and inflation were known in July, the Fed would have started the cycle of cuts in July itself. According to the latest Summary of

Economic Projections (SEP), the Fed is likely to cut interest rates by another 50 basis points before the end of 2024, another 100 basis points in 2025, and another 50 basis points in 2026. With these cuts, the Fed hopes to achieve a "soft-landing" — reducing high inflation without crashing an economy into recession — for the US economy.

Will the US economy achieve a soft-landing?
 In 2022, most observers, as well as all past records, suggested that there is no way the Fed can contain inflation (which went as high as 9%) without resulting in a recession. However, as things stand, the Fed may have succeeded in threading that needle.

The US economy continues to grow robustly — SEP estimates GDP growth to be around 2% for the coming 2-3 years — and the unemployment rate, even though it has risen to 4.4%, is still fairly low and expected

to trend downwards. However, it must be remembered that the US will soon start to vote for a new President and all these projections about growth, inflation, and unemployment can change dramatically if a whole new set of policies come into the picture.

For instance, the Republican candidate and former president, Donald Trump has announced that he will impose wide-ranging tariffs on imports. But import tariffs are essentially a tax on domestic consumers — not the foreign country, as is often mistakenly assumed — and they end up raising domestic prices and fuel inflation.

How will India be affected?
 There are many different ways in which India will be affected. India is a capital-scarce economy, and is always looking to incentivise foreigners to invest in India. Lower interest rates in the US will likely incentivise global investors to borrow in the US and invest in

India — be it in stocks, debt, or in the form of foreign direct investment (FDI). Repeated lowering of interest rates in the US will also lead to some weakening in the US dollar's exchange rate with other currencies such as the Indian rupee. In other words, the rupee could see its exchange rate strengthen against the dollar. This, in turn will impact India's exporters (adversely) and importers (positively).

The RBI, India's central bank, is already under growing pressure to cut interest rates. However, it is unlikely that the US decision will be critical in RBI's calculations. This is because India and the US have significantly different inflation targets, vulnerabilities to inflation spikes, and policy mandates.

For instance, while RBI keeps an eye on GDP growth rate, it is not explicitly concerned with unemployment data. As has been seen in India over the past two decades, GDP growth can happen even without commensurate jobs growth.

EXPLAINED ECONOMICS

EXPLAINED GLOBAL

TELLING NUMBERS

Gender-age divide in US politics: young women far more liberal

AMERICAN WOMEN between the ages of 18 and 29 years are taking more liberal political positions on issues like climate change and abortion rights compared to men in the same age group, according to a recent report from the analytics firm Gallup.

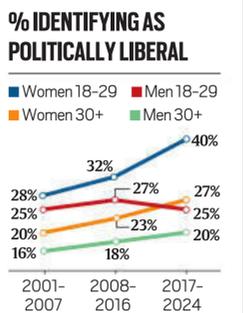
Reviewing more than 50 earlier trends on Americans' policy views, Gallup grouped its results into three periods: 2001-2007, 2008-2016 and 2017-2024. While some differences in the political views of men and women are not novel, the sheer proportion of women now identifying with liberal politics is unusual. "As a result, the associated gender gaps between young women and men have widened substantially," the report said.

On political labels

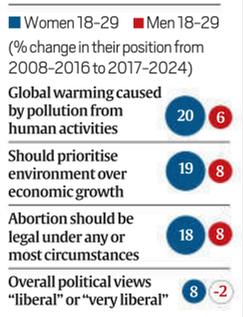
The Gallup report noted that young men have resisted the liberal label despite becoming more liberal on some issues. Therefore, there may be differences in how men and women want to define their political viewpoints. "The consolidation of young women's liberal identity could make them a potent political segment in this year's election. It makes them an important bloc for Kamala Harris to turn out to vote, and therefore, one Donald Trump can't completely ignore," the report added.

Stance on key issues

Gun control, environmental issues and abortion laws were the top three areas where young women expressed dissatisfaction with the status quo, and where the shifts in their opinions were the greatest in recent years. These shifts were also consistent across varying education levels and races, meaning gender could be the defining factor shaping their views. Gallup's report found that "despite the political salience of these issues for over two decades, only in the past few years has young women's identification as liberal taken off". Whether



POSITION ON ISSUES



their stronger political identification will translate into increased political engagement remains to be seen. Although there is no definitive reason given for the divide, the report pointed to the "timing relative to real-world events" such as the rolling back of laws regarding abortion protections and the #MeToo movement. However, there is not enough data to explain why issues like climate crisis or gun control see younger women take a more liberal stance. Other data also indicate that widening gender divides are being witnessed in countries like Germany, South Korea and Tunisia.

RISHIKA SINGH



SHUBHAJIT ROY

TENSIONS IN West Asia have spiked afresh after pagers and hand-held radios exploded in two days of coordinated attacks across Lebanon and parts of Syria, killing at least 37 persons and injuring more than 3,500, according to the Lebanese government.

Hezbollah, the Iranian-backed Lebanese political party and militant group, has accused Israel of carrying out the attacks, which the Israelis have neither owned nor disowned.

In a speech delivered on Thursday evening, Hezbollah leader Hassan Nasrallah said the attacks were "a terrorist act" and declaration of war against Lebanon and its people. Amid widespread anticipation of retaliation from Hezbollah and Iran, what does this latest escalation mean for the region, the world, and India?

Context of Gaza war

After the Palestinian militant group Hamas attacked southern Israel on October 7 last year, killing around 1,200 Israelis and taking 250 hostage, Israel launched its massive retaliation, in which more than 41,000 Palestinians have been killed in Gaza so far. After 11 months of airstrikes and ground operations, about 100 hostages remain in Hamas captivity.

Throughout this period, Hezbollah has engaged Israel through shelling and rocket fire along its northern border, leading to the displacement of 63,439 Israelis from their homes close to the border, according to official Israeli government figures.

An estimated 95,000 Lebanese too, have been displaced by Israeli rocket and missile strikes in the south of Lebanon.

Signals of escalation

Hours before thousands of pagers — one-way communication devices used widely by Hezbollah — started to explode on Tuesday, Israel's security cabinet updated its official war goals to add the safe return of displaced Israelis to the two existing objectives of destroying Hamas and bringing back the hostages.

A statement from Prime Minister Benjamin Netanyahu's office strongly suggested the possibility of expanding military operations to get Hezbollah to stop firing at



Hezbollah leader Hassan Nasrallah speaks on TV on Thursday. Reuters

Israeli targets

A day earlier, Israel's Defence Minister Yoav Gallant had told US special envoy Amos Hochstein that "the only way left to ensure the return of Israel's northern communities to their homes will be via military action".

And on Wednesday, after the explosions of walkie-talkies and other communication devices, Gallant announced to Israeli Air Force personnel that "the centre of gravity is moving north. We are diverting forces, resources, and energy toward the north."

Twenty-six Israeli civilians and 20 soldiers have been killed in Hezbollah attacks near the northern border since the beginning of the war in Gaza. Israeli fire is reported to have killed more than 450 Hezbollah members and more than 100 civilians in Lebanon over the past 11 months.

"I believe that we are at the onset of a new phase in this war, and we need to adapt," Gallant said at the Ramat David air base in northern Israel. "We will need consistency over time; this war requires great courage, determination, and perseverance."

Pivot to the north

Israel's military believes that it has been able to "substantially" degrade the capabilities of Hamas in Gaza — having destroyed their missile and rocket factories, bombed the tunnels where they stored weapons and ammunition, killed about 15,000 Hamas fighters, and taken out its political head Ismail Haniyeh and military commander Mohammad Deif.

While Yahya Sinwar, the leader of Hamas in Gaza, continues to be active, Israel now feels confident that the group no longer has the capacity to hit back at it. Therefore, it be-

lieves, the time has come to shift focus more substantially towards Hezbollah, the much more powerful adversary in the north.

An early indication of this intent came on July 30, when an Israeli airstrike in Beirut killed Fuad Shukur, a top Hezbollah commander who Israel said was behind a rocket attack that had killed 12 children and teens in Israeli-controlled Golan Heights three days previously.

This week's targeting of communication devices used by Hezbollah is aimed at crippling the group's command and control structure.

According to a former Israeli intelligence official, the 3,000-odd individuals targeted in the two days of attacks constitute the top rung of Hezbollah's 100,000-strong membership — essentially the equivalent of ranks from colonel to general — who communicate through secret means.

The attacks are also meant to deliver a message to the leadership in Tehran, the main benefactor of not just Hezbollah, but also Hamas and the Houthis of Yemen — that enemies of Israel are not safe even in their own homes.

Fallout of the attacks

Hezbollah is widely expected to strike back at a time of its choosing. On Thursday, Nasrallah vowed a "just punishment" for the attacks, and to make sure that evacuated Israelis are not able to return to their homes. Will Israel follow up on the attacks of this week with ground operations against Lebanon?

"There is a serious risk of a dramatic escalation in Lebanon, and everything must be done to avoid that escalation," UN Secretary-

General Antonio Guterres said on Wednesday. Several scenarios are possible over the next few weeks.

Iran is seen as a pragmatic rival, which will be determined to avenge the humiliation, but will not rush to do so in a rage.

There could be a repeat of the April attack when Iran launched a wave of aerial strikes on targets in Israel, though with limited impact. Tehran could coordinate with its partners in the so-called Axis of Resistance — Hamas, Hezbollah and the Houthis — to carry out attacks on Israel. Or it could target Israeli officials in third countries, perhaps after waiting for some time.

Israel, on its part, could carry out an aerial offensive against not just Hezbollah but also the Lebanese state apparatus.

It could lead a limited ground incursion into Lebanon, targeting Hezbollah in villages and tunnels, destroying weapons and missile stockpiles, and try to create some sort of a buffer zone in southern Lebanon. On Thursday, as Nasrallah spoke, Israeli supersonic fighter jets flew over Beirut.

The view from India

All these scenarios present serious concerns for India.

India has so far managed to walk the diplomatic tightrope between Israel and the Palestinians. But any escalation between Israel and Hezbollah will mean Iran will be part of the conflict, which could draw in the United States as well — this could present New Delhi with a far more complex diplomatic challenge.

Some 9 million Indians live and work in the region. These people are often the sole breadwinners of their families, and the largest source of remittances to India. New Delhi would be worried for their safety and security.

About two-third of India's crude oil and natural gas comes from the West Asian region, and an impact on crude prices and supply could impact the country's energy security. In 2012, an Israeli diplomat's wife was targeted in a bomb attack in New Delhi. India would not want a repeat of that incident.

India has so far made no statements on the volatile situation in the region. In April, after the Iranian attack on Israel, India had expressed "serious concern" at the escalation of hostilities, and called for "immediate de-escalation".

External Affairs Minister S Jaishankar had discussed the situation with both Iran's Foreign Minister Hossein Amir-Abdollahian and Israel's Foreign Minister Israel Katz at the time. While this showed the trust both sides placed in India, what leverage, if any, New Delhi has in the possible new situation of war remains to be seen.

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Logistics of holding simultaneous elections in India: task before the ECI

DAMINI NATH
 NEW DELHI, SEPTEMBER 19

THE UNION Cabinet on Wednesday accepted the recommendations of the High Level Committee on One Nation, One Election (ONOE), which laid out the roadmap to hold simultaneous elections to Lok Sabha and the state Assemblies and, ultimately urban and rural local bodies.

For ONOE to become a reality, however, the Election Commission of India (ECI) will have its task cut out.

What has been ECI's position on ONOE?

Lok Sabha and Assembly elections were held simultaneously up to around 1967, after which election cycles started to fall out of sync as many legislatures were dissolved before the end of their terms. At present, elections to the Andhra Pradesh, Arunachal Pradesh,

Odisha, and Sikkim Assemblies are held together with Lok Sabha elections.

The ECI has said over the years that it supports the idea of bringing election cycles back in sync, but this would require amendments to the Constitution as well as additional funds. In 2022, however, then Chief Election Commissioner (CEC) Sushil Chandra said that the ECI was "fully geared up" for ONOE.

Parliamentary Standing Committees and Law Commissions have discussed simultaneous elections in the past. In its submission to the Parliamentary Standing Committee on Personnel, Public Grievances, Law and Justice in 2015, the ECI listed several "difficulties" in implementing the idea.

"The chief issue highlighted by them is that simultaneous conduct of elections would require large-scale purchase of Electronic Voting Machines (EVM) and Voter Verifiable Paper Audit Trail (VVPAT) machines... The Commission expects that a total of Rs 9,284.15

crore will be needed... The machines would also need to be replaced every 15 years which would again entail expenditure. Further, storing these machines would increase the warehousing cost," the committee report said.

What did the ECI tell the Kovind Committee?

The High Level Committee, whose recommendations the Cabinet accepted on Wednesday, was constituted under former President Ram Nath Kovind in September 2023. It wrote to the ECI on January 12 and February 20 asking for inputs on ONOE.

In its submission, the ECI sent the same response that it had provided to the Law Commission of India, which had examined the issue in March 2023. It said that at least Rs 8,000 crore would be needed to procure the EVMs and VVPATs that would be

needed to hold simultaneous elections to Lok Sabha and state Assemblies. The ECI did not consider the requirement for local body polls, as they are administered by State Election Commissions.

At the time of announcement of Lok Sabha elections in March, the ECI said votes would be cast at 10.48 lakh polling stations across the country, and more than 1 crore polling and security personnel would be deployed. These numbers will increase if elections to all states Assemblies were to be held at the same time as the Lok Sabha election.

In its submission to the Law Commission and the Kovind committee, the ECI estimated that a total 53.76 lakh ballot units and 38.67 lakh control units of EVMs, and 41.65 lakh VVPATs would be needed for simultaneous elections in 2029.

This entails the addition of 26.55 lakh ballot units, 17.78 lakh control units, and 17.79 lakh VVPATs to the ECI's existing inventory at an estimated cost of Rs 7,951.37 crore. This amount does not include the costs of transportation, warehousing, first-level checking, and other related costs, the ECI said.

The ECI also said that the two state-owned companies that make the EVMs and VVPATs, Bharat Electronics Ltd (BEL) and Electronics Corporation of India Ltd (ECIL), would need time to manufacture the additional units that would be needed for simultaneous elections.

What has been ECI's practical experience with holding simultaneous elections?

The ECI has faced challenges in scheduling elections simultaneously due to requirements of security, weather conditions, festivals, and other factors. Earlier this year, it decided against holding elections to the Jammu and Kashmir Assembly along with

the Lok Sabha election due to the additional security requirements for all candidates.

Some 400-500 additional companies of security forces would be needed, which would not be possible to mobilise with Lok Sabha elections also underway in the country, CEC Rajiv Kumar said while announcing the elections. "The entire administrative machinery said in one voice that they can't do it simultaneously," Kumar said.

Assembly elections in J&K are currently underway. Votes will be cast in Haryana on October 5, but the ECI has decided to keep the election in Maharashtra, which has been held together with Haryana in the past, for later, again citing the requirement of large number of security forces, and various festivals which need to be kept in mind while preparing the election schedule.

The Maharashtra elections are now expected in November. Counting in J&K and Haryana will take place on October 8.

EXPLAINED ELECTIONS

Opinion

FRIDAY, SEPTEMBER 20, 2024



FOOD FOR THE WORLD
Prime Minister Narendra Modi

“In the modern era, through progressive agricultural practices, strong administrative frameworks, and cutting-edge technologies, our effort is to ensure that India sets global benchmarks for innovation, sustainability, and safety in the food sector”

Over to RBI

Our central bank may not immediately follow what Fed has done, but rates should not remain elevated for very long

THE EQUITY MARKET'S reaction to the US Federal Reserve's decision to cut rates by 50 basis points shows growing anticipation that the rate cycle in India too will turn soon. A lower cost of capital is always good news for the economy. The fairly steep cuts projected by the Fed raise concerns about the US economy slowing — the median US GDP forecast has been lowered while the projection for unemployment has been upped. For now, however, the US economy seems to be chugging along and looks like it will manage to avoid a hard landing. That said, the labour market is weakening and the Fed probably believes the slowdown is likely to persist which is why it is trying to keep the momentum going by cutting rates.

Back home, an immediate cut in policy rates at the October policy meeting is unlikely. The Reserve Bank of India (RBI) has been steadfast in wanting to see retail inflation durably down at 4% before it cuts. To be sure, the August inflation number came in at 3.7% year-on-year (y-o-y) but it was a tad above consensus and food prices did not come off comfortably enough. In addition, pressure points were visible in core inflation too, with the price rise in the health and education spaces somewhat elevated. Although inflation is expected to move up to 5% in September, the average for the July-September quarter would undershoot the RBI's projected 4.4%. Thereafter falling prices of food and energy could see headline inflation drifting down to around 4% by March.

As such, there is a chance that the RBI might alter its stance from the current “withdrawal of accommodation” to neutral in October and cut the policy rate in December. At the same time, the fact that liquidity today is far easier than it was a few months back suggests the stance has already changed even if not articulated. The RBI may choose to formally announce the change in the stance in December and cut simultaneously. The fall in bond yields on Thursday — the benchmark 10-year yield ended at 6.7577%, its lowest since February 25, 2022 — suggests the bond markets are pricing in cuts soon. The chances of a cut in December are high especially if the dollar continues to weaken leading to an unwanted appreciation of the rupee. While the central bank can intervene in the market to stem the appreciation, it would be difficult not to follow competing economies in the region once they start easing monetary policy. Indonesia was quick to make a quarter-point cut on Wednesday and others like South Korea too also moved.

Moreover, while the local economy grew at a reasonably good 6.7% in the June quarter, there are pockets of weakness; cars and trucks, for instance, have not been selling well, and the rural economy is yet to recover sustainably. While not the most reliable of indicators, the growth in factory output in July was flat at 4.8% y-o-y compared with June's 4.7% y-o-y. More importantly, on a seasonally-adjusted basis, industrial output contracted for the second consecutive month with consumer goods production very weak. The point is that while GDP could well grow at 7% this fiscal, the larger informal sector remains fragile with medium and small enterprises yet to recover from the Covid blows. Leaving interest rates elevated for too long could take a toll on small enterprises.

PRESSURE ON BANKS

INCREASED DEPENDENCY ON BANK CREDIT HAS POSSIBLE IMPLICATIONS FOR FINANCING IN FY25

Financing growth

RENU KOHLI

Senior fellow, Centre for Social & Economic Progress, New Delhi



The FY20-FY22 period witnessed a remarkable bounce in foreign resource flow shares led by foreign direct investments (FDIs). FDI resource flows have fallen back steeply from 2022-23.

In this while, the share of non-bank domestic resource flows has progressed rather slowly. Net of bank credit, these remain below their average pre-pandemic proportion of 32%. Within the latter however, loans and advances by the non-banking financial corporations (NBFCs) (minus bank credit) grew 67% in FY24 to ₹4.4 lakh crore, again an exceptional increase.

It is evident that the widening shortfall in non-bank financial flows, especially external sources, is being met by the banks who are bearing the growing burden. From a macroeconomic perspective, the overburdening of the banking system is to be noted. There could be implications of these compounding pressures that are yet to become clear. Some features and concurrent developments indicate so.

For one, the increasing pressure on banks for financing much of the commercial sector, ~ two-thirds in FY24, coincides with decelerating growth in

deposits, a prudent belt-tightening imposed by the central bank to improve the assets-liabilities' balance of the banking system, and discernible concerns about financial instability risks. The horizon over which these imbalances are straightened out remains to be seen and are uncertain, therefore. Then too, as the banks seek to increase the right kind of deposits to align with their advances, there's accompanying impact on interest rates due to higher marginal costs of funds. Further, because banks must lend afresh on the repo rate-linked benchmark, the probable offset to shield the net interest margins may be a rise in the loan premium — the outcome could be adverse for riskier, albeit smaller, borrowers.

Two, it is doubtful if the NBFCs' lending pace in the current year can match or exceed last year's surge in loan growth in light of the above and increased checks by the RBI.

Three, the financing pressures are also coincident with a decreased share of household financial savings in relation to gross national disposable income. Potential macroeconomic consequences for the equilibrium real interest rate, which is impacted by the movements in savings and balances against investment demand, are uncertain at this point.

Relative to nominal GDP — this is predicted by the RBI to grow marginally slower at 11.7% in FY25 than the 11.9% last year — the advancement in total financial flows acquires significance ahead. We do not know whether bank credit will continue to maintain the growing dominance as a source of financing for the commercial sector this year as well. Neither do we know the intensity of the fallout of these pressures on credit growth. If a credit slowdown lies ahead consequently it is difficult to say, therefore. The caution is of a hidden constraint, that of financing, which could feed back to the real economy. Financing growth could then be constrained.

Flows of resources to commercial sector: Bank credit & foreign flows

	Total flow			Bank credit			Foreign flow		
	(₹ lakh crore)	% GDP	% , total flow	(₹ lakh crore)	% GDP	% , total flow	(₹ lakh crore)	% GDP	% , total flow
2007-08	10.2	4.6	3.1	20.8	44.8	30.1			
2008-09	9.3	4.2	2.1	16.9	45.4	22.8			
2009-10	10.5	4.8	2.2	16.5	45.6	21.0			
2010-11	12.9	7.3	2.5	16.9	56.4	19.4			
2011-12	12.0	6.7	2.3	13.8	55.3	19.1			
2012-13	14.4	7.0	3.1	14.4	48.6	21.7			
2013-14	13.8	7.6	2.2	12.3	55.3	16.0			
2014-15	13.6	5.8	2.3	10.9	42.9	16.6			
2015-16	15.2	7.8	2.5	11.0	51.0	16.2			
2016-17	13.8	5.0	2.8	9.0	35.9	20.0			
2017-18	21.4	9.2	3.4	12.5	42.7	15.8			
2018-19	23.7	12.3	3.9	12.5	51.9	16.3			
2019-20	15.4	5.8	5.4	7.7	37.7	35.3			
2020-21	16.6	4.6	3.8	8.4	27.9	22.7			
2021-22	22.9	10.4	6.2	9.7	45.7	27.3			
2022-23	29.6	17.5	3.5	11.0	59.2	12.0			
2023-24	35.1	22.3	2.0	11.9	63.4	5.8			

Source: RBI, CSO & author's calculations. Note: Bank credit excludes impact of bank-non-bank merger for comparison

A mismatch of expectations and reality



SRINATH SRIDHARAN

Policy researcher & corporate advisor
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As India's younger workforce strives to meet its economic aspirations, it's crucial that we don't sacrifice their health and happiness in the process

Exciting economics is often misguided economics

IN THE LONG-RUNNING popular series about what's wrong with economics, there is a new entry: Our profession is too insular. “Economists generally agree that competition is good, and that markets with only a few dominant players are inefficient,” writes the economist David Deming in the *Atlantic*. “We may need to take a hard look in the mirror.”

Citing a new research paper by (naturally) four economists, which analyses almost 6,000 award-winning academics in 18 disciplines, he notes that the recipients of the major economics prizes, including the Nobel, “have collectively spent half their career at just eight universities: Harvard (where I teach), Yale, Princeton, Stanford, MIT, the University of Chicago, Columbia and Berkeley”. This is a far higher level of concentration than other fields.

I am hardly an apologist for my profession, but I would frame the issue differently. The first point is that economics is a relatively mature science, and even surprising results are typically consistent with the laws of supply and demand. Innovations tend to be subtle — they could also be described, less generously, as underwhelming — concerning the relative size of effects. So it is hard for radical new ideas to come out of nowhere, and that does lead to some geographic concentration, centred in the highest-reputation schools.

Compare this to the biosciences, where the successes of mRNA vaccines have been startling. Katalin Karikó, who shared the 2023 Nobel Prize in Medicine for her research into mRNA technology, did not receive a tenured professorship at a top university. GLP-1 drugs, which appear highly effective in treating obesity and other maladies, were developed in Denmark, not at a US research university.

Can economics come up with truly novel remedies or ideas? Probably not. If there is a recession, or say hyperinflation, there is a standard kit of tools involving monetary policy, fiscal policy, deregulation, and some other policy changes. Economists can and do argue about the right mix of those policies in a particular case. But there is no “new drug” waiting to be discovered.

This lack of novelty does not make economics less scientific. Brazil, using standard economic tools, was able to beat back hyperinflation 30 years ago. President Javier Milei of Argentina is pursuing some time-honoured reforms, and if those policies are allowed to persist — a big if, but mostly about politics — they will succeed. Many nations have performed successful fiscal consolidations following standard economic advice.

As for microeconomics, if there is too much traffic on a highway, congestion pricing usually works. If there isn't enough housing, deregulating construction or eliminating rent control are worth a try. The point is not that economists have all the answers — we have an exhaustive list of possible remedies.

As a tool of organised inquiry, economics was relatively late to develop; Euclid preceded Adam Smith by a couple millennia. But once there were some basic economic reasoning tools, the core “economic remedies” were filled in pretty quickly. The speed of development stems from the limited number of core economic principles, such as supply and demand, thus making it relatively easy to derive their major implications.

In my view, the top economics departments are less of a problem than some of the less well-known ones. The system would be better off if the non-top schools had stronger incentives to specialise and experiment instead of trying to rise in the rankings by following up on research.

In the meantime, I am not worried about Harvard. Economics professor Ed Glaeser is one of the fathers of the current YIMBY movement. Larry Summers and Jason Furman were prescient about inflation. Raj Chetty is America's leading researcher on economic and social mobility. And of course David Deming himself is worthy of sustained attention.

Yes, breakthroughs in economics are rare. But we have built an impressive catalogue of solutions to real-world problems. How many other fields can say the same?

THE RECENT DEATH of a 26-year-old EY employee in Pune, allegedly due to work-related stress, has cast a harsh light on the pressures faced by India's young workforce. The incident is sad, and should draw our attention to stress and poor work culture. Her mother calling out the company's work culture raises questions about how corporate environments may be failing the very people they rely on.

Gen Z being incapable of handling work pressure is a common refrain, but it does disservice to the larger theme which is a broader, more complex reality. Every generation has faced burnout. Baby Boomers dealt with high blood pressure and heart disease in their prime working years. Gen X was no stranger to burnout, as long hours and “overachievement” became badges of honour. What is different today is the transparency with which young workers, especially Gen Z, confront these issues, often amplified by social media. Especially after the pandemic, we see more open conversations, and even media coverage of topics such as mental health, stress, and emotional burnout.

In India, the stakes are high. With nearly 65% of the population aged under 35 years, the younger workforce is expected to shoulder the economic ambitions of an emerging superpower. This puts immense pressure on them to achieve success quickly. This is compounded by the modern corporate environment, where multinationals, their Indian counterparts, and even start-ups demand high performance, long hours,

and constant availability. India's corporate culture is notorious for blurring boundaries between work and personal life. While many global and leading Indian companies have instituted mental health initiatives and flexible work policies, these often remain symbolic.

In our society, success is often celebrated as the ultimate marker of worth, defined by visible milestones — wealth, status, rapid career growth, and material accomplishments. This narrow definition pushes individuals to chase external validation, often at the cost of their well-being. It cascades across communities, companies, and even countries, creating a collective culture where relentless hard work is glorified, and burnout is normalised.

Societal pressure influences corporate structures, where high-stress environments are deemed necessary to “win”, and it shapes national identities where economic growth often takes precedence over happiness or health of the workforce. Countries like Japan, China, and South Korea have long been known for their gruelling work cultures. In Japan, the concept of “karoshi”, or death from overwork, is a stark reflection of this reality, leading to government interventions and corporate attempts to limit working hours, albeit with mixed success. Similarly,

China's 996 culture — working 9 am to 9 pm, six days a week — has faced pushback from younger workers, but remains powerful. South Korea has also attempted to curb work hours, but the culture remains deeply entrenched. In India, we take similar pride in long hours and relentless hard work, often equating it with dedication and productivity.

For Gen Z, the situation is particularly challenging. They crave meaning and purpose in their work, but are more likely to push back against toxic cultures. Unlike previous generations, today's young professionals are more willing to say no. They are not as afraid of losing jobs because they believe they have options.

Yet, placing the blame solely on businesses is an oversimplification. The individual plays a role as well. The drive to excel, rise quickly, and to accumulate wealth is often self-imposed. Many enter the workforce with unrealistic expectations, fuelled by social media's glorification of the “hustle culture”. The pressure to “make it” fast can become overwhelming.

At the same time, from a young age, students are taught to prioritise academic success above all else, with little emphasis on emotional intelligence or stress management. This hyper-competitive environment doesn't permit failure, which means many enter the

corporate world without having developed the resilience needed to handle pressure. This is not an issue of generational weakness but a mismatch between expectations and reality, a trap that we as a society have helped shape.

For businesses, the solution lies in empathy and adaptability. The old command-and-control style of management, which emphasises hierarchy and obedience, is increasingly at odds with what young workers need. Today's employees thrive under leadership that emphasises influence, impact, and collaboration. Companies must realise that each employee is unique. While some may thrive in high-pressure environments, others may struggle.

We also cannot overlook the reality that stress is universal, transcending age, gender, and even the form of employment. The informal sector, which makes up nearly 90% of India's labour pool, faces immense stress, albeit of a different nature. For these workers, the pressure is not about meeting deadlines or performance targets alone, but about sheer survival.

Stress is not going away, but our response to it must evolve. As India's younger workforce strives to meet its economic aspirations, it's crucial that we don't sacrifice their health and happiness in the process. For all workers, the ability to cope with stress is shaped by a variety of factors, including upbringing, personal resilience, and individual goals. There is no one-size-fits-all solution.

LETTERS TO THE EDITOR

Are we ready for one nation, one election?

From 1951 to 1967, India did largely follow the practice of one nation, one election (ONOE). After that, many states lost their power due to several reasons, owing to which mid-term elections were held and India slowly withdrew the ONOE. We should not forget that India is a vast country with constituencies spread across remote regions. How will the politicians cover

the entire country in a short period of two months? Do the central and state governments have the manpower to regulate and monitor elections? The Modi government should have consulted all political parties before taking this drastic decision. Also, one must imagine the confusion when multiple parties try to hold rallies. Finally, it is incomprehensible why the government remains tight-lipped on when it will be implemented. —Bidyut Kumar Chatterjee, Faridabad

Fed rate impact

The US Federal Reserve's 50 basis point rate cut is expected to have a mixed impact on foreign institutional investors (FIIs) in India. Typically, such a cut would boost investment in emerging markets, but India's high market valuations are a concern. FIIs are cautious about entering a market perceived as overvalued, despite the rate cut. However, India's projected GDP growth of over 6% and corporate

earnings growth of 14-15% over the next five years present a compelling long-term growth potential. The actual impact on FII sentiment with regard to India hinges on market valuations and earnings growth prospects. While the Fed rate cut creates a favourable environment, India's market dynamics will ultimately dictate the level of foreign investment. —Amarjeet Kumar, Hazaribagh

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INDIAN EXPRESS IS NOT AN INDUSTRY. IT IS A MISSION.

— Rammath Goenka

TAKE REGIONAL PARTIES ON BOARD, ALLAY FEARS ON SIMULTANEOUS POLLS

THE Union cabinet has accepted the recommendations of the 'One nation, one election' report prepared by the Rammath Kovind Committee. A bill for the simultaneous holding of Lok Sabha and state assembly elections is likely to be introduced in the winter session of parliament. 'One election' has been one of the key poll promises of the ruling BJP. The party has argued against the country being in a permanent poll mode, which results in a huge financial burden and affects decision-making because of long periods under the model code of conduct.

There is no doubt that by cutting down electioneering, simultaneous elections would give governments more time to focus on governance. It could also diminish voter fatigue and encourage greater participation in the electoral process. The idea presents a transformative opportunity for economic efficiency and political stability. It could help save the billions of rupees spent on multiple elections. This money can be used for development projects and welfare schemes. Logistically, a unified election cycle would reduce the strain on the government and security machinery that are moved away from their primary responsibilities for election duty.

However, a large number of regional political parties have expressed their opposition to the idea, saying it would adversely impact the country's federal structure and undermine democratic diversity. The Union government needs to take the regional parties on board and allay their fears of local issues getting drowned in the cacophony of national campaigns. The states also need to be reassured that a unified election would not affect their linguistic and cultural identities. The states' criticism of the idea also underscores deep fears about the centralisation of power and dilution of their relevance. These concerns must be addressed and the doubts about the new arrangement being a threat to the delicate balance of the constitutionally-mandated federal system of power-sharing must be removed. The idea is also being opposed by national parties such as the Congress, CPI(M) and AAP on similar grounds. A wider consultation by the government will go a long way in removing the misgivings and demonstrating the benefits to the nation. It will also help the government gain support for the bill and pass it with a comfortable majority.

NEW KEYS TO UNIVERSE IN GALAXY-KILLING FIND

A new finding about a galaxy-killer black hole has excited astronomers and astrophysicists. An international team co-led by University of Cambridge researchers has found that the galaxy GS-10578, nicknamed Pablo's galaxy, has been rendered 'dead' by a supermassive black hole at its centre. By 'dead' it's meant that the black hole has 'killed' the galaxy's star-formation capability by pushing out the gases required to make stars. The researchers, who used the James Webb space telescope, reported their findings in the *Nature Astronomy* journal this week.

Pablo's galaxy is 12 billion light-years away. What has baffled scientists is how this supermassive black hole's action could have taken place when the universe was so young. The universe is 13.8 billion years old now, which means the rendering of Pablo's galaxy 'sterile' by a supermassive black hole took place just about 1.8 billion years after the formation of the universe. Astronomers are also baffled over this galaxy being so massive at such an early age of the universe—it's about the size of our Milky Way and 200 billion times the mass of our Sun.

The supermassive black hole was detected on the James Webb telescope expelling huge volumes of gas out of Pablo's Galaxy at speeds of 1,000 km per second—fast enough to escape the galaxy's gravitational pull. The ejected mass was also greater than what is required to keep forming new stars, starving the galaxy to death in the process. The telescope was able to see the dark ejected gas clouds as they blocked the stellar lights from the galaxy behind them. Before this finding, theoretical models were only able to predict that black holes had this effect on galaxies, but the James Webb telescope delivered the finding with higher sensitivity.

The findings are set to take understanding black holes to the next level. The Atacama Large Millimeter/submillimeter Array in northern Chile will reveal more about the effect of this supermassive black hole in the region surrounding Pablo's galaxy. The findings also better position research on the supermassive black hole in our own Milky Way, called Sagittarius A, which is 4 million times the mass of the Sun and 26,000 light years away from us. We hope such exciting findings will spur more Indian students towards science and astronomy.

QUICK TAKE

LIMIT DATA CENTRE EMISSIONS

A recent analysis shows that emissions from data centres owned by Google, Microsoft, Meta and Apple could be 7.62 times higher than the officially reported level. Amazon, the biggest emitter among tech giants, was kept out of the calculation for difficulty in isolating centre-specific figures. This has immense significance after another recent research estimated that data centres would globally produce about 2.5 billion tonnes of carbon dioxide equivalents by 2030. The AI boom has made this industry more power-hungry than ever. India, which expects its data centre capacity to double in three years, must build environmental obligations into what is emerging as one of the most polluting industries.

THE GST was to be a 'good and simple tax' when introduced in 2017 after a decade in preparation. After the latest meeting of the GST Council, it is difficult to perceive it as such. Time was spent on reporting on new revenue collection from 'demerit' goods such as gambling, horse racing and the like, while reporting on rate rationalisation was relegated to an anticipated report from a group of ministers.

This reverse prioritisation of revenue over rates revealed that the GST has been misunderstood. The GST is not a tax whose foundation is revenue collection. It is a tax whose first objective is to minimise distortions in the market caused by high and multiple tax rates, achieve a large and uniform tax base, and guarantee that taxes paid on inputs are refunded to suppliers (producers and sellers) in the production-distribution process.

This ensures that any tax paid on inputs does not get embedded in its outputs, that is, there is no hidden 'tax on tax' or, in tax terminology, no 'cascading'. Without that, productive activity takes place through hurdles and obstacles that the suppliers of goods and services suffer.

Once the correct base and rate structure is set, automatically, the GST should become a good revenue generator. That is because it should reduce economic distortions as tax cascading is cut down when credit is given to any supplier for the tax he has paid on his purchases. The smooth supply chain thus generated should ensure economic growth with minimum market hindrances caused by taxes.

Selected changes in the base and rates were announced for an array of goods and services, such as exemptions for electricity charges and waiver of interest or penalty on tax demands for trade facilitation. While affiliation services by universities will continue to be taxed at 18 percent, it will be 5 percent on helicopter services and flying training services will be exempt. While affiliation services by CBSE remain taxable, those provided by government schools will be exempt. An intended reduction in the tax rate on insurance premiums was announced.

There was a bundle of other rate changes including that for namkeen and savouries to be brought down from 18 percent to 12 percent. These changes appear more like revenue collection through selective excises under the GST rubric. They also reflect micro-management and bargaining within the council over the minutiae of the GST's structure. Further, such specifications are usually

A simple rate structure with a broad base is crucial for a tax system. The GST Council must make the structure more stable and the administration friendlier to taxpayers

WHY GST IS NO LONGER A GOOD AND SIMPLE TAX

PARTHASARATHI SHOME



Founder Chairman, International Tax Research and Analysis Foundation



SOURAV ROY

impossible to implement efficiently. For one, exempt and non-exempt goods tend to overlap in their classifications, as do goods and services. They also give rise to continued lobbying for lower rates.

Instability in rates is the Plasey of GST. Usually, a stable GST regime is set before it is introduced, as elaborated in the recommendations of the 2015 Tax Administration Reform Commission. A simple rate structure with a broad base is the crucial anchor of a GST. It should comprise a general rate, a lower rate for essential goods, and a higher rate for luxuries—that is, three rates, together with as broad a base as possible with the fewest exemptions. It may be claimed that the GST has achieved a structure similar to this, but the actual structure

remains much more complex. Only after meaningful simplification can it be called a genuine GST.

For the taxpayer, ease of payment and regularity of refunds are crucial elements in their willingness not to avoid the tax. The role of the GST Council should be to pore into easing the processes in GST administration that will truly convert it to a tax the taxpayer would be willing pay due to its simplicity and customer facilitation.

However, crucial gaps remain. One example is the institutional delays in making refunds after exports are made. International practices of advanced administrations are to make refunds immediately and, at the same time, to monitor and control illegal tax evasion.

(Views are personal)

THE OTHER LAW WITH STRINGENT BAIL RULES

THE Supreme Court, in the *Shajan Shariah vs Kerala* case (2024), while granting anticipatory bail in an FIR registered under the Scheduled Castes and Scheduled Tribes (Prevention of Atrocities) Act, 1989, has laid down parameters for granting anticipatory bail.

Anticipatory or pre-arrest bail is sought by a person who apprehends arrest in an FIR that is registered or likely to be registered against him in a non-bailable offence. It is presently governed by Section 482 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (earlier, Section 438 of the Criminal Procedure Code, 1973).

On the contrary, to curb the historical atrocities committed against Scheduled Castes and Scheduled Tribes, parliament enacted the SC & ST Act in 1989. Besides other things, the Act's Section 18 contemplates not granting anticipatory bail to non-SC/ST people if the FIR is registered against them for committing any of the atrocities prescribed under Section 3, such as different forms of untouchability, insult, etc.

Due to the likely misuse of the SC & ST Act, the SC in *Subhash Kashinath Mahajan vs Maharashtra* (2018) held that there is no bar against granting anticipatory bail in cases registered under the Act if *no prima facie* case (based on first impression) is made out, and further held that the arrest of a non-SC/ST person can be made only after approval from the senior superintendent of police or appointing authority if the accused is a public servant.

The judgement drew huge resentment from the SC/ST community. To mitigate its effect, parliament brought amendments in 2018 to the Act by inserting Section 18-A to the SC & ST Act, which states that there is no requirement of prior approval for arrest and, notwithstanding a court's judgement, anticipatory bail cannot be granted. Besides bringing amendments, the Union government also filed a review petition for SC's 2018 judgement. In *Union of India vs Maharashtra* (2019), the SC recalled its 2018 judgement, which required approval before arrest. But nothing was discussed about anticipatory bail.

Section 18-A was challenged in *Prathvi Raj Chauhan vs UOI*, (2020), where the SC rejected the petition on the grounds that it had already recalled its 2018 judgement.

But it held that anticipatory bail can be granted if a *prima facie* case is made out. In the *Shajan Shariah* case (2024), by explaining the *prima facie* test, the SC held that if the necessary ingredients to constitute an offence under the SC & ST Act are not made out, anticipatory bail can be granted. It also held that where a non-SC/ST person takes a defence of

down in the *State of Haryana vs Bhajan Lal* (1990) to quash the entire case against the accused. This is now introduced to grant anticipatory bail in SC/ST cases. Further, the defence of "malicious prosecution" due to vendetta not being allowed may defeat the purpose of laying down the parameters, because all that an SC/ST person—who, with vengeance, intends to get a non-SC/ST person arrested—requires is to draft his complaint by adding the necessary ingredients prescribed under Section 3 of the SC & ST Act.

As observed by the SC recently in *Manish Sisodia vs Directorate of Enforcement* (2024), the "trial courts and high courts attempt to play safe in matters of grant of bail". Thus, such stringent conditions will only make the session or High Court play it safe by denying anticipatory bail, leading the person to approach the SC, which requires huge legal expenses, to obtain anticipatory bail. Hence, obtaining anticipatory bail in SC/ST cases becomes a herculean task.

This article is not intended to harm or criticise any SC/ST person, as the fact remains that even today SC/ST people face atrocities in some form or the other. At the same time, there should be checks against the people who try to misuse the law against non-SC/ST people because the Constitution guarantees equanimous protection and enjoyment of right to everyone. Therefore, a balanced approach has to be culled out.

In *Gurbaksh Singh Sibbia vs Punjab* (1980), a landmark ruling on anticipatory bail and the parameters while granting it under Section 438 of CrPC were laid thus: seriousness of allegations, flight-risk (accused's presence not being secured at trial), and tampering with evidence or pressuring witnesses. These parameters are followed in all cases pertaining to bail. In SC/ST cases, while applying these parameters for the *prima facie* test, the seriousness of allegations could be tested in more detail from the perspective of humiliation—that is, for untouchability or social stigma.

Though the objective behind laying down parameters for determining *prima facie* test was to ensure "personal liberty" of an individual is safeguarded against arbitrary arrests, which is welcome, these parameters are very stringent. The test that allegations should not attract the ingredients of offence was a criterion laid



The provision on anticipatory bail laid down in the 1989 law protecting scheduled castes and tribes from atrocities has gone through changes in the judiciary and legislature. These communities continue to face abominable cruelty. But there should be checks on the law's misuse

"malicious prosecution" due to political or private vendetta, then anticipatory bail cannot be granted.

In simple words, in order to grant anticipatory bail, the courts have to see if allegations fall under Section 3 of the Act. It further held that the Sessions or High Court can conduct a "preliminary inquiry" to determine if essential ingredients are made out.

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(Views are personal)

MAILBAG

WRITE TO: letters@newindianexpress.com

Investigate Nipah

Ref: *Combined efforts needed to understand epidemiology of Nipah* (Sep 19). The editorial rightly analyses the reason for the consistent onslaught of the dreaded Nipah in the northern part of Kerala. One cannot tell with absolute certainty that the virus would not permeate expansively elsewhere if left undetected. A scientific probe into the region's wildlife is the need of the hour.

Sanath Kumar T S, Thrissur

Elite language

Ref: *Docs' stir puts band-aid on a festering wound* (Sep 19). The author is guilty of two sins. One, the use of the word 'confabulation', which almost none of the audience would understand. Two, the implication that one or both parties should be diagnosed as delusional. If that wasn't the intent, it's dog-whistling to a tiny elite of privately educated English speakers.

Mo Riddiford, email

Ill-suited scheme

Ref: *Cabinet stamp on 'one poll' scheme* (Sep 19). The one nation, one election proposal, while potentially effective in smaller, more homogenous countries, is ill-suited for India. It would need substantial constitutional amendments, potentially undermining the nation's quasi-federal structure. It could diminish the regional parties' ability to voice their constituents' unique concerns.

Priyanshu Priya, Noida

Herculean tasks

Simultaneous elections is a good concept. But how far it works in practical terms is to be seen. It would save money and time. But deploying troops and polling personnel is a herculean task. Dissolving newly-elected state assemblies will have legal hurdles. Opposition parties need to be taken into confidence, failing which the mission will be hard to achieve.

NR Ramachandran, Chennai

Marital rape

Ref: *Pleas on immunity to husband on marital rape* (Sep 19). It is unfortunate that the Bharatiya Nyaya Sanhita still has the exception for marital rape that the Indian Penal Code did. It is violative of the dignity and right of a woman over her body.

Sundaram Govind, Kadugallur

Compassionate writing

Ref: *Days before SL polls, Tamils in North couldn't care less* (Sep 18). The author seems to be a compassionate journalist and her narrative was well-analysed. Salutes to all the contributors to the 'Bright Side' section too. I consider *TNIE* the most compassionate newspaper.

S Anantharaman, Chennai

Look Out For the Goldilocks Moment

India a draw for export-oriented investment?

Markets took the US Federal Reserve's half-a-point interest rate cut on Wednesday — the first cut in four years — in their stride on expectations that 'Fedhead' Jerome Powell is front-loading the downcycle. This is the less scary scenario over the US tipping into a recession, and investors seem quite comfortable with it. But the rate action may not have played through yet. Some of the seeming stability could be because of 'buy the rumour and sell the news'. Bond market reaction is muted. However, the pass-through must take place. Equity markets are still trying to gauge the oncoming earnings slowdown. Currencies are steady despite a clear dollar negative rate cut. The rip tide in the financial markets is not here yet. However, there's no saying it won't hit later. Investors, of course, would be happier with a gentler swell.

Emerging markets will have to deal with capital flowing out of the US. Since India is in focus, this could further stretch equity valuations. The rupee will have to be managed for an orderly ascent. RBI will also need to factor in its interest rate differential with its American counterpart. But that is not its primary concern. Getting through last-mile inflation control is. There is a lesser likelihood of synchronised central bank action on the downward leg of the interest rate cycle. Capital flow management becomes more strenuous, especially with the Chinese equity market on the ropes. This would be the time to build stronger buffers while limiting the fallout on the real economy.

The world's two biggest economies — the US and China — are running out of breath, and this will make India's job of raising its export profile slightly more challenging. India may retain its relative attraction in financial markets. But it may lose some of its momentum along with the rest of the world economy. On the flip side, it could also become a bigger draw for export-oriented foreign investment. That would be the Goldilocks scenario.

All Together Now, Get The Scale of It Right

The Union cabinet's approval for 'one nation, one poll' has set the ball rolling for what is, indeed, an ambitious venture. If the proposal is passed by Parliament, India will join an exclusive club. Only three countries — Belgium, Sweden and South Africa — have ONOP. As is obvious by this list, almost all challenges lie in managing scale.

ONOP isn't new to us. The first two decades of the Indian republic conducted simultaneous Lok Sabha and assembly elections. Till realpolitik caught up with democracy. Benefits from cost, accountability, even governance are obvious — on paper. But a foolproof plan with backups and contingencies to scenarios, such as a government unable to complete its term, are critical. And then there's implementation. This is India with its scale, spread and multiplicity one is talking about. And the reality of personnel and institutional coherence is often overlooked or underplayed in such grand plans. EC has shown year after year, its capability and capacity. But ONOP is a different ball game of a different scale and order. Ensuring the seamless movement of EC personnel and central forces for the entire electoral process, dealing with complaints, violations of model code of conduct, ensuring that EVMs are available and geared for the 2-3 sets of voting, all have to be hardwired into ONOP. Voter awareness is another big ask — ensuring that all voters are able to grasp, and transition to, a system to register their choice of central, state and local mandates.

India has pulled off many seemingly impossible efforts, such as vaccinating almost its entire population against Covid. It can do so with ONOP again. But it must first design and beta-test both its 'software' and 'hardware' before trotting it out.

JUST IN JEST
It's not seen as a virtue here, but we could aspire to be understated one day

Can India Ever Be Under-the-Top?

Forget Viksit Bharat for a moment — it's 23 years away, so, who's checking? Instead, consider the possibility — nay, challenge, of India becoming an understated, under-the-top society. In other words, a Bollywood movie without a dance sequence. In this Gedankenexperiment — Einstein's longish word for 'thought experiment' — we live in a country where the culture of honking horns is replaced by the gentle hum of walks, cycles and EVs; where weddings are classy intimate affairs with a guest list that fits on a Post-it note; and where cricket victories are celebrated with a polite golf clap.

India, with its penchant for the grandiose and OTT, doesn't have subtlety in its bouquet of virtues. Imagine a Diwali without the loud crackers, a Holi without the riot. Yes, it's like asking a peacock to strut without its feathers. And yet, and yet, there's such a charm in the idea of an understated India. So, can it? Become an understated society, that is? Maybe in pockets, in whispers, and in moments. But let's be honest, being understated is a tough ask when being loud and showy is the sought-out way to be even by those who needn't be loud and showy. Nuance and quietude are not considered virtues to be flaunted — yet. But truth be told, one key criterion of being viksit is actually being under-the-top, underrated, restrained. Who knows, perhaps by 2047?

Brands should balance data insights with emotional resonance to connect with customers

Heart Over Head Over Heels



M Muner

India's Super Bowl is IPL. Like in the US during Super Bowl season, almost all brands in India parade their best ads to maximise reach when IPL is in play. But how many memorable ads do you recall from the last few years?

In today's tech- and data-driven marketing, marketers can access vast amounts of info to pinpoint audiences, tailor content and forecast future trends with a level of precision on-cum-imaginable. While data can enhance marketing efforts, it also presents a paradox: relying heavily on data can strip away the emotional core that connects brands with audiences. Brands need to strike a balance between leveraging data and crafting content that resonates on an emotional level.

Data enables businesses to micro-slice target customers, optimise campaigns and achieve tangible results. Predictive analytics, for instance, offers a glimpse into the future, allowing companies to anticipate market trends and consumer behaviour.

But data often lacks context. It can tell us what is happening, but not why. Without human interpretation, data-driven content risks becoming predictable, or, worse, tone-deaf

reaction, but human intuition suggests another. It's better to trust the creative process and take calculated risks. Ignoring data in favour of a bold, human-centred approach can lead to effective outcomes.

However, true diversity goes beyond ticking boxes. It involves bringing in talent from non-traditional backgrounds — poets, philosophers, sociologists and other creative thinkers. This diversity of thought creates a

sions, it should never dictate them. Human touch is essential in ensuring content remains relevant, empathetic and emotionally resonant.

Achieving the right balance between data-driven insights and emotionally resonant content requires a nuanced approach. Some guidelines:

► **Data isn't a rulebook** Data should help inform creative directors. Creativity invariably thrives when it defies convention and takes risks. Marketers should use data to validate ideas without stifling the creative process. Sometimes, the most impactful campaigns are those that go against the grain, surprising and delighting audiences in unexpected ways.

► **Stay ahead of cultural shifts** Culture moves faster than data. By the time data is collected, analysed and synthesised, it may be outdated. So, marketers must be attuned to cultural trends and societal shifts, often acting on intuition and real-time insights rather than waiting for data.

► **Combine art & science** While data provides the scientific foundation, creativity adds the artistic flair that makes a message memorable. Marketers should strike a balance between the two. The goal is to create content that is both data-driven and emotionally compelling.

► **Know when to ignore data** There are moments when data may point in one direction, but human intuition suggests another. It's better to trust the creative process and take calculated risks.

► **Dive into diversity** Creating emotionally connected content requires the right talent. Diversity within creative teams is crucial for producing work that reflects the complexity and richness of the human experience.

► **Human touch** While data provides valuable insights, it cannot replicate the human emotions fully. AI algorithms



Emotional rescue

natural tension that pushes innovation and drives creative excellence, as the Medici Effect — Frans Johanson's idea that innovation comes from diverse industries, cultures and disciplines when they all intersect, bringing ideas from one field into another — has been demonstrating worldwide.

Diversity is in everything we do here in India. To create empathetic and emotionally-resonant messaging, diversity must be an authentic part of the process. Build inclusivity and encourage diverse viewpoints to

governments that across different cultures and contexts? In the quest for data-driven efficiency, CMOs must not lose sight of the humane element. Data can provide valuable insights and guide creative

decisions. But it's the emotional resonance of a message that ultimately connects with audiences. Perhaps one reason for recent lacklustre ads is this over-dependence on data-driven marketing tools.

In the end, emotions make people buy. As Oscar Wilde had said, 'Emotions are stirred more quickly than intelligence.'

The writer is co-founder, Medici Institute for Innovation



Data often lacks context. It can tell us what is happening, but not why. Without human interpretation, data-driven content risks becoming predictable, or, worse, tone-deaf



Supporting women through menopause, naturally. Build inclusivity and encourage diverse viewpoints to develop content that connects with consumers and reflects the values of the broader community

Spam, Bam, No, Thank You, Ma'am



Gopal Vittal

Over 600 mn consumers have come online in the past decade, creating unprecedented opportunities to deliver services to them. Growth of digital infra has also been instrumental in powering economic growth, enabling innovation, and making the world smaller and faster. Yet, this progress has a dark side: the alarming rise of cybercrime, fraud and scam.

The same empowering tech has become a potent tool for malicious actors to exploit unsuspecting customers. The precursor to cyberfraud and cybercrime is the nuisance of a spam call or message. Data shows that 6 out of every 10 people in India receive at least three spam calls a day. These calls range from selling unwanted and intrusive sales pitches to phishing attempts to financial fraud and identity theft. The sheer size and scale of these calls and mes-

sages is such that it is no longer an industry-specific issue, but has become a societal one.

Historically, the primary defence against spam has been app-based solutions. However, these solutions have limitations:

► They require an active internet connection.
► Customers have to download and enable the app.
► Most of these applications need a user-generated notification to the app that a specific call or message is, indeed, spam.
► Such solutions can spark customer privacy concerns, leading to lower adoption. Beyond this, such apps often fail to flag new or sophisticated scams.

An additional method to combat spam could be calling name presentation (CNP), which displays the caller's name based on their registration data during KYC. While this does give you the name of the person calling if KYC is in the person's name, the solution doesn't solve 'spam or fraud, since most malicious actors frequently change SIM cards. Having a fictitious name to point out who is behind the spam is a clear dead end. Technology exists and is being dev-

elopment to provide a specific solution for businesses, one of them being the use of anti-spam filters. It ensures that only legitimate and verified communications from enterprises go through, and spam is filtered out. This can happen in real-time on networks, so that fraudulent messages are blocked even before they reach the phone.

Such a solution, developed for one of the largest private sector banks, has now been rolled out to other banks. Yet, even such a solution is not comprehensive. It works only for



Wipe out the dark side

those businesses who choose to adopt this solution. Moreover, fraud today also happens when a call to an unsuspecting customer is made, which this solution does not address.

As digital adoption in India expands, so does the surface area for cybercrime. So, there's a burning need for a more robust and comprehensive solution. While the telecom industry is working with DoT, Trail and the cybersecurity cell to create stronger safeguards for users, much more must be done. The whole communications industry — telcos and OTT companies — must unite to kill this menace. It is only by coming together, sharing info about fraudulent actors and building comprehensive solutions that the problem can be addressed.

The real solution will lie in informing and empowering customers with the knowledge that the message or call they have received — across every device, every application, whether the customer has internet access or not — is spam.

Fighting the dark side of communications requires more than a quick fix. It demands a long-term commitment from everyone involved.

The writer is MD-CEO, Bharti Airtel

Strawberry Greenfields Forever?



Rohit K Singh

This month, OpenAI launched ChatGPT's ol preview model. ol is supposed to be a more versatile tool with human-like reasoning, spending more time 'thinking' before it responds to a user's prompts. It reportedly builds upon existing models to enhance logical reasoning and decision-making using a chain of thoughts.

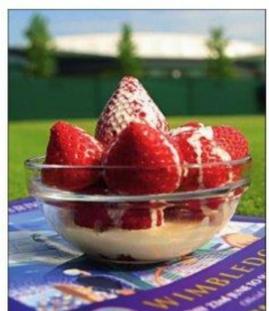
AI productivity tools can be effectively used to enhance efficiency, creativity and daily productivity in almost all walks of life. Some use cases include environmental modelling, legal case analysis and healthcare diagnosis support.

ol is part of a revolutionary transformation that's imminent with OpenAI's Project Strawberry. It promises to bring us closer to the goal of artificial general intelligence (AGI). AI that falls within the lower and upper limits of human cognitive capabilities across cognitive tasks, in contrast to 'narrow AI' limited to specific tasks.

Project Strawberry represents a paradigm shift in AI reasoning ca-

pabilities. Unlike its predecessors, which primarily excelled at pattern recognition and language processing, Strawberry is designed to think more like a human, employing advanced reasoning, and problem-solving skills.

One of the most significant advancements Strawberry brings to the table is its ability to perform autonomous internet research. This capability alone could revolutionise scientific research, data analysis, journalism... Imagine an AI that can not only process vast amounts of information but also actively seek out new data, cross-reference sources and synthesise findings that rivals



Game on

or surpasses human researchers.

This could accelerate the pace of discovery in fields ranging from medicine to climate science, potentially leading to breakthroughs that would take humans years or even decades. Students could benefit from AI tutors that adapt to their learning styles, pace and interests, providing a level of individualised attention currently impossible.

Strawberry's prowess in maths and programming could revolutionise industries reliant on complex calculations and code development. Financial institutions could leverage it for more accurate risk assessments and market predictions. Software development could see a significant boost in efficiency and innovation, with AI assistants capable of writing and debugging code at unprecedented speeds.

But, as with any transformative technology, Project Strawberry also raises important ethical considerations. How will we ensure that AI systems like Strawberry respect copyright laws and individual privacy while gathering information? Moreover, the potential for AI to generate synthetic data raises concerns about authenticity and reliability of info.

Then, there's the impact on employment. While Strawberry promises to enhance human capabilities, it could also displace certain jobs. This underscores the need to adapt

quickly, focusing on education and training programmes.

As AI systems become more adept at complex problem-solving, questions of accountability and decision-making arise. Who's responsible when an AI makes a critical decision in healthcare or finance? How do we ensure these systems align with human values and ethical standards?

But, then, potential benefits of Strawberry are too significant to ignore. In healthcare, its ability to process vast amounts of medical data and perform complex analyses could lead to more accurate diagnoses, personalised treatment plans and discovery of new drugs. As we look to the future, it's clear Project Strawberry represents more than just a tech advancement. It's also a catalyst for societal transformation.

To fully harness its potential while mitigating risks, a collaborative approach involving technologists, policymakers, ethicists and the public is needed. By approaching this new frontier with wisdom, foresight and a commitment to ethical development, we can ensure that Project Strawberry, and similar AI advancements, serve as powerful tools for human progress, augmenting our capabilities and opening up new frontiers of knowledge and innovation.

The writer is former secretary, GoI



THE SPEAKING TREE

Two Ways To Let Go

K V RAGHUPATHI

Letting go means allowing yourself effortlessly to open up to the moment and feel what is. It implies holding nothing within. When you hold nothing, it is mindfulness. As long as you do not interfere, all thoughts, anxieties and emotions stay a while and go off on their own, like clouds. In the same way how a tree eventually lets go of its leaves and blossoms.

Everything can feel so complex and confusing amid stress and anxiety because we give too much credence to them. So, it results in clinging. Then, mindfulness does not happen; only clogging. 'Let go' could mean relaxing the entire body and mind. This can happen in two ways: by allowing yourself to focus on your breath. Stay with stress and anxiety without evaluating and judging. It means 'experience your emotion or thought in full'. It can be about being completely present with your uncomfortable thoughts like a catalyst or diving deeply into them.

The other is spending more time in nature, watching everything without judging. The first option is rather painful, while the second is easier for those who take long walks in nature. The best meditation is walking alone, with your back upright, and seeing and feeling the beauty of nature. Observing everything with disinterest while walking. After returning from such a rejuvenating walk, you can lie down in shavasana, corpse pose, for complete relaxation.

ALGO OF BLISSTECH

Playing Vinyls

The ritual begins with the tactile pleasure of selecting an album. Each record sleeve, often adorned with eye-grabbing artwork, tells its own story and sets the stage for the auditory journey ahead.

Once the record is placed — gingerly — on the turntable, the gentle crackle as the needle touches down like a plane on a tarmac is a prelude to the rich, warm sound that follows. Unlike the sterile perfection of digital music, vinyl offers a depth and texture that feels more organic and alive. The music breathes, with every pop and hiss adding character to the listening experience.



Playing a vinyl also requires your attention and care — from cleaning the record to adjusting the turntable settings. This engagement fosters a deeper connection to the music. You're not just passively consuming sound but also participating in its 'telling'.

Vinyls encourage us to listen to albums in their entirety, as many artists intended. In an age of shuffled playlists and single-track downloads, this return to a more deliberate form of listening is incredibly rewarding. It allows us to appreciate the nuances of each track and narrative arc of the album as a whole.

Chat Room

Weary Wars Wound West Asia

Apròpos the news report, 'Handheld Radio, Solar Equipment Blasts Kill 9, Injure 300 in Lebanon' (Sep 19), the situation in West Asia is turning grave with Israel fighting wars on 3 fronts involving Hamas, Hezbollah and the Houthis, as the battle in Gaza continues. There's still no end in sight for the troublesome situation in West Asia, with the US preoccupied with the presidential election due in November. Ultimately, the people of Palestine, Lebanon, Yemen and Israel will bear the brunt of these hostilities. The current form of Israeli attacks on the communication systems, including pagers, shows the unfortunate determination to unnecessarily prolong hostilities. On the other hand, despite efforts at mediation between Ukraine and Russia, the war shows no signs of ending. The world seems gripped by a lack of trust and leadership vacuum, while being caught in the vortex of wars.

ANGARA VENKATA GIRIJA KUMAR Chennai



CONTRAPUNTO

If you burn out, relight the fire
—DR GLADYS MCGAREY (103 yrs)

Work For Employers

A white collar employee's death should make companies think more about responsive workplaces

Her mother's detailed and poignant letter about Anna Sebastian Perayil's life after her death, has touched a chord across the country's white collar workers. Per the letter, an overwhelming workload and relentless managers pushed the young chartered accountant beyond her limits. Even as the letter has drawn many others to share their own experience of corporate bosses putting unreasonable pressure on employees, MoS labour and employment has indicated there will be a thorough investigation into its allegations. As of now we don't know with certainty the cause and effect. But such conversations about work's role in human diminishing/flourishing are critical for moving the needle towards better working conditions.

The fact is that no single sweeping statement can accommodate the reality of all workers in a company let alone in society. By the same token, there is no blunt instrument by which everyone can be granted their ideal work-life balance. WHO officially recognised burnout as an occupational phenomenon in 2019, characterising it in three dimensions: feelings of exhaustion, increased negativism towards one's job, and reduced professional efficacy. It's the opposite of resilience and purposefulness. It takes the most fleeting look at the energyful septuagenarian leaders around the world, to see how wasteful burnout in ordinary people is. Recall Charles Munger after a daylong board meeting at age 99, declare that you don't call it work when you enjoy it. To be disheartened by a job you wanted, is a tragedy by any reckoning. The only constructive thing to do with it is to build more observant and responsive workplaces. There is no one-size-fits-all formula for this. But one factor that should help across the board is transparency about expectations. If an employee is going to be working weekends, let them know when you sign her on.

All employers should respond to this conversation about working conditions with a serious audit of everyday work practices. For example, who is supervising the supervisors? If their behaviour is oppressive, disrespectful and lacking in any empathy at all, then even the most qualified and passionate employees could end up losing their mojo. Different individuals respond differently to such pressure. Many are just walking away from jobs - attrition rates are high. There are also other ways to retain agency. The 'quiet quitting' phenomenon continues to be heavily peddled by influencers. But that's not a solution. The solution lies in employers understanding employees better.

Eating Up The Earth

Killing elephants to feed humans tells us many fundamental things about our species

In the revulsion over decisions of Namibian and Zimbabwe's govts to cull elephants to feed needy communities, what gets lost is a classic duality. The desperate need to feed hungry millions by killing wild animals that need protection, those long droughts, those shrinking spaces for wildlife, man-animal collisions - they are the flip side of human progress. This is not to argue that Namibia or Zimbabwe govt should abandon their citizens. Or that culling isn't a widespread practice. Namibia culls hippos during droughts, since the pools of standing water hippos need to survive dry up. But the point is that the frequency of droughts has increased.

What's not being talked about is that killing elephants to feed humans captures the rising demand for meat - 80% of the world eats meat for which 100bn animals are slaughtered a year. That means every year, around 16 animals are killed for each meat-eating human. Note, too, hunting has returned in parts of Africa. Trophy hunting of trans-border super-tuskers who cross over from Kenya to Tanzania has become a contentious issue. Kenya banned hunting. Tanzania allows it. A truce to not hunt the Amboseli super-tuskers - a single tusk weighs 50kg and fetches dizzying prices - had protected these elephants, but hunts have resumed. For Tanzania, hunting brings in the global affluent, especially from US, generating millions in revenue.

The reality is human prosperity has extracted too great a price on Earth. At just over 8bn, humans are a burden. All the chest-beating over fossil fuels hasn't dimmed unbridled expansion of the energy-guzzling AI shebang. From water-intensive crops to marine life, human demand on resources is off the charts. Also, politico-industrial-military establishments around the world want expensive wars - the highest number of conflicts since WWII are running post-Covid. Wars are a most profitable industry. Human beings are bad news for the earth. But who on earth is listening?

Tall tales

The long and the short of factors that might change the course of world history

Jug Suraiya



Did the length of Cleopatra's nose change the face of history? According to the 17th-century French philosopher and historian, Blaise Pascal, the dimensions of the Egyptian queen's proboscis did indeed affect the tide of historical events and could have led to the eventual demise of the Roman Empire.

Cleopatra had a pronounced nose which was seen as a sign of a strong personality, a trait which enabled her to become Pharaoh and which attracted Mark Antony to her. Their liaison ended with a clash of arms between Antony and Octavian, Caesar's adopted son, which weakened and, according to historians like Pascal, contributed to the ultimate fall of Rome as an imperial power which dominated the globe.

Is today's world at another turning point when anatomical measurements will determine the course of history? Some White House-watchers scrutinising the minutiae of the US presidential race claim that one of the factors determining the outcome will be how the two contestants measure up to each other vertically.

At 190cm or six foot three inches, Trump towers over the petite Harris's 162.5cm or five foot four inches, which some believe could give him, literally, a head start over his shorter opponent.

Trump reportedly used his lofty size in the 2016 prez debate with Hillary Clinton to steal a march on her, a ploy that might have worked in his favour as he gained entry into the White House despite having lost the popular vote by a margin of almost three million.

Popular belief has it that the US generally prefers the taller of two presidential candidates. Trump, who is about 15cm or six inches taller than the average American male, is listed as being the third-tallest US president after Abraham Lincoln (193cm or six foot four inches) and Lyndon B Johnson (191.7cm or six foot three-and-a-half inches).

While MAGA-lomaniacs might well contend that size does indeed matter and that Americans like their presidents to come in XL dimensions, Kamala backers could just as easily dismiss this as mere big talk, or simply the height of nonsense.

Fed Cut Won't Run Deep

Lower US rate by itself won't fire up Indian stocks much. But RBI will have more elbow room

Neelkanth Mishra



The US Federal Reserve started the long-awaited cycle of rate cuts by reducing the Fed funds rate by 50 basis points (one basis point is one-hundredth of a per cent) in an 11-1 vote on Wednesday, with the lone dissenter recommending a 25bps cut.

What has driven the change? The Fed pursues a dual mandate of 'maximum employment and price stability'. Its statement noted that risks to achieving its employment and inflation goals were 'roughly in balance', with progress on inflation, but slowing job gains and rising unemployment.

Markets also take cues from economic projections published by committee members, and changes versus last published forecasts in June 2024. Inflation forecasts for 2024 and 2025 are lower, and expectations of the unemployment rate at the end of 2024 and 2025 are higher. The revised expectation of 4.4% unemployment rate in 2024 and 2025 is above 'normal', currently estimated to be around 4.2%. Not surprisingly, therefore, their projection of end-of-the-year Fed funds rate (shown through 'dot plots') for the next few years was reduced by 70bps each for 2024 and 2025.

Very little of this was a surprise to the market: post the announcement US gov bond yields rose instead of falling, and stocks, which are anchored to rising when rates fall, fell marginally. Markets, in fact, currently expect the pace of cuts to be faster than what the Fed's dot plots signal. The disconnect seems to be on expected growth. In our view, the worldview underlying the Fed's projections (low inflation,

steady growth) is what used to be called 'Goldilocks' (not too hot, not too cold): that the decline in inflation can be achieved without much impact on growth. GDP growth forecasts were unchanged at 2% for each of 2024, 2025 and 2026. This may be too optimistic.

Last year, US economic growth was supported by an increase in the fiscal deficit, which offset the impact of higher rates. The fiscal

has plateaued at an annual rate of \$2tn (nearly 6.5% of GDP - very high), the impulse is now close to zero and is likely to turn negative in the coming months.

Thus, the recent deceleration in US growth is likely to continue, further

weakening labour markets. This would expose new risks to the US fiscal balance, as policy has been pro-cyclical (high fiscal deficits when unemployment was low means deficits will rise further with unemployment), and raise questions on the extent to which Fed funds rates can fall without a recession. Even the Fed's dot plot raised the long-term Fed funds rate closer to 3%, the highest since June 2018.

Though the Fed signalled a 200bps cut in rates over the next two years, we believe effective funding rates, which are dependent on yields on longer-duration gov bonds, are unlikely to fall meaningfully from here, unless a recession occurs. This is due to the changed fiscal stance and ballooning debt-to-GDP.

Further, using a risky if not a dangerous stratagem, the US Treasury has been funding a worryingly large proportion of its deficit through short-term borrowing. Whereas on average long-term bonds account for 80% of its borrowing, in the last two years this ratio is nearer 30% on average. As the issuance of longer-duration bonds increases inevitably, there may not be enough buyers, pushing up yields.

Whereas central banks in several large economies like China and Europe have already cut rates, given the dollar's dominance in global finance, the end of monetary tightening in US is an important milestone for financial conditions globally. These had already eased meaningfully after the Fed's pivot in Dec 2023, but the decision on Wednesday and the associated guidance cements this trend.

What does this mean for the Indian economy and the Indian markets? The Indian economy has slowed meaningfully in the last few months due to three major factors. First, the election-related delay in ramp-up of central and state govts' spending has delivered a negative fiscal impulse as large as 3% of GDP. Second, growth of money supply in the economy has slowed sharply. Third, weakening global demand and competition from China has hurt exports.

Of these, the first should get addressed as the year progresses, and early signs are visible in an improvement in tendering activity by govts. The second headwind was partly an outcome of the fear that easy liquidity allows a build-up of speculative positions which can make the currency vulnerable in a tight global funding environment. By keeping overnight liquidity in surplus for more than two months, RBI has already signalled a change of stance. As the financial system has not responded to this yet, the start of monetary easing by Fed should allow RBI room for stronger measures or communication to improve money supply.

As US bond yields are considered risk-free rates when valuing financial assets globally, the rate cuts, in theory, should be supportive of stock prices. However, as discussed above, bond yields are unlikely to fall as much. Further, with the dominant incremental flow now coming from domestic investors, the valuation benchmarks may have shifted for Indian equity markets, limiting impact of Fed rate cuts.

The writer is chief economist, Axis Bank



Exploding Devices, West Asia Wars & Global Supply Chains

Post-Lebanon, are widely used electronic items at risk of becoming killing machines? Is Hezbollah too damaged to respond to Israel? An explainer

Rudroneel Ghosh@timesofindia.com



Exploding pagers and walkie-talkies targeted thousands of Hezbollah members in Lebanon this week. The attacks, suspected to have been carried out by Israel's Mossad, first saw pagers explode almost simultaneously on Tuesday, killing 12 and injuring 2,800. The latter included Iran's envoy to Lebanon who reportedly lost an eye. The next day, hundreds of walkie-talkies used by Hezbollah exploded, killing at least 25 and wounding another 450. All of this comes as Israel announces a new phase in its 11-month-old war against Hamas and Iran-backed regional proxies. Here's the breakdown of this fresh turn and possible consequences.

How did pagers & walkie-talkies explode?

The attacks, particularly their scale, are something not seen before. True, Mossad has a history of sophisticated hits against enemy targets. Recall the Stuxnet computer virus that destroyed Iranian nuclear centrifuges, or the killing of Iranian nuclear scientist Mohsen Fakhrizadeh by a remote-controlled machine gun. Mossad was also believed to be behind the killing of Hamas bomb-maker Yahya Ayyash in 1996 when his phone exploded in his hand. But the coordinated pager and walkie-talkie attacks take things to a whole new level.

Apparently, Hezbollah had ordered 5,000 pagers for its members, which were delivered earlier this year. The walkie-talkies were also ordered around the same time. Reports indicate the devices were tampered with much before they arrived in Lebanon. While investigations are on, it appears the devices were implanted with small quantities of explosive substance that could be triggered through a coded message or a radio signal. If true, it indicates high-levels of deadly intervention in the electronics supply chain. That in itself begs the question: Will spy agencies and terror groups use the same modus operandi in future? If so, we're looking at huge ramifications for global trade.

Where did the devices come from?

A Lebanese security official revealed that Hezbollah had ordered the pagers from Taiwan-based Gold Apollo. But the Taiwanese firm has said the devices were made by Budapest-based firm BAC, which had the licence to use Gold Apollo's brand for the design, manufacturing

and sales of pagers (AR-924 model) in certain regions. Gold Apollo plans to sue BAC for harm to its reputation. But new reports suggest that even BAC was a front company, probably set up by Mossad. Another company, Bulgaria-based Norta Global Ltd, is now under the lens for its role in the sale of the compromised pagers.

Meanwhile, the exploding walkie-talkies bore logos of Japanese handheld radio manufacturer ICOM, a publicly listed company. However, the company hasn't produced the model supplied to Hezbollah, the IC-V87, for at least 10 years. But the older model remains on sale online, aside from counterfeit copies available on the open market.

Why was Hezbollah using pagers & walkie-talkies?

It appears the Lebanese group had switched to pagers and walkie-talkies because it feared Israel could track and target its fighters through mobile phone signals. Earlier this year, Hezbollah chief Hassan Nasrallah had warned supporters their phones were more dangerous than Israeli spies, and they should break, bury or lock them up in an iron box. Thus, the group was distributing pagers and walkie-talkies among its members, including fighters, medics and other personnel across its institutions.

What are the ramifications?

The nature of the attacks has raised concerns about the security and integrity of global supply chains in electronic devices. Hitherto, security concerns focused on software hacking. But these bombings show that even hardware can be weaponised. So will this, for example, now impact the aviation sector where onboard passenger mobile phones and other WiFi-enabled devices become a flight risk? And how long before terror groups start using similar tactics? The signs are ominous.

Why now?

According to some reports, the reason the attack was carried out at this juncture is that Israel believed

Hezbollah had got wind of the tampered pagers and was about to investigate. Israel had planned the operation for months and was reportedly going to use the attack as the first salvo in an open war with Hezbollah. However, with the plot on the verge of being discovered, the Israelis opted to advance the strike.

Plus, Israel seems to be moving troops to its border with Lebanon indicating that Tel Aviv may be ready to wind down its war in Gaza and begin focusing on Hezbollah to its north. In fact, reports suggest Israel may have just presented a proposal whereby it is willing to end its military operation in Gaza in exchange for the release of 101 remaining Israeli hostages in the Palestinian enclave. It is also willing to provide safe passage for Hamas leader Yahya Sinwar and release Palestinian prisoners.

Will this lead to an escalation of the regional conflict?

Difficult to say, although Hezbollah has vowed retribution and Israel is mobilising along its northern border. Previous provocations from both sides saw sabre-rattling, but actual military exchanges were lowkey. This time could be different. But the pager and walkie-talkie attacks were a huge hit to Hezbollah's fighting power, given they especially targeted its elite Radwan unit. Thus, the group might actually be constrained in mounting a big response.

What about the Iran factor?

Iran is standing in solidarity with its Lebanese proxy - more so because its own ambassador to Lebanon was targeted. But Iran's moderate president Masoud Pezeshkian and the hardliners aren't on the same page on multiple issues - social reform, economy and foreign policy. However, Netanyahu's actions are only helping Tehran's hardliners, curbing Pezeshkian's ability to manoeuvre. Hence, Netanyahu and the Ayatollahs are playing off each other. Their common political interest lies in the conflict continuing.



Calvin & Hobbes



Sant Rajinder Singh

At every stage of our lives, we set goals for ourselves and spend time working toward these goals. We may seek to establish ourselves in the world, become physically fit and healthy, amass wealth and possessions, forge strong relationships, or excel in other areas. Looking at our lives, we find that we are stuck in a web of worldly affairs. Living at the level of our physical senses, we believe that all we experience through our senses is real. We become attached to attractions that adorn this worldly stage, pinning our happiness on what we believe will bring us physical, emotional, and intellectual benefits and joy.

Few people find contentment and

peace when they live to gather only material gains. But too many leave the world before they can find that peace. However, we must awaken to the temporary nature of everything in this material world. If we are to lead life as it should be lived, we must follow the blueprint offered to us by the saints and mystics.

The spiritual path calls on us to make the most of the rare opportunity we have been given in this human body so our soul can find its way back to God. However, the path Godward does not require that we negate life. We can enjoy this world's beauty, attractions, and bounty, but we should not become attached to them. To find the

perpetual happiness we seek, we must attach ourselves to the Almighty. To do so, we need to learn to move our attention from the outer world to the inner world through meditation. As we do so, our soul connects with the Divine light and embarks on the journey within.

Through meditation, when we go on this journey into the inner worlds, we tap into the source of all love, joy, and happiness. The divine nectar of the Creator's love is ever-present in the worlds within. It is up to us to partake of this sweet nectar, and we can do so as we sit in silence and withdraw our attention from the outer world and focus it on the inner worlds. Contact with the Supreme Being's love nourishes the

parched soul, which blossoms forth to reveal its pristine beauty. Through meditation, we realise God's presence in our lives, and when this happens, all worry and fear dissipate, and happiness and joy overtake our being.

As we withdraw our attention from the outer world and focus it within, we can connect with the Divine's love and nourish our soul. This is the grand purpose for which we were given this human existence. We need to use this golden opportunity to help our soul find its way back to God so that the light of the soul merges again into the Light, just as the waves of the ocean merge into the ocean. Our private inner retreat can be accessed through meditation, and it serves as our refuge from the stresses and strains of everyday life.

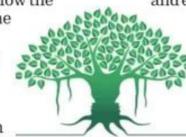
Sacredspace



A disease-free body, quiver-free breath, stress-free mind, inhibition-free intellect, obsession-free memory, ego that includes all, and soul which is free from sorrow is the birthright of every human being.

Sri Sri Ravishankar

Seeking Refuge From Strains Of Everyday Life



THE SPEAKING TREE

The Tribune

ESTABLISHED IN 1881

Save Indus treaty

India, Pak must prioritise water security

THE landmark Indus Water Treaty (IWT), which has survived India-Pakistan wars and diplomatic tensions over the past 64 years, finds itself at a crossroads today. India has served a notice on its neighbour, seeking a review and modification of the treaty in view of 'fundamental and unforeseen changes in circumstances that require a reassessment of obligations'. Since January 2023, New Delhi has repeatedly written to Islamabad to initiate talks on revising the World Bank-brokered treaty, but all this has merely been water off a duck's back. Pakistan, which red-flagged its water crisis during a UN Security Council meeting in February this year, is banking on the Permanent Court of Arbitration at The Hague to resolve the festering dispute over water-sharing.

River waters know no boundaries. Considering their mutual reliance on this precious natural resource, the two nations must realise that the IWT's survival is integral to ensuring regional water security. Intransigence and one-upmanship have made a bilateral settlement elusive. India has unreasonably indicated that there will be no more meetings of the Permanent Indus Commission, which includes officers from both nations, till the two governments discuss the renegotiation of the treaty. This 'Big Brother' approach may prove to be counterproductive as Pakistan has managed to internationalise the issue and is portraying India as the uncooperative party. The established dispute resolution mechanism — which has the provision for neutral experts as well as the arbitration court — should be honoured by both countries. Every effort must be made to keep the IWT alive and relevant.

Amid its muscle-flexing over the Indus treaty, India must not lose sight of the Brahmaputra basin, which lacks a water management framework. This major river system has India, China and Bangladesh among the stakeholders. Delhi must keep a close eye on China's proposed Great Bend Dam, which is expected to expand the country's capacity to store and withhold/release water. Beijing's 'upper riparian' status should not deter Delhi from insisting on multilateral cooperation.

Battle for Haryana

Promises galore in BJP-Cong showdown

ASHaryana gears up for the Assembly elections on October 5, the contest is primarily between the ruling BJP and the Congress. Given the people's concerns on unemployment, agricultural distress and economic inequality, both parties have promised transformative reforms in their manifestoes. While the BJP has focused on industrial growth and welfare schemes, the Congress is leaning towards populist economic relief. Both parties harp on development works during their tenures, with voters being sceptical of the claims as they are not fully supported by ground realities. Both face accusations of unfulfilled promises.

The Congress, led by Bhupinder Singh Hooda, has outlined key guarantees: an MSP law, 300 units of free electricity, Rs 6,000 pension for seniors, widows and the disabled and a Rs 2,000 monthly allowance for women aged 18 to 60. It also promises to restore the Old Pension Scheme and conduct a caste census. The BJP under JP Nadda, pledges to establish 10 industrial towns, create two lakh government jobs and provide Rs 2,100 per month to women. Its manifesto emphasises industrial growth alongside housing projects and expanded healthcare. Both visions, however, face hurdles, including the state's financial health, in the implementation of these ambitious promises.

Interestingly, AAP another party contesting all 90 seats, is making a pitch with focus on education, healthcare and clean governance. Though Arvind Kejriwal, after quitting as the Delhi CM, is going full throttle in campaigning, AAP may not disrupt the two-party dominance. But it could divide the anti-BJP vote and weaken the Congress' chances. The INLD, in alliance with the BSP, remains influential in rural and Jat-dominated areas. Abhay Chautala is positioning himself as a strong alternative. With multiple contenders, this election will test Haryana's evolving political dynamics.

ON THIS DAY...100 YEARS AGO

The Tribune.

LAHORE, SATURDAY, SEPTEMBER 20, 1924

Indianisation of Railways

THE question of Indianisation of the Railways and Railway Services came up for consideration in the Legislative Assembly on Wednesday in connection with the official proposal for the separation of railway finance from general finance. On this subject, there appears to have been no serious difference of opinion in the House, but the nationalist party proposed an amendment to the effect that the Assembly's approval of the Government resolution should be subject to two essential conditions: (a) "No railway line now under State management and no railway line now managed by a company whose contract may hereafter expire should be handed over to the company management without the previous approval of the Legislative Assembly"; and (b) "The Railway Services should be rapidly Indianised and Indians appointed members of the Railway Board as early as possible." Both are matters of great importance, and as regards both, Sir Purushottamdas Thakurdas, who moved the amendment, made out a very strong case in favour of his proposals. The Commerce members in support of the official resolution had stated that the Railways was of vital importance to India. That was precisely the reason, said Sir Purushottamdas, why the Assembly wanted to have a substantial say in the railway policy. The Railways was the property of the taxpayer, and the Assembly, as the sole representative of the taxpayer, was clearly entitled to an effective hearing in the matter. Again, the Assembly was being asked, by means of the official resolution, to abandon its right to make cuts in the railway budget, with a view to relieve the general exchequer or to transfer the railway surplus to meet the deficit in any year.

Fairly or unfairly, judges are being judged

No reason to criticise the CJl's invite to PM if there was no hidden agenda

TRYSTS AND TURNS
JULIO RIBEIRO

I have a soft corner for Justice Dhananjaya Yeshwant Chandrachud, the Chief Justice of India (CJI). He was my daughter's classmate at Mumbai's Cathedral and John Connon School for a short period. But that is not the reason for the affinity which is often tested when my friends criticise some of his judgments. My sympathies have much deeper roots — his father, Justice YV Chandrachud, who also served as the CJI, was one of my mentors in my student days.

I will not dare to advise the son, now that he occupies the highest judicial post in our country. Even the fact that he is a good 30 years younger than me gives me no right to preach.

His father was my teacher at Government Law College (GLC), Mumbai, where I studied from 1948 to 1950. The Chandrachud family's ancestral home was in Pune, where I happened to be posted as that city's last Superintendent of Police in 1964. It was upgraded to a Police Commissionerate in 1965, but in the one year that I led the city's police force, Justice YV Chandrachud visited his home in Pune thrice.

He was the Chief Justice of the Bombay High Court at that time. That fact did not deter him from visiting an old pupil. My office happened to be midway between his ancestral home and the Pune railway station.

Each time that happened, the entire clerical staff of my office would stop work to get a glimpse of the state's highest judicial authority. On one of those visits, Justice JR Vimadlal, another of my teachers at the GLC, accompanied him.



CONTROVERSY: PM Narendra Modi exchanges greetings with CJI DY Chandrachud. Unnecessary publicity was accorded to what should have been a private occasion. PTI

My appointment as the Superintendent of the Pune city police at a comparatively junior stage had displeased many senior colleagues but gladdened the hearts of two of my teachers who had been raised to the Bench from the Bar. Their visits are etched in my memory. And when the senior Chandrachud himself became the CJI some years later, I had sufficient cause to experience vicarious pride.

My readers will now understand why I wince when my old teacher's son, who has also risen to occupy the CJI's chair, is sometimes justly, but often unjustly, criticised by my liberal friends.

The present CJI's gesture of inviting Prime Minister Narendra Modi to his official residence to participate in the aarti of Maharashtra's favourite deity Ganesha has attracted flak. Personally, I see no harm in the gesture. There is no reason to discard social contact if it has no hidden agenda. I am sure past Chief Justices had invited Prime Ministers or senior politicians

Justice Ujjal Bhuyan of the Supreme Court did the judiciary proud by lambasting the CBI in the Kejriwal case.

to their homes. The problem arose this year because unnecessary publicity was accorded to what should have been a private occasion.

The question arises: Who gave the aarti photographs to the media? If it was not the Chief Justice, I see no fault in him. If it is the Prime Minister's well-oiled propaganda cell, that would be par for the course. And in that case, the CJI cannot be pilloried. If, however, the Chief Justice or his staff did distribute the photos among the media, the intelligentsia would be justified to ascribe motives and my

tongue would then be tied. I do hope that the culprit is not my revered teacher's son or his administrative establishment.

Another Supreme Court judge from Maharashtra who was in the news recently, albeit for positive reasons, was Justice BR Gavai. His Bench examined the complaint against 'bulldozer justice', which needs to be strictly restricted lest the 'rule of law' is sent for a toss. Bulldozers can be used for demolishing illegally built structures. Before municipal officers use them, procedures have to be followed. If they are not followed, the entire exercise is patently unlawful.

There has been much criticism, mostly justified, of parties to unauthorised construction taking advantage of the judicial process to delay the use of the bulldozer. The remedy lies not in abandoning the procedures but for the high courts instructing the judicial magistrate's court not to give leeway to lawyers attempting to delay the due process.

Justice Ujjal Bhuyan is another Supreme Court judge who did

the judiciary proud recently. In the matter of Arvind Kejriwal's bail, he lambasted the CBI for not stepping out of the 'parrot's cage' even after its Director was chosen under the new arrangement that permitted him or her to ignore irregular verbal orders of the political establishment. Of course, he or she will not be offered a post-retirement sinecure. But that is a small price to pay for a clear conscience and self-respect.

The arrest of then Delhi Chief Minister in June was patently an attempt to keep him incarcerated for a prolonged period. He had been granted interim bail in May in the case registered by the Enforcement Directorate. That bail order was not to the government's liking! So, it did appear that the CBI helped to ensure that Kejriwal would be kept away from the political arena for a few more months. The timing was too convenient for the public to ignore.

Kejriwal started off as a crusader against corruption. As a crusader, he made his mark. If he had continued as a crusader, he would have been a resounding success. Besides being useful to the people, he would have been assured of their respect. By deciding to abandon Anna Hazare and enter the political arena, he ventured into dangerous territory, one that he had fought against.

He soon learnt that political parties cannot exist without funding. One of his present bugbears, the BJP, managed very cleverly with electoral bonds. Once the apex court frowned on the system because of its opacity, that party, too, went back to traditional methods. The BJP can go after other parties that follow such known (and unfortunately accepted) methods because it is today in the driver's seat.

Parties led by Kejriwal and Mamata Banerjee are Modi's bugbears. The BJP will pursue them to consolidate its mandate to rule.

THOUGHT FOR THE DAY

It is hostile to a democratic system to involve the judiciary in the politics of the people. — Felix Frankfurter

Back to college after a decade

AKANKSHA SHARMA

AS I stepped onto the familiar grounds of my alma mater after 10 long years, a wave of nostalgia washed over me. It's incredible how time flies. For years, I harboured the desire to return there. And when the opportunity knocked on my door — the dean asked me to visit the college as a keynote speaker — the mere idea brought back old memories in a flash: the 'junkyard' where we spent hours talking about life, our white-and-blue uniform (coolest on the campus, of course), the 'baby cafeteria' that could offer only *samosas* and *chai* to help us beat the winter blues, and the fun assignments that kept us occupied the year round. These sights and sounds, anchored deep in my heart, came up before the mind's eye — things that were long forgotten.

The big day dawned with me experiencing pre-visit jitters, yet it also sparked a joy that I hadn't felt in years. At daybreak, I noticed it had begun drizzling and this, I knew, would limit my campus-exploring options.

Walking through the college gates felt like stepping back in time. The campus looked both familiar and strange. I could almost hear the echoes of my younger self — rushing to the classroom, cramming for exams and sharing countless moments with friends. Each corner had a story, a lesson learnt and a friendship forged.

Seeing students walking around in groups, sharing a laugh without the slightest idea about how precious these moments were — this left me dewy-eyed.

On entering my department building, I saw the vibrant hallways, filled with laughter and chatter of students — reverberating with memories of my own time here. It was surreal to revisit the place that shaped so much of who I am today. I was warmly welcomed by the dean and teachers: Seeing what I had earned — my teachers' respect — filled me with great pride and joy.

Reflecting on my time there, I realised how much I had grown since those days. The professors who challenged me to think out of the box and pushed me out of my comfort zone were instrumental in shaping my career path.

The best part about going back to college was renewing my connections with friends and mentors. Over lunch, we shared stories about where life had taken us in 10 years. We laughed until our sides hurt as we reminisced about hilarious moments from our days on the campus. The college had changed much since my time, thanks to new technologies and innovative programmes.

It was time to take my leave, a decade after the last time — a bittersweet feeling. While I was excited about what lay ahead, I knew my college would always hold a special place in my heart. Driving out of the gates, I made a promise to myself — no matter what, no matter where I am, I would always come back to the place that prepared me to take on the world.

LETTERS TO THE EDITOR

'One nation, one poll' welcome

With reference to 'One nation, one poll: Kovind panel spells out roadmap, challenges'; the proposal for simultaneous polls offers both benefits and challenges. It could streamline governance, reduce costs and improve voter turnout while minimising disruptions from the Model Code of Conduct. However, concerns persist about its potential to erode federalism, weaken regional parties and favour national ones. Besides, the logistical burden on the security forces and election officials cannot be ignored. Introducing 18 constitutional amendments complicates the legal framework, risking instability in governance during hung Houses or fresh elections. There is a need to adopt a balanced approach. It is imperative that these reforms are scrutinised rigorously, ensuring that efficiency does not compromise democratic principles. The government must tread carefully to ensure both political representation and administrative improvement.

CHANCHAL S MANN, UNA

Hold simultaneous LS, state polls

With reference to the news report 'Cabinet clears plan for parallel LS, state polls; yet to fix timeline'; simultaneous Lok Sabha and Assembly elections are the need of the hour. Holding one round of polls after another through the year drains the country's financial reserves. The nation cannot afford to bear such a massive fiscal burden, which hinders progress in developmental works. Besides, the ruling dispensation will find it easier to undertake long-term projects if there are parallel polls. And political parties may finally shift their focus from electioneering to governance.

ANIL VINAYAK, AMRITSAR

Kejriwal's resignation is welcome

Apropos of the editorial 'Delhi's new CM'; Arvind Kejriwal's decision to resign as the Chief Minister of the Capital is laudable. Had he quit in the wake of his arrest, it would have been even better for his party. There is no longer any doubt that Central agencies like the ED and the CBI have been weaponised by the BJP-led Centre to target Opposition leaders like the AAP supremo. And clearly, Kejriwal is trying to

take control of the narrative by seeking the voters' mandate as a form of vindication.

RAJ KUMAR GOYAL, PATIALA

Atishi can woo women voters

Refer to the editorial 'Delhi's new CM'; ever since AAP got the status of a national party, he has aspired for more power. Kejriwal's decision to resign is a step in the right direction. The AAP supremo has done well to pass the torch on to Atishi, a young, first-time MLA who is smart and well-educated. Now that Kejriwal won't be responsible for governing Delhi, he can focus on working towards the growth of his party. Besides, as the third woman CM of the national capital, Atishi can help the party woo female voters.

SUDERSHAN WALLA, AMRITSAR

West Asia remains on the boil

Apropos of the editorial 'Exploding paggers'; the recent explosion of paggers across Lebanon that claimed around 10 lives and wounded over 2,750 people is a matter of grave concern. The attack marks an alarming escalation in the Israel-Hezbollah conflict. Hezbollah appears to be the main target of the attack. As expected, both the pro-Iran armed group and the Lebanese state have pointed fingers at Tel Aviv. The consequences of the explosion will ripple across the world in the months to come. Israel has sent mixed signals, saying it does not want war, but it is ready to confront Hamas and Hezbollah. There is no end in sight to the growing unrest in West Asia.

GREGORY FERNANDES, MUMBAI

Criminals don't fear the law

Refer to the article 'Erosion of integrity plagues state police forces'; the writer's observations are on point. It is time for the political establishment to acknowledge its role in the drastic rise in heinous crimes. Criminals these days have no fear of the law of the land. Ironically, it is the victims who hesitate to approach the police or lodge a complaint as they fear the rignrole of court proceedings. And justice often eludes even those who seek it.

RC GARG, KOTKAPURA

Global Pact for the Future mired in ambivalence



ASOKE MUKERJI
INDIA'S FORMER PERMANENT REPRESENTATIVE TO THE UN

THE Summit of the Future, to be held in New York on September 22-23, originated as a response to concerns about the derailment of the implementation of the UN's Agenda 2030 on Sustainable Development with its 17 Sustainable Development Goals (SDGs). In September 2023, the UN's SDG Summit attributed 'numerous crises' for this derailment. Since the 75th anniversary of the UN in 2020, India has taken the lead in calling for 'reformed multilateralism' to respond to the crisis facing international institutions. Stressing that these challenges needed a 'human-centric' response, India participated in the inter-governmental process launched by the UN General Assembly (UNGA) in February 2023 to draft an outcome document titled the 'Pact for the Future' (PFTF). The negotiations, co-facilitated by Germany and Namibia (representing the developed Global North and the developing Global South, respectively), call for a "new beginning in multilateralism". The PFTF

attaches a Global Digital Compact and a Declaration on Future Generations as proof of its future-looking orientation. In policy terms, the emphasis that no single country can substitute for the collective impact of international cooperation, required to respond to the crises facing the world, is well-timed. The PFTF reiterates a "recommitment to international cooperation based on respect for international law". This highlights the predominance of the treaty framework of the UN Charter over 'rules' drawn up by informal plurilateral groupings. The PFTF begins with sustainable development issues, vindicating the stand taken by India and developing countries of the Global South that sustainable development is the "central objective of multilateralism". However, while the document devotes considerable space to reiterating existing commitments to the SDGs, its specific recommendations on responding to the crises facing Agenda 2030 are limited. The PFTF highlights the impact of an SDG Stimulus to generate the necessary finances for sustainable development. It endorses the localisation of SDGs to maximise a whole-of-society ground-up approach to sustainable development. The Fourth International Conference on Financing for Development to be held in Spain in July 2025 is expected to integrate the SDG Stimulus in its



DETERIORATION: The fracturing of the UN's political framework has led to the mushrooming of armed conflicts and confrontational unilateral responses. REUTERS

outcome, while the Second World Summit for Social Development to be held in Qatar in November 2025 will do likewise for the localisation of SDGs. Outsourcing these initiatives to ongoing inter-governmental processes, which have their own dynamics, may or may not produce time-bound outcomes. The impression that despite holding a Summit to respond to the crisis, it will still be "business as usual" in the UN, is based on specific timelines in the PFTF. The next milestone to recommend action on Agenda 2030 is the July 2027 annual meeting of the UN's High-Level Political Forum, which has looked deeply into implementation of SDGs on an annual structured basis since July 2016.

Since the 75th anniversary of the UN in 2020, India has taken the lead in calling for 'reformed multilateralism' to respond to the crisis facing international institutions.

This is to be followed by a UNGA Summit in 2027 on the future of Agenda 2030, and a Review Summit of the PFTF in September 2028. Adding to this ambivalence is the proposal for the UN Secretary-General, through experts appointed by him, to suggest how to "go beyond GDP" in measuring implementation of the SDGs. This potentially makes implementation of Agenda 2030 a self-sustaining open-ended enterprise, substituting statistical analysis for ground-based action by UN member-states. The fracturing of the UN's political framework has led to the mushrooming of armed conflicts and confrontational unilateral responses. This has increased pressures on implementing Agenda 2030. An

ineffective UN Security Council (UNSC), mandated by the Charter to maintain international peace and security, requires urgent reform to respond to the crisis. However, the PFTF's recommendations on UNSC reform are ambivalent. Despite affirming that "the question of the veto is a key element" of UNSC reform, the PFTF recommends continuing open-ended discussions aimed at a "consolidated" outcome "in the future", without setting any deadline. It ignores why the ongoing Inter-Governmental Negotiation (IGN) process of the UNGA has not yielded any outcomes since 2008, primarily due to the obdurate refusal of the IGN to apply existing UNGA rules of procedure to the negotiations. The PFTF's disinclination to assert the Summit's inherent power to resolve such procedural issues on the UNSC reform works to the benefit of the 'status quo' major powers like China, France, Russia, the UK and the US, and to the detriment of countries of the Global South seeking equitable and effective participation in the UNSC, despite SDG 16.8's unanimous and unequivocal commitment to them on this issue. Two major omissions detract significantly from the impact of the draft PFTF First, despite the high-profile emphasis in the UN on the 'human rights-centric' significance of Agenda 2030, which has the eradication

of poverty as its overarching SDG, there is no mention in the PFTF of the UN Human Rights Council (HRC) or its role. This directly questions the relevance of a democratically elected, member-state-driven HRC to constructively align fundamental human rights, including the right to development, with the responses to the crises facing the implementation of Agenda 2030. The second omission is systemic. Ever since the first major UN Summit of the 21st century in 2000 attempted to make the UN and its Charter relevant and responsive to contemporary challenges, the UN has convened systemic 'anniversary summits' of world leaders every five years to review the progress made by multilateralism and harvest outcomes. The 60th anniversary Summit in 2005 resulted in the creation of the UN Peacebuilding Commission and the UN Human Rights Council. The 70th anniversary Summit in 2015 unanimously adopted Agenda 2030. The PFTF omits any reference to the 80th anniversary Summit of the UN due in September 2025, which is expected to launch a Charter Review Conference, as mandated under Article 109 of the Charter. Therefore, the existing Articles 53, 77, and 107 of the 1945 UN Charter will continue to refer to one of the co-facilitators (Germany) of the PFTF as an 'enemy state'. The irony of this ambivalence could not have been starker.

Pakistan's worsening internal security a concern for India



LT GEN KAMAL DAVAR (RETD)
FORMER DIRECTOR GENERAL, DEFENCE INTELLIGENCE AGENCY

PAKISTAN is in the news again for all the wrong reasons, with its internal security in a shambles. It is facing unprecedented terrorist violence — the chickens have come home to roost. Former Prime Minister Imran Khan, languishing in Adiala Jail in Rawalpindi since August last year, allegedly on trumped-up charges, has compared the worsening situation in Pakistan to circumstances which prevailed during former military dictator Gen Yahya Khan's rule. Imran lamented that the country's institutions were being destroyed systematically. It was during Gen Yahya Khan's tenure that Pakistan was split into two nations, as Bangladesh (former East Pakistan) came into existence. Imran has accused PM Shehbaz Sharif of being a 'tout' who is taking orders from the Army. The former PM has been continually blaming the judiciary's timidity for not giving him

justice. He has also questioned the Pakistani establishment for incarcerating Khyber Pakhtunkhwa Chief Minister Ali Amin Gandapur, terming the situation in that restive province as 'scary'. Earlier this month, Imran's party, Pakistan Tehreek-e-Insaf (PTI), held a massive rally demanding his release. The establishment reportedly employed strong-arm tactics, including arresting some top PTI leaders. The PTI is majorly concerned about reports that Imran may be tried by a military court. The head of the Army's press wing has hinted that "under military law, any individual who uses military personnel, for personal or political gain, and if there is evidence, will face legal consequences". It was a clear reference to the unrest on May 9 last year when PTI supporters had allegedly targeted military installations and state buildings. Imran has moved the Islamabad High Court to pre-empt any move against him by the establishment. Meanwhile, Imran has himself suggested 'conditional talks' with the Army. However, the main conditions cited for these talks are "clean and transparent elections" and the dropping of 'bogus' cases against his supporters. The Army has not yet responded to his proposal. Shehbaz, as expected, has ridiculed Imran's offer for talks. Mariyum Aurangzeb of



RETRIBUTION: As non-Balochis get better economic opportunities than locals, Baloch insurgents have started targeting labourers, drivers and others coming to Balochistan for work. AP/PTI

the ruling Pakistan Muslim League-Nawaz (PML-N) has also criticised Imran, stating that "the self-proclaimed revolutionary who used to say that he won't ask for forgiveness, has come down to pleading to the armed forces to talk to him." Overall, Imran remains the most popular political leader in Pakistan, much to the discomfiture of his political opponents and the Army. And if any extreme measure is directed against him, Pakistan, perhaps, will be thrown into unprecedented violence and anarchy. The situation is going from bad to worse in Pakistan's largest province, mineral-rich Balochistan. It has had a strong separatist rebellion movement festering for

Pakistan's growing relations with China have adverse implications for India. It needs to remain vigilant against this nexus.

decades. The Pakistani establishment has been employing harsh measures to quell this movement, and able-bodied men disappearing from villages in Balochistan has been a regular feature. In order to quell this independence upsurge, the Pakistani security forces have violated the human rights protocol, employing their infamous "kill and dump policy". Despite Balochistan contributing the maximum to Pakistan's coffers, it remains its most impoverished province. Islamabad's assistance to China in the construction and operation of the China-Pakistan Economic Corridor (CPEC) and the leasing of the Gwadar Port to Beijing in

Balochistan has only added fuel to the fire as the self-respecting Baloch people do not appreciate foreigners and even non-Balochis from other parts of Pakistan getting better economic opportunities than the locals. Consequently, the Baloch National Army and other insurgents are perpetrating targeted killings of labourers, drivers and other non-Balochis coming to Balochistan for work. These insurgents have even targeted Chinese engineers working on the CPEC. On August 25-26, Baloch insurgents killed nearly 70 Pakistanis in four incidents. That some of these killings took place close to the Punjab border indicated the audaciousness of Baloch insurgents. Also, it was not a coincidence that these attacks were carried out on the 18th death anniversary of charismatic Baloch royal Nawab Akbar Khan Bugti, who was murdered by the ISI in 2006. Moreover, the pro-Pashtun terror outfit, Tehrik-e-Taliban Pakistan, has reportedly joined hands with Baloch insurgents to target Pakistani state assets, including its security apparatus. Meanwhile, apart from the complex and deteriorating internal security situation of Pakistan, its economic health is in the doldrums, to say the least. Pakistan's debt, fiscal deficit, genera-

tion of internal wealth — all are in an alarming condition. Recently, PM Shehbaz Sharif visited Saudi Arabia, the UAE and Turkey to obtain low-interest loans to service its external debts and have a modicum of reserves within the nation to fulfil its inescapable financial obligations. Importantly, Pakistan's security situation and its ever-growing multifaceted relations with China have adverse implications for India. Thus, India needs to remain ever-vigilant apropos of the China-Pakistan nexus. Pakistan Army chief Gen Syed Asim Munir has an anti-India reputation. No wonder, over the past year, infiltration attempts in J&K, especially now in the hitherto peaceful region of South Kashmir, and targeting of Indian Army installations are on the rise. Since last month, events in Bangladesh leading to the ouster of its pro-India PM Sheikh Hasina and her Awami League government and the rapid transition to a highly radicalised environment in that country have made things challenging for India. The possibility that Pakistan and China will fish in troubled waters on India's eastern flank as well cannot be discounted. India, thus, has to remain vigilant and enhance its security preparedness to counter any mischief from its adversaries.

QUICK CROSSWORD

ACROSS

- Paid job with minimal duties (8)
- Froth of soapy water (4)
- Place for public debate (5)
- Abnormally large (7)
- Gesture of congratulation (3,2,3,4)
- Come out into view (6)
- Keen insight (6)
- Distinctive form of expression (4,2,6)
- Encroach (7)
- Rub out (5)
- Shop's drawer for money (4)
- Immaculate (8)

DOWN

- Not rigorous enough (4)
- Give continuous account of (7)
- Area of mutual agreement (6,6)
- Out of the way (6)
- Prefix implying excessively (5)
- Impressive (8)
- A submerged often contrary feeling (12)
- Confine (8)
- A communication (7)
- Maintenance in good order (6)
- Drive back (5)
- Smaller amount (4)

Yesterday's solution

Across: 1 Steadfast, 8 Hence, 9 Maudlin, 10 Seance, 11 Sleuth, 12 Firebomb, 15 Camellia, 18 Caught, 20 Abroad, 21 Without, 22 Guile, 23 Downgrade.

Down: 2 Trail, 3 Ardour, 4 Faithful, 5 Thief, 6 On and on, 7 Level best, 11 Sea change, 13 Reaction, 14 Embroid, 16 Loaded, 17 Author, 19 Hound.

SU DO KU

3			9			7
	1		7			3
			2		4	
		2	3			1
4						2
	3			6	5	
		5		7		
9			5			6
8			6			1

HARD

FORECAST

CITY	18-21 HRS	
	MAX	MIN
Chandigarh	33	24
New Delhi	34	23
Amritsar	35	26
Bathinda	36	27
Jalandhar	35	24
Ludhiana	33	26
Bhiwani	34	24
Hisar	35	23
Sirsa	36	27
Dharamsala	31	20
Manali	24	14
Shimla	25	15
Srinagar	30	12
Jammu	35	23
Kargil	26	08
Leh	23	06
Dehradun	33	23
Mussoorie	23	16

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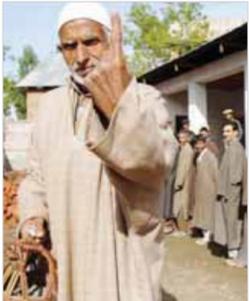
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PAPER WITH PASSION

India wins in J and K

The large turnout and peaceful voting in phase I of the elections marks a significant victory for the nation

The first phase of polling in Jammu and Kashmir, held on September 18 was not only peaceful but also a thumbs up for democracy as 58 per cent voters cast their vote. Approximately 23.27 lakh voters, including 5.66 lakh youths, were eligible to cast their votes to determine the fate of 219 candidates in Phase 1. Though two more phases are left but morning shows the day. Widespread apprehensions arose following a series of attacks in Jammu, raising serious concerns about the high likelihood of disruption. The successful democratic exercise in itself is a victory for the country. Indeed, it marks a crucial moment in the political landscape of the region. For the first time since the abrogation of Article 370 in 2019, the Union Territory is witnessing elections that hold significant weight for both the state and the country at large. This election is not merely a democratic exercise; it is a test of the stability, governance, and the long-term vision for integrating the region more firmly with the rest of India. The elections are being



closely watched, particularly after the transition of Jammu and Kashmir from a state to a Union Territory. For the people of the region, the act of voting is more than just a participation in democracy. The return of democratic process after years of instability, militancy and unrest is expected to reassure the local population that their voices matter in shaping their future. The turnout, especially in rural areas, is a clear indication that people feel secure enough to participate in democratic process.

The election campaign has brought a range of issues to the forefront, which will determine how the political winds blow in the region. Development, unemployment, and security are the most pressing concerns, with local leaders attempting to address the economic stagnation that has plagued Jammu and Kashmir for years. Tourism, once the backbone of the state's economy, has taken a severe hit, and while efforts have been made to revitalise the sector, it remains a sensitive issue in the polls. At the same time, political parties have taken contrasting stances on the abrogation of Article 370. While some align with the central government's move, touting it as a path to progress, others continue to advocate for the restoration of special status. This dichotomy underscores the ongoing divide between different regions of Jammu and Kashmir, which will likely influence the outcome of the elections. A high voter turnout and peaceful elections emboldens the government's stance on its Kashmir policy, reinforcing the narrative that the decision to revoke Article 370 was justified and has led to positive outcomes for the region. For opposition parties, the elections offer an opportunity to challenge the ruling government's narrative and build alliances with local players. As the first phase of polling concludes, Jammu and Kashmir stands at a crossroads. The region's political future hinges on how the rest of the election unfolds and what messages the electorate sends through their vote.

PICTALK



Pilgrims arrive at the Shri Badrinath Dham in Chamoli district

Modi@74: A journey of triumphs and challenges



K S TOMAR

Narendra Modi, a man who rose through the ranks, from RSS worker to become a global leader, has undergone a remarkable transformation

As Narendra Modi turns 74, the Prime Minister of India stands at a pivotal point in his political career. Having transformed from a grassroots worker in the RSS to a global leader, Modi's leadership has been marked by several triumphs, while also weathering significant criticism. A closer look at his governance reveals a complex blend of successes and shortcomings, reflecting his unique vision for India and the challenges of implementing sweeping reforms in a diverse, evolving democracy. Successes: Economic Reforms: Modi's tenure has been defined by key economic reforms aimed at spurring growth and investment. The implementation of the Goods and Services Tax (GST) in 2017 stands as one of India's most transformative reforms, simplifying the tax system and promoting ease of business.



Another flagship initiative is the "Make in India" program, which sought to position India as a manufacturing hub, attracting foreign direct investment (FDI) in sectors such as defence, electronics, and pharmaceuticals. **Digital India:** Modi's push for a digital revolution has reshaped India's financial and technological landscape. The Digital India campaign significantly expanded internet connectivity, especially in rural areas. Innovations like the Unified Payments Interface (UPI) have revolutionized digital transactions, while the Aadhaar system has streamlined welfare distribution, reducing inefficiencies in benefit transfers. **Foreign Policy:** On the global stage, Modi has strengthened India's relationships with key nations like the U.S., Japan, and Israel. Under his leadership, India has played a more prominent role in global forums such as G20 and BRICS. A major achievement has been the International Solar Alliance (ISA), promoting global cooperation on renewable energy and showcasing India's leadership in sustainable development. **Nationalism and Identity Politics:** Modi has adeptly tapped into nationalist sentiments, reinforcing the Bharatiya Janata Party



ON THE GLOBAL STAGE, MODI HAS STRENGTHENED INDIA'S RELATIONSHIPS WITH KEY NATIONS LIKE THE US, JAPAN, AND ISRAEL. UNDER HIS LEADERSHIP, INDIA HAS PLAYED A MORE PROMINENT ROLE IN GLOBAL FORUMS SUCH AS G20 AND BRICS

(BJP) as a champion of Hindu pride and Indian sovereignty. His government's initiatives, such as the Swachh Bharat Abhiyan and the abrogation of Article 370 in Jammu and Kashmir, reflect a blend of cultural and political assertiveness, though the latter move drew international criticism. **Infrastructure Development:** Under Modi's leadership, infrastructure has seen significant growth. Projects like Bharatmala and Sagarmala have expanded transportation networks, while initiatives like Pradhan Mantri Awas Yojana and Ujjwala Yojana have improved housing and provided cooking gas to millions of households. **Challenges Before Modi:** As Narendra Modi enters the later stages of his political journey, he faces a series of challenges that will shape his legacy and influence India's future. While his tenure has seen significant achievements, Modi's leadership must now address pressing concerns across various sectors that demand urgent attention and innovative solutions. **Economic Recovery and Job Creation:** India's economic recovery post-COVID-19 remains fragile. Despite some growth, inflation continues to be a persistent challenge, driven by rising global oil prices and domestic supply chain disruptions. For the average citizen, higher living costs are

squeezing household budgets, particularly for the poor and middle class. Modi's government must balance inflation control with promoting sustained economic growth. The issue of unemployment, especially among the youth, looms large. Urban and rural areas continue to experience high joblessness, and despite various reforms, the informal sector, which provides most jobs, is still recovering from the effects of demonetization, the Goods and Services Tax (GST), and the pandemic. Modi will need to focus on bolstering labour-intensive industries, strengthening small and medium enterprises (SMEs), and encouraging entrepreneurship. **Agriculture and Farmers' Discontent:** Even after repealing the controversial farm laws following large-scale protests, rural distress persists. Indian farmers continue to face challenges such as low productivity, insufficient infrastructure, and limited access to credit. To address these problems, Modi will need to prioritize rural development and improve agricultural infrastructure. However, he must tread cautiously with new reforms to avoid reigniting protests. Farmers will require sustained support through initiatives like improving Minimum Support Prices (MSP) and introducing technological innovations to

enhance productivity. **India-China Relations and Regional Security:** India's strained relations with China, particularly after the 2020 Galwan Valley clashes, remain a significant foreign policy challenge. The border standoff continues, and while diplomatic negotiations have curbed escalation, the potential for conflict still exists. Managing the delicate balance between regional security and diplomatic efforts with China is critical. Despite these successes, Modi's tenure has not been without shortcomings. The "Make in India" initiative has struggled to create enough manufacturing jobs, and his government's 2016 demonetization policy disrupted the informal economy without yielding long-term benefits. Modi also faced one of the largest protests in Indian history over controversial farm laws, which he ultimately had to repeal. Additionally, his leadership has been criticized for deepening communal divisions, with incidents of religious violence and the Citizenship Amendment Act (CAA) sparking social tensions. As Modi continues to lead, his legacy will depend on balancing development with social harmony and democratic governance. (The writer is a strategic affairs columnist and political analyst; views are personal)

LETTERS TO THE EDITOR

ONE NATION ONE POLL

Madam — The Cabinet nod for 'One nation - One election' (19-9-24) displays the misplaced priority of the Union government. Except the cost factor there is no other point worth considering to support the decision of the Cabinet. Election is an opportunity for the people to demonstrate their democratic sanction or resentment over the policies and programmes of a government. People exercising this right to ventilate their agreement or disagreement over the governments in the Center or the States should not be curtailed just to avoid expense. The expectations of the people being state specific in assembly elections and nation specific in the Parliament elections there is possibility of either of them getting swayed by the general mood. Possibility of holding elections in a massive way is not practically feasible. We are seeing the inability of the Election Commission to hold elections to a few States at one stroke. The Commission is not able to hold elections to Maharashtra Assembly along with elections in J&K and HP. Even elections to the state assembly are held in multiple slots. We have also seen the Commission rendered helpless to deal properly with the violations reported during the last General elections. The very idea of mandating holding elections to assemblies along with election to the Parliament is against the very Federal structure of the constitution. Proposal to hold elections to local bodies in 100 days after the General elections is also expensive and it is aimed at swaying the polls taking advantage of the outcome of national level elections. The arbitrary decision is undemocratic, anti-federal and strangles the right of the people to decide their choice on local, state and nation specific needs and demands. Above all, the move of government is, as usual, to divert the attention of the people from the basic and burning issues of the nation in many of which the performance of the government is definitely not upto the mark.

A G Rajmohan | Anantapur

Hundred days of achievements



Prime Minister Narendra Modi's first 100 days of his third term have demonstrated a clear focus on development and global leadership. The government's investments of 73 lakh crore in infrastructure projects like roads, railways, and ports are vital steps toward boosting the economy and creating jobs. Raising capital expenditure to Rs11.11 lakh crore reflects

a strong commitment to job creation and overall economic growth. Efforts in agriculture, such as the ₹20,000 crore allocation to farmers and increased MSP, along with the recognition of 1 crore "Lakshpati Didis," are praiseworthy. Foreign policy initiatives, including Modi's engagement with nations like the U.S., Russia, and China, indicate a proactive approach in shaping India's global standing. These accomplishments set a positive tone for the future, even as challenges like inflation and political tensions remain.

In his first 100 days of a third term, Prime Minister Narendra Modi has focused on development and global leadership, with significant investments in infrastructure, agriculture, and foreign relations. While progress is evident, challenges like inflation and political tensions continue to test his government's future agenda.

Vishesh Shukla | Lucknow

WORLD BAMBOO DAY

Madam—Bamboo is one of the largest members of the grass family and is the fastest growing woody plant on the planet. Its growth rate varies according to the soil and climate, and is best known as a major food source for pandas. Bamboo is also used for culinary and medicinal purposes in many parts of the world, as well for construction materials, furniture, textiles, musical instruments, bicycles, clothing and more. As a packaging material, bamboo is strong, durable and sustainable. It is one of the more remarkable natural materials available to us. The Economist recently quoted that bamboo is literally, the green equivalent of plastics. This is because it is renewable and low-carbon. It also said bamboo is now part and parcel of our packaging material. Furthermore, bamboo produces up to 35% more oxygen than trees, thus helping to offset carbon-dioxide emissions. It's easy to see why bamboo is a favorite when it comes to sustainable materials.

C.K. Subramani Iyer | Coimbatore

CONGRESS PROMISING THE MOON

Madam — The Congress election manifesto in Haryana is a bundle of high cost freebies not at all feasible financially for the State to implement. While the political parties must examine the impact of their pre poll announcements over the health of the State exchequer and present the detailed outline of available revenue which would bear the brunt of the freebies. The poll regulator Election Commission of India should also draft strict rules for manifestos and promises which are not viable.

The cult of freebies must stop if we really wish to progress morally, economically and socially and if Election Commission fails, the Supreme Court of India must take cognizance of the matter and direct the Election Commission to stop this nonsense. The freebies can become a real liability for the exchequer.

Jai Prakash Gupta | Ambala

Send your feedback to: letterstopioneer@gmail.com

Kolkata's protests and the culture of rape: A call for societal change

The tragic incident at RG Kar Medical College, Kolkata underscores the urgent need for a profound societal shift in attitudes toward women

The recent public outcry in Kolkata, sparked by the tragic incident at RG Kar Medical College, has transformed into a significant and sustained protest. Junior doctors gathering in front of the Health Department, alongside widespread public engagement, underscores a profound frustration with the pervasive violence against women in India. Reflecting on the August 9 incident, it's evident that the protest is not merely about the individual responsible. Despite the apprehension of the perpetrator, the continuing movement raises crucial questions about why such intense outrage persists.



The root problem, as I see it, lies in the cultural context that enables such violence. It's not just about one person's actions but about a broader cultural environment. The protests highlight a growing recognition that the issue is embedded within a culture that normalizes and perpetuates violence against women. The Kolkata demonstrations have brought to light a critical aspect of this cultural problem: the normalization of rape and the way women are

mentally change societal norms and practices that contribute to a pervasive culture of violence and exploitation. As long as these cultural attitudes persist, incidents of rape will continue. The troubling normalization of sexual violence in Indian society is evident in various ways. For instance, the fact that the name of the doctor murdered and raped in Bengal was trending on porn websites for an extended period reflects a serious cultural issue. It shows how sexual violence is often sensationalized and dehumanized rather than addressed with the seriousness it deserves. This critique extends to societal behaviors and attitudes, illustrated by the public reaction to the Ujjain incident. The fact that such a violent act occurred in a busy area, with onlookers observing and recording it, underscores the disturbing normalization of sexual violence. Such incidents are met with alarming indifference. Examining the cultural foundations of this issue reveals how cultural norms perpetuate gender inequality and violence. There are many

subtle signs of rape culture that are often overlooked, such as the objectification of women and the normalization of harmful attitudes and practices. Addressing this issue requires a profound cultural transformation. It's not just about legal measures or punishing offenders; it's about transforming the norms and values instilled from a young age. Culture is nurtured in our homes, and changing how we educate and raise our children is crucial to addressing rape culture. In conclusion, the protests in Kolkata and similar movements across India are not just reactions to individual cases of violence but a critical response to a deep-seated cultural issue that normalizes and perpetuates sexual violence. This situation underscores the urgent need for a fundamental cultural shift. Until we address the broader culture of rape, incidents of sexual violence will continue to plague our society. (Acharya Prashant is a Vedanta teacher and an advocate of women rights; views expressed are personal)



ACHARYA PRASHANT



FIRST COLUMN

APPLY SPORTS ETHICS IN THE WORKPLACE

The lessons learned through sports cultivate a healthier and productive work environment



SAKSHI SETHI

Sports have since long been a crucial element of human culture, teaching participants important life skills and values. The discipline, teamwork and perseverance developed in sports can easily be translated into a professional setting, where these qualities often lead to success. Applying sports values to the workplace creates a healthier and more productive environment that benefits individuals and teams alike.

The term 'resilience' is one of the core values in sports, where athletes regularly face challenges, setbacks and failures. Whether it's losing a game, dealing with injuries or facing tough competition, athletes learn to recover, adapt and continue working toward their goals. The similar value is crucial in the workplace, where employees encounter stress, failed projects and unexpected obstacles. Resilience helps employees bounce back from difficulties and maintain a positive attitude despite setbacks. It encourages them to see failure as an opportunity for growth rather than a reason to give up.

There is no denying the fact that athletes exhibit tremendous commitment and passion for their sport, dedicating hours of practice, maintaining a strong mental focus and striving to overcome challenges. At the workplace, too, similar commitment is essential for both personal as well as organizational success. Employees who are passionate about their work are more engaged, motivated and willing to go the extra mile. Just as athletes work toward improving their performance, committed employees consistently seek opportunities to learn, grow and contribute to their team.

When talked about the Paralympics, these athletes provide a powerful



source of inspiration when it comes to work ethics. They demonstrate exceptional dedication, resilience and perseverance—qualities that can directly inspire and shape one's approach to professional life. The lessons learned from their incredible journeys highlight the importance of maintaining a strong work ethic, overcoming adversity and striving for excellence in any field. Passion fuels innovation and creativity, leading to breakthroughs and a sense of fulfillment in one's job encouraging professionals to remain committed to their goals even when facing challenges at the workplace. It teaches us that obstacles, whether personal or professional, can be overcome with time, effort and persistence.

The values learned through sports are not only essential for athletic success but also for professional growth and productivity in the workplace. By embracing these values, individuals and teams can foster a work culture that promotes collaboration, perseverance and a drive for excellence. Recognizing progress, no matter how small reinforces one's belief that effort pays off and celebrating these victories along the way keeps the individual motivated and energized to continue. Instead of shying away from difficulties, one must see them as opportunities to learn and grow. When an individual approaches obstacles with the belief that effort leads to improvement, they build resilience and perseverance.

As stated above, undoubtedly, Paralympians have to cope with significant adversity, whether it's learning to use a prosthetic limb or recovering from a life-altering injury. In the workplace, this means that failures, mistakes or even unexpected challenges are not the end but an opportunity to bounce back stronger. In the workplace, adopting a mindset that welcomes challenges rather than avoiding them is a key part of developing a strong work ethic. It pushes professionals to take on difficult tasks, expand their capabilities and evolve in their careers. Sports values do provide excellent lessons that can be transferred to the workplace, promoting personal growth, team cohesion and overall success.

(The writer is an educator; views expressed are personal)

Sri Lanka's pivotal presidential election

With traditional parties in decline and new alliances emerging, this election may spring surprises. The outcome will determine Sri Lanka's capacity to address its urgent challenges



NILANTHA LANGAMUWA

Sri Lanka faces a pivotal moment in its political history as it prepares for the presidential election this Saturday, 21 September. This election, the ninth for the executive presidency, unfolds amid severe political polarisation, sharply contrasting with the last election in November 2019. The decline of traditional political parties and the rise of various political alliances are prominent features of this election, with three main candidates competing in a manner distinct from the two-horse races of previous presidential contests. The fragmentation of political parties, the absence of anti-defection laws, and the formation of new alliances driven more by personal interests than by cohesive agendas pose significant risks to democratic stability and governance. The 2019 presidential race featured two main candidates and a notable but relatively minor third-party candidate. It saw a record voter registration of 15,992,096 and a turnout of 83.72% (13,387,951), surpassing previous highs of 81.52% in 2015 and 81.06% in 1982. Despite this high turnout, 135,452 votes were invalid, leaving 13,252,499 votes as valid. Gotabaya Rajapaksa of the Sri Lanka Podujana Peramuna won with 52.25% of the valid votes (6,924,255), while his main opponent, Sajith Premadasa of the National Democratic Front, received 41.99% (5,564,239). Anura Kumara Disnayake of the National People's Power secured a mere 3.16% (418,553 votes). In the subsequent general election on 5 August 2020, Premadasa and Disnayake faced off again for parliamentary seats. Premadasa won 305,744 votes, while Disnayake received 49,814 votes.

In the 2015 parliamentary elections, Premadasa garnered 112,645 votes from Hambantota, whereas Disnayake, contesting from Colombo, secured 65,966 votes. Ranil Wickremesinghe, one of main three main contenders, in this year's race but absent from the 2019 presidential election, leads the United National Party. His party received 249,435 votes (2.25%) in the general elections, including 30,875 from Colombo and 28,282 from Gampaha. Although his party did not win a parliamentary seat, Wickremesinghe was appointed to a national list position. Amid severe social upheaval caused by economic mismanagement, which resulted in the resignation of both the President and Prime Minister, Wickremesinghe, a seasoned politician and six-time Prime Minister, capitalised on the moment to make his comeback. After Prime Minister Mahinda Rajapaksa was forced to resign, Wickremesinghe was appointed as Prime Minister.

However, protests demanding the resignation of President Gotabaya Rajapaksa led to his dramatic escape, first to Trincomalee by navy ship, then back to Colombo by air force chopper, and finally to the Maldives by air force cargo flight. Rajapaksa officially resigned on 14 July 2022. Subsequently, Prime Minister Wickremesinghe was appointed as President by the constitutional process. Wickremesinghe's appointment highlights the complexities of Sri Lanka's political system.

According to the constitution, the President must appoint a Prime Minister who commands the majority's confidence in Parliament, illustrating the considerable unchecked powers inherent in the executive role. Rajapaksa's assumption that Wickremesinghe, who came to Parliament through the national list, was the candidate who earned the majority's confidence reflects the intricate dynamics of Sri Lanka's



THE FRAGMENTATION OF POLITICAL PARTIES, THE ABSENCE OF ANTI-DEFECTION LAWS, AND THE FORMATION OF NEW ALLIANCES DRIVEN MORE BY PERSONAL INTERESTS THAN BY COHESIVE AGENDAS POSE SIGNIFICANT RISKS TO DEMOCRATIC STABILITY AND GOVERNANCE

politics. However, Wickremesinghe has effectively stabilised the situation after the social upheaval. In this context, Wickremesinghe has emerged as a major candidate, yet the Sri Lanka Podujana Peramuna has nominated its candidate, Namal Rajapaksa.

Reports suggest that Rajapaksa's ambitions to secure the prime ministership were opposed, leading a faction of his party to break away from Wickremesinghe. Rajapaksa's candidacy appears more focused on maintaining his family's political lineage rather than presenting a genuine bid for leadership. Nonetheless, his endorsement of supporting Sajith Premadasa, where he appeals to supporters to cast their second vote for Premadasa, could be a decisive factor in the election outcome. Meanwhile, the NPP, initially opposed to the public uprising that led to Rajapaksa's removal, has become a significant political entity.

Anura Kumara Disnayake, who ironically led his political party into alliances with traditional parties to secure ministerial positions over the past few decades, has skillfully capitalised on widespread dissatisfaction with corruption and the growing anger towards conventional politicians to bolster his standing. His alliance's emotionally charged propaganda has infiltrated every corner of society, despite its lack of deep ideological substance. The Janatha Vimukthi Peramuna (JVP), his original party, has skillfully harnessed this discontent to challenge the status quo.

However, Disnayake's path to victory remains uncertain, especially with three major candidates in the race. Voter statistics reveal additional obstacles: with 17.1 million registered voters and an anticipated 80% turnout (13.7 million), a candidate would need approxi-

mately 7 million votes to secure the presidency in the first count.

The NPP's past performance shows limited success, receiving 418,553 votes (3.16%) in 2019 and 445,950 votes (3.84%) in parliamentary elections in 2020. The party faces challenges in Tamil-majority districts like Nuwara-Eliya, Jaffna, Wannai, Batticaloa, and Trincomalee, and in areas with lower voter counts, such as Polonnaruwa and Matale. To succeed, the NPP must secure substantial votes from Colombo, Gampaha, Kalutara, Kandy, and Kurunegala, requiring an estimated 700,000 to 800,000 additional votes.

Given these dynamics and the competition among three candidates, the NPP or JVP may struggle to achieve significant success in this election. However, the election remains crucial in determining the country's social and governance structure. Conversely, Sajith Premadasa appears to have significant potential to garner a majority of the votes, while Wickremesinghe has also gained substantial ground. Therefore, it is unlikely that any candidate will secure over 50% of the vote in the first round of counting, which may necessitate counting the second votes.

This uncertainty could trigger a new wave of political instability if major alliances and key candidates fail to manage the results effectively and refuse to accept the people's verdict. Despite flashy manifestos and hefty campaign budgets, none of the candidates have provided a clear plan to tackle the staggering \$100 billion national debt. They all parrot the same old IMF rhetoric, yet almost none offer a concrete strategy beyond this worn-

The situation in the island nation is dire, and there's no straightfor-

ward path for the incoming leader to steer the country out of its deepening crisis. As of 1 July 2024, about 24.8% of Sri Lanka's population lives in poverty, with rates varying dramatically between districts—3.5% in Colombo versus 44.2% in Nuwara-Eliya.

Poverty in rural areas has surged from 15% to 32%, while urban poverty has tripled from 6% to 18%. A recent survey revealed that 31% of the population is impoverished, with 33% skipping meals and 47% cutting back on meal sizes. Malnutrition affects nearly one-third of children under five, and over 40% of women aged 18-60 are overweight or obese, reflecting severe economic and health issues. Regardless of the election's outcome, Sri Lanka's entrenched political divisions threaten to entrench a fragmented legislative body, where effective governance and decisive action may become increasingly elusive.

Such divisions risk entrenching a cycle of delays and inefficiencies, potentially leading to a state of perpetual gridlock that hampers national progress. Antonio Gramsci's notion of passive revolution becomes pertinent here, warning of significant changes that merely preserve existing power structures. Hannah Arendt's insight that "The most radical revolution will become a conservative the day after the revolution" cautions against decisions driven by emotion over reason.

Thus, the question looms: can this election transcend emotional politics to instigate genuine reform, or will it simply entrench the status quo? Regrettably, the candidates' manifestos seem to hint at the lat-

(The writer is a journalist and author. Views expressed are personal)

Chronicles of compliance: The missing case diaries in money laundering probes

Money laundering poses a significant threat to society, undermines democratic institutions, and fosters criminal activities and corruption

The international community established the Financial Action Task Force (FATF) to combat money laundering and terrorist financing through international standards. The FATF's 40 Recommendations provide a comprehensive framework for countries to prevent and address these financial crimes. India enacted the Prevention of Money Laundering Act (PMLA) in 2002, effective from July 1, 2005, in alignment with its international obligations. The PMLA aims to combat the laundering of illicit funds, including those from activities such as drug trafficking, thereby safeguarding the country's financial integrity.



PRAKHAR BAJPAI

Section 172 of the Code of Criminal Procedure (CrPC), maintains a chronological record of the investigation process conducted by the police officer. This detailed documentation includes every step taken during the investigation, such as the date and time of receiving information about the crime, the start and finish times of the investigation, locations visited, witness statements recorded, and evi-

dence collected. This comprehensive record ensures continuity and transparency in the investigation, serving as a crucial handover document when different officers handle the case at various stages. The case diary is essential for maintaining continuity and transparency in the investigation process, offering a comprehensive overview of progress to courts and defence lawyers. This transparency is indispensable for maintaining procedural integrity and accountability in the investigative process.

Concerns Regarding the Absence of a Case Diary under PMLA: In contrast, the PMLA mandates thorough investigations into money laundering but does not specify the need for a

detailed case diary as in the CrPC. This absence raises concerns about potential misuse by the Enforcement Directorate. Without a mandated case diary, there is no obligation for investigators to maintain a comprehensive, chronological record of their actions. This lack of documentation could reduce accountability and allow for the manipulation or selective presentation of evidence without a transparent trail of how and when it was obtained, compromising the investigation's integrity.

This can lead to biased or unjust conclusions, undermining the integrity of the investigation and in cases where multiple officers are involved in different stages of the investigation, the absence



of a detailed case diary can result in inconsistent handovers. Critical information might be lost or altered, impacting the continuity and coherence of the investigation. This ultimately leads to violations of individual rights and compromise on due process of law.

Case Diary Maintenance: It is important to understand that the accused under CrPC does not have an automatic right to

view the case diary. Access to the case diary is at the discretion of the Court or the police officer. However, the significance of maintaining a case diary as noted above lies in its ability to keep investigating agencies diligent and accountable throughout the investigation process.

Furthermore, under the criminal law procedure, it is considered a dereliction of duty if the Magistrate does not request and review the case diary before authorizing any form of custody to the accused which means the perusal of the case diary by the magistrate is essential before any remand, whether judicial or police custody and haphazard maintenance of a case diary discredits those responsible and defeats the very purpose for

which it is required. Therefore, it is suggested that similar practice needs to be followed under the PMLA cases as well. Mandating ED to maintain a case diary ensures that it adheres to the due process of law during investigations and thereafter, the court will become entitled to use the case diary during trials or inquiries as an aid in the inquiry or trial, thereby holding the ED accountable for its investigative procedures, doing this the magistrate will be getting aid and true picture of the detailed record of the investigation proceedings conducted by ED till date in a narrative form, recorded promptly, with sufficient detail, and in chronological order and thus, will be able to objectively decide whether to remand the

accused or not. The Supreme Court is set to review 2 aspects of PMLA in July 2024, firstly, the FIR which is akin to ECIR under PMLA should be supplied to the accused or not. Secondly, the reversal of the presumption of innocence. It is to be noted that giving a case diary a statutory requirement under PMLA and thereby, mandating the ED to maintain one will be crucial in shaping the final judgement, which could fundamentally impact the legal framework for money laundering investigations in India. A ruling in favour of maintaining a case diary would enhance the fairness and transparency of PMLA proceedings, ensuring the accused's right to a fair trial. (The writer is a law student; views expressed are personal)