

Newspaper Analysis and Summary – 04th & 5th October 2015

SCIENCE AND TECHNOLOGY

ICRISAT introduces finger millet as mandate crop

Finger millet [*Eleusine coracana* (L.) Gaertn.], which figured among the six small millets in research portfolio of the International Crops Research Institute for the Semi-Arid Tropics (ICRISAT), has now been formally made its mandate crop.

This is an important recognition for a crop which has been an integral part of the ICRISAT's research portfolio.

“Finger millet has always been within our mandate crops but we want to provide greater visibility to this nutri-cereal that offers so much to smallholders in the form of economic opportunity and to consumers [including farm families] in the form of improved nutrition,” said ICRISAT Director-General David Bergvinson.

The ICRISAT genebank holds nearly 6,000 finger millet germplasm accessions from 24 countries, conserved for use in research and development, according to a release here on Saturday.

Improved varieties

Among the ICRISAT projects that focus on finger millet, the Harnessing Opportunities for Productivity Enhancement of Sorghum and Millets in Sub-Saharan Africa and South Asia (HOPE) project funded by the Bill & Melinda Gates Foundation is showing encouraging results in improving productivity of finger millet and household incomes in East Africa. This was achieved by enabling farmers to adopt improved varieties and associated agronomic practices and linking producers to both input and product markets.

In Malawi, the introduction of three finger millet varieties highly valued by farmers is expected to resurrect a crop that had ‘disappeared’ from the southern region of the country. Farmers wanted access to seeds of Gulu E, ACC 32 and KNE 1124 varieties, so that they can start growing the crop again, ICRISAT stated.

According to ICRISAT, finger millet variety U15 is the most preferred for its early maturity and grain colour, while IE 3779 is preferred for its resistance to blast disease and tolerance to lodging. Through a multi-institutional collaboration, ICRISAT scientists in East and Southern African region have generated a whole genome sequence of finger millet. In Karnataka finger millet is among the ‘climate smart’ crops that figures high on the agenda of the government.

The other mandate crops of ICRISAT are sorghum, pearl millet, chickpea, pigeonpea and groundnut.

POLITY AND GOVERNANCE

Modi govt. gives Aadhaar one more push

In a move led by the Prime Minister's Office (PMO), BJP-ruled States, including Gujarat, Maharashtra, Rajasthan, Jharkhand and Haryana, have petitioned the Supreme Court to allow Aadhaar to be used for all government welfare schemes.

Simultaneously, the Election Commission of India and a phalanx of banking and economic regulators — the Reserve Bank of India, the Securities and Exchange Board of India, the Insurance Regulatory and Development Authority of India, the Pension Fund Regulatory and Development Authority of India – have also filed similar clarification/modification applications in the apex court.

This comes ahead of October 6, when the Supreme Court will consider the merits of these applications seeking clarification of the order it passed on August 11 to restrict the use of Aadhaar cards to the Public Distribution Scheme (PDS), including the disbursement of kerosene and LPG.

In that order, the apex court had directed the government to give wide publicity that it would not be mandatory for a citizen to obtain an Aadhaar card, that its production would not be a condition for obtaining any benefits otherwise due to a citizen and that information about residents collected by the Unique Identification Authority Of India (UIDAI) would not be used for any other purpose except for the schemes mentioned and as directed by a court for criminal investigation only.

The Supreme Court had also decided to refer to a Constitution Bench whether the right to privacy of a citizen is a fundamental right or not.

Now, the Modi government's push to universalise Aadhaar will once again foreground the concerns about violation of privacy as well as the fear that the poor and vulnerable might themselves be excluded from welfare benefits. Indeed, in its August 11 order, the Supreme Court had said, "No person should be denied any benefits or "suffer" for not having the Aadhaar cards issued by Unique Identification Authority of India."

But official sources told *The Hindu* that the government believed — like its predecessor United Progressive Alliance (UPA) government — that the Aadhaar card would become an instrument of good governance, cut out the middlemen and eliminate corruption.

For Prime Minister Narendra Modi, it is part of his JAM trinity — Jan Dhan Yojana, Aadhar, mobile governance. On Wednesday, shortly after he returned from the US, official sources said, the Prime Minister held a review meeting of Aadhaar enrolments: he urged Chief Secretaries of the various States present that they must expedite enrolment and ensure Aadhaar cards to the entire population by December.

NIA team for Bangladesh to probe fake currency case

A team of the National Investigation Agency (NIA) will go to Bangladesh to investigate the trail of a huge consignment of fake Indian currency notes (FICN) seized at Chittagong port on September 21.

Bangladesh customs had seized Rs. 2.71 crore in FICN from a container when it arrived at the port from UAE. Officials say Bangladesh is being used as a transit point by Pakistan to pump fake currency into India.

The NIA team will also probe the recovery of Rs. 1.28 crore in FICN from a Bangladeshi national in Dhaka on September 22.

The NIA and the Rapid Action Battalion, the anti-crime and anti-terror unit of Bangladesh, have been working in close coordination ever since the Burdwan module of Jamaat-ul-Mujahideen Bangladesh (JuMB) was unearthed in West Bengal last year.

The visit of Prime Minister Narendra Modi to Bangladesh in May this year has further helped the Indian agencies in getting information about terrorist elements and Pakistan-based groups involved in circulation of FICN operating out of Bangladesh. After the PM's visit, the two agencies signed a memorandum of understanding to share intelligence on fake currency notes and other terrorist modules on real-time basis.

"We will be sending a team to Bangladesh on October 7 to investigate the seizure of a huge consignment of FICN from Chittagong port. We are told that six persons have been detained for the crime and Bangladesh would give us access to interrogate these men," said a senior NIA official.

Sadiq's arrest

The official said India had earlier approached Bangladesh for details about the whereabouts of Sadiq, who was arrested this week in Jharkhand. Sadiq was allegedly the key trainer at the terrorist camp being run by JuMB in Burdwan district unearthed last year. "When we approached our Bangladesh counterparts to get information on Sadiq, they acted swiftly and raided the possible hideouts in Rajshahi district, where he has a house. Though they could not find him there, they were forthcoming in cooperating with us," added the official.

Bengaluru ‘landing point’ for drug smugglers?

Has Bengaluru become a ‘landing point’ for drug cartels in Latin America to smuggle drugs into India?

Suspicion that drug dealers in the city may be “directly in touch” with cartels in South American countries is growing, after the arrest of a Paraguayan national and a Filipino, according to sources in the Narcotics Control Bureau (NCB).

They added that the seizures of various psychotropic substances in the last three years had shed light into the strong and escalating drug scene in the city.

Drug enforcement agencies identified particular pockets in the city catering to substances like cocaine, LSD and ecstasy pills.

While there have been seizures and arrests, the kingpins have often managed to go scot-free.

The abundantly available ganja remains the highly seized contraband, with ketamine and heroin following it. Mephedrone, nicknamed ‘meow meow’ is the latest on the Bengaluru menu and is shockingly even available via “door delivery”, said NCB officials.

Banned psychedelic substances, mainly Lysergic acid diethylamide (LSD), popularly known as acid, and Methylenedioxy-Methamphetamine (MDMA), commonly called ecstasy, are being peddled with ease in the city among youth who are mostly working professionals.

Statistics on seizure by the NCB and the Bengaluru City Police in the last three years, point out an escalation in LSD, MDMA, cocaine and the abundantly available cannabis.

According to NCB sources, LSD and MDMA drugs have turned popular in the Bengaluru party scene like never before.

“A doze of LSD available in paper blots or spread on sugar cubes, brought into the city mainly from Goa, has turned common substance of use in parties. While LSD is for the high, MDMA is used simultaneously for energy and stamina to party all night long. We have information that small groups, including foreign nationals mainly Africans, are peddling the substance,” says an officer with national agency’s Bengaluru wing.

In 2015 till date, the NCB booked five cases involving a seizure of scores of LSD blots and in its powdered form, notably one bust near Hennur Bande on May 7 in which six Nigerian nationals, including a woman, were nabbed.

“An acid drop can cost you up to Rs. 7,000 if bought in parties in the city which are often discretely announced via social media (including, marketplaces on the ‘deep web’) on the venue and sometimes of the genre of music played mainly psytrance,” adds Niranjana, an city-based IT engineer.

De-addiction and rehabilitation expert Pratima Murthy of NIMHANS terms drug abuse mainly among youth in Bengaluru as a “worrying trend”.

“In the last three years, there has been an increase in people seeking medical help following polysubstance abuse, including users of heroine and cannabis.

Patients largely are youngsters who often experiment with drugs and turn addicts,” Dr. Murthy added.

ICHR to explore Europe’s connect to India’s past

India will soon tap French historical sources to trace its own history. The Indian Council of Historical Research (ICHR) has proposed to offer Indian scholars access to “multiple sources” of history to arrive at India’s past, to present it more accurately than before.

“We all know that our history is mostly based on English sources. To get alternative sources on our past is necessary. We should provide our scholars access to such European sources. We already have an ongoing project on translation of Dutch sources on Indian history to English. Now, we plan to add translation of French sources to this project,” Chairperson of the ICHR, Prof. Y.S. Rao told *The Hindu*.

Prof. Rao, who has earlier stated that India is yet to evolve a methodology to study its remote

past with “Indian perspective and is yet to understand the nuances of ancient knowledge,” said the Council will shortly begin special training sessions for history teachers and scholars to help them interpret accurately the epigraphs that have been found in different ancient and medieval languages. This too is being done to uncover facets of ancient and medieval Indian history, which have till now not been recognised.

The council has been conducting training programmes and workshops for research scholars in historiography and methods, but under the new project, it would organise 21-day training capsules annually for junior scholars and teachers in history to equip them with basics of epigraphy, manuscriptology and numismatics to help them keep abreast with the latest in this field.

“We come across epigraphs in different ancient and medieval languages which need special training to decode in modern parlance to construct history on objective lines. The present generation of scholars need special training in epigraphy,” Prof. Rao said.

Also, on the agenda is a project to trace the development of science in a historical perspective. The ICHR has proposed mapping the journey of science and technology from the earliest times to the 18th century.

“From about 4th century BC, we come across many scientific texts. The development of Indian sciences had been continuous till our colonial beginnings,” Prof. Rao said.

INTERNATIONAL RELATIONS

Cold War is back: peace activist

Mathias Rust, the iconic peace activist from Germany, has advised India to maintain neutrality in political issues involving Russia and the European Union member-states. His observations have come in view of the growing military tension between the U.S.-EU block and Russia which, he says, has triggered the Second Cold War in Europe.

“India will be better served if it follows a policy of neutrality while interacting with EU member countries as the big European powers at present are following the foreign policy of the U.S. unquestioningly,” Mr. Rust said in an online interaction with *The Hindu*.

Mr. Rust became famous when he flew a lightweight Cessna aircraft from West Germany across the Iron Curtain and landed in Moscow’s Red Square on May 28, 1987.

During his air adventure, Mr. Rust crossed over more than 400 miles of the Soviet territory uninterrupted by the Soviet defence forces. As a result of his flight that was interpreted as a triumph by peace activists and a major security breach by the hawks in the Soviet establishment, Aleksandr Koldunov, commander of the Air Defense Command, was sacked by the Soviet General Secretary, Mikhail Gorbachev. The incident also attracted a rebuke from the Soviet Politburo targeting the defence forces for their “intolerable unconcern and indecision.” Marshal Sergey Sokolov, a rival of Gorbachev, also resigned as a result of Mr. Rust’s peace-flight.

After a year-long stay in Moscow which included his trial, Mr. Rust was allowed to return to West Germany in August 1988. Three years later, the Cold War ended when the Soviet Union collapsed. On October 3, 1990 Germany was reunited. But 25 years later, at the eve of celebration of German reunification, Mr. Rust feels that the Cold War has returned, thanks to the worsening political relations between the EU and Russia.

Twenty-five years after the end of the Cold War, Mr. Rust says erosion of mutual trust defines government-to-government (G2G) ties in Europe. That apart, he says that in recent years, European powers have sacrificed on legal rights, democratic freedom and minority rights, hinting that the post-Cold War promise of freedom and democracy that were made to the people of Europe has not been fulfilled. “Governments have been dominated by the corporate entities and citizens have ceased to matter in public policy,” said Mr. Rust explaining that political situation in Europe is fast sliding into a crisis mode.

Japanese man shot dead in Bangladesh

A Japanese citizen was shot dead by gunmen in a northern Bangladesh town on Saturday, the police said, days after an Italian aid worker was murdered in an attack claimed by the Islamic State group.

The police said the victim, whom they named as Hoshi Kunio, aged 66, was riding in a rickshaw when he was shot dead in Kaunia town in Rangpur district at about 10.30 am local time (0430 GMT).

“He was travelling to the town from Rangpur city, where he had been living for a while, on a cycle rickshaw when his vehicle was stopped by three men riding on a motorcycle,” deputy police chief of Rangpur, Saifur Rahman, told AFP.

The Bangladesh government sought to allay concerns over the safety of foreign nationals in the country after the second killing in a week, saying it was taking both murders “very seriously.” Home Minister Asaduzzaman Kamal said the killings of the two foreigners appeared to be linked. “We see both the killings are similar. [In both the incidents] three killers came on motorcycles and [they] fired shots from behind with pistols,” he said.

“The aim of the murder of innocent people in this way is to make an attempt to create instability in the country,” Kamal added as he vowed to bring the killers to book.

Kunio was a frequent visitor to Bangladesh and worked on a farming project in Rangpur, about 300 kilometres north of the capital Dhaka, the police said. “Two of the assailants shot him twice in the chest with pistols while the other waited with the motorbike ready to flee,” local police chief Rezaul Karim said, adding four people had been interrogated over the murder but none were arrested.

‘Place your money in Sri Lanka’

Sri Lanka’s Finance Minister Ravi Karunanayake has invited Sri Lankans and Indians who had to take back their deposits from banks in Switzerland to place their funds in Sri Lanka.

In view of the current close ties between the two countries, the Indians should consider Sri Lanka their ‘second home,’ Mr. Karunanayake said.

“No questions would be asked [about the source of funds],” he told *The Hindu*, before leaving for Japan on Sunday to join Prime Minister Ranil Wickremesinghe.

Instead of going to Dubai or Singapore, the depositors could come here.

“We will offer them interest rates, ranging from 1.5 per cent to 3 per cent, whereas they were getting nothing in Switzerland,” he added.

An official of the Finance Ministry explained that necessary changes in banking regulations of Sri Lanka would be made to ensure safety of funds to be deposited through the proposed scheme. The official explained that the Swiss authorities had asked the foreign depositors to declare to tax officials in their home countries by September end about the placement of their deposits, failing which the funds should be withdrawn.

According to an estimate, the total value of deposits held by Sri Lankan expatriates in foreign countries was about \$15 billion. Asked how much he expected would be invested in Sri Lanka, the Finance Minister replied that he had no figure in mind and any amount would be welcome.

Killings part of a conspiracy to foment instability, says Hasina

The Sheikh Hasina government has said a “conspiracy” to create an “unstable situation” in Bangladesh is behind the killings of two foreigners in as many weeks.

The Prime Minister categorically said on Sunday that the murders of an Italian and a Japanese were “pre-planned and similar in style.”

Addressing a press conference on Sunday after returning from her trip to the UN General Assembly in New York, she said the murders were part of a conspiracy to “tarnish the image” of the government.

“There is no reason to believe that all our achievements will be overshadowed by these heinous murders, but that is what is being attempted.”

‘Politically motivated’

She also described the two murders as “politically motivated” and promised firm action. Ms. Hasina said that the murder of foreigners took place at a time when the war crimes trials were taking place, referring to the possible executions of two top war criminals belonging to the Bangladesh Nationalist Party and the Jamaat-e-Islami.

The Prime Minister appealed to the people “not to get too sensitive or carried away by these murders” and said the government would take action and track down the culprits.

“We will continue our drive against militancy. Militants have no religion and no state. Militancy is their religion,” she said.

Meanwhile, Home Minister Assaduzzaman Khan Kamal said the motive behind the murder of Japanese Kunio Hoshi was to foment instability in the country.

The police have so far arrested four people. The U.S. Ambassador to Dhaka, Marcia Bernicat, has urged the Bangladesh government to investigate every aspect of the murder of Hoshi and bring the perpetrators to justice.

Fresh blow to hopes of settlement to Nepal statute controversy

India has denied that it has issued any order for a “blockade” at the Indo-Nepal border that has seen over 2,000 trucks parked on the Indian side waiting to go in. Hundreds of Indian truckers have been stranded in Nepal as well, as protesters angry with the new Constitution adopted by Nepal have blocked the crossing-points to pressure the government in Kathmandu.

Asked about India’s denial, Nepali Ambassador Deep Kumar Upadhyay told *The Hindu* on Sunday that Nepal offered Indian trucks a guarantee of safe passage despite the protests.

“We have furnished all kinds of assurances of foolproof security to the government, we will escort every truck once it enters Nepal, so what is the problem,” he asked. “The Indian government should see what is stopping the trucks from leaving India.”

Hopes of a settlement over the Constitution were dealt another blow on Sunday, when parliament was adjourned and failed to pass two crucial amendments introduced by Prime Minister Sushil Koirala to assuage the Madhesi demands over constituency delineation and proportional inclusion.

As a result, the amendments — that India had hoped for — now hang in the balance, and may be delayed further as parliament now begins the process of electing a new Prime Minister.

The ambassador’s strong remarks that India should not push Nepalis to the wall indicate a toughening of position in Kathmandu, even as he said Nepal would have to look for other options like China to resolve the fuel crisis and shortage of essentials. “We know this is impractical and we can’t afford the cost, but we are being left with no options,” he said.

People of Chinese descent stateless

However, their problems were equally unlike. While having sugary tea, the elderly Chinese-descent women and men explained how they are “stateless” even after being born in Kolkata or after residing in the State for six decades or more.

“I was not born here but in Canton province [now Guangzhou] but came to Darjeeling with my parents when I was six or seven years old,” said Ms. Chen, on condition of anonymity. She, like others, has a Registration Certificate (RC) issued after the 1962 Sino-Indian war, which enables her to stay in Kolkata. But she also needs to renew her temporary citizenship every year.

“There are mainly three types of issues here,” said Binny Law, an activist who works closely with the community. “The people who are born before 1947 and have a British passport and the ones born in China, mostly in south China, and hold a Chinese passport and a third category,” explained Mr. Law. The third category was explained by David, a third generation Chinese in Kolkata, who helps the elderly with the paper work.

“They are born between 1947 and 1950. The British said they are not our citizens and India was unsure as the Constitution was not framed till 1950 – so they ended up being ‘stateless,’” he said. But no one — even the historians — can explain why these women and men are ‘stateless’ when millions of Bengalis who arrived from East Pakistan were initially issued a RC in Kolkata in the 1940s which were later used to obtain citizenship.

“Should have been naturalised citizens”

A former head of State intelligence was rather surprised.

“They should have been naturalised citizens, according to Articles in Part II of the Constitution,” he said. “However, the Citizenship Cell of the Ministry of Home Affairs (MHA) in Delhi is the final authority on the issue. I am not sure if there is a separate provision concerning Kolkata’s Chinese population following the 1962 war, which is denying the citizenship,” said the retired officer, also on condition of anonymity.

In fact the Chinese-descent women and men *The Hindu* spoke to refused to divulge their identity due to the fear of police interrogation and harassment. Sitting in a sprawling second floor chamber of the Buddhist (also Taoist) deity of prosperity and justice, Kuan Di-Ti, many of them said that they are periodically harassed by the police or even “unknown people” since they are stateless.

“They often come at night to question us,” said 75-year-old Ms. Chen (name changed), rather reluctantly.

“There are about hundred of us now in our age group in Kolkata who need to go to the FRRO every year and pay something close to Rs. 10,000 to renew our long-term visa,” said Ms. Chen, while showing the receipt of the fee paid to the FRRO in 2015.

She holds a Chinese passport, which she is “willing to surrender” if she receives Indian citizenship, explained her daughter, who preferred anonymity like her mother. However, nearly no one — like Lim Gui Hua — expect any solution.

“This is how it was for the last several decades and the size of my family has reduced to four from 20, every one either migrated or passed away. I do not have money to migrate, so I will die here, stateless, Mr. Hua said.

Capital spending shows pick-up

When Union Finance Minister Arun Jaitley lands in the U.S., he will be able to present a healthy picture of India’s growth to investors. The Union government’s Plan capital expenditure is showing a robust pick-up, show data from the Controller-General of Accounts. It is up to Rs. 52,612 crore in the first five months of the current fiscal, till August, 38 per cent higher than the Rs. 38,112 crore spent in the corresponding period last year.

The break-up of the expenditure is not available yet; however, Finance Ministry sources say bigger allocations are being made this year for public investments in infrastructure, especially roads. Shifting the thrust of government spending to capital expenditure is the key growth-boosting strategy of this year's Union Budget. Mr. Jaitley allocated Rs. 70,000 crore for public investments, including in railways and road infrastructure. This strategy was proposed by Chief Economic Adviser Arvind Subramanian in the Economic Survey, the curtain-raiser to the budget, and it is based on the higher value of the fiscal multiplier of capital expenditure, a Ministry source says. Economists Sukanya Bose and N.R. Bhanumurthy of the National Institute of Public Finance and Policy have estimated that every rupee of capital expenditure in India generates expansion of the order of 2.45 times in the economic output. The fiscal multipliers for other types of spending, according to the economists' estimates, are much lower. "While an increase in output can be brought about through any kind of public expenditure, the capital expenditure multiplier is the highest ... The estimated size of multipliers suggests the need to prioritise capital expenditure," says their paper "Fiscal multipliers for India".

Their dreams die young

Child rights activist and Nobel Laureate Kailash Satyarthi once said that child labour perpetuates poverty, unemployment, illiteracy, population growth and other social problems in society.

But the shepherds from Mahabubnagar district, who leads semi-nomadic life, continue to involve their children in sheep rearing forcing them drop out from school at very tender age.

Unlearned from the words of Mr. Satyarthi, the herdsmen says that they would come out of poverty and all their problems only if all the family work while the successive governments that ruled the State have never bothered about the existence of this angle in child labour.

Hundreds of shepherds coming to Nalgonda from neighbouring Mahabubnagar, engage their children in sheep rearing. On the other day, between Chandur and Kangal, a 20-km stretch in the district, eight teams of shepherds were sighted and four of them had one child member aged below 14 years.

Living on the edge

Speaking to *The Hindu*, a 12-year-old boy, Bheemsh, said that he had stopped his studies in Class V to help his father. Since these shepherds spends half of the year out of home, the children miss social life at a crucial juncture in their life. They were put to a lot of hardship since the children were forced to walk at least 20 km every day as part of their job. They sleep in open agriculture lands at night unmindful of the risks involved. A number of incidents like thieves killing the herdsmen to take away sheep, deaths with snakebite and deaths in road accidents were reported in the past.

The father of one of these children said that they had no alternative except involving their children to eke out livelihood. "Each and every family holds 50 to 100 sheep which need to be guarded by at least two persons. And engaging labour would be a costly affair," he said.

The mother of children would look after the rest back at home. "There was a serious need to government to study the lifestyle of these nomadic shepherds and permanently address the practice of child labour among these families, child rights activist," K. Subhash said.

Large area under pulses pushes up kharif sowing

The area under kharif crop is higher this season than in the previous year by 13.51 lakh hectares owing to higher sowing of pulses, coarse cereals and oilseeds — commodities whose prices are up in retail markets.

Kharif crops have been planted on 1,031.37 lakh hectares this year as against 1,017.86 lakh hectares last year. However, while the area under rice and sugarcane is broadly the same as

last year, cotton sowing has dipped by 10.14 lakh hectares, pointing to the crisis from the non-payment of cane dues to farmers.

The overall sowing has improved, despite a 14-per cent deficit in rainfall during the southwest monsoon that withdrew last week.

The cultivation of pulses went up after the government announced a higher minimum support price for the kharif marketing season. Till October 1, 114.58 lakh hectares of pulses had been sown, as against 102.56 lakh hectares in the corresponding period during 2014-15. Higher sowing was reported from Madhya Pradesh, Rajasthan and Uttar Pradesh. Area under arhar, urad and moongbean is higher than others.

The sowing of coarse cereals is higher by 4.72 lakh hectares with cultivation in jowar (sorghum), bajra (pearl millet) and maize better than last year.

As for oilseeds, the higher sowing of soybean and sesamum improved the overall cultivation by 6.4 lakh hectares over last year. However, there has not been much improvement in rice cultivation. Cotton planting has dipped to 116.41 lakh hectares this year.

BUSINESS/ECONOMY

Payments banks to help in move to 'cashless economy'

Finance Minister Arun Jaitley on Sunday said in a post on his official Facebook page, that "most assessments [of money abroad in Liechtenstein and in the HSBC bank at Geneva] have been completed and wherever illegalities are being found, criminal prosecutions have been launched against beneficiaries of these bank accounts." A total peak balance of about Rs. 6,500 crore in these accounts has been assessed, he said, referring to the government's actions in evaluating the quantum of black money stored abroad.

The Finance Minister laid the blame for incidence of tax evasion on previous governments and their high tax rates.

"Regrettably, our high taxation regime in the past eventually ended up encouraging tax evasion... The early decades after independence witnessed India with high taxation rates, prompting people to evade. The capacity of the state to detect evasion was less than adequate. Over the years, India has slowly started moving towards moderate rates of taxation," he said, adding that the Modi government was still committed to reducing the corporate tax rate to 25 per cent from the existing 30 per cent over the next four years, a promise Mr. Jaitley made in his budget speech.

Plastic money

Mr. Jaitley said the government was well aware of the need to shift to a cashless economy.

"Being seized of this problem, the government has been working with various authorities in order to incentivise this change. The opening of a large number of payment gateways, Internet banking, payment banks and the emerging reality of e-commerce will prompt the use of banking transactions and plastic money to rise significantly," he wrote.

He added that the government was taking several other steps to curb black money transactions within the country.

The government was at an advanced stage in considering making it mandatory to provide PAN card details for cash transactions beyond a certain limit, he said.

"The monitoring regime of the income tax department has been strengthened and... its ability to detect large cash withdrawals, or large cash transactions which enter the system, is being strengthened."

Jaitley sees India as new engine of global growth

Ahead of his visit to the U.S. and Peru to attend the IMF-World Bank meetings, Union Finance Minister Arun Jaitley has reiterated that India is ready to be one of the new drivers of growth of the world economy, especially in the backdrop of China entering a period of economic slowdown. Mr. Jaitley also called for businesses worldwide to invest in India, which is “growing faster than the rest of the world and has the potential to grow much faster. There are also no serious political roadblocks...”

In an interview to CNBC, Mr. Jaitely said: “I see an important opportunity for India. The relative slowdown in China does not necessarily impact India negatively... The world certainly needs more than one engine to pull it, and till recently, China has been shouldering a bulk of the global growth.” However, China would still shoulder the largest growth, but the world would need other reliable hands to lead the growth, he said.

He admitted that Indian underperformed in manufacturing, but now it has a good opportunity to attract companies looking for alternative manufacturing hubs.

“We need a lot of investments and there are obvious limitations to domestic investments... We’ve made investment proposal clearances much faster, our environmental decisions have become much faster,” he said.

Efforts on to make tea industry climate-smart

At a time when climate-change is impacting tea-cultivation in a major way, efforts are on to make tea estates climate-smart so that the industry develops resilience to uncertain and negative climate change impact.

A project has been launched by the Tea Research Association along with Southampton University on climate — smartening tea plantation landscapes, which would run for two years. It is funded by the U.K.-India Research Initiative.

The project is investigating the impact of climate change on tea production and livelihoods in North-East India, revolving around climate variability, land-management practices and climate-smart agriculture practices

It may be mentioned here that tea is a rain-fed perennial crop, which provides the main ingredient for one of the world’s most important beverages. It supports livelihoods across the humid regions of south and south-east Asia and east Africa. The physiology of tea plants is closely linked to external environmental and climatic factors (elevation, precipitation, temperature, soil moisture, temperature and fertility, light duration and intensity, humidity, shelter, shade and CO₂ concentration) and any adversity in these conditions can significantly impact yield, revenue and livelihood security. Rainfall has traditionally been plentiful for growing tea, especially in India but with recent changes in the climate, surface and ground water are becoming important irrigation systems.

Climate-risk is high in Assam, ranging from annual flooding of the Brahmaputra river due to intense monsoon rains and soil water-logging, to winter precipitation deficits with seasonal droughts. Regional trends indicate annual mean minimum temperatures have increased and annual mean precipitation has decreased, particularly in Assam. Such impacts will have a significant effect on tea crop productivity and directly affect the livelihoods of dependent communities as Assam contributes 50 per cent of India’s 1,200- odd million kg.

The effects, which were noticed over the last few years, seem to have become pronounced over the last three years or so leading an industry honcho to say: “it is no longer climate change...it is climate chaos”. ITA officials said that the weather was hardly following any pattern.

Crop-loss has become almost the norm across the world’s tea growing regions. India too has suffered. What worries the industry most is that although it has so far not experienced any major crop loss, tea quality is suffering and pest-attacks are increasing. Due to climate

change, there has been crop loss during seasons when some of the best teas are harvested (spring and early monsoon).

However, broad-scale climate-landscape modelling predicts that tea yields in north-east India are expected to decline by up to 40 per cent by 2050. As yield is directly associated with revenue, changing climate is also likely to impact economic structures of those reliant on tea, particularly the smallholders given their increased vulnerability to changes in the system.

Rainfall has traditionally been plentiful for growing tea, especially in India but with recent changes in the climate, surface and ground water are becoming important irrigation systems.

More public sector banks cut lending rates

Following the cut in benchmark short-term lending (repo) rate by 0.50 per cent by the Reserve Bank of India in its bi-monthly policy review, more banks have announced a reduction in their benchmark lending rates.

State-run Syndicate Bank and United Bank of India on Saturday cut their benchmark lending rates by up to 0.30 per cent, making home and auto loans cheaper for new as well as existing customers.

While United Bank of India has reduced base rate to 9.65 per cent from 9.90 per cent with effect from October 12, Syndicate Bank reduced its lending rate to 9.70 per cent.

Allahabad Bank has informed the stock exchanges that it has cut its base rate by 25 basis points.

Consequently, the base rate will be reduced to 9.70 per cent from existing 9.95 per cent with effect from October 5.

Central Bank of India too has reduced base rate by 0.25 per cent to 9.70 per cent effective from October 8.

For term deposits between 46-269 days, the interest rate has been lowered by 0.50 per cent while for 269 days—3 years the reduction is by 0.25 per cent.

Another public sector lender, Oriental Bank of Commerce has also reduced interest rate on fixed deposits by 0.25 per cent across some maturities.

Interest rate on term deposits between 91 days to 10 years will be lower by 0.25 per cent effective October 5.

Union Bank of India announced a 0.35 per cent reduction in its base rate to 9.65 per cent. The new base rate will be applicable from October 5, the bank said in a statement.

Indian Bank, for its part, cut its base rate by 0.30 per cent to 9.65 per cent, effective October 7.

Reserve Bank of India's surprise rate cut puts its long-term credibility at risk

he dollar rose on no news'. This was the concluding sentence of a mock overnight forex market report penned by economist Jacob Frankel about three decades back. The Indian financial markets rose handsomely on the very positive news of a 'surprise' 50 basis points cut in the policy rate by the Reserve Bank of India (RBI) on Tuesday. Among others, the price of 10-year government security moved higher, with its yield falling by about 17 basis points over the following 48 hours.

In financial markets, as in life, surprises are rare, by definition. Major central banks, with the exception of the People's Bank of China, perhaps, tweak their policy rates by 25 basis points at one go on most occasions.

A 50-basis point rate cut can happen under either of the following circumstances:

One, when a central bank comes to the conclusion that it should have cut the policy rate more in the past, particularly in the last review. And, therefore, it seeks to make amends for the

missed opportunity. By doing so, the central bank wants to be sure that it is not left 'behind the curve' — to use jargon. Two, when fresh data coming out since the last review clearly demonstrate that the economy is on a steep downward trajectory, particularly in terms of output, inflation and employment. Clearly, a decision to cut the policy rate by 50 basis points must be backed by a whole host of relevant data and serious analysis. To be sure, a surprise cut in rate cannot be driven by common sense alone.

What conclusions are one led to when the above framework is applied to evaluate the RBI's latest action? RBI expects CPI inflation to be a shade better than the target of 6 per cent by the end of the current fiscal and would strive to bring it further down to 5 per cent in fiscal 2017-18. Inflation expectations, both for the short- and long-term continue to be high. Growth projection for the current fiscal at 7.4 per cent, though slightly less than 7.6 per cent projected earlier, is still impressive reflecting the recovery underway.

The monetary policy report clearly states, "Services inflation has been more persistent relative to goods inflation". The cost of education and healthcare have been growing at double digit rates hurting the middle class as well as the pensioners, and it is here the inflation expectations get hardcore. The government's fiscal position is unlikely to improve for the better in the near future, what with more payouts on account of OROP (One Rank One Pension) and the 7th pay commission's recommendations.

One wonders, how a strong accommodative signal is conducive to achieving disinflation, particularly when inflation expectations remain high and more or less unchanged since the last review in April, 2015? Real interest rate, if calculated on the basis of expected inflation as revealed in surveys (and not what RBI expects) will be much below 1.5-2 per cent range (actually negative), as envisaged by RBI.

Since the last review, one has come across strong opinions on the need to lower rates with India Inc. projecting as if the interest rate is the only determinant of their investment decision and the government's chief economic adviser highlighting that India may be headed towards deflation based on WPI readings, implying high interest rates are throttling growth. Governor Rajan, who took the reins of RBI in 2013 at a time when the rupee was in a free fall, had won the confidence of international investors that RBI will be committed to rules driven policy making with utmost transparency. The average CPI inflation between 2006 and 2013 was 9 per cent and although several other factors contributed to lowering of inflation subsequently, Dr. Rajan's role in establishing the credibility based on sound inflation targeting monetary framework was the cornerstone for the new course charted for India's macroeconomic policy. In 2015, Dr. Rajan runs the risk of losing this hard-earned credibility by yielding to market appeals for lowering rates. It will take a long-term credible commitment from RBI to low and stable inflation rather than sharp shifts in policy to spur growth. Central bankers in advanced economies have been trying to use monetary policy to substitute for the lack of implementation of hard structural reforms and painful adjustments by their governments. It will not work. Hopefully, Dr. Rajan does not emulate his peers in advanced economies and sticks to the core mandate of price stability and independence of monetary policy decisions. One often hears that the long-term vision of Dr. Rajan is to set the stage for sustainable high growth for India with structurally lower inflation, and with less dependence on subsidy and largesse and discretionary intervention in the financial sector. This vision must remain intact and be pursued consistently.

SEBI wants mutual funds to lower costs

To safeguard investors' interest and help them maximise returns, markets regulator the Securities and Exchange Board of India (SEBI) is set to tighten norms for mutual funds (MFs) by asking them to lower the cost of investments and be more vigilant about risky assets.

The watchdog also wants fund houses to improve their disclosure regime and make it simpler for investors by doing away with the current practice of having too many schemes.

A slew of proposals is being discussed in this regard by SEBI's Advisory Committee on Mutual Funds and a final decision would be taken soon by the regulator on the basis of recommendations of this panel, a top official said.

The proposed measures assume significance in the wake of a major crisis that erupted recently on account of significant exposure of a small mutual fund to distressed debt securities of a listed company, while concerns have been raised about similar exposures of quite a few other MFs.

Sources said SEBI Chairman U. K. Sinha, who did some plain speaking on these matters with mutual fund CEOs during the annual general meeting of the industry body AMFI (Association of Mutual Funds in India), is very serious about making mutual fund investment a preferred route for small investors to the capital markets.

However, it has been felt that a high cost of investment could be a major deterrent and some have blamed high agent commissions for this problem.

Another view is that many fund houses, including the large players, are mostly focussed on their corporate or high networth investors and a systemic change is required in their thinking to attract more small investors to these investments, the official said.

As it probes the issues related to high exposure of some fund houses to distressed debt securities, SEBI has found that the exposure to debt instruments downgraded by the rating agencies has increased substantially in recent months.

The quantum of such exposure rose almost three-fold in August to over Rs.13,000 crore, although the fund houses are putting the blame on rating agencies for a lackadaisical approach in due diligence before assigning a rating on corporate debt securities.

However, SEBI is of the view that the fund houses should not solely depend on rating agencies and they should do their own diligence and try to make an investment decision before the rating action, rather than afterwards, to take an early bird advantage.

During the meeting of SEBI's panel on MFs, it was felt that the foreign portfolio investors focus more on their own research and therefore they generally tend to move ahead of curve as compared to the domestic institutional investors such as mutual funds.

It was felt that Indian mutual funds need to improve on a lot of fronts to shed the wide-spread perception of their being followers to the FIIs on investment decisions.

Another major proposal in the works include asking the fund houses to move away from the current practice of having too many schemes, by merging similar plans.

Besides lowering the costs for MFs themselves, this would also make it easier for investors who often complaint of getting confused in a maze of too many schemes and plans offered by various fund houses.

While disclosure requirements for fund houses have been widened significantly over the recent years, SEBI is of the view that the quality of disclosures is not yet up to the mark in many cases and there is a big room for improvement.

RBI actions to bring annual FPI funds of Rs.48,000 crore

50 basis points repo rate cut and slew of policy measures announced by the Reserve Bank of India (RBI) in the recent monetary policy review could attract an average annual flow of Rs.48,000 crore in government bonds from overseas investors for the next few years, says a report.

In a surprise move, RBI last week reduced repo rate by 50 basis points to 6.75 per cent from 7.25 per cent.

According to domestic rating agency India Ratings, RBI's front loaded monetary action and accompanying policy changes have a significant positives for fixed income and the rupee.

"In our view, average annual foreign portfolio investments (FPIs) in government bonds alone would be Rs.48,000 crore (or \$7.3 billion at the current exchange rate) for the coming two and half years," the report said.

This gradually augmented demand for government bonds will have a sustained, salutary impact on bond prices or sustained decline in yields, it added.

India Ratings sees bond yields softening in medium-term.

In the fourth monetary policy, the RBI said the limits for FPI investment in government securities would be increased in phases to five per cent of the outstanding stocks by March 2018, from the current level of 3.7 per cent. The report said this may imply around Rs.1.2 trillion additional inflow of funds in the next two and half years.

Additionally, measures to enhance participation in state development loans by bringing the FPI investment to two per cent by March 2018, are likely to enhance the market appetite.

"This opens up case for spread compression of state development loans in relation to government bonds further — depending on the appetite from the FPI segment," the report said.

The rating agency believes that the transmission of the RBI policy action to the overnight money market rates will be reflected from this month.

Post the repo rate cut announcement, overnight call money rates are moving in the range of 7 - 7.05 per cent.

"We expect these rates to significantly cool off this week and stay close to the repo rate of 6.75 per cent," it said.

The report further said that the RBI rate cut was a positive for the rupee contrary to what conventional economics would suggest.

"While the payment of oil dues to Iran might pose some near-term downside risks to the rupee, and global risk-off too could have a rub-on effect, we remain constructive on the rupee on a fundamental basis," the rating agency said, adding that the country's growth dynamics are better than peers.

The current account stands to benefit from the downturn in global commodities as it is a net importer of most of these commodities even though exports may continue to contract.

We expect to see high FPI flows into debt and equity on the back of this policy that should keep the rupee in good stead," the report said. Close to \$4 billion is expected in foreign flows into government securities alone as the first two tranches of limit increase in the coming October-January period, it added.

The rating agency expects the rupee to outperform most emerging market currencies.

It believes RBI may keep rates on hold for next three to six months till clarity emerges on the transmission of monetary impulses to the real economy.

Bulk of black money is in India: Jaitley

Days after the closure of the Modi government's compliance window for the declaration of foreign assets and income under the Black Money Act, Finance Minister Arun Jaitley on Sunday said that "the bulk of black money is still within India."

He blamed the high tax regimes of the past for the increase in tax evasion. "We thus need a change in national attitude where plastic currency becomes the norm and cash an exception," he said in a post on his Facebook page.

The compliance window closed on September 30, and saw 638 declarations of foreign income and assets worth Rs. 3,770 crore. While those who made the declaration will have to pay tax at 30 per cent and a fine of another 30 per cent, those found with foreign income or assets will have to pay the 30 per cent tax and a 90 per cent penalty, and will face 10 years in jail, Mr. Jaitley reiterated in his post.

The low amount garnered criticism from various quarters, including the Congress and the AAP.

Sugar export boost plan looks flawed: traders

India's bid to compel producers to export millions of tonnes of surplus sugar will fail without significant subsidies or at least penalties for failing to comply, trade and industry sources said on Friday.

India has been pushing mills to sell sugar in the international market and use the proceeds to clear huge debts they owe farmers for sugarcane.

The world's number two producer, announced new rules last month making it compulsory for sugar producers to increase exports to at least four million tonnes in the present crushing season, to cut stockpiles.

Despite a rally in raw sugar futures to a 4-1/2-month peak this week, driven by a Brazilian gasoline price rise which was expected to boost demand for cane-based ethanol, raw sugar futures prices were still below the 13.5-14 cents per pound area seen as more likely to spur Indian exports.

"There is no export parity at the current level. The government has to provide subsidy to make exports viable. Without subsidy, mills can't bear additional losses," said Sanjeev Babar, Managing Director of Maharashtra State Co-operative Sugar Factories Federation.

The government gave a subsidy of Rs. 4,000 a tonne for exports of raw sugar in 2014-15 (sugar year October-September) to help cut stockpiles after five years of surplus output.

"I contacted more than a dozen factories in Maharashtra to know whether they can supply raw sugar for exports in the next few months. No one is ready to produce raws for exports. They first want to know whether government is going to give them an export subsidy," said a Mumbai-based dealer with global trading firm.

The government has not yet made clear whether it will extend subsidies in the 2015-16 started on October 1. Traders said the government plan also lacked teeth. "The government has not drawn up penalties for non-compliance," a senior Western analyst said.

The recent rally in local prices has made exports less lucrative for mills, the dealer said.

Indian sugar futures have surged a quarter since falling to their lowest level in over six years in late July.

Tom McNeill, director of Australia-based analyst Green Pool, predicted more modest Indian net sugar exports of 1.8 million tonnes in 2015-16, adding that he was "always a bit sceptical regarding the grand plans in India."

In the last crushing season which began on Oct. 1, 2014, India exported 1.3 million tonnes.

There is no export parity at the current level. The government has to provide subsidy to make exports viable

EDITORIALS

Digital India needs to go local

Digital India is the flavour of the season, and not without any reason.

Digital technologies have permeated into more and more aspects of our private and public life spaces. A lot of us increasingly depend on them to order groceries, book a taxi ride or train and flight tickets, file tax returns and apply for a passport. The entire basket of Information and Communication Technologies (ICTs), which include laptops, tablets, smartphones, broadband and Wi-Fi connectivity, are seen to represent a new wave of general purpose technologies, similar to what electricity was in the early 20th century and steam engines were in the early 19th century. On the other hand, India, home to the second largest population in the world and witness to relatively higher economic growth rates in the past few years, is seen as an important market, still untapped in terms of usage of digital technologies. All this leads up to the, not so unsurprising, optimism and euphoria that engulfs our current set of policy makers and large global corporates that sell and, often control, important components of these digital technologies.

Flawed picture

The India story of the past couple of decades, however, is seen to have its own set of blemishes. There are many within the country, and outside, who are growing increasingly impatient with the reality that we are not anywhere close to global benchmarks when it comes to the state of our basic physical infrastructure — roads, water and electricity and also those related to sanitation, public health and primary education.

The frustration manifests more amongst those who see themselves connected, or having a potential to connect, to important global networks and supply chains, such as, for software and financial services and commodity trading, and for whom the aforesaid blemishes negatively affect their bargaining power vis-à-vis other constituents of these networks.

There is another set of people who could be equally concerned with the state of basic infrastructure but they may look at the solution more from its utility in addressing the inequities, some of them historical, in access to and distribution of resources. This set may not be as impatient given that the change they look forward to is also with respect to deep-seated exploitative relations and institutions in our society.

The former group of people would see Government of India's flagship Digital India programme as an opportunity to include digital infrastructure in the same category of public goods as roads and electricity and, hence, push for laying more broadband cables, creating more Wi-Fi hot-spots and freeing up more spectrum for commercial data exchange. The assumptions that are carried here are somewhat similar to trickle-down economics: that availability of a digital infrastructure — in the present instant, smartphones and data connectivity, and also unique digital identity — with every citizen of the country will lead an 'invisible hand' to direct its use for addressing the governance and development challenges we face as a nation.

Framers of development policies worldwide, and in India, have realized that an explicit recognition of the pathways through which the poor and marginalized contribute and benefit in the economic growth process is important. The entire human development discourse derives from such an understanding. More recently, it has also played a key role in informing the newly formulated Sustainable Development Goals (SDGs) that were adopted by the United Nations General Assembly during the SDG summit in New York on September 25, 2015. The event was attended by over 150 heads of states, including the Indian Prime Minister, though the relevance of it was overshadowed by his visits to corporate headquarters in California.

While one cannot deny the importance of digital infrastructure, such as the ones mentioned above, in the present age, it is equally important to understand that they may not be of much

help in addressing governance and development concerns unless they are integrated into a wide reforms agenda, which could often involve not-so-popular, structural and institutional change. One such could be the long-called-for, real and effective devolution of functions, finances and functionaries to local government bodies, which has, in most instances, continued as a mere lip-service even after Constitutional Amendments of the early 1990s.

Sorry record

The Indian experience of using ICTs in governance for the past 15 years is not something that we can be proud of — amongst 193 countries, India ranks 118 on the e-Government Development Index as per the United Nations e-Government Survey 2014. Many studies have been conducted by researchers from reputed academic institutes in India and across the world on the problems that plague Indian experiments in using ICTs for governance and development, and they point to the need of bringing a greater understanding of local contextual realities into project designs.

Amidst the ongoing endorsements by global corporate heads of the Digital India programme, we should not forget that unless use of digital technologies is appealing and makes sense to an Auxiliary Nurse Midwife (ANM) in a village health sub-centre, an *anganwadi* worker, a teacher in a government primary school, a village accountant in the revenue department, an agriculture assistant, a fair-price shop owner and a food inspector and similar such frontline service providers, who are the face of the state for many of our fellow citizens, the promise of leveraging digital technologies for achieving sustainable development may continue to elude us. I hope the torchbearers of the Digital India programme will also attach equal importance to this latter constituency as they march forward in their journey of integrating digital technologies in Indian life spaces.

(Amit Prakash is Consulting Faculty and Convener, Centre for IT and Public Policy at the International Institute of Information Technology, Bengaluru)

Inclusive ecosystems for mental health

Lily, a petite, pleasant young woman, enjoys life by the sea, in a village close to Mahabalipuram, Tamil Nadu. On closer observation, Lily may seem somewhat different from others around her; there is a visible social awkwardness. Her clinical diagnosis of intellectual disability and psychosis typically indicates an inhibited capacity to engage in usual tasks, socialise as others may and sustain meaningful relationships and conversations. She doesn't speak much of her birth family or her past and has largely lived in an institute that provides mental health care. For the five-year period that we have known her at The Banyan, she has seemed to be content with her life but constrained by space, self-perceived boundaries and the lack of stimulating experiences to help advance her personal recovery. Her conversations have mostly remained the same, 'Can we go to a movie'? 'Shall we go to the beach'? There have been few other utterances.

Things are however, changing for Lily now. In a trial at The Banyan, supported by Grand Challenges, Canada, to address long terms needs of persons with mental health issues, Lily has moved to a new house and seems to have found newer opportunities and greater personal meaning.

'You look good in saris', 'I like the shape of your nose', 'Can I bring you some coffee' — the nature of our conversations have evolved, as Lily owns her new status with aplomb. She may continue to engage minimally with strangers but with known persons and a health coach and four other former clients from a mental health institute with whom she shares her house, she seems to experience kinship. In this group there are occasional disagreements and struggles but to a large extent, it is like any other family. In negotiating this process, Lily seems to have found a home, independence and a semblance of hope.

Enhancing core capabilities

This housing intervention and a related sense of ontological security may have contributed significantly to Lily's rediscovery of her identity and introduced a new cadence to her life. The process of social mixing, demonstrated by occasional transactions at shops, joint celebration of festivals, visits to places of worship, exchange of lunch and dinner invitations, and opportunities for individual expression in how she dressed or decorated her house have perhaps catalyzed these mental health gains. In Lily, we observe an achievement of a few core capabilities on the lines expressed by Martha Nussbaum which include the ability to stay safe and in good health, form affiliations and exercise personal discretion and will.

Lily's attempts to normalise her mental illness have possibly motivated her to reassume control over her own life, and in doing so to use her imagination, creativity and intuition. She may forge bonds of companionship or befriend a pet, and while her dreams of a future may be singularly hers, she would yet be respected and treated as a member of a heterogeneous and culturally diverse society.

According to the World Health Organisation's (WHO) Mental Health Atlas 2011, 38 per cent of people living in mental hospitals are estimated to have stayed there for a year or more. Long term care for persons with persistent forms of illness, if restricted to extended stays in hospitals or traditional rehabilitation homes, can be spiritless and lacking in vitality. Institutionalisation is not, and cannot be, the answer. However, the intention is not to deify de-institutionalisation and condemn institutional care; the perils of doing so are evident in the American mental health system where many persons in need of mental health care are often consigned to prison. Instead, we would argue for a non-binary perspective in responding to acute distress. Persons with a mental illness need personal attention, security, and psychosocial care, all of which can be provided, if we have the will, in a range of settings including homes, community facilities and even humane, well regulated, small sized psychiatric hospitals, when required.

Even as we record positive outcomes and evidence from the trial to support this approach, the perils of independent or supported living cannot be ignored. Concerns around discrimination, exclusion and abuse are not unique to institutional care. Communities and its people can segregate, alienate and precipitate a sense of dyadic otherness, just as mental hospitals do. Consider the reaction of a conventional neighbourhood if an adverse event were to occur. As a society we are quick to judge, condemn and ostracise. Social order usually binds people to certain behaviours and practices where values and norms are handed down as legacy and any sign of deviance is questioned as an aberration. The tendency is to slip into the comfort of conformity, to distance oneself from ambiguity or from the complexities of engagement.

Will we use our discretion to defy this basic human instinct, and exercise our inner strength despite ourselves? This calls not just for empathy but for a sense of personal responsibility and obligation where we embrace differences and inspire human connection. There are indeed limitations to this approach. Some individuals may experience a higher need of support; few others may not be in a position to respond at all. Even so it is necessary to call for a greater display of social responsibility.

A progressive policy

The trial launched at The Banyan may be able to offer a response to the crisis of long term care in India today. Estimates are that 3 per cent of India's population, an estimated 40 million people, suffer from Severe Mental Disorders. A significant number of them languish for want of care, of space and of resources.

This World Mental Health week is an opportune time to revisit the National Mental Health Policy released by the Government of India on October 10, 2014. The policy echoes a set of fine values such as equity and justice, integrated care, participatory and rights based approaches, good governance and effective delivery. While its objectives include bridging the

treatment gap by promoting access to clinical and social care, the needs of vulnerable groups and challenges around institutional and long term care have also been identified as key areas of focus. Since the government's progressive intent has been articulated in the policy, it is now time to assign resources — human, infrastructural and financial — to facilitate this paradigm shift and initiate programmes that promote social inclusion, participation and mobility. Since much of this work sits at the intersection of social welfare and health, it is important that convergence where required be initiated and the mantle of effective delivery be shared such that maximum gains are achieved for those who are so often marginalised.

(Keshav Desiraju has served as Health Secretary, GOI and is a Trustee with BALM. Vandana Gopikumar is co-founder of The Banyan and BALM and Professor of Social Work at TISS.)

Great expectations in Sri Lanka

The unanimous adoption of a resolution by the United Nations Human Rights Council on Sri Lanka last week is notable for the pragmatism that informs it. The idea of an external investigation into the conduct of the military and the political leadership has been bearing down on the island nation for some years now. The erstwhile Rajapaksa administration responded with defiance and belligerent opposition to any move towards accountability, except one that was formulated and executed by the government on its own terms. The moves tended to divide the international community on whether to bail out Sri Lanka or come down on it. In a welcome departure from this trend, countries have come together and adopted, with Sri Lanka's consent and participation, a resolution that emphasises justice and accountability for excesses committed by both sides, especially in the last phase of the civil war; on a political process to devolve power to the ethnic minorities; and an overall commitment to strengthen governance and democracy and end what many thought was an atmosphere of impunity. The political transformation that this year's presidential and parliamentary elections ushered in is the main reason for the international community to have come together to aid Sri Lanka in a much-needed process of self-rejuvenation. Its democratic institutions and instruments of governance require a systemic overhaul after having been undermined by the previous regime. This factor has obviously impelled the world to encourage the present Sirisena-Wickremesinghe dispensation by means of a consensus resolution rather than weaken the government's domestic popularity by imposing an intrusive mechanism.

However, the road ahead will not be smooth. A credible judicial mechanism will have to be evolved and foreign resources such as judges and prosecutors will have to be incorporated with care. An investigation process that inspires the confidence of victims to come forward and depose will have to be put in place. Fixing command responsibility for the bombing of civilians and the execution of those who surrendered, especially on political functionaries and their family members, is not going to be easy and must be marked by due process. The challenge is much bigger than the one relating to finding a political solution. For some, the idea of a judicial mechanism that includes foreign judges to investigate and prosecute perpetrators of war crimes and other offences may seem to fall short of the international inquiry of the sort they favour. To others, it is a rare opportunity to address several issues that defy a solution. A fair conspectus of assumptions underlying the Human Rights Council resolution is that it promotes reconciliation and truth-seeking and may lead to a sense of closure for the victims and a possible guarantee of non-recurrence, and that it opens up yet another opportunity for a political solution. These expectations cannot be belied.

Gas pricing and some issues

The government last week announced the new price of natural gas produced in the country, as part of a periodic revision mandated by the new gas pricing formula that it adopted in October 2014. The formula mandates a price revision once every six months on the basis of the prevailing prices in gas-surplus countries such as the United States, Mexico, Russia and Canada. So the new price of \$3.8 per unit — in effect from October 1, 2015 to March 31, 2016 — is 18 per cent lower than the previous price. This is likely to hurt producers such as Oil and Natural Gas Corporation and Oil India, but will be welcomed by CNG and PNG consumers, not to mention the government, which will now find its fertilizer subsidy an easier pill to swallow. However, despite the perceived benefits of the new gas pricing policy, there are several issues that come along with it. The first is to do with how the formula is constructed. The price in India is pegged on the benchmark prices of the previous year, and takes effect after a time-lag of a quarter. For example, the price applicable in the period April 1-September 30, 2015 was based on the average benchmark prices over January-December 2014. This means India's gas prices follow the global cues with a time-lag.

Another point to consider is why the government in its wisdom decided to peg the price of Indian gas to these four hubs. Prices in Asia are higher. The Rangarajan Committee took this fact into account and recommended \$8.4 per mmBtu, but it was ignored. Then there is the question that was once raised by Arvind Kejriwal, on why gas prices must be linked to the market if the cost of supplying it in India — namely, out of Reliance Industries' KG-D6 basin — is a fraction of the market rate. There has been much controversy surrounding this, to no adequate conclusion. One of the most important issues to do with the price of domestic gas being pegged to global benchmarks is that any gains could be offset by losses on account of the rupee's movement. Several research agencies say the almost 6 per cent depreciation of the rupee over April-September 2015 will mean the net impact of the fall in the price of gas will actually be significantly lower. Gas pricing is a politically sensitive issue, it being a key input in important sectors such as fertilizer and power. Much as in the case of oil, the government has been lucky that prices of natural gas are falling globally. But this could well be temporary: if the global price increases, then the price in India will also eventually increase.

Towards universal immunisation

As world leaders and members of the global community gather at the United Nations to decide on the post-2015 development goals, they will build on the momentum generated by the Millennium Development Goals (MDGs).

India has made remarkable progress in achieving the MDG health-related targets. The country has been able to substantially reduce its under-five mortality rate from 126 deaths per 1,000 live births in 1990 to 53 deaths per 1,000 live births in 2013. Smart initiatives, such as the Call to Action, India's Newborn Action Plan and the Integrated Action Plan for Pneumonia and Diarrhoea, have paid tremendous health dividends. But there is still a long way to go.

Of the nearly six million children under the age of five who die from preventable causes every year around the world, 21 per cent are from India. Many of these children die because of malnutrition and infectious diseases.

The challenge is enormous, but not insurmountable.

These deaths could be prevented by adopting a comprehensive and integrated approach to child health, one that focuses on nutrition, safe water, improved sanitation, micronutrient supplements and vaccination against preventable pneumonia and diarrhoea.

However, to truly reach the children most likely to die before their fifth birthday, India will have to focus on its most vulnerable children — children who are poor, live in rural areas or face discrimination because of ethnicity, caste, gender or disability.

The recently launched Mission Indradhanush seeks to do just this. This programme aims to increase national immunization coverage rates and expand the reach of the Universal Immunization Programme (UIP), which is already the world's largest immunization initiative.

By 2020, Mission Indradhanush aims to immunize at least 90 per cent of the children and women who have so far remained unvaccinated or did not receive the full recommended doses. It focuses on 201 high-priority districts and marginalized population groups where immunization coverage is low, exclusion and dropout rates for routine immunization are high, and the risk for disease outbreaks, including polio, is only too real.

By focusing on those who are traditionally left out of the public health system, such as children from tribal communities, child labourers, street children and children living in informal settlements, the Mission Indradhanush programme offers a model of how investment and interventions can serve the children who most need the help.

With a country as geographically vast as India, providing affordable and accessible health services to all citizens can be a challenging proposition. Extending immunization coverage and introducing vaccines against rotavirus diarrhoea, Hib (haemophilus influenza type b) and pneumococcal pneumonia could help India transform a vicious cycle of poverty, ill-health and deprivation into a virtuous cycle of good health.

Vaccine barriers

The Indian government must seek solutions to barriers that prevent children from receiving vaccinations. These barriers include gender disparities, procurement and delivery challenges, too few frontline health workers and lack of information or misinformation on the benefits of immunization.

Though India's leaders have expressed their commitment to immunization efforts, multilateral institutions such as GAVI, a global vaccine alliance, the World Health Organization and UNICEF can complement the government's efforts by providing vaccine supplies in underserved areas, and strengthening health systems, planning, monitoring, research and logistics.

India has made significant progress in child survival in the last decade. But as the world looks to chart the next development roadmap, the country's leaders need to renew their commitment to safeguarding the right to health for every child, particularly the most marginalized. The world is watching — and waiting. It is up to India to lead the way.

(Geeta Rao Gupta is a Deputy Executive Director at UNICEF, overseeing the Programme, Supply and Emergency Operations Divisions)

Empower intelligence agencies

Folklore has it that the profession of 'intelligence' is a cloak-and-dagger affair, enveloped in a certain mystique that is hard to unravel. It has always been looked upon as a calling that requires self-effacing men and women who are little-known to the public. Except for an occasional upstart — we did have a few of them in our own country — no intelligence operative is ever heard in public espousing his cause over the media, especially when he is still actively employed under a government. So, when the head of a traditional and low-profile MI5 — United Kingdom's domestic intelligence outfit — goes live on BBC Radio 4, describing the current terror scene in the country and what his agency ought to do and what its obstacles are, eyebrows are certain to be raised.

It would be interesting to speculate whether the Indian government would ever fancy our Intelligence Bureau (IB) director going to the media to explain the threats facing us, as the MI5 chief did. I do not see anything wrong in such a departure from the past, as long as it serves to educate the common man and instruct him on the perils of complacency and unwillingness to be proactive in hunting down terrorists who are living in our very midst. I

would, therefore, certainly commend such a dose of transparency. This may be tried after making sure that openness in the national interest does not compromise on the IB's operational secrecy. This is not difficult to achieve. I know that many current and past intelligence men will be outraged by my suggestion. Nevertheless, it is worth an experiment, if we have to move with the times.

Coming out

Andrew Parker (53), the director-general of MI5 — an Oxford graduate and a veteran of three decades in the business of collecting intelligence that has national security implications — did this most unconventional thing a few days ago. He was the first serving head to do so. Without being fuzzy, and scrupulously avoiding any jargon, he told the nation in clear terms that they were facing a full-blown threat from various terrorist groups, and could not, therefore, afford to relax their vigil for a moment. How can they forget the July 2005 attack on London transport — on three underground railway stations and one overground bus — in which 52 people lost their lives? The situation since then has remained troubling, although there may not have been any external manifestation of it on the streets of London. The current threat level is described 'severe' in official parlance. It is for the record that MI5, teaming up with other forces including the fabled Scotland Yard (otherwise known as the Met), foiled at least six attempts at sabotage by terrorist outfits during the past year, the highest since 9/11. This is no mean achievement.

Mr. Parker's candour during the impressive conversation with BBC Presenter Mishal Husain sounded refreshing and worthy of emulation. What he said during this unusual interview was remarkable — he pointed fingers at some elements born and raised in the U.K. as the primary source of danger. He could not have been more precise and truthful. A counter-intelligence agency can normally identify and defang hostile infiltrators from abroad, under cover in an alien territory. However, how does one take care of the threat posed by some members from the local population itself? How does one ferret out anti-national citizens waiting for an opportunity to strike at their own motherland? These are issues which cry for answers and clear tactics.

The average citizen does not often comprehend that he has a major role in this vital exercise of extirpating domestic enemies, a surgery that is performed at the grass roots. In this respect, both the MI5 and our very own Intelligence Bureau have their tasks cut out, mainly because modern terrorism has transcended national borders and has been consumed by fearful religious fanaticism. The Bombay blast of 1993 was perpetrated principally by our own nationals. The Indian Mujahedeen (IM) — grown on the domestic soil and watered by agencies across the border — is currently our principal terror outfit. It may be numerically small, but has a fervour that is difficult to underestimate.

The four youths who orchestrated and took a direct part in the London attack of 2005 were all British citizens. Some recent arrests for suspicious activities have also been of British nationals. It is therefore, a somewhat identical agenda of penetrating the domestic terror outfits — more than anything else — that persuades the MI5 and the IB to collaborate and aid the respective governments to preserve the public order.

I can vouch for the fact that the counter-intelligence operatives belonging to the two countries enjoy an excellent working relationship. Unlike the hiccups reported between Indian and U.S. agencies a few years ago in the case of David Coleman Headley, the MI5 — along with MI6 and the Research and Analysis Wing (RAW), the external intelligence arms of the U.K. and India respectively — and the IB act in tandem, a bond facilitated by a bonhomie assiduously built over decades.

Mr. Parker's BBC interview should be looked at in the context of the proposed legislation of the David Cameron government that would give more teeth to U.K. agencies in fighting terror. There is a theory that the MI5 chief's act of going public was at the instance of the

government, and aimed at building public opinion in favour of the legal changes on the anvil. Whatever be the truth, the focus of the new laws could be to explore how to permit greater latitude to intelligence organisations in the area of surveillance, especially on the electronic front, while making sure that the danger of their being hauled up by courts for transgression is reduced considerably. This is an extremely delicate exercise. Any overzealousness and insensitivity to the feelings of any section of the citizenry is bound to arouse passions, particularly among the advocates of privacy. One can learn from the mistakes and excesses of the National Security Agency (NSA) in the U.S. that was indicted a few years ago for overstepping its limits in the area of monitoring telephone calls and electronic traffic.

Tech help

Although Mr. Parker did not complain about the rigmarole involved in obtaining permission to watch every targeted telephone connection suspected to be used by terrorists, there is possibly a need for delegation of powers. At present, both in India and the U.K., telephones can be monitored only with the permission of the Home Secretary. The authority is a Minister in the case of the U.K, and a civil servant in the case of India. In the U.S., the process involves a court sanction. It is debatable whether a political appointee like the U.K. Home Secretary can be more trustworthy and objective than a career bureaucrat in approving the choice of targets. My point is, if you cannot trust exalted functionaries such as the MI5 chief or the head of India's IB to be wholly professional, there is a question mark over the very process of appointing them.

During his BBC interview, the MI5 chief referred to the need for a greater cooperation from technology companies with regard to the sharing of information, especially the encrypted messages. He threw more than a hint of reluctance on their part. Encryption of Internet traffic and telephonic messages was another handicap that makes the task of intelligence agencies even more difficult. The problem New Delhi had with Blackberry a few years ago is still green in our memory. Only a measure of arm-twisting ultimately forced Blackberry — whose USP was its heavy encryption and servers that skipped local scrutiny — to relent. Significantly, U.K. Home Secretary Theresa May met representatives of major communication companies two days before Mr. Parker's interview. Obviously the need for what Mr. Parker referred to as 'ethical responsibility' on the part of these firms figured in the discussions. A proactive role and a set of obligatory rules for the private sector could be a feature of the new law expected to be placed in Parliament in October.

In the ultimate analysis, the enormous terrorist reach across nations warrants greater operational freedom for intelligence agencies, so that they tip off law enforcement more accurately and swiftly. If this necessitates greater intrusion into the lives of law abiding citizens, such compromise of privacy is the price we pay for securing our lives. The only caveat is that the greater empowerment of intelligence officials should be accompanied by a simultaneous strengthening of oversight by a body of eminent individuals whose reputation alone should guarantee the desired objectivity and a perceptible sense of moderation.

(R.K. Raghavan is a former director of the Central Bureau of Investigation)

Fail and pass

That India should not be afraid might seem an odd thing to say at a time when Indians are brimming with confidence. After all, it is the only one of the original BRIC economies that has not disappointed expectations recently. And Prime Minister Narendra Modi has just concluded his successful week-long swing through the United States, with excited members of the Indian diaspora cheering him on.

But ultimately the prime minister came to office on a wave of enthusiasm for his pro-enterprise and “can do” attitude, along with a track record as chief minister of Gujarat that was generally seen as having delivered prosperity. That is one important dimension on which he’ll be judged as he leads the nation. And the most significant indicator for improved prosperity in India has to be net job creation. With roughly 10-12 million net additions to the workforce annually for the next decade, it is clear that no amount of optimisation of existing enterprises, public sector and otherwise, is going to deliver this. Net job creation must go hand in glove with net enterprise creation — that is, it must be delivered by entrepreneurship and innovation.

One could be forgiven for being swept away by the e-commerce enthusiasm in India these days, rather like in Silicon Valley, where Modi was so recently basking. The enthusiasm in the Valley and that in e-commerce in India is indeed fabulous to see. But it is just a smidgen of what is needed to generate the needed jobs. We need entrepreneurship in healthcare, agriculture, education and the like. Here my working definition of entrepreneurship isn’t only the proverbial garage-entrepreneur tinkering and taking a company public — not that there’s anything wrong with that, of course — but I refer to any attempt to creatively combine pools of expertise in the solution of a pressing social problem. For example, Teach for America in the United States and Pratham in India are not going public anytime soon, but they represent excellent examples of scalable entrepreneurship addressing problems in kindergarten to Class XII education in their respective countries.

Of course, there is a litany of things one would expect Silicon Valley denizens to exhort India to do to broadbase existing entrepreneurship: Increase access to capital, build incubators and such, and so on. Indeed, India has embarked on all these experiments; their fruits will be realised over time.

But there is one thing — a tolerance for failure — that is glaringly missing to anyone involved in the rough and tumble of entrepreneurship. During the prime minister’s trip, it was brought up repeatedly by the Indian delegates, even though our colleagues from Silicon Valley, steeped in e-commerce and mobile-commerce firms, did not recognise that this remains a huge issue.

Earlier this month, I heard the same exhortation from Premier Li Keqiang of China, in a speech in Dalian. Li directed attention to the need to appreciate the value of “failure” in the context of the summer meeting of the great and good, a “summer Davos”. This was directed to so-called new champions — that is, new companies that have arrived on the world stage, mostly from emerging markets. Li pointed to an entrepreneur not far away from that meeting venue exhorting the attendees to refer to that particular venture as a new champion, regardless of whether it ultimately triumphed or not.

Such acceptance of failure must accompany all risk-taking. But it is generally absent in India, other than in the cosmopolitan pockets of Koramangala, a suburb of Bangalore that feels like the Bay area, or parts of Gurgaon, the concrete jungle that has sprouted south of Delhi. Step away from these enclaves, though, and the buzz recedes rapidly. The median Indian still seeks the stability and dignity that comes from a stable income, lacking the safety nets that would insulate her from the failure of a novel experiment. Most are inclined to view failure with distaste and as a signal of incompetence, not as a hallmark of an experiment from which there could be some useful learning. Of course, it does not help that the ambient attitude to

business — “dhanda” — is that it is somehow wrapped up with corruption in the halls of political power. This is itself a legacy of past decades that we will lose only slowly.

Over time, we Indians must encourage and identify many more role models of cleanly built ventures, and celebrate their inevitably iterative and failure-ridden paths towards their successes. These successful entrepreneurs will recognise the value of learning from failure and, by embracing those who have tried, will contribute to erasing the stigma of attempts that did not yield success.

India’s efforts at reducing red tape and at staring down corruption are indeed major efforts. I am not for a moment minimising their importance. But these efforts would be turbocharged if Indians embraced experimentation and risk-taking, the handmaidens of entrepreneurship and innovation. For that, society must confront its suspicion of business and its fear of failure. Li’s rhetoric in Dalian is a useful step for the Chinese. Modi must do the same for Indians.

Assembly’s Bold Move

The misplaced impression that people disapprove per se of pay hikes for legislators thrives primarily because of the method of securing the hike.

India is unique. It is the only democracy where judges can appoint judges and MPs can decide their own salaries” was the lament of Somnath Chatterjee, then speaker of the Lok Sabha. On the appointment of judges, Parliament did try to “correct” the interpretation that had brought in the collegium system. But the apex court’s verdict on the constitutional validity of the new system is awaited.

Parliament has not been as forthcoming in giving up its powers to determine the salary and allowances of MPs. Since the matter was in the exclusive domain of the legislature, as prescribed by Articles 106 and 195, Chatterjee took the initiative to rectify this “uniqueness”. He held a meeting with leaders of political parties on March 23, 2005 that witnessed rare unanimity. It was agreed that the practice of MPs deciding their own salary and allowances would be done away with, and that a statutory mechanism to create an independent salaries commission for automatic revision of salary and allowances would be put in place. Yet, even after a decade, the proposed commission has not come into existence. Instead, governments have secured pay hikes for MPs through the old procedure in 2006 and 2010.

An attempt was made to revive this debate at last week’s 17th All India Conference of Whips at Visakhapatnam. It was resolved that an independent mechanism for deciding salaries and allowances of legislators would be created. The question now is, how soon will Parliament debate and approve a bill that reflects this resolve?

The misplaced impression that people disapprove per se of pay hikes for legislators thrives primarily because of the method of securing the hike. The first ever joint committee on payment of salaries and allowances to members was formed in 1952 and led to the enactment of the Salaries and Allowances of Members of Parliament Act, 1954. A salary of Rs 400 per month for MPs was approved. The latest amendment in 2010 brought this up to Rs 50,000 per month. The law has been amended 28 times in the intervening years — members granted themselves salary hikes, but rather cautiously, in small increments. In fact, MPs have ended up depriving themselves of a much-deserved decent salary. As P.S. Deshmukh said in the Constituent Assembly: “... members’ salaries must be adequate ... although certain people are nervous about talking of their own allowances etc ... I would ask any government to face the bitterest criticism from an understanding public, but pay adequate salaries and allowances to the members”.

When the first joint committee was constituted in 1952, then Speaker G.V. Mavalankar assured that its report would be submitted to the House and that there would be a chance to discuss it in detail. From parliamentary records, it appears that this remained an empty assurance. In subsequent deliberations on the subject in the House, the predominant tendency

was to shy away from discussing pay and perks in the public glare.

Report after report of successive joint committees has remained out of reach for MPs and the public alike. A majority of amendments are rushed through without much debate, mostly as the last item on the agenda at the last sitting of a session.

But the Delhi legislative assembly has made a bold move: On August 21, the speaker, acting on the request of the committee on salary and allowances, constituted a committee of experts to recommend revisions in the salary and allowances for MLAs. This is the first instance in independent India of members voluntarily giving up this constitutional and statutory privilege. The three-member committee consisting of a former secretary-general of Lok Sabha, a journalist and a jurist is likely to submit its report soon. This baby step is a ray of hope in the process of revamping the image of elected representatives as a class.

By not taking Chatterjee's proposal to its logical conclusion, India missed an opportunity to be a role model for Commonwealth countries. The UK effected this reform in 2012 and created the Independent Parliamentary Standards Authority (Ipsa). Ipsa has evolved a formula through which it revises salaries from time to time on the basis of average public-sector earnings. A few lines from its latest report are reproduced here: "No one can be in any doubt that consideration of MPs' pay is a toxic issue. A thousand and one reasons can be advanced for putting it off. There is never a right time to do anything... MPs are an indispensable part of our parliamentary democracy. Our duty is to provide a package of remuneration which, while still modest by professional standards, does not deter people from entering political life, nor confine it to the independently wealthy." There is a clear message to legislators in India in these lines.

Next door Nepal: Blaming it on India

Nepalese policemen face protestors belonging to ethnic and religious groups dissatisfied with Nepal's new constitution adopted on Sunday, in Birgunj, a town bordering India in Nepal, Thursday, Sept. 24, 2015. (Source: AP photo)

Huge queues in front of gas stations, phenomenal price rise and looming scarcity close to the Hindu festival of Dashain as well as an Eid celebrated by Muslims with much less than the usual pomp and splendour — these are the realities Nepal has been facing since the promulgation of the constitution on September 20.

The big political parties allege that it's an undeclared blockade by India, after Kathmandu refused to entertain the concerns New Delhi voiced, especially about enhanced autonomy and a larger parliamentary role for Madhes, Nepal's plains.

The state-sponsored celebrations to welcome the constitution were cut short and anti-India rhetoric and protests have now become routine.

"Countries may be smaller or bigger in size, but sovereignty means the same thing for every country," said K.P. Oli, in response to India's cold response that it had taken "note" of a constitution having been promulgated. Madhesi leaders have now specified their demand that at least 83 of 165 seats, in the first-past-the-post category, in the House of Representatives should be from Madhes. They justify it on grounds that Madhes has 51 per cent of the total population. But this also means leaving less than 50 per cent seats for the rest. No serious debate ever took place in the Constituent Assembly to generate better understanding on crucial matters.

The much trumpeted "consensus", since 2006, only meant power-sharing among the eight parties that came together under the India-mediated 12-point agreement to form, basically, an anti-monarchy front. They consciously stonewalled any dissent, calling it regressive. Due process in political reform and constitution-writing were ignored. But the rapid fragmentation of that front has produced two groups fighting each other in favour of and against the constitution.

India now stands accused of micro-managing Nepal's affairs by the powerful group that has controlled the government and parliament. For the first time since 2006, Nepal's major actors have overruled India's suggestion — to take the Madhesi on board — before promulgating the constitution. "It's not India. We have caused the blockade to press our demands," said Upendra Yadav, leader of the four-party Madhes front, clearly exaggerating their strength. Maoist chief Prachanda claimed, "India and Madhesi groups have joined hands against the constitution, an outcome of our sovereign exercise."

Prachanda's anti-India stance has become more strident, especially since Baburam Bhattarai — Prachanda's deputy for nearly three decades, who's also considered "trusted by India" since 2006 — quit the Maoist party and declared his support for the Madhesi cause. Prachanda may claim a pyrrhic victory for now, as India has become the majority's target as a "hegemonic force". Indian public opinion, too, seems divided as leftist activists and a section of the bureaucracy, who together played a role in bringing the Maoists and other parties together, are supporting Nepal's big parties.

Indian PM Narendra Modi also remains a suspect for being a "manipulator" trying to torpedo the three goals set by the Manmohan Singh regime, under heavy pressure from the CPM and what's called the "JNU lobby" in Nepal.

But in reality, the crisis Nepal's new constitution faces is largely caused by the compromise Nepali leaders made with due process — the short cut to secularism and republicanism, without any debate or involvement of the people. Now that the constitution has been promulgated and parliament summoned, it's mandatory to elect a new prime minister within two weeks (by October 15), followed by a speaker and a new president. All of this must happen by October-end. Failure to do these will lead to a breakdown of the constitution from the top.

Next, the tricky question that must be answered is the one raised by the Madhesi and ownership of the statute has to be enlarged. This will have a bearing, also, on Nepal-India relations, wherein cordiality is crucial for Nepal's stability.

Continuing scandal

The National Crime Records Bureau figures for 2014 point to a problem that is still with us: almost 68 per cent of the inmates of India's overflowing prisons are undertrials, and 70 per cent of those convicted are illiterate.

Affluent states like Goa, Punjab, Gujarat and Haryana top the list of states with the highest percentage of undertrials who have been in prison for more than three months. Notably, 21.1 per cent of undertrials in jails are Muslim, even as their percentage among convicts is only 16.4 per cent, closer to the community's composition in the country's population. These statistics are yet more confirmation that India's criminal justice system remains grossly inefficient and blatantly prejudiced against the minorities and the poor. The cost of justice is kept prohibitively high by infrastructural flaws and deficiencies, while unreformed mindsets operating in a setting of poorly institutionalised norms contribute to the entrenched prejudices.

In 1987, the Law Commission, recognising that the low judge-to-population ratio is leading to pendency in courts, had recommended that India raise the number of judges from an average of 10 judges for a million people to 50 for a million. In the quarter-century since, the ratio has not improved. But missing judicial officers are only one part of the story. Physical infrastructure needs to be expanded and the necessary support staff provided to declog the system. The 13th Finance Commission had provided states with Rs 5,000 crore for developing judicial infrastructure, and the 12th Plan (2012-17) working group of the Union ministry of law and justice came up with a series of recommendations to overhaul the judicial system — but there is little to show by way of implementation and reform. For instance, the

government proposed setting up 5,000 gram nyayalays in 2009 to ensure that “opportunities for justice were not denied to any citizen by reason of social, economic or other disabilities” — only 159 had been set up by March 2015.

Delays in investigation slow down the trial process. The police force in most states is understaffed, short on equipment, ill-trained in modern investigation methods and all too vulnerable to political interference and control. Notably, Muslim representation is at an abysmal 6.5 per cent, contributing to an institutional prejudice against minorities that is often on display. The bottomline is this: An overworked and underequipped force with a lopsided recruitment strategy and weakly institutionalised norms of independence and impartiality is unlikely to be an unprejudiced and effective instrument of law enforcement, and of the criminal justice system.

In the name of the cow

The National Green Tribunal has issued a notice to the Centre on a plea seeking to save “critically endangered indigenous species of livestock” and take “necessary steps” to prevent slaughtering of such milch cattle. Nobody can dispute the need for protecting native animal and plant species from extinction. The problem is in the proposed approach — in the use of force and the ignoring of interests of actual cultivators, rearers and practitioners, without whom no conservation strategy can work. Desi cows today supply just about a fifth of India’s milk production; the rest comes from buffaloes and crossbred cattle. The “villains” here aren’t those engaged in slaughter, but farmers themselves. Indigenous cattle breeds such as Gir, Red Sindhi and Sahiwal typically give not more than 2,000 litres of milk annually, compared to 4,000 litres-plus for crossbreds. Their age of first calving is also upwards of four years, as against two or less for the latter. It isn’t surprising, therefore, that farmers opt for either crossbreds or buffaloes, which yield higher-fat milk and are easier to dispose of after they cease to be productive.

There is no doubting that desi cattle are more disease-resistant and better adapted to the tropical climatic conditions than exotic Holstein Friesian, Jersey or Brown Swiss dairy breeds. The main purpose of crossbreeding has been to marry the inherent hardiness of the former with the higher genetic milk yields of the latter, with the resultant milch animals incorporating 50 per cent or more “western” blood levels. The petition has rightly called for the regulation of crossbreeding to ensure no disease-exposure risk to indigenous cattle species. One can, likewise, agree that there should be more research on improving milk yields of indigenous cattle even without resort to crossbreeding. The fact that the scope for such genetic upgradation exists has been proven in buffaloes, where there are no exotic animals and milk yields have still gradually risen through the use of genetic material from proven bulls of superior indigenous breeds like Murrah and Nili-Ravi.

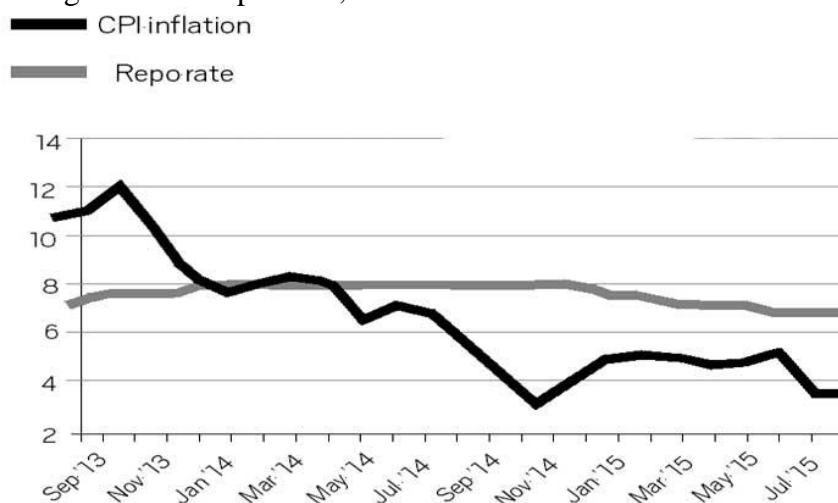
But no scientific national breeding improvement programme can succeed without selective culling of unproductive animals. This has been possible in buffaloes, thanks to no religious taboos in their slaughter, enabling farmers to reserve scarce fodder and feed resources for high-milking animals or the young calves they will produce in future. Not allowing slaughter of unproductive cattle in the name of conserving indigenous livestock breeds — which is what the petition has sought — will only expedite their extinction, as farmers will simply switch over to buffaloes. Such pseudo-environmentalism, while compatible with Hindu far-right ideology, is dangerous both for the future of dairying and the country’s social fabric.

Across the aisle| Cut in repo rate: Now, do the heavy lifting

As they say, it is “done and dusted”. The Reserve Bank of India (RBI) finally met the expectations of the Government, business and a number of economists and cut the repo rate by 50 basis points. The Governor, Dr Raghuram Rajan, was hailed as a hero. He would have been hailed as a hero even if the RBI had cut the repo rate by 25 basis points or not made a cut at all. There are enough economists who would have supported either decision. Bankers would have anyway supported any decision; the RBI is their regulator!

All this is not to be understood as criticism of RBI’s decision. I think it was the right decision, and I immediately welcomed it. I also felt that it was long overdue — at least by two to four quarters — and the delay may have cost quite a bit of growth.

To understand the RBI’s cautious moves, one must understand Dr Rajan. He is an intellectual powerhouse, a tenured professor at the University of Chicago and the author of several path-breaking books. Independent, orthodox and cautious are the words that best describe him.



Fiscal Consolidation on Track

Mr Rajan believes that price stability is the main objective of monetary policy. He would know that inflation targeting is not done as much by changing rates as by managing inflation expectations by signalling to the market that the central bank is committed to a certain path. He would also know that small changes in the interest rate usually do not have a significant impact on inflation unless inflation expectations are anchored.

With this background, let us consider how well the RBI has conducted monetary policy in the last 24 months.

The graph (left) shows year-on-year Consumer Price Index (CPI) inflation and the repo rate since September 2013. While reading the graph, please remember that the RBI had, in its monetary policy statements of 2014, set the target of inflation at 8 per cent by January 2015 and 6 per cent by January 2016.

To its credit, the Government remained committed to the path of fiscal consolidation announced in 2012 following the report of the Vijay Kelkar committee. The fiscal deficit was to be contained according to the following time table:

March 2013: 5.2 per cent

March 2014: 4.8 per cent

March 2015: 4.2 per cent

March 2016: 3.6 per cent

March 2017: 3.0 per cent

In each year up to March 2015, both under the UPA and NDA, we have done better than the target.

And then came the oil and commodities bonanza. The collapse of prices made the Government's job easier. It could expand public expenditure and at the same time achieve the fiscal deficit targets.

Formulating Monetary Policy

Now, let's read the graph closely. Inflation peaked in November 2013. Since then it has fallen dramatically. Between November 2013 and May 2014 (the UPA period), CPI inflation declined from 12.2 per cent to 8.3 per cent. Between May 2014 and August 2015 (the NDA period), CPI inflation declined from 8.3 per cent to 3.7 per cent. In the process, the RBI's target of 8 per cent by January 2015 was easily achieved and, I am confident, the target of 6 per cent by January 2016 will also be achieved.

Contrast this with the repo rate decisions during the period. Till January 2014, interest rates were increased in small steps of 25 basis points. Through 2014, the repo rate was held unchanged at 8 per cent when there was a steep decline in inflation. However, Dr Rajan did three rate cuts in 2015 when inflation was more or less constant. RBI's actions were contrarian. RBI expected inflation to rise after June 2015; in hindsight, it appears that RBI's inflation forecasts were flawed.

One could argue that if the inflation forecasts had been more accurate, the cuts could have been deeper and sooner. That would have improved liquidity, boosted consumption, and given confidence to investors.

Formulating monetary policy is a complex exercise. It requires making difficult judgments based on limited (and often unreliable) data. The burden is too much on one individual, however exceptionally qualified he or she may be. Hence the need for a Monetary Policy Committee. I have pleaded for an MPC with equal representation for the Government and the RBI and a casting vote for the Governor. Despite Dr Rajan hinting that an agreement has been arrived at, the Government has not announced the MPC. Decision-making in the NDA regime remains 'a riddle wrapped in a mystery inside an enigma'.

Heavy Lifting Ahead

The cut in the repo rate is not the end of policy making; it gives the Government an opportunity to take bold decisions. Over the next few months, it is the Government that must do the heavy lifting: persuade domestic investors to invest; get the promised FDI; resolve the new tax issues that have cropped up post May 2014; lift the production of coal, steel, oil, natural gas and electricity; quicken the pace of building infrastructure in roads, railways and ports; and pass the GST and other Bills by reaching out to the Opposition. Above all, it must not allow fanatics and eccentrics to set the agenda and raise irrelevant issues that distract us from the work of development.

Out of my mind: Law's delays

Would it be possible for the honourable court to tell them that as there is a backlog of 3.5 crore cases, they go to the back of the queue?

So three children between six and ten have moved the Supreme Court, no less, to direct the Centre and Delhi government to act on air pollution due to firecrackers. Would it be possible for the honourable court to tell them that as there is a backlog of 3.5 crore cases, they go to the back of the queue? The delay in civilian cases before judgement is often 20 years and in criminal cases 30 years. Thus they would get their judgement by the time they have children of their own of similar age.

Indians love litigation. You would not believe that in the first 5,000 years before the British introduced the legal system, Indians managed without rushing to courts at the slightest pretext. There would have been no need of the Mahabharata war had the Pandavas just gone to court to get their fair share of the ancestral land. They may not have got a decision in their

lifetime had they the sort of delays we have today. Litigation is our basic human right. Courts get clogged with PILs.

Indeed, thanks to the British colonialists, we can claim to the world that India has a Rule of Law, unlike China. But there is a problem which comes with it. As the Prime Minister was told in California, delays in litigation even for commercial cases give India low marks. Income tax payers will tell you the terror of getting into dispute with the tax authorities. Tax terrorism is the only word for it.

This is not a secret. It is an open scandal in which successive governments have connived. All the three pillars of the State — Legislature, Executive and Judiciary — are culpable. The number of judges per million, at 10.7, is one of the worst in the civilised world, made worse by unfilled vacancies, more than a third of the slots. Judges are scarce and even then judiciary is as much of a family occupation as politics has become.

Would it be too much to ask that by 2027, on the 80th anniversary of Independence, India has a working justice system? Tackling the judicial crisis will take concerted effort by all the pillars of the government, but the Executive has to provide the resources and plan a sustained campaign over the next several years to reduce the problem to a manageable size. The number of judges needs to be quintupled at the very least and this can only be done in an ordered way, over time. It requires expansion of legal education, improving the incentives for taking on a job in the judiciary and also some way of reducing the incidence of frivolous litigation. We may even need to induct people who are educated but not lawyers and put them on a fast track to become judges.

To reduce the backlog requires a drastic measure. The justice system is a lottery except that it has infrequent draws. My solution is to ask everyone who has waited for five years or more whether they would accept a decision which will use the method of the lottery draw. Odd number means the defendant wins, even number the litigant wins. It may sound crazy but not as much as the system we have at present. This one is quicker.

Dadri's dire warning: If Modi fails to give India change, it's because of enemies within his house

Akhlaq's death was foretold from the moment Bharatiya Janata Party chief ministers started banning meat on the excuse of festivals during which it has never been banned before.

This week I would have written about the Foreign Minister's excellent speech at the United Nations, but images from Dadri got in the way. Ever since the barbaric, senseless murder of Mohammed Akhlaq, I have been haunted by those images of a family with modern, middle-class aspirations destroyed by the savagery that lies so close to the surface of Indian modernity. Mohammed Akhlaq's brutal murder gives the Prime Minister a chance to confront the reality that, if he fails to give India change, development and prosperity, it will be because of enemies inside his own house.

Akhlaq's death was foretold from the moment Bharatiya Janata Party chief ministers started banning meat on the excuse of festivals during which it has never been banned before. They did this without concern for the jobs that would be lost and without noticing that Muslims would become an automatic target. Where better for this to be demonstrated than in a Hindu village with less Muslim families than you can count on the fingers of one hand? But Akhlaq's cowardly murder raises other more serious questions.

When he was in Silicon Valley, the Prime Minister talked proudly about his plans to use digital technology to transform rural India. What use is this kind of talk when a murderous mob can gather in a village on the edge of Delhi without the police being able to do anything? The men who planned the murder of Akhlaq, and the attempted murder of his son Danish, used WhatsApp to spread lies about cow slaughter days in advance, but the police did not

notice. What use is digital technology if it cannot improve basic policing? What use are cellphones in villages if the temple priest who made the announcement that caused Akhlaq's death could not use it to alert the nearest police station? Even if the Prime Minister succeeds in spreading the use of digital technology to improve policing and governance, what is he going to do about the primitive mindset of members of his own party?

What will he do with the ex-MLA who said that if the meat found in Akhlaq's fridge was beef, then the violence was justified? What will he do with BJP spokesmen who justified the murder in other ways? Some said that farmers in the area were relying on their cattle to survive because of the drought and in the village of Bisara a calf had disappeared. Others, including the local MP, dismissed the murder as an 'accident' and the result of a 'misunderstanding'.

It was a shameful display of primitive, provincial thinking, and Mr Modi would do well to notice that, along with the 'ghar wapasi' nonsense that went on through his entire first year in office, it serves to distract from the reasons why he became prime minister. The vote was for change and development and not Hindutva. Anyone who tells him otherwise is lying. And yet he has done nothing to stop the theft of his mandate by people who would not have been ministers or members of Parliament if his slogan of 'parivartan' and 'vikas' had not found such resonance.

Akhlaq's murder reminds us of how superficial India's modernity is. The men who killed him and tried to kill his son would have all had cellphones in their pockets and colour television sets in their homes. Some may even have had access to computers and the Internet, and still all it took was a rumour for them to turn into savages. It is only savages who can turn so quickly into a killer mob. And in recent months a very ugly atmosphere has been created across the country by BJP chief ministers and Modi's own ministers, and he has done nothing to stop them. Nor has he made the smallest effort to call a halt to the misguided 'ghar wapasi' (homecoming) campaign launched by his former comrades in the RSS. If the RSS is truly interested in serving India, and if they are true believers in the Sanatan Dharma, then they must concentrate their activities on more useful things like cleaning the Ganga and helping the Swachh Bharat campaign. Ghar wapasi is the antithesis of the idea of the Sanatan Dharma.

Meanwhile the Prime Minister must realise that the investors he woos on his travels in foreign lands halt in their tracks every time they see signs that beneath its new highways and shining malls, India remains a primitive country. Akhlaq was stoned to death in a village less than 50 kilometres away from Delhi and his young son, if he lives, could live with serious head injuries. Do we require more proof that we are going to need more than digital technology to make India into a country that truly belongs in the 21st century, instead of in some hideous, primordial time warp?