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INTERNATIONAL

MISSION CREEP: ON NATO EXPANSIONISM

The story so far: When Russian President Vladimir Putin launched a military invasion of Ukraine on February 24, the purported reason behind this act of extraordinary territorial aggression was that the eastward expansion of the North Atlantic Treaty Organization (NATO) threatened at some undefined point in the future to allow Ukraine to join the grouping as a treaty ally and thus bring a formidable transatlantic security coalition within striking distance of Russia's western borders — yet again. This justification offered by Russia as the reason for undertaking a ground war, including the brutal targeting with ordnance of civilian infrastructure and the expected devastation in terms of human casualty and property damage, has come under increasing scrutiny. In this context, understanding the history of NATO's challenge to the security posture of Russia would help identify the roots of this conflict. It might also provide a clearer picture of what institutional arrangements and assurances the Kremlin could accept as sufficient to pull back its troops and weaponry and engage in dialogue with the administration of Ukrainian President Volodymyr Zelensky.

What are the origins of NATO and why does it matter to Russia?

The self-declared mission of NATO when it emerged on April 4, 1949, had three prongs: “detering Soviet expansionism, forbidding the revival of nationalist militarism in Europe through a strong North American presence on the continent, and encouraging European political integration.” Clearly the legacy of the Nazi scourge and World War II weighed heavily on the minds of the founding members of NATO. Although NATO claims that it is only “partially true” that its very creation was to counter the threat from the erstwhile Soviet Union, there was a strong emphasis on military cooperation and collective defence in its clauses. For example, Article 5 of the Treaty proclaims that “an armed attack against one or more of them... shall be considered an attack against them all” and that following such an attack, each ally would take “such action as it deems necessary, including the use of armed force” in response.

The broader context at the time was that in 1955, a time when the Cold War was gaining momentum, the Soviet Union signed up socialist republics of Central and Eastern Europe to the Warsaw Pact, including Albania (which withdrew in 1968), Bulgaria, Czechoslovakia, East Germany, Hungary, Poland, and Romania. The Pact, essentially a political-military alliance, was viewed as a direct strategic counterweight to NATO, and its focus at the time was the fact that while East Germany was still part of the Soviet occupied-territory of Germany, the Federal Republic of Germany had joined NATO by May 1955, and Moscow began to worry about the consequences of a strengthened and rearmed West Germany at its border. As a unified, multilateral, political and military alliance, the Warsaw Pact was aimed at tying Eastern European capitals more closely to Moscow, which it effectively did for several decades through the worst hostilities of the Cold War. Indeed, the Pact even gave the Soviet Union the option to contain civil uprisings and dissent across the European satellite states, including in Hungary in 1956, Czechoslovakia in 1968, and Poland in 1980-1981.

All that began to unravel by the late 1980s, when the sheer downward pressure of inevitable economic slowdown in most Eastern European Pact allies reduced the potential for military cooperation to make any real difference strategically across the region. Thus, it hardly came as a surprise in September 1990 that East Germany quit the Pact to be reunified with West Germany,



and soon Czechoslovakia, Hungary, and Poland withdrew from all Warsaw Pact military exercises. The Pact was officially disbanded in early 1991 after the dissolution of the Soviet Union itself.

What were the rounds of expansions carried out by NATO?

Even as the Soviet Union was dissolved into Russia and former Soviet republics, NATO, emboldened by circumstances and optimism that the global balance of power was tipping in its favour, embarked on a path of expansion. During the term in office of U.S. President Bill Clinton, NATO began, in successive rounds of negotiation and expansion, to pull former Warsaw Pact states into its membership. After reunification, while Germany retained membership of NATO, the Czech Republic, Hungary, and Poland joined the alliance in 1999. But it did not end there — in 2004, Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia, Slovenia joined the treaty organisation. In 2009 Albania and Croatia signed on, in 2017 Montenegro entered the bloc and in 2020 it was North Macedonia's turn.

Why is Russia sensitive to NATO expansion?

In 2008, in the week leading up to NATO's Bucharest Conference, "NATO Allies welcomed Ukraine's and Georgia's Euro-Atlantic aspirations for membership and agreed that these countries will become members of NATO." They went on to announce a period of intensive engagement with both countries at a high political level to address the questions still outstanding regarding their Membership Action Plan applications.

This set off alarm bells in the Kremlin, because even the very concept of Ukraine, a nation considered to hold strong historic ties first to the Soviet Union and then Russia, was anathema. This development prompted Mr. Putin to warn erstwhile U.S. Undersecretary for Political Affairs William Burns that "no Russian leader could stand idly by in the face of steps toward NATO membership for Ukraine. That would be a hostile act toward Russia." This was only among the more recent of a long list of actions by NATO leaders that Russia considers a political betrayal.

However, it is not necessarily the case that Russia is right to believe that — and to understand this, it is important to grapple with the history of NATO expansion and its consequences.

Did NATO violate a promise to avoid expansion?

An oft-quoted line in this line of enquiry is the comment by U.S. Secretary of State James A. Baker to Soviet leader Mikhail Gorbachev in February 1990, that "there would be no extension of NATO's jurisdiction for forces of NATO one inch to the east." While Moscow seized upon this comment to fuel its ostensible outrage at NATO expansion into the Baltic states region, it is a fact that in early 1990, the locus of the diplomacy for the Two Plus Four – including East and West Germany plus the United States, France, the Soviet Union, and the United Kingdom – agreement was whether a unified Germany would be part of NATO. Indeed, Mr. Baker's aim in making that comment was to reassure Moscow that NATO command structures and troops would not be transferred to the territory of the former German Democratic Republic.

Yet it was a difficult time in Russian politics, domestically, because in the aftermath of the Soviet Union's dissolution, there was a failure to institutionalise democratic practices, a stable market economy, and a robust law and order system. Facing all manner of chaos at home, erstwhile Russian President Boris Yeltsin began to interpret – many argue deliberately falsely – the Two Plus Four Treaty as a ban on NATO expansion east of Germany. He wrote to Mr. Clinton in September 1993, that Russia ruled out "the option of expanding NATO territory eastward."



Through the 2000s, Mr. Putin carried on in this vein, speaking with increasing alarm and anger at NATO's steady expansion into Eastern Europe, and saying in Munich in 2007 that "it is obvious that NATO expansion does not have any relation with the modernisation of the alliance itself or with ensuring security in Europe. On the contrary, it represents a serious provocation that reduces the level of mutual trust."

In 2008, following NATO announcement of its intent to admit Georgia and Ukraine into its alliance, Russia invaded Georgia and took control of several of its territorial regions; and in 2014, with Ukraine drifting closer towards an economic alliance with the European Union, Russia marched into Ukraine and seized Crimea.

EXPLAINED: THE ROLE OF BELARUS IN THE RUSSIA-UKRAINE WAR

Belarus, the largest landlocked European country bordering the two warring nations has found itself in a precarious position amid its political proximity with Russia. The country is now at the receiving end of the West's economic sanctions, meant to deter the Russian assault on Ukraine, despite restrictions already in place after the controversial election of its President, Alexander Lukashenko.

The Belarusian border serves as the site for dialogue between Russia and Ukraine to possibly end the war. However, both the first and second rounds of talks have yielded no significant breakthrough. Historically, Belarus has acted as the site of negotiations between the two nations – two sets of agreements were signed in the Belarusian capital of Minsk in 2014 and 2015 to end the conflict in eastern Ukraine.

Initially, Ukrainian President Volodymyr Zelenskyy had refused to hold talks in Minsk, stating that missiles, helicopters, and rockets had been launched from Belarusian territory and "hit our lives". Imploring its neighbour to "be Belarus, not Russia", Zelenskyy said, "The war is going on and you're not on the same side with us". However, after the Lukashenko government assured their missiles and aircraft would stay grounded during the passage of the Ukrainian delegation, the two sides agreed to meet near the Ukraine-Belarus border in the vicinity of Pripjat River, a Facebook post by Ukraine Defence stated.

How has Belarus helped Russia?

Even as Lukashenko on Friday denied that Belarus would be joining the war, Ukraine military, just a day before, had alleged that Belarusian troops had already joined Russia's assault. A top US official also told The Washington Post last week that Belarus was preparing to send its soldiers to support Russia's invasion into Ukraine. "It's very clear Minsk is now an extension of the Kremlin," the administrative official was quoted as saying.

Additionally, on February 27, a constitutional referendum in Belarus allowed the country to scrap its non-nuclear status, paving the way for Russia to potentially station its nuclear weapons on its territory.

Lukashenko, according to news agency AP, has said that the West's harsh sanctions may "push the world to the brink of World War III". He has also warned that if NATO and its allies deploy nuclear arms in its neighbouring countries, then Belarus has "agreed with Putin to deploy such weapons here that will make Poles and Lithuanians lose any desire to go to war".



This came on the same day when Russian President Vladimir Putin put his nuclear deterrence forces on high alert.

Belarus has already been reported as the “staging ground” for Russian troops, with CCTV footage showing tanks with Russian markings crossing the border over to Ukraine on the day of the invasion.

Last week, the Defence of Ukraine had claimed that it shot down a missile fired from Belarusian soil. “A few min ago, the Air Force of the AFU shot down a cruise missile fired at the capital of Ukraine from the territory of the Republic of Belarus by a TU-22 aircraft. This is another war crime of Belarus and Russia,” its official Twitter account said.

Prior to the announcement of the “special military operation” in Ukraine, the United States for months had raised concerns over 30,000 Russian troops, fighter jets and defence missile systems being stationed in Belarus, which borders Ukraine from the north, at the pretext of a military exercise. The stay of the troops had been extended indefinitely at the time, citing increased tensions in Donbass – the conflicted eastern Ukraine territory.

Why is Belarus helping Russia?

To understand why Belarus has been helping Russia, it’s important to first look at Lukashenko’s relationship with the Kremlin.

Lukashenko, often touted as Belarus’ dictator, was elected as the country’s President in 1994, just a few years after the fall of the Soviet Union. He has been in power since then and is widely known for running an authoritarian regime that allows for no dissenting voices.

Even before Putin came to power, Lukashenko had entered into a reluctant agreement with the former Russian president, Boris Yeltsin, in 1999 to merge as ‘Union State’. After years of deferment and negotiations, Minsk and Moscow signed off on 28 programmes under the Union State agreement in November 2021 to align on matters related to taxes, business, energy, and agriculture.

Moscow values its alliance with Belarus as it forms a strategic land between Russia and the NATO-aligned Lithuania, Poland and Latvia. On the other hand, Belarus recognised the need for cosyng up to Moscow after it was effectively cut off by the West, following Lukashenko’s crackdown on countrywide protests against his re-election.

In 2020, Lukashenko declared victory for the sixth time in the Presidential elections, prompting an uprising against the purportedly rigged electoral process. The protests saw violent clashes between the citizens and the police, with over 30,000 getting detained. Putin supplied Lukashenko with a loan of \$1.5 billion and offered to send in Russian troops to contain the protests.

Citing human rights violations and fraudulent elections, over the years, the European Union, United Kingdom, United States and their allies have imposed restrictions such as travel ban and assets freeze on individuals and entities from Belarus, including Alexander Lukashenko and his son, Viktor. The restrictions were also imposed on the trading of petroleum products and potash – of which Belarus was the second-largest exporter in 2020, according to figures shared by the Canadian government – hitting the country’s export revenue.



The economy of Belarus & impact of sanctions

Russia is the largest trading partner of Belarus. In 2020, according to IMF data, Belarus exported over \$13,000 million worth of goods to Russia. Its imports from Russia amounted to over \$16,500 million, followed by China, which amounted to over \$3,700 million. Apart from this, Belarus also enjoys subsidies on oil and gas from Russia.

However, in 2021, a Bloomberg report stated that Belarus had been able to tide over the impact of the Covid-19 pandemic largely due to its growing exports to the EU. It quoted data from Belstat, the official Belarus statistics agency, which showed that in the first three quarters of 2021, the EU imported 96.1 per cent more from Belarus than it had during the same period in 2020. Exports to Russia grew as well by 22.6 per cent.

The new sanctions against Belarus for its role in the Russia-Ukraine war, which cover 70 per cent of exports to the EU, are likely to cause trouble for the country. In fact, according to Reuters, while earlier sanctions covered just 20 per cent of potash exports, the 2022 sanctions ban them completely.

These restrictions come at a time when Belarus is looking to lower its inflation. According to an IMF analysis at the end of 2021, though its economy recovered to the pre-pandemic level, its growth has been weakening and inflation remained above target at around 10 per cent. The report also noted that international sanctions had limited Belarus' alternatives to bring down the fiscal deficit as well as presented challenges to cross-border payments.

In 2020, Reuters reported that Belarus owed Russia \$7.9 billion, accounting for 12-13 per cent of its GDP at the time.

A CHANCE FOR PEACE

Ukraine's President Volodymyr Zelensky delivered a Churchill-like speech at the British Parliament on Tuesday, vowing to fight to the end "in forests, fields and streets". But hours before his speech, through video-conferencing, he sent the clearest signal to Russian President Vladimir Putin — in an interview — that he was ready to compromise on the most sensitive issues such as Ukraine's bid to join NATO, and the status of Russian-controlled Crimea and the breakaway Donetsk and Luhansk republics. He also called for "a collective security agreement" that would include Russia, the U.S. and Western European countries as part of a lasting solution. What makes his apparent concessions important is that he announced them a day after the Kremlin laid out three conditions to stop what it calls its "special military operation" in Ukraine: It wants Kyiv to accept Crimea as a Russian territory, recognise Donetsk and Luhansk as independent republics and amend the country's Constitution to drop attempts to join any bloc (NATO) and reinstate its neutrality. While Mr. Zelensky stopped short of offering recognition to the breakaway regions, his offer for compromise and dialogue opened a path towards a political settlement. The Russian Foreign Ministry's statement on Wednesday that its goals would be better achieved through talks also signals hope for a de-escalation.

In the last two weeks, Mr. Zelensky has emerged as the face of the Ukrainian resistance. But he is also in a difficult situation. The Russian advances are slow given Russia's relative power, but in the last 13 days, Ukraine has lost sizeable territories, from its northern border with Belarus to its southwestern Black Sea coast. Russia has not taken any major Ukrainian city except Kherson in the south, but most cities, including Kharkiv in the north and Mariupol in the southeast, are being



encircled. Kyiv, the capital city, is being enveloped from the east and west. Mr. Zelensky has repeatedly asked for military help from NATO. But his request for a no-fly zone was shot down. Even the Polish offer to send its fleet of MiG-29 fighters was dismissed by the U.S., which does not want any kind of military involvement in the conflict. So, the practical solution before Mr. Zelensky is to take advantage of Ukraine's initial resistance and seek a solution through talks. Against this backdrop, his comment about Ukraine dropping its NATO bid is a welcome step. But the question is whether Mr. Putin would take this and be ready for de-escalation. If Russia had expected a quick collapse of the Ukrainian government, it has been proved wrong. Nearly a fortnight of conflict has taken a huge toll on Russia's economy. Its ties with Europe have been set back by decades. Continuing this war endlessly does not serve anybody's interest. If Mr. Putin's primary concern is Russia's security interests, he should pause the operation and start serious dialogue with the Ukrainians on Mr. Zelensky's proposals.

THE COMPLEXITIES FOR IMPLEMENTING A NO-FLY ZONE

The story so far: The North Atlantic Treaty Organization (NATO) Secretary General Jens Stoltenberg stated that the organisation would not designate the Ukrainian airspace as a 'No Fly Zone' which he said would lead to a full-fledged war in Europe, involving many more countries and resulting in greater human suffering. In response, Ukrainian President Volodymyr Zelensky said the move amounted to giving a "green light" for further bombing of Ukrainian cities and villages.

Associated Press reported on Saturday that Russian President Vladimir Putin said any third-party declaration of a non-fly zone over Ukraine would be seen as "participation in the armed conflict".

What is a No-Fly Zone?

In simple terms, a No-Fly Zone refers to a particular airspace wherein aircrafts, excluding those permitted by an enforcement agency, are barred from flying.

Articles under Chapter VII of the United Nations Charter dealing with 'Action with Respect to Threats to the Peace, Breaches of the Peace, and Acts of Aggression' are invoked to authorise a potential no-fly zone. Article 39 dictates the United Nations Security Council (UNSC) to determine the probable existence of any threat to peace or an act of aggression. It suggests further measures, if required, are to be carried out in accordance to Article 41 and 42 to restore international peace and security.

No fly zones have been implemented without UN mandate too. In 1991 after the first Gulf War, U.S. and its coalition partners imposed two no fly zones over Iraq to prevent Saddam Hussain from attacking ethnic groups. In non-combat situations, No fly zones can be imposed permanently and temporarily over sensitive installations or for high profile events like Olympics.

What is the feasibility of 'No fly zone' over Ukraine?

The Foreign Policy magazine states that no-fly zone declarations are essentially a compromise in situations demanding a response to ongoing violence, but full military intervention is politically untenable.

NATO has previously imposed No-Fly Zones in non-member states like Libya and Bosnia. With Russia it fears a full-fledged war in Europe. It has been demanding that NATO scale back to the pre-1997 arrangements. Both Russia and Ukraine are not members of NATO.



Due to this, the idea of imposing a ‘no fly zone’ over Ukraine has been rejected outright. In addition, a ‘No fly zone’ needs to be implemented meaning NATO deploying aircraft and assets which would result in a direct confrontation with Russia as it may require NATO shooting down Russian fighters or taking down its air defence systems. While Russia has an overall superiority over Ukraine air space, it has not demonstrated that so far in its offensive in Ukraine.

Mr. Stoltenberg had earlier said, “...the only way to implement a no-fly zone is to send NATO planes, fighter planes into the Ukrainian airspace, and then impose that no-fly zone by shooting down Russian planes”. The General Secretary added that NATO would continue to provide significant support to Ukraine and impose heavy sanctions but not involve NATO forces directly or indirectly in the Ukrainian conflict, neither on ground or in space.

This was also reiterated by U.K. Prime Minister Boris Johnson last week during a visit to Poland when he said that “unfortunately the implication of that (no fly zone) is the U.K. would be engaged in shooting down Russian planes, would be engaged in direct combat with Russia — that’s not something we can do”.

In addition, a ‘No fly zone’ would achieve very little as majority of the Russian attacks on Ukraine are coming from ground attacks rather than air strikes.

Taking a similar line, the U.K. Chief of the Defence Staff, Admiral Sir Tony Radakin, said that “no fly zone would not help”. “Most of the shelling is coming from artillery, most of the destruction is coming from artillery, it’s not coming from Russian aircraft,” he told the BBC’s Sunday Morning programme.

What are the broad contours in a No-Fly Zone?

The UNSC had banned all flights in the Libyan airspace post adoption of Resolution 1973 in 2011 in response to the Libyan Civil War. Member states were asked to deny permission to any Libyan registered aircraft to use the territory without requisite approval. Further, the member states could bar any entity from flying if they found reasonable grounds to believe the aircraft is ferrying lethal or non-lethal military equipment.

Member states were permitted to allow flights whose sole purpose was humanitarian, such as delivery of medical supplies and food, chauffeur humanitarian workers and related assistance, or evacuating foreign nationals from the territory.

A U.S. Congressional Research Service Report, published in 2013, draws up important implications concerning authorisation, legality and legitimacy of a No-Fly Zone operation.

The report prepared for members and committees of the Congress seeks consideration on how the nature, extent and conduct of the international authorisation (to the no-flying zone operation) is likely to shape the perceived legitimacy of the operation and support from the international community.

LOOMING OIL CRISIS: WHAT NOW

On Tuesday, United States President Joe Biden announced a ban on all crude oil and natural gas imports from Russia into the US even as the Ukraine conflict intensified, while the UK announced that it would phase out imports of Russian oil by the end of the year.



These moves will further increase crude oil prices, which in turn will stoke inflation across the world — particularly in the US and its allied nations in Europe, which are already reeling from inflation rates that are at their highest in decades. That is because Russia is the world's second-largest producer of oil as well as the second-largest exporter.

The key question is: Can that gap be met? If so, to what extent and how soon? Moreover, unlike the US, Europe is heavily dependent on oil and natural gas imports from Russia. Can a US ban drive a wedge between its own foreign policy goals and those of its allies in Europe?

Why were oil prices rising even before the Ukraine crisis?

Crude oil prices have fluctuated quite sharply over the last two years. From \$60 a barrel at the start of 2020, they fell to less than \$20 in April 2020 owing to a supply glut in the wake of the pandemic. Since then, however, they have been steadily rising even before the Ukraine conflict caused them to skyrocket.

Vikram S Mehta, chairman and distinguished fellow, Center for Social and Economic Progress, said that, for one, the global demand was already outstripping supply. "On the supply side, there were many factors further contributing to this gap," he said. These included:

- * Russia has been holding back from providing additional supplies of natural gas to Europe. As the price of gas shot up, so did the price of oil as consumers shifted from gas to oil and coal.
- * Continued underinvestment in oil and gas exploration because of the "public and regulatory aversion" to fossil fuels.
- * "You can't turn on the tap for additional supplies of oil as and when you want," said Mehta.
- * There is very limited "spare capacity" within the OPEC (Organization of the Petroleum Exporting Countries). "Only Saudi Arabia and UAE have spare capacity and they are refusing to play along as yet," said Mehta.

It is into this already "tight" global oil market that the US ban has come into effect.

How big a player is Russia in the global oil market?

There are three large players in the global oil market, said Hetal Gandhi, Director, CRISIL Research. At 18%-19%, the US has the highest share in global output followed closely by Russia and Saudi Arabia, each with a 12% share. Within OPEC, it is Saudi Arabia that dictates. Together, these three control almost 45% of all oil. "That explains why Russia is so important," she said.

Russia's share in global exports is around 12%. "Russia supplies close to 5 million barrels a day to the global market and that is not an insignificant amount and a ban will immediately tighten the market further," said Mehta.

Gandhi agreed but also pointed out that it is not just an issue of quantity alone. There are other dimensions to this gap such as the cost of production and quality of crude oil apart from the viability and cost of transportation. "For example, unlike Russian oil, Venezuela oil has more impurities and it requires a more complex type of refineries," she said.

Then the individual country's cost of production also plays a key role. Most new oil fields in the US produce at \$40 a barrel, while those in Russia produce at around \$20 and those in Saudi Arabia at around \$15 a barrel.



So Russian supplies are not only the second-biggest, they are also the second-cheapest and of better quality than what a replacement like Venezuela may provide. That explains why banning Russian oil will lead to higher costs for all concerned.

Can strategic reserves not help meet the gap?

Gandhi said strategic reserves are good enough only for emergencies. The top three countries in terms of such reserves are the US, China and Japan. Between them, they have 1500 million barrels. "At an average daily global consumption of 95 million barrels a day, that's roughly 20-odd days of oil," said Gandhi.

Moreover, she pointed out, it is an open question how far China will share globally.

"That is why you simply can't work without Russian oil supplies," she said.

Can't there be increased supplies from countries such as Venezuela and Iran?

Venezuela has the world's largest oil reserves but producing oil requires more than just reserves. The country's oil-producing apparatus is in disrepair partly due to the government's mismanagement but also because of harsh US sanctions. Oil-producing companies are in debt and most don't even have good quality drilling equipment, Gandhi said. Iran will not increase output unless it gets the nuclear deal with the US, Mehta said.

Production can be scaled up but it will take time, money and effort. Moreover, since individual production levels are quite low, several countries will have to come together and still they may not come anywhere close to matching the levels that Russia produces, Gandhi said.

Is there a difference in the dependence of the US and its European allies on Russian energy imports?

Yes, it is a big difference and that is what explains why the reactions of the US, the UK and the EU vary.

The US imports less than 10% of its energy requirement from Russia but European countries are much more heavily dependent on Russia.

Take the case of Germany, which is not just the most-industrialised economy but also the biggest decision-maker in the EU. While Russia accounts for 12% of all global exports of oil, in Germany it is a much bigger player, accounting for over 40% of that country's oil needs. Similarly, Germany is also hugely dependent on Russian natural gas. Unlike India, which gets most of its energy from coal (75%) and oil (10%) and very little from natural gas, Germany gets 25% from natural gas — again hugely imported from Russia. Making matters more challenging is the issue of transportation, Gandhi said. Even if other countries were to come to Germany's rescue by providing LNG, there will be a problem since Germany has no LNG terminals; it is completely dependent on natural gas pipelines from Russia. "You can't build an LNG terminal in a day," said Gandhi.

EXPLAINED: WHAT IS THE IMPACT OF VISA, MASTERCARD AND AMERICAN EXPRESS BLOCK IN RUSSIA?

American card network operators Visa, Mastercard and American Express have suspended their services in Russia in light of the sanctions imposed on Moscow by the US owing the ongoing conflict in Ukraine. We take a look at the effects of this suspension.



Can you use Visa or Mastercard in Russia?

The suspension means that any cards issued by banks globally on these networks will not work in Russia at point-of-sale terminals or ATMs. Further, cards issued by Russian banks on these networks will also stop working outside the country.

Is there an alternative to Visa and Mastercard in Russia?

In the aftermath of similar US sanctions in 2014, where card networks like Visa and Mastercard had denied services to Russian banks, Moscow formalised its own payments system Mir, which was launched in 2015. Additionally, according to a Reuters report, Russia's central bank said that many banks plan to issue cards using China's UnionPay, a payments system it said was enabled in 180 countries.

What is the likely impact of the ban?

While Russian banks have downplayed the impact so far, suggesting that shoppers will be able to use cards issued by Visa or Mastercard till expiry, the networks have said that any cards issued abroad won't work in Russia. Globally, barring China, Visa and Mastercard control nearly 90% of credit and debit card payments.

CAN DONBAS REPUBLICS WORK AS A BUFFER ZONE?

The story so far: Three regions of the erstwhile Commonwealth of Independent States, Abkhazia in northwestern Georgia, Transnistria, a breakaway state in Moldova, and South Ossetia, also in Georgia, are territories with internal but not external sovereignty. One of the solutions to settle the crisis over Russia's invasion of Ukraine is for the Donbas republics of Donetsk and Luhansk to follow this model and exist as de facto states.

What are the three para states?

"Places that do not exist" is how the BBC has described territories like Abkhazia, South Ossetia, and Transnistria. Various described as de facto or para states, these are territories which have internal but not external sovereignty, i.e., they are not de jure states and are not recognised by the global community. However, Abkhazia and South Ossetia are recognised by Russia and some of its allies like Syria, Nauru, Nicaragua, and Venezuela. Transnistria, however, is not recognised as independent even by Russia. But these three regions recognise each other and have their own governments, parliaments, armed forces, constitutions, flags, anthems, etc.

How did these de facto states come about?

While South Ossetia and Abkhazia broke away from their parent state, Georgia, Transnistria broke away from Moldova. Both Abkhazia and South Ossetia had substantial autonomy during the Soviet period. Tensions broke out as Georgian nationalism rose in the late 1980s.

During perestroika, Abkhazia unilaterally declared independence, leading to a war with Georgia in 1992-1993, which it won, allegedly with Russian support. In March 1993, the Abkhazian parliament appealed to be included in the Russian Federation, but to no avail. In 1996, Russia and most of the Commonwealth of Independent States (CIS) members placed embargoes on it for unilaterally seceding from Georgia. However, under Russian President Vladimir Putin, Moscow did not implement the embargo and withdrew from it in 2008 when it recognised Abkhazia as an independent state. During the Russia-Georgia war in 2008 over South Ossetia, Abkhazia



successfully attacked the last territories of Abkhazia that were still under Georgian control and took them. Russia now has an embassy in Sukhumi, the capital. There are Russian troops in Abkhazia as per a September 2009 military cooperation agreement, and Moscow provides substantial financial assistance.

However, Abkhazia does not completely abide by Russia's wishes on policy. For instance, it does not allow Russians to buy property for fear of being overwhelmed by Russians. In 2008, Russia had signed a bilateral agreement "On Friendship, Cooperation, and Mutual Support". However, when Russia wanted a new treaty to promote greater cooperation, Abkhazia insisted on jointly drafting it to preserve its sovereignty and ensuring that the word "integration" was dropped from the treaty. Though Abkhazia needs Russia to survive, there is not much love for Russia. As Russian expert Sergei Markedonov says, Abkhazia cooperates with Russia because of "a recognised necessity more than from a romantic ideal".

South Ossetians declared independence from Georgia in 1991. This resulted in a war, leading to a ceasefire brokered by Russia, leaving South Ossetia divided. Following the Russia-Georgia war in 2008, the rest of the territory was captured, and in 2008 Russia recognised South Ossetia's independence. South Ossetia is more pro-Russian than Abkhazia. It planned a referendum favouring integration with Russia in 2016, but this did not take place because of Russian opposition. Unlike the Abkhazians who insisted on deleting the word "integration" in their agreement with Russia, the South Ossetian version retained this word. South Ossetia is much more integrated with Russian state structures than Abkhazia is. It also receives a lot of subsidies from Russia.

Often described as a "remnant of the Soviet Union", Transnistria declared independence like Moldova did soon after the break-up of the Soviet Union. When Moldovan troops attempted to take over the territory in 1990-1992, Transnistria was able to resist them because of Russian soldiers based in Transnistria. These troops have now been largely withdrawn following an agreement between Russia and Moldova and what remains is a peacekeeping force of Moldovan, Transnistrian, and Russian soldiers. In a referendum held in 2006, over 97% of Transnistrians voted for future integration with Russia and after the annexation of Crimea, the government asked if it could be absorbed into Russia. Russia has not welcomed this as it perhaps prefers to retain these territories as buffer zones.

What are Russia's relations with them?

All three territories have Russia as their patron state and cannot survive without economic, political, and military support from Moscow. They are seen as client states of Russia though Abkhazia has shown an independent streak at times. South Ossetia and Transnistria are more pro-Russian than Abkhazia. Their economies and banking systems are all linked to Russia. Most people speak Russian, at least as a second language. They have Russian passports and enjoy social security benefits from Russia like pensions. So, obviously, they fall within Russia's sphere of influence.

Can they be a model for the Donbass Republics?

One of the solutions to settle the crisis over Russia's invasion of Ukraine is for the Donbass republics to follow the model of these de facto states. They would get recognition from Russia, get a security guarantor and exist as de facto states. Russia would also benefit from having friendly territories on its borders, allowing it to remain the hegemon in the region. The question is: will Russia be able to subsidise them given the Western sanctions on it?



THE EFFECTS OF THE RUSSIA-UKRAINE CONFLICT ON MARITIME TRADE

The story so far: As Russia continues its military onslaught on Ukraine, the Western economies and its allies have taken retaliatory steps, in the form of heavy sanctions, to effectively paralyse the Russian economy. One industry which is going to be heavily affected is the shipping industry as delays and shipping costs are expected to rise due to disruptions in the global supply chain.

What has been the impact on maritime trade so far in Ukraine?

When the war started, some 15 sea ports in Ukraine were shut down. The loading and discharging of cargo ceased. Around 140 ships that were berthed in the Ukrainian ports at that time have stayed in the ports since then. None of the ports or the ships berthed in these ports has been attacked so far. Two ships were attacked while in anchorage leading traders to avoid Black Sea routes for their ships.

For seafarers, the safest place in case of any accident is always the ship which has power, food and means to make water. Bunkers in ports have been identified for safely housing seafarers but ship crew have not moved out of their ships, says Sanjay Prashar, managing director of VR Maritime Services. One of the company's ships is stranded at a Ukrainian port. Some of the stranded ships in Ukrainian ports have Indian crew on board.

Barring occasional attacks, ports and nuclear facilities, as strategic assets have not seen much fighting or attacks. So far, the war has involved the Russian Army and Air Force, not so much Naval attacks except a small operation in Kerch, says Pritam Banerjee, a logistics expert. Port cities such as Mariupol have been attacked from land but as Ukrainians hold out and resist the invasion, Ukrainian president has warned of an imminent attack on the Odessa port by Russian warships. This would be a major escalation of the war. All the merchant ships will be under threat. As a direct consequence of the war, insurance premiums will go up for ships serving Black Sea ports.

What has been the impact globally?

Crude oil prices have gone up 20% over the last week in-part due to fears and also due to possible disruptions in supply since Russia is a major supplier of oil and gas through pipelines as well as ships. Black Sea is home to the few warm water ports the country has and is the theater of the war. As crude oil prices go up, the price of ship fuel, called Bunker fuel, is going up as well. Fuel cost is the biggest contributor to the operating costs of a ship and the increase will have a cascading effect on shipping costs and freight.

The pandemic drove up container freight rates which have seen a further escalation. Pritam Banerjee however, says the escalation may only be short-term and is largely due to the oligopolistic control some firms have over container shipping. He explains that Russia or even Ukraine matter little in container trade, so global container freight rates should not be affected greatly.

Bulk shipping including oil and gas tankers will be significantly affected. Russia and Ukraine are major traders in grain, minerals and oil. High insurance premiums, disruption in supply will rile the sector. In case of escalation, the Baltics and the North Sea shipping traffic may also be affected. War risk will hike insurance premiums.

While Russia may not attack in the Mediterranean, insurance costs may go up for ships serving those routes also, which are the hub of European trade.



What is the role of Turkey in this conflict?

Turkey controls the entry and exit of Black Sea and hence has a say over ship traffic in the Black Sea. It has banned Russian naval ships from passing through the Bosphorus Strait. Turkey is not a signatory to the United Nations Convention on the Law of the Sea which sees the oceans as commons and allows even warships innocent passage through territorial waters of a nation.

Turkey abides by the Montreaux convention which gives it greater control over the straits. Free passage is guaranteed for merchant vessels belonging to belligerents in war, especially if Turkey is not a belligerent. The convention also lays down clearly what is a warship and what is not. Having said that, any interpretation to curb Russian merchant ship movement will be a significant escalation and inflame the scenario.

The pandemic saw a disruption in crew change in merchant ships. Will this conflict have a similar impact?

A less discussed impact of the war is the share of Ukrainian and Russian seafarers in the global seafarer workforce. China, Philippines and India contribute significantly to the international seafarer workforce. Pritam Banerjee estimates that Russia and Ukraine together supply nearly 15% of the seafarers. It is common for Russian and Ukrainian seafarers to serve together on merchant ships. Their joining and disembarking merchant ships will be severely affected, mounting a challenge to the manning requirements of global shipping. The pandemic had disrupted the free movement of crew and things were just about settling down.

CHINA'S TAKEAWAYS FROM THE WAR

Like India, and on expected lines, China also abstained on the U.S.-sponsored United Nations Security Council (UNSC) Resolution condemning Russia for the invasion of Ukraine. However, China's reasons for abstaining from voting at the UNSC as well as its gains and expectations from the invasion are unique to its own situation. In 2014 too, China decided to abstain when the last vote against Russian aggression in Crimea came up for vote in the UNSC as did the legitimacy of the Crimean referendum. However, there are far bigger consequences this time since the full-scale invasion and Ukrainian resistance are leading to more uncertain outcomes. That is why it is important to look at China's current strategic calculations.

The status question

The first is the question of China's status as a responsible power. This is important for China because this year, the Communist Party of China is slated to hold the 20th National Party Congress. External stability, an enabling external environment and a positive perception and recognition of China's role in the world would help the party at home too.

This is playing out at two levels. One important question that is being asked is whether China knew of Russia's plans to invade Ukraine and whether it did enough to discourage it. Many observers have noted that Russian President Vladimir Putin may have informed Chinese President Xi Jinping of his intentions when he visited Beijing for the opening of the Winter Olympics. Mr. Xi may have suggested that Mr. Putin wait for the Winter Olympics to conclude before recognising Donetsk and Luhansk and sending "defensive forces" there followed by the outright invasion. Chinese officials have denied such talks as being baseless. If Mr. Putin had informed Mr. Xi of the impending actions, China would have expected Russian action to be limited to the Donbas region, which includes Donetsk and Luhansk.



Moreover, by trying to engage the peace process, China would also like to avoid renewed criticisms of it being a selfish power. In the last few days, the U.S. media has been trying to argue that the U.S. must make China pay for its silence on the war. China, for its part, has refused to call the Russian action as an invasion. Recently, an op-ed published in The New York Times had alleged that U.S. intelligence had sought China's help in dissuading Mr. Putin against the invasion, but China underplayed Russia's intentions and brushed those concerns under the carpet.

Strategic outcomes

While China may be surprised by the way the invasion has progressed, the war is not an entirely negative outcome for China. As a consequence of this invasion, the West will possibly direct its attention away from China. Thus, China will not remain the principal villain in the eyes of the liberal world, which it has been since it has unilaterally been constructing islands in the South China Sea, and since reports of human rights violations in Xinjiang have increased. One might also see a reduction in China's 'wolf warrior diplomacy' as it senses an opportunity to mediate and create a stake in the settlement process.

Second, that Russia is imposing costs on the West by stretching its military budgets is also a good thing for China. This will divert Europe's attention to its neighbourhood and away from the Indo-Pacific and possibly delay its engagements with the Quad.

Beijing also sees a pattern in Ukraine's engagement with Europe and fears its repetition in Central Asia where Russian and Chinese interests converge in keeping democratic interventions away. For all the rhetoric of the Shanghai Cooperation Organisation's mandates of fighting "terrorism, extremism and splittism", the principal shared concern for China and Russia is that of externally instigated regime changes, which force democratisation in Central Asia and destabilise the region. That is why China, while continuing to appeal to Russia to resolve its issues with Ukraine, has been rather stern vis-à-vis the U.S. by calling the latter's sanctions on Russia and military promises to Ukraine as being akin to adding fuel to the fire.

Militarily and tactically, there is a lot for China to learn from this conflict. For one, the shock and awe and escalation matrix used by Russia could well be a template if China were to consider a military solution in Taiwan or in circumstances where it sees its core interests being violated. China would also be studying Russian posturing and signalling, such as putting the nuclear deterrent forces on high alert, and the response from the U.S., the North Atlantic Treaty Organization, individual European countries and the UNSC. This is not to say that China would prioritise a military solution to reunite Taiwan, but every crisis is an opportunity to learn.

EXPLAINED: INDIA'S DIFFICULT EVACUATION CHALLENGE IN SUMY

Sumy, lying about 350 km east of Kyiv and 180 km northwest of Kharkiv, is now at the centre of India's evacuation efforts from the war zone. About 700 Indians, mostly students of medical colleges at Sumy State University, are stranded in this city in Ukraine's northeast.

There has been no respite from shelling in the city. President Volodymyr Zelenskyy said on Sunday that Russian forces were trying to block and keep encircled Sumy, along with Kharkiv and several other cities, the Associated Press reported.



Challenges for evacuation

It is in this situation that several hundred Indian students — all in their late teens and early 20s — are trapped in their underground shelters, waiting to be rescued.

The challenges are manifold.

First, Sumy is right in the middle of a conflict zone, with no break in the fighting. It's been 11 days since the war began.

It is very cold, snowy, and windy. (At 6 pm local time on Sunday, the temperature was minus 1 degree Celsius.) It is a difficult situation for those who are stranded without proper heating and water.

The border with Russia is about 60 km away, not easy to cover on foot in this weather even under normal circumstances. Right now, bombs and shells are falling in the region, and combatants are firing at each other.

Ceasefire not holding

The Indian government is in touch with both the Russians and Ukrainians, seeking a halt to hostilities so that these Indians can be evacuated.

There was a glimmer of hope after Russia and Ukraine announced a ceasefire on Saturday — they called it a “regime of silence” — and humanitarian corridors for civilians to leave the southern cities of Mariupol (on the Sea of Azov) and Volnovakha to its north in Donetsk oblast.

But that ceasefire was not observed on the ground.

The Russian embassy in New Delhi said the ceasefire was in effect from 10 am Moscow time (noon in India) on Sunday, but the Ukrainians said the Russians had violated the agreement, and the ongoing shelling made it “impossible to open humanitarian corridors for the safe evacuation of civilians, the delivery of medicines and food”.

Shorter route not safer

Indians who were stranded in Kharkiv and nearby Pischyn have been able to move out and travel west, where the border is about 1,000 km away. The Russian border to the east is, by contrast, only 40 km away — however, the conflict is raging on the eastern side.

Those who are stuck in Sumy face a similar situation — the border to the east is 60 km away, but it is not safe for them to venture out of their shelters until the guns fall silent at least for some time.

Faced with this situation, the Indian government has asked students in Sumy to stay put — it is the safest choice, even if without heating and with limited food and water.

Already, one Indian student has lost his life and another has been injured, and the government does not want to take any chances with the 700-odd Indians who remain in the war zone.



GETTING BACK HOME, SAFELY

As Operation Ganga comes to a halt, the process by which the Union Government evacuated stranded students from the conflict ridden areas of Ukraine have come under scrutiny. This article by Constantino Xavier, dated February 8, 2017, outlines the procedures and guidelines the country has to follow while taking steps to evacuate citizens from war torn regions.

On January 26, 1986, as New Delhi celebrated its Republic Day, South Yemen was being engulfed in a civil war that threatened the lives of thousands of foreigners living there. While Britain, France and the Soviet Union coordinated to jointly evacuate their nationals, the 850 Indians in the country were forced to wait for several more days until New Delhi finally managed to convince a merchant ship to pick them up.

Fast forward almost 30 years, to April 2015, when Yemen was on fire once again. This time, however, the Indian government successfully conducted Operation Raahat to evacuate almost 5,000 Indians and nearly 1,000 citizens from 41 other countries. Besides Air India aircraft, the Indian Navy deployed vessels, and the Indian Air Force C-17 Globemasters for strategic airlift. Such unprecedented efforts and resources reflect New Delhi's new drive to protect the lives and assets of its citizens abroad in times of crisis.

The increasing size and complexity of the diaspora requires the government to expand capacity and improve procedures. More than 11 million Indians now reside abroad and 20 million travel internationally every year. As political instability rattles the West Asian region, which hosts more than seven million Indians, the government can no longer rely on heroic efforts by individual officials or quick-fix solutions.

First, the government will need to build on its rich experience in conducting more than 30 evacuation operations since the 1950s. Studying India's history, best practices and lessons learned will help institutionalise them and avoid the need to reinvent the wheel every time a crisis erupts. By supporting policy-oriented research at universities and think tanks to document the memory of senior officials, the government would also facilitate the transmission of their expertise to younger officials.

Preparing a manual

Second, the government must avoid the jugaad approach. Every evacuation case is unique, given the specific nature and location of the crisis, but this should not preclude an analytical attempt to formulate a blueprint that lists core tasks for all operations. An inter-ministerial committee should prepare a manual with guidelines that establish a clear chain of command and division of competencies; identify regional support bases, assembly points and routes for evacuation; develop country-specific warden systems to communicate with expatriates; and establish evacuation priority and embarkation criteria.

Third, India's diplomatic cadre must be given specific training to operate in hostile environments. As a senior government official told me, when it comes to operating in complex theatres, "practice and preparedness make perfection".

To achieve this, the government could instruct the police or army to train Indian Foreign Service probationers to operate in war zones; conduct frequent evacuation simulations and emergency drills; and create rapid reaction teams of Indian security personnel to be deployed to protect diplomatic staff and installations abroad.



Fourth, the success of future operations will also rely on New Delhi's willingness to work together with friendly governments. India will have to invest in cooperative frameworks that facilitate coordination among countries that have large expatriate populations in West Asia, in particular Nepal, Bangladesh and Sri Lanka, and among leading powers with evacuation capacity in the Indian Ocean region.

Fifth, the government will have to assign a greater role to its armed forces, in particular by strengthening the Navy and Air Force's capacity to operate in tandem with civilian authorities. It should, for example, direct the military to develop a non-combatant evacuation (NEO) doctrine, designate the Integrated Defence Staff as the nodal organisation to improve inter-services and civil-military coordination, direct the services to conduct more multilateral NEO exercises, and adapt military modernisation plans to increase capacity for out-of-area deployment and evacuation.

Using technology

Sixth, to minimise redundancies, the government must institutionalise a permanent inter-ministerial coordinating mechanism for emergency evacuations, incentivise inter-agency cross-posting of officials dealing with diaspora affairs, and encourage State governments to create regional contingency plans.

Seventh, to avoid cost inflation and delays, the government must establish a permanent civil reserve air fleet that pools aircraft from all Indian airlines based on pre-established requisition and reimbursement procedures.

Eighth, the government will have to invest in new technologies to better monitor the diaspora's profile and mobility. This can be achieved by encouraging more diplomatic missions to provide online consular registration forms, developing an online registration system for overseas travellers, utilising social media, and by making the Aadhaar card compulsory to facilitate biometric identity verification and reduce identity fraud during evacuation.

Finally, the government must expand efforts to manage public opinion and be able to conduct a quiet diplomacy that is crucial to safely extricate Overseas Indians from conflict zones. To reduce domestic pressures, it should embed media representatives more frequently in such missions, reassure the diaspora by ensuring that high-level political representatives are personally engaged, and avoid raising expectations by clearly distinguishing Indian citizens from people of Indian origin.

India has extensive experience in conducting evacuation operations, but to secure the lives and assets of Indians abroad, the government must avoid an ad hoc approach and seek to institutionalise best practices, bolster diplomatic and military capabilities, and improve coordination.

A SAFETY NET FOR STUDENTS ABROAD

For centuries, from Mahatma Gandhi, B.R. Ambedkar and Jawaharlal Nehru to Amartya Sen and Manmohan Singh, Indians have gone abroad to pursue higher education. Before the onset of the pandemic, more than 7,50,000 Indian students were studying abroad, spending \$24 billion in foreign economies, which is around 1% of India's GDP. The number is expected to rise to around 1.8 million by 2024 when our students will be spending nearly \$80 billion outside India. Demand is soaring for various reasons, including the gap in India's supply of quality education against the

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



demand. With more than half the Indian population under the age of 25, and no Indian university in the world's top 100, it is natural that aspirational students would look to study abroad.

Large benefits

Sushma Swaraj, as External Affairs Minister, referred to Indians abroad as “brand ambassadors”. Prime Minister Narendra Modi and U.K. Prime Minister Boris Johnson call Indians in the U.K. the “living bridge” between both countries. We celebrate the achievements of Sundar Pichai and Satya Nadella. Yet, one has to only look at social media or hear some conversations to realise how much contempt a section of Indians shares towards those studying abroad. While such opinions do make some noise, the larger benefits in terms of soft power, knowledge transfer and remittances that come back to India render such noise baseless.

It is estimated that around 20,000 Indian students were stranded in Ukraine. The work of the Union government, complemented by the efforts of some active State governments, is aimed at bringing our fellow citizens back home. These efforts are ably supported by embassies in the region, voluntary organisations like NISAU, and other people's collectives. This is the duty of any responsible government and any moral people, and deserves due appreciation.

The unfortunate deaths of two Indian students (one died in shelling, the other suffered a stroke) in Ukraine warrant serious intervention though it can be argued that what is happening in Ukraine is an external armed aggression and so chaos is expected. However, what happened in Canada recently is not. Around 2,000 students whose colleges have abruptly closed have been protesting. They allege that lakhs of rupees in fees have been taken from them by colleges, which are now bankrupt, thereby jeopardising the students' futures. Something similar happened in the U.K. a few years ago with hundreds of 'bogus' colleges being closed, adversely impacting thousands of international students. And one can't forget what happened during the pandemic. Australia shut its borders to the thousands of Indian students enrolled to study on its campuses. Even in a country like the U.K., we found ourselves needing to provide food and accommodation to stranded Indians who had lost the economic means to support themselves. Almost all credible forecasts project that Indian students will continue to go abroad in large numbers for many years to come. India is the second largest source of international students after China, and this is expected to continue.

Mandating protection

Given a proper ecosystem, Indian students can significantly contribute to India's development by transferring advanced knowledge and best practices. They are consumers of higher education abroad, and guests of the nations they reside in. It is only natural then for us to mandate protection of our people abroad by ensuring that host countries take on this responsibility. The Indian government should proactively create a safety net for the international students. International agreements that oblige host countries to ensure the welfare of Indian students during times of crises and contingencies should be given paramount importance. The trade agreements India is currently negotiating with the U.K. and Australia make for great opportunity to do so. A mandatory student insurance scheme as well as responsibility of welfare of students in the foreign country should be incorporated into agreements to secure the interests of students who also spend considerably in the host country. For instance, higher education has been one of the strongest exports for the U.K., generating £28.8 billion in revenue. Contrary to popular opinion, a considerable chunk of students who study abroad are not from wealthy families. They take expensive loans from institutional and non-institutional sources to finance their education. The



aspiration to secure a better exposure and future can render them prone to difficulties, which can be offset by such a safety net arrangement. When the achievements of Indians abroad are ours to celebrate, so is the responsibility to safeguard their welfare.

THE LISTS OF THE FATF AND PAKISTAN'S POSITION

Why has the neighbouring country been repeatedly featured in the 'grey list' of the Financial Action Task Force?

The story so far: The global financial crime watchdog Financial Action Task Force (FATF) in its latest plenary meeting, decided to retain Pakistan on its terror financing 'grey list', asking the neighbouring country to expeditiously address the remaining deficiencies in its financial system. It has also added UAE to the list this time, which has promised to take "robust" actions in countering terror financing and money laundering.

What is the FATF?

The Financial Action Task Force is an international watchdog for financial crimes such as money laundering and terror financing. As per the official definition, it is an inter-governmental body that sets international standards that aim to prevent these illegal activities and the harm they cause to society.

The FATF was established at the G7 Summit of 1989 in Paris, over concerns of the member countries about growing money laundering activities. The heads of G7 countries and the president of the European Commission brought together a Task Force after addressing loopholes in the global financial system.

Later, in the aftermath of the 9/11 terror attack on the United States, FATF also added terror financing as a main focus area. This was broadened In 2012, to include restricting the funding of weapons of mass destruction.

The FATF currently has 39 members. The decision making body of the FATF is known as its plenary, which meets thrice a year. Its meetings are attended by 206 countries of the global network, including members, and observer organisations, such as the World Bank, some offices of the United Nations and regional development banks.

How does the FATF do its work?

The FATF sets standards or recommendations for countries to achieve in order to plug the holes in its financial system and make it less vulnerable to illegal financial activities. According to the last update in 2012, FATF has 49 consolidated recommendations for countries to follow in order to set up an Anti-Money Laundering/Combating the Financing of Terrorism (AML/ CFT) regime.

The FATF conducts regular peer-reviewed evaluations called Mutual Evaluations (ME) of countries, starting with member countries, to check their performance on standards prescribed by it. The reviews are carried out by FATF and FATF-Style Regional Bodies (FSRBs), which then release Mutual Evaluation Reports (MERs). For the countries that don't perform well on certain standards, the FATF and FSRBs draw up time-bound action plans to fight financial crimes.

The FATF recommendations for countries range from assessing risks of crimes to setting up legislative, investigative and judicial mechanisms to pursue cases of money laundering and terror funding.



What are FATF's 'grey' and 'black' lists?

While the words 'grey' and 'black' list do not exist in the official FATF lexicon, they designate countries that need to work on complying with FATF directives and those who are non-compliant, respectively.

At the end of every plenary meeting, FATF comes out with two lists of countries.

Grey countries are those that are "actively working" with the FATF to counter criminal financial activities. In their cases, the watchdog does not tell other members to carry out due-diligence measures vis-a-vis the listed country but does tell them to take into account the risks such countries possess.

Currently, there are 23 countries on the grey list, with one new addition and one removal. The United Arab Emirates was added to the list at the end of this plenary meet while Zimbabwe was taken off it. Besides, some of the other countries on the list are Pakistan, Myanmar, Morocco, Philippines, Panama, Senegal, Albania, Jamaica and Turkey.

As for the black list, it means countries designated by the FATF as 'high-risk jurisdictions subject to call for action'. In this case the countries have considerable deficiencies in their AML/CFT regimens. For such countries, the body calls on members and non-members to apply enhanced due-diligence and in the most serious cases, apply counter-measures such as sanctions. Currently, two countries- North Korea and Iran are on the black list.

Being listed under the FATF's two lists makes it difficult for countries to get aid from organisations like the International Monetary Fund (IMF), Asian Development Bank (ADB) and the European Union. According to an IMF study, it may also affect capital inflows, foreign direct investments and portfolio flows in the country.

Why is Pakistan on the grey list?

The case of Pakistan is significant as it has found itself on the grey list frequently since 2008, for weaknesses in fighting terror financing and money laundering. Through 2009, the FATF reaffirmed its designation of Pakistan in the grey list, as the country began to cooperate with the FATF-like regional body, Asia Pacific Group (APG), for a Mutual Evaluation (ME) process.

On completion of the ME in June 2010, Pakistan made a "high level political commitment" to the FATF and APG to address its strategic AML/CFT deficiencies. At the time the country did come up with a permanent legislation against money laundering, but was prescribed an action plan which required demonstrating adequate criminalisation of money laundering and terrorist financing as well as showing adequate measures to identify, freeze and confiscate terrorist assets.

Due to significant progress made by the country, by early 2015, Pakistan was no longer on the grey list. However, it came back to the list in 2018, and was given an action plan to restrict terror financing activities and monitor the actions of UN designated terrorists in the country.

In October 2019, Pakistan was warned by FATF for addressing only five out of the 27 tasks given to it in controlling funding to terror groups like the Lashkar-e-Taiba, Jaish-e-Mohammad and Hizbul Mujahideen, responsible for a series of attacks in India. The country was then given a February 2020 deadline. It got two extensions in 2020 due to the coronavirus pandemic and by October 2021, it had checked off 26 of the 27 points. The remainder was about continuing to show



that terror financing cases targeted commanders of UN designated terrorist groups, such as Jama' at-ud-Da' wah chief Hafiz Saeed and Jaish-e-Mohammad head Masood Azhar.

In June 2021, however, Pakistan was given another seven-point action plan by the APG, focused specifically on combating money laundering. During the latest meeting that concluded on March 4, Pakistan informed that it had completed 32 of the total 34 action items in the two plans and was told to complete the rest at the earliest. The FATF appreciated Pakistan's commitment to fight financial crimes and said that the country now aims to complete the 2021 action plan by January 2023.

TERROR IN PESHAWAR

The suicide attack at a Shia mosque in Peshawar, killing at least 62 people, is a grave reminder of Pakistan's growing security challenges after the Taliban's return to power in Afghanistan and the continued persecution that the Shia minority is facing in the Af-Pak region. This was the deadliest attack in Pakistan since the 2018 bombing of Quetta, killing 149 people. The Islamic State terrorist organisation, which has carried out a number of suicide attacks in Afghanistan ever since the Taliban captured Kabul in August 2021, has claimed responsibility for the bombing. The IS's sectarian animosity towards the Shias is well-known. In Iraq and Syria, the IS has carried out systematic attacks against the Shias, who they call "rejectionists" of Islam just because they belong to a different branch of the faith. In Afghanistan, the IS-Khorasan has targeted religious minorities such as Shias and Sikhs. They use sectarian attacks to drum up support for their murderous ideology among Sunni hardliners. Earlier in Afghanistan, the IS-K was confined to the eastern province of Nangarhar. But the complete breakdown of security in the last phase of the Taliban's insurgency and the collapse of the Islamic Republic of President Ashraf Ghani last year appears to have given the IS a fresh lease of life. The Peshawar attack suggests that the IS threat is now spreading across the porous border to Pakistan.

Shias, who make up some 20% of Pakistan's population, face growing sectarian violence by extremist groups and a state crackdown under the infamous blasphemy law. The Ahl-e-Sunnat-Wal-Jamaat and Tehreek-e-Labbaik Pakistan, two hardline Sunni groups, have been at the forefront of an anti-Shia campaign in the country. In July 2020, the Punjab Assembly passed a Bill (Tahaffuz-e-Bunyad-e-Islam) which supported only Sunni interpretation of Islam. Terrorist organisations such as the IS are trying to exploit these existing sectarian hostilities by carrying out attacks on Shia mosques. What they want in Pakistan and Afghanistan is the same as what they have wanted in Iraq and Syria — a Shia-Sunni sectarian civil war. What makes the threat dangerous this time is the political change in Afghanistan. As the Taliban became the rulers of Afghanistan, the IS emerged as the main armed opposition to the Taliban. The Taliban's relationship with the Tehreek-i-Taliban Pakistan (TTP, also called Pakistan Taliban) also makes the security situation complicated for Pakistan. Islamabad supported the Afghan Taliban to capture power in Kabul. The Afghan Taliban back the TTP, their ideological brethren, who are fighting Pakistani forces. As the security situation remains fragile in the Af-Pak region, groups such as the IS are swiftly pushing their terror agenda. The Peshawar attack should serve as a warning to Pakistan, which sees the wheel of jihadism returning. If it does not check the widespread anti-Shia narrative and find a way to tackle the security challenges posed by both the TTP and the IS-K, its borderlands could once again turn to anarchy and sectarian bloodletting.



NATION

EXPLAINED: WHEN A MISSILE MISFIRES

Pakistan on Thursday said an unarmed Indian missile landed 124 km inside its territory on Wednesday; India on Friday acknowledged “technical malfunction led to the accidental firing of a missile”. It is extremely rare for a missile test to go so wrong that it crosses the border and changes track inadvertently.

Do India and Pakistan have to inform each other about such tests?

Yes. Under the pre-notification of flight testing of ballistic missiles agreement signed in 2005, each country must provide the other an advance notification on flight test it intends to take for any land or sea launched, surface-to-surface ballistic missile.

Before the test, the country must issue Notice to Air Missions (NOTAM) or Navigational Warning (NAVAREA) to alert aviation pilots and seafarers, respectively. Also, the testing country must ensure that the launch site is not within 40 km, and the planned impact area is not within 75 km of either the International Boundary (IB) or the Line of Control (LoC). The planned trajectory should not cross the IB or the LoC and must maintain a horizontal distance of at least 40 km from the border.

The testing country must notify the other nation “no less than three days in advance of the commencement of a five day launch window within which it intends to undertake flight tests of any land or sea launched, surface-to-surface ballistic missile”. The pre-notification has to be “conveyed through the respective Foreign Offices and the High Commissions, as per the format annexed to this Agreement.”

The Director General, Inter-Services Public Relations of Pakistani Armed Forces, Maj General Babar Iftikhar said that there was “no contact” between the Directors General of Military Operation of Indian and Pakistani armies “on this, nothing has come from the India side”. But he also mentioned that although the two countries have an agreement for sharing information on tests of ballistic missiles, “but for these kind of missiles we do not share information.”

What kind of a missile was it?

Neither country has spelt this out; Pakistan has only called it a “supersonic” missile.

Some experts have speculated that it was a test of one of India’s top missiles, BrahMos, jointly developed with Russia. Their assessment is based on Iftikhar’s comments that it travelled 200 km, manoeuvred mid-air and travelled at 2.5 times to 3 times the speed of sound at an altitude of 40,000 feet. BrahMos has a top speed of Mach 3, a range of around 290 km, and a cruising altitude of 15 km (around 50,000 feet). BrahMos can be fired from anywhere, is nuclear-capable, and can carry warheads of 200-300 kg.

Other experts have wondered if the missile was a variant of the nuclear-capable Prithvi. Sources said some of the assets of the Strategic Forces command, which is responsible for India’s nuclear arsenal, are based close to the region from where the missile was fired. However, India never tests Prithvi around this region, and only does so from Balasore.



What explains the trajectory it took?

A striking aspect of the episode is that the missile changed direction mid-air. Pakistan said that after picking off from Sirsa, 104 km from the nearest point on the border, the missile cruised for around 70-80 km within Indian territory, moving southwest towards Mahajan Field Firing Range of the Indian armed forces, then suddenly changed direction to northwest, and entered Pakistani territory before hitting the ground 124 km inside.

Retired Air Marshal Anil Chopra, who heads the Centre for Air Power Studies (CAPS) think tank in New Delhi, said there are very few reasons for a missile to change its direction thus. He said the known facts are that “it flew, it took a path, that path was not normal, then it took a different direction, after doing nearly 100 km”.

For a cruise missile, “you have to give target coordinates” when fired from the ground, and “after that she is on her own”, he said. There are also some missiles for which the coordinates can be updated in flight.

“First thing could be that the coordinates are not correct. But in this particular case, the missile has gone in a particular direction, and then turned. If it was wrong coordinates, it should have gone straight there. Because... normally it will only turn in the last stages. So, the type of turn she has taken, that means the coordinates could not have had been wrong,” he said.

Another possibility “is if somebody was to jam the missile while in flight, by some cyber means — I am just conjecturing. Then the whole coordinates get affected, changing the direction.”

He noted that normally, “a missile like that has a destruct fuse, which means from the ground you should be able to destroy it in flight if you think it has gone haywire. We do not know: was it loss of contact altogether, that you could not activate self-destroy?”

What can also cause a malfunction is “if the target data that has been fed into the missile gets corrupted, then takes a different direction all together.” Had the missile crashed, “then we know some controls had failed... She had flown straight, then turned, then flown straight. She has not done any funny manoeuvres. Considering that, if she has not done any fancy manoeuvres, has sometime during flight the destination got corrupted?”

He noted that cyber intervention is in neither country’s interest. “Maybe it’s a one-time failure inside, of one digit, in the coordinates. It’s not in India’s interest to do such a thing, nor in Pakistan’s interest... All that needs to come out. You don’t want a situation between two nuclear countries,” he said.

Why did Pakistan not bring it down?

The Pakistani military said on Thursday that the “high-speed flying object” was picked up inside Indian flying territory by the Air Defence Operations Centre of the Pakistan Air Force. They knew it had taken off from Sirsa, and after its initial course it suddenly manoeuvred towards Pakistani territory and violated Pakistan’s airspace ultimately falling near Mian Channu.

It stated that the Pakistani Air Force initiated requisite tactical actions in accordance with the Standard Operating Procedures, and continuously kept monitoring it and as soon as it turned towards Pakistani territory. But during this time it did not intercept the incoming missile, which was unarmed.



Chopra said that this could be due to capacity, level of alertness, and the speed at which it happened. “When something is coming at such high speeds, it’s not so easy by the time you react. On that path is there a missile system? This is not a heightened state of red alert, this is peacetime... Sometimes you can do little, because it is coming so fast.”

BANGLADESH, INDIA, NEPAL TO MOVE AHEAD ON MVA PACT

With Bhutan continuing to sit out the Motor Vehicles Agreement (MVA) of the sub-regional Bangladesh-Bhutan-India-Nepal (BBIN) grouping, a meeting of the other three countries was held to discuss the next steps in operationalising the agreement for the free flow of goods and people between them.

Meanwhile, Prime Minister Narendra Modi is expected to travel to Colombo at the end of March to attend the summit of another sub-regional grouping, BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation), which includes Bangladesh, Nepal and Bhutan as well.

The BBIN meeting was the first such in-person meeting since February 2020 to discuss the MVA since the COVID-19 pandemic outbreak, and officials finalised the wording of two separate protocols on passenger and cargo movement with an “enabling” agreement.

“During the meeting, an enabling MoU to be signed by India, Bangladesh and Nepal for implementation of the BBIN MVA by the three countries, pending ratification of the MVA by Bhutan, was finalised,” the Ministry of External Affairs statement said.

“Operationalising the MVA by concluding the Passenger and the Cargo Protocol will help realise the full potential of trade and people to people connectivity between the BBIN countries by fostering greater sub-regional cooperation,” it added.

According to the MEA statement, Bhutan sent an “observer team” led by an Embassy official to the meeting held on March 7 and 8 in Delhi, while delegations of Bangladesh, India and Nepal were led by Director General or Joint Secretary level officers.

The original BBIN MVA was signed by all four countries in June 2015, but after objections in Bhutan over sustainability and environmental concerns, the Bhutanese Parliament decided not to endorse the plan, and the then Tobgay Tshering government agreed to allow the other three countries to go ahead with the project for vehicular movement (BIN-MVA) in 2017.

In 2020, Prime Minister Lotay Tshering told The Hindu in an interview that given Bhutan’s “current infrastructure” and top priority to remaining a “carbon-negative” country, it would not be possible to consider joining the MVA.

Officials said that while India remained “hopeful” that Bhutan could change its position on the project, it was decided at a meeting in November 2021 to go ahead for now, given that there are no new signals from Thimphu on the project.

Progress on the seven-year-old project has been slow, despite several trial runs being held along the Bangladesh-India-Nepal road route for passenger buses and cargo trucks. There are still some agreements holding up the final protocols.



CLEAR SIGNALS

China's claim that the U.S. Indo-Pacific strategy is aiming to create "an Indo-Pacific version of NATO", as the Chinese Foreign Minister, Wang Yi, put it on March 7, is not new. Indeed, even as long as 15 years ago, during the first iteration of the now revived India, Australia, Japan, U.S. Quad, Beijing warned of an impending "Asian NATO", which, of course, never materialised. The latest statement does, however, assume significance in the current global context and amid the crisis in Ukraine. Mr. Wang, speaking in Beijing during the National People's Congress, accused the U.S. of "stoking geopolitical rivalry" by "forming exclusive clubs". He said by "strengthening the Five Eyes" intelligence alliance and "peddling the Quad, piecing together AUKUS and tightening bilateral military alliances", the U.S. was leading what he called a "five-four-three-two" formation in the region. The broader goal, he said, was "to establish an Indo-Pacific version of NATO".

In recent weeks, Beijing has repeatedly blamed NATO for the crisis in Ukraine. While claiming to stay neutral, it has moved to reaffirm ties with Russia, which Beijing on Monday described as "rock solid". When the two countries' leaders met for a summit on February 4, China backed Russia on its concerns on NATO's eastward expansion in Europe, and Russia returned the favour with both criticising the U.S. Indo-Pacific strategy. Beyond their already deep political and economic linkages, these mirrored concerns on U.S. alliances are emerging as a powerful binding glue in the China-Russia axis. New Delhi will need to consider how this will impact its close relations with Russia. By explicitly equating the Quad, which is not a military pact, with other security agreements, China now also appears to be clearly situating India as a part of the U.S. "exclusive club". New Delhi has rejected that notion. Only last month, External Affairs Minister S. Jaishankar said "interested parties" were making a "lazy analogy of an Asian NATO" and India was not a U.S. treaty ally. Indeed, some in New Delhi have come to view Beijing's aggressive moves along the LAC in 2020 as a warning sign to deter India-U.S. relations. India's firm, and correct, response has been to hold the line, and continue deepening ties not only with the U.S. and the Quad but also other Indo-Pacific partners to underline it will not be swayed. The other message from India has been that sensitivity to concerns has to be mutual, and cannot be demanded from one side when ignored by the other; China's relations with Pakistan being a case in point. Mr. Wang did acknowledge that recent "setbacks" in ties suited neither India nor China — a view New Delhi shares. The two sides will meet on March 11 for the next round of military talks to take forward LAC disengagement. As India and China continue to seek a much-needed modus vivendi to restore ties from the lowest point in decades and ensure peace on the border, they will also need to have a broader conversation about global currents that are reshaping their bilateral relations.

QUADRILATERAL QUEASINESS

At a snap virtual meeting of the Quadrilateral Security Dialogue or Quad, comprising India, the U.S., Australia and Japan, leaders discussed the crisis of Russia's invasion of Ukraine along with more traditional topics of interest for the Dialogue, including territorial and maritime security across the Indo-Pacific. In the joint statement, issued after the summit, the four nations reaffirmed their commitment to a free and open Indo-Pacific, "in which the sovereignty and territorial integrity of all states is respected and countries are free from military, economic, and political coercion". The latest Quad meeting was in part likely motivated by the concern of the U.S., Australia, and Japan that India, in not explicitly condemning Russian President Vladimir Putin's decision to launch a ground offensive across the Russia-Ukraine border and to bomb Ukrainian infrastructure, might not be on the same page as the other Quad members vis-à-vis this conflict. They have not only condemned Russia's aggression but have also slapped Kremlin elites and



organisations linked to them with crippling sanctions. India, contrarily, has abstained from three UN resolutions condemning Russia. There is also a considerable difference on the Russia-Ukraine issue in terms of the individual readouts of the Quad members. While the U.S., Australia and Japan directly called out Russia's attempt to unilaterally force changes to the status quo in Ukraine and vowed not to let such action occur anywhere in the Indo-Pacific, India's readout only referenced Ukraine in passing, in the context of establishing a new humanitarian assistance and disaster relief mechanism for this cause.

Russia's action has obviously posed complex questions for India's strategic calculus, even as New Delhi continues to be guided by the 21st century variant of its non-alignment paradigm, and by its need to remain close to Moscow, a major defence supplier. South Block is already well versed at playing hardball with the mandarins at the U.S. State Department over getting a CAATSA waiver for India's purchase of \$5.43 billion worth of the Russian Triumf missile defence system. While the discussions on the Ukraine crisis will continue at the Quad and across other plurilateral platforms where India and the U.S. work together for the greater good of the rules-based international order, the idea that NATO countries or even Russia can force sovereign nations with a proud history of non-alignment to pick a side in a complex geopolitical conflict is quite passé and eminently unviable in today's interdependent global arena. The Quad, for example, cannot afford to alienate India, a critical partner in the global-strategic plan to balance the rise of China as a potential Asian hegemon. Yet, India may find its resolve and patience with Russia tested should Russian occupying forces begin committing war crimes and human rights violations in contravention of the Geneva Convention, the Universal Declaration of Human Rights and other applicable global treaties.

WHY DO INDIANS GO ABROAD FOR MEDICAL STUDIES?

The story so far: The war in Ukraine has turned the spotlight on something that has been the trend for about three decades now. When students from India studying in Ukraine cried out for help, it became clear that there were a large number of them trapped in a war zone. According to estimates from Ukraine, reported in the media, around 18,000 Indian students are in Ukraine. It may be safe to assume they are pursuing medicine, at least anecdotally, going by interviews with students who have returned. Hundreds of students are still stuck in several regions of Ukraine, while for those who have returned, an uncertain future threatens, unless the Government finds a solution soon.

Which countries do Indian students prefer?

For about three decades now, Indian students have been heading out to Russia, China, Ukraine, Kyrgyzstan, Kazakhstan, the Philippines to pursue a medical degree. The medium of education for these students is English, a language they are comfortable with, and the amount spent on living and the medical degree are far more affordable than paying for an MBBS seat in private medical colleges in the country.

The desire to study medicine still holds a lot of value in the Indian community. While it retains the prestige of an honourable profession, there is a great deal of aspirational zeal in taking up medicine. The lack of equal opportunities exacerbated by the caste factor in the Indian context, has a great deal of impact on the prestige still associated with being a doctor, says G.R. Ravindranath, of the Doctors' Association for Social Equality. "For years, certain communities were denied the opportunities, and finally they do have a chance at achieving significant



educational status. People still think it is good to have a 'Dr.' attached to their name, even if they do not specialise. In many rural areas, people still look at doctors as god's incarnate."

Doesn't India have enough colleges?

There are certainly far more MBBS aspirants than there are MBBS seats in India. In NEET 2021, as per a National Testing Agency press release, 16.1 lakh students registered for the exam, 15.4 lakh students appeared for the test, and 8.7 lakh students qualified. Bharati Pravin Pawar, Union Minister of State for Health, told the Lok Sabha in December 2021, that as per data from the National Medical Commission (NMC), in 2021-22, there were 596 medical colleges in the country with a total of 88,120 MBBS seats.

While the skew is in favour of Government colleges, it is not greatly so, with the number of private medical institutions nearly neck-to-neck with the state-run ones. That means over 50% of the total seats are available at affordable fees in Government colleges. Add the 50% seats in the private sector that the NMC has mandated must charge only the government college fees. Assuming each one of these seats is also available at this reduced fee structure, that could be another 20,000 odd seats. In effect, roughly 65,000 seats are available within the affordable fee segment.

Additionally, these colleges are also not distributed evenly across the country, with States such as Maharashtra, Karnataka, Tamil Nadu and Kerala having many more colleges.

What about costs?

The cost factor on both sides of an MBBS degree is significant. The costs of an MBBS degree in a Government college tot up to a few lakhs of rupees for the full course, but in a private medical college, it can go up to ₹1 crore for the five-year course. In case it is a management seat, capitation fees can inflate the cost by several lakhs again.

Whereas, an MBBS course at any foreign medical university in the east and eastern Europe costs far less. Students from Tamil Nadu who returned from Ukraine said on an average they had to spend close to ₹30lakh-₹40 lakh, inclusive of lodging and boarding. A majority of the students had written NEET at least twice, and only decided to move after they could not get an MBBS seat. On return, the requirement is to clear the Foreign Medical Graduates Examination, a licensure examination held for students who have studied medicine abroad, and for most countries, also a house surgency stint.

Dr. Ravindranath explains that in India the disparities in income of doctors, and others, like nurses and allied health professionals, is also a key factor in making an MBBS degree alluring. People are willing to leave their home to study far away in much colder places and with completely alien cultures and food habits. The ability to practise as a doctor, in Government and private sectors simultaneously, and the scope of earning a life-long income are also powerful incentives, in addition to the social status it confers.

Is the solution more private medical colleges?

While Prime Minister Modi emphasised that more private medical colleges must be set up in the country to aid more people to take up MBBS, medical education experts have called for pause on the aspect.

If the aim is to make medicine more accessible to students of the country, the path ahead is not in the private sector, but in the public sector, with the Central and State governments' involvement,



they point out. From 2003, the Centre's Pradhan Mantri Swasthya Suraksha Yojana has been working to augment facilities for quality medical education in the country.

"Starting private medical colleges by reducing the strict standards set for establishing institutes may not actually be the solution to this problem, if we think this is a concern," says Dr. Ravindranath. Going overseas to study does have advantages, it could broaden students' mind and thinking, expose them to a whole range of experiences, and their approach to issues and crises is likely to be far better.

However, creating more medical colleges will be beneficial for the country, if access and availability can be ensured. This will not be possible by resorting to private enterprise only. He adds that State and Central governments can start more medical colleges, as recommended by NITI Aayog, by utilising district headquarters hospitals, and expanding the infrastructure. This way, students from the lower and middle socio-economic rung, who are otherwise not able to access medical seats, will also benefit.

EXPLAINED: NEW GUIDELINES FOR LOWER FEES IN PRIVATE MEDICAL COLLEGES

Three-fourths of nearly 85,000 MBBS seats in the country will be offered at lower, government-determined fees when the new National Medical Commission guidelines on fee structure at private medical colleges kick in next year.

Private medical colleges, including deemed universities, will have to charge fees equivalent to government medical colleges in their states for half of the total approved seats in their institutes, according to guidelines by the National Medical Commission (NMC) released last month. Nearly half of all MBBS seats in India are in government colleges, fees for which are determined either by the central government (for central government-run or autonomous colleges like AIIMS-Delhi) or the respective state governments.

Which seats will be available at lower costs and who will benefit?

Out of the 85,000 medical seats in the country, about half each are in 276 private colleges (41,190 seats) and 286 government colleges (43,237). According to experts, in addition to the seats in the government colleges, half the seats in private colleges (or about 20,000) too will be available to students at lower tuition fees determined by the government.

"This is a big step as it essentially means that 75% of total medical seats will be available at nominal costs. Earlier, students who missed the government seats by a few marks could not study in private medical colleges because of the high costs, especially in the deemed universities," said Dr M C Misra, former director, All India Institute of Medical Sciences and former vice chancellor of Mahatma Gandhi University of Medical Science and Technology-Jaipur.

A member of the NMC said students will be granted these seats as per merit in the NEET-UG test. "The students will first be given the seats at government medical colleges, their next option would be the seats in private medical colleges (at government determined fees) and then the rest of the private seats. All admissions will be through merit."

In the past, some states had capped the fee charged by some private medical colleges, but the norms were not uniform across the country. Even then, the regulated or capped fees in private colleges was higher than in government medical colleges in that state. The gap between the



capped fee for private medical colleges and government medical fees varied from a few thousand rupees a year to a couple of lakh rupees.

“But there was no control on the fee structure for private deemed universities at all. Their fees were decided by their internal committees. Now, they have also been brought under the ambit of the state regulatory committees,” said the member of the National Medical Commission, on condition of anonymity.

What’s even more important is that the colleges will not be able to charge any arbitrary fees for the remaining 50% seats. The fee for these seats will be fixed by the state regulatory fee committee.

How will the cost be fixed for the remaining seats in private colleges?

The guidelines state that no capitation fees can be charged by the medical colleges and the determination of the fees will be on a “not-for-profit” basis.

The operating cost of the medical college will form the basis for the fee structure; the operating cost will be calculated on the basis of the audit report from the previous financial year (for the last three years at the moment because of the pandemic). For a new college without an audit report, the fee structure would be calculated on an ad-hoc basis based on the audit of the most recently established medical college in the state.

The fee fixed for a student joining the college should remain the same for the entire duration of the study, subject to inflation adjustment. The medical colleges will also be allowed to charge a development fee that can range between 6 to 15% on operating cost, depending on their previous expenditure and development plans at present and linked to national rank once the ranking system is in place.

No cost of running a hospital associated with the medical college can be included in the student fees. In case of a hospital running at a heavy loss, the state fee regulatory committee may allow the college to charge a portion of it from the students for a period of five to seven years.

“The cost of medical college hospitals should be included in the fee structure as it subsidises treatment cost in these hospitals, which brings in more patients. This helps students learn better. However, this will also result in high fees. Hence the government has to look into a PPP model,” said Dr Rohan Krishnan, president, Federation of All India Medical Association.

How have private medical colleges reacted to the new guidelines?

Dr Asmita Jagtap, executive director, Bharati Vidyapeeth Health Sciences, said it is natural that if 50% seats are subsidised and offered at fees of government medical colleges, the cost would be passed on to management quota seats.

Rahul Karad, executive director of MIT group of institutions, said if subsidised fees had to be charged for 50 per cent of the seats, it would be natural for the private medical colleges to pass on the additional cost to management quota seats.

“Traditionally that has been the pattern here, that 80% seats go to the merit students at a much lower fee and 20% seats are the management quota seats which are charged at a premium to students who can afford the fees but cannot get in through the merit quota. I haven’t yet read the guidelines in detail, but it is natural that if fees for 50% of total intake capacity are to be reduced,



then the costs need to be offset, and it is likely that fees of management quota seats will become more expensive. In India, we have a problem of demand and supply — the seats in medical colleges are few and demand is high, which is also the reason for high costs. If the Medical Council allows each medical college to offer more seats, we can offset the costs naturally through division,” he said.

DEMOCRACIES ON THE SLIDE

Where does India rank in the latest democracy report from the V- Dem Institute? By what variables are governments measured in this report?

The story so far: According to the latest report from the V-Dem Institute at Sweden’s University of Gothenburg, the level of democracy enjoyed by the average global citizen in 2021 is down to 1989 levels, with the democratic gains of the post-Cold War period eroding rapidly in the last few years. The study, titled ‘Democracy Report 2022: Autocratisation Changing Nature?’ states that more than twice as many countries (32) are undergoing autocratisation as are witnessing democratisation (15). Noting that India is one of the top ten ‘autocratisers’ in the world, the V-Dem (Varieties of Democracy) report classifies India as an autocracy (‘electoral autocracy’) rather than a democracy, ranking it 93rd on the liberal democracy index, out of 179 countries.

What is the V-Dem report’s methodology?

Since key features of democracy, such as, judicial independence, are not directly measurable, and to rule out distortions due to subjective judgments, V-Dem uses aggregate expert judgments to produce estimates of critical concepts.

It gathers data from a pool of over 3,700 country experts who provide judgments on different concepts and cases. Leveraging the diverse opinions, the V-Dem’s measurement model algorithmically estimates both the degree to which an expert is reliable relative to other experts, and the degree to which their perception differs from other experts to come up with the most accurate values for every parameter.

What parameters were used to assess the status of a democracy?

V-Dem’s conceptual scheme takes into account not only the electoral dimension (free and fair elections) but also the liberal principle that a democracy must protect “individual and minority rights against both the tyranny of the state and the tyranny of the majority”. The V-Dem report classifies countries into four regime types based on their score in the Liberal Democratic Index (LDI): Liberal Democracy, Electoral Democracy, Electoral Autocracy, and Closed Autocracy. The LDI captures both liberal and electoral aspects of a democracy based on 71 indicators that make up the Liberal Component Index (LCI) and the Electoral Democracy Index (EDI). The LCI measures aspects such as protection of individual liberties and legislative constraints on the executive, while the EDI considers indicators that guarantee free and fair elections such as freedom of expression and freedom of association. In addition, the LDI also uses an Egalitarian Component Index (to what extent different social groups are equal), Participatory Component Index (health of citizen groups, civil society organisations), and Deliberative Component Index (whether political decisions are taken through public reasoning focused on common good or through emotional appeals, solidarity attachments, coercion).



What are the main findings of the report?

While Sweden topped the LDI index, other Scandinavian countries such as Denmark and Norway, along with Costa Rica and New Zealand make up the top five in liberal democracy rankings. Autocratisation is spreading rapidly, with a record of 33 countries autocratising. Signaling a sharp break from an average of 1.2 coups per year, 2021 saw a record 6 coups, resulting in 4 new autocracies: Chad, Guinea, Mali and Myanmar. While the number of liberal democracies stood at 42 in 2012, their number has shrunk to their lowest level in over 25 years, with just 34 countries and 13% of the world population living in liberal democracies. Closed autocracies, or dictatorships, rose from 25 to 30 between 2020 and 2021. While the world today has 89 democracies and 90 autocracies, electoral autocracy remains the most common regime type, accounting for 60 countries and 44% of the world population or 3.4 billion people. Electoral democracies were the second most common regime, accounting for 55 countries and 16% of the world population.

What does the report say about India?

The report notes that India is part of a broader global trend of an anti-plural political party driving a country's autocratisation. Ranked 93rd in the LDI, India figures in the "bottom 50%" of countries. It has slipped further down in the Electoral Democracy Index, to 100, and even lower in the Deliberative Component Index, at 102. In South Asia, India is ranked below Sri Lanka (88), Nepal (71), and Bhutan (65) and above Pakistan (117) in the LDI.

What does the report say about the changing nature of autocratisation?

One of the biggest drivers of autocratisation is "toxic polarisation" — defined as a phenomenon that erodes respect of counter-arguments and associated aspects of the deliberative component of democracy — a dominant trend in 40 countries, as opposed to 5 countries that showed rising polarisation in 2011. The report also points out that "toxic levels of polarisation contribute to electoral victories of anti-pluralist leaders and the empowerment of their autocratic agendas". Noting that "polarisation and autocratisation are mutually reinforcing", the report states that "measures of polarisation of society, political polarisation, and political parties' use of hate speech tend to systematically rise together to extreme levels."

The report identified "misinformation" as a key tool deployed by autocratising governments to sharpen polarisation and shape domestic and international opinion. Repression of civil society and censorship of media were other favoured tools of autocratising regimes. While freedom of expression declined in a record 35 countries in 2021, with only 10 showing improvement, repression of civil society organisations (CSOs) worsened in 44 countries over the past ten years, "putting it at the very top of the indicators affected by autocratisation". Also, in 37 countries, direct government control over CSOs' existence moved in an authoritarian direction — "evidence of the far-ranging weakening of civil society around the world."

Significantly, the report also found that decisive autonomy for the electoral management body (EMB) deteriorated in 25 countries.

THANK YOU, JUSTICE

Chief Justice of the Rajasthan High Court Akil Kureshi retired Sunday ending a remarkable nearly two-decade long career as a judge of a constitutional court. In his farewell speech, Justice Kureshi broke his silence on the controversy surrounding his elevation nearly four years ago — and he

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



deserves applause for that. First, he responded to the charge former Chief Justice of India, Ranjan Gogoi, made in his autobiography that the government had a negative perception of him based on his judicial pronouncements. As a judge, Justice Kureshi, said he considers such a perception a “certificate of independence”. He added that what is of a greater significance to him was the perception of the judiciary, which was never officially communicated to him.

It was in 2018, that the government broke convention and appointed Justice A Dave in place of Justice Kureshi as acting chief justice of the Gujarat High Court. As senior-most judge of the court, Justice Kureshi would have had to serve under a chief justice who was his junior. Following protests from the Bar, the government withdrew the notification. He was acting chief justice for just two weeks before he was transferred to the Bombay High Court. When he was recommended for elevation as Chief Justice of the Madhya Pradesh High Court, the government once again stalled the process. The collegium buckled and instead appointed Justice Kureshi as Chief Justice of the Tripura High Court. His elevation to the Supreme Court, when he was second in line in the All India List of Seniority of Judges, was the cause of an unprecedented two-year long impasse within the collegium, virtually stalling all appointments to the Supreme Court. Eventually, under a new CJI, N V Ramana, the impasse was resolved with a list of nine appointments to the SC — that did not include Kureshi.

The government may have had reservations about Justice Kureshi — valid or otherwise — but it is the collegium’s refrain on his elevation that is disquieting. While the collegium system of appointing judges keeps the public away from these crucial conversations, it is of concern that even the judges in question are kept guessing. It is a testament to his judicial tenure that the Gujarat Bar went on an indefinite strike and even moved the Supreme Court on the judicial side when he was not appointed the acting chief justice of the High Court. It is fitting that Justice Kureshi invoked Justice H R Khanna in his farewell speech — Justice Khanna is remembered for his integrity and standing up to the government of the day during the Emergency at the cost of his appointment to the Chief Justice of India’s office. Justice Kureshi eloquently, reminded his colleagues on the bench what that means today — and what a democracy expects them to do.

SC GRANTS RAJIV CASE CONVICT BAIL DESPITE CENTRE’S OBJECTION

The Supreme Court on Wednesday released Rajiv Gandhi assassination case convict A.G. Perarivalan on bail, taking into account the fact he has suffered over 30 years of imprisonment, in spite of vehement objections raised by the Centre.

A Bench of Justices L. Nageswara Rao and B.R. Gavai found Perarivalan was entitled to bail considering his conduct during his long incarceration, including acquisition of educational qualifications, and ill-health.

The Bench directed that the bail would be subject to conditions imposed by the trial court. He shall have to report to the local police station. Though the Centre, represented by Additional Solicitor-General K.M. Nataraj, urged the court to direct Perarivalan to report before the CBI as a condition, the Bench decided to spare him the 100-km journey from his hometown of Jolarpettai to the CBI office in Chennai.

Perarivalan is now on parole, but was not allowed to step out of his house or meet anyone, according to senior advocate Gopal Sankaranarayanan, who represented him along with advocate Prabu Ramasubramanian.



At the end of a nearly hour-long hearing, the court listed Perarivalan's case for further hearing in April on the powers of the Governor to decide the question of his early release, which was approved by the Tamil Nadu Cabinet, and the Governor's reference of the matter to the President.

'State govt. has no power'

Mr. Nataraj argued that the State government had no power to entertain the plea for mercy and early release made by Perarivalan, who is serving life sentence after the commutation of his death penalty.

"Here this entire case is based on the argument that his mercy petition is pending and therefore he should be released on bail," Mr. Nataraj argued.

"But he has undergone imprisonment for 32 years," Justice Rao said.

"Yes, but he has been convicted and has to undergo imprisonment for life," Mr. Nataraj said.

"But you cannot keep delaying the consideration of the mercy petition... What is the role of the Governor... sending it to the President," Justice Rao asked.

Mr. Sankaranarayanan countered that the Centre's argument was "bogey". "Suddenly after 70 years it dawns on them how can the Governor decide in the case of this one person... Even the mercy plea of co-accused Nalini is pending before the Governor. The Governor has not sent it to the President. There are 1,032 cases in this entire country. We have lists of cases to show that everything is done by the Governor. This sudden change in the constitutional interpretation seems strange," said Mr. Sankaranarayanan.

The Bench decided to grant Perarivalan bail and then hear the larger questions of law later.

"After sleeping over for five years in the Article 161 [pardon] petition and sitting over the recommendation of the State Cabinet to release the petitioner for more than good two and half years, the Union of India, on February 4, has filed an affidavit [in the Supreme Court] stating that the Governor has sent the petition to the President, whereas the law is clear that the Governor does not have independent discretion," Perarivalan had contended in the Supreme Court recently.

Perarivalan had argued that the "stalemate" over his release from prison was "completely political".

"This is an important issue. We want to go into the question of the Governor's power to sit on an issue approved by the Cabinet... It cannot be like this. Some order has to be passed... He cannot claim immunity," the Bench remarked.

T.N.'s argument

Senior advocate Rakesh Dwivedi and advocate Joseph S. Aristotle, for the Tamil Nadu government, said there were precedents to show that a decision is not just based on the "personal discretion of the Governor".

Perarivalan had argued that he had been "under the hangman's noose for 16 years, and 29 years in solitary confinement out of the total 30 years of incarceration". He had suffered the pain and trauma of the death row syndrome.



The Centre, in an affidavit, highlighted that the case against Perarivalan concerned the assassination of a former Prime Minister.

'SEALED COVER' JURISPRUDENCE IS APPALLING

A Division Bench of the Kerala High Court has dismissed the appeal filed by MediaOne, a television channel in Kerala, whose licence the Ministry of Information and Broadcasting has refused to renew. The Ministry had said that the licence could not be renewed for reasons related to national security. The stand of the Government was endorsed by both the Single and Division Benches of the High Court. In this context, the judgments set a dangerous precedent for free speech rights and procedural justice.

Suspended rights

A whole set of rights are directly hit by the ban. The first is the obvious one: the right to freedom of speech and expression of the television channel. The rights to association, occupation and business are also impacted. Moreover, the viewers also have a right to receive ideas and information. All these rights are altogether suspended by the executive. The only contingency in which these rights under Article 19(1) can be interfered with are reasonable restrictions under Article 19(2).

Among others like public order, incitement to an offence, it lists 'security of the State' as a ground. However, the trouble emanating from the MediaOne judgment is that the state need not even show that its security is threatened. It can conveniently choose the 'sealed cover' route.

The jurisprudence of 'sealed cover' is an appalling trend. The process of judicial review is significant since it holds the executive accountable. The executive must cogently answer its actions – especially when fundamental rights such as free speech are curtailed. India's Constitution does not give a free hand to the executive to pass arbitrary orders violating such rights. The Supreme Court of India has repeatedly held that judicial review of executive action is the basic feature of the Constitution. The decisions in *Minerva Mills vs Union of India* (1980) and *L. Chandra Kumar vs Union of India* (1997) reiterated this fundamental principle. If the executive wishes to limit rights — in this case, censor or restrict speech — it must show that the test of reasonable restrictions is satisfied. This principle is the bedrock of judicial review.

The 'sealed cover' practice inverses this position. The moment the executive utters 'national security', courts often permit them to inform the justification in a 'sealed cover'. These 'reasons' are not disclosed to the party whose rights are clearly at stake. The court satisfies itself of the defence of the state and dismisses the petition. MediaOne, the channel that has been censored, is completely in the dark over the reasons for the ban. It was never heard nor its version ascertained.

Endorsed yet blocked

The judgment creates a situation that endorses the breach of fundamental rights on the one hand, and blocks remedy for the victim through a court of law and a process known to law on the other hand. This is an emulation of the tenor in the judgment in *ADM Jabalpur* (1976). The majority said in this case that fundamental rights could be suspended during the Emergency, with no scope for assessment by the court. Unfortunately, the Kerala verdict revives the ghost of *ADM Jabalpur*.

Consider what the judgments say. The Single Judge said: "From the files produced before the court, it is discernible that the committee of officers took note of the inputs given by the intelligence



agencies....” which “are of serious nature”. These inputs remain unknown. In the judgment of March 2, the Division Bench said: “It is true that the nature, impact, gravity and depth of the issue is not discernible from the files.” Still, the Bench chose to dismiss the appeals by bluntly saying that “there are clear and significant indications impacting the public order and security of the state”. All that is necessary to ban a news broadcaster are these ‘indications’ — which are never revealed to the broadcaster!

No recent trend in judicial review has been as opposed to the principles of natural justice as that of the ‘sealed cover’. At the High Court, national security came to mean absolute impunity for the Centre. The central government virtually wanted the constitutional court to abstain from its primary function of review of the legality of executive action, and the court did exactly that. The judgment, which accepted this proposition, has the potential to mark the beginning of the end of a free press in a working democracy.

When an action is alleged to have curtailed fundamental rights, the court is bound to examine the legality of the action through the lens of proportionality.

In *Modern Dental College vs State of Madhya Pradesh* (2016), the top court adopted the proportionality test proposed by Aharon Barak, the former Chief Justice, Supreme Court of Israel, “a limitation of a constitutional right will be constitutionally permissible if: (i) it is designated for a proper purpose; (ii) the measures undertaken to effectuate such a limitation are rationally connected to the fulfillment of that purpose; (iii) the measures undertaken are necessary in that there are no alternative measures that may similarly achieve that same purpose with a lesser degree of limitation; and finally (iv) there needs to be a proper relation (‘proportionality stricto sensu’ or ‘balancing’) between the importance of achieving the proper purpose and the social importance of preventing the limitation on the constitutional right”. This was reiterated in *K.S. Puttaswamy vs Union of India* (2017). But this entire process of proportionality analysis is sidelined by the High Court.

For the top court to resolve

Yet, the MediaOne case might create a real problem area that needs resolution by the Supreme Court. The High Court relied on the Supreme Court judgment in *Digi Cable Network vs Union of India* (2019). In *Digi Cable*, the Court reiterated the principle in an earlier judgment called *Ex-Armymen’s Protection Services Private Ltd.* (2014). The High Court reiterated what the top court said in *Digi Cable*: “In a situation of national security, a party cannot insist for the strict observance of the principles of natural justice”.

There are two issues here. First, there was no examination of the national security plea based on the proportionality analysis, well established in our recent jurisprudence. Second, when a three-judge Bench in the *Pegasus case* (*Manohar Lal Sharma vs Union of India*, 2021) has categorically held that the state does not get a “free pass every time the spectre of ‘national security’ is raised” and that “national security cannot be the bugbear that the judiciary shies away from, by virtue of its mere mentioning”. In view of this subsequent law laid down by a larger Bench, the High Court could not have mechanically resorted to the earlier approach in *Digi Cable*. Therefore, the principle, if any in both *Digi Cable* and *Ex-Armymen*, is arguably implicitly overruled in the *Pegasus* judgment. No court can read and apply a previous judgment as if it is a statute. But this is what the Kerala High Court did, while relying on *Digi Cable*.



A deterioration

Today, we have a state that has succeeded in suppressing the voice of the dissenter, illegally and clandestinely. The current case will have an impact on any kind of dissent against an aggrandising regime, including political movements and academic criticism. A court that sits as a mute spectator to any executive action is a crude manifestation of democratic decay.

Justice Jackson of the U.S. Supreme Court famously said: “Those who begin coercive elimination of dissent soon find themselves exterminating dissenters. Compulsory unification of opinion achieves only the unanimity of the graveyard” (West Virginia State Board of Education vs Barnette et. al, 1943). Constitutional courts are expected to eradicate such possibilities instead of perpetuating them.

THREE ARRESTS OF JOURNALIST FAHAD SHAH IN KASHMIR RAISE QUESTIONS OF POLICE ACCOUNTABILITY. COURT MUST STEP IN

The three arrests over the last month of journalist Fahad Shah in Kashmir have once again suggested that the Jammu & Kashmir police believes it is accountable only to itself, or that it considers journalism a crime. Shah, the founding editor of Kashmir Walla, an online portal, was first arrested on February 4 by the Pulwama district police. This was four days after the portal published a report of an encounter, in which the reporter also spoke to the family of a teenaged boy killed along with three alleged militants. The report included the police claim that the boy was a “hybrid militant”. His parents denied the accusation and demanded his body be returned to them. Shah also posted a video version of the report. The case against him was that he uploaded “anti-national” content on social media sites allegedly “glorifying” terrorist activities and “causing a dent to the image of law enforcing agencies besides causing ill-will and disaffection against the country”. He was arrested under the Unlawful Activities (Prevention) Act (UAPA), IPC sections 124-A for sedition, and 505, for conducting to public mischief. On the day after his arrest, the police said there were two more FIRs against him, in Srinagar and Shopian. The NIA court, which tries UAPA cases, gave him bail on February 26, but Shah was immediately transferred to the custody of the Shopian Police for a case dating back to January 2021, in which the Army was the complainant — the accusation against Shah is that he published “fake news” that the Army had forced a seminary to hold a Republic Day function. After his bail by the Shopian court on March 5, he was arrested for a third time, this time by the Srinagar police, and the charges in this case remain unclear.

The relationship of media with law enforcing authorities in Kashmir has been fraught, but never more so than in the post-2019 period. In the “you are with us or against us” climate, it seems police have a free hand to intimidate journalists by summoning them, questioning them about their reports, holding the threat of UAPA, PSA and sedition over their heads.

The fate of Sajad Gul, a trainee reporter who was arrested two weeks before Shah, and re-arrested under the Public Safety Act after he was given bail by a court in Bandipora, offers a clue about the police’s possible next course of action in Shah’s case. In a situation of diminished official accountability, the courts must step in. They must send out a strong message that the attack on journalists and journalism is an attack on democracy.



THE ELECTORAL APPEAL OF PROGRAMMATIC POLICIES OF WELFARE

Examining how different welfare policies deployed by political parties have the potential to influence the outcome of their electoral performance, Ankita Barthwal and Asim Ali in their paper 'Bypassing the patronage tap: Evidence from Delhi assembly election 2020' have particularly focused on the adoption and use of the programmatic policies of welfare (PPW) by the Aam Aadmi Party. They analyse its significance in influencing voting behavior in the 2020 Delhi assembly elections.

Drawing attention to the transitions in the electoral arena in some of the Indian States from the 'politics of particularistic welfare based on clientelism and patronage to that of programmatic policies of universal welfare', this paper, with the help of the data that it had gathered through the stratified random sampling of the post-poll survey that was conducted in 14 assembly constituencies of Delhi, has brought forth the electoral appeal of the PPW in the 2020 Delhi assembly election.

This also suggests the possibilities of its political appeal in other Indian states as it promises universal welfare provisions irrespective of identity interests and ideological considerations.

From patronage to programmatic welfare

Unlike patronage policies that focus on the welfare of particular target groups, which limit welfare provision and electoral support within its clientelist circles, PPW provide goods and services to a universal public, devoid of identity divisions.

Thus they benefit a broader electorate and also help political parties to garner extensive electoral support.

Political parties do combine a mixed strategy of welfare — both policies of patronage and programmatic welfare to attune themselves to the varied demands of their electoral constituencies. Welfare policies endorsed by political parties in certain Indian States such as Tamil Nadu, Andhra Pradesh and Delhi have shown a growing political inclination towards the legislation of PPW for creating appeal beyond certain identity groups or communities for electoral victory and political sustenance.

Investigating whether PPW can influence voting behavior and enable a political platform where electoral issues can move beyond particularistic ethnic appeals to aspects of universal welfare provision, this paper provides insights into the importance of PPW in delivering victory for the Aam Aadmi Party in the 2020 Delhi assembly election.

How Delhi leads the show

Barthwal and Ali have stated how certain socio-political conditions peculiar to Delhi have been influential in creating a broader appeal for the application of PPW.

Being highly urbanised, comprising a larger population of the middle class, and an educated and more informed citizenry as well as a vigilant civil society, the demands of the electorate in Delhi are for an issue based, corruption-free and accountable politics.

The implementation of PPW such as universal provision of subsidised power and water, free bus rides for women, affordable healthcare and education, free public WiFi by the AAP in Delhi has



produced positive electoral results for AAP by creating political reach amongst a broader populace.

Other factors such as absence of caste based political mobilisations, lack of political appeal based on ethnic cleavages, larger role for bureaucrats in operating the programmes and policies in elected governments of Delhi and an expansive information dissemination system have also been influential in generating demands and broadening support for PPW in Delhi.

These factors were also conducive in making the AAP government's universal provision of public goods and services successful among the Delhi electorate and in establishing a cross-sectional political support.

This paper has additionally observed how the Bharatiya Janata Party's attempts at polarising the voters with its ethno-nationalist and majoritarian issues failed to create an impact in Delhi's electoral atmosphere, where the political record of the AAP in providing PPW and its assurance of universal, uniform and efficient governance devoid of any particularistic/sectional considerations increased the electoral tide in favour of AAP.

The observations made in this paper, through evidence produced in the case of the Delhi assembly elections, have thus also been important in informing us of the emerging electoral appeal of PPW in reducing the impact of divisive ethno-majoritarian appeals and the possibilities of constructing political support on the basis of programmatic welfare and universal governance.

THE WINNING FORMULA

The Bharatiya Janata Party (BJP) has retained power in all the four States it held, of the five that went to the polls between February 10 and March 7, while the Congress lost the only one it had, Punjab, to the Aam Aadmi Party (AAP). The BJP overcame the fatigue and popular disenchantment it had accumulated over five years in Uttar Pradesh, Uttarakhand, Goa, and Manipur, while the Congress collapsed in Punjab. The popularity of Prime Minister Narendra Modi, who remained the central figure of the BJP campaign, contributed significantly to the party's victory; for the Congress, the leadership of the Gandhi family has become more of a burden going by its moves ahead of the elections that contributed directly to the party's Punjab debacle. The resounding victory of AAP in Punjab opens new possibilities for the emergence of a national alternative to the BJP, but, at the moment, the latter's electoral appeal appears unassailable. A combination of identity appeals, welfare promises, and strongman rhetoric helped the winners — the BJP in four States, and AAP in Punjab. The potency of a caste-oriented social justice plank as a mobilisation strategy is at a low ebb as the collapse of its Samajwadi Party (SP) version in U.P. and the Congress version in Punjab shows. Dynastic politics can be taken as having received a definitive drubbing — the leadership of many of the parties on the losing side are controlled by families over generations — the Congress, the Shiromani Akali Dal (SAD), the Samajwadi Party and the Rashtriya Lok Dal (RLD). Mr. Modi and AAP leader Arvind Kejriwal were quite possibly seen by their supporters as subaltern raiders of elite citadels.

The U.P. Chief Minister, Yogi Adityanath, has risen as a formidable vote catcher for the BJP in the Hindi heartland. His brushes with controversies only add to his popularity, the results suggest, and a new Modi-Yogi iteration of Hindutva politics has reinforced the BJP in U.P. The voters had appeared anguished with inflation, stray cattle menace, poor COVID-19 management, and unemployment, but not enough to vote out the BJP government. A protracted agitation of farmers had minimal impact on the polls, as the BJP won many seats in its epicentre of west U.P. It appears



that the non-Jat and non-Muslim votes considerably consolidated behind the BJP in the face of the aggressive campaign of the SP-RLD alliance. Several backward caste leaders switched from the BJP tent to the SP camp, but ordinary voters did not follow them to an extent that could have threatened the BJP. The SP more than doubled its tally of 2017 but it still fell short. It could not wash off its image of being a party that provides protection to criminals and favours Yadavs and Muslims. The election saw a decimation of the Bahujan Samaj Party, helping the BJP more than the SP. The Congress only helped in creating an atmosphere for the SP alliance, and barely opened its account.

Punjab's voters have given a decisive mandate for an 'alternative politics' promised by the AAP, which won 92 out of 117 seats. AAP, which has been in power in Delhi for seven years, has built a reputation for its welfare schemes, particularly in health and education — two sectors that voters care a lot about. That reputation stood AAP in good stead in Punjab, while the Congress and SAD were done in by the burden of their past sins. The projection of Bhagwant Mann as Chief Minister helped AAP, while the Congress seemed to have gained little by advertising the Dalit identity of Charanjit Singh Channi, who was appointed Chief Minister just five months ahead of the elections. The decimation of SAD signals the diminishing appeal of 'Panthic' or Sikh religious politics. The Sanyukt Samaj Morcha (SSM) — an amalgamation of 22 Punjab-based farmer outfits that spearheaded the agitation that forced the Centre to withdraw three controversial farm laws that it had enacted — failed to make any political impact.

In Goa, the BJP retained power, though the Congress put up a spirited fight. Goans can breathe easy, now that the State is not heading to yet another round of skulduggery to form a government. The BJP was also helped by the division of votes by players such as the Maharashtrawadi Gomantak Party (MGP), the Trinamool Congress, and AAP. The BJP's strategy of selecting candidates on the basis of 'maximum winnability' yielded rich dividends for the party. Manipur did not escape the general trend in the northeast, where people tend to vote for the party or coalition in power at the Centre since the States are dependent on Delhi for funds. The BJP emerged on top and the Congress cut a sorry figure, behind smaller parties such as the Naga People's Front. The election was bereft of emotional issues, and the BJP gained from its development rhetoric. The demand for Scheduled Tribe status for the Meiteis, the community that dominates the Imphal and Jiribam valleys comprising 40 of the State's 60 seats, failed to get traction. Neither did a controversial demand for greater autonomy to the tribal councils straddling the 20 constituencies in the hills. In Uttarakhand, the BJP retained power despite setbacks it had to deal with, while the Congress squandered its chances, getting bogged down in internal power tussles. But the defeat of its Chief Minister, Pushkar Singh Dhami, is a serious embarrassment for the BJP. A fresh face would mean a fourth person as Chief Minister in a little over a year.

The BJP and AAP have gained huge momentum ahead of 2024. AAP's durability as a viable national alternative will be put to the test. So far, it has not shown either the organisational strength or the political vision to be a national level player. Indeed, there is no one party that can challenge the BJP. A loose coalition of regional and Left parties, with or without the Congress at the head, might not inspire confidence among voters.

THE OFFICE OF THE GOVERNOR

The makers of the Constitution of India did not anticipate that the office of the Governor, meant to "preserve, protect and defend the Constitution and the law", would metamorphose into the most controversial constitutional office rendering the constitutional praxis rugged.



Though the original Draft of the Constitution provided for either the direct election or the appointment of the Governor (Article 131 of the draft which was to become Article 155), the Constituent Assembly chose a third alternative for the appointment of the Governor by the President, so as to avoid confrontation with the elected executive.

Article 131 of the draft Constitution had provided for an elected Governor or a Governor appointed by the President from a panel of four candidates elected by the Legislative Assembly. After elaborate deliberations, the Assembly voted for a nomination provision which rules out any role for the Legislative Assembly. Jawaharlal Nehru also strongly supported a nominated Governor as an elected Governor may lead “to conflict and waste of energy and money and also leading to certain disruptive tendency in this big context of an elective governor plus parliamentary system of democracy.” Finally, a process by which the Governor is nominated by the President on the advice of the Council of Ministers was adopted and it became Article 155 of the enacted Constitution.

When the elected Governor of the United States was juxtaposed with the nominated Governor in Canada and Australia, democratic propriety demanded nomination despite the suspicious reluctance towards the parent law, the Government of India Act, 1935, which conceived the nomination system.

Dr. Ambedkar categorically stated on the floor that “The Governor under the Constitution has no functions which he can discharge by himself; no functions at all. While he has no functions, he has certain duties to perform...” Instead of a powerful Governor, what the Constitution conceived was a duty-bound Governor, a constitutional prophesy that failed to work after the fourth general election of 1967 as Congress had to bid farewell to their power in eight States while retaining power at the Union, gradually resulting in a tug of war between central assertion and constitutional autonomy.

Politics till the Bommai verdict

A classic example of Raj Bhavan getting embroiled in partisan politics was sketched by a series of events in Tamil Nadu beginning from the declaration of national emergency on June 25, 1975. This was followed by the DMK regime offering political support and shelter to the national dissidents which led to realignments in State politics. A report was then sent by the then Governor K. K. Shah seeking the dismissal of the DMK government for pervasive corruption and therefore, President's Rule was imposed on February 3, 1976.

The President's Rule was imposed in States over a 100 times prior to 1994. But after the Supreme Court's judgment in the S. R. Bommai case, such rampant practices came to an end as the Supreme Court declared that the imposition of President's Rule shall be confined only to the breakdown of constitutional machinery.

The Sarkaria Vision

The S. R. Bommai judgment passed by the nine-judge bench of the Supreme Court extensively quoted from the commission on Centre-State Relations constituted by Central Government in 1983. The three-member commission headed by Justice R. S. Sarkaria remains till date the bedrock of any inquiry into the relations between the Centre and State. The Commission, which submitted its report in 1988, sought to reinfuse the spirit of co-operative federalism in Indian politics.



The Sarkaria Commission sought to restore dignity to the Raj Bhavan by focusing more on the appointee who shall be an eminent person in some walk of life, someone outside the respective State so that he would not have any personal interest to protect. The Commission reiterated the views of Nehru as expressed on the floor of the Constituent Assembly that it is “better to have a detached figure” as Governor who has not been recently active in politics. While batting for a secure term for the Governor, the Commission condemned the practice of Governors venturing further into active politics as well as ascending to other offices after the completion of the term, all of which contaminate the purity of gubernatorial intent. Regarding the Governor’s role as the Chancellor of State universities, the Sarkaria Commission was of the view that it is desirable to consult the Chief Minister or the concerned minister, though it shall be left to the Governor to act on the same or not.

As a matter of fact, the first Administrative Reforms Commission (1966) in its report on “Centre-State Relationships” had recommended strongly that once the Governor completes his term of five years, he shall not be made eligible for further appointment as Governor. Unlike the Sarkaria Commission which was specifically on Centre State Relations, the mandate and canvas of the Administrative Reform Commission (ARC) was wider. Nevertheless, the limited views offered by the ARC testifies the formative concern of Indian polity on the politicisation of the office of the Governor.

The National Commission (2000) also reiterated the view of the Sarkaria Commission regarding the appointment of Governor. It enriched the discourse by stipulating that there should be a time-limit, desirably six months to give assent or to reserve a Bill for consideration of the President. If the Bill is reserved for consideration of the President, there should be a time-limit, desirably of three months, within which the President should take a decision whether to accord his assent or to direct the Governor to return it to the State Legislature or to seek the advisory opinion of the Supreme Court.

The Punchhi Commission

The Punchhi Commission on Centre-State relations (2007), headed by former Chief Justice of India Justice M. M. Punchhi, was constituted to enquire into Centre-State Relations taking into account the changes in the last years since Sarkaria Commission submitted its report in 1988. Though Punchhi Commission affirmed most of the recommendations of the Sarkaria Commission, its views also reflected the changing times and its needs. The Commission could not appreciate the practice of Governors being called back at the bell of regime change, something that does not befit the salutary position assigned to the Governor. It must be remembered that a constitution bench of the Supreme Court in the B. P. Singhal Case (2010) declared that a change in power at the Centre cannot be grounds to recall governor and hence such actions are judicially reviewable. While Sarkaria Commission recommended that Governor’s tenure of five years shall only be sparingly cut short, Punchhi Commission went one step ahead and recommended that Governor shall have fixed tenure so that they wouldn’t hold office under the intangible pleasure of the Central government. It proposed an amendment to Article 156 so that there would be a procedure to remove the Governor from office. It also went further in recommending that Governors shall not be overburdened with the task of running universities by virtue of them being made Chancellors under the State University Acts. Complying with the norms and conventions advocated by the Sarkaria commission coupled with the functional safeguards recommended by the Punchhi Commission will go a long way in rediscovering the constitutional equilibrium.



The core of discontent

The Apex Court must be credited for having drawn the lakshman rekha on gubernatorial overreach through a catena of clear decisions ranging from the landmark S. R. Bommai (1994), Rameshwar Prasad (Bihar Assembly Dissolution Case of 2006) and Nabam Rebia (Arunachal Assembly Case of 2016) by which the possibility of gross high handedness is either eliminated or reduced to the time taken for judicial review. Arbitrary imposition of President's Rule and dissolution of Legislative Assembly on partisan grounds are becoming the fables of yore. However, conflict arises over issues which are non-critical but have the potential to upset harmonious administrative balance at the state level. Attitudinal issues form the core of such imbalance, as is recently seen in many States. When Governors turn vocal in public, the local leaders who carry electoral mandate on their sleeve respond with equal vehemence, taking the relation to a new low. Unless the practice of Governors making critical appraisals of their own council of ministers in public glare is brought to a halt, the situation in the states where an opposition party is in power would remain unhealthy. All these bring us back to square one; the recommendation of the Sarkaria Commission that the governor appointee shall be a detached outsider and a person of eminence in some walks of life. To add to the Sarkaria commission, the paradox of an apolitical President and political Governor needs to be reconciled, sooner than later.

TRADITION AND FORMALITY

Two contrasting issues concerning the legislature in two States appear to sum up the potential for political controversy when elected governments and Governors do not see eye to eye. In the West Bengal Assembly, Chief Minister Mamata Banerjee and legislators of her party had to virtually plead with Governor Jagdeep Dhankhar to start reading his customary address amidst a prolonged uproar by the Opposition BJP MLAs. Mr. Dhankhar appeared ready to give in to the protesters, but was ultimately persuaded into reading the first and last lines. In Telangana, on the other hand, the K. Chandrasekhar Rao government seems to have decided not to have Governor Tamilisai Soundararajan address the legislature before it presented this year's Budget. Instead, it is treating the current meeting of the legislature as a continuation of the last session. That the session, which last met some months ago, was not prorogued, has given scope for the government to contend that it is just a further meeting, and it is not necessary for the Governor to open it with an address. The ceremonial address is usually delivered in the first session of every year. Dr. Soundararajan has issued a rare statement to argue that the government's position was technical, and it would not be proper to commence the Budget session without her address. The episode appears to arise from points of conflict between the government secretariat and Raj Bhavan, as the ruling TRS seems aggrieved that the Governor deviated from the text of her address last year and on some other issues too.

The Governor's address is a constitutional formality, albeit a significant one, as it is essentially a statement of policy of the regime of the day. That the formal occasion is mired in political wrangling is a sign of institutional decay and unwarranted politicisation of constitutional norms. That Ms. Banerjee saw the incidents in the Assembly, which almost resulted in the abandonment of the Governor's address, as "an attempt to create a constitutional crisis" shows that leaders still attach constitutional significance to the tradition. It will be desirable if the same recognition is seen in Telangana too. After all, if not now, the next session will have to open with the Governor's address. It is true that there are sound arguments that question the need and the relevance of the office of Governor, or support the view that some incumbents are politically partisan. There may even be a case for doing away with the formality, or even arguing that the policy statement is



better read out by the elected Chief Minister. However, as long as the current system is in vogue, there is a case for abiding by the norms. Politics notwithstanding, it is only in such formality that civility in public discourse is expressed.

OLD PENSION SYSTEM BACK IN CHHATTISGARH

Carrying the Budget papers in a briefcase made of cow dung powder, Chhattisgarh Chief Minister Bhupesh Baghel on Wednesday presented the Budget for 2022-23 in the State Assembly.

In his Budget speech, Mr. Baghel announced the government's decision to revert to the old pension system (OPS) for State government employees and double the yearly MLA local area development fund.

With this, Chhattisgarh becomes the second Congress-ruled State after Rajasthan to adopt OPS.

The Baghel government's move will benefit over three lakh employees who joined service after January 1, 2004. It, however, will not be applicable to officials of the All India Services like members of the Indian Administrative Service or the Indian Police Service.

The main difference between the two pension systems is that while an employee has to make a voluntary contribution towards pension by undertaking a 10% deduction from the basic salary and dearness allowance under the new pension scheme, there is no such deduction under the old scheme.

He also announced the exemption of examination fees for the applicants who are domicile of the State in all professional exams conducted by the Chhattisgarh Professional Examination Board and the Chhattisgarh Public Service Commission.

Other highlights of the Budget are increasing the annual assistance for landless agriculturists — under the Rajiv Gandhi Bhumihin Krishi Majdur Nyay Yojana -- to ₹7,000 per annum from the present ₹6,000; creating employment opportunities by setting up the Chhattisgarh Rojgaar Mission and focus on skill development, filling up the existing government vacancies and setting up a new cadre of District Strike Force in the Bastar region.

In the tribal-dominated and Naxalite-affected region of Bastar, 30,439 hectares out of classified 'orange' forest zone had been reconverted under the revenue head. "The step would facilitate easy availability of land for setting up new industries, construction of government buildings, development of road and rail routes and other activities", he stated.

A NEW VISION FOR OLD AGE CARE

As India becomes increasingly urbanised and families break up into smaller units, homes for the elderly have sprung up. The care of elderly people is managed by a set of professionals or voluntary organisations interested in geriatric services. The number of such care homes is rising rapidly in urban and semi-urban India. These homes are either paid for, or offer free or subsidised service. Typically, such homes are run by NGOs, religious or voluntary organisations with support from the government, or by local philanthropists. They provide accommodation, timely care, and a sense of security for their residents. However, the quality of service varies as these homes lack regulatory oversight. Many homes lack clearly established standard operating procedures, and their referral paths to health care are informal. There is an urgent need to understand the quality



of life at such institutions, including the impact of these homes on the mental health of their residents.

A rapidly growing section

A formal approach to homes for the elderly is an important policy and planning issue for India. The UN World Population Ageing Report notes that India's ageing population (those aged 60 and above) is projected to increase to nearly 20% by 2050 from about 8% now. By 2050, the percentage of elderly people will increase by 326%, with those aged 80 years and above set to increase by 700%, making them the fastest-growing age group in India. With this future in mind, it is essential that our policy framework and social responses are geared to meet this reality.

A recent set of research papers from Hyderabad focusing on the quality of health in homes for the elderly has some interesting insights. The papers highlight the fact that good intentions and a sense of charity are often inadequate when it comes to addressing the basic health needs of their elderly residents. These papers are outcomes of the Hyderabad Ocular Morbidity in Elderly Study (HOMES) by the L.V. Prasad Eye Institute that was primarily meant to understand the vision needs of elderly residents of such homes. About 30% of the residents who were part of the study (over 1,500 participants from 40 homes) had a vision impairment of some sort, but nearly 90% of this vision impairment could be addressed by simple, relatively low-cost health interventions: issuing better eye glasses or cataract surgery.

The study also found some 'unseen' effects of vision impairment: many were prone to depression. In fact, those with both vision and hearing impairment had a rate of depression that was five times higher than those without. Our homes, buildings and social environment are not built keeping the elderly (or people with disabilities) in mind. As people age, and their motor skills weaken, they are at a greater risk of falling down and hurting themselves. Having an impairment increases this risk. Instead of planning for accessible and elderly-friendly structures that allow them to operate safely, we reduce their mobility. People with functional skills are asked to stay away from daily tasks like cooking, sewing, cleaning, or washing up. This reduces their sociability, their sense of independence and well-being — all leading up to mental health issues and depression.

The state of homes for the elderly today offers us some low-hanging fruit we can address easily: build formal pathways for basic health screening between such homes and public health facilities. This can include screenings for blood sugar, blood pressure, periodic vision and hearing screening, and a simple questionnaire to assess mental health. Such interventions are inexpensive (think of all the motorcycle-operated screenings outside public grounds for morning-walkers) and could go a long way in identifying health issues and offering support. The next step would be to build formal pathways to address any health issues that such screenings identify. Many hospitals (public, NGO-run, and private care) can help.

Public policy support

Crucial though will be the need for robust public policy to support homes for the elderly. Health institutions will also need to offer a comprehensive set of packages that are tailored for the elderly — not piecemeal solutions for diabetes, cardiology or cancer, for example. What happens once care is provided? Homes for the elderly must be guided, again by policy, to make their facilities, buildings and social environment elderly- and disabled-friendly. Design, architecture and civic facilities must be thought from the ground up — and these innovations must be available for all residents, not just those living in expensive ones. There are lessons here for society as a whole, but, as they say, let's take one step at a time.



REVIVING THE INLAND WATER TRANSPORT SYSTEM FOR THE NORTHEAST

The story so far: A month after setting sail on the Ganga from Patna, the MV Lal Bahadur Shastri carrying 200 metric tonnes of food grains for the Food Corporation of India (FCI), docked at Guwahati's Pandu port on the southern bank of the Brahmaputra on March 6. The occasion is believed to have taken inland water transport, on two of India's largest river systems, to the future.

Why is a Ganga-Brahmaputra cargo vessel in focus?

There is nothing unusual about a cargo vessel setting sail from or docking at any river port. But a host of VIPs lined up to receive MV Lal Bahadur Shastri, a cargo vessel operated by the IWAI (Inland Waterways Authority of India), at Guwahati's Pandu port on March 6. They included Union Minister of Ports, Shipping and Waterways, Sarbananda Sonowal, Assam Chief Minister Himanta Biswa Sarma, Guwahati MP Queen Oja and IWAI chairperson Sanjay Bandopadhyay.

The vessel had on February 5 started sailing from Patna on National Waterway-1 (NW1, river Ganga).

It passed through Bhagalpur, Manihari, Sahibganj, Farakka, Tribeni, Kolkata, Haldia, Hemnagar in India, Khulna, Narayanganj, Sirajganj and Chilmari in Bangladesh and again to India on National Waterway-2 (NW2, river Brahmaputra) through Dhubri and Jogighopa covering 2,350 km. The docking of the vessel carrying 200 MT of food grains for the FCI has rekindled hope for the inland water transport system which the landlocked northeast depended on heavily before India's independence in 1947.

Is this the first such shipping of cargo?

The shipping of cargo from Patna to Pandu via Bangladesh was FCI's pilot project. A similar experiment was carried out in 2018 when two 1,000-tonne barges carrying 1,233 tonnes of bagged fly ash travelled 2,085 km from Bihar's Kahalgaon to Pandu for more than a month. A private firm had procured the fly ash from the National Thermal Power Corporation's plant in Bihar for use in its cement factories in Assam and Meghalaya. But the FCI cargo is expected to lead to regular services between NW1 and NW2 "heralding a new age of inland water transport" for the northeast. According to the IWAI, the process has already started with a 252 MT cargo destined for eastern Assam's Numaligarh bio-refinery having reached central Assam's Silghat from Haldia in West Bengal on February 15. Another vessel, MV Ram Prasad Bismil with two barges named Kalpana Chawla and APJ Abdul Kalam started its voyage from Haldia on February 17 and is expected to reach Pandu soon.

How would regular inland water service impact the northeast?

Around Independence, Assam's per capita income was the highest in the country primarily because of access for its tea, timber, coal and oil industries to seaports on the Bay of Bengal via the Brahmaputra and the Barak River (southern Assam) systems. Ferry services continued sporadically after 1947 but stopped after the 1965 war with Pakistan, as Bangladesh used to be East Pakistan then.

The scenario changed after the river routes were cut off and rail and road through the "Chicken's Neck", a narrow strip in West Bengal, became costlier alternatives. "The start of cargo movement through the Indo-Bangladesh Protocol (IBP) route is going to provide the business community a



viable, economic and ecological alternative. Seamless cargo transportation has been a necessity for the northeast,” Mr Sonowal said.

He attributed the rejuvenation of the historical trade routes via Bangladesh to the PM Gati Shakti initiative envisaged to slowly convert the northeast into a connectivity hub and ramp up the swift movement of cargo on the Brahmaputra, which meets the Ganga in Bangladesh. These rivers are called Jamuna and Padma in that country.

How did the water cargo service through Bangladesh come about?

The resumption of cargo transport service through the waterways in Bangladesh has come at a cost since the Protocol on Inland Water Transit and Trade was signed between the two countries.

India has invested 80% of ₹305.84 crore to improve the navigability of the two stretches of the IBP (Indo-Bangladesh Protocol) routes — Sirajganj-Daikhowa and Ashuganj-Zakiganj in Bangladesh.

The seven-year dredging project on these two stretches till 2026 is expected to yield seamless navigation to the north-eastern region.

IWAI officials said the distance between NW1 and NW2 will reduce by almost 1,000 km once the IBP routes are cleared for navigation.

The Government has also undertaken the Jal Marg Vikas project with an investment of ₹4,600-crore to augment the capacity of NW1 for sustainable movement of vessels weighing up to 2,000 tonnes.

A few issues remain, though. Sailors who made the cargo trips possible have had difficulties steering clear of fishing nets and angry fishermen in Bangladesh.

These hiccups will get sorted out with time, officials say.

THE RULES AROUND GUARDIANSHIP OF MINORS

The story so far: In the recent past, there have been changes to the rules for passport and PAN card that allow an applicant to furnish their mother’s name if she is a single parent. But this continues to be a niggling issue when it comes to school certificates and umpteen other documents that insist on the father’s name as the guardian. Last year in September, a PIL in Madras High Court sought that all documents must also require the mother’s name to be mentioned along with the father’s.

What are the rules for issuing of passport and PAN cards to those with single parents?

In December, 2016, the Ministry of External Affairs liberalised its rules for the issuance of passports and took a number of steps. Certain changes were made following the recommendations of a three-member committee comprising of the Ministry of External Affairs and the Ministry of Women and Child Development that examined various concerns pertaining to passports for children after a divorce or in case of adoptions. Following the changes, applicants could provide the name of either parent instead of providing details of both the father and mother. The new passport application form also does not require the applicant to provide the name of her or his spouse when they are divorced and neither are they required to provide the divorce decree.



Similarly, in November 2018, the Central Board of Direct Taxes amended Income Tax Rules, 1962, so that the father's name was not mandatory when a mother was a single parent. The new PAN application form also seeks the mother's name alongside the father's. Applicants can also choose whether they want their father's name on the PAN card or their mother's name.

What do the guardianship laws in the country say?

Indian laws accord superiority to the father in case of guardianship of a minor. Under the religious law of Hindus, or the Hindu Minority and Guardianship Act, (HMGA) 1956, the natural guardian of a Hindu minor in respect of the minor's person or property "is the father, and after him, the mother: provided the custody of a minor who has not completed the age of five years shall ordinarily be with the mother."

The Muslim Personal Law (Shariat) Application Act, 1937 says that the Shariat or the religious law will apply in case of guardianship according to which the father is the natural guardian, but custody vests with the mother until the son reaches the age of seven and the daughter reaches puberty though the father's right to general supervision and control exists. The concept of Hizanat in Muslim law states that the welfare of the child is above all else. This is the reason why Muslim law gives preference to the mother over father in the matter of custody of children in their tender years.

Experts say that though courts may tend to grant custody of a child following marital dispute to the mother, guardianship rests primarily with the father in the law and this contradiction highlights that mothers are perceived as caregivers, but not as decision makers for children.

The Supreme Court's landmark judgment in *Githa Hariharan v. Reserve Bank of India* in 1999 provides partial relief. In this case, the HMGA was challenged for violating the guarantee of equality of sexes under Article 14 of the Constitution of India and the court held that the term "after" should not be taken to mean "after the lifetime of the father", but rather "in the absence of the father". But the judgment failed to recognise both parents as equal guardians, subordinating a mother's role to that of the father. Though the judgment sets a precedent for courts, it has not led to an amendment to the HMGA.

The Law Commission of India in its 257th report on "Reforms in Guardianship and Custody Laws in India" in May 2015 recommended that the "superiority of one parent over the other should be removed and that both the mother and the father should be regarded, simultaneously, as the natural guardians of a minor."

Before this, in its 133 report too the Commission had recommended that the HMGA be amended to "constitute both the father and the mother as being natural guardians 'jointly and severally,' having equal rights in respect of a minor and his property."

What is the way forward?

Senior lawyer Geeta Ramaseshan says that various Government departments must proactively amend their rules to ensure that they are in sync with the *Githa Hariharan* judgment as amending laws can be a challenging exercise.

Until that happens individuals will have to continue to flock courts to seek relief.



REAPING THE POTENTIAL OF THE FEMALE WORKFORCE

The large-scale adoption of digital and smartphone technologies and the increased need for personal care for the sick, elderly and children have opened up employment opportunities, especially for women. Why is that? The gig and platform economy offers flexibility and freelancing jobs. Those engaged in providing health and personal care have always been an integral part of the economy and have been on the front lines during the pandemic. Women form a large proportion of this segment. The COVID-19 pandemic has further augmented the need for health and personal care, thus opening up more employment opportunities.

What we need are concerted efforts and targeted strategies along with a change in attitudes, for women to take advantage of these new labour market opportunities. Access to higher education, skill training and digital technology are the three great enablers in helping India reap the potential of its female labour force.

India's demographic dividend

The participation of women in the workforce in India has dropped from 32% working or looking for work in 2005, to 21% in 2019. India's female labour force participation (FLFP) rate is the lowest among the BRICS countries and is also lower than some of its neighbours in South Asia such as Sri Lanka and Bangladesh. Increasing FLFP in India is crucial not just to achieve economic growth but also to promote inclusive growth and achieve the Sustainable Development Goals.

India's population is among the youngest in the world. In 2020, the median age in India was about 29. Women and girls form a significant part of India's demographic dividend. However, their inability to stay employed or, at times, take up employment due to economic and social factors at both the household and macro level has been a challenge for the labour market and economy. Countries like China, Singapore, Taiwan and South Korean are examples of how the demographic dividend can be reaped to achieve fast-paced economic growth.

Sectors with potential

According to United Nations Women estimates, women make up a significant proportion of all healthcare workers and more than 80% of nurses and midwives. Women also form a significant proportion of the workforce in the education sector in India, especially in primary education and early childhood care. The care service sector, which includes health, education, and other personal care services, is more labour-intensive than sectors such as manufacturing, construction or other service sectors where the employment potential gets affected due to factors such as the introduction of tools, technology and increased mechanisation.

Not only would greater investment in better health and care facilities improve the well-being of India's people and hence their economic productivity, global evidence documented by the International Labour Organization (ILO) also suggests that it will lead to more employment opportunities for women. The ILO Report on Care work and Care Jobs for the Future of Decent Work: Key findings in Asia and the Pacific (2018) indicated that increasing investment in the care economy has the potential to generate a total of 69 million jobs in India by 2030. Investments in the health and care sector can go a long way in boosting India's economy. Investments to set up child care services through collaborative models in office complexes and with industry associations in industrial corridors are important. Such initiatives can significantly support



women in managing their care responsibilities, enabling them to devote sufficient time to paid employment.

The gig economy comprises platforms that offer innovative solutions in different sectors such as transport, retail, personal and home care. India has emerged as one of the largest countries for gig and platform work. Digital platforms in India have thrived as a result of the increasing use of smartphones, the low cost of Internet and other initiatives under the Digital India campaign. The gig economy has demonstrated resilience even during the pandemic, with platform workers playing an indispensable role in urban India. Platform jobs have low-entry barriers and cater to the needs and aspirations of workers with varying degrees of skill sets. Studies indicate that women appreciate the income-generating potential of the gig economy. The ILO Global Survey (2021) noted that working from home or job flexibility are particularly important for women.

Digital platforms that allow remote work are, in principle, accessible to men and women in any location. However, access to the Internet and smartphones can be a restricting factor. Data suggest that in India, women's access to the Internet and to smartphones is much lower than that of men. According to the GSMA Mobile Gender Gap Report, only 25% of women owned smartphones compared to 41% of men in India in 2020. Closing this gap can be significant in boosting women's employment in the gig and platform sector.

Policies and measures

Women and girls' access to higher education (beyond secondary education) and skill training is critical to improve their employment outcomes. Women and their families need to be motivated to take up higher education through incentives such as scholarships as well as transport and hostel facilities.

Enabling women to acquire both physical assets (through credit facilities, revolving funds, etc.) and employable skills is crucial for them to take up employment opportunities in new and emerging sectors. Skill training of women in job roles aligned to the gig, platform and care sectors as well as other emerging sectors such as those covered under the Production-Linked Incentive Scheme needs to be encouraged.

Online skill training can also be beneficial to women who face constraints in physical mobility due to social norms, domestic responsibilities or concerns over safety. We need training programmes with well-defined outcomes for women's digital access and to mentor them to take up employment opportunities in emerging sectors.

Under cooperative federalism, for India to reap the potential of its FLFP, constant dialogue and engagement with the States on action strategies will be required. Inter-ministerial coordination is required. Governments, skill training partners, private firms, corporates and industry associations as well as civil society organisations all need to come together to create enabling measures for women. Policies supporting the expansion of care services along with gig and platform sectors can serve as an effective strategy to strengthen aggregate demand, while simultaneously improving long-term economic growth, gender equality and societal well-being.

WORKING WOMEN TOO, WITH A DREAM OF GOOD CHILDCARE

The theme for International Women's Day 2022 (March 8) is 'gender equality today for a sustainable tomorrow'. However, gender equality is still a far cry for India's female informal workforce. According to a 2018 study by the International Labour Organization (ILO), more than

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95% of India's working women are informal workers who work in labour-intensive, low-paying, highly precarious jobs/conditions, and with no social protection.

A World Health Organization bulletin says that "women's informal work is central to the feminisation of poverty". However, we know little about how informal work affects maternal, neonatal, and child health, with the lack of childcare solutions being a serious concern. India is ahead of many advanced nations in instituting maternal health benefits, and its statutory maternity leave is among the global top three. The Maternity Benefit (Amendment) Act, 2017 more than doubled the duration of paid maternity leave for women employees to 26 weeks, proposing an option to work from home after this period, on mutual agreement with the employer, and made crèche facilities mandatory for establishments employing 50 or more women.

However, these benefits are mostly enjoyed by formal sector women workers, constituting less than 5% of the women workforce. Another ILO study, in 2016, pointed out that a lack of access to quality childcare services forces women workers to leave the labour force, ceasing their earning, and exposing themselves to discriminatory employment practices, and to significant economic and health risks.

India has paid less attention to address concerns around childcare support for informal women workers. Here are three ways to enable women to take up more productive paid work and improve their maternal and child health outcomes: extending the Integrated Child Development Services (ICDS) infrastructure; revitalising national crèche schemes, and improving maternity benefits.

Expansion of the ICDS

The primary mandate of the Anganwadi centres under the ICDS is to provide maternal and child nutritional security, a clean and safe environment, and early childhood education, thus facilitating the ability of women to re-enter work post-childbirth. However, it has two major limitations. First, it does not cater to children under the age of three. Second, it functions only for a few hours a day, making it inconvenient to send and pick up children during work hours or avail take-home rations provided to pregnant women and households with younger children. Early intake of children in the Anganwadi centres can have dual benefits — allow mothers time for paid work and converge with the National Education Policy 2020 mandate that acknowledges quality Early Childhood Care and Education for children in the 0-6 age group. Extending the hours of Anganwadi centres can also address time constraints for working women. However, these expansions would also require expanding the care worker infrastructure, especially the Anganwadi worker and helper, who are already overburdened and underpaid.

Revitalise the crèche scheme

The National Creche Scheme lays out specific provisions for working women but has suffered diminished government funding. An inclusive approach is required to diversify worksite and working hours and overcome implementation gaps. Revitalising the provisions of the scheme and adding a network of public and workplace crèches can be hugely beneficial. Public crèches can be operated at worksite clusters such as near industrial areas, markets, dense low-income residential areas, and labour nakas. Crèches closer to the workplace allow for timely breastfeeding and attending to emergencies. This model has been tested successfully by Self-Employed Women's Association (SEWA) Sangini in some Indian cities. Where work occurs at a single site, such as a garment factory or construction site, worksite crèches will help; as seen in the construction site crèches run by Aajeevika Bureau (Ahmedabad) and Mobile Creches (Delhi). The construction



sector is a case in point where the Building and Other Construction Workers Welfare Board mandates the running of crèches. The funds collected under the construction cess can be earmarked for running crèches at construction sites.

Some benefits

Childbirth and childcare are financially stressful and compel many women to return to work within a few weeks of childbirth. Women in informal employment did not have maternity benefits until the National Food Security Act (NFSA), 2013, entitled pregnant and lactating mothers to a cash transfer of at least ₹6,000. However, the scheme notified for this purpose, the Pradhan Mantri Matru Vandana Yojana (PMMVY) limits the benefit to the first birth and has also reduced the amount to ₹5,000.

States such as Tamil Nadu (Dr. Muthulakshmi Maternity Benefit Scheme), Rajasthan (Indira Gandhi Maternity Nutrition Scheme), Odisha (Mamta Scheme), Gujarat (Kasturba Poshan Sahay Yojana), and Chhattisgarh (Kaushalya Maternity Scheme) try to bridge the coverage gap, incentivising health-seeking behaviours. Of these, Tamil Nadu has an expansive and ambitious scheme offering ₹18,000 in cash and kind for two live births. Right to Food (demands that universal and unconditional maternity entitlements of at least six months of the minimum wages for pregnant women and lactating mothers be implemented.

The cash transfers under the PMMVY are insufficient, by both evaluations on the ground and the NFSA benchmark, as well as for nutrition needs and wage compensation. The compensation, which is lower than the minimum wages, is inadequate in postponing the mother's return to work for the first six months. The amount also does not match an inflation-adjusted NFSA benchmark (nearly ₹9,400 in 2022).

The lack of affordable and quality childcare services and maternity benefits increase the burden on informal women workers, aggravating gender and class inequalities. Presently, it is up to individuals and families to find a resolution to this tension of a worker-mother, putting women, girls, and children at a gross disadvantage. It is imperative that we consider affordable and quality childcare infrastructure as an employment-linked benefit and as a public good.

SHUTDOWN THIS MISGUIDED ENERGY POLICY

Nuclear technology is hazardous. The world was reminded of this on March 3, when a fire broke out near the Zaporizhzhia nuclear plant in Ukraine (Europe's largest) during the course of a military battle. Had the fire affected the cooling system, the plant's power supply, or its spent fuel pool, a major disaster could have occurred. Luckily, this did not happen.

Eleven years ago, the people of Japan were not as fortunate. On March 11, 2011, multiple reactors at the Fukushima Daiichi nuclear plant suffered severe accidents after an earthquake and a tsunami. Those reactors were quickly "shut down" following the earthquake. But their radioactive cores continued producing heat and eventually melted down because the tsunami knocked out the cooling system.

The aftershocks of the Fukushima disaster were felt beyond Japan and led to a slump in nuclear energy in most of the world. Yet, some policymakers insist on expanding nuclear power, ostensibly in response to climate-change concerns.



On December 15, 2021, the Indian government informed Parliament that it plans to build “10 indigenous reactors... in fleet mode” and had granted “in principle approval” for 28 additional reactors, including 24 to be imported from France, the U.S. and Russia. Given the post-Fukushima global and national trends in the nuclear industry, such a policy seems misguided; nuclear power is neither an economical source of electricity nor a viable route to meeting India’s climate goals.

Nuclear power plants are capital intensive and recent nuclear builds have suffered major cost overruns. An illustrative example is the V.C. Summer nuclear project in South Carolina (U.S.) where costs rose so sharply that the project was abandoned — after an expenditure of over \$9 billion.

In contrast, renewable-energy technologies have become cheaper. The Wall Street company, Lazard, estimated that the cost of electricity from solar photovoltaics and wind turbines in the U.S. declined by 90% and 72%, respectively, between 2009-21. In 2020, the International Energy Agency dubbed solar energy the “new king of electricity”.

This contrast has stymied plans for expanding nuclear power. In 2008, the U.S. government projected an expansion of nuclear capacity to 114.9 gigawatts by 2030; in 2021, it predicted that capacity would contract to 83.3 gigawatts. This mirrors a global trend: in 1996, 17.5% of the world’s electricity came from nuclear power plants; by 2020, this figure had declined to just around 10%.

India has also had to drastically cut its nuclear ambitions after Fukushima. In 2008, then chairman of the Atomic Energy Commission, Anil Kakodkar, projected that India would have 650GW of installed capacity by 2050; his successor, Srikumar Banerjee, predicted in 2010 that capacity would reach 35 gigawatts by 2020. Installed capacity today is only 6.78 GW.

Unviable imports

Such targets were based on the expectation that India would import many light-water reactors after the India-U.S. civil nuclear deal. But, the deal has not led to the establishment of a single new nuclear plant, over 13 years after it was concluded. The worrying part of the Government’s recent parliamentary submission is that these plans for imports have not been cancelled, as is widely believed, and still remain on the books.

Of the 24 foreign reactors with “in principle” approval, six are of the VVER (water-water energetic reactor) design that has had multiple operational problems at Kudankulam in Tamil Nadu. The cumulative load factors for the Kudankulam-1 and two reactors in 2020 were just 53% and 52%, respectively.

Twelve reactors are proposed to be imported from the U.S., including at least six AP1000 reactors — the same design that was abandoned in South Carolina. Elsewhere in the U.S., the Vogtle project comprising two AP1000 reactors has escalated from an initial estimate of \$14 billion to over \$30 billion.

The remaining six are of the EPR design that France has been unable to successfully complete in its home country. The single EPR plant being constructed in Flamanville in France is now estimated to cost €12.4 billion, four times what was forecast when construction started in 2007.

We estimated in 2013 that had the six planned EPRs at Jaitapur in Maharashtra been constructed on schedule, electricity from these reactors would cost at least ₹ 15 per unit excluding transmission costs. Given recent cost escalations, this is most likely an underestimate. The figures

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from Vogtle suggest that the proposed AP1000 reactors would produce power that would similarly be costly.

Compare that figure with recent low bids of ₹2.14 per unit for solar power, and ₹2.34 for solar-wind hybrid projects; even in projects coupled with storage, bids are around ₹4.30 per unit. If nuclear electricity is to be sold at a competitive rate, it would have to be greatly subsidised by the Indian government, which operates all nuclear plants through the Nuclear Power Corporation of India.

Understanding risks

Safety concerns following the Fukushima accident have led to protests against each planned reactor. Vijay Rupani, then Chief Minister of Gujarat, admitted in the State Assembly in March 2018 that “locals turned against” the Mithivirdi nuclear project after the Fukushima disaster.

Contrary to the condescending opinion held by some nucleocrats, peoples’ concerns are not based on an irrational fear of nuclear energy. In a densely populated country such as India, land is at a premium and emergency health care is far from uniformly available. Local citizens understand that a nuclear disaster might leave large swathes of land uninhabitable — as in Chernobyl — or require a prohibitively expensive clean-up — as in Fukushima, where the final costs may eventually exceed \$600 billion.

Concerns about safety have been accentuated by the insistence of multinational nuclear suppliers that they be indemnified of liability for the consequence of any accident in India. Under pressure from multinational manufacturers, India’s liability law already largely protects them. But the industry objects to the small window of opportunity available for the Indian government to hold them to account.

The message to local citizens is simple: manufacturers do not really believe in their own claims about how safe their reactors are. If they did, they should have been willing to accept responsibility for any failure rather than insisting on special legal arrangements not available to any other industry.

Climate concerns

Climate change will increase the risk of nuclear reactor accidents. The day after the fire at the Zaporizhzhia nuclear plant, a wildfire approached the Hanul nuclear power plant in South Korea and President Moon Jae-in ordered “all-out efforts” to avoid an accident at the reactors there. In 2020, a windstorm caused the Duane Arnold nuclear plant in the U.S. to cease operations. The frequency of such extreme weather events is likely to increase in the future.

Therefore, nuclear power is not the right choice to “adapt” to climate change, which requires resilience in power systems. It is also not the appropriate choice for mitigating India’s carbon emissions since it cannot be deployed at the necessary scale. The resources spent on nuclear plants will yield quicker results if they are redirected to renewables.

Given the inherent vulnerabilities of nuclear reactors and their high costs, it would be best for the Government to unambiguously cancel its plans for a nuclear expansion.



POWER AND PROTEST

Union Minister of State Jitender Singh's recent statement in Parliament that the Centre had cleared a proposal to set up a nuclear power plant at Kovvada in Srikakulam district of Andhra Pradesh, abutting the proposed executive capital city of Visakhapatnam, has sparked another round of protests. At the same time, there are also protests at the other end of the State, in Tummalapalle, Kadapa district, over uranium mining and its associated risks to health and environment, as well as issues of rehabilitation and resettlement.

Despite initial protests after the projects were proposed, people from these two regions were more or less convinced about the developmental aspects of the nuclear power plant and uranium mining, and land acquisition was a smooth affair. The expectation was that the governments would meet the requirements, stick to the stipulated norms, and allay fears over safety, health and rehabilitation.

The Kovvada nuclear power plant was first proposed in 2015. The government has acquired over 2,079 acres of land for the plant, which was taken up in association with the U.S. multinational nuclear power reactors supplier, Westinghouse Electric Company. After Mr. Singh's recent statement, the Forum for Development of North Andhra, in a letter to Andhra Pradesh Chief Minister Y.S. Jagan Mohan Reddy, raised concerns over the plant and urged him to pass a resolution to reject it in the State.

The Forum raised concerns over the location of the plant (it is to be set up close to National Highway 16), the rehabilitation of fishermen, and the presence of several industries in the region. As per the guidelines of the Atomic Energy Regulatory Board, human habitation is not allowed within a 1.6-km radius of the plant. People living within 30 km from the plant should be kept ready for evacuation in the event of a disaster. Besides, the Forum wrote, should there be a disaster, the nuclear impact may be felt in places as far as Chhatrapur in Odisha and Kakinada in East Godavari district. Kovvada is located in a dangerous seismic zone, it added. "The plant was initially planned in Gujarat but the State had rejected it and it was eventually shifted to Kovvada," the Forum stated in the letter.

The Uranium Corporation of India Limited's (UCIL) mining in Tummalapalle in Kadapa district has also become controversial for similar reasons. With an estimated 85,000 tonnes of potential uranium deposit, the Tummalapalle mine is touted to be among the world's biggest. After over a decade of mining at the site, there are concerns now over air pollution, ground water contamination and unmet promises. Locals say bore wells have become contaminated. The most common complaints are of skin and respiratory ailments, but more serious health issues have been reported among women. Despite providing assurances, the UCIL has reportedly not provided medical support. The government has responded to these concerns by conducting field-level surveys, but there is no follow up, the people contend. On the rehabilitation front, the villagers are unhappy as a majority of the youth have not been given the promised employment. The company is also accused of failing to provide pensions to those who have crossed 60 years of age.

The people in both these regions have given their lands to the government and are waiting for the latter to fulfil its promises. Meanwhile, Opposition parties and NGOs are beginning to take note of the issues and inaction. The projects, both associated with nuclear energy, have been taken up in national interest. They have already come a long way. It is high time the government took note of the issues on the ground as well as action in the right direction.



DEBUNKING AN URBAN MYTH ABOUT TAJ MAHAL

There are no historical records to prove that Shah Jahan ordered the hands of workers to be chopped off

A monument of national importance, the Taj Mahal is a UNESCO World Heritage Site. UNESCO describes it as a “masterpiece of architectural style in conception, treatment and execution”. This 17th century wonder is again at the centre of multiple narratives driven by ideology. In the process, history is being pushed into the shadows.

The latest attempt at building an ideologically-driven narrative came against the backdrop of Prime Minister Narendra Modi inaugurating the Kashi Vishwanath Dham in December 2021. In an appreciable gesture, Mr. Modi showered flower petals on sanitation workers who work at the Kashi Vishwanath Temple, to thank them for keeping the temple clean. But this heartwarming gesture soon became another reason to criticise the Mughals. Several news channels started comparing Mr. Modi with Mughal emperor Shah Jahan. The point hammered home was that unlike the Prime Minister who had showered flower petals on sanitation workers, Shah Jahan had chopped off the hands of those who had built the Taj Mahal. In their misplaced exuberance, some politicians from the ruling establishment picked up the thread. In no time, social media was flooded with posts suggesting that the hands of workers who had built the Taj Mahal were chopped off.

The fact remains that this is a well-known urban myth. There is no historical evidence to prove that Shah Jahan did this. This urban myth goes back to the 1960s or at least resurfaced around that time. As this controversy has been raked up again, let us revisit written records to salvage the truth.

Builders of the Taj

The Taj Mahal was conceived as a memorial by Shah Jahan for his wife Mumtaz Mahal. UNESCO states that several historical and Quranic inscriptions in the Arabic script have helped us understand how the Taj Mahal was built. Masons, stone-cutters, inlayers, carvers, painters, calligraphers, dome builders and other artisans were requisitioned from the whole empire and also from Central Asia and Iran to construct the monument. UNESCO says: “The Taj Mahal is considered to be the greatest architectural achievement in the whole range of Indo-Islamic architecture... The uniqueness of Taj Mahal lies in some truly remarkable innovations carried out by the horticulture planners and architects of Shah Jahan.”

While we cannot discount the skills and craftsmanship of the artisans and workers, it was indeed the expertise and creative capabilities of the architects and planners, including those from Central Asia and Iran, which gave us this marvel. The supervision of the process, starting from the ideation stage to the conception and execution stage, was entrusted to the Mughal nobles.

Account books and Mughal records say, for example, that Ata Muhammad, a stonemason, was paid ₹500 a month. Shakir Muhammad from Bukhara received ₹400, while Muhammad Sajjad, a mason from Multan, and Chiranjilal, a façade worker from Lahore, were paid ₹590 and ₹800 a month, respectively. The normal wages of such workers were about ₹15 rupees a month, as reflected in period records for trained workers. Therefore, it can be safely assumed that the people quoted in the account books were team leaders who were responsible for certain work. They were perhaps tasked with engaging local and other workers. These huge sums were redistributed among several people.



Also, apart from these masters, architects, calligraphers and organisers feature in historical records. Some of them were, or became part of, the Mughal nobility. The uniqueness of the monument has been attributed to the calligraphy. We know from historic records that this distinguishing feature in the monument was devised and supervised by a noble, Amanat Khan, who was originally a calligrapher from Shiraz in Iran and migrated to the Mughal court with his elder brother Afzal Khan in 1608 CE. He began working in the Imperial Library of emperor Shah Jahan, while Afzal Khan soon rose to become Prime Minister of the empire. Amanat Khan was appointed to design the calligraphy on the mausoleum in Agra, which came to be known as the Taj Mahal. Impressed with his work, Shah Jahan conferred on him the title of 'Amanat Khan' (like an heirloom) and a 'mansab', a land title that ranked with the nobility. Amanat Khan worked on the Taj Mahal for six years. The calligraphy inside the domed hall of the grand mausoleum was completed in 1638. However, just when he completed the most important project of his life, a personal tragedy struck him. Afzal Khan died in Lahore. W. E. Begley, an eminent scholar of Indian and Islamic Art, wrote that the old calligrapher spent his entire income in constructing a memorial for his brother. It is said that Amanat Khan did not return to Iran on the request of his closest friend Ustad Ahmad, who was the chief architect of the Taj Mahal.

Respected architects

Ustad Ahmad was a respected architect who was equated with the nobility of the time. Shah Jahan's court historians emphasise his personal involvement in the construction. More than any other Mughal emperor, he showed great interest in building new magnificent buildings. He held daily meetings with his architects and supervisors.

The court chronicler, Abdul Hamid Lahori, wrote that Shah Jahan would make "appropriate alterations" to whatever the skilful architects had designed after considerable thought and "would ask the architects competent questions". In writings by Lahori's son, Lutfullah Muhandis, two architects are mentioned by name: Ustad Ahmad Lahori and Mir Abd-ul Karim. Ustad Ahmad Lahori had laid the foundations of the Red Fort in Delhi. Mir Abd-ul Karim had been the favourite architect of the previous emperor, Jahangir. Several designers and architects, 37 in all, are mentioned by name in Mughal history. It is probable that they all worked together to shape the Taj Mahal. They include Ismail Afandi (aka Ismail Khan), who had worked for the Ottomans in Turkey as a designer and builder of domes; Qazim Khan, a goldsmith from Lahore, who cast the gold finial that crowns the dome; Chiranji Lal, a lapidary from Delhi, who was chosen as the chief mosaicist; Amanat Khan, the master calligrapher whose signature is inscribed on the Taj gateway; Mohammed Hanif, a master mason from Delhi; and Mukrimat Khan and Mir Abdul Karim from Shiraz, chief supervisors and administrators.

While the efforts and hard work of artisans and workers played a key role in the construction of the monument, we know that projects of this nature and scale are created by the planners and architects. They were all felicitated and rewarded by Shah Jahan for giving shape to his passion and vision. The records conclusively show that the rumours about the chopping of hands were just that: hearsay. For leaders to repeat this myth every now and then only betrays their ignorance and lack of understanding of history.

EXPLAINED: THE LEGACY OF SAVITRIBAI AND JYOTIRAO PHULE

Governor Bhagat Singh Koshyari has recently received flak for his remarks on the social reformist couple Jyotirao and Savitribai Phule. In a video said to have been taken during the inauguration of



Savitribai Phule's statue at the Savitribai Phule Pune University (SPPU) two weeks ago, the Governor can be seen purportedly commenting on the child marriage of the activists.

"Savitribai was married off at the age of 10 and her husband was 13 years old at that time. Now think about it, what must girls and boys be thinking after getting married," Koshyari is purportedly heard saying in the video.

The Governor's remarks were met with outrage, with Maharashtra Deputy Chief Minister Ajit Pawar seeking to draw the Prime Minister's attention to them when he visited the state on Sunday to inaugurate the Pune Metro.

Who were the Phules?

Mahatma Jyotirao and Savitribai Phule stand out as an extraordinary couple in the social and educational history of India. They spearheaded path-breaking work towards female education and empowerment, and towards ending caste- and gender-based discrimination.

In 1840, at a time when child marriages were common, Savitri at the age of ten was married to Jyotirao, who was thirteen years old at the time. The couple later in life strove to oppose child marriage and also organised widow remarriages.

The Phules' endeavours and legacy

Jyotirao, the revolutionary that he was, observed the lack of opportunities for education for young girls and women. He started to educate his wife at home and trained her to become a teacher.

Together, by 1848, the Phules started a school for girls, Shudras and Ati-Shudras in Poona. The historic work was started by Jyotirao when he was just 21 years old, ably supported by his 18-year-old wife.

In 1853, Jyotirao-Savitribai opened a care centre for pregnant widows to have safe deliveries and to end the practice of infanticide owing to social norms. The Balhatya Pratibandhak Griha (Home for the Prevention of Infanticide) started in their own house at 395, Ganj Peth, Pune.

Jyotirao and Savitri did not have biological children, and adopted the child of a widow. Yashwantrao grew up to be a doctor, rendering his services in the 1897 Bubonic plague.

The Satyashodhak Samaj (The Truth-Seeker's Society) was established on September 24, 1873 by Jyotirao-Savitribai and other like-minded people. The Samaj advocated for social changes that went against prevalent traditions, including economical weddings, inter-caste marriages, eradication of child marriages, and widow remarriage.

The Phules also had far-sighted goals — popularising female education, establishing an institutional structure of schools in India, and to have a society where women worked in tandem with men.

BREATHLESS

For five years, Taramani Karmkar, 45, from Galudi village, East Singhbhum district in Jharkhand, worked in a factory (now shut down) that manufactured insulators used in electric poles. Every day, she would gather the silica dust — a by-product of manufacturing — and dispose of it and then clean the factory floor. On the morning of January 25, Taramani died of silicosis. Her sister-



in-law Chinta Karmkar, who worked in the same factory, and her brother, had died of the same disease a few years ago. Today, Sanatan Gope, 35, who worked in the packaging unit of another factory in Musabani village in the same district for six years, is fighting for his life. He says he has trouble breathing and has severe chest pain while talking.

Silicosis is a chronic respiratory ailment caused by inhaling silica dust over a long period of time. Silica is the most abundant mineral compound of sand and many types of rock; silicosis develops when fragments of silica, smaller than 0.5 microns, are inhaled or ingested during silica mining or while working in factories that use silica. The particles get embedded in the alveoli and accumulate in the lungs and respiratory passages causing a thickening of the lungs; symptoms include tightness of chest and shortness of breath.

Without protective gear

East Singhbhum district, where Taramani used to work, is one of the regions in Jharkhand ravaged by silicosis, with some half a dozen villages here severely affected. While the government has not documented every individual who has died of silicosis, according to Samit Kumar Carr, General Secretary of Occupational Safety & Health Association of Jharkhand (OSHAJ), an organisation that works on this issue, over 10,000 people have died of silicosis in the last two decades, almost all of them belonging to tribal and backward communities.

Jharkhand, rich in more than 30 minerals such as coal, cobalt, graphite and silica, contributes significantly to the nation's economy. As for industrial silica, it is used in a wide array of industries, the main ones being glass foundries, construction, ceramics, and chemicals. Sports and leisure facilities also use silica, and it is a raw material for silicon metal. But workers in Jharkhand's mines remain largely neglected. In fact, wages in these industries are so low that workers are unable to afford health checks and X-rays.

"I worked in the production and packaging line of a ramming mass factory for a few years, and I've been having respiratory problems since the beginning, but I didn't pay attention," says Gope. "We were not provided with any kind of protective equipment; several of my colleagues have this disease. It has affected my entire family."

200 of 500 dead

According to Carr, every worker in this sector is impacted by the disease, and anyone affected by it is almost certain to die. Despite this, the government lacks a mechanism to stop or mitigate the scourge of silicosis. With the support of the National Human Rights Commission (NHRC) and the court, OSHAJ tries to provide compensation to the affected people and their families. "Most companies in the sector are named after gods — Krishna and Krishna Minerals, Gajanan Minerals, Chandrika Minerals, Ambika Minerals, Balakrishna Minerals, and Kali Maa Minerals — but work in this sector is killing the workers," says Carr.

A silica ramming unit was launched in Musabani in East Singhbhum in 2008. This unit, affiliated to the factory Taramani worked in, is also shut now, but used to employ some 500 people from Ghatshila, Musabani, Dumaria and other villages. Of them, more than 200 workers are now dead and several more have silicosis. Most companies and factory owners, however, are not concerned about workplace safety or health. Even trade unions don't pay attention to the issue, the majority being solely concerned with salaries and incentives.



Not on record

East Singhbhum Additional District Magistrate (Law and Order) Nandkishore Lal, talking to the media in January had said, "If the relatives of the person who died of silicosis complain at the right time, then we can investigate." But in reality, silicosis deaths aren't even counted in government figures. Doctors are hesitant to use the term 'silicosis' in their reports even if the diagnosis confirms the disease.

According to Carr, many of the doctors in the area, who are hired on contract basis, are ordered not to use the word 'silicosis' because it could put several government departments in the dock: the Department of Health, the Department of Industries, and the Jharkhand State Pollution Control Board. The medical term used instead is 'industrial dust disease and not tuberculosis'.

In 2009, the Supreme Court issued an interim order directing the Ministry of Health and the Ministry of Labour and Employment to provide all necessary assistance to the NHRC for any silicosis-related action. According to the ruling, the NHRC could also investigate proven cases of silicosis and recommend emergency medical help. The NHRC can help in providing compensation to the family of the deceased. In 2010, the Jharkhand government established a cell to identify patients with silicosis. An X-ray machine was installed in a government hospital in Dumka. Ultimately, this cell did not take off.

This January, the Jharkhand government has approved the Factory Silicosis Beneficiary Assistance Scheme to provide compensation to factory workers who suffer from silicosis and to the dependents of workers who have died of silicosis. Taramani died before this could be implemented. The Jharkhand government's January initiative is admirable, but prevention is more important. Entrepreneurs must develop dust management systems and pollution control equipment in silica industries.

It is clear that the only way to eliminate silicosis is through new safety technologies. According to WHO, in countries such as the U.S., where such measures have been taken, the incidence of silicosis has decreased dramatically. And it is for the State to provide financial assistance to private entities that can create protective dust-proof equipment that stop particles as small as 0.5 microns.

"If we want to eliminate silicosis from the root, we have to work towards automating the silica industry. Manual work will have to be stopped completely," says Carr. "Meanwhile, the government must mandate dust-pollution control equipment, supervisors, and safety inspectors to make the workplace safer."

GPS-FITTED TURTLES PLAY FAST AND LOOSE WITH BORDERS, ENTER BANGLADESH

Animals know no international boundaries and this has come as some sort of a surprise and challenge to experts and forest officials who installed GPS transmitters on the northern river terrapin in the Indian Sundarbans.

In just six weeks after the release, at least three of the 10 turtles of the critically endangered Batagur baska species have travelled hundreds of kilometres and are now in Bangladesh.

Shailendra Singh, director of Turtle Survival Alliance India (TSA), who played an important role in the conservation and release of the turtles, said that the animals with transmitters had traversed hundreds of kilometres and in the case of one turtle that was in Bangladesh at present, the dispersal has been about 400 km.



'Three cross over'

"There are three turtles that have entered Bangladesh. In the case of maximum dispersal, the animal descended from the release site in Indian Sundarbans, crossed the sea and Bangladesh Sundarbans, and is now in its fringe area," Dr. Singh said.

Of the three turtles in Bangladesh, one was caught by fishermen in Bangladesh who removed the transmitter from the animal.

"Fortunately, there was a telephone number on the transmitter and somehow the fishermen contacted the TSA office and we approached officials of the Sundarbans Tiger Reserve. We are trying to bring the turtle back to India," Dr. Singh said. Of the 10 animals released with the transmitter, signals are coming from six: four from India, and two from Bangladesh.

Experts have pointed out that five of the animals have descended down from the site of release in the Sundarbans and moved south. Justin Jones, Deputy Director of the Sundarbans Tiger Reserve, said that the turtle had been rescued by the Bangladesh Forest Department.

The population of the northern river terrapin, a freshwater turtle, had reached critical limits about 15 years ago when experts and forest officials were not sure about any surviving population of the freshwater turtles in the Sundarbans.

In 2008, a joint exploration of swamps mangroves and tidal creeks by the TSA and Sundarban Tiger Reserve located a cohort of eight males, three females, and one juvenile in a pond at the Sajnekhali Interpretation Center.

In 14 years, the conservation breeding of the species, categorised as critically endangered by International Union for Conservation of Nature Red List, has been a success with almost 12 adults and close to 370 juveniles of the species.

EXPLAINED: HOW MANY TIGERS ARE TOO MANY

Preliminary findings of a study by the Wildlife Institute of India (WII) suggest that the density of tigers in the Sunderbans may have reached the carrying capacity of the mangrove forests, leading to frequent dispersals and a surge in human-wildlife conflict.

Prey, eat, breed

Availability of food and space is the primary factor that determines how many tigers a forest can hold. And often, food is space for the tiger.

While they are known to establish vast ranges — the male in particular strives to control multiple females with typically smaller ranges — how far a tiger will range is determined by the abundance of prey in its forest.

In the Terai and Shivalik hills habitat — think Corbett tiger reserve, for example — 10-16 tigers can survive in 100 sq km. This slides to 7-11 tigers per 100 sq km in the reserves of north-central Western Ghats such as Bandipur, and to 6-10 tigers per 100 sq km in the dry deciduous forests, such as Kanha, of central India.



The correlation between prey availability and tiger density is fairly established. There is even a simple linear regression explaining the relationship in the 2018 All-India Tiger report that put the carrying capacity in the Sunderbans “at around 4 tigers” per 100 sq km.

A joint Indo-Bangla study in 2015 pegged the tiger density at 2.85 per 100 sq km after surveying eight blocks spanning 2,913 sq km across the international borders in the Sunderbans. “Low density of tigers in the Sundarbans is an inherent attribute of the hostile mangrove habitat that supports low tiger prey densities,” it said.

The ongoing WII study indicates a density of 3-5 tigers in the Sunderbans. Given that 88 (86-90) tigers were estimated in 2,313 sq km of the Sundarbans in 2018, the population has been close to its so-called saturation point in the mangrove delta for some time.

Conflict: cause or effect

The consequence, as classical theories go, is frequent dispersal of tigers leading to higher levels of human-wildlife conflict in the reserve peripheries. But, experts say, carrying capacity and conflict may also pose a chicken-and-egg conundrum.

While physical (space) and biological (forest productivity) factors have an obvious influence on a reserve’s carrying capacity of tigers, what also plays a crucial role is how the dispersal of wildlife is tolerated by people — from the locals who live around them to policymakers who decide management strategies.

While this not-so-discussed social carrying capacity assumes wider significance for wildlife living outside protected forests, it is an equally important factor in human-dominated areas bordering reserves where periodic human-wildlife interface is inevitable. More so when different land uses overlap and a good number of people depend on forest resources for livelihood.

Imagine a 1,000 sq ft terrace apartment. In theory, it can accommodate, say, 20 people at 50 sq ft per person. Put in place some furniture — think roads, traffic, encroachment — and that capacity will fall. It will slide further if no one is allowed to step out in the common terrace where they are targeted by hostile neighbours who consider them a threat.

That’s how potential carry capacity may shrink in a reserve. Perceived conflict can squeeze the tiger’s domain, which the animal is bound to overstep from time to time, leading to further conflict with no immediate winners.

The way ahead

Artificially boosting the prey base in a reserve is often an intuitive solution but it can be counter-productive. While tackling external factors, such as bushmeat hunting, is necessary to ease pressure on the tiger, the government’s policies have discouraged reserve managers from striving to increase tiger densities by artificial management practices of habitat manipulation or prey augmentation.

To harness the umbrella effect of tigers for biodiversity conservation, experts say, it is more beneficial to increase areas occupied by tigers. For many, the prescription is to create safe connectivity among forests and allow tigers to disperse safely to new areas. But though vital for genes to travel and avoid a population bottleneck, wildlife corridors may not be the one-stop solution for conflict.



First, not all dispersing tigers will chance upon corridors simply because many will find territories of other tigers between them and such openings. Even the lucky few that may take those routes are likely to wander to the forest edges along the way. Worse, the corridors may not lead to viable forests in reserves such as Sunderbans, bounded by the sea and villages.

Little choice

While it has never been easy to share space with wildlife, particularly carnivores, the contours of conflict largely depend on the local perception of animals. It ranges from minding one's own business based on the assurance gathered over generations that, left alone, animals rarely pose physical danger, to mobilising demand for removal at sight.

However, as several studies have shown, removing tigers or any wildlife cannot eliminate the chances of future interface as another lot invariably turns up. The remedy, experts say, lies in smarter land use to minimise damage and adequate incentives to promote acceptance of wildlife.

Generous compensation policies can take care of the financial cost of losing livestock or crops, or wasted man hours when a workplace is avoided due to a passing tiger. Besides, the percolation of financial benefits of having charismatic wildlife in the neighbourhood can also nudge some towards better tolerance.

Ultimately, it is the people of the Sunderbans who will decide how many tigers can be accommodated in their neighbourhood. In a landscape squeezed in by climate change, rising sea level and salinity, their future is nearly as precarious as the tiger's. It is for the policymakers to give them enough reasons to make a balanced choice.

DEEPAK DHAR, JOHN J. HOPFIELD CHOSEN FOR BOLTZMANN MEDAL

Deepak Dhar, physicist, from the Indian Institute of Science Education and Research, Pune, has been selected for the Boltzmann medal, awarded by the Commission on Statistical Physics (C3) of the International Union of Pure and Applied Physics. He becomes the first Indian to win this award, which was initiated in 1975, with Nobel laureate (1982) K.G. Wilson being the first recipient. He shares the platform with American scientist John J. Hopfield who is known for his invention of an associative neural network, now named after him. The award consists of the gilded Boltzmann medal with the inscription of Ludwig Boltzmann, and the chosen two scientists will be presented the medals at the StatPhys28 conference to be held in Tokyo, 7-11 August, 2023.

Prof. Dhar, who was formerly at the Tata Institute of Fundamental Research, Mumbai, has been chosen for this award for his seminal contributions in the field of statistical physics, including exact solutions of self-organised criticality models, interfacial growth, universal long-time relaxation in disordered magnetic systems, exact solutions in percolation and cluster counting problems and definition of spectral dimension of fractals, according to the website of the C3 Commission.

It is noteworthy that the last item, namely, the definition of the spectral dimension of fractals, relates to the work he did as a PhD student at California Institute of Technology, in the U.S. The award, in effect, marks out his lifetime's achievement.



BUSINESS & ECONOMICS

CABINET NOD FOR NEW FIRM TO MONETISE LAND ASSETS

The Union Cabinet on Wednesday approved the setting up of a new government-owned firm for pooling and monetising sovereign and public sector land assets.

The National Land Monetisation Corporation (NLMC) is being formed with an initial authorised share capital of ₹5,000 crore and paid-up capital of ₹150 crore.

Chairman to head NLMC

The government will appoint a chairman to head the NLMC through a “merit-based selection process” and hire private sector professionals with expertise.

The NLMC will undertake monetisation of surplus land and building assets of Central public sector enterprises (CPSEs) as well as government agencies.

“The government would be able to generate substantial revenues by monetising unused and under-used assets,” an official statement said.

The proposal is in pursuance of the Budget announcements for 2021-22, which included an ambitious National Monetisation Pipeline to garner revenues from public assets.

The new corporation will also help carry out monetisation of assets belonging to public sector firms that have closed or are lined up for a strategic sale.

As per the plan, the surplus land and building assets of such enterprises may be transferred to the NLMC, which will then manage and monetise them.

Apart from executing the monetisation plan, the NLMC will advise other government entities to identify their non-core surplus assets and ‘generate maximum value’ by monetising them ‘in a professional and efficient manner’.

BUDGET’S INFRA PLANS MAY TAKE A HIT AS WAR FALLOUT SPILLS OVER

Government-led spending plans, leveraging infrastructure and capital expenditure to revive growth in the Budget for next fiscal, runs the risk from the uncertainties emanating from the ongoing Russia-Ukraine conflict. There are multiple red flags: Rising price pressures are expected to strain government finances, both of the Centre and the states, thereby limiting their capacity to undertake expenditure projects.

Oil prices-led inflation is expected to lead to second order effects, even as surging bond yields may force the Reserve Bank of India to reverse its accommodative stance sooner than later and make the central bank’s debt management task even tougher. These factors, combined, are anticipated to have a negative bearing on GDP growth next year.

A weak rupee will add to the pressure of import bills, already inflated by higher crude oil prices, and also disrupt the estimated savings for subsidies in the Budget, with the fertiliser subsidies expected to overshoot the Revised Estimates. The Budget math will be directly impacted as the Economic Survey 2021-22 projected oil prices in range of \$70-75 per barrel for the next year while



also highlighting several risks to this key assumption going wrong. Crude oil imports are nearly 20 per cent of the country's import bill.

Revenue expenditure could shoot up from Budget Estimates, as the fertiliser subsidy bill, which was budgeted lower for 2022-23 by Rs 34,900 crore than the 2021-22 Revised Estimate, would require a significant upward revision, he said. Along with higher food subsidies, this may result in lower capital expenditure or higher fiscal deficit and borrowing.

Sustained high oil prices pose a risk for inflation as every \$10 increase in oil prices lifts retail inflation by 20-25 bps, widens the current account gap by 0.3 per cent of GDP and poses an approximate 15-bp downside risk to growth, DBS Bank said in a note dated March 1. The current account deficit (CAD) is likely to widen by \$14-15 billion (0.4 per cent of GDP) for every \$10/barrel rise in the average price of the Indian crude basket, rating agency Icria said. "If the price averages \$130/bbl in FY23, then the CAD will widen to 3.2 per cent of GDP, crossing 3 per cent for the first time in a decade," it said.

A prolonged war between Russia and Ukraine and the resultant supply disruptions could push up global crude oil prices to \$185-200 per barrel, as per some industry estimates. The oil shock could have adverse effects on the economy, which is already running a high fiscal deficit, pegged at 6.4 per cent of GDP in 2022-23. This is resulting in yields on both Central and state government bonds rising sharply in the past couple of weeks, crimping their ability to borrow for the capex plans.

"The SDL (state development loans) yields show today that not only have the cut-offs increased but also the spread over G-Sec (Central government security) has increased. There has been an increase of 11-13 bps in yields on the 10 year paper of states like Gujarat, Haryana and Tamil Nadu. This also pushes up the cost of borrowings of states which still have a way to go in terms of completing their borrowing programme, unlike the centre which has no plan for any further market borrowing," Bank of Baroda chief economist Madan Sabnavis said.

Since the Union Budget also sought to push capital expenditure at state levels, rising borrowing costs and slowing growth could put a spanner in the works of this capex-led revival strategy. Some states have already indicated that they might not avail themselves of a line of credit offered by the Centre in the Budget for targeted capex programmes.

EXPLAINSPEAKING: WILL SOARING OIL PRICES CAUSE 'STAGFLATION' IN INDIA?

Early reports on Monday morning suggest that crude oil prices soared and touched almost \$140 per barrel mark. While oil prices have been going up quite steadily — they were less than \$70 a barrel in December — the most immediate trigger for the spike is the possible decision by the United States to ban the purchase of Russian oil in response to the invasion of Ukraine. Russia is the world's second-largest oil producer and, as such, if its oil is kept out of the market because of sanctions, it will not only lead to prices spiking, but also mean they will stay that way for long.

While India is not directly involved in the conflict, it will be badly affected if oil prices move higher and stay that way. India imports more than 84% of its total oil demand. At one level, that puts into perspective all the talk of being Atmanirbhar (or self-reliant). Without these imports, India's economy would come to a sudden halt — both metaphorically as well as actually.

Thanks to the compulsions of electoral politics following the Assembly elections, Indian consumers have been shielded from the rise in fuel prices since December. The more recent jumps might imply domestic oil prices going up significantly, presuming the governments — both Centre



and state — do not cut taxes. Higher oil prices will further increase inflation and raise the general price level.

A 10 per cent increase in crude oil prices raises wholesale inflation by 0.9 per cent and retail inflation by 0.5 per cent. To further put this into perspective, just between February 24 and March 3, crude oil prices went up by more than 20 per cent (see CHART 1). These are worrying numbers because inflation — both wholesale and retail — has been a matter of concern for a long while now.

Higher inflation would rob Indians of their purchasing power, thus bringing down their overall demand. Readers will recall that the biggest concern in India's GDP growth story is the weak consumer demand. In other words, people are not demanding enough for the economy to grow fast. Private consumer demand is the biggest driver of growth in India. Such aggregate demand — the monetary sum of all the soaps, phones, cars, refrigerators, holidays etc. that we all spend on in our personal capacity — accounts for more than 55% of India's total GDP. Higher prices will reduce this demand, which is already struggling to come back up to the pre-Covid level. Fewer goods and services being demanded will then disincentivise businesses from investing in new capacities, which, in turn, will exacerbate the unemployment crisis and lead to even lower incomes.

As it is, even before the Ukraine crisis, India's GDP growth gave signs of faltering. The Q3 (October to December) GDP data, which was released in February-end, suggested that the economy grew by just 5.4% in a quarter which typically enjoys a bump because of the increased demand due to several festivals (such as Diwali). What's more, Covid cases were most muted during this quarter. To grow at less than 6% did not augur well. Especially since Q4 (Jan to March, which is currently underway) is likely to be even weaker — both because of the Omicron impact as well as the now unfolding Ukraine crisis.

Unsurprisingly, analysts have been revising their forecasts for India — down for growth and up for inflation. "We recently lowered our 2022 GDP growth forecast to 7.7 per cent from 7.9 per cent, while raising the inflation forecast to 6.3 per cent from 5.8 per cent," writes Priyanka Kishore, Head of India and South East Asia Economics at Oxford Economics in a recent note.

But these are some of the milder reactions. One big fear is that such a sudden and sharp spike in oil prices may push a relatively vulnerable economy like India into stagflation.

What is Stagflation?

Stagflation is a portmanteau of stagnant growth and persistently high inflation. It, thus, describes a rather rare and curious condition of an economy.

Iain Macleod, a Conservative Party MP in the United Kingdom, is known to have coined the phrase during his speech on the UK economy in November 1965. He reportedly said: "We now have the worst of both worlds— not just inflation on the one side or stagnation on the other, but both of them together. We have a sort of "stagflation" situation. And history, in modern terms, is indeed being made."

Typically, rising inflation happens when an economy is booming — people are earning lots of money, demanding lots of goods and services and as a result, prices keep going up. When the demand is down and the economy is in the doldrums, by the reverse logic, prices tend to stagnate (or even fall).



But stagflation is a condition where an economy experiences the worst of both worlds — the growth rate is largely stagnant (along with rising unemployment) and inflation is not only high but persistently so.

How does one get into Stagflation?

The best-known case of stagflation is what happened in the early and mid-1970s. The OPEC (Organisation of Petroleum Exporting Countries), which works like a cartel, decided to cut crude oil supply. This sent oil prices soaring across the world; they were up by almost 70%.

This sudden oil price shock not only raised inflation everywhere, especially in the western economies but also constrained their ability to produce, thus hampering their economic growth. High inflation and stalled growth (and the resulting unemployment) created stagflation.

Is India facing stagflation?

In the recent past, this question has gained prominence since late 2019, when retail inflation spiked due to unseasonal rains causing a spike in food inflation. In December 2019, it was also becoming difficult for the government to deny that India's growth rate was witnessing a secular deceleration. As revised estimates, released in January end, now show, India's GDP growth rate decelerated from over 8% in 2016-17 to just 3.7% in 2019-20.

However, the answer to this question in December 2019 was a clear no. For one, in absolute terms, India's GDP was still growing, albeit at a progressively slower rate. At that time, the government was convinced that things would turn around soon after a lull of 2-3 years. Two, while inflation was high, it was seen to be transitory — only caused by unseasonal rains. Stagflation requires inflation to be not just high but also persistent over a long period.

Then in late 2020, this question again reared its head because by October that year it was clear that India's GDP was actually going to contract in the wake of the Covid pandemic. India did go into what is called a technical recession. Making matters worse was the fact that inflation had still not abated. On the contrary, everyone, including the RBI, was getting unpleasantly surprised by the sustained surge in prices despite considerable destruction in demand. The answer, however, was still no as this piece explains.

Since December 2021, again, there have been several notable voices — such as former World Bank Chief Economist Kaushik Basu and former West Bengal Finance Minister Amit Mitra — claiming that India is facing stagflation.

In fact, last week, Sergi Lanau, the Deputy Chief Economist at the Institute of International Finance (which is the global association of the financial industry, with more than 450 members from more than 70 countries) tweeted with two sets of data to argue that India was already in stagflation.

"India is in stagflation. Consensus growth of 7.8% in FY23 implies a big gap relative to pre-covid pre-shadow banking crisis trend output. And yet core inflation is running at more than 5% net of base effects. An ultra-dovish RBI seems to worry about output the most," he stated.

In Chart 2, Lanau showed how even core inflation, which typically removed the effect of food price spikes and fuel price spikes, has been persistently high in comparison to the RBI's target of 4% for the headline (which includes the higher fuel and food prices) retail inflation.



But even now not everyone is convinced.

Rathin Roy, currently managing director of ODI (a global think tank) in London and formerly the Director and CEO of the National Institute of Public Finance and Policy (NIPFP) in New Delhi, dismisses the talk of stagflation.

He argues that the Covid disruption was a shock to the trend growth of India's economy. "You can't talk about stagflation when there has been a trend shock. The entire theory (of stagflation) rests on the economy not achieving the trend because all these things are measured with reference to that trend. So if the trend growth rate itself has changed as a consequence of Covid then how can you talk about stagflation?" he asks.

Still, can the latest spike in oil prices send India into stagflation?

While it may be debatable whether India is already in stagflation or not, it cannot be denied that if oil prices stay high and for long, the inflation situation will worsen considerably. According to some reports, crude oil prices could go up to \$185 by the end of the year. Even if they do not go that high, the average prices will perhaps hover at levels above \$100. Since oil is such a basic cost in our economy, this spike will likely ensure that Indians suffer from high inflation especially since it would be coming after two years of already raised prices and reduced incomes.

The other requirement is stalling growth. The Unemployment rate (or in India's case the Employment rate) is a good marker of whether the current levels of growth have been adequate or not. India is facing the most acute unemployment crisis it has seen in the past five decades — even government own data shows this. High inflation will most likely further inhabit any broad-based recovery in demand. Of course, the tiny sliver of rich Indians will continue to consume but the bulk of India could continue to struggle.

So, yes, unlikely as it may be, it can be argued that if crude oil continues to spike and stays high for long even as India's GDP growth momentum fails to gather pace, we could be looking at stagflation in the near future.

COMMODITY CRUNCH

The story so far: Commodity prices have gone into a tizzy after Russian forces invaded Ukraine last month. The Bloomberg Commodity Index recorded its biggest weekly rally since 1960 last week with gains of 13%. Many fear that a drop in the supply of essential commodities such as oil, metals, and agricultural goods could negatively affect the global economy that is still recovering from the pandemic. The price of Brent crude oil on Thursday almost hit \$120 per barrel, the highest in a decade.

Why are commodity prices shooting up?

The military conflict between Russia and Ukraine has led to disruptions in the global commodity supply chain. Commodity traders have been unwilling to purchase oil and other commodities from Russia fearing that they may be unable to sell them in the global market due to sanctions imposed by Western governments. The United States and European Union have been taking measures to debilitate Russia's economy by cutting Russian banks off the SWIFT payment messaging system and freezing Russia's foreign reserves.



There are also logistical difficulties in transporting commodities from war zones. Exports from the region have already been affected and are likely to be further hit going forward, and this risk has been priced in by traders. It should be noted that in 2020 Russia produced about 12% of the world's oil and about 16% of the world's natural gas. It also produced nearly half of the world's palladium (the shiny white metal which is a critical component in catalytic converters — a part of a car's exhaust system that controls emissions, for example). Ukraine, on the other hand, supplies about 12% of global wheat exports and 13% of global corn exports. In fact, the country supplied almost 90% of China's corn imports in 2019. Disruptions in such significant commodity supplies can affect global commodity prices.

At the same time, suppliers in other parts of the world have failed to increase their production to make up for the loss of output in Russia and Ukraine. The Organisation of the Petroleum Exporting Countries (OPEC), for instance, has made no effort to increase its output despite repeated calls by various world leaders to ensure energy security. In fact, the OPEC meet last week was wrapped up in minutes.

Is commodity inflation just about the Russia-Ukraine war?

No. Commodity prices have risen significantly since at least 2021 when lockdowns were slowly lifted by governments and economies were allowed to open up. It should be noted that, owing to various frictions in the global economy, it took a while for supply chains disrupted by lockdowns to return to normalcy. The supply of goods was limited and this scarcity was reflected in the form of higher prices. Some analysts have also blamed policies in several countries to replace fossil fuels with renewable energy as a possible reason behind the increase in commodity prices. The emphasis on renewable energy, they argue, has discouraged investors from investing in the production of traditional fossil fuels. Meanwhile, the pandemic also witnessed major global central banks such as the U.S. Federal Reserve and the European Central Bank injecting massive amounts of fresh money into their economies. This led to an increase in the demand for all goods and services and caused their prices to rise. In short, too much money printed by central banks chasing too few goods has led to a rapid increase in commodity prices.

Global commodity prices, as measured by the Bloomberg Commodity Index, have risen by over 60% since the start of 2021. Meanwhile, the price of an essential commodity like oil has risen even more.

What lies ahead?

The course of the Russia-Ukraine war, which is unpredictable at the moment, will naturally affect the price of commodities going forward. The hit to commodity supplies could be greater the longer the war lasts and the uglier it gets. It should be noted that cutting off Russia's economy from the rest of the world can affect not just Russia but also affect businesses and consumers that depend on the Russian economy. Countries like Germany, for instance, rely heavily on energy supplies coming from Russia. This could be why the West is yet to impose sanctions on Russia's export of crude oil and natural gas. It is not just Russia that will suffer from the war and sanctions but also the rest of the world. Also, as the global economy struggles to grow while prices rise fast, analysts have warned about the risk of stagflation, which is marked by high price inflation and low growth.



COVID, LOCKDOWN HIT MSMEs HARDEST, THEIR BAD LOANS SPIKED RS 20,000 CRORE IN 2020-21

The slowdown in the economy in the wake of the Covid pandemic in the last two years seems to have hit the micro, small and medium enterprises (MSMEs) the most despite a host of loan restructuring schemes and packages announced by the Reserve Bank of India (RBI) and the government.

Gross non-performing assets (NPAs) of MSMEs, or loans defaulted by these enterprises, rose by Rs 20,000 crore to Rs 1,65,732 crore as of September 2021 from Rs 1,45,673 crore in September 2020, the RBI said in response to a Right to Information (RTI) application by The Indian Express.

According to the RBI, bad loans of MSMEs now account for 9.6 per cent of gross advances of Rs 17.33 lakh crore as against 8.2 per cent in September 2020. In fact, MSME bad loans had declined from Rs 1,47,260 crore (8.8 per cent of advances) in September 2019, only to pick up again in 2021.

Public sector banks accounted for the bulk of MSME NPAs at Rs 1,37,087 crore, the RBI says. Among state-owned banks, PNB had MSME NPAs of Rs 25,893 crore as of September 2021, followed by State Bank of India Rs 24,394 crore, Union Bank Rs 22,297 crore and Canara Bank Rs 15,299 crore, the RBI says.

A loan turns into a non-performing asset when principal or interest becomes overdue after 90 days.

The rise in bad loans happened even after the RBI announced four loan restructuring schemes for MSMEs in January 2019, February 2020, August 2020 and May 2021. Loans of as many as 24.51 lakh MSME accounts worth Rs 1,16,332 crore were restructured under these schemes. Under the May 2021 circular issued by the RBI, loans for Rs 51,467 crore were restructured, according to the RBI's 'Trend and progress of banking' report.

According to the RBI definition, a micro unit's investment should not exceed Rs one crore and turnover Rs 5 crore, small units' investment should not exceed Rs 10 crore and turnover Rs 50 crore and a medium enterprise's investment should not be more than Rs 50 crore and turnover Rs 250 crore.

The MSME sector was among the most pandemic afflicted sectors. Thousands of MSMEs either shut down or became sick after the government announced a nationwide strict lockdown in March 2020 in the wake of the Covid pandemic. To revive activity, the RBI and the government introduced several measures including the Emergency Credit Line Guarantee Scheme (ECLGS) which provided Rs 3 lakh crore of unsecured loans to MSMEs and business. The RBI also extended the scheme of one-time restructuring of loans to MSMEs without an asset classification downgrade and permitted bank lending to NBFCs (other than MFIs) for on-lending to agriculture, MSMEs and housing to be classified as priority sector lending (PSL).

Banking sources said the restructuring schemes and packages didn't benefit thousands of units which were already in default. This is because to be eligible under the ECLGS scheme, borrower accounts were to be less than or equal to 60 days due as on February 29, 2020.



According to the RBI's Financial Stability Report, credit to the MSME segment slowed down (y-o-y) by the end of September 2021 vis-a-vis March 2021. The decline was particularly noticeable in the sub Rs 25 crore ticket size across major bank groups.

Under the ECLGS, loans amounting to Rs 2.82 lakh crore were sanctioned till November 12, 2021, of which Rs 2.28 lakh crore was disbursed (Rs 1.94 lakh crore by commercial banks, forming 20.6 per cent of the incremental credit during the period), it said.

UPI123PAY: PAYMENT SOLUTION FOR FEATURE PHONE USERS

The story so far: On March 8, the Reserve Bank of India launched a new Unified Payments Interface (UPI) payments solution for feature phone users dubbed 'UPI123Pay'. UPI, which was introduced in 2016, has become one of the most used digital payments platforms in the country. The volume of UPI transactions has already reached ₹76 lakh crore in the current year, compared to ₹41 lakh crore in FY21, RBI Governor Shaktikanta Das said. However, at present, efficient access to UPI is available largely via smartphones, the Central bank noted.

How does the new solution work?

The new UPI-based service is designed to bring the digital payments platform closer to a significant number of feature phone mobile subscribers in the country, which is estimated to be more than 40 crore. UPI123Pay will materially improve the options for such users to access UPI, who could earlier access the digital transactions platform through the USSD-based process, using the short code of *99#, which according to RBI is not popular. The USSD-based process is considered cumbersome, with users required to send multiple messages and charged for the same, and not supported by all mobile service providers, T Rabi Shankar, RBI Deputy Governor, noted.

With the UPI123Pay, feature phone users will be required to go through an onboarding process where they have to link their bank account to their feature phone and then set a UPI PIN using their debit card for authenticating transactions. Once they have completed this initial process, users will be able to use the new UPI facility for person-to-person as well as merchant transactions, among others, through one of the four distinct payment options that don't require an internet connection.

"The launch of UPI123Pay makes facilities under UPI accessible to that section of society which was so far been excluded from the digital payments landscape. In that way, it is promoting great amount of financial inclusion in our economy," Mr. Das said.

How will users make payments without internet?

The new UPI payments system offers users four options to make payments without internet connectivity: Interactive Voice Response (IVR), app-based functionality, missed call facility and proximity sound-based payments. Using the IVR option, users would be required to initiate a secured call from their feature phones to a predetermined IVR number and complete UPI onboarding formalities to be able to start making financial transactions like money transfer, mobile recharge, EMI repayment, balance check, among others.

The missed call facility will allow users to access their bank account and perform routine transactions such as receiving, transferring funds, regular purchases, bill payments, etc., by giving



a missed call on the number displayed at the merchant outlet. The customer will receive an incoming call to authenticate the transaction by entering UPI PIN.

They could also install an app on their feature phone through which several UPI functions, available on smartphones, will be available on their feature phone, except scan and pay feature which is currently not available.

Finally, they could utilise the proximity sound-based payments option, which uses sound waves to enable contactless, offline, and proximity data communication on any device.

Do other countries have something similar?

Mobile payment systems that do not rely on internet connectivity like the ones based on USSD or SMS technology were introduced many years ago and are still being used in some developing countries.

In fact, one of the major mobile payment systems globally was introduced by Vodafone's Kenyan associate, Safaricom in 2007. M-PESA, which is Africa's leading mobile money service, operates across the Democratic Republic of Congo, Egypt, Ghana, Kenya, Lesotho, Mozambique and Tanzania, with 51 million customers making over \$314 billion in transactions per year through the service, according to Vodafone.

EXPLAINED: WHAT DOES RBI'S \$5 BILLION DOLLAR-RUPEE SWAP MEAN?

The Reserve Bank of India (RBI) on Tuesday conducted a \$ 5 billion dollar-rupee swap auction as part of its liquidity management initiative, leading to infusion of dollars and sucking out of the rupee from the financial system. The central bank's move will reduce the pressure on inflation and strengthen the rupee.

What has been the response?

The RBI's planned forex swap auction went through smoothly. The central bank said it received bids worth \$13.56 billion for the sell/buy auction. It accepted 86 of these bids for \$5.135 billion. The cut-off premium was set at 656 paise. The first leg of the settlement will be March 10, 2022 and the second leg will be March 11, 2024.

What happened during the swap auction?

The RBI sold \$5.135 billion to banks on March 8 and simultaneously agreed to buy back the dollars at the end of the swap settlement period. When the central bank sells dollars, it sucks out an equivalent amount in rupees, thus reducing the rupee liquidity in the system. Dollar inflow into the market will strengthen the rupee which has already hit the 77 level against the US dollar.

The swap auction can be done in the reverse way also when there is shortage of liquidity in the system. The RBI then buys dollars from the market and releases an equivalent amount in the rupees.

What's the impact of the swap?

The RBI would have removed close to Rs 39,000 crore (\$5.135 billion) at Monday's rupee closing rate of 76.91 per dollar. The major impact will be that liquidity which currently averages around Rs 7.6 lakh crore will shrink. The RBI normally brings down liquidity in the system when inflation



threatens to rise sharply. With crude oil prices rising sharply in the wake of the Russia-Ukraine war, inflation is set to rise in the coming days.

Further, foreign portfolio investors have been pulling out funds from India. They have withdrawn Rs 34,000 crore from Indian stocks in March so far, putting severe pressure on the rupee. After the swap auction on Tuesday, the rupee recovered to 76.92 from 76.97 on Monday.

More such measures on the cards?

With the rupee under pressure and inflation posing a big risk to the economy, the central bank is expected to come out with more such measures to rein in inflation and prevent a big slide in the rupee. The market is also gearing up for more RBI actions in the near future. “The key to effective liquidity management is the ‘timing’ and having a nuanced and nimble footed approach that responds swiftly to the manner in which liquidity tilts,” the RBI said in the policy review on February 10.

A HOUSE OF CARDS

The Sunday evening arrest of Chitra Ramkrishna, the former MD and CEO of India’s largest stock exchange, by the Central Bureau of Investigation (CBI), should change the course of what has been a laid-back probe into alleged misuse of exchange data by market players and jarring — even surreal — governance lapses. A Delhi court has granted CBI sleuths seven days to interrogate the former National Stock Exchange (NSE) boss, about a month after the stock market watchdog, SEBI, passed a 190-page order that has made headlines for its assertions about Ms. Ramkrishna sharing confidential internal information with an unknown person. Separately, the CBI has got extended custody of Anand Subramanian, the NSE’s former group operating officer, hired ostensibly at the behest of the unknown yogi, disregarding the kind of internal controls and governance norms one expects from an institution of such systemic importance in the financial markets. The catchy details must not detract from the larger questions arising from the deployment of co-location services and the lacunae in India’s oversight mechanisms over its capital markets reflected in the multi-layered failure to crack down on the wrongdoings at the NSE.

The co-location services offered by the NSE, which give market operators willing to pay a premium a headstart on exchange trading data and refine their own algorithms for high-frequency trades, are permitted by SEBI but were ostensibly misused by certain players. The NSE’s case entails an unfair advantage provided to some brokers within its co-location user community. Whatever the defenders of such services may say, the premise of giving players with deeper pockets quicker and more information than the average retail investor does not gel with an open market philosophy. That institutional mechanisms, from the NSE’s board and auditors, to SEBI, an independent regulator accountable to Parliament, have not delivered, is a larger worry. Nearly three years have passed between SEBI’s ₹624 crore fine on the NSE for misuse of its co-location services, and the latest order against its former top brass. A matter where the sanctity of the entire market comes under a cloud should have been treated with a tad more urgency. The CBI special court has observed that SEBI, which began this probe in 2016, has been ‘too kind and gentle’, while the CBI, after filing an FIR in 2018, has been ‘most lackadaisical’. With a new SEBI chief in place, the Government, led by the Finance Minister who is reviewing the handling of the NSE case, must ensure some deterrent action is accompanied by a review of checks and balances in current governance structures.



AN OUTSIDER WITH INSIDER'S INSIGHTS

At a time when the markets regulator is in the spotlight in the wake of its order on governance lapses at the country's largest stock exchange, the National Stock Exchange, the Appointments Committee of the Union Cabinet, on Monday, named former banker and securities market executive Madhabi Puri Buch as the new chairperson of the Securities & Exchange Board of India (SEBI).

Ms. Buch becomes not only the first woman to head SEBI in the more than 30 years since its founding, but also the first former private-sector top-level executive to head the markets regulator.

The IIM-Ahmedabad alumna, who took the helm at SEBI on March 2, is however, not a complete outsider to the regulator, having spent more than four years — between April 2017 and October 2021 — as a whole-time member. During that stint, she oversaw a broad range of portfolios that stretched from the regulation and surveillance of markets and market intermediaries to economic and policy analysis.

It is this combination of the deep insight and hands-on experience gleaned from the three decades Ms. Buch spent working in various capacities in the private financial sector and securities industry and the more contemporary appreciation of the regulator's perspective that could stand her in good stead as SEBI grapples with the new-age regulatory challenges.

Appointed for a tenure of three years, Ms. Buch will have her task cut out on multiple fronts.

SEBI's brief has also been expanded in recent years and the new incumbent at the top will need to quickly adapt the regulator's approaches to the varying needs of different sectors.

Besides regulating the capital and commodities markets, SEBI will now also regulate the Gold Spot Exchange, Special Purpose Acquisition Companies (SPAC), and the Social Stock Exchange among others.

With markets worldwide currently experiencing extreme volatility in the wake of Russia's invasion of Ukraine and the resultant sanctions on Moscow, Ms. Buch will need all her experience to help calm investor nerves even as she seeks to reassert the primacy of governance standards at companies and market intermediaries.

SKIES WIDE OPEN

The Government's decision to allow scheduled commercial international flights to resume operations from later this month will come as a big relief to the travel, tourism and hospitality sectors, which have been among the hardest hit by the pandemic. The International Air Transport Association estimates that the global aviation industry suffered about \$201 billion in losses between 2020 and 2022 due to COVID-19 and the accompanying curbs on overseas travel and domestic mobility. The tourism and hospitality industry largely feeds off the aviation sector for its earnings and jobs growth, evident from estimates that in 2020 — the year of lockdowns — India's foreign exchange earnings from tourist arrivals from abroad plummeted 76% from the previous year, to ₹50,136 crore. Official data show that in just the nine months ended December 2020, 21.5 million jobs were lost in tourism. However, the decision to open up international travel has coincided with the intensification of sanctions on Russia in the wake of its invasion of Ukraine, which in turn has sent oil prices soaring on fears of disruptions to global energy supply chains.

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



The price of crude oil has zoomed close to historical peaks. As a result, aviation turbine fuel (ATF) prices have also jumped by almost 60% year-on-year. This month, India's state-owned oil marketing companies raised ATF prices for the fifth time this year, and this was before crude soared to near record highs. Fuel costs typically constitute about one fifth of a global airline's operating expenditure and multiple price increases are certain to hurt airlines' margins and viability.

The conflict in Ukraine has also triggered a sharp jump in a wide range of commodity prices, that is potentially set to quicken inflation across the globe. This is bound to seep into the cost of overseas travel as well, with travellers needing to budget more for food and entertainment. Airlines will find it a challenge to fill seats profitably, given the combination of rising costs, economic uncertainty triggered by the conflict in Eastern Europe and the residual fear among travellers of new variants of the SARS-CoV-2 virus. Strict regulations as various parts of the world cautiously open their borders to visitors will only add to the burden of the aviation and the hospitality industries. And, with the pandemic and restricted mobility having steered corporates to conduct business online effectively, getting business-related travel back to pre-pandemic levels will be a tough ask. Restoring visitor confidence through enforcement of COVID-19 protocols and widening vaccination coverage alone may not be enough. Estimates show that indirect taxes take away 21% of airlines' revenue, hobbling the sector. Lowering ATF prices by cutting duties is an option the Government must weigh. Everything must be done to woo back more tourists.

EXPLAINED: PREDATORY PRICING CLAIMS AGAINST SHOPEE; WHY CCI DISMISSED THEM

What were the allegations of violation of competition norms against Shopee?

Praveen Khandelwal, the general secretary of the Confederation of All India Traders (CAIT), had submitted information to the CCI claiming the company sells various products at extremely low prices with the intention to eliminate competition from small retailers. In his complaint, Khandelwal alleged Shopee's deep discounting tactics, including flash sales of products for Re.1, Rs 9 and Rs 49, were aimed at attracting a large base of customers and consumer preference data which the company could use to its advantage. He also claimed Shopee had employed similar discounting practices as allegedly followed by Amazon and Flipkart.

CAIT has previously objected to Shopee being excluded from a list of 54 Chinese apps that were banned by the Centre last month. CAIT argued that Shopee should also be banned as it is owned by SEA Limited, which also owns Garena: Free Fire, a popular mobile game that was among the 54 apps restricted in India.

CAIT has alleged that Shopee incorporated a company SPPIN India Private Ltd for operations in India in violation of FDI rules that mandate prior government approval for investment from countries that share a land border with India.

What were the findings of the CCI?

The CCI concluded in its analysis that Shopee did not hold significant market power as it is a relatively new entrant in a market with well established players.

Experts have noted that establishing that a business is engaging in predatory pricing requires that the enterprise be a dominant player in the relevant market, besides establishing that its goods or services are being marketed below cost and that sub-tactics are being used with the intention to eliminate competition.



LIFE & SCIENCE

WHAT DO WE KNOW ABOUT THE NEWEST CRATER ON THE MOON?

The story so far: A leftover piece of a spacecraft flying through space reportedly hit the surface of the moon last Friday, creating a new crater that may be around 65 feet wide. The piece of space junk was earlier believed to be a SpaceX rocket, but was later said to be the third-stage booster of Chang'e 5-T1 – a lunar mission launched by the China National Space Administration in 2014. China, however, denied responsibility, saying that the booster in question had "safely entered the earth's atmosphere and was completely incinerated", news agency AFP reported. According to orbital calculations, the collision took place on March 4 at 5.55 p.m. IST on the far side of the moon. The object reportedly weighs around four tonnes and was racing towards the moon at a speed of 9,300 km an hour. The speed, trajectory, and time of impact were calculated using earth-based telescope observations.

How was the object spotted in space?

American astronomer Bill Gray was the first to predict the collision. In January 2022, Gray had said that a booster from a SpaceX Falcon 9 rocket was likely to hit the moon after seven years of floating in space. Gray later corrected his prediction, saying that the space junk was part of a Chinese lunar mission and not from SpaceX.

Gray runs Project Pluto, a blog that tracks near-earth objects. Project Pluto also supplies astronomical software to amateur and professional astronomers. Gray is the creator of popular astronomy software called Guide.

The astronomer explained the process of ascertaining the date and time of the collision in a blog post on Project Pluto. He informed that the object was first spotted during an asteroid survey in 2015 and was believed to be a part of the Deep Space Climate Observatory (DSCOVR) satellite that was launched by SpaceX on Falcon 9 rocket on February 11, 2015.

Gray continued to track the object, and after analysing data that came in from nine different observatories in January 2022, he was able to improve the accuracy of the object's trajectory and give a confident prediction of the date and time of the object's collision with the surface of the moon.

The astronomer has also said that this is the first recorded unintentional case of space junk hitting the moon.

How will the impact be confirmed?

NASA's Lunar Reconnaissance Orbiter and ISRO's Chandrayaan-2 orbiter are two active lunar missions that are capable of observing the crater and picturing it. The location of the impact – on the far side of the moon – has made it difficult for the crater to be pictured and studied immediately.

Is the crater permanent?

Both the earth and the moon have been hit by multiple objects like asteroids throughout their existence, but craters on the moon are of a more permanent nature than those on earth. This is because of processes like erosion, tectonics, and volcanism. According to NASA, these three



processes keep the surface of the earth crater-free and remove traces of collisions that have happened in the past. Currently, the earth has less than 200 known craters while the moon has thousands.

An absence of atmosphere means there is no wind system and no weather on the moon, and hence no cause for erosion of existing craters. Absence of tectonics prevents the moon's surface from forming new rocks, or causing a shift in the existing surface patterns, unlike that on earth. Lastly, absence of volcanism makes it impossible for craters to be covered.

IN THE AGE OF MULTILINGUAL MACHINES

Translation has always been a difficult task. While translation is a creative endeavour when literary works are involved, translation for purposes of administration, governance and tourism is a mundane but important necessity. With the advancements in computer technologies, translation has become easier and immediate. For example, Google Translate, a popular product available on the internet and which you might have used already, translates billions of words per day.

Translation techniques

Computer-based translation developed from the 1950s and the idea was to look for words in the target language with rules keyed into computer software for grammar, syntax and idioms. In the 1980s, Statistical Machine Translation (SMT) became popular: it took as input hundreds of documents that were already translated by humans (from the UN and from government departments) and created probability distributions of when each word or phrase or sentence in a target language appears for the corresponding input in a different language. SMT then uses these probabilities to predict what the translation is for a new input sentence. This technique was widely popular and is still a good solution. When Google Translate was introduced in 2006, it used this technique.

Another successful technique that was explored was to apply mathematics to model sentences as matrix of numbers. This is called “word embedding” and it enables Artificial Neural Network (ANN) to identify clusters of words with semantic relations — for example, when hundreds of sentences are given as input, word embedding can form clusters of related individuals like birds, nationalities, financial phrases etc. This semantic ability is possible because similar words are used in similar contexts: for example, in general, wild animal nouns are used in the context of forest, zoos etc. and thus a cluster of animal nouns can be formed. This idea was made popular in the 1950s by the British linguist John Rupert Firth when he said “You shall know a word by the company it keeps”. This technique can be seen in action in auto-completion: when you type a few words during search (for example in Google), many potential choices are recommended to auto-complete what you type.

Word Embedding, i.e., the mathematical representation of words and sentences as matrices of numbers to identify semantic relations, contributed to advancements in Neural Machine Translation (NMT). In NMT, Artificial Neural Network (ANN) performs the operations of “encode”, “attention” and “decode”: here to “encode” means to continuously augment the meaning based on the list of words read so far. This can be understood better with an example. Assume we assign a value of 4 to the word “bank” when it occurs beside a river but a value of 6 to the word “bank” when it is a financial institution. Now consider an example input “He crossed the river to reach the bank”. When NMT reads the word “crossed”, it starts to focus on clusters like bridge, river,



channel, sea etc. And when NMT reads “river”, it keeps its focus on words associated with “river” and typical places around it, gleaned from past examples. Finally when NMT reaches “bank”, NMT knows that we are talking about “river” bank (and not about a “financial institution”) and it assigns the value 4 instead of 6. This value of 6 is carried forward to the next sentence, and thus context is preserved. This assigning of values to each word based on context is the “encode” operation. Then the encoded sentence is used to predict the first translated word, say T1, by calculating probabilities of suitable potential output words. This assigning of probability weights is called “attention” process. During the “decode” operation, each previous translated word and the encoded input are used along with probability weights to generate one output word in each step.

Understanding complexities

Yet another recent advancement in Neural Machine Translation (NMT) is “Transformers” which introduces additional intermediate steps in NMT by iterating multiple times the “Attention” step to fine tune the probability weights of the potential output words.

Popular examples are sentences like “The animal didn’t cross the river as it was wide” and “The animal didn’t cross the river as it was tired”. The meaning of the underlined “it” is different in the two sentences (referring to the river in the first sentence but to the animal in the second) but with Transformers, NMT resolves accurately even such complexities.

With the adoption of NMT, computers can translate to multiple languages. For example, Google Translate can handle more than 100 languages and can translate between any pair of languages in this group. In commercial applications like the mobile phone and in the software industry, NMT is the current preferred choice to perform translations. Automatic translation is an evolving field and more improvements are expected to happen in the coming years.



DreamIAS