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TRIBUNE, OCT 2, 2015

S Subramania

Caste and deprivation in India

How much of inclusive growth is real?

DRAWING substantially on the ideas of Amartya Sen, three useful analytical categories in terms of which one can study the phenomenon of deprivation are those of positive freedom, negative freedom, and group inequality. The notion of positive freedom is most usefully captured in terms of the ‘states of being and doing’ — as Sen puts it — which one is able to attain. These states of attainment are what Sen refers to as ‘human functionings’. A person's ‘positive freedom’ could be assessed in terms of the combinations of various states of being and doing — or ‘functioning-bundles’ — which are available to the person to choose from. Positive freedom, in short, is an indicator of what a person is able to achieve; and certain very basic functionings which one may be imagined to have a right to attain are those relating to satisfactory levels of nutrition, clothing, shelter, health, longevity, mobility, and knowledge.

The notion of negative freedom — or 'liberty', for short — refers to the freedom which a person has, without let or hindrance, to pursue his or her own desired ends within what John Stewart Mill referred to as that person's ‘personal protected sphere’. Common negative freedoms, enshrined as rights which may not be interfered with, would include the right to bodily integrity, to freedom of speech, of thought, of religious conviction, and of association. Positive freedoms enable the attainment of desired outcomes, while negative freedoms protect a person from illegitimate coercion or restraint.

Deprivation can be seen as the failure to achieve certain valued human functionings or to realise certain valued personal liberties.

An important social dimension of deprivation resides in the equitableness with which positive and negative freedoms are distributed across the members of a population, when the population is partitioned according to certain well-defined social categories, such as on the basis of race, class, caste, religion, gender, or place of origin. When particular groups are found to be systematically relatively disadvantaged in the distribution of a society’s burdens and benefits, then we may speak of the resulting group-inequality as reflecting discrimination against the groups in question.

Drawing considerably on collaborative work I have done with my colleague D Jayaraj, I shall focus attention on the Scheduled Castes and the Scheduled Tribes, as a composite group, which together will simply be referred to as the SCST group. The remainder of the population will simply be referred to as 'the Others'. The following factual account of caste discrimination in the distribution of positive and negative freedoms in Indian society will constitute my description of caste and deprivation in the country.

I first consider aspects of caste discrimination in the distribution of positive freedoms. Take caste and money-metric poverty. In around the mid-1980s it was found that in a couple of states — Bihar and Orissa — the mean consumption of the SCST group was actually less than the official poverty line: minimisation of the headcount ratio of poverty would require eliminating a certain proportion of the population (equal to the proportionate shortfall of the mean from the poverty line), which is essentially a solution dictated by the horrifying mechanics of triage. Further, it was found that while the SCST group accounted for just 29 per cent of the general Indian population, it accounted for 50 per cent of the population in poverty.

Consider next the polar extremes of wealth-holding, in terms of the wealthiest (as measured by possession of household assets) 1 per cent of the population, at one extreme, and of total assetless-ness at the other extreme. The survey data for 1991-92 on the distribution of household assets across households suggest that the prevalence of the 'Others' group in the 'top 1 per cent' category is 15 times that of the SCST group while, in a precise inversion of this pattern, the prevalence of the SCST group is three times that of the 'Others' group in the 'bottom assetless' category.

There has been much talk about 'growth with justice' and 'inclusive growth' in the official Indian discourse on planning and development. How much of this is real and how much rhetoric, how much is actual achievement and how much no more than a perfunctory statement of intent? One approach to reckoning inclusiveness is to see if the product of growth in consumption is distributed in line with the share of each caste-group in the total population. By this reckoning, there is little evidence of caste-related inclusiveness in the record of consumption growth in India. More specifically, let us designate as the 'warranted' consumption of any caste-group in any year the level of per capita consumption that would accrue to it if the growth in consumption were allocated proportionately to the share of the caste-group in the population. One can now compare the 'warranted' consumption level with the actual consumption level for each caste-group over time. By considering the quinquennial consumption expenditure surveys of the National Sample Survey Office from 1983 to 2009-10, it turns out that whereas equitable or inclusive growth should imply a ratio of warranted-to-actual consumption that is exactly one for each caste-group in each year of the reference period, this ratio is systematically less than unity for the SCST group and greater than unity for the 'Others' group, in both the rural and urban areas of the country. One should be pardoned for finding it hard to detect in such statistics any evidence of caste-inclusiveness in the growth of consumption expenditure in India.

Illiteracy is perhaps the worst and most fundamental form of denial of the right to knowledge that one can think of. Virtually without exception for every state in the country, it is found that when pairs of groups differ only with respect to gender, in each pair the group with females has a higher illiteracy rate than the group with males; and when pairs of groups differ only with respect to caste, in each pair the group with SCs and STs has a higher level of illiteracy than the group with 'Others'. The 1981 Census data (I report here on work done with Manabi Majumdar) suggest that the polar extremes of disadvantage and advantage respectively are reflected by the groups of SCST rural females and 'Others' urban males, with illiteracy rates of 93.7 per cent and 20.7 per cent, respectively. These numbers precisely reflect Dr Ambedkar's life-long concern with the disadvantage visited on individuals by the accidents of caste and gender, and the denial to them of access to modernity.

— This is the first part of a two-part article. It is based on the Ambedkar Memorial Lecture S Subramanian delivered in the University of Madras in 2013

TRIBUNE, OCT 16, 2015
S Subramanian
Caste and deprivation in India
Repeated denial of certain ordinary rights to life and liberty to the SCs, STs

A WIDELY-RECOGNISED basic indicator of the socio-economic status of a population is its infant mortality rate (IMR), or the proportion of the population under age one that fails to survive. The census data for 1981 (as analysed in collaborative work with Manabi Majumdar) again suggest that, other things equal, a group with SCs and STs has a higher IMR than a group with 'Others'; and a group with rural members has a higher IMR than one with urban members. The combination of being SCST and rural is deadly: at the all-India level, the IMR for this group is 121 infant deaths per 1,000 live births, which is nearly twice the IMR for urban 'Others', at 63.

A second very rudimentary demographic indicator of the socio-economic status of a society is the 'agedness' of a population. One can speak of the 'agedness of the population', as one might speak of the 'the poverty of a population'. Employing a very conservative cut-off age of 49 years, we find from the census data for the year 1991 that various agedness indices for the SCST group are systematically lower than for the ‘Others’ group in every single state of the Indian Union. Furthermore, it is found that in every state of India, and for every agedness index, the contribution of the SCST group to the total population outweighs the group's contribution to total agedness. Taken together, the demographic indicators of agedness and of infant mortality clearly reveal that the dice are loaded against the Scheduled Castes and Tribes in the matter of both living and dying.

The examples of disproportionate deprivations suffered by the SCST group can be multiplied over and over again: no doubt these dully repetitive numbers are both boring and tedious for the reader; but I dare say that the existential facts which the numbers describe are a good deal worse than just boring and tedious for those that have to live under the burden of these facts.

Even more scandalous than the failure of positive freedom is the failure of negative freedom experienced by the Scheduled Castes and Tribes. This is reflected in a history of repeated denial, to this segment of the population, of certain ordinary rights to life and liberty.

A grisly feature of the violation of negative freedoms is constituted by the phenomenon of caste atrocities, which are violent acts of arson, destruction of property, rape and murder. A (seriously incomplete) roll-call of infamy, in this regard, would be constituted by the following list of dates and locations of violence against the SCST community: Kilvenmani, Tamil Nadu (1969); Bathani Tola, Bihar (1996); Laxmanpur Bathe, Bihar (1997); Melavalavu, Tamil Nadu (1997); Jhajjar, Haryana (2002); Muthanga, Kerala (2003); Khairlanji, Maharashtra (2006); Jhabhar, Punjab (2006); Nayakankottai, Tamil Nadu (2012). S. D. Prasad Rao points out, employing data from the National Crime Records Bureau of the Ministry of Home Affairs, that in 2011, out of 33,719 recorded crimes, 11,342 were crimes under the SCST Prevention of Atrocities Act. This makes for a proportion of one-third — a massive number, even if one does not allow for the fact that many crimes against the depressed castes are not reported for fear of reprisal, or that reported crimes are simply not registered by the police.

Decades ago, Dr Ambedkar had observed: “I measure the progress of a community by the degree of progress which women have achieved.” It is hard to speak of progress when rape is so central a feature of a woman's life, as it is for the Scheduled Castes. In a grievously stark statistic put out in a 2005 issue of People’s Democracy, it is reported that between 1992 and 2000, on average, three Dalit women were raped and six disabled every day.

The right to freedom of religious conviction is another libertarian right that is frequently a casualty for the SCST community. This is nowhere more clearly reflected than in the intolerant and often violent resistance displayed by upper-caste Hindus to religious conversion from Hinduism to Buddhism or Christianity or Islam which Dalits and tribals resort to as a means of liberation from the oppression of the caste system. The case of Kandhamal in Orissa, in 2007, is a case in point.

To these violations of libertarian rights to life, bodily integrity and freedom of religion, must be added the routine, everyday restrictions placed on freedom of mobility and association, and the right to treatment with the same respect and consideration as any other person. A list of humiliations to which the disadvantaged castes are systematically subjected would include residential segregation; denial of access to public sources of drinking water; denial of entry into places of worship; denial of access to crematoria and burial places; segregation of students at midday meal sessions in schools; the operation of the 'two-glass' system in tea-shops; the continued practice of manual scavenging even after it has been banned under the law; and the routine infliction of abuse and insults.

This essay began with the proposition that a meaningful way of assessing deprivation in a society is to regard the phenomenon as a failure of both positive and negative freedoms, a failure which is rendered the more acute when there is evidence of an inequitable distribution of these freedoms across well-defined socio-economic groups within the population. I have attempted to provide a factual account of caste and deprivation in India by pointing to the systematic bias which obtains against the Scheduled Castes and Tribes in the distribution of positive freedoms, whether we speak of freedom from monetary poverty, or ownership of assets, or participation in the fruits of economic growth, or attaining to a decent age, or enjoying a reasonable prospect of surviving early death, or avoiding the rigours of school-less-ness. These failures of positive freedom for the SCST community are compounded, and ratcheted, by systematic violations of ordinary libertarian rights to life, to bodily integrity, to freedom of religious persuasion, and to what the philosopher of jurisprudence Ronald Dworkin has called equal treatment and treatment as equals.

Caste-consciousness often comes to the fore only in the form of upper-caste resistance to caste-based reservations in education and employment; or in the form of elaborately devious arguments constructed to deny, at forums such as Durban, that caste is race; or in the form of opposition to collecting and presenting census data on the socio-economic status of the population by caste. This essay on caste and deprivation in India — as has already been clarified at the outset — is not intended to promote knowledge, for I imagine it says little that is not known; but it is intended to promote acknowledgement, which must be regarded as a first and necessary step in any move toward rectification. Shame, after all, cannot be erased by neglect or forgetfulness: there is therefore every reason to be continuously mindful — until it is no longer a truth — of the truth of Dr Ambedkar's observation: "Turn in any direction you like, caste is the monster that crosses your path."

— This is the second and concluding part of the article based on the Ambedkar Memorial Lecture S Subramanian delivered in the University of Madras in 2013

CIVIL SERVICE

BUSINESS LINE, OCT 16, 2015

Babus get more time to declare assets

KPM BASHEER

The Central Government has, for the third time, extended the deadline for the mandatory filing of statement of assets and liabilities by bureaucrats under the Lokpal and Lokayukta Act 2013.

The Department of Personnel and Training in the Ministry of Personnel, Public Grievances and Pension on Sunday notified the extension of the deadline for filing the assets statement for the years 2014 and 2015 to April 15, 2016. The previous extension of the deadline was to end on October 15. Prior to that, extension the deadline had been set was set for April 30.

Anti-corruption weapon

The extension is applicable to the entire central civil service and public sector undertakings.

Section 44 of the Act – which came into force on January 16, 2014 – mandates that every public servant should file his/her assets-and-liabilities statement within 30 days of the coming into force of the Act.

It also mandates that fresh public servants should file their statements within 30 days of joining the service. And, Section 44 (4) says: “Every public servant shall file with the competent authority, on or before the 31st July of every year, an annual return of such assets and liabilities...as on the 31st March of that year.”

Asset details

The statement was to contain “information relating to — (a) the assets of which he, his spouse and his dependent children are, jointly or severally, owners or beneficiaries; (b) his liabilities and that of his spouse and his dependent children.”

Kochi-based right-to-information activist DB Binu has alleged that the bureaucracy had colluded to give extension after extension for helping the public servants to evade accountability.

“The main objective of the Lokpal and Lokayukta Act is to curtail corruption,” he told *BusinessLine* . “Section 44 of the Act is the main weapon to fight bureaucratic corruption and bribery.” By giving such long extensions, the government was helping to foil the very purpose of the Act, he said.

Section 44 of the Act mandates that every public servant should file his/her assets-and-liabilities statement within 30 days of the Act coming into force

STATESMAN, OCT 17, 2015

Centre announces bonus to its non-gazetted employees

The central government on Friday announced an "ad-hoc bonus" equivalent to 30 days emoluments to its non-gazetted employees ahead of the festive season.

Central government employees in Group C and D and all non-gazetted employees in Group B would get the ad-hoc non-productivity linked bonus, according to a notification by the Finance Ministry.

" ... grant of Non-Productivity Linked Bonus (Ad-hoc bonus) equivalent to 30 days emolument for the accounting year 2014-15 to the central government employees in Group C and D and all non-gazetted employees in Group B who are not covered by any Productivity Linked Bonus Scheme," the notification said.

The payment of ad-hoc bonus will also be admissible to eligible employees of central para-military forces and armed forces, it said.

The order will be deemed to be extended to the employees of Union Territory Administration which follows Central Government pattern of emoluments and are not covered by any other bonus or ex-gratia scheme.

The expenditure on this account will be debitable to the respective heads to which the pay and allowances of these employees are debited, it said.

COMMUNICATION

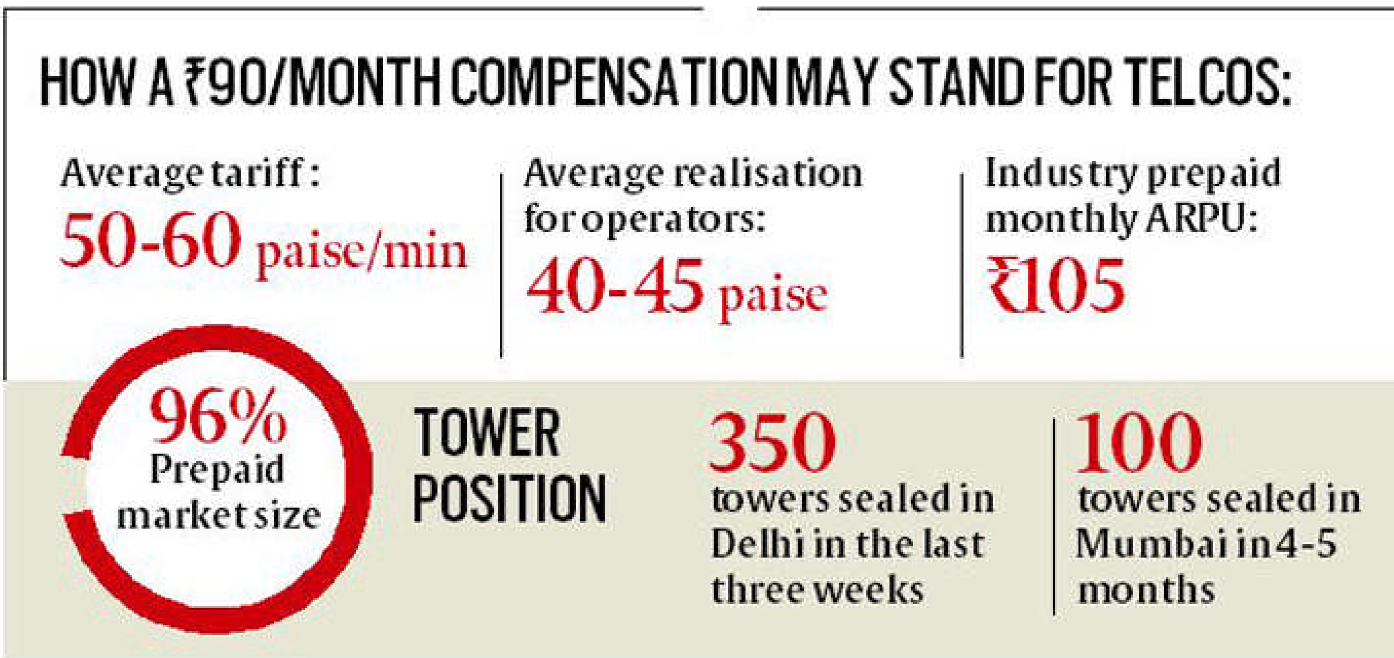
INDIAN EXPRESS, OCT 17, 2015

From 2016, get Rupee 1 for each dropped call, however not more than three times a day

Prepaid customers to get message in four hours; Details in bill for postpaid

In a development that may gladden consumers but will come as a big hit for mobile operators, the Telecom Regulatory Authority of India on Friday came out with its regulations mandating telcos to monetarily compensate their subscribers for call drops.

The new rule, which will come into force from January 1, 2016, provides that mobile users will get a compensation of Re 1 for every dropped call, for a maximum for three dropped calls in a day. Effectively, this means that a maximum amount of Rs 3 will be credited into the consumers' account in a day for call drops. The reaction to the announcement was as vertically split as was the consultative process, with operators pointing to loopholes and difficulties in implementation, while consumer organisations welcomed the move, saying something was better than nothing.



For operators it comes as a double whammy because apart from monetarily compensating the consumers, the regulator on Thursday had doubled the penalty they need to pay to it for failing to meet various quality-of-service benchmarks.

With one of the lowest tariffs in the world — 50-60 paise a minute — and the bulk (96 per cent) of subscribers in the prepaid segment generating an average revenue per user (Arpu) of Rs 105 a month, operators were candid in criticising the move, even stating that the option of challenging it in the telecom tribunal or Supreme Court was not ruled out. "We are very disappointed, we do not believe this is the right solution… There is lot of ambiguity arising from the proposed solutions," Cellular Operators Association of India (COAI) director general Rajan S Mathews said.

It has estimated that the regulation may force the industry to shell out about Rs 150 crore every day even if half the consumers in the country face this problem. Under the new regulation, the operator will have to send a message to the customer within four hours of a dropped call with details of the amount credited to his or her account. For postpaid customers, the details of the credit would need to be provided in the next bill.

A call drop has been defined as a voice call that "after being successfully established is interrupted prior to its normal completion (and) the cause of early termination is within the network of the service provider".

The compensation would need to be paid to the calling customer who initiates such a voice call.

Criticising the move, operators said the regulation was full of loopholes and could be misused by a large section of subscribers. For instance, though the compensation has to be paid by the originating network, there's a possibility that the call dropped because of a fault of the terminating network. Further, though call drop has been defined as those that happen due to the system and not the ones that are disconnected by subscribers for better voice clarity, etc, or handset problems, determining the genuine reason for the drop would pose a huge problem. Imagine: With over 900 million subscribers making 10 billion calls a day, and around 10-12 operators in a circle, it would not only pose a huge problem in reconciliation issues but also require operators to invest heavily.

The industry also raised the issue of violation of licence conditions which does not require them to provide 100 per cent in-building coverage. It said that if consumers walk into basements, a lift, interior areas of their house while talking, the chances of a call drop will be high, and asking the telco to pay compensation for such call drops was not fair. According to operators, the main reason for call drops are the sealing of a large number of towers, provision of inadequate space for putting up new towers, lack of spectrum and reconfiguration of spectrum bands as a result of recent auctions.

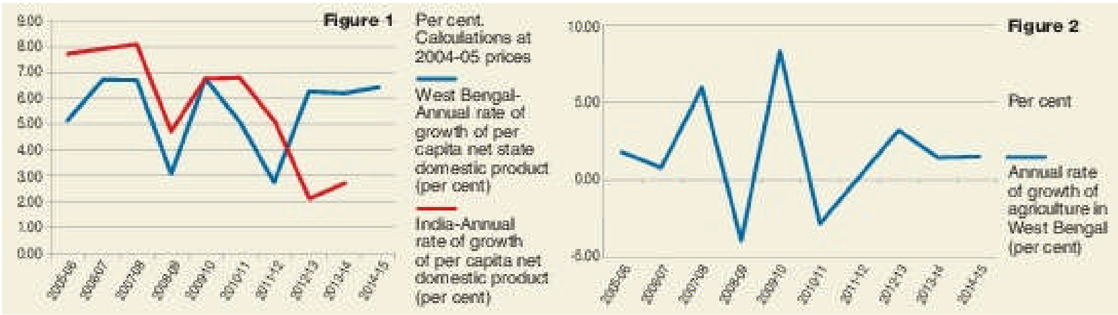
However, Trai chairman RS Sharma dismissed any such fears, stating that technology provides a solution and the operators have been given two-and-half months' time to put their back-end in shape to meet the new challenge. On his part, telecom minister Ravi Shankar Prasad welcomed the move but hoped that operators would resolve the issue of call drops and that the penal provisions would not be have to be invoked. *FE*

TELEGRAPH, OCT 16, 2015

Figures matter

- Looking for economic facts in the last ten years of West Bengal

Dipankar Dasgupta



Soothsayers, unsupported rumours and muscle-flexing politicians' incriminations and counter-incriminations notwithstanding, it is literally impossible to predict the future course of the West Bengal economy, or any other economy for that matter. However, a few key indicators of the economy's performance over the past are easy enough to locate, given a rich Reserve Bank of India data source, supplemented by publications of the ministry of commerce and industry.

Where should we begin? However inaccurate the concept may be as far as its welfare implications go, few would ignore the per capita output tale. Let us start off, then, with the per capita net state domestic product. A per capita figure, as is well-known, hides elements of inequality. Nonetheless, it is one variable whose growth over time, corrected for price inflation, often correlates with the state of an economy's health. The first diagram reveals how the annual growth rates of per capita or average production have behaved in the West Bengal economy from the financial year 2005-06 through 2014-15 *vis-à-vis*that of India as a whole.

The graph provides food for thought. The annual rate of growth of per capita NSDP in West Bengal had dropped down to as low a value as 3.05 per cent in 2008-09, probably on account of the sub-prime crisis in the United States of America. One could explain this drop by the exit of the Tatas as well, but the explanation may be questioned, since the behaviour of the superimposed all-India picture is no different. In fact, the annual rate climbed up to 5.08 per cent during the last year of Left Front rule, raising serious doubts about the damage done to the West Bengal economy by the departure of the Tatas. Of course, there was a sharp drop to 2.71 per cent in the first year of the new government, but the all-India rate of growth collapsed to 2.12 per cent next year when West Bengal climbed up to a growth rate of 6.26 per cent and subsequently to 6.42 per cent in 2014-15. A puzzle could well be lurking here, for the present government's "poor image" theory runs contrary to the phenomenon of its per capita NSDP growth rate overtaking the all-India rate for most of its tenure. As far as this fact is concerned, West Bengal's recent performance has remained well within the comfort zone.

The total NSDP, of course, subdivides into sectors. And the agricultural sector by contrast has a less heart-warming story to offer. Over the period 2004-05 through 2010-11, agricultural growth had gone through fluctuations. It had risen to a dizzying height of 8.33 per cent in 2009-10, but also tumbled down to (-) 4.01 per cent in 2008-09. By comparison, the highest growth rate achieved by the new government was 3.21 per cent in 2012-13 and it ended up with a meagre 1.5 per cent in 2014-15, which was lower than the growth rate during the year 2005-06 achieved by its predecessor. Quite likely, agriculture has not flourished under the new regime, though it was in the interest of the farmer that the Singur incidents occurred. On the other hand, the corresponding figures for India as a whole have been disappointing as well. As opposed to West Bengal's growth rate of 3.21, 1.43 and 1.5 respectively during 2012-13 through 2014-15, India's rates were 1.19, 3.66 and 0.23. In other words, whatever the reason for unimpressive growth in agriculture might have been, West Bengal's performance simply mirrored the all-India picture.

And that brings us to the manufacturing sector, the sector that has been of singular concern since the Tatas left. The story of manufacture subdivides into the so-called registered and unregistered sectors, which, loosely speaking, may be identified with the organized and the unorganized sectors.

Leaving aside rates of growth, what have been the levels of production of the registered and unregistered sectors during the period of discussion? In spite of fluctuations, manufacture has shown an upward trend, but during both political regimes, it is unregistered manufacturing that has occupied the driver's seat. A great deal has been written about the indolence of registered manufacture, even if its nature has refused to change. But a story within the story emerges as one analyses the growth rate figures once again.

First, there was a fall in registered manufacturing in 2008-09, which, as in the case of per capita output, can be explained with reference to the sub-prime crisis and not the exit of the Tatas. Indeed, post 2008-09, registered industry jumped once again to a level exceeding 14 per cent. This might appear strange, but may not really be so. Registered industrial growth had risen to a level of 18.08 per cent as early as 2006-07, perhaps in response to the Tatas' decision to set up the Singur factory. On the other hand, it rose once again to 15.67 per cent after the Tatas left, possibly since the producers the Tatas had attracted back in 2006 itself were still operative. In other words, registered industrial growth reached high rates towards the tail-end of the Left Front regime, although the Tatas had not contributed to the production flow directly. It is tempting to conclude that it was Left Front industrial policy that had energized the growth wise industrial performance in West Bengal.

A second factor that stands out clearly in this context is that, except for 2008-09, the rate of growth of registered manufacture had been consistently higher than that of unregistered manufacture, a picture that has dramatically changed since 2011-12. The rate of growth of registered manufacturing fell down to (-) 17.47 per cent in 2011-12, although in the immediately preceding year the rate was a post Tata 14.6 per cent. What explains this behaviour of registered industry requires further research, but it is unlikely that the Nano disaster would be a major explanatory factor.

The government has been engaged in attracting investment for industrialization in West Bengal. According to the data published by the ministry of commerce and industry, while Rs 3,747 crore worth of new investment was implemented in West Bengal in 2014, Gujarat attracted Rs 40,954 crore. Gujarat accounted for 52 per cent of new investment, while West Bengal stands at 5 per cent and even less in the preceding years. Further, it is interesting to note that Orissa had ended up higher with an actual investment figure of Rs. 7,521 crore. How far new investment is flowing towards West Bengal is therefore a question worth pondering over.

As pointed out at the very beginning, the disappointing performance of the agricultural and the industrial sectors notwithstanding, the per capita net output performance has been reasonably satisfactory for West Bengal. This appears to suggest that the service sector has been a saviour. For example, the sector comprising real estate, ownership of dwellings and business services posited a growth rate of 9.66 per cent in 2013-14 and 10.6 per cent in 2014-15. Banking and insurance registered growth rates of approximately 13.46 per cent during these same years. Strangely enough though, the growth rate in the trade, hotels and restaurant sector fell to 2.46 per cent in 2014-15 from 5.25 per cent in 2013-14.

Apart from the per capita NSDP, the state has successfully handled its debt liabilities too. According to the budget estimates for 2015, its aggregate debt has been brought down to 35 per cent of its gross SDP. This is an achievement worth noting, since it began with the burden of 41.9 per cent in 2011.
Should these macroeconomic figures matter, now that the assembly elections are knocking on our doors? The answer is not too clear, since political scientists appear to concentrate on political swings alone to make future predictions. And that surely is a misfortune. However dismal the science, economics ought to matter as well.
The author is former professor of economics, Indian Statistical Institute, Calcutta

TELEGRAPH, OCT 21, 2015

Venus fly trap: China remains unpredictable and not without menace

Ashok Sekhar Ganguly

It is interesting to trace some of the events in the recent history of the rise of China as the global economic power. The great 20th-century leader of China, Deng Xiaoping announced the historic opening of China's doors to worldwide investors and welcomed everyone to invest and access China's one-billion-plus potential customers. The pronouncement facilitated investments in a wide range of manufacturing facilities in China to generate employment, access customers and seek export competitiveness in world markets. The rest is history.

The reaction of all the key global players, almost without exception, was instantaneous, driven by excitement of what this surprise welcome by China meant, in terms of their companies' growth, while significantly raising their global spread. The key event was not only the liberation of China from Mao's iron embrace, but also the logic of what President Deng declared publicly, with his famous pronouncement, "The colour of the cat does not matter as long as it catches mice." This statement and the events that followed contained the seeds of how things would eventually end up in China's favour. It was natural that some among the ultra-conservative Chinese leaders who were Deng's contemporaries, left over from Mao's regime, had to be won over or purged. The governments of potential investing countries must have taken into account that Deng's open-China policy was uncharted territory, but then there is no instance in the history of trade and investment that is without elements of unforeseeable and unknown risks. The short to medium term opportunities seemed virtually limitless and overwhelmed countries around the world.

China had nationalized all private companies and institutions in 1949. The laws, if any, governing foreign investments in trade and industry were rudimentary or non-existent. The legal systems of the time were under the absolute control of the Chinese Communist Party. President Deng was also the supreme leader of the People's Liberation Army as well as the Chinese Communist Party. Political opposition was routinely and quietly purged. To release the 'Chinese cat' more visibly, the Chinese leadership gradually empowered local administrations with greater powers in the interpretation of rules and central policies, whichever may have been on the statutes, to speed up reforms in their regions. Banking, monetary policy, and laws governing exports, domestic trade and all matters related to economic growth and employment generation became the principal driving forces, wielded entirely by President Deng and his successors of the top Politburo leadership.

In other words, China opened its doors very widely, welcoming all investors, with virtually minimum checks and balances, creating an environment somewhat resembling a modern Valhalla. As anticipated, China's foreign investment liberalization attracted a flood of investors from among the global corporate who's who. Some prominent American banking leaders quit their jobs and travelled to live in China to coach the Chinese in modern corporate management and monetary modernization by setting up institutions in Beijing and Shanghai. The euphoria about China was unprecedented

The only blot on the heady times of the Great China Story was the 1989 Tiananmen Square uprising led by students, and the ruthless killing of student agitators and repression of political and other dissidents, in typical Chinese style, by the PLA. The condemnation and Human Rights violation reports from the "free world" were ignored by China. This Tiananmen blip seems to have been without any political or social consequences for China. The China attraction remains undiminished up to this day among foreigners and foreign investors.

The expectation of the leaders of the United States of America and the European Union that successive presidents of China, after Deng Xiaoping, would undertake at least some reforms of their political processes and human rights remains a mirage. We must, however, acknowledge that China has, over the years, modernized its banking and monetary policies significantly, not only because it suited China to get in tune with global trends, but also to continue to remain competitive and attractive as the prime investment destination. One of the catalysts for economic growth in China was the speed and scale of its modernization of infrastructure, as well as spreading growth across most of its regions, and the spectacular modernization of its cities to rival some of the best in the world. The other noteworthy development are China's significant investments in primary and higher education, for over the last thirty years, and the rapid building of world-class research and development institutions.

The combination of growth in employment and education has triggered unprecedented growth of Chinese entrepreneurship and world-class companies by a new generation of Chinese to rival some of the best global companies. The most noteworthy is China's emergence as a global leader in digital space. Incidentally, this was one of the earliest signals of China's intention to start building creeping barriers to its open-door policy. These first barriers became noticeable by China prohibiting access to critical global digital leaders such as Google, Facebook, Twitter and Yahoo, and substituting such services by promoting national digital icons. Yahoo promoted its Mandarin-language China initiative by partnering Alibaba, before it had to exit China. The aim of China's digital policy became progressively clear - economic liberalization was not going to be permitted to interfere with China's political philosophy, and for the protection of which instant mass communication and the control of digital access were critical.

China's policy of controlling digital access was probably an early warning of how checks and balances would unfold. Foreign investors ignored these signals, although China's digital policy was not a secret. Baidu and Alibaba, among others, have emerged in the global marketplace as significant players. The recent visit to Seattle by the Chinese president, Xi Jinping, and his exchanges with Bill Gates, Jeff Bezos and other US digital leaders would be of interest here. Other signals of the "cat changing its colour" followed the more significant events, including partnership with local Chinese entrepreneurs and bloated and loss-making nationalized enterprises, as pre-condition to new investment proposals and wider market access for existing as well as new investors.

The well publicized crackdown on corrupt Chinese oligarchs, together with extraditing those who have sought refuge in the US and other 'safe havens', is now in full swing and likely to get even more intense. Many of those accused of corruption and malfeasance were well known local facilitators for Western investors and leading investors in the real estate across China. Meanwhile, the Chinese money markets and stock exchange have also acquired a certain degree of sophistication and international recognition. Currency speculation and transfer pricing are now being energetically probed by new sets of rules and regulations. The heyday of what looked like a *laissez-faire* market utopia is gradually passing, with tighter scrutiny and control of laws and regulations. Although the welcoming open door of Deng's China is slowly but surely getting less wide and the Chinese economy is slowing down in relative terms. There are no signs yet of any concern among existing foreign investors or those who are still keen to invest in China.

China may have planned all along that once hundreds and thousands of foreign investors have invested vast amounts in assets on the ground, built powerful brands, brought in hordes of talented employees and trained as well as developed local human resources, they would have created what amounts to permanent assets. The heyday may be over, but the compulsion to operate in a progressively tougher Chinese marketplace is a reality.

As China attains the critical mass of economic, military and market sophistication and leadership, its regulatory plans are likely to evolve in favour of Chinese investors and entrepreneurs. The investors from the developed world seem to be more openly and pragmatically aware of the reality of a changing China, in making their plans for the future.

Britain, more than the others, seems more openly to have metamorphosed into a 'nation of shopkeepers', as far as China is concerned. The recent visit of the United Kingdom's chancellor of the exchequer to plead for a special economic relationship with China was at the cost of, some would claim, its historic special relations with the US. This came soon after the Chinese created the Infrastructure Bank to challenge the dominance of institutions like the World Bank and the International Monetary Fund. These developments make one wonder if the shifts and changes, and China's policies for foreign direct investment, are not part of its march towards becoming a global power, militarily and economically. China's hegemonic interventions in its neighbourhood are no longer a secret. Its cyber-snooping on the rest of the world is widespread and defiant. The cat that catches mice has begun to show its true colours.

In contrast, India's move to economic reforms was delayed and commenced in 1991, with the aim to achieve faster economic growth. Compared to China, India has achieved relatively modest success. India's historic commitment to a secular and democratic society and to the rule of law is sometimes cited as reasons for its comparative slowness. Compared to China, India lags behind in the race to attract foreign direct investments to power economic growth. The efforts to accelerate "ease of investing and doing business in India" have made some progress, essentially owing to the efforts of the Indian state and Central governments. After achieving Independence, India's colonial industrial base was acquired by Indian family-run businesses, and these now constitute ownership of 70 to 80 percent of private enterprises in our country. Foreign investment in joint ventures with family enterprises was always welcome, and remains the more accessible investment avenue for foreigners wishing to access the Indian market, provided the controlling interests of tycoons and business dynasties remain protected.

It is primarily the foreign direct investor who faces the major hurdles of trying to develop greenfield enterprises and of doing business in India. This conundrum has yet to be honestly and openly debated and comprehensively dealt with, in India.

Thus, while Deng Xiaoping presented the world with the attractive Venus plant, its trap was not even thought of as a remote possibility. This trap now seems menacing. For entirely different reasons, India has not yet achieved its huge potential of economic transformation, and remains enmeshed in its own traps and hurdles. India's attractiveness will remain an enigma until Indian industrial houses learn to embrace competitiveness, improve productivity and drive innovation as fundamental tools for India's growth and prosperity, employment and, eventually, a degree of social equity.

Development in China is work in progress. The unfolding of China as the second most powerful country remains fuzzy and unpredictable. The India story is comparatively less complicated, as of now, before real reforms take off and high growth becomes a sustainable reality.

EDUCATION

HINDU, OCT 16, 2015

UGC move to allow autonomous colleges to give degrees shelved

K.C. DEEPIKA

It was a move that was eagerly awaited by colleges as the University Grants Commission (UGC) decided to allow 45 autonomous colleges across the country to start awarding their own degrees. It has been two years since.

Students studying in these colleges continue to receive degree certificates from the affiliating university instead of the college, and college authorities now believe the move has been shelved. A UGC member, on condition of anonymity, also confirmed that the proposal had not been discussed in the recent past.

With no official communication yet from the UGC, college managements say the parent university was still awarding degrees to the students. The delay in this was usually cited as one of the reasons why the autonomous colleges wanted to be given the power to award degrees to the students.

“We have heard nothing from the UGC about this, so our students continue to get degree certificates from Bangalore University,” said the principal of one of the colleges from Bengaluru.

As many as 10 autonomous colleges in the Karnataka were among the 45 colleges that could have started giving out their own degree certificates. Discussions were also on about bringing about an amendment to the UGC Act to enable this.

However, the UGC document on the XII Plan still states that “the parent university will award degrees to the students evaluated and recommended by autonomous colleges.” The degree certificates will be in a common format devised by the university and the name of the college will be mentioned in the degree certificate, if so desired, the document states.

However, the document also says autonomous colleges that have completed three terms can confer the degree under their title with the seal of the university.

But not everyone is complaining. The management representative of an autonomous college in Mangaluru said degree certificates awarded by individual colleges may not have the global recognition that university-issued certificates enjoy.

A former UGC member also added that if autonomous colleges too are allowed to award their own degrees, there will be no distinction between them and deemed and private universities. “Autonomous colleges can seek university status to be able to award degrees,” he added.

INDIAN EXPRESS, OCT 19, 2015

Suggestions from IIM-A sought for national edu policy

However, the reason cited by sources is a report by the department that is not ‘up to the

NOT SATISFIED with the feedback from stakeholders in schools and higher education institutes for the National Education Policy (NEP) as invited by the Ministry of Human Resource and Development (MHRD), the Gujarat education department has roped in experts from Indian Institute of Management (IIM)-Ahmedabad for “meaningful” suggestions.

“We have tried to involve everybody associated with education. I have scheduled a meeting with IIM-A experts next week, the report of which will be submitted to the chief minister,” said state education minister Bhupendrasinh Chudasama. The deadline for submission of the report has been extended by the MHRD to October 30.

However, the reason cited by sources is a report by the department that is not ‘up to the mark’. After analysing the feedback, it was realised that it was not of desired quality and the state can submit a much better report to the MHRD. The feedback received reflects that it has been given for the sake of making a presence and not to its true cause. Thus, it was decided to approach an independent expert agency that can give a viewpoint of its own,” revealed a senior education department official.

It was further learned that the emphasis of roping in IIM-A is to support the report with feasible ideas to improve quality of education at all levels. This has also been the focus of the education department which has implemented various schemes like “remedial action plan” based on the annual evaluation programme – Gunotsav – and penalising teachers for failing to achieve board results above 30 per cent.

The IIM-A has already worked on several projects with the state education department. The recent was the tri-party memorandum of understanding (MoU) on innovations in education to improve quality of education between IIM-A's Ravi J Matthai Centre For Educational Innovation (RJMCEI-IIMA) headed by Vijaya Sherry Chand, Gujarat Council of Educational Research and Training (GCERT) and Gujarat Educational Innovations Commission (GEIC).

The feedback report prepared by the state education department has already gone through various consultations and brainstorming over the last six months. The feedback process monitored by two core groups with eight and six officers each for school and higher education, respectively has already covered 14,050 villages over 26 districts in the state.

DECCAN HERALD, OCT 17, 2015

UGC caps time to complete degree

Students will now get two extra years to complete their course beyond its normal duration, and qualify for a degree, as the University Grants Commission (UGC) has put a cap on the number of years for completion of any higher education course.

A third chance, however, will be given to a student in an "exceptional case" only. In such cases, the universities and other higher educational institutions will have to justify their decisions by "clearly spelling out the exceptional circumstances" in their records so that arbitrary decisions are not taken.

"Ordinarily, no student should be given time beyond the extended period of two years. However, in exceptional circumstances and on the basis of the merits of each case university may allow a student one more year for completion of the programme," the UGC told universities, notifying its new guidelines on Friday.

During the extended period, a student will be considered as a private candidate.

"They will also not be eligible for ranking," the UGC said, directing vice chancellors and heads of all higher educational institutions to implement its guidelines for determination of a uniform span for completion of degree programmes.

The new guidelines are based on the recommendations of an expert committee. The guidelines will be applicable to all undergraduate and post graduate programmes, a UGC official said.

“Normally, a student is expected to complete his programme within the minimum period as laid down under the relevant regulation of the university which should be in conformity with the University Grants Commission guidelines on the award of first degree and masters degree and also in line with the notification, issued from time to time, on specification of degrees under section 22 of the UGC Act, 1956,” he added.

EMPLOYMENT

DECCAN HERALD, OCT 17, 2015

Where are the jobs?

Prasenjit Chowdhury

MODI'S EMPLOYMENT AGENDA : While Modi's call to 'Make in India' is yet to take off, over-emphasis on services and neglect of manufacturing has led to

An incumbent government can never be a darling of the opposition. Therefore, former finance minister P Chidambaram blaming the Narendra Modi government for failing on the front of job creation and conducting of major reforms is all but natural. The worry, however, is that things are yet to look up. And while the primary target of a central bank is low inflation, the primary target of a government is low unemployment.

On paper, days after the BJP-led NDA government assumed charge last year, job creation figured as a part of its 10-point economic agenda. A skill development ministry is "dedicated" to imparting skills to millions of youth in the country to make them employable. A major objective of the Make in India campaign is to focus on 25 sectors of the economy for job creation and skill enhancement.

Earlier this year, the National Career Service portal was launched at the 46th session of Indian Labour Conference. It seeks to "bring on board" around 20 million job-seekers already registered with employment exchanges across India. As per an estimate, more than 44.7 million job seekers are registered with India's 956 employment exchanges.

So far, the data collection exercise in India has been problematic. Unlike the West, there is no one place from where statistics can be collected, no centralised data bank that constantly updates the unemployment statistics. Also, in countries like the US and the UK, there is unemployment insurance for every unemployed individual registered.

In India, for lack of an incentive, people usually do not get themselves registered. The rising mismatch between India's labour force and employment opportunities is generating new entrants to the job market, thus worsening the unemployment scenario, compounded further by a steady piling of backlogs.

Census data put the number of people seeking jobs growing annually at 2.23 per cent between 2001 and 2011, but growth in actual employment was only 1.4 per cent. According to a guesstimate, India's labour force is approximately 10 times the number registered in the exchanges. In a typical instance, the 68th National Sample Survey findings were published in January 2014 dealing with data as old as July 2011 to June 2012.

Where are the jobs? Even as the Prime Minister wowed the Silicon Valley in seeking to harness digital technology in India's growth story, a cautionary bell of alarm was sounded by none other than Silicon Valley entrepreneur Martin Ford. In his book, "Rise of the Robots", Ford argues that with the march of technology, fewer people will be necessary. Robots and smart software would replace many para-legals, journalists, office workers, and even computer programmers.

As progress continues, blue and white collar jobs alike will evaporate, squeezing working and middle-class families ever further. At the same time, households will come under attack from exploding costs, especially on account of education and health care – areas that are yet to be transformed by information technology. “The result could well be massive unemployment and inequality as well as the implosion of the consumer economy itself,” Ford says.

Does that alarm us? The Economic Survey 2013 has cautioned that by 2020, India could face up to 16.7 million ‘missing jobs’. According to a recent report by the World Economic Forum, income inequality and jobless growth are two of the most significant challenges facing the world today. Deepening income inequality and jobless growth head the top 10 trends for 2015. It draws further support from an Assocham study that has found that India lost five million jobs in a five-year period between 2004-05 and 2009-10, paradoxically when the country’s economy grew at a rapid clip.

Clearly, this was a pointer to the disconnect between economic growth and employment growth. While Modi’s call to ‘Make in India’ – propped to provide at least 100 million additional jobs – is yet to take effect, an over-emphasis on services and neglect of manufacturing so far has accounted for “jobless growth”. Even as about 13 million youth enter the labour force every year, the gap between employment and growth has widened during the period, the study noted.

Mere vision documents

In terms of job generation and growth in income, manufacturing wins hands down over services. In 2013-14, manufacturing contributed 15 per cent to GDP and employed about the same percentage of the workforce.

Since Modi is pursuing a clutch of ambitious plans – Make in India, Skill India, Digital India, Clean India, Start-Up India, Smart Cities, infrastructure development, indigenous defence manufacturing, cleaner energy and so on – one can assume that they would either produce jobs or help in securing them. Most of his plans, however, have remained as ambitious vision documents.

Modi’s love for spectacle and propaganda, one must grant, create an atmospherics of optimism. But the high expectations that rose after he got his mandate may fizzle out sooner if he fails to deliver in real quick time. The Economic Survey 2012-13, prepared by Raghuram Rajan, noted that India is creating jobs mainly in low-productivity construction and not in high-productivity formal jobs in manufacturing.

Agricultural sector itself is characterised by disguised unemployment. A thrust for labour-intensive sectors such as textile and garments, leather and footwear, gems and jewellery, food processing industries, handlooms and handicrafts is a solution.

In the coming decades – before fertility rates fall and the population stabilises at about 1.5 billion by around 2040 – the rising tide of young people willing to join the workforce but unable to do so, may cause great social unrest. The ongoing Patidar reservation agitation gives a lie to our swagger around “demographic dividend”. The news that, for 368 positions for peons at the Lucknow state assembly, more than 2.3 million people had applied, should cause sufficient alarm.

Should we brace for a regime when the traditional employment model gave way to more bite-sized, freelanced, project-based, shorter-term gigs? Can Modi deliver India from being pulled back into a Malthusian or ‘dog-eat-dog’ age because of a coincidence of factors occurring from climate change, rapid population growth, resource scarcities, and bad governance?

ENERGY RESOURCES

STATESMAN, OCT 16, 2015

The solar alternative-I

Shantanu Basu

The Government of India’s Department of Coal is gung-ho over the fact that Coal India is ratcheting its production and stockpiling reserves in its consumer premises. This is happening despite the large back-down of many fossil fuel-based energy plants on account of recession in the manufacturing sector. Coal India and its subsidiaries are facing a financial crisis as non-earning stockpiles fail to earn any revenue to pay dues for the coal supplied by these companies. The debate over fossil fuels like coal will intensify once CIL's financial results are declared next year.

The Department of Coal's official website says a cumulative total of 301.56 billion tonnes of coal have been estimated in the country as on April 1, 2014. Of these about 120 billion tonnes (40 per cent) are predicted reserves, i.e. unproven. Moreover, only about 5 billion tonnes comprise prime coking coal. The bulk of all reserves, about 167 billion tonnes (89 per cent) are non-coking coal. Deriving from this are 1:6-7 energy yield differentials between Australian and Indian coal. This implies that Indian reserves would have to be diminished by a factor of 60-70 per cent for the same energy creation capacity.

Assuming an average consumption of 600 million tonnes in 2011, the country’s proven and exploitable reserves of 300 years would perhaps yield no more than 55-75 billion tonnes over a span of 90-125 years even after factoring commercial farming initiatives that the department proposes to undertake in the coming months. This figure would diminish further if the non-energy use of coal is taken into account or if coal consumption rises further. The total coal consumption is estimated to increase 2-3 times from 660 million tons/year to 1800 million tons/year; accordingly the CO2 emissions will rise from 1,590 million tons/year to 4,320 million tons/year. This huge growth will only whittle down coal reserves to possibly 30-40 years. Despite the lofty claims of the Department of Coal, Narendra Modi’s government has realised that alternate sources of energy, notably solar, must be explored if India's development story is to move into high gear without violating global emission norms.

India’s per capita energy consumption in 2011 was 600 kgoe compared to China and South Africa at 1881 and 2846 kgoe/capita respectively. Our consumption is a meagre 32 per cent of the global average of 1884 kgoe. Low energy consumption is naturally reflected in electricity consumption which is a paltry 22 per cent of the global average of 2875 KwH/capita. The origin of low electricity consumption lies in a reduced installed capacity of 0.17 KwH/capita against the global average of 0.74 KwH/capita. Therefore, traditional methods of firewood, kerosene, LPG/PNG, etc. remain the mainstay of vast swathes of our rural and urban sectors. Even the electricity that is generated suffers up to 50 per cent transmission and distribution losses that can effectively bring down the average availability of paltry supply by nearly half.

The total coal consumption is estimated to increase 2-3 times from 660 million tons/year to 1800 million tons/year over the next decade or so; accordingly the CO_2 emissions will also rise from 1,590 million tons/year to 4,320 million tons/year. PM, SO_2, and NO_x emissions will at least double in the same period. Most of the planned plants are supercritical and ultra- TPPs, which tend to utilize less coal per MWh of electricity generated. With no emission regulation in place for SO_2 and NO_x, these are assumed to be uncontrolled. A 100 per cent increase in terms of impact on health is also forecast.

The total premature mortality due to the emission from coal-fired TPPs is expected to grow 2-3 times reaching 186500 to 229500 annually in 2030. Asthma cases associated with coal-fired TPP emissions are expected to grow to 42.7 million by 2030. Yet India currently has no standards for either SO_2 or NO_x. Over the past 40 years, thermal generation has increased to more than 70 per cent. Given the difficulty of constructing large hydro projects, its share is unlikely to increase in the future. Nuclear installed capacity is projected to increase to about 69 GW (under the most optimistic scenario) from the existing base of about 5 GW. Share of coal in the electricity generation mix will, regrettably, continue to range from 50 - 60 per cent in 2035.

A scenario whereby India reduces the coal mix to 40 per cent is considered to be the highest possible reduction in coal usage; but this would imply a 22 per cent share of renewable energy in the electricity generation mix. Even with this high renewable share, the coal installed capacity must grow to 270 GW by 2035. The likely estimate of installed coal-based power capacity is 340 GW (50 per cent share) in 2035, which represents significant growth from the existing installed capacity of 132 GW in 2013 (i.e., growth rate of 4.4 per cent per year). Sixty-eight per cent of India's energy is generated by fossil-fuel/gas-based power projects. Yet the country presently has an extremely low availability of 0.17 Kwh/person as compared to 0.74 Kwh in China and 0.89 Kwh in South Africa. Not surprisingly, India's HDI index is just 0.52 compared with China’s 0.66 and South Africa’s 0.59.

The worst affected states for the TPP boom are expected to be Andhra/Telangana, Bihar, Chhattisgarh, Gujarat, Jharkhand, Karnataka, MP, Odisha, Rajasthan, Tamil Nadu, UP and West Bengal. These states account for a giant share of India’s total population and geographical area. The impact on health, resulting in premature deaths, include chronic obstructive pulmonary disease, lower respiratory infections, cerebrovascular disease, ischemic heart disease, cancer of the trachea, bronchitis and lung systemic inflammation, accelerated atherosclerosis and altered cardiac function.

In 2030, the total premature mortality is estimated to claim 80,000-1.15 lakh lives at a cost of Rs 16,000-23,000 crore. Child mortality below five years would cost India Rs 2,100 crore, 625 million respiratory cases Rs 6,200 crore, 1.70 lakh chronic bronchitis patients at a cost of Rs 900 crore. Likewise, there may be an expected 8.4 million cases of chest discomfort costing Rs 170 crore, 20.9 million asthma attacks costing Rs 2,100 crore and 9 lakh emergency room visits for Rs. 320 crore. All these figures are for a single year, 2030, alone, that too with a crumbling public health system. Moreover, the data excludes figures for equally large casualties from vehicular and industrial pollution, mostly in urban areas.

The statistics on the damage to health are fearsome. The annual health cost in Andhra Pradesh is estimated to rise from Rs 9870 crore in 2017 to 17510 crore in 2030; Bihar from Rs 9450 crore to Rs 16410 crore; Maharashtra from Rs 12360 crore to Rs 20440 crore per annum. These figures exclude collateral damage sustained by the environment and flora and fauna.
(To be concluded)

STATESMAN, OCT 17, 2015

The solar alternative-II

Shantanu Basu

India has 30 million hectares of fallow land available. In addition, in the total geographical area of 329 million hectares, the net area sown is only 136 million hectares (i.e, 41 per cent). Moreover, Rajasthan's Thar desert has an area of 2 lakh sq km, another 7,500 sq km in the Rann of Kutch, etc. A recent study shows that Delhi's government buildings have a combined usable rooftop area of four sq km without using their exterior wall areas. Add another conservative six sq km by way of the Capital's major malls, private hospitals, university and school buildings, private home rooftops, rooftops of airports and covered stadia like the IP Velodrome and Siri Fort Auditorium complex, inter-state bus terminals and railway stations, et al.

Industrial clusters in Delhi and suitable residential colonies could add another seven sq km, easily making for 17 sq km that could potentially generate energy. If the 253.13 acres on which the derelict Safdarjang aerodrome in Lutyens' Delhi stands and is only used for SPG practice and office space, were to be converted into a solar park, a large part of the city's energy demand could have been met in an environment friendly manner. A National Alternative Fuels R&D Centre and National Scientific Innovation Centre, each with private industry participation, on this area with solar panels on its roofs and open spaces would catapult India into global prominence and give a huge fillip to our solar panel manufacturers whose panels already dot South African, even Chinese rooftops.

Our Tier-II & III cities have the potential to provide several hundred sq km more for on-grid solar energy farms to meet India's need of 32,000 hectares. We actually have more than this relatively modest figure. And this is when rural India that accounts for 72 per cent of India's population in 2011 hardly receives any power supply from state/national grids and States' RE efforts exist no more than on paper after investing several thousand crore since there is hardly enough energy generated for all. Surprisingly, all research into the economics of alternative fuel energy generation, thoughtlessly project fossil fuel-based energy supplies as the wave of the future when the world is thinking differently.

The justification is centred around the required land areas for fossil fuel plants, their 'low' cost of generation (conveniently omitting giant indirect health costs) and required land areas to justify their expansion to cover almost 80 per cent of India's geographical landscape by 2030. Fossil fuel-generated energy currently costs Rs 3-4 per Kwh, if available, while solar/PV costs Rs. 10-15 per Kwh that the government must subsidize heavily. Solar and biomass can be used to power LED-based lighting solutions, run local cold storages, I-T services, drip irrigation, water and waste management, etc.

Assuming that 50 per cent of India's energy needs are met by free feedstock, sunlight brings down current costs to Rs 7.50-12.50 per unit. Add another conservative 60 per cent by wasted attendant health costs and other environmental degradation by fossil-fuel energy generators, the cost per unit declines to Rs 3-4.50 per unit. Adding large land areas that are already available and promoting economies of scale of production, such technology would become cheaper by another 25-30 per cent, reducing the delivered cost per unit to Rs 2-3 per unit, or even lower. Adding carbon credits earned by our industries globally and export earnings from commercial coal farming, alternative fuels are the wave of the not-too-distant future for India.

With recent initiatives of the Government of India with regard to commercial farming of coal and selling leases on coal mines, the next decade would invariably see a mushroom growth of coal-based industries and IPPs. The unbridgeable gap between supply and demand for energy may force the saving of as much as 75 per cent of the current cost of alternative fuels, bringing down the cost of such fuels and technology further, provided the Union Power Ministry recognizes this major tariff anomaly between fossil fuels and alternative technologies. Off-grid alternative fuel-based grids and standalone generators could bring about a revolution in the energy sector. Solar energy could also power India's rural areas that are home to 72 per cent of its population.

While government financing is unlikely to be available to meet the huge capital expenditure involved either as capital cost or subsidy, yet it is noteworthy that in 2012-13 alone, Ministries and departments were unable to expend Rs 4.26 lakh crore provided in their capital budgets. Even if a quarter of such savings were applied to granting a 5 per cent interest subsidy on capital investment, it could help annual private investment of Rs 2-3 lakh crore, 20 per cent price concessions on setting up solar energy farms on government-owned land or revenue-sharing arrangements in lieu, 20 per cent IT rebate towards annual O&M costs of owners/operators and 10 per cent depreciation may be doable within an annual capital budget outlay of Rs 1-1.50 lakh crore.

India added more than one GW of solar energy to its grid last year, nearly doubling the country's cumulative solar capacity to 2.6 GW at the end of March, 2014. The Government only has to facilitate the creation of huge additional energy generation capacity.

Employment benefits from this transition would be expectedly large. Off-grid rural solar plants could employ agriculturists after sundown in workshops to repair and maintain installations. Surplus energy from such installations could be used to run community TV sets, rural telephone exchanges, et al. Panchayats could earn some money by permitting licensed use of fallow land to operators. Agriculturists could generate additional incomes for themselves by job work like electric welding, assembling low-tech white goods, etc. They are certainly not stupid. Training would make the cutting-edge difference.

Villages would no longer be deprived of power to meet peak demand in nearby urban agglomerations. Not having to share electrical energy with surrounding rural areas, industrial clusters located in and around urban areas would stand to gain by reduced black-outs and more stable voltage. Our populations would be healthier and the creaking public health system would have fewer patients to treat. The benefits being substantial, it would be a matter of time before local people agree to share the costs of energy generation and pay for their consumption. Environmental degradation would be minimized and not held hostage to polemical land acquisition by the state.

God's own energy resource bounty is eternal. What is needed is the government's intervention so that such bounty brings the light back into the lives of India's indigent and deprived millions and ensures that they live as productive citizens. In the ultimate analysis what matters to a nation's economic strength is the quality of its citizens rather than their sheer numbers.
India must learn from Thomas Edison - "We are like tenant farmers chopping down the fence around our house for fuel when we should be using Nature's inexhaustible sources of energy - sun, wind and tide.... I'd put my money on the sun and solar energy. What a source of power! I

hope we don’t have to wait until oil and coal run out before we tackle that” and take the quantum leap to using the Sun’s bounty. Fallacious economics and mathematics detract from good governance that ought to be for the greatest good of the greatest number, not of the privileged few.

(Concluded)

ENVIRONMENT

TIMES OF INDIA, OCT 20, 2015

Ecologist lists steps to tackle dust pollution

New Delhi: Creating a buffer of trees and shrubs around residential areas and along highways could mitigate dust pollution quite effectively, DU professor emeritus and ecologist C R Babu has recommended to the Delhi government. The government had organised an inter-departmental meet chaired by deputy chief minister Manish Sisodia to come up with solutions to the capital's problem of air pollution. Sisodia called for recommendations so that emergency measures can be put in place before winter when air pollution levels go up massively.

Babu, who recently submitted his report to the environment secretary, Kulanand Joshi, listed out the main reasons for dust pollution in Delhi-construction of houses, expansion or renovation of old houses, building of roads, flyovers and bridges, dumping of soil by Delhi Metro, presence of sandy areas without grass cover, dust blown by vehicles, and sand and construction waste lying around.

"There are several measures the Delhi government can take that are easy to implement. They do not need major technology or investment. For instance, why can't we use treated water, say from Najafgarh drain, and settle the dust with sprinklers?" Babu said.

The report recommends that loading and unloading of cement bags and mixing of cement with sand or gravel should be carried out in closed sheds covered with plastic sheets. Patches with no grass cover may be identified with satellite imagery and covered immediately. Roads that are not black-topped should also be tarred.

On highways, Babu recommends a thick green belt, at least 5-10m wide and having a three-tier vegetation, and a green belt, 10-50m wide, should be developed around residential areas. Open areas interspersed with houses can also be developed into arboreta-places where a variety of trees and shrubs are planted for educational or scientific purposes.

To address pollution from vehicles on roads, a sprinkler connected to STPs should be developed for spraying water during peak-hour traffic. "In fact, sprinkled water decreases dryness of air near ground level, and it can be recycled. Vehicular emissions like PM2.5 (fine, respirable particles) can also be brought down with a sprinkler system," Babu added. The environment department officials said they received the suggestions.

INTERNATIONAL ORGANIZATIONS

ASIAN AGE, OCT 16, 2015

UN owes India USD 85 million for contribution towards peacekeeping

United Nations: The UN owes India an amount of USD 85 million for its contribution towards

peacekeeping operations including troops, police and equipment, a senior management official has said.

The organisation owed a total of USD 1.03 billion to 86 Member States, which contributed troops, police and equipment as of October 2 this year.

The largest amount owed was to Pakistan at USD 97 million; followed by Ethiopia at USD 87 million; India at USD 85 million; Bangladesh at USD 84 million; Rwanda at USD 55 million; and Nepal at USD 44 million, Under-Secretary- General for Management Yukio Takasu told the the Fifth Committee (Administrative and Budgetary) in the General Assembly on Thursday.

India is the largest cumulative troop contributor to UN peace operations, with over 185,000 troops having served in 48 of the 69 missions mandated so far.

The country has repeatedly called for the Security Council to consult troop contributing countries before drawing up peacekeeping mandates given that troops now have to function is increasingly difficult and hostile conflict situations across the world's hot-spots.

He said the organisation's financial indicators for 2015 were "generally sound and positive", except for the cash position of the regular budget, whose funds had been depleted.

Urging member states to make their full payments as soon as possible, he said a few nations accounted for the bulk of the outstanding amount, with the US owing USD 813 million, Brazil USD 124 million and Venezuela USD 35 million.

Additionally, 99 Member States had not paid their assessed contribution in full to the International Tribunals and the United States led the list with an obligation of USD

29 million, followed by Russia with USD 11 million in unpaid assessments; Brazil at USD 9 million; Indonesia at USD 4 million; Venezuela with USD 4 million; and 94 other States owing USD 12 million.

He said India had fully paid up its contribution as of October 2.

Briefing on the status of the organisation's four major financial categories of regular budget, peacekeeping operations, tribunals and the Capital Master Plan, Takasu as

of October 2, unpaid assessments stood at USD 1.053 billion, up 16 million from a year earlier.

The total cash available for peacekeeping as of October 2 was about USD 4.3 billion, including the Peacekeeping Reserve account, he said.

As of October 2, USD 314 million was owed to Member States for troops and formed police units; and for contingent- owned equipment claims, USD 638 million was owed to active missions and USD 86 million for closed missions.

JUDICIARY

DECCAN HERALD, OCT 16, 2015

SC declares NJAC unconstitutional, collegium system to continue

In a landmark judgment, the Supreme Court today declared as unconstitutional the law brought by the NDA government to replace the over two-decade- old collegium system of judges appointing judges in the higher judiciary.

The apex court, which quashed the National Judicial Appointments Commission (NJAC) Act in an unanimous verdict, also declared as unconstitutional the 99th amendment to the Constitution to bring in the Act to replace the collegium system.

The unanimous verdict quashing the NJAC Act was delivered by a five-judge Constitution bench comprising justices J S Khehar, J Chelameswar M B Lokur, Kurian Joseph and A K Goel which also rejected the plea of Central government to refer for review to larger bench the 1993 and 1998 verdict of the apex court on the appointment of judges to the higher judiciary.

While four judges held as unconstitutional the 99th amendment of the Constitution, Justice J Chelameswar differed with them and gave his own reasons for upholding its validity.

Justice Khehar, who pronounced the judgment for the bench, said that the system of appointment of judges to the Supreme Court and the Chief Justice and judges of the high courts and transfer of judges from one high court to another has been existing in the Constitution prior to the 99th amendment.

The bench also said it was willing to take suggestions for improving the collegium system of appointment of judges and posted the hearing for November 3.

Justice Khehar said each one of us have recorded their reasons and order has been jointly signed.

The five-judge bench had reserved its judgment on July 15 on a bunch of pleas challenging the consitutional validity of the NJAC Act and the 99th amendment in the Constitution after a marathon hearing for 31 days on the issue.

The petitions challenging the new legislation were filed by Supreme Court Advocates on Record Association (SCAORA) and others contending that the new law on the selection and appointment of judges was unconstitutional and aimed at hurting the independence of judiciary.

However, the Centre had defended the introduction of the new law saying that the two-decade-old collegium system where judges appointed judges was not free from defects and got the support of the Supreme Court Bar Association.

The measure was also supported by 20 state governments which had ratified the NJAC Act and the constitutional amendment.

One of the contentious provisions of the new law was the inclusion of two eminent persons to the NJAC which included Chief Justice of India, two senior most judges of the apex court and the Union Law Minister.

Under the law, two eminent persons will be nominated by a committee consisting of the Chief Justice of India, Prime Minister, and Leader of Opposition in the Lok Sabha or where there is no such LoP, the leader of single largest Opposition Party in the House.

Further, it envisaged that of the two eminent persons, one would be from the Scheduled Castes or Scheduled Tribes or OBCs, minority communities or a woman.

As per the Act, the eminent persons shall be nominated for a period of three years and shall not be eligible for re-nomination.

The issue of eminent persons on the panel was a major bone of contention between the parties and, on final day of hearing, the bench had differed with the Centre, saying inclusion of laymen in the new system of judicial appointments "cannot work".

Defending the provision for inclusion of two eminent persons, Attorney General Mukul Rohtagi had said, "If we can have laymen in some other Commissions and Tribunals then why not in the six-member NJAC."

Noted jurists like Fali Nariman, Anil Divan and Ram Jethmalani were among prominent senior advocates who had argued against the NJAC replacing the collegium system.

HINDU, OCT 19, 2015

Judging the Judge-maker

SANJAY HEGDE

The four judgments of the majority have reasserted judicial independence, with its concomitant autonomyin appointments, as an integral part of the Constitution’s basic structure

A powerful two-term Chief Minister of a central Indian State was seen obsequiously bowing and scraping and loudly saying “Yes Sir, No Sir, As you please, Sir” to an innocuous High Court judge. A friend of the Chief Minister later asked him why the most powerful man in a huge State was kowtowing to someone who only a few months prior, as an undistinguished government pleader, would not have been given even an audience. The Chief Minister’s eyes twinkled as he replied to his friend, “Now, he is one of the few people who can remove me from my chair”. The friend’s eyes twinkled as well when he recollected that the Chief Minister too owed his fortune to his predecessor having to resign after a court verdict.

The story may be apocryphal, as many stories from the bar are, but it explains exactly why judicial appointments are so vital in the running of a constitutional democracy. It also explains why the executive and legislature seek to have a say in the process of selecting judges and why today's judges zealously seek to protect their two decade-old process of immaculate conception, unassisted by other organs of the state.

Till 1993, judges were appointed by the executive in consultation with the judiciary. In good times, consultation with the judiciary went beyond seeking of opinion to attempt a consensus. However, the judicial voice was often neither dominant nor decisive. In bad times, however, governments made calls for a "committed judiciary", attempted to court-pack and sometimes indulged in rank favouritism. The situation prompted Ram Jethmalani to famously remark, "There are two kinds of judges, those who know the law and those who know the law minister."

Quiet revolution

It was in this backdrop, in 1993 during Narasimha Rao's minority government, with Mandal, mandir and economic liberalisation simultaneously boiling, that a quiet declaration of judicial independence occurred. Justice J.S. Verma's judgment in the *Supreme Court Advocates on Record* case, gave the Chief Justice and senior judges of the Supreme Court and the High Courts the power of making almost binding recommendations, for future appointments of judges in the constitutional courts.

Whenever a vacancy arose in the brotherhood, it would be filled by someone pre-approved by the judges and the executive could only demur in the appointment if cogent grounds existed. If, despite executive demur, the judges insisted on the appointment, the executive would have to confirm it. The Indian judiciary managed to create, by constitutional interpretation, a self-appointing elite. Within that elite, the power to recommend appointments belonged to a super-elite called the collegium.

In 1998, during the Vajpayee Government, on a presidential reference, the Court defined the collegium thus: "The opinion of the Chief Justice of India ...has to be formed in consultation with a collegium of Judges. Presently, and for a long time now, that collegium consists of the two seniormost puisne Judges of the Supreme Court. ...The principal objective of the collegium is to ensure that the best available talent is brought to the Supreme Court bench."

The judgment also went on to increase the size of the collegium by holding that "we think it is desirable that the collegium should consist of the Chief Justice of India and the four seniormost puisne Judges of the Supreme Court…" Separate Collegiums of three senior judges were provided for the appointment of High Court judges.

Unstable structure

Since the collegium comprised of the most senior amongst the judges, who all retired upon turning 65, its composition was never stable. On an average, a senior judge would normally serve in the collegium for three years or less and would head it for less than a year. Hence, securing judicial appointments through the collegium became a deadly game of musical chairs and Russian Roulette, randomly mixed. Any High Court judge, hopeful of going higher, found himself desperately seeking not to anger any possible member of the collegium. Sometimes, collegiums got stymied, when old rivalries between its members saw each other's favourites getting vetoed. There were also times that collegium meetings became examples of bargaining within the collective, and consensus emerging from a division of the spoils. In this system, while no single politician could ensure that a candidate became a judge, it was quite likely that a single judge's wrath could wreck a hitherto promising judicial career.

The resultant appointments by the collegium, can largely be described as middle-of-the-road, with the elimination of most outliers. Thus, brilliance often got mistaken for unsteadiness and vice versa. Seniority became an indispensable shibboleth. Equally, while a reputation for corruption was a disqualifier, lesser evils like tardiness or sloth often got glossed over. Most importantly, decisions on appointments were hugely delayed, as judges resorted to politicking.

But the collegium also ensured that judges were not beholden to any politician. A bold judgment could end up unseating the most powerful of politicians or irretrievably damaging them.Politicians of all hues yearned for the early years of strong governments with huge parliamentary majorities, where judges were sometimes seen, but rarely heard of.

Towards the end of the UPA regime, the government sought to tame judges by demolishing the collegium. It brought in a constitutional amendment to provide for the National Judicial Appointments Commission (NJAC) — an independent commission with three senior judges, two eminent outsiders and the Law Minister. The UPA's inept parliamentary handling led to a failure of the bill. A commanding NDA victory in 2014 saw the Modi government revive the proposal and Parliament amended the Constitution brought about the 99th Amendment to provide for the NJAC. Subsequent ratification of 20 States was obtained and it seemed that the collegium was history.

Petitions were filed challenging the constitutional amendment. Going by earlier experiences of judicial standoffs, many men of law expected that a constitutional amendment, almost unanimously passed by Parliament, would be rubber-stamped by the Court. Some were hopeful of judicial creativity finding a via-media which, while upholding the amendment, limited governmental interference. When the judgment was delivered on October 15, 2015, it was a decisive blow. The Court by a 4-1 majority, struck down the 99th Amendment. Justice Kehar's judgment concluded that the NJAC did "not provide an adequate representation, to the judicial component" and that "clauses (a) and (b) of Article 124A(1) are insufficient to preserve the primacy of the judiciary in the matter of selection and appointment of Judges" It further held that "Article 124A(1) is *ultra vires* the provisions of the Constitution, because of the inclusion of the Union Minister in charge of Law and Justice as an ex officio Member of the NJAC." The clause it was held, impinged upon the principles of "independence of the judiciary", as well as, "separation of powers". The clause which provided for the inclusion of two "eminent persons" as Members of the NJAC was held ultra vires the provisions of the Constitution, for a variety of reasons.

The four judgments of the majority have reasserted judicial independence with its concomitant autonomy in appointments, as an integral part of the Constitution's basic structure. No parliamentary majority can amend the Constitution to alter its basic structure and hence the 99th Amendment failed constitutional scrutiny. The court has reinstated the collegium as the clearinghouse of all judicial appointments to the constitutional courts. It has also decided to have further hearings in November to iron out wrinkles in the working of the collegium.

Justice Chellameshwar's dissenting judgment, has, with strong logic, beautifully worded, upheld the constitutional amendment which scrapped the collegium. Like all dissents, his judgment is an appeal to the future and the powerful brooding spirit of the law. He ended his dissent quoting Macaulay's dictum, "Reform that you may preserve."

The Court has now opted to take the path to reform, rather than change to an altogether new road created by Parliament. It is to be hoped that the court's choice leads not to the dreary desert sands of dead habit, but into ever widening thought and action.

(Sanjay Hedge is a Senior Advocate of the Supreme Court)

The Court has now opted to take the path to reform, rather than change to an altogether new road

STATESMAN, OCT 17, 2015

Prudence critical

The last thing this troubled nation needs is confrontation between the judiciary and the legislature/executive - all-round prudence is critical to avoid that developing. It is worrisome that intemperate language has already crept into the "debate" that followed the Supreme Court's 4-1 verdict striking down the 99th amendment to the Constitution and scrapping the National Judicial Appointments Commission. It will require detailed perusal of the judgment - including the dissenting one - before jumping to the conclusion that their Lordships "circled the wagons", rode roughshod over the virtually unanimous decision of Parliament, duly endorsed by some 20 state legislatures. Yet it is important to note that the Constitution bench has also recognised inadequacies in the collegium system, and has left the door open for reforming this appointments system. Having accepted those shortcomings their Lordships might have elevated themselves in public opinion by attempting an honest introspection on the collegium system rather than just seeking inputs from the Bar. Simultaneously, "leading lights" of the legal profession ought to have refrained from rushing to air their opinion without having studied the detailed orders. That “reactions” had distinct political overtones only fuelled negative speculation, attributed motives to a matter that merited evaluation from a pedestal that had no space for prestige, pique etc. Maybe there were loopholes in the appointment mechanism that the NJAC had advocated - but there can be no ignoring the general feeling that the system by which judges appointed themselves “smelled foul”. Nobody queries the vital need for judicial independence, but not everybody agrees that judges are ideally equipped to exercise exclusive authority on selections or that extraneous considerations do not slip into their calculations.

A workable, acceptable way out must be found. While the “voice of the people” as articulated through their elected representatives in the legislature is important, a system that selects judges in a transparent manner is vital to our Constitutional scheme. The government has to make a genuine effort to secure a wide consensus on what further legal action can be taken - this is a matter in which political egos must be suppressed in the best national interests. There is no scope for gloating; it is not a setback for the government of the day, and even after Friday’s verdict the critics of the judiciary will not be silenced. Ideally the attempt should either be to re-work specifics of the NJAC and make the system judicially acceptable, or ensure that the collegium system becomes more transparent. It must be accepted that the presently low public perception of MPs does not automatically raise the stock of their Lordships. Falling standards in public life is a curse with which the Indian people have to live with. Donning black robes has as little therapeutic effect as having ‘MP/MLA’ appended to one’s name. If the judiciary and the political leadership cannot exhibit the maturity to formulate a system that gives the people what they merit, “India” will be even further diminished.

LABOUR

TIMES OF INDIA, OCT 17, 2015

Minimum wage hiked in Delhi

NEW DELHI: The government on Friday notified the increase in minimum wages that were announced earlier this week.

Labour minister, Gopal Rai, said the increase would impact wages of unskilled, semi-skilled and skilled labourers in Delhi. Technical and non-technical supervisory staff will also see a rise in wages. The new rates will be effective from October 1, 2015. Dearness allowance of workers employed in scheduled employments in the organised and unorganised sectors has also been raised.

Sources said the employment in shops, establishments and clubs have been excluded from the raise. "The calculations are based on the increase in All India Consumer Price Index Number, while the DA has also been calculated on the same basis. From a rate of Rs 9,048 plus Rs 126 as DA for unskilled labour, the new rate is Rs 9,174 plus Rs 390 as DA. For semi-skilled, the rate has gone up from Rs 10,010 and Rs 126 as DA to Rs 10,136 plus Rs 429 as DA. For skilled labour, the rate has increased from Rs 10,998 plus Rs 156 as DA to Rs 11,154 and Rs 467 as DA," said an official.

LIBRARIES

HINDU, OCT 19, 2015

Fulltime library in each revenue district planned

Readers make use of the upgraded library in New Perungalathur.— Photo: G. Krishnaswamy

A fulltime library for each revenue district of Kancheepuram is on the anvil.

The Sembakkam Municipality has agreed to part with 50 cents of land for this purpose and the project will be carried out with the National Bank for Agriculture and Rural Development (NABARD) assistance, said district library officer of Kancheepuram district, K. Rajendran.

He said that a new floor space had been added to the branch library in Perungalathur, which had proved to be a model that could be emulated.

The branch library, functioning as a part time library, has been upgraded as a fulltime library and it accounts for 6,000 members.

The building on the first floor has been constructed at a cost of Rs.6 lakh drawn from local area development fund of Animal Husbandry Minister T.K.M. Chinnaiyya, who inaugurated the building recently, in the presence of Sriperumbudur MP K.N. Ramachandran.

At a time when buildings of branch libraries belonging to the State government and the District Library Authority are crumbling or are cramped, dingy and rented, the branch library in Perungalathur is a welcome departure from this situation.

The branch library functions near the St. Thomas Mount Panchayat Union Primary School on Krishna Street, new Perungalathur.

“The library, which attracts more than 250 people every day has more than 40,000 collections on different subjects, which serves as a boon for book lovers,” said K. Damodaran, librarian.

Senior citizens, homemakers, a number of college and school students frequent the library.

Apart from newspapers, magazines, story collections of stalwarts, there was also a good collection of Tamil epics. Young men and women preparing for competitive exams of the State and Centre visited the library to prepare notes, Mr. Damodaran pointed out.

Plea to construct

compound wall

Readers at the library also appealed to the local body, Perungalathur Town Panchayat and the Kancheepuram district administration to take measures for putting up a compound wall to protect the building from misuse.

PARLIAMENT

INDIAN EXPRESS, OCT 19, 2015

Notify disqualification of convicted MP, MLAs within two weeks: Election Commission

In a letter, the poll panel has directed that the Speaker of Parliament or Assembly should be informed of the conviction of an MP or MLA within seven days of the court order.

Taking note of delays in notifying the disqualification of convicted lawmakers, the Election Commission of India (EC) has now directed Parliament and state legislatures to wind up this process within two weeks.

In a letter sent last week, the poll panel has directed that the Speaker of Parliament or Assembly should be informed of the conviction of an MP or MLA within seven days of the court order and the subsequent disqualification should also not take more than a week.

"The Supreme Court order is quite clear, conviction should lead to immediate disqualification. But we have noticed that the state legislatures have issued these orders very late, sometimes after a month after conviction… Hence we have now clearly defined the period within which disqualification has to be notified," said an EC official.

POLITICS AND GOVERNMENT

TELEGRAPH, OCT 20, 2015

A glaring failure: Educated Indians' support for Modi is a sad let down

Prabhat Patnaik

Opinion polls from Bihar only confirm what one already suspected for the country as a whole, namely that while the peasantry is not much enamoured of Narendra Modi, the urban middle class is. Since the weight of the educated segment is greater among the latter, it would appear that Modi has considerable appeal even among the educated, a fact that is also confirmed by the kind of reception he gets from professionals of Indian origin in the Silicon Valley and elsewhere who are basically urban-educated émigrés.

This appears intriguing at first sight. The educated segment in any society is supposed to defend, more than any other section, the foundational principles of that society -principles around which the constitutional order of that society is built. In the current Indian context, this segment would have been expected to be the one most concerned with the preservation of democracy, secularism, fundamental rights and the autonomy and sanctity of academic institutions. No matter what his precise culpability in the anti-Muslim pogrom in Gujarat in 2002, Modi had undeniably presided over it and has never expressed any remorse for his lapses. Given this fact, one would have expected the urban-educated elite to be the group most sceptical about him. No doubt a considerable section of it is; but not, apparently, the bulk of it.

Indeed, even without going back to 2002, the recent spate of attacks on the secular fabric of modern India, including the horrendous lynching in Dadri of a member of the minority community for allegedly eating beef - an incident over which Modi, for a long time maintained a deafening silence that was entirely unbecoming of a constitutionally-appointed prime minister of the country - should have made the educated sections stand *as one* in holding him to account. Such, alas, has not been the case.

People may differ in their politics and I have no problem with those among the educated elite who may choose to vote for the Bharatiya Janata Party. What concerns me is that their enthusiasm for Modi does not appear to be tempered by any disquiet over the threat to our secular order that is building up under his dispensation, a threat towards which his attitude, even by the most charitable interpretation, has been one of benign neglect.

Those who currently hold Modi in adulation may soon change their attitude as the hollowness of his promise of "development" becomes increasingly evident, which inevitably would. But such a change would then have occurred for an altogether different reason from the one I am discussing. The abdication by the educated elite of its role as keepers of our constitutional conscience would not have been negated by it.

On the occasion of Modi's America visit, over a hundred distinguished academics located there, both of Indian origin and others, had sent a letter to the leaders of Silicon Valley companies, voicing their disquiet over recent developments in India under Modi's leadership, and requesting them not to support his Digital India initiative. The Silicon Valley executives, however, who played host to him, did not respond to this letter in any manner, not even to the minimal extent of saying that this was a matter they preferred not to get directly involved in. This, at least, would have shown that they were worried about the attacks on secularism. Instead, they ignored it altogether. The unmistakable impression one got is that the attack on secularism was, for them, not a matter of concern at all. Like the members of the educated elite located in India, the Silicon Valley professionals too expressed no anxiety over the treatment of the minorities, and the threat to democratic rights in Modi's India.

This brings me to the crucial question: how can one explain this enthusiasm for Modi among significant sections of the educated elite? One answer that is often advanced is that the preceding corruption-ridden Manmohan Singh regime had become so repugnant that there was hardly any alternative to Modi, and that even members of the educated elite were forced to hold their noses and vote for Modi despite his dubious record on secularism. This answer, however, simply would not do, for we find very little evidence of noses being held. What a large chunk of the educated elite feels towards Modi is not mere sceptical tolerance but unabashed enthusiasm, which also means that contrary to what one normally expects, the support of much of the educated elite for secularism and universal democratic rights is less than lukewarm.

This to my mind has to do *inter alia* with our educational system: its structure, orientation, and the nature of student intake. The obvious structural problem in our education system relates to the poor quality of the humanities and the social science disciplines. These disciplines are neglected, starved of funds and treated as inferior. All over the world, it is the social science disciplines, rather than the natural sciences, that have propagated a progressive social outlook and have stood for democracy, human rights and secularism. There have undoubtedly been individual scientists - from Albert Einstein to J.D. Bernal - who have plunged themselves actively into the struggle for a humane society. But scientists as a rule have tended to keep aloof from such struggles.

Not surprisingly, dictatorial regimes throughout the world have always actively discouraged social sciences in their respective countries. The disproportionate emphasis on science and engineering disciplines in contemporary India has thus tended to keep the elite produced by the education system relatively unconcerned about issues of secularism and democracy. It has kept large sections of this elite trapped within their inherited caste and communal prejudices.

The problem with the *orientation* of our education system consists in our apotheosizing the role of education in producing merely skilled personnel as commodities to be sold to the highest bidder in the market rather than socially-sensitive individuals not exclusively absorbed by their own material self-interest. This is something that I have already discussed in an earlier article ("Learning and intensity", Sept 4), and shall not repeat here.

The issue to my mind is simply the following. It is not the case that only social scientists should be concerned with society and not scientists and engineers. "Nation-building", to use that clumsy term, is a matter that concerns everybody and not just those engaged in the humanities and social sciences. Everyone, therefore, and not just those studying the humanities and social sciences, must be exposed to, and must engage with, the basic constitutional premises underlying the modern Indian nation. This, precisely, is not what is being done.

Finally, in the matter of student intake, the representation of Muslims, Dalits and other oppressed castes and the economically poor remains woefully inadequate. Some years ago, notwithstanding the fact that almost a quarter of the population of West Bengal consisted of Muslims, the proportion of Muslim names in the list of successful Class XII students hardly exceeded two per cent. I doubt if the situation has changed much. The same is true of Dalits and other oppressed castes. What is true of West Bengal is even more resoundingly true of the other states.

In other words, the composition of the educated elite has been heavily biased in favour of those coming from the upper castes, the upper and upper-middle income groups, and from the majority religious community. The prejudices these class members imbibe from childhood are not broken in the course of their passage through the education system of the country, which explains why their commitment to the founding constitutional principles of the modern Indian nation remains less than lukewarm.

This is an extremely untenable situation. Antonio Gramsci had emphasized that a new social order required its own group of "organic intellectuals" for its sustenance. The purpose of the education system in post-Independence India should have been the creation of a group of "organic intellectuals" of the post-colonial order who would have remained committed to the basic agenda of the anti-colonial struggle that was enshrined, in however refracted a form, in the Constitution. A glaring failure of post-Independence India has been that it has not created such a group of "organic intellectuals"; and this poses a serious threat to the sustenance of a democratic and secular polity.

Shortly after Modi came to power, an American professor of philosophy had remarked that his success was, above all, an indictment of the Indian education system. She was right. And the persisting enthusiasm for Modi among large sections of the educated elite, that too after a year marked by serious attacks on the secular foundations of India's polity, constitutes an even more damning indictment of the Indian education system.

The author is Professor Emeritus, Centre for Economic Studies, Jawaharlal Nehru

POVERTY

HINDU, OCT 16, 2015

Breaking the bonds of rural poverty

JOSÉ GRAZIANO DA SILVA

Today, on World Food Day, the world has a lot to celebrate. As a global community, we've made real progress in fighting global hunger and poverty in recent decades. A majority of the countries monitored by the United Nation's Food and Agriculture Organisation — 72 out of the 129 — have achieved the Millennium Development Goal target of halving the prevalence of undernourishment in their populations by 2015. Meanwhile, the share of people in developing regions who live in extreme poverty has come down significantly, too — from 43 per cent in 1990 to 17 per cent this year.

But progress has been uneven. Globally, some 800 million people continue to suffer from chronic hunger. Almost one billion remain trapped in extreme poverty.

So despite major strides, hunger and poverty have stayed with us — even in times of plenty. Economic growth, especially in agriculture, has been essential to driving down rates of hunger and poverty, yes. But it is not enough, because all too often, it is not inclusive.

Long alerted to this fact, many nations in the developing world have established social protection measures — offering people regular financial or in-kind support, or access to self-help programmes — on the understanding that they are necessary, front-line actions for tackling poverty and hunger.

Study after study shows that social protection programmes successfully reduce hunger and poverty. In 2013 alone, such measures lifted around 150 million people out of extreme poverty.

What may come as a surprise is that these programmes do more than just cover shortfalls in income. They are not just a hand-out that allows people to simply tread water. Rather, they are a hand-up that can put them on a fast-track to self-reliance.

Most of the world's poor and hungry belong to rural families who depend on agriculture for their daily meals and their very livelihoods. These family farmers and rural labourers, understandably, are focussed on survival in the here-and-now. They adopt low-risk, low-return approaches to income-generation, underinvest in the education and health of their children, and are often forced to adopt negative coping strategies such as selling off meagre assets, putting their children to work, or reducing food intake to cut expenses. They become trapped in survival mode. Poverty and hunger become intergenerational — and seemingly inescapable.

It does not have to be that way.

Today, we know that even relatively small transfers to poor households, when regular and predictable, can serve as insurance against those risks that tend to deter them from pursuing higher-return activities or lead them to adopt negative risk coping strategies. Social protection allows poor and vulnerable households to have a longer time horizon, offering them hope and the ability to plan for the future.

And far from creating dependency, the evidence shows that social protection increases both on-farm and non-farm activities, strengthening livelihoods and lifting incomes. Social protection also fosters more investment in the education and health of children, and reduces child labour. Social protection in the form of cash increases the purchasing power of the poor, who demand goods and services produced largely in the local economy, leading to a virtuous circle of local economic growth. Social protection programmes also provide a way for communities to make important infrastructure and asset gains — for example irrigation systems built through cash-for-work activities.

With most of the world's poor and hungry still living in the countryside and still dependent on agriculture, twinning social protection with agricultural development programmes makes compelling sense. This is why FAO chose social protection and agriculture as the theme of World Food Day this year.

But knowing what to do and actually doing it are two different things. To break the age-old bonds of rural poverty once and for all, the world needs to act with more urgency — and more decisively.

Political commitment, adequate funding, partnerships, and complementary actions in health and education will be key elements in transforming this vision into reality. Policy and planning frameworks for rural development, poverty reduction, food security and nutrition need to promote the joint role of agriculture and social protection in fighting poverty and hunger, together with a broader set of interventions, notably in health and education.

Pulling together, using the knowledge and tools at our disposal — and without breaking the bank — we can eliminate chronic hunger entirely by 2030. Now that would be cause for celebration.

(José Graziano da Silva is Director-General, Food and Agriculture Organisation of the United Nations.)

Far from creating dependency, evidence shows that social protection increases both on-farm and non-farm activities, strengthening livelihoods and lifting incomes

BUSINESS LINE, OCT 21, 2015

Poverty of statistics

A SRINIVAS

World Bank numbers are the latest addition to this farce

The government has lost no time in criticising the World Bank's recent report, which says that only 12.4 per cent of India's population was poor in 2011-12. Recall the uproar that ensued from the Suresh Tendulkar Committee's findings; it used a per capita daily expenditure requirement of about ☐30 a day at 2011 prices as the poverty line, and concluded that 22 per cent of Indians were poor that year.

The World Bank has repeated the Tendulkar report's mistake by assuming a per capita consumption need of $1.9 a day in 'purchasing power parity' terms, which works out to about ☐28 a day for 2011-12, as pointed out by reports. To correct these absurdities, the Rangarajan panel revised poverty lines upward in its July 2014 report, as a result of which 30 per cent of the population was found to be poor in 2011. While both the Rangarajan and Tendulkar panel reports claim to go beyond a narrow income-calorie approach, they fall short of being multi-dimensional. Their poverty lines do not accord sufficient weightage to nutrition, and access to schools, sanitation, transport and hospitals of a certain standard.

Poverty is a psychologically dysfunctional state of being, as David Shipler's case studies of the poor in the US point out. Statistics do not capture that. If the idea is to 'measure' the number of poor accurately so that schemes can be effectively 'targeted', that, as Nobel laureate Angus Deaton has said, is unlikely to work. Self-targeting schemes such as the MGNREGA and mid-day meals are less vulnerable to leakages. Multi-dimensional studies open up more promising policy possibilities.

For instance, the National Family Health Survey is expected to release its fourth report soon. The third report, for the period 2005-06, reported alarmingly high levels of anaemia and stunting for an economy of promise. The fourth report should tell whether poverty 'lines' and the singular pursuit of 'growth' matter.

RAILWAYS

PIONEER, OCT 23, 2015

JAPAN FUELS PM'S BULLET TRAIN DREAM WITH $15BN SOFT LOAN

India's dream of acquiring a bullet train has got a boost with Japan offering to finance the first such $15 billion venture at an interest rate of less than one per cent.

Japan is engaged in assessing the feasibility of building the 505-kilometre corridor linking Mumbai with Ahmedabad. The study has reportedly found that the project would be technically and financially viable.

The project to build and supply the route will be put out to tender, but offering finance makes Japan the clear frontrunner.

Last month, China won the contract to assess the feasibility of a high-speed train between Delhi and Mumbai, a 1,200-km route estimated to cost twice as much. No loan has yet been offered.

Japan's decision to give virtually free finance for Modi's pet programme is part of its broader pushback against China's involvement in infrastructure development in South Asia over the past several years.

"There are several (players) offering the high-speed technology. But for technology and funding together, we only have one offer. That is the Japanese," said AK Mittal, the Chairman of the Indian Railway Board, which manages the network.

The two projects are part of a 'Diamond Quadrilateral' of high-speed trains over 10,000 km of track that India wants to set up connecting Delhi, Mumbai, Chennai and Kolkata.

Japan has offered to meet 80 per cent of the Mumbai-Ahmedabad project cost, on the condition that India buys 30 per cent of the equipment, including the coaches and locomotives from Japanese firms, officials said.

Japan's International Cooperation Agency, which led the feasibility survey, said the journey time between Mumbai and Ahmedabad would be cut to two hours from seven. The route will require 11 new tunnels including one undersea near Mumbai.

"What complicates the process is Japanese linking funding to use of their technology. There must be tech transfer," said Mittal.