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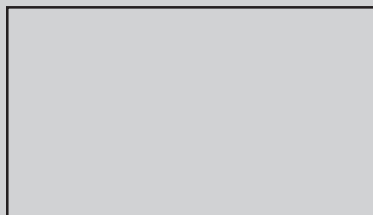


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Challenges from China-A report

Reservation for Muslims & Minorities

Rangnath Mishra Commission, a government-appointed panel has recommended 10 per cent reservation for Muslims and five per cent for other minorities in government jobs and favoured Scheduled Caste status for Dalits in all religions. The report titled the National Commission for Religious and Linguistic Minorities (NCRLM), headed by former chief justice of India Rangnath Mishra, was tabled in the Parliament recently. Among a host of recommendations, the Commission recommends delinking of Scheduled Caste status from religion and abrogation of the 1950 Scheduled Caste Order which "still excludes Muslims, Christians, Jains and Parsis from the SC net."

This is a clear cut violation of the basic character of our constitution and is bound to land us in further trouble. 'Secular fanatics' from all walks of life including media have already started dubbing everybody opposed to reservation on religious grounds as communalists forgetting the fact that it is they who are actually defending a pure communal move. Fear psychosis is being created in direct/indirect ways by justifying reservation on the basis of what is happening in our neighbourhood read Pakistan and elsewhere in the Muslim world. Implying thereby that if we don't give reservation to Muslims, we stand a risk of pushing the community to Pan-Islamic Jihadism. This is absurd argument. It is intimidation that can't last long. This argument is also an insult to their overall intelligence of the community. Commitment of Muslims for a peaceful existence can't be doubted. Religion can't be the basis of official policy in a secular state. It is clear that Islam and Christianity have failed to treat human beings equally and have failed to give a better deal to downtrodden. It is time to for people of India irrespective of their caste colour and religion and find non-conflicting ways of improving the lot of economically and socially left behinds.

– Suresh Parihar, Dinpur

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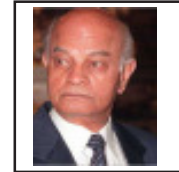
Quote-Unquote



The Congress has a long history of bowing to foreign powers. The Copenhagen summit is just an example of this.

Murali Manohar Joshi

Senior BJP Leader



The Chinese are very strong compared to India. We are now facing a problem which is much more dangerous than what we faced in 1962.

Brajesh Mishra

Former National Security Adviser



The Government was in a Sharm el-Sheikh syndrome as far as the climate change accord in Copenhagen was concerned.

Arun Jaitley

Senior BJP Leader



There are historic conflicts between India and Pakistan. It is not the place of the US to try to resolve all those conflicts.

Barack Obama

President of the USA

Copenhagen Summit: **The Ducked Responsibility**

Climate change for now is clearly dominating the global agenda. It is indisputably a serious menace that threatens the balance of life on Earth. Oceans are rising and acidifying; ice caps and glaciers are melting; forests, coral reefs and other ecosystems are changing or collapsing. The existence of some communities is imperiled, while others face growing barriers to their development. Unless curbed well in time humanity is at risk being forced to hang around for an approaching environmental tragedy in the form of increasingly violent weather, collapsing food systems, mass migration and unprecedented human conflict. The principal reason of this tragic eventuality is a wealthy minority of the world's countries, corporations and people, who have emitted almost three quarters of all historical emissions. Not only do they continue to emit these poisonous greenhouse gases at an alarming rate but refuse to change their over comfortable & consumerist life style largely responsible for the menace. On the other hand is a vast majority of poor countries, communities and people who have contributed least to the causes of climate change, yet they are going to be its first and worst victims.

The Kyoto Protocol, a protocol to the United Nations Framework Convention on Climate aimed at combating global warming adopted on 11 December 1997 as an international environmental treaty with the goal of achieving "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system. The Protocol, it may be recalled, entered into force on 16 February 2005. Under the Protocol, 37 industrialized countries (called "Annex I countries") have committed themselves to a reduction of four greenhouse gases (GHG) (carbon dioxide, methane, nitrous oxide, sulphur hexafluoride) and two groups of gases (hydrofluorocarbons and perfluorocarbons) produced by them by 5.2% from the 1990 level. Emission limits let us understand does not include emissions by international aviation and shipping. Reluctant to act on ground and fulfill its promise, the unwilling USA led west and other Anex I countries are hampering future progress on climate front. It is with this background that the progress at Copenhagen needs to be ascertained. According to the Bali Road Map, a framework for climate change mitigation beyond 2012 was to be agreed in the Summit. Having consumed more than their fair share of the Earth's atmospheric space and continuing to emit four times more than what developing nations emit per capita these Anex I countries are obliged to take major part of the responsibility in curbing global warming. These rich countries, including the US, instead took an obscurantist stance and overturned the stated objective of the summit by asking emerging economies, including India, to make commitments to reduce the rate of growth of their emissions. Their attitude is giving credence to the views of experts , who do believe that factual issue behind raising environmental alarm is to trade green technology and shift the attention of poor and developing countries from real issues confronting them like poverty, hunger, food insecurity, health care and safe drinking water. This is besides the fact that some of these developed countries are plotting death of Kyoto protocol.

Failure by Annex I Parties to agree to deep and binding targets under the Kyoto Protocol signals a departure by them from its legally binding provisions, from the agreed negotiating mandate, and from the legitimate expectation of all countries that have participated in good faith. Copenhagen Accord that was not adopted as an outcome of the Conference and was instead simply taken note of according to Forest and environment Minister indicates that developed world was successful in drawing a far less robust climate regime 2% in place of 5.2%. They at the same time have been able to pass the burden of mitigation and adaptation onto developing countries, denying their historical and current responsibilities. This is neither effective nor fair. Coming to the role of India in the summit, we are compelled to mark that it was not at all satisfying. First the government in the name of flexibility diluted its declared stand unilaterally thereby weakening its negotiating space. Secondly it unnecessarily found common cause with China, the country that is not only an immediate adversary but is also the worst polluter in world contributing more than 21% to the emissions. Our over enthusiasm to bail out USA did not go well with the developing world that has normally accepted leadership of India in such matters without hesitation. We have forced our selves further into a difficult situation when international community will begin to grapple with legally binding commitments. We have no one but ourselves to blame.

Calculate cost of footprints of every nation and fix penalty accordingly: *BP Sharma*



Dr. Bhagwati Prakash Sharma, All India Co-convenor of SJM, was in Delhi for few hours on his way back to Jodhpur. *Swadeshi Patrika* snatched few of his minutes to know his views on Copenhagen conference and climate issue. Following are excerpts from the conversation Bhagwati ji had with Editor *Swadeshi Patrika*, in presence of Sh.Kashmiri Lal ji, Rashtriya Sangathak SJM.

Swadeshi Patrika: Bhagwati ji what are your first impressions about Copenhagen conference?

BP Sharma: My initial response to the recently concluded Copenhagen summit is that Kyoto Protocol, a legally binding important milestone, has been rendered irrelevant. It surely is a crucial step backwards. Under Kyoto protocol 37 countries accepted to reduce emissions by 5%. Now this “Copenhagen Accord” talks about reduction of emission level by 2% only. These 37 countries will, henceforth, not respect their own legally binding commitment. It certainly is backwards movement.

Swadeshi Patrika: All stake holders went to Copenhagen with some expectations. What difference do you see between these expectations and what actually happened there?

BP Sharma: For me 6.5 billion people of the world are the stake holders as their existence is at stake. But among the 193 countries which were involved in discussions as members of UN, the greater responsi-

bility lies with US, China and Europe. US with 20% and China with 21% emission are responsible for near about 50% of emissions. We are one of the least polluting nations. Need therefore, was to put pressure on these most polluting countries to accept their responsibility of reducing emissions. India is emitting just 4% of green house gases. We came under unnecessary pressure. Our self-accusing approach put us in a disadvantageous position and let the real culprits off the hook.

Swadeshi Patrika: How do you appreciate the role of India in the conference,

BP Sharma: Let us understand one thing very clearly. Our per capita emission is very low. We do not contribute to green house emissions in any substantial manner. We needlessly grouped with china which is a large emitter. There is a vast difference between our ground realities and that of China. We in a way deceived humanity by helping undermining of Kyoto Protocol. India should have led the

developing nations in forcing developed world to accept its obligations.

Swadehi Patrika: Even after being a developing nation have we no responsibility of reducing emissions, particularly, when we have such a large number of susceptible people in this country?

BP Sharma: We definitely have a responsibility. But it is much lower as compared to that of large emitters. We shall also try to reduce emissions by setting up per capita emission benchmarks. We must work to create a consensus on per capita emissions. Our unilateral actions are not going to make much of a difference. Our role, therefore, shall be to create a situation where large emitters are forced to reduce emissions.

Swadehi Patrika: How do you see the Copenhagen accord & what is the road ahead in your opinion?

BP Sharma: Copenhagen let us admit was a disappointment. The cold shoulders demonstrated by India and other nations on the issue of crafting pressure against the large emitter nations. The fact that USA is consuming 24% crude oil 10% is consumed by China. And the growing gap between poor and rich people across the globe which is being further widened by the tendency of consuming major share of natural resources by just few nations. There was an urgent need to make the real culprits acknowledge their responsibility and futility of continuing this unsustainable consumerist life style. In fact we should have worked for some sort of unilateral action against these worst polluters or at the minimum should have refused to dilute our stand for the accord. Nothing of that sort happened. The accord therefore is a serious disillusionment.

Swadehi Patrika: The historical misdeed of polluting environment by Developed world is another aspect. They have promised to mobilise \$100 billion for adaptability upto 2020. Do you think this appropriate compensation for what they have done?

BP Sharma: Firstly, this amount is peanuts. It is nothing compared to the damage they have done. Secondly they have not accepted it as compensation to what crime they have committed. They are not ready to accept that they done anything wrong. They instead are trying to be charitable and are marketing



it as their generosity of helping poor countries to adapt to the green technology. Need is to calculate cost of footprints of every nation and fix a penalty according to those Carbon foot prints. This will go a long way in checking further emissions in future.

Swadehi Patrika: Technology transfer is also an important subject. Is the technology actual-

ly green and is it the solution?

BP Sharma: Whether a technology is green or not can't be said in general terms. It will have to be seen from case to case basis. But no country has made any commitment on technology transfer issue. Technology talked about is patented and is in a way property of large MNC's. I don't see any way of this transfer happening so easily. Developing such a green technology needs funds which is missing and the commitment made is grossly insufficient.

Swadehi Patrika: What is the role of SJM and similar voluntary organizations in resolving this burning issue?

BP Sharma: SJM can play a significant role in making public aware. Polluting 24 nations along with China and their companies are on one side and entire humanity is on the other side. We must mobilize public opinion and force polluters to agree to some adequate per capita emissions.

Swadehi Patrika: Ancient Indian life style is considered to be environment friendly. Could we suggest some way forward based on the basis of that knowledge system?

BP Sharma: Definition of development being considered these days is basically defective. Per capita GDP and for that per capita consumption of energy, paper, food and all other things determines the status of a nation currently. This is bound to pollute world. On the contrary in ancient India we would respect the person who used to give more than what he took from nature. A person consuming less was considered to be a *rishi* and was hence the most respected human being and those consuming more were cursed as *Rakshas*. This conflict between *Rishi's* and *Raksha's* is still going on in different manner. Development must be measured by the extent of being nature friendly. To save 6.5 billion people of world we will have to censure *Ausuri* nations. □□

India has come out quite well at Copenhagen: *JAIRAM RAMESH*



Jairam Ramesh, Forest & Environment Minister addressing Copenhagen summit

There were two segments to the Copenhagen Conference. The first was between December 7th and 15th that involved negotiations at the official level. The second was between the 16 and 18th of December that involved a High-Level Segment at the Ministerial level. In addition, the Danish Presidency of the Conference of Parties had invited Ministers from all countries for informal consultations from the 12th to the 17th of December, 2009. Heads of State or Heads of Government had also been invited to the High-Level Segment or during the 17th and 18th of December, 2009. Over a hundred heads of State/Government participated. Our Prime Minister addressed the Conference on the 18 of December and I had the privilege of speaking on behalf of the Government of India on the 16th of December.

There were two specific outcomes of the Copenhagen Conference.

In Bali the Conference of Parties had decided to have negotiations on two parallel tracks, both of which were expected to be concluded at Copenhagen. The first track relates to the outcome of the Bali Action Plan and the other track pertains to the commitment of the Annex I Parties of the developed countries for the second commitment period of the Kyoto Protocol in the period extending beyond 2012. These negotiations could not be concluded and the Copenhagen Conference therefore, decided to continue these negotiations to be completed at the end of 2010 at the 16th Conference of Parties to be held in Mexico City in December

2010. In this respect, India, South Africa, Brazil, China and other developing countries were entirely successful in ensuring that there was no violation of the mandate for the Bali Action Plan negotiations on the enhanced implementation of the UN Framework Convention on Climate Change. Despite relentless attempts made by the developed countries, the Conference succeeded in continuing the negotiations under the Kyoto Protocol for the post 2012 period.

As a result of informal consultations held on December 17th and 18th, 2009, were brought by the COP President, who happens to be the Danish Prime Minister, on his own responsibility, to the Plenary of the Conference for consideration on December 18th, 2009. Some countries that included Cuba, Nicaragua, Venezuela and Bolivia did not join the consensus on the draft Copenhagen Accord presented by the Danish Prime Minister in his capacity as the COP President. Since the Conference works on the principle of consensus, the Copenhagen Accord was not adopted as an outcome of the Conference. It was, however, taken note of.

The contents of the Accord are not legally binding nor do they constitute a mandate for a new negotiating process under the UNFCCC. The Copenhagen Accord deals with the various elements of the Bali Action Plan relating to the issues of mitigation, adaptation, financing and technology in the context of climate change. Let me present to you the highlights of the Accord.

The Accord recognizes the principle of common but differentiated responsibilities and respective capabilities of the Parties in combating climate change. The Accord recognizes the need to limit the global temperature rise by 2050 to below 2 degree Celsius above pre-industrial levels. While doing so, the Accord clearly sets out the goal in the context of equity and sustainable development. This ensures that in achieving this goal, the right of the developing countries like India to have an equitable share in access to global atmospheric resources cannot be ignored and is ensured. I might add here that this was a point repeatedly made by our hon. Prime Minister in all his interactions.

The Copenhagen Accord does speak of “co-

operation in achieving the peaking of global and national emissions as soon as possible.” *However, the Accord explicitly recognises — this is very important — that the time frame for peaking will be longer in developing countries. It also bears in mind that “social and economic development and poverty eradication are the first and overriding priorities of developing countries.”* The Accord, therefore, does not speak of a specific year for peaking for developing countries which has incidentally always been on the agenda of the developed countries. This is another area of success for us at Copenhagen.

The accord obliges the Annex I countries to indicate their mid-term emission reduction targets for 2020 by January 31, 2010 to the Secretariat. Their actions in terms of emission reduction and financing support given to developing countries for mitigation actions in developing countries will be subject to measurement, reporting and verification as per the guidelines adopted by the Conference of Parties. The mitigation actions of the Developing Countries — this is very important, perhaps, the most important paragraph in my statement — are to be supported by the Developed Countries in accordance with article 4.7 of the UNFCCC. Mitigation actions of the Developing Countries will be subject to domestic measurement, domestic reporting and domestic verification as per its internal procedures. Reports of such mitigation actions, supported or unsupported, will be made to the Secretariat through the National Communications which will be made every two years. There is a provision — I expect there will be a debate on this — for international consultations and analysis for implementation of the actions reported through the National Communications. The guidelines for such consultations and analysis will be devised and defined in due course. We have been able — I reiterate, as forcibly as I can — to incorporate a specific provision that these ‘clearly defined guidelines will ensure that the national sovereignty is respected.

Under the Accord, the developed country Parties have agreed to set up a Climate Fund named “Copenhagen Green Climate Fund” to provide re-

sources approaching US \$ 30 billion during the period 2010-2012 to support the adaptation and mitigation actions of the developing country Parties. The funding for adaptation will be focussed on the least-developed countries, small-island developing States and Africa. They have also undertaken a commitment to mobilize US \$ 100 billion a year by 2020 for such purposes and a high-level panel will be set up under the guidance of Conference of Parties to review the progress of these commitments.

A Technology Mechanism is also proposed to be established to accelerate technology development and transfer in support of adaptation and mitigation actions in the developing countries. Negotiations on the precise architecture of this Mechanism are underway in the UNFCCC and, I am pleased and proud to say that many of the proposals made by India in this regard have found acceptance.

The Accord recognizes the need to limit the global temperature rise by 2050 to below 2 degree Celsius above pre-industrial levels.

A notable feature of this Conference — This is the second most important paragraph in my Statement — that has been widely commented on is the manner in which the BASIC group of countries coordinated their positions. Their unity, the unity of Brazil, South Africa, India and China, was instrumental

in ensuring that the Accord was finalized in accordance with the negotiating framework as laid out in the UNFCCC, the Bali Action Plan and the Kyoto Protocol.

I had assured both Houses that we will negotiate in a manner that the national interest is not only protected but is also enhanced. Copenhagen is not a destination but the beginning of a long process. There are indeed many risks. I would be the first to admit, there are many risks; there are many hazards; there are many threats. We have to be extraordinarily vigilant and careful, negotiating tough but negotiating always from a position of strength. For the moment, I believe that India has come out quite well at Copenhagen and we have been recognized for our constructive approach. □

(Based on the *suo motu* statement made by MINISTER OF STATE OF THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI JAIRAM RAMESH)

Copenhagen Accord

In pursuit of the ultimate objective of the Convention as stated in its Article 2, *Being guided* by the principles and provisions of the Convention, *Noting* the results of work done by the two Ad hoc Working Groups, *Endorsing* decision x/CP.15 on the Ad hoc Working Group on Long-term Cooperative Action and decision x/CMP.5 that requests the Ad hoc Working Group on Further Commitments of Annex I Parties under the Kyoto Protocol to continue its work, *Have agreed* on this Copenhagen Accord which is operational immediately.

1. We underline that climate change is one of the greatest challenges of our time. We emphasise our strong political will to urgently combat climate change in accordance with the principle of common but differentiated responsibilities and respective capabilities. To achieve the ultimate objective of the Convention to stabilize greenhouse gas concentration in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system, we shall, recognizing the scientific view that the increase in global temperature should be below 2 degrees Celsius, on the basis of equity and in the context of sustainable development, enhance our long-term cooperative action to combat climate change. We recognize the critical impacts of climate change and the potential impacts of response measures on countries particularly vulnerable to its adverse effects and stress the need to establish a comprehensive adaptation programme including international support.

2. We agree that deep cuts in global emissions are required according to science, and as documented by the IPCC Fourth Assessment Report with a view to reduce global emissions so as to hold the increase in global temperature below 2 degrees Celsius, and take action to meet this objective consistent with science and on the basis of equity. We should cooperate in achieving the peaking of global and national emissions as soon as possible, recognizing that the time frame for peaking will be longer in developing countries and bearing in mind that social and economic development and poverty eradication are the first and overriding priorities of developing countries and that a low-emission development strategy is indispensable to sustainable development.

3. Adaptation to the adverse effects of climate change and the potential impacts of response measures is a challenge faced by all countries. Enhanced action and international cooperation on adaptation is urgently required to ensure the implementation of the Convention by enabling and supporting the implementation of adaptation actions aimed at reducing vulnerability and building resilience in developing countries, especially in those that are particularly vulnerable, especially least developed countries, small island developing States and Africa. We agree that developed countries shall provide adequate, predictable and sustainable financial resources, technology and capacity-building to support the implementation of adaptation action in developing countries.

4. Annex I Parties commit to implement individually or jointly the quantified economy-wide emissions targets for 2020, to be submitted in the format given in Appendix I by Annex I Parties to the secretariat by 31 January 2010 for compilation in an INF document. Annex I Parties that are Party to the Kyoto Protocol will thereby further strengthen the emissions reductions initiated by the Kyoto Protocol. Delivery of reductions and financing by developed countries will be measured, reported and verified in accordance with existing and any further guidelines adopted by the Conference of the Parties, and will ensure that accounting of such targets and finance is rigorous, robust and transparent.

5. Non-Annex I Parties to the Convention will implement mitigation actions, including those to be submitted to the secretariat by non-Annex I Parties in the format given in Appendix II by 31 January 2010, for compilation in an INF document, consistent with Article 4.1 and Article 4.7 and in the context of sustainable development. Least developed countries and small island developing States may undertake actions voluntarily and on the basis of support. Mitigation actions subsequently taken and envisaged by Non-Annex I Parties, including national inventory reports, shall be communicated through national communications consistent with Article 12.1(b) every two years on the basis of guidelines to be adopted by the Confer-

ence of the Parties. Those mitigation actions in national communications or otherwise communicated to the Secretariat will be added to the list in appendix II. Mitigation actions taken by Non-

Annex I Parties will be subject to their domestic measurement, reporting and verification the result of which will be reported through their national communications every two years. Non-Annex I Parties will communicate information on the implementation of their actions through National Communications, with provisions for international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected. Nationally appropriate mitigation actions seeking international support will be recorded in a registry along with relevant technology, finance and capacity building support. Those actions supported will be added to the list in appendix II. These supported nationally appropriate mitigation actions will be subject to international measurement, reporting and verification in accordance with guidelines adopted by the Conference of the Parties.

6. We recognize the crucial role of reducing emission from deforestation and forest degradation and the need to enhance removals of greenhouse gas emission by forests and agree on the need to provide positive incentives to such actions through the immediate establishment of a mechanism including REDD-plus, to enable the mobilization of financial resources from developed countries.

7. We decide to pursue various approaches, including opportunities to use markets, to enhance the cost-effectiveness of, and to promote mitigation actions. Developing countries, especially those with low emitting economies should be provided incentives to continue to develop on a low emission pathway.

8. Scaled up, new and additional, predictable and adequate funding as well as improved access shall be provided to developing countries, in accordance with the relevant provisions of the Convention, to enable and support enhanced action on mitigation, including substantial finance to reduce emissions from deforestation and forest degradation (REDD-plus), adaptation, technology development and transfer and capacity-building, for enhanced implementation of the Convention. The collective commitment by developed countries is to provide new and additional resources, including forestry and investments through international institutions, approaching USD 30 billion for the period 2010 - 2012 with balanced allocation between adaptation and mitigation. Funding for adaptation will be prioritized for the most vulnerable developing countries, such as the least developed countries, small island developing States and Africa. In the context of meaningful mitigation actions and transparency on implementation, developed countries commit to a goal of mobilizing jointly USD 100 billion dollars a year by 2020 to address the needs of developing countries. This funding will come from a wide variety of sources, public and private, bilateral and multilateral, including alternative sources of finance. New multilateral funding for adaptation will be delivered through effective and efficient fund arrangements, with a governance structure providing for equal representation of developed and developing countries. A significant portion of such funding should flow through the Copenhagen Green Climate Fund.

9. To this end, a High Level Panel will be established under the guidance of and accountable to the Conference of the Parties to study the contribution of the potential sources of revenue, including alternative sources of finance, towards meeting this goal.

10. We decide that the Copenhagen Green Climate Fund shall be established as an operating entity of the financial mechanism of the Convention to support projects, programme, policies and other activities in developing countries related to mitigation including REDD-plus, adaptation, capacity-building, technology development and transfer.

11. In order to enhance action on development and transfer of technology we decide to establish a Technology Mechanism to accelerate technology development and transfer in support of action on adaptation and mitigation that will be guided by a country-driven approach and be based on national circumstances and priorities.

12. We call for an assessment of the implementation of this Accord to be completed by 2015, including in light of the Convention's ultimate objective. This would include consideration of strengthening the long-term goal referencing various matters presented by the science, including in relation to temperature rises of 1.5 degrees Celsius. □

Copenhagen Accord is a global disappointment: Arun Jaitley

The Copenhagen Accord is a global disappointment. It is a betrayal of the poor and developing nations and a premium for the defaults of the developed countries. It is an expression of zero concern for what is being done to the Earth.

Instead of joining an international disappointment over a lost opportunity at Copenhagen, the Government has started flaunting the Copenhagen accord as a significant success for India and the basic nations. Spin doctoring is never a substitute for truth. Spin doctoring will never be a substitute for the adversity, which is being inflicted upon the nature, climate and the Earth.

Has the Kyoto Protocol been buried?

The Government has expressed its jubilation at the fact that the Kyoto Protocol has not been abandoned and it continues to subsist. The truth is otherwise. Admittedly the Copenhagen Accord does not contain a specific statement that the Kyoto Protocol is no longer operational. However there is, though not expressed, an implied abandonment of the Kyoto Protocol. An implied abandonment is as good as an express abandonment. The Kyoto Protocol required the developed nations to bring down their emission levels by at least 5% below the 1990 levels. In subsequent negotiations under the Kyoto Protocol, the developed countries undertook upon themselves further commitment of emission reduction of 25-40% below 1990 levels in pursuance of the objective of limiting the global temperature rise to under 2 degree Celsius. However, the developed countries did not do so. In the last few months they wanted the abandonment of the protocol. They have not complied with their obligations under the Kyoto Protocol and the Bali Action Plan. The developed countries have now succeeded in securing a methodology, which is an alternative to the Kyoto Protocol in the Copenhagen Accord. The Accord, in paragraph 4, now requires Annex-I parties (developed countries) to commit themselves to emission reduction targets for 2020, which are to be submitted to the Secretariat by 31st January 2010. This would be kept as an INF document. An INF document in the United Nations parlance is for information only. Since the so-



called reduction of emission route now stands substituted in the Copenhagen Accord, can anyone claim that the Kyoto Protocol continues to subsist. Annex-I parties (developed countries) stand exempted from their legally binding obligations under the Kyoto Protocol and the Bali Action Plan. There is now a complete repugnancy between the obligations under the Copenhagen Accord and the Kyoto Protocol. Obviously, the Copenhagen accord is the one, which will prevail.

The Red line with regard to the Peaking year.

The Minister categorically assured the Parliament that the Government of India would never accept the peaking year commitment. Paragraph 2 of the Copenhagen Accord deals with the peaking year. The peaking year would be fixed for the developed countries and a little longer period would be available to the developing countries. There is, however, clear obligation to fix a peaking year. The operative commitment is— “We should cooperate in achieving the peaking of global and national emissions as soon as possible recognizing that the time frame for peaking will be longer in developing countries.” In the next round of negotiations, after commitments have been submitted by 31.1.2010, the peaking year will be fixed for the developed countries and the peaking year with a little longer period time frame would be fixed for the developing countries.

The breach of red line with regard to not allowing international verification of unsupported domestic actions

The Government of India categorically assured that unsupported domestic actions will never be made available for international verification and monitoring; only information would be furnished of the motto steps that the Government of India and other agencies take in this regard. However, the Copenhagen Accord breaches this red line also. It leaves a reasonable amount of ambiguity where the developed countries would argue in the next round that we have committed ourselves to a certain level of international scrutiny. All commitments by Annex-I and Non An-

nex-I parties have to be submitted to the Secretariat as INF document by 31.1.2010. In the case of developed countries these commitments would be measured, reported and verified according to existing and further guidelines. In the case of Non Annex-I parties which includes India, all domestic mitigation actions taken by them will be subject to “their domestic measurement, reporting and verification, the result of which will be reported through their national communication every two years”. There will be a communication of information on the implementation of their actions through National Communication “with provisions for international consultations and analysis under clearly defined guidelines that will ensure that national sovereignty is respected.” There are three operative phases in this commitment. After reporting the mitigation actions, our responsibility will not be over. There will be a provision for – (1) International consultation; (2) for analysis of what we have done and (3) the guidelines for this consultation and analysis are to be formulated internationally in which we have very little say. In the event of a difference of opinion about mitigation actions we will be liable for trade sanctions. The responsibility does not get over with reporting only. The accountability is not to Indian Parliament alone. Even for unsupported domestic actions there will be international consultation and analysis of our actions. If the analysis reveal that we are lacking we will be liable for penal consequences, which include trade sanctions.

Is there a legally binding accord & commitments?

It is being discussed in the international community that once developed countries and the basic countries including India, China, Brazil and South Africa have agreed to this, the developed countries will now pressurize the more vulnerable nations to fall in line. Ultimately the Copenhagen Accord will become the basis for a long term accord and binding agreement. The possibility of it replacing the Kyoto Protocol and the commitments under Bali Action Plan are being considered plausible. Independent of that, paragraph 5 clearly imposes a categorical commitment of countries like India. It states – “Non Annex-I parties to the Convention will implement mitigation actions” which are to be submitted by 31.1.2010. The consequences of the Accord are clear. India will submit its mitigation actions by the end of January, 2010. These carry a commitment that India “will implement what

we undertake”. Information with regard to its implementation will have to be furnished. There will be a domestic measurement, reporting and verification and an international consultation and analysis. The nature of international consultation and analysis will be fixed under the guidelines. Can we honestly say that we have not made an international commitment? The devil is always in the detail and there is no denying the fact that we have been outwitted in the drafting of this agreement.

Who pays \$ 100 billion a year for mitigation to the developing and weaker nations?

An impression has been created that for making all the commitments the developed world will pay \$100 billion a year and that this resource would be distributed to the developing and the weaker nations. Paragraph 8 makes a statement that the source of funding is not the Governmental resource of the developed countries. Paragraph 8 states– “This funding will come from a variety of sources, public and private, bilateral and multilateral including alternative source of finance”. A very large part of this funding is intended to come from the accruals on account of the carbon trade in the developing and the weaker nations. This resource would have come anyway even if there had been no reference to it in paragraph 8. Accruals on account of trade is not funding by the developed world.

Besides the above areas of concern there are several other important issues, which arise. Some of them are outlined as under :-

The preamble uses the words “In pursuit of the ultimate objective” as against “to achieve the ultimate objective” in the Bali Action Plan. It uses the phrase “being guided by the principles and provisions of the UN Convention” as against and in contrast with the Bali Action Plan “to enable the full, effective and sustained implementation of the Convention”. It dilutes the Bali Action Plan.

Paragraph 1 mentions the need to bring global temperatures below 2°C; it forgets to mention the base line. The document fails to take into account the historical responsibility of the polluters. The document fails to take into account any mandated carbon space either on basis of per capita or otherwise that citizens of developing and poorer countries have.

Paragraph 5 makes a conscious omission. Non Annex-I parties have to file their schedules by

[Continued on page no. 13]

Sign climate accord formally: Ban Ki-moon

The UN secretary-general has urged all countries to formally sign on to the Copenhagen Accord to start tackling climate change and step up work toward a legally binding treaty in 2010. Ban Ki-moon also urged richer nations to contribute to a multi-billion dollar fund to help poorer countries cope with global warming which will become operational in January.



Robert Orr, the UN policy coordination chief, said the document will shortly be opened for signatures from all countries. “I urge all governments to formally sign on to the Copenhagen accord by registering their support” through the United Nations Framework Convention on Climate Change, Ban said. “The faster we have all the signatures, the more momentum we can give it,” he said.

Ban said the UN will seek to streamline the negotiating process, which was strongly criticized, ahead of the next UN climate conference in Mexico City in 2010. He said he had already discussed ways to improve negotiations with Mexican President Felipe Calderon and is willing to discuss the issue with other world leaders, opinion makers, and civic leaders. Ban said he will encourage world leaders “to directly engage in achieving a global legally binding climate change treaty in 2010.”

The UN chief also urged countries to contribute “to ensure that the Copenhagen Green Climate Fund becomes fully operational as soon as possible.” Under the accord, developed countries will finance a 10 billion-dollars-a-year, three-year program starting in 2010 to fund developing nations’ projects to deal with drought, floods and other impacts of climate change, and to develop clean energy. It also set a “goal” of mobilizing 100 billion dollars a year by 2020 for the same purposes. □

US can challenge India if it fails to meet climate goals

The United States would not only “review” its implementation by India & China, but also would “challenge” them if they do not meet the goals set by the agreement, the White House said. “Now, China, India have set goals. We are going to be able to review what they are doing. We are going to be able to challenge them if they do not meet those goals,” David Axelrod, Senior White House Advisor, told the CNN.

White House adviser, who is full of appreciation for the last-minute non-binding Copenhagen climate accord, called it as “a great step forward”. “Nobody says that this is the end of the road. The end of the road would have been the complete collapse of those talks. This is a great step forward,” Axelrod said.

“Because this was noted & accepted by the entire conference, the UN now has the ability to move forward on these things & to implement them,” he added. Giving credit to President Barack Obama for the Copenhagen accord, Axelrod said, “Now the Chinese, the Indians, & the other major economies are coming along, & this is the result of his strong leadership.”

“When the president arrived, the talks were collapsing, and there was a very real prospect of no progress out of Copenhagen. We’ve been trying to get some sort of accord for 10 years.” he said.

“Now the President of the United States arrives, and he pulls the leaders of the major economies together, and they arrive at an accord that says, we are going to set domestic standards,” he added.

Axelrod said now the US would pursue its domestic goals on this issue. “We have a goal for 2050 that comports with science, in terms of lowering climate change, and we are going to pursue domestic goals, and they have to be verifiable, and the international community is going to analyse those results.”

“We’re going to pursue this anyway, because the president understands that our future lies with a clean energy economy...There’s going to be aid to developing — we’re going to raise money for developing nations to do that,” he said.

“We’ve doubled renewables this year. There are millions of jobs to be there, more energy security, so we are going to pursue this. But we don’t want to put our country at a competitive disadvantage in other ways,” the White House official said. □

Claim of bagging good deal in Copenhagen summit “baseless”: experts

Environmentalists and experts believe that the deal brokered by U.S. President Barack Obama with the BASIC (Brazil, South Africa, India, China) countries, which promised to limit gas emissions to 2 degrees Celsius of pre-industrial levels, is not a good deal.

“India buckled under pressure in Copenhagen. Non-legally binding agreement will weaken emission cuts from the developed world. The Copenhagen Accord that India plans to sign will erase both historical responsibility and the distinction between industrialized and non-industrialized countries from future climate change negotiations,” said a statement by the Center for Science for Environment, a public interest research and advocacy organization.

Adding to the statement, Suparno Banerjee, Spokesperson for Center For Science and Environment, told the media: “There are no legally binding targets that the developed countries have to meet. So, in terms of that, that’s one of the major premises of how we are going to tackle global warming and climate change.”

“We have failed to agree at a sort of solution which will lead us to a viable action plan towards controlling climate change. And we believed that it is a disastrous summit and it is specially disastrous for India’s poor and the vulnerable section because they are going to be most severely hit,” he added. In fact, President Obama said after the U.S. clinched a deal with BASIC countries: “Agreement is not legally binding. Fight against climate deal needs further action.”

Greenpeace India also criticized the result of the summit: “This has been a shirking of global responsibility by India and a weak outcome has so-far

emerged from the UN climate talks. The deal is not ambitious, is unfair, not legally binding and likely to put the world on a path to at least a 3C temperature rise. Seven hundred million Indians are dependent on climate sensitive sectors and resources. The failure to reach an ambitious and legally binding agreement pushes them further to the brink.” □

‘US can’t interfere in India’s domestic climate actions’

Dismissing the US claims that India’s domestic climate actions can be challenged, top environmentalist R K Pachauri made it clear there was no power granted to America in the Copenhagen accord for such interference. The Chairman of the Intergovernmental Panel on Climate Change (IPCC) was reacting to White House senior advisor David Axelrod’s remark that the climate accord allows US to not only unilaterally review India’s progress but also challenge the country if it failed to meet its domestic climate targets.

Pachauri rejected the observation as an attempt by the Obama administration to “win domestic favour” and categorically stated that “there is no provision in the accord for such interference”.

“What they (Obama aides) are trying is essentially to convince the senators that they would be able to pressure China and India on climate actions.

“I think they want to project that only because they want to get passage of the bill (Cap and Trade Bill related to carbon emission) that has been introduced in the Senate. Apart from that, I don’t think we should read much between the lines,” he told PTI.

Pachauri also maintained that there was no pressure on India “otherwise we would have been accepting monitoring, reporting & verification which is what the US wanted to start with (at the Copenhagen summit). □

[Continued from page no. 11]

Copenhagen Accord is a

31.1.2010 consistent with Article 4.1 and Article 4.7 of the UN Convention, which provides that full cost for technology in relation to emission reduction has to be provided by the developed world. It fails to mention Article 4.3, which provides for cost of Technology Transfer.

The document fails to make a provision for the waiver of IPR requirements in the matter of transfer of technology.

It is unfortunate that a dubious document is being touted as national achievement. The political leadership of the Indian Government went to Copenhagen under a perpetual fear of being dubbed as obstructionists by the developed world. The pressure of watching India’s national interest was counter balanced by the need to get compliments from the developed nations. It is regrettable that the political leadership preferred the value of compliments from the leadership of developed nations over safeguarding India’s national interest. □□

(Based on speech of Arun Jaitley, Leader of Opposition (Rajya Sabha) on the Copenhagen Accord in Rajya Sabha)

Outside control required over judiciary



We fundamentally need to reorganize our judiciary. An independent National Judicial Commission selected from among the chiefs of professional associations that is free of government interface must be established for the purpose of providing undiluted justice, suggests **Dr Bharat Jhunjhunwala**

The Collegium of Supreme Court of India has dropped the proposal to promote Mr Dinakaran, Chief Justice of Karnataka High Court to the Supreme Court. This step is welcome. A person against whom allegations of corruption are flowing everywhere should not be promoted to the highest court of the land. But it is a matter of concern that the same person was appointed as Chief Justice of the High Court and the Collegium had earlier proposed his elevation to the Supreme Court. The proposal was dropped only when 75 MPs tabled a proposal to impeach Mr Dinakaran. The Judiciary failed to stop the corruption and was forced to relent by outside pressure. The Cab-

inet also failed in performing this solemn duty. An unholy alliance has been established between the ministers and judges. They support the corrupt behavior of each other. Ministers elevate corrupt persons to the higher courts and stay quiet on allegations against them. In return, the judges help hide the corrupt behaviour of the ministers as seen in the burying of the Hawala and Bofors cases on technical grounds. There is no institution in the present system which can break this alliance.

The judicial system should be free of ministerial shackles. A farmer of Jodhpur explained the problem in these words: "He cannot do justice who takes salary for giving judgment. Justice can only

be done by one who is independent." The 'panch' were not provided any salary in our tradition. I had the opportunity to observe the justice system in a slum in Bangalore some years ago. The people used to collect whenever there was a dispute. Five elders from among those present were selected as panch. No voting was made for their selection; nor were they appointed by the President of the slum. They were selected by consensus among those present. The panch got no salary for their efforts. Such judges can deliver justice because they are not dependent upon any particular person for their position.

The judges are appointed by the government in our Constitutional system. All persons involved in the process are associated with the government in one way or the other-President, Chief Justice, Law Minister, Governor, Chief Minister, etc. This leads to elevation of only such people who toe the line of the government hence they are more often not able to provide undiluted justice.

This system also undermines accountability of the judges. The panch of the slum were accountable to the people present. The people could ask them to explain the logic of their decision. They have to invest time and money and got nothing in return. They may



even lose their social status if the judgment is wrong. The Collegium of the Supreme Court is not answerable to anybody whatsoever. Truly speaking, the judges are not accountable in the present system. The junior judges are accountable only to their seniors. The senior judges are accountable only to themselves. In the result, the judiciary is unable to control the excesses of the ministers.

There is a need to understand our traditional thinking on this issue. Sanskrit scholar Ila Ghosh explained the system in a seminar. She quoted Kalidasa to show the government could be kept in check by the following methods: (1) Knowledge or learning; (2) Teaching by a teacher; (3) Criticism; and (4) Curse given by the sadhus. The judiciary cannot use any of these instruments. The judiciary is not the teacher of the government. The judiciary can criticize the government but its dependence upon the government for salary, promotions and appointments to commissions prevents it from doing so. The judiciary does not have the knowledge of giving a curse. Thus the judiciary cannot control the government and cannot provide justice to the people.

We must establish a system in which the judiciary is accountable to the people, not the government. One possibility is to appoint chiefs of professional associations as members of the Judicial Commission. We have associations of doctors and lawyers in Medical Council of India and Bar Council of India. Similar associations of farmers, traders, scientists and teachers exist or can be made. The chiefs of these associations could be appointed to the Judicial Commission.

The members of such a Judicial Commission will draw their right from their members, not the ministers. They may be able to stand up to the government or corrupt judges. The slum dweller could ask the panch about the logic of their decision in a particular case. Similarly, the chief of the farmers association would be able to ask the judges about the logic of their decision of not removing a tainted judge.

Former Chief Justice Mr V N Khare had expressed anguish on not being able to take disciplinary action against corrupt junior judges. A judge in Ahmedabad had issued warrant against the President of India. The Chief Justice asked the government for powers to take action against the errant judge. But the government did not oblige. Action can be taken only if the Collegium and the Cabinet both agree. That is a tall order. **There is a need to establish an effective mechanism to take action against corrupt judges.** Giving this power to the Chief Justice is not the best option because that is like an internal audit-it is more possible to decide according to the preferences of the powerful. The need is to appoint an independent mechanism like that of an external auditor.

There is a proposal to appoint a Judicial Commission whose members will be appointed by the government. This will be worse than appointing the senior most judges. Appointment by the government will ensure that docile persons who will bend to the ministers will be appointed. It is better to appoint the senior most judges to the Commission because the Law Minister does not determine

There is a need to establish an effective mechanism to take action against corrupt judges.

who will be the senior most judges. It is more likely that persons of integrity not liked by the government may become members of the Commission. However, the in-house nature of such Commission remains unattended.

We need to fundamentally reorganize our judiciary. The cleaning has to start at the top. This cannot be done by the Collegium of the Supreme Court or the Cabinet. An independent National Judicial Commission must be established for the purpose. The members of the Commission should be selected from among the chiefs of professional associations of doctors, lawyers, farmers, traders, scientists, teachers and other professions. Other alternatives can be explored which are free of government interface.

Objection may be raised that the chiefs of these professional associations may not have the knowledge to oversee the working of the judiciary. This fear is baseless. A judge who has studied commerce sits in judgment over a most complicated case relating to the medical profession. Similarly, the chief of the doctors association is capable of giving judgment on the working of the judiciary. **There is greater value to independence of the members of the Judicial Commission than to their legal knowledge.** □□

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Organic farming & nature friendly lifestyle for food & health security

*The wider national interest of public welfare like food and health security can be ensured by availability of organic food and allied goods at low and affordable costs under altruistic low profit trading, pronounces **Bhanwar Dan Bithu***

The lust for continually increased agricultural and livestock production under the prevailing heavily fertilized and insecticide-pesticide sprayed inorganic farming and excessive luxurious human consumption and comfort maximizing and nature unfriendly way of living have been fast degrading the land, water and diverse biological resources.

It is also producing unwholesome and unhealthy food and fiber and hence deteriorating general public health. The frightening wholesome food and fodder scarcity and human health deterioration mainly due to eating of harmful agriculture and livestock created food and unsafe drinking water need to be controlled for national food and health security. The use

of wholesome organic farm products, safe drinking water, general cleanliness and improved municipal services and nature friendly way of living are some potentially effective and sustainable control measures.

Organic farming

The highly beneficial and sustainable organic farming and environment friendly way of living can control shortage problems of healthy agricultural and livestock production. Organic farming in the arid, semi arid and sub humid regions comprises adoption of macro and micro catchment field rain water harvesting and subterranean dam systems, frugal canal or potable ground water irrigation, where available, with thin irrigation wa-

ter application not exceeding the soil drainage potential. But, at the same time allows sufficient natural subsoil drainage for adequate plant root zone soil salt leaching and ground water pumping not exceeding annual ground water recharge to the ground water aquifers enhancing group water recharge through sufficient forestation of the aquifer catchment areas. It discourages use of deep tractor plowing and instead stresses use of light soil structure and perennial natural vegetation preserving cultivation practice by adopting light animal driven or small balloon tired tractor driven plowing, use of organic manure and natural plant biological mass and nutrients of the field trees, shrubs and perennial grasses in place of chemical fertilizers and insecticide-pesticide sprays is preferred.

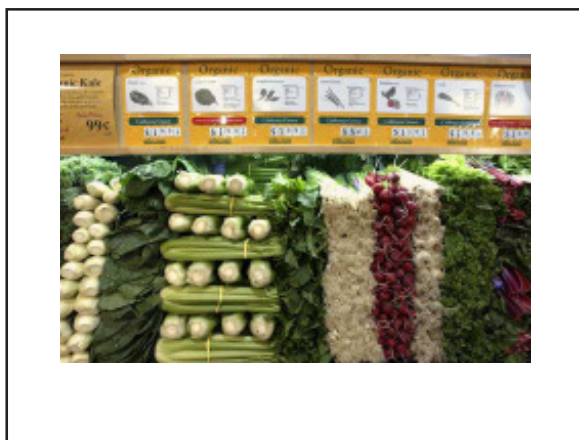
However, in view of the pervasive environmental pollution induced climatic change, global warming, shrinkage of the river head glaciers, decreased river flows and erratic rainfall greater emphasis should be laid on rain water harvesting than on canal and ground water' irrigation. In contrast to organic farming, the prevailing illusory inorganic farming might give short term production gains but that is always at the cost of unwholesome food and fodder, soil salinity, soil structural degradation, soil fertility decline, injurious levels of salts, trace elements, insecticide-pesticide residues and proteins, carbohydrates and fats with disturbed and malformed organic structures.

For example the fat and protein in the milk and butter of the cows and buffaloes consuming chemically fertilized and insecti-

cide- pesticide sprayed cereals, fodder and grasses, proteins and carbohydrates in the chemically fertilized and insecticide- pesticide sprayed cereals and proteins and vitamins in the highly chemically fertilized and insecticide- pesticide sprayed vegetables and fruits may have malformed organic structures and are unwholesome and injurious to public health in comparison to the wholesome proteins, carbohydrates, fats and vitamins of the organic agricultural and livestock farm products despite not much difference in taste. Therefore, the illusion of increased agricultural and livestock production under inorganic farming is false, unsustainable & uneconomical in the long run.

Studies in arid and semi arid regions of Rajasthan have shown that water availability to general arid land field crops of Desert millet, Moth and Guar under micro catchment rain water harvesting and subterranean dam systems is 216mm against the requirement of 203mm and that the natural shrubs and perennial grasses form natural field rain water harvesting system producing sufficient sub soil moisture and shrub and perennial grass biological mass and biological plant nutrients in the field crop plant root zone. More important and benign is the organic form of the fertilizers and biological plant nutrients synthesized by the perennial shrubs, grasses and genetic diversity of the region. The salt free rain water in the micro catchment field rain water harvesting system adopted in organic farming better leaches out soil salts (soil salinity decreases from 0.5

percent in bare soil with destroyed vegetation to 0.11 percent in field rain water harvesting system} makes available more sub soil moisture in the plant root zone (root zone soil moisture increases from 5 percent in bare soil to 12 percent in natural field rain water harvesting system) and yield of Desert millet increases from 200 kg per hectare in bare soil to 500 kg per hectare in field rain water harvesting system. The oxygen rich rain water under micro catchment



field rain water harvesting system promotes more active photosynthesis in the plants than the canal or ground water.

Agricultural industrialization

The region's development, public health promotion and rural poverty mitigation lie in developing self sufficient villages, organic farms, rural residential and recreational organic farming estates and agricultural and livestock production based industries for employment and wealth generation and production of wholesome and healthy raw and manufactured food products like cereals, pulses, vegetables, fruits, fruit juices, butter, ghee, cheese and edible oils. In view of the ever growing food demand and concern for good public health, the production of whole-

some food in organic farms and manufactured healthy agricultural and livestock production foods in indigenous pollution free solar powered industries are essential.

Technology and management

The compatible technology for establishing organic farms and rural residential and recreational organic farming estates, as tried in New Zealand, should attune to the existing soil, geology, climate, natural perennial vegetation, canal and potable ground water where available and available field harvested rain water. The technology is to be decided after proper assessment, management and resolution of the probable technology conflicts like doubtful low production but preservation of soil structure, soil fertility and existing root zone soil moisture enhancing, soil enriching and humus and plant nutrient providing

perennial shrubs and grasses under organic farming versus illusive higher short term production of unwholesome food at the cost of degraded soil structure, soil salinity, soil fertility decline and destruction of the soil enriching and subsoil moisture and biological plant nutrient providing natural vegetation under inorganic farming.

The insects and pests may generally develop resistance on successive insecticide- pesticide sprays making the insects and pests progressively stronger thus perpetuating the insect and pest problem. It is therefore, better to discover suitable disinfecting sun rays and insectivorous and pest eating micro creatures through entomological studies than insect and pest

control through poisonous sprays. As the demand and consumption of wholesome agricultural and livestock production goods have been ever increasing despite the prevailing economic slump, the food industry is likely to be incessantly profitable.

Therefore, organic farming and organic food industry is profitable and can be made more profitable and salubrious by the expert technologists and management persons. Nevertheless, the vital concern for the national food and health security is promotion of sale and consumption of organic food and allied manufactured wholesome agricultural and livestock production goods at low and affordable cost and under altruistic low profit trading in the wider interest of public welfare.

Nature friendly living.

Besides the consumption of wholesome organic food from the organic farms, the use of safe drinking water, general cleanliness and good sanitary conditions through public awareness & efficient municipal services and economic and dispassionate consumption of luxurious & comfortable goods & services in nature friendly way of human living will go a long way in ensuring national health security.

It is better and more effective to supply bacteria free clean and safe drinking water using preferably ultra-violet rays disinfection and keep the premises clean under good municipal services run by suitably salaried skilled persons with proper tools and equipments than the post ailment medication in the hospitals and unwanted questioning of the doctors by the gen-

eralist administrators. The excessive consumption of luxurious & taste dominating junk food, sweetmeat, fried food, soft drink like coca cola, alcoholic drink, tobacco chewing & smoking and some fortified food are injurious to human health.

The low interest rate loan availability and life time credit purchase of luxurious and excessive comfort giving goods and services offer big spurt to glut consumption and waste followed by health deterioration. The lust free and economic consumption of wholesome organic food from organic farms and agricultural and livestock production organic industries, nature friendly and altruistic way of living and structural, nonstructural and biological environmental pollution control measures can ensure national food and health security. □□

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The 7th Ministerial at Geneva

A Journey to the Graveyard of WTO



Present WTO is a lifeless body awaiting its cremation & the world shall have a new global trading system under a new financial architecture under the leadership of the emerging SOUTH, concludes Dr. Dhanpat Ram Aggarwal after attending 7th Ministerial at Geneva

The Doha Round started at the 4th Ministerial Conference at Doha, the desert city of Qatar, in the background of 9/11 event where the developing countries were able to put together their strength to term the round as the Development Round. The whole human community would remain indebted to Mr. Mursoli Maran, the then Commerce Minister, Govt. of India under NDA, who dared to reject the Draft Ministerial Declaration, which came as the outcome from the developed world after 5 days deliberation from 9-13th November 2001 and the Ministerial was about to collapse under the leadership of Mr. Mursoli Maran when all the developing countries demonstrated their solidarity. It was only when the developed countries realised that there would be a repetition of Seattle, that they agreed to revise the draft by extending the Ministerial by one more day and then the final declaration was signed unanimously by making the round really looking like a development round. The initial deadline for the conclusion of DDA was 01-01-05 but in the light of reluctance of the developed countries to give anything to the developing countries, the round ran under dead lock from one stage to another. The result being failure of Cancun Ministerial in 2003 and suspension of talks in July 2006

and July 2008 despite their being partial success in dropping of Singapore issues (Except Trade facilitation) and agreement on elimination of export subsidies by EU by 2013 under the July 2004 package. The major outcome of the three ministerial conferences at Seattle, Doha and Cancun was the victory of the developing countries to forge alliances as G-20, G-33 and G-110 on various strategic issues for negotiation without falling in to prey to the Machiavellian manoeuvrings of the developed countries as had happened during the Uruguay Round. The developing countries are of a consensus view that no deal is better than a bad deal as was clearly manifested in Cancun.

The Hong Kong 6th ministerial was only a stock taking with very negligible gain on negotiation and thereafter the Geneva ministerial was called with a lack lustre approach for review of the progress made in the modalities on NAMA and agriculture on the basis of the 4th revised text of December 6th, 2008. The 7th MC was not a ministerial conference at all in true sense as there was no agenda for any negotiation and it was hurriedly convened in the background of the global financial crisis with a very short duration of the schedule of the conference which was for less than 3days as against the normal 5-6 days schedule in all the past ministerial.. The Plenary session began at 3PM on



Muralidhar Rao and Dr. Dhanpatram Agarwal with Dr. Chakravorty Raghavan in Geneva

the 30th November and was concluded at 5PM on the 2nd December 2009. This is the first occasion that a Ministerial concluded without any technical Ministerial Declaration. There is a trend of a Ministerial declaration at the end of all the ministerial, whether the Ministerial was a success or a failure. Even at Cancun and Seattle there was a Ministerial declaration though both were a failure and no decision was arrived at. The second biggest flaw of this conference was that it was held after a gap of four years as against the mandate of meeting at least once in every two years under article IV.1 of the Marrakesh Agreement establishing the WTO.

The participation of the delegation from the government levels of the member countries as also from the NGOs was very thin and fragile. There were only about 300 NGOs from all over the world as against usual numbers of about 1000 and Swadeshi Jagaran Manch was represented by seven persons under the leadership

of Shri Muralidhar Rao including representatives of Bhartiya Mazdoor sangh and Shram Seva Nyas. The SJM representatives had interactions with several other representatives of other NGOs who had similar and identical views about the futility of the 7th Ministerial. SJM representatives also met a veteran nationalist leader Dr. Chakravorty Raghavan who has been advocating vehemently about the ill design and the ill effects of the financial sector reforms and how it may endanger the Indian economy with the entry of the foreign banks and insurance companies which is

at the roots of the present financial crisis in the developed world. The Doha Round is to be completed as one go under the mandate of single undertaking. The negotiations proper are described as “Single Undertaking”. This means they form a single package of about 20 subjects, to be signed by each country with a single signature without any option to pick and choose between different subjects. However some of the items of particular interest to developed countries have been allowed to be completed and one such example is the Geographical indications on spir-



its which was earlier limited to wines, though the other items of interest to developing countries have not yet formed part of the work program and that is the reason why basmati rice and Darjeeling tea are not part of the geographical indications and one US company is able to sell rice under the brand of basmati by registering a trade mark. It may be noted that once basmati becomes a geographical indication, no company or individual would be allowed to register a trade mark with the phrase or words “Basmati”.

Though the WTO is a demo-

cratic organisation but there is hardly effective participation of all the countries in the decision making process which lacks transparency under the guise of green room diplomacy. The last July 2008 Mini-Ministerial failed, but it was basically a talk between G-4 consisting of Brazil, India, the EU and the US. China's voice in the WTO is generally subdued because of its commitment while getting the accession to WTO in 2001 and even otherwise, China has hardly to lose anything from the outcome of WTO negotiation as it is a predominant player in the export market and imports largely raw materials for its manufacturing sector, including food grains and oil. The other main players in the negotiations are the G-7 group members which includes G-4 plus Australia, Japan and China. In one sense it is good to note that India and Brazil has a good presence for providing leadership to the developing nations but that carries lot of responsibilities for effective bargaining in the interest of the entire developing world. However there is a need to remain alert from the underneath diplomacy of dividing the developing world as highly developing nations and the least developing nations and by appeasing the LDCs through generalised system of preferences (GSP) or aid for trade or for duty free quota free market access.

The cotton growing four nations from West Africa or C-4 (Mali, Chad, Benin and Burkina Faso) are still awaiting withdrawal of subsidies by United States. The LDCs are still awaiting the commitment made in Hong Kong for

Duty free quota free (DFQF) market access for 97 per cent of their tariff lines. It is very surprising that LDCs share in the international trade remain very fragile. Their share in the total global exports in 2008 was 1.1% and their imports constituted 0.97% of the global imports. It is equally hard to note that only seven LDC



countries account for lion's share being 73.8% of the total exports from all LDCs and that too for only two commodities being oil and readymade garments (RMG). Angola alone accounts for 67.2% of the total LDCs exports and oil constitutes 98.2% of the total exports from Angola. Bangladesh share 15.4% of the total exports of LDCs and readymade garments constitute 81% of the total exports from Bangladesh. In other words, most of the LDCs are single commodity exporters and that is subject to market volatility and a small change in the world market can destroy their entire economy and the employment or growth in their economy.

The major contentious issues in the Doha round which is now part of the nine different groups on negotiations on different issues are agriculture, NAMA, TRIPS, Services, Rules on Anti dumping and Countervailing duties, Dispute settlement, Trade and development, Trade and environment and Trade facilitation. The Doha Round is moving around more market access to the developed countries and the issues of reduction of subsidies on agriculture is used as a device for negotiation by them to make more gain in their favour. There is a need to understand the implication of reduction

commitment under head of boxes and increasing the same under another head of boxes. It may be noted that technically speaking certain subsidies under the Green box are exempt from any kind of ceiling and are not part of trade distorting subsidies and thus the reduction in amber box may be accompanied by increase in green box and thereby be effective reduction in the overall amount of subsidies on agriculture. The application or adoption of Swiss formula on NAMA negotiation is biased in favour of the developed countries and the developing countries are being persuaded to follow the same on the advocacy that this relates to only bound rates and as their applied rates are already so low on autonomous liberalisation as has happened in India and in many other developing countries, and therefore it will not endanger their domestic industries with further deep cuts in tariff on industrial goods. However this may lead to loss of policy space and these developing countries will lose their economic sovereignty in protecting their economy in the long run and the only tool would be safeguard duty and anti dumping duty for which the negative list of special products which are less than 5 per cent of the tariff lines would

remain insufficient and an ineffective tool. The special safeguard measures and the identification of sensitive products in agriculture is also a very critical issue for the protection of livelihood and rural economy of the developing world. The issue of protection of bio-piracy and traditional knowledge is yet to become part of the work program

in the negotiation under Doha Round. The service sector negotiation has to be with the gain on Mode-1 and Mode-4 which speak about market access for the labour intensive services as against the Mode-3 which speaks about the capital intensive services.

It is therefore essential to look in to the very core of the "development" agenda which is imbibed in the Doha Round and unless the yard stick of development is not in favour of the developing countries, any attempt to conclude the Doha Round in a hurry would bring deeper harm to the poor farmers and artisans & a net loss to the developing countries. It appears that WTO has failed to bring any benefit to the poor people around the world & it has lost its relevance to them. A handful of multinational companies have made it a tool of exploitation and the entire negotiation covering all different sectors in agriculture, industry, services & technology or IPR are to protect the interest of these handful MNCs at the cost of unemployment & poverty all over the world. Therefore the present WTO is a lifeless body awaiting its cremation & the world shall have a new global trading system under a new financial architecture under the leadership of the emerging South. □□

India's poverty line is actually a Starvation line



*India should have two ways to classify the poor. The Starvation line, needing direct cash transfers in addition to the basic requirement of food supplies. And a Poverty line, needing not only food but also other economic necessities like sewing machines, water-purifiers, pressure cookers etc, advocates, **Devinder Sharma***

There is something terribly wrong with growth economics. After all, 18 years after India ushered in economic liberalisation, the promise of high growth to reduce poverty and hunger, has not worked. In fact, it has gone the other way around: the more the economic growth, the higher is the resulting poverty.

A report by an expert group headed by Suresh Tendulkar, formerly chairman of Prime Minister's Economic Advisory Council, now estimates poverty at 37.2 per cent, an increase of roughly 10 per cent over the earlier estimates of 27.5 per cent in 2004-05. This means, an additional 110 million people have slipped below the poverty line in just four years.

The number of poor is multiplying at a time when the number of billionaires has also increased. Economic growth however does not reflect the widening economic disparities. For in-

stance, the economic wealth of mere 30-odd rich families in India is equivalent to one third of the country's growth. The more the wealth accumulating in the hands of these 30 families, the more will be country's economic growth. A handful of rich therefore hide the ugly face of growing poverty

If these 30 families were to migrate to America and Europe, India's GDP, which stands at 7.9 per cent at present, will slump to 6 per cent. And if you were to discount the economic growth resulting from the 6th pay commission, which is 1.9 per cent of the

GDP, India's actual economic growth will slump to 4 per cent.

Anyway, the complicated arithmetic hides more than what it reveals. Poverty estimates were earlier based on nutritional criteria, which means based on the monthly income required to purchase 2,100 calories in the urban areas and 2,400 calories in the rural areas. Over the years, this measure came in for sharp criticism, and finally the Planning Commission suggested a new estimation methodology based on a new basket of goods that is required to survive – includes food, fuel, light, clothing and footwear.

The economic wealth of mere 30-odd rich families in India is equivalent to one third of the country's growth.





Accordingly, the Tendulkar committee has worked out that 41.8 per cent of the population or approximately 450 million people survive on a monthly per capita consumption expenditure of Rs 447. In other words, if you break it down to a daily expenditure, it comes to bare Rs 14.50 paise. I wonder how can the rural population earning more than Rs 14 and less than say even Rs 25 a day be expected to be over the poverty line. It is quite obvious therefore that the entire effort is still to hide the poverty under a veil of complicating figures.

India's poverty line is actually a euphemism for a starvation line. The poverty line that is laid out actually becomes the upper limit the government must pledge to feed. People living below this line constitute the Below the Poverty Line (BPL) category, for which the government has to provide a legal guarantee to provide food. It therefore spells out the government subsidy that is required to distribute food among the poor. More the poverty line more is the food subsidy.

If the government accepts

Tendulkar committee report, the food subsidy bill will swell to Rs 47,917.62-crore, a steep rise over the earlier subsidy of Rs 28,890.56-crore required to feed the BPL population with 25 kg of grains. This is primarily the reason why the government wants to keep the number of poor low. In other words, the poverty line reflects the number of people living in acute hunger. It should therefore be called as a starvation line.

I remember a few years back, a group of charitable organisations in England presented a list of demands to the government for helping the poor. Unlike India, where BPL category only receives food rations, and that too severely short the minimum nutritional requirement for a human

A Poverty line, needing not only food (but in lesser quantities) but also other economic necessities like sewing machines, water-purifiers, pressure cookers etc.

body, the first demand of the UK charities was to provide the poor in England with washing machines.

India's poverty estimates therefore are the most stringent in the world. I don't know the economic justification of hiding the true figures, but politically it makes terrible sense. Each government therefore is happy to gloss over the starvation figures in the guise of poverty estimates. I wonder when India will include a basket of essential good like footwear, cycles, sewing machines, solar lamps, water purifiers etc for the poor. This is simple economics, and not political compulsion as the media will like us to believe.

Going back to the poverty line arithmetic, the 2007 Arjun Sengupta committee report (officially the report of the National Commission on Enterprise in Unorganised Sector), which had estimated that 77 per cent of the population or 836 million people, were unable to spend more than Rs 20 a day, is probably a correct reflection of the extent of prevailing poverty.

In addition to monthly income, poverty estimates must incorporate the human development index as prepared by the United Nations Development Programme. India should therefore have two ways to classify the poor. The Starvation line, needing direct cash transfers in addition to the basic requirement of food supplies. And a Poverty line, needing not only food (but in lesser quantities) but also other economic necessities like sewing machines, water-purifiers, pressure cookers etc. □□

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Dilemma of the poverty line



Frequent changes in the description of poverty line and diverse figures provided by the government about the extent of poverty makes it difficult to know the exact or even approximate figure of the poor people in the country, in the absence of which programmes of poverty alleviation become meaningless, believes, Dr Ashwani Mahajan

Government has consistently been providing different figures about the extent of poverty in India. Therefore, it has been difficult to know the exact or even approximate figure about poverty in India. Frequent changes in the definition of poverty line make the issue even more complicated. It is obvious that in the absence of uniform statistical measure of poverty, programmes of poverty alleviation cannot be meaningful. The government to reduce poverty adopts various measures. Through PDS kerosene and cheaper grain and other foods are made available to poor population. Rural and urban employment programmes, free health facilities etc., are other measures to improve their lot. Government's proposed food security legislation is also on the same lines, according to which all people living below the poverty line would have a right to draw food at subsidised prices.

But ironically till date the government has not been able to identify, even approximately, people living below the poverty line. Report of the Saxena Committee, constituted by Ministry of Rural Development Government of India, presented recently, is most shocking. In fact, 49.1 percent population in the country according to Saxena Committee is



living below poverty line, but 23 percent of poor do not have any ration card (what to talk of BPL card). Report further says that 17.4 percent cards are held by richer people. Report recommends that government should undertake a national survey to identify the poor people.

Former Chief Economic Adviser to Prime Minister, Prof. S.D. Tendulkar submitted the Report of the Expert Group to Review the Methodology for Estimation of Poverty in December 2009. Submission of this report has brought the whole controversy into focus once again. Prof. Tendulkar noted that the existing all-India rural and urban official poverty lines were originally defined

in terms of per capita total consumer expenditure at 1973-74 market prices and adjusted over time and across states for changes in prices keeping unchanged the original 1973-74 rural and urban underlying all-India reference poverty line baskets of goods and services. These all-India rural and urban PLBs were derived for rural and urban areas separately, anchored in the per capita calorie norms of 2400 (rural) and 2100 (urban) per day. However, they covered the consumption of all the goods and services incorporated in the rural and urban reference poverty line baskets.

Prof. Tendulkar, finds that in 2004-05, 37 percent of Indian population was living below pov-

erty line. This figure is significantly high as compared to figure given by Planning Commission; according to which 27.5 percent were living below poverty line. Prof. Tendulkar's figure of head count is higher largely because of larger basket of consumption, which includes expenditure on education & health by the poor. Earlier studies on redefining poverty have also taken note of these variables and have suggested suitable modifications in the definition of poverty line. Prof. Tendulkar's report is significant as it gives official sanction to the same. Prof. Tendulkar has recommended in his report that Planning Commission and also National Sample survey organisation (NSSO) make suitable changes in their approach in defining poverty line.

Interestingly, national sample survey organization, which undertakes sample survey of consumer spending, estimated people living below poverty line to be only 28.3 percent in 2004-05. In contrast to this figure some time back Arjun Sen Gupta Committee constituted by the government for unorganized sector the country revealed that more than 77 percent of people are forced to live on 20 rupees or less per day, which is insufficient even for minimum requirement of one person's food, health, shelter and clothing. One may say that more than 77 percent people in the country can not meet their basic needs. But the government always tries to under estimate the people living below poverty line and also show that number of poor people is constantly declining. According to official statistics in 1973-74, 320 million or 55 percent of popula-

tion was living below the poverty line and then it was told that in 2004 the population living below the poverty line has declined to 28 percent. Well, it depends on government economists, how do they define poverty and poverty line, but logically a definition of poverty should be adopted which help in identifying the real poor. In the past, definition of poverty as adopted by the Government has been widely criticized.

Problem arose when in 1993-94 and 1990-2000 consumer expenditure data used by the Government to estimate poverty had shown much lower number below poverty line, without there being any significant improvement in the condition of the poor. Critics say that the figures used by the government showed a decreasing poverty overnight. If the calorie based definition is truly implemented, then 80 percent of rural and 50 percent of urban population would be found consuming less than 2400 and 2100 calorie in rural and urban areas respectively. This simply means that government tries to always under estimate the number of people living poverty line by jugglery of data.

According to UN, 220 million people in India suffer from hunger. Prevalence of hunger is found in all age groups ranging from infants to old. Food production has been going down, food imports are rising and food insecurity is on rise. Whereas per capita availability of foodgrains was 190 kilogram per person per annum in 1979-80, it declined to only 186 kilogram in 2004-05. Since 2004-05, fast rising prices of food products have made the

The poverty so reached would not be perfect one, but definitely, we would be moving from a mere starvation line to a better defined poverty line. Government might be feeling uneasy on two counts.

things worst for poor. According to Food and Agriculture Organisation (FAO), of United Nations about 100 million people have already moved to the category of hungry people around the world in the three years from 2004-05 to 2007-08.

It is welcome that professor Tendulkar's Expert Group has recommended that definition of poverty line be changed and a new methodology adopted incorporating changes in price index and also widening of consumption bundle including expenditure on health and education. However, the poverty so reached would not be perfect one, but definitely, we would be moving from a mere starvation line to a better defined poverty line. Government might be feeling uneasy on two counts. First, that so far its policies have been based on ill-defined poverty line and second it will be forced to spend more money on welfare activities. However, in the long run Tendulkar's report will set a benchmark in determining the methodology for the assessment of poverty line. □□

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Family and community privatised social security model of India

The difference between India and the West—India has retained the relation-based social environment which the West has almost lost.

The main difference between India and the West is that India has retained the relation-based social environment despite a constitutional and legal set up based on contract, while the West has, over the last century or more, turned into a purely and exclusively constitutional organism. There was a debate about the merits and the sustainability of the organic or relation-based societies in the era of industrialisation and the inevitability of the evolution of relation-less and contract-based industrial societies. In fact many sociological thinkers, like Max Weber, even celebrated the virtues of contract-based polity and economy, and argued how the evolution of the contract-based society powers modern capitalism.

In this context, the West had largely ignored the sane counsel of social philosophers like Emile Durkheim who, in his great work 'Divisions of Labour in Society' [written a century after Adam Smith and decades after Karl Marx], disagreed with both Karl Marx and Adam Smith and the host of modernist thinkers like Spencer and others, and rejected an exclusively contract-based socio-economic and constitutional model centred on what he called as the 'cult of the individual' which was common to both capitalist and communist economics. In a sense, but not totally, the Indian socio-economic model approximates to the Durkheim model. While, in the West, the only

effective intermediaries between the state and the individual were the family and neighbourhood communities which had been destroyed by industrialisation, Durkheim commended occupational groups as the natural choice to sustain non-formal relations in the society. In India, caste and community, which are trans-neighbourhood institutions, have been able to preserve the non-formal relations of the people and effectively handle the problem of industrialization - which had disturbed the neighbourhood relations between people in the West. So, in India, the relation-based, organic society has been able to preserve and renew itself through the traditional caste and community-oriented life model which transcended geographic limitations. So, India could handle a constitutional order based on individualism and preserve a social order based on communities; it could also overcome the disturbance to the organic communities by adjusting to the modern economic model, by fostering communitarian economic growth and also by linking across the geographies through community networks.

The market in the West was founded on individualism, because of the atomisation of the societies through industrialisation to start with, and then the atomisation of the social formations including the family by liberal democracy. Thus, it had a totally different meaning and content, when contrasted with

market in an environment like in India as generally in most of Asia, where individualism is not the dominant idea. So, the concept and definition of market in India are different, when compared and contrasted with the market in the West, particularly the Anglo-Saxon West. In the West even households are invaded by markets as even family obligations from cooking to child bearing are outsourced – cooking to restaurants and child-bearing to surrogate mothers. In addition, the rising consciousness of rights - ranging from children's rights to elder's rights to women's rights to gay rights - has undermined almost all non-formal institutions and relations. In the individualism-based market approach, competition has become the sole arbiter of social mobility. And the competition is for the reward of money which has become the new Demigod, or for name or fame transformable into money. This does not exempt even the family. A father has to compete with the son. A mother has to compete with the daughter. There is nothing like a father being respected by the son or a teacher being respected by a student. While such competitive spirit has definitely promoted high efficiency, such efficiency has been secured at a great social cost of imposing on the state all burden resulting from the dismantling of all informal relations and institutions; and that cost more than offsets the benefits arising



from the efficiency that atomised individualistic competition brings in.

Thanks to the family and community based model – India has a privatised social security model.

Thanks to the relation-based social environment (in the economic and political sense), India is perhaps the most privatized economy in the world. Take just one example. The largest public burden of the states in the West is the social security burden. The socio-economic obligations which the traditional relations and institutions handle in India, like taking care of the old and the infirm, young and the unemployed, is passed on to the State in the West which has, under the pressure of individualism, virtually destroyed all non-formal, non-contractual relations which constitute a natural social capital. This huge burden is borne by the society in India, thanks to the relation-based social and community environment, sustained on the timeless principles of Dharma. Responsibility of taking care of the parents, the brothers, the sisters, the unemployed sons, daughters, extended families – imagine what will happen if these responsibilities are to fall upon the Government in India. Can the Govt. in India manage this burden for a single day? It is not just an issue of financial burden. Such state-provided social security is not sustainable in countries like India. Why, it may not be sustainable even in the West after a while, when it begins to yield diminishing returns because of demographic or other reasons.

Dr. Assar Lindbeck, Professor of International Economic Studies in Stockholm University, who has done extensive work on social security systems around the

world, particularly in his own country Sweden, and European nations said (in a key note speech on the topic “European Social Model: Lessons for Developing Countries” delivered at the conference of the Asian Development Bank on Poverty, Growth and the Role of Institutions on 10-12 October 2001): “The experiences of social policies during the first decades of the 20th century in Europe underline the important role of informal systems for income security and personal services at low levels of economic development.” What are the informal systems he is talking about? To put it in his own words, “In the early 20th century, many European countries still relied heavily on the family for both income protection and personal (“human”) services such as health care. Civil society, including the so-called “friendly societies”, also contributed to income insurance, for instance in connection with sickness, old age, and unemployment (the latter often with the help of union-run insurance systems)” Assessing the effect of taking over by the formal state of the informal family and community mechanism in the area of social security, he went on to advise the developing nations thus: “It is crucial, however, that informal systems are not destroyed when developing countries embark on more systems in these fields in the future. I have also emphasised that the European experience warns against the creation of social systems that are so generous that disincentives, moral hazard, and receding social norms seriously distort the national economy, including the labour market. These risks seem to be particularly important in the case of un-

employment benefits, support to single mothers, sick leave, disability pensions and early retirement. If disincentives and moral hazard undermine the financial viability of the government-operated systems and these would therefore have to be cut back, many individuals may suddenly find themselves without both types of social systems.”

The message is loud and clear. If the state is substituted for the informal family and relations and if the state were to cut back, as it is bound to if the system undermines the financial viability of the social safety net, then the informal family relations, which are part of cultural sociology, cannot be revived by state policy to re-undertake the burden. In other words if the relations natural to human life in the form of families and communities are destroyed by a state that promotes contract-based living and unbridled individualism and destroys all informal institutions, they cannot be revived even with difficulty. The Indian model of family and relations as the social safety net is superior to the Western model of state as the social safety net both from the point of view of unburdening the state as well as from the point of view of sustainability. If, in the West today, any burden is tending to become unsustainable, it is the social security burden. Many studies show that the US health security system will probably become bankrupt by 2020 and the retirement benefit systems might become insolvent some 20 years later. The intervention of the state to substitute itself for the family and the community is the direct result of the unbridled individualism-driven liberal democracy and free market particularly of the Anglo-Saxon model. □□

Food inflation reaches 20% but not in Parliament canteen

Why are Parliamentarians not taking to streets over sky rocketing food prices. Here is one reason. Heavily subsidized canteen in Parliament ensures that they get a vegetarian thali lunch for Rs.12.50 or a katori (small bowl) of dal at Rs.1.50, and chapatis for a rupee each. At a time when food is getting out of the reach of the poor in the country; the Parliament House canteen and the series of catering units run by Indian Railways at Parliament House, including at the library and the annexe building, serve food at rates which are a good decade old.

MPs may relish the cheap canteen food. But, mind you, the facility is not for them only. Parliament staff, low-paid security personnel and accredited journalists too enjoy the delicacies at rates which an ordinary citizen outside cannot even think of. Sample the rates: Vegetarian thali - compris-

ing dal, subzi, four chapatis, rice or pulao, curd and salad - for Rs.12.50, non-veg thali Rs.22; curd rice is available at Rs.11; vegetable pulav at Rs.8 and chicken biryani at Rs.34. Fish curry and rice Rs.13. Rajma rice Rs.7; tomato rice Rs.7; fish fry Rs.17; chicken curry for Rs.20.50; chicken masala Rs.24.50 and butter chicken at Rs.27. Dal, considered to be the poor man's food in India and which is now getting too expensive to even fit his bowl, costs just Rs.1.50 for a katori.

Low rates make the desserts sweeter. A katori of kheer at Rs.5.50 will never taste bitter. So will a small fruit cake at Rs.9.50 and a helping of fruit salad at Rs.7. If you want to have soup, enjoy a bowl full at Rs.5.50, and for a heaped plate of cooked rice you need to shell out just Rs.2. Dosa is available at Rs.4. And, yes, a cup of piping hot tea is avail-

able for just Rs.1 — not in the canteen but along a parliament corridor at a tea board.

Bear in mind, behind the cheap commodity there is a subsidy. All this costs the government a huge amount of tax payers' money. The gap between the actual cost and what MPs, journalists and others have to pay, is bridged with a food budget set aside by parliament. "Over Rs.5.3 crore has been allocated during the current financial year for the canteens. The Lok Sabha pays some Rs.3.55 crore and the Rajya Sabha shares the amount to over Rs.1.77 crore," said an official.

"Not only MPs, we serve food to everybody who is allowed inside parliament. They also include workers, gardeners and labourers," the official told IANS, defending the low prices. The food prices were last revised in 2004. A 15-member joint parliamentary committee on food management headed by then MP K. Yerranaidu of the Telugu Desam Party was constituted in 2005 to consider revision of the rates and the service.

"The committee didn't give any report and the rates were not revised," the official said. During the just-concluded winter session, on an average "3,000 people were served lunch in the canteen daily", a caterer said, but strongly pleaded anonymity as "we have been told not to speak to the media without permission". □□

Parliament House Canteen Food Rates			
Tea	Rs. 1.00	Tomato rice	Rs. 7.00
Soup	Rs. 5.50	Fish fry	Rs. 17.00
Dal - one katori	Rs. 1.50	Chicken curry	Rs. 20.50
Veg thali (dal, subzi, 4 chapatis, rice/ pulao, curd & salad)	Rs. 12.50	Chicken masala	Rs. 24.50
Non-veg thali	Rs. 22.00	Butter chicken	Rs. 27.00
Curd rice	Rs. 11.00	Chapati	Re.1 a piece
Veg pulao	Rs. 8.00	One plate Rice	Rs. 2.00
Chicken biryani	Rs. 34.00	Dosa	Rs. 4.00
Fish curry & rice	Rs. 13.00	Kheer- one katori	Rs. 5.50
Rajma rice	Rs. 7.00	Fruit cake	Rs. 9.50
		Fruit salad	Rs. 7.00

Understand Chinese objectives: Vedpratap Vedic

 Markandey Pandey



China continues to be a challenge for India. Not only did it forcibly occupy more than 42000 sq km of our territory, but continues to claim Arunachal Pradesh and Sikkim. China is not satisfied with capturing parts of India like Tibet, Sinkang & Manchuria. In last two centuries China doubled in size while India has been reduced to half of what it was. These are the expressions of Dr. Vedpratap Vedic, the renowned thinker and Senior Journalist. He was speaking in a seminar organized by Swadeshi Jagaran Manch on the subject, expansionist policies of China & Challenges faced by India. China refuses to recognize citizens of J&K as Indians and has begun to issue visa to them on a separately stamped paper in place of regular passports, he added. Dr. Vedic stressed the need to react in similar manner by issuing similar visa to people of Tibet and Sinkiang.

Reminding participants that the communist government in Beijing was established in 1948 after Chang Kai Shek was defeated and his nationalist government forced to retreat to Taiwan. With that began the destruction of sym-

bols and signs related to India and its civilization along with the great civilization of China itself. China at present is a blind follower of American lifestyle. Large Hotels Shopping Malls and Public Pubs are common everywhere. Just to make cheap shoes available to Americans China is sucking blood of Chinese people. Referring to its expansionist policies, Dr. Vedic said, that just to satisfy its so called national interests, China can go to any length. It has already encircled India to check the growing influence of India in South Asia. A strong military base just close to LAC in Tibet, and military presence in Gwader Pakistan, Chatgaon Bangladesh and Myanmar and Srilanka is a clear indicator of its deceptive intentions.

“Claim the territory, repeat the claim frequently, intrude the area, suddenly grab and hold and then let the time pass” is its well known policy. It was under this policy that China laid its claim on Tibet in 1914 which till then was part of India and is the place where holy Kailash Mansarovar is situated. More than 10,000 cyber agents of China are maintaining a constant trail of our defence preparedness. 20-25% of our telephone exchanges and telecommunication equipments, modems etc. are Chinese made and are being tracked.

Expressing concern over economic invasion besides strategically dominating policies of China, he added, that bilateral trade between

India and China rose from a mere 2.1 billion dollars in 2000-01 to \$7 billion in 2004 and \$40.6 billion in 2009. Chinese official figures claim that it actually is more than \$50 billion. Indian share in this one sided trade is just \$9.7 billion, while Chinese exports are worth \$30.9 billion (\$40 billion according to Chinese sources). China is snatching employment of more than 50 00000 Indians by dumping its products in Indian markets. It is hurtful to our economy and is earning a profit of around rupees 320,000 crore every year and using this money to impair us. It is time to understand the treacherous plans of China. We must stand up and mobilize Indian people and refuse to use Chinese products. Chinese made items must be boycotted absolutely.

The problem is not between people of China and people of India, he added. Chinese people respect India a lot and consider it ‘western paradise,’ he pleaded. The problem is between India and the communist government of China. Dr. Vedic opined.

A large number of Swadeshi activists and sympathizers attended the seminar prominent among participants were ex-governor K.N. Sahini, Ex-MP, Dr. Mahesh Chander Sharma, Kashmirilal ji, Harish ji, Pardeep ji and Krishan Lal Pandey.

Sh. Bhola Nath Vij presided over and Jitendera Mahajan presented the vote of thanks. □□

Report of the expert group on the methodology for estimation of poverty

There has been a growing concern on the official estimates of poverty released by the Planning Commission. The official poverty estimates have been severely criticised on various counts. In view of this, Planning Commission set up an expert group under the chairmanship of Professor Suresh Tendulkar to examine the issue and suggest a new poverty line and estimates. The expert group has considered this issue in detail and has suggested new methodology to arrive at state wise and all India rural and urban poverty lines for 2004-05, the latest available major National Sample Survey (NSS) round on household consumer expenditure which provides the data base for the calculation of poverty estimates by the Planning Commission.

Following are the salient features of the proposed poverty lines

1. While acknowledging the multi-dimensional nature of poverty, the estimates of poverty will continue to be based on private household consumer expenditure of Indian households as collected by the National Sample Survey (NSS) Organization (NSSO).

2. The expert group has also taken a conscious decision to move away from anchoring the poverty lines to a calorie *intake* norm in view of the fact that calorie consumption calculated by converting the consumed quantities in the last 30 days as collected by NSS has not been found to be well correlated with the *nutritional outcomes* ob-

served from other specialized surveys either over time or across space (i.e. between states or rural and urban areas).

3. The quinquennial National Sample Surveys of household consumer expenditure surveys carried out by the NSSO provide the basic data set for official poverty calculations. For canvassing household expenditure on a recall basis, the NSSO has decided to shift to Mixed Reference Period (MRP) for all its consumption surveys in future, namely, 365-days for low frequency items (clothing, footwear, durables, education and institutional health expenditure) and 30-days for all the remaining items. This change captures the household consumption expenditure of the poor households on low-frequency items of purchase more satisfactorily than the earlier 30-day recall period. The Expert Group decided to adopt the MRP-based estimates of consumption expenditure as the basis for future poverty lines as against the previous practice of using Uniform reference period estimates of consumption expenditure.

4. Underlying consumption poverty line is the reference poverty line basket (PLB) of household goods and services consumed by those households at the borderline separating the poor from the non-poor. Given an inescapable element of arbitrariness in specifying the numerical nominal level of PLB, the Expert Group considered it desirable to situate recommended refer-

ence PLB in some generally acceptable aspect of the present practice.

The estimated urban share of the poor population (described as headcount ratio or poverty ratio) in 2004-05, namely, 25.7 per cent at the all-India level, is generally accepted as being less controversial than its rural counterpart at 28.3 per cent that has been heavily criticized as being too low. In the interest of continuity as well as in view of the consistency with broad external validity checks with respect to nutritional, educational and health outcomes, it was decided to recommend MRP-equivalent of urban PLB corresponding to 25.7 per cent urban headcount ratio as the new reference PLB to be provided to rural as well as urban population in all the states after adjusting it for within-state urban-relative-to-rural and rural and urban state-relative-to-all-India price differentials.

5. Even while moving away from the calorie norms, the proposed poverty lines have been validated by checking the adequacy of actual private expenditure per capita near the poverty lines on food, education and health by comparing them with normative expenditures consistent with nutritional, educational and health outcomes. Actual private expenditures reported by households near the new poverty lines on these items were found to be adequate at the all-India level in both the rural and the urban areas and for most of the states. It may be noted that while

the new poverty lines have been arrived at after assessing the adequacy of private household expenditure on education and health, the earlier calorie-anchored poverty lines did not explicitly account for these. The proposed poverty lines are in that sense broader in scope.

6. It may be noted that although those near the poverty line in urban areas continue to afford the original calorie norm of 2100 per capita per day, their actual observed calorie intake from 61st Round of NSS of is 1776 calories per capita. This actual intake is very close to the revised calorie intake norm of 1770 per capita per day currently recommended for India by the Food and Agriculture Organization (FAO). Actual observed calorie intake of those near the new poverty line in rural areas (1999 calories per capita) is higher than the FAO norm.

7. The proposed reference PLB is situated also in the latest available data on the observed consumption patterns from the household consumer expenditure survey of NSS for the year 2004-05 and takes into account all items of consumption (except transport and conveyance) for construction of price indices. Separate allowance for private expenditure on transport and conveyance has been made in the recommended poverty lines.

8. The proposed price indices are based on the household-level unit values (approximated price data) obtained from the 61st round (July 2004 to June 2005) of NSS on household consumer expenditure survey for food, fuel and light, clothing and footwear at the most detailed level of disaggregation and hence much closer to the actual prices paid by the consumers in rural

and urban areas. Price indices for health and education were also obtained from unit level data from related National Sample Surveys. The proposed price indices (Fisher Ideal indices in technical terms) incorporate both the observed all-India and the state level consumption patterns in the weighting structure of the price indices. For rent and conveyance, actual expenditure share for these items were used to adjust the poverty line for each state. The recommended price indices take care of most of the criticisms of the earlier population-segment-specific consumer price indices with outdated base used for updating poverty lines. An added and a significant advantage is that the recommended procedure permits the derivation of new poverty lines and the corresponding headcount ratios for all the states including the north-eastern states. In the judgment of the Expert Group, these advantages outweigh the problem of ignoring the quality differences in consumption of commodities across households that is involved in equating unit values with approximated prices.

9. The new poverty lines seek to enable rural as well as urban population in all the states to afford the recommended all-India urban PLB after taking due account of within-state rural-urban and inter-state differentials (rural and urban) incorporating observed consumer behaviour both at the all-India and state levels.

10. The new poverty lines have been generated for all the states including the north-eastern states. However, in the absence of adequate data, the expert group has suggested use of poverty line of the neighbouring states for union territories.

The new poverty lines and poverty estimates are given in the appendix. It is important to underline that except for the urban all-India headcount ratio for 2004-05 which was used to derive the all-India reference poverty line basket, all other headcount ratios – rural all-India and for rural and urban populations of the states for 2004-05 given in the Appendix are based on the new reference basket and new price indices, and hence are not comparable and must not be compared to the earlier announced official headcount ratios using the earlier official poverty lines and out-dated price indices.

The all-India rural headcount ratio using the recommended procedure is 41.8 per cent in comparison with 28.3 per cent. The expert group has re-estimated poverty for states and all India for 2004-05. The methodology of carrying it forward is also being suggested. In light of the new methodology, it will be necessary to re-estimate poverty for previous years. A preliminary exercise for 1993-94 has been carried out to facilitate a broad two-point comparison of changes in headcount ratios. By this exercise, poverty at all India level in 1993-94 was 50.1% in rural areas, 31.8% in urban areas and 45.3% in the country as a whole as compared to the 1993-94 official estimates of 37.2 per cent rural, 32.6 per cent urban and 36.0 per cent combined. That is, even though the suggested new methodology gives a higher estimate of rural headcount ratio at the all-India level for 2004-05, the extent of poverty reduction in comparable percentage point decline between 1993-94 and 2004-05 is not different from that inferred using the old methodology. □□

India to review FDI rules every six months

Releasing a compendium of all FDI-related 177 press notes for comments from public, the government on Thursday said it would review its foreign direct investment rules twice a year from the next fiscal. The Department of Industrial Policy and Promotion (DIPP), the nodal agency for FDI, has invited comments on the compendium from stakeholders till 31st January.

The government would incorporate the feasible suggestions into the compact document to be unveiled in April. From the next fiscal, every six months the procedural rules would be subject to review. However, the department made it clear that the exercise is "not intended to make changes" in

the existing policy.

Commerce and Industry Minister Anand Sharma also said that review did not mean the government would change the policy every six months.

"A new press note on regulatory framework would be issued every six months which will incorporate and reflect all the changes in the regulations ... Thus the government will issue press note on FDI regulatory framework twice a year in April and October which would be valid on that date," Sharma said.

The FDI inflows during April-November were USD 19.38 billion, marginally lower than USD 19.79 billion in the year ago period. □

National Policy on Bio-fuels announced

The National Policy on Bio-fuels and its implementation has been approved by the Union Cabinet. Setting up of a National Biofuel Coordination Committee and a Biofuel Steering Committee has also been approved. The Policy endeavors to facilitate and bring about optimal development and utilization of indigenous biomass feed stocks for production of bio-fuels.

Bio-fuels provide a strategic advantage to promote sustainable development and to supplement conventional energy sources in meeting the rapidly increasing requirements for transportation fuels associated with high economic growth, as well as in meeting the energy needs of India's vast rural population. Bio-fuels can increasingly satisfy these energy needs in an environmentally benign and cost-effective manner while reducing dependence on import of fossil fuels and thereby providing a higher degree of National Energy Security. The Indian approach to bio-fuels is based solely on non-food feedstocks to be raised on degraded or wastelands that are not suited to agriculture, thus avoiding a possible conflict of fuel vs. food security.

Indo- Japanese free trade pact

Receiving a political push at the top, officials from India and Japan will meet in New Delhi second fortnight of January 2010 to take forward negotiations on the market-opening pact. Negotiators will work on narrowing gaps in services and pharmaceuticals - areas of interest to India. However, Japan has

several apprehensions about opening these sectors, an official said.

The Indian pharma industry, which gets 45 per cent of its USD 20-billion revenue from exports, is seeking market access in Japan that has a tough control regime for drug imports. Japan is also apprehensive about giving access to Indian professionals in services, which contribute about 55 per cent to the Indian economy, the official said.

Launched in 2007, the officials have completed 12 rounds of talks. Prime Minister Manmohan Singh and his Japanese counterpart Yukio Hatoyama had instructed their officials earlier to sort out the issues in the way of the Comprehensive Economic Partnership Agreement (CEPA). According to Indian official figures, the two-way trade for 2008-09 stood at USD 10.6 billion, with imports accounting for USD 7.6 billion. Comparatively, India-China trade stands at over USD 40.6 billion. India has signed market opening pacts with 10-member ASEAN bloc and Korea which will operationalize from January 1.

No immediate withdrawal of stimulus: FM

Finance minister Pranab Mukherjee believes that immediate exit from the stimulus packages may not be a prudent step for the government as it has to be timed with the global economic situation. He says India had cautioned other world economies against immediate withdrawal of stimulus packages as it may lead to collapse of the world economy.

"Immediately coming out of the stimulus package may not be the correct approach because in that case, if the world economy collapses, the depression

Balco selloff papers missing

Government tender documents and minutes pertaining to the Rs 551.5 crore disinvestment of Bharat Aluminium Co (Balco) in Chhattisgarh's Korba district eight years ago, cannot be traced by the ministries concerned, according to a response to an RTI application seeking details of the same.

In its order on an RTI query filed by advocate Arjun Harkauli on the issue, Central Information Commission observed, "in response to the request for information relating to disinvestment of government's 51% stake in Balco, the CPIOs of respondents have stated they have made attempts to search and trace the desired documents but to no avail". In its reply, the central government has nowhere stated that the documents have been destroyed or that it cannot be supplied due to any bar under Section 8 of the Right to Information Act, 2005.

Sterlite Industries had acquired 51% stake in Balco in March, 2001. The advisor for the deal was Jardine Fleming India Securities Ltd, with whom the agreement was signed by Department of Disinvestment on behalf of the Government of India. In its response dated January 29, 2009, the Department of Disinvestment, which comes under the Ministry of Finance said, "the records available with the Department of Disinvestment show that Ministry of Mines, and not Department of Disinvestment were in consultation with the advisors, even though the Department of Disinvestment has signed the agreement with the advisors." In its response dated March 3, 2009, the ministry of mines had stated "the said documents have not been found in the available files in this ministry". □

would be deeper," Mukherjee said.

He said he had conveyed his concerns to the visiting Japanese PM to strike a balance between the requirement of the economy and the capacity of the economy to bear this level of fiscal deficit and borrowing. He said stimulus packages were projected to widen the fiscal deficit to 6.8% of GDP this year.

States may get higher tax share

The government will be able to meet the fiscal consolidation target set by the 13th Finance Commission in the five years between 2010 and 2015, chairman of the commission Vijay Kelkar said after submitting its report to President Pratibha Patil.

The report, it is believed, suggested higher share of states and union territories in the central taxes. The 12th Finance Commission had suggested 30.5% share of the states and union territories in the central taxes. The new report, a senior government official said, has increased their shares.

Currently, states and the UTs get Rs 1.64 lakh crore in a year. The total tax revenue of government, which includes shareable and non-shareable taxes, has been estimated at Rs 6,41,079 crore during 2009-10. The shareable central taxes include corporation tax, income tax, wealth tax, customs, excise duty and service tax. The taxes, which are not shared with states include some cesses like education and road.

In its report, the 13th Finance Commission has laid down the fiscal consolidation roadmap for the next five years. It includes accounting for liabilities of the central government such as oil, food and fertiliser bonds into the fiscal accounting and the impact of various other obligations of the government on the deficit targets.

Major infra projects delayed

A review of large centrally-sponsored ventures reveals that at least 50% of them were running behind schedule. High public expenditure in 2008-09 had contributed to the GDP expanding by 6.7% despite the global economic recession. Encouraged, the government was looking to repeat its performance in 2009-10 with at least Rs 6 lakh crore riding on more than 950 central infrastructure projects above Rs 20 crore.

However, an appraisal made by the ministry of statistics and programme implementation has indicated that at least 470 of the 950 projects were delayed and could lead to a cost overrun of more than 14% or anything above Rs 40,000 crore. Many of these projects are stuck for various reasons including land acquisition, pending environmental clearances and in some cases due to cancellation of the contract itself. The total cost of the delayed projects could be anywhere above Rs 3 lakh crore, according to an estimate. □□

China to seek bigger share of world exports-min

Beijing will not relax its efforts to sell Chinese products overseas in 2010 and seek a bigger share in the global market, according to China's vice trade minister. China, which may have replaced Germany to be the world's largest exporter in 2009, is a "big trading nation" but not yet a "powerful trading nation", vice commerce Minister Zhong Shan said. "China's exports in 2010 will grow, and there's no doubt about that," Zhong said, declining to provide detailed forecasts.

China's exports were hit hard by the global financial turmoil, falling 18.8 percent in the first 11 months from a year earlier. But the market share for Chinese products has increased in 2009 as sales from other countries have fallen even more deeply, Zhong told a forum at the University of International Business and Economics in Beijing.

Other countries have blamed China's unofficial policy of repegging the yuan to the dollar since the summer of 2008 for making its products arti-

ficially competitive. China will feel pressure on its yuan policy but will maintain "basic stability" Zhong said, in a reiteration of long-standing government policy. He said export growth is vital for China to drive economic growth and create jobs at home.

For example, Zhong said exporting 30 million shirts benefits the Chinese economy more than exporting one Boeing 747, referring to a domestic debate over how much China should support existing labour-intensive export industries versus how much it should move up the value chain." Exporting 30 million shirts means we can create jobs for 10,000 people," Zhong said. "With the 10,000 people employed, their families, or 30,000 people, can have a well-off life."

China is under pressure from its trading partners to balance its outsize trade surplus, and Beijing has also listed trade balance as one of its key economic policy targets. But Zhong said that does not mean a reduction in exports. □□

Japanese suicides top 30,000 for 12th yr

The number of suicides in Japan exceeded 30,000 in 2009 for a 12th consecutive year, police said. A total of 30,181 people killed themselves between January and November, the National Police Agency said, despite government efforts including more counselling services to deter people from taking their own lives.

Japan has one of the world's highest suicide rates, behind only a group of former Soviet bloc countries, says the World Health Organisation. The number of suicides a year in Japan hit the 30,000 mark for the first time in 1998, when the world's second-largest economy was struggling with a number of corporate bankruptcies and soaring jobless rates.

Experts have warned more people may commit suicide as the economy has been hit severely by the global financial crisis.

US Senate passes sweeping health bill

US Senate has passed a sweeping remake of the US health care system that aims to extend coverage to 31 million uninsured Americans. After 24 days of debate and months of bitter political wrangling, a feverish atmosphere prevailed in the storied Senate chamber as it voted through one of the most significant pieces of American

social legislation in decades.

The bill, which should usher in a 10-year, nearly one-trillion-dollar reform program, must be reconciled with a separate House of Representatives version before, barring any last-minute changes of heart, being signed into law. "Ever since Teddy Roosevelt first called for reform in 1912, seven presidents — Democrats and Republicans alike — have taken up the cause of reform," Obama said after the vote.

"Time and time again, such efforts have been blocked by special interest lobbyists who've perpetuated a status quo that works better for the insurance industry than it does for the American people.

"But with passage of reform bills in both the House and the Senate, we are now finally poised to deliver on the promise of real, meaningful health insurance reform that will bring additional security and stability to the American people."

Attention now focuses on negotiations to forge a compromise between the two bills, with Republicans hopeful that differences over key provisions might lead to damaging Democratic infighting ahead of crucial 2010 mid-term elections.

But Democratic senators were united, all 58 voting along with two liberal-leaning independents to pass the bill on the massive package of reforms that Obama has made his top domestic priority.

China extracts more concessions from Myanmar for oil pipeline

China has managed to extract greater concessions from the military rulers of Myanmar about a crude oil pipeline connecting the two countries. Myanmar has agreed to give the state-owned China National Petroleum Corp. exclusive rights to build and operate the pipeline besides granting tax relief.

Indian oil companies had been competing with their Chinese counterparts to secure Myanmar oil and gas until CPNC clinched the deal. This is what makes the stipulation in the deal about “exclusive rights” being given to CPNC very significant.

Yangon authorities have also agreed on the most challenging aspect of the project, which is to guarantee safety of the 771-km pipeline. The pipeline will pass through thick jungles, parts of which are controlled by political dissidents and armed groups regarded to be a law by themselves.

CNPC, China’s biggest oil and gas producer, announced that it has signed an agreement with Myanmar’s Energy Ministry that would not only give it exclusive rights to operate the pipeline but also grant customs clearance rights for materials and supplies imported from China to Myanmar.

The project will be implemented by the CNPC controlled South-East Asia Crude Oil Pipeline Ltd. The company inked a memorandum of understanding accepting responsibility for the design, construction, and operation of the pipeline last June.

The pipeline will extend from Maday island, in western Myanmar, to Ruili, in the southwestern Chinese province of Yunnan. It is expected to carry 12 million tones of oil a year initially.

CNPC said it started construction of a port in western Myanmar as part of the China-Myanmar Crude Pipeline project in late October. The company is planning to construct a gas pipeline from Myanmar with a capacity of 12 billion cu m a year. This is scheduled to carry natural gas to southwestern China starting in 2012.

These pipelines will be apart from a crude oil pipeline from Kazakhstan, which started supplying oil to China’s northwest in 2006. It has an initial capacity of 10 million tons, Chinese companies are also involved in another transnational oil pipeline with a capacity of 15 million tons. It is expected to pump oil from Russia to northeastern China from late 2010.

ONGC awards USD 162-million contract to UAE firm

India’s oil exploration firm ONGC has awarded an USD 162-million (over Rs 753 crore) engineering and construction contract for an oil well platform project at the Mumbai High Field to Abu Dhabi-based National Petroleum Construction Company (NPCC), according to UAE’s official news agency Wam.

The contract value is approximately USD 162 million, UAE’s official news agency, Wam has said. The work will consist of survey, design and detailed engineering, procurement, fabrication, transportation, installation, hook-up, pre-commissioning and commissioning of under-sea pipelines and composite under-sea cables. The project will be completed by April 2011.

In October this year, NPCC signed a contract with ONGC for the construction of B-22-3 Well-head Platforms with pipeline and modification works. The contract value is approximately 1 billion dirhams and the project is to be completed by April 2011,

Aqeel Madhi, NPCC Chief Executive Officer, said.

English athletes to miss CWG 2010

The athletics and Gymnastics events of 2010 Commonwealth Games might loss sheen as a host of top English names have decided to skip the quadrennial sporting extravaganza to focus on the 2012 London Olympics.

Besides Olympics Heptathlon bronze medallist Kelly Sotherton and long-distance runner Paula Radcliffe, Jessica Ennis, Beth Tweddle, Dan Keatings and Louis Smith are some of names who have reportedly decided to give the Delhi Games a miss.

“For some of the 17 sports, Commonwealth Games gold is the pinnacle achievement in an athlete’s career. But a host of top names from athletics and gymnastics have decided not to travel to next year’s games in Delhi as London 2012 looms,” The Telegraph reported.

Team England’s chef de mission Craig Hunter, however, tried to allay the fear of a mass withdrawals from the 2010 Commonwealth Games. □□

Limiting imports: WTO rules against China

The United States has won a case against China at the World Trade Organisation which has ruled that it is illegally restricting imports of movies, music and books into the country. The WTO Appellate Body held that China was obstructing trade by forcing foreign suppliers to distribute certain copyright-intensive products through state-owned companies which is inconsistent with the Beijing obligations with the WTO.

Western countries have been complaining against the restrictions for long, which say that China's rapid rise as a trade power has been in part aided by unfair policies that boost sales of Chinese goods abroad while limiting imports into its market. US movie, music and publishing companies say the Chinese rules cost them millions of dollars each year in lost business opportunities.

The WTO case focused on complaints by

groups representing music labels such as EMI and Sony Music Entertainment, publishers, including McGraw Hill and Simon & Schuster, and Hollywood studios Warner Bros., Disney, Paramount, Universal and 20th Century Fox. The WTO said China cannot limit distribution of U.S. goods to Chinese state-owned companies. The US had dragged China to the WTO in April 2007, alleging that it prohibits foreign enterprises and individuals from importing reading materials, audiovisual home entertainment products such as DVDs, music and other sound recordings, and films for theatrical release.

"This case is also an important part of our efforts to combat intellectual property piracy," Kirk said. If China fails over the next year to bring its practices in line with international trade law, the U.S. can ask the WTO to authorise commercial sanctions against Chinese goods. □

New US approach to move the Doha talks into the 'endgame'

Obama will be able to work with Congressional leaders to get a Trade Promotion Authority only if a Doha deal that meets the objectives laid out by the President, namely, providing meaningful market access for the US that helps create jobs is reached. Trade Promotion Authority will be a fast track authority needed by US to complete Doha round, according to US Trade Representative (USTR), Ron Kirk.

USA would also like WTO member nations to move out of their "comfort zones" to move the Doha Round forward without any indication of its own willingness "to move out of its comfort zone." Kirk was briefing media after the conclusion of the seventh WTO Ministerial Conference.

Kirk claimed that in the past several months the US has been working with its trading partners on new approaches to move the Doha talks into the "endgame", and for this the US has "strongly advocated" direct bilateral engagements to obtain clarity and close the gaps.

Kirk also said that the US position on the issue of cotton subsidies had not changed, and believed that it "will best be addressed in the fullness of completion of the Doha Round." He expressed a similar view on the question of duty-free, quota-free market access for the Least Developed Countries.

Blame Goes Global at WTO

The first meeting in four years of ministers from the WTO's 153 nations concluded in Geneva with no progress in the eight-year-old Doha Round, which has repeatedly failed to achieve its stated mission of opening rich-country markets to imports of food from the developing world. Officials at Trade Talks Say Fears of Lost Jobs and Political Fallout Block Progress. The European Union, Brazil and other economic powers have blamed the U.S. for gridlock in global-trade talks.

In exchange for opening its agricultural markets, the U.S. had demanded that countries such as Brazil and India open their markets for industrial goods like heavy machinery, factory parts and subway cars. They have agreed to some tariff cuts, but not enough to satisfy U.S. officials.

"We're taking that message to people bilaterally," he says. Mr. Kirk met twice during the summit in Geneva with Indian Trade Minister Anand Sharma. There was no reason to settle an unsatisfactory Doha deal "just because we've been at it a long time," says Mr. Kirk.

The WTO's first summit in four years lacked the importance of previous gatherings. On the 10th anniversary of violent street protests nicknamed the Battle in Seattle, only a few hundred protesters showed up every day. □□