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## No Compromise with parliament's Security

Aam Aadmi Party MP Bhagwant Mann has compromised with the security of Parliament. He prepared video of the sensitive security apparatus of Parliament and uploaded it on social media. As a Member of Parliament, Maan should have been aware of the terror attack on Parliament in 2001. At that time, the terrorists did not know where to enter from and, therefore, the security staff foiled the attack by gunning down the terrorists with five Delhi police personnel and three others getting martyred during the operation. Mann's act has exposed Parliament's security system to all, including the terrorists, which may have to be changed entirely. Mann's statement that he only wanted to apprise the people of the process of selection of questions is childish. He apologised only after an uproar in Parliament. Before that he said that he will make more such videos. He needs to be taught a lesson.

Perhaps realising his foolishness, in the face of all-party condemnation for his most irresponsible, unprecedented act and apologising to the Speaker and Parliament, Bhagwant Mann took a different course. Instigated by the AAP leadership, Mann suddenly had an aggressive, despicable somersault. Mann unleashed an anti-Modi cacophony, calling for a probe against the Prime Minister for committing '100 more sins' than him. His arrogant, challenging behaviour must be penalised effectively, without any mercy. His expulsion from the House, or, at least, a long suspension would be exemplary and satisfy the needs of justice. Ideologically, without wasting any time, AAP chief Arvind Kejriwal must have taken strict action against him. Mann also has the history of not knowing how to behave in public space and he even attended a religious function in drunken state. Kejriwal should not cry foul and act against his MP and walk the talk. It would not only have set a dangerous precedent for the members, but would have also exposed the dual standards of parliamentarians, especially of the members of the secular parties. Earlier too, an ethics committee in 2005 had terminated the membership of 11 MPs after finding them guilty after a sting operation allegedly showing them accepting bribe. In these circumstances, since charges against Maan have been proved and the matter relates to the security of Parliament, his membership must be terminated.

— Rajesh Singh, Ambala Cantt

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## Quote-Unquote



India and Iran share a crucial stake in peace, stability and prosperity of the region..... concern at the spread of forces of instability, radicalism and terror in our region.

Narendra Modi  
Prime Minister of India



If Munich attacker is not linked to IS it is even more serious, not anecdotal. It means any muslim can do it. His case requires deeper study.

S. Gurumurthy



They (Muslims atheists) fear Muslim fanatics more than they fear God.

Taslima Nasreen  
Exiled Bangladeshi Writer



I believe there is a line between political journalism and politics that personally I never wish to cross.

Tavleen Singh  
Columnist, Political reporter and writer

## *Services-versus-manufacturing: What will drive the Growth*

*"Talent is God given. Be humble. Fame is man-given.  
Be grateful. Conceit is self-given. Be careful."  
— (John Wooden)*

'India's economic growth will be driven by services and not manufacturing' said, Nandan Nilekani. This statement from a person who has been a successful entrepreneur besides being a bureaucrat and politician needs to be looked into carefully and not dismissed arbitrarily. One more News that needs to be considered and looked into seriously is the poor response to the government's plan to promote BPO/ITeS operations in rural areas from companies. This expansion of digital services to hinterland of the country is important not only to bridge the divide but also include lesser privileged Indians to join the sector that is supposed to drive the growth in future. The Centre had come out with a request for proposal (RFP) in April this year for the scheme and companies were required to submit their bids by June 30. The last date was later extended to July 8 and bids were opened on July 11. Bids for only about 12,000 seats have been received from 61 companies against the planned 48,300 seats. About 100 companies participated in the pre-bid conference and expressed interest in the scheme. The approved outlay for the scheme was about Rs 493 crore. Services-versus-manufacturing debate has dominated the discussion for long to determine which sector could be the main source of growth for developing countries including India. From agriculture through manufacturing and only later to services is the traditional wisdom. This is being challenged as the statement of Mr. Nilekani suggests. The argument put forward in defence and support of the aforesaid conclusion is perhaps the stronger explanation of the counter-view. Domestic consumption, not exports, will drive India's growth, is the assertion. Who will disagree? It is further said that "Globalisation is being attacked as never before" and Protectionism is growing around the world. Brexit is cited as the latest proof of the challenge. We go a step further to underline the fact which, Swadeshipatrika and mobilisations like Swadeshi Jagaran Manch have been pleading for decades, that the Globalisation as imposed the developed west on rest of the world was and continues to be undemocratic, exploitative, biased and ridden with inner contradictions. It was and is doomed to fail. But that does not explain the thrust to the service sector. Even falling export numbers do not explain the preference fully as import bill is also down as compared to previous periods. India's exports standing at \$22.17 billion in June have slowed for the 18th consecutive month. Imports during March, 2016 were valued at US\$ 27789.56 million (Rs.186250.88 crore) which was 21.56 per cent lower in Dollar terms and 15.82 per cent lower in Rupee terms over the level of imports valued at US\$ 35428.72 million (Rs.221251.65 crore) in March, 2015. Industry veteran TV Mohandas Pai declaring that increasing automation would shave off 10% of incremental jobs in India's IT sector each year meaning if they do (create) 2 to 2.5 lakh jobs, 25,000-50,000 jobs will disappear calls for in-depth study.

Therefore, what must determine our choice in the thrust given to any sector of economy shall be; a) uniform application of parameters and b) the long term impact on the economy of the country that includes sustainability. Take for example electronic products almost two third of our demand for electronic products is met by imports in the country, and even the balance 35 per cent, which is manufactured in India, is mainly 'low value added manufacturing'. Ignoring these facts can't be termed as good economics. Even if for our domestic market only, Indian policy makers need to push manufacturing sector. First step in this direction must be the imposition of restrictions on cheap imports. India is overcoming its reputation as an inefficient, low-quality producer and learning how to compete globally. This needs to be further enhanced. But the fact remains that only a part of Indian manufacturing has improved its image by becoming efficient and competitive, the rest is stuck in its old ways. True there are several bottlenecks particularly on the front of infrastructure. Until that is improved, India's full manufacturing potential won't be realized.





## Chabahar and Indo-Iranian Cooperation: A Long Awaited Strategic Initiative



*India's commercial deal with Iran for development of Chabahar port has come at a most opportune time, when China was also eagerly interested in it and pursuing this deal, Notwithstanding its presence at Pakistan's Gwadar, explains*

**Prof. Bhagwati Prakash**

The historic tripartite agreement signed by India, Iran and Afghanistan for establishing a transport and transit corridor among the three countries, extendable up to the Central Asia and beyond as well, shall add a new dimension for the economic growth, prosperity and development of the region. The deal was signed on the visit of India's Prime Minister Narendra Modi, where he met the Iran's President Hassan Rouhani and the Afghan President Ashraf Ghani. In addition to this, India and Iran have signed 12 other agreements encompassing economic as well as cultural issues. The main focus of the deal is construction of the Chabahar port by India in two phases in the Southern Iran. The twin firms – the India Ports Global Private Limited (IPGPL) from India and Iran's Ports and Maritime Organization (PMO) have signed the agreement for the construction of this port. The IPGPL will develop two terminals and five multi-cargo berths in Phase-1 of the Chabahar project with an initial investment of \$500 million by India. Chabahar has a very strategic location and has immense strategic and economic significance for India, Iran, Afghanistan and the Central Asian Republics. Indeed the deal is pending since 2003, as the US and European embargo was in the way to proceed ahead.

### **New Gateway to Economic and Strategic options:**

Very few people in India have conceived the radical ambitions of India to sign this \$ 500 million project- deal aimed to transform the small Iranian port of Chabahar into a hub for Indian business up to Afgan and central Asia, while

completely sidelining Pakistan. The deal signed in Tehran in May will also enable India in building Aluminum and Urea plants, and undertaking the construction of a railway line to link it (the Chabahar port) to Iran's transport network even up to deep into the Afghanistan. For India, it has economic as well as a geo-strategic gambit, as it is going to give us access into the landlocked Afghanistan, while fully sidelining the Pakistan. Through the Afghanistan, India can reach up to Kazakhstan, Turkmenistan and other Central Asia Republics and beyond up to Russia and Turkey. Since, Chabahar is located in the Gulf of Oman on the border with Pakistan and is just less than a hundred kilometers from the Pakistani port city of Gwadar, where China is developing a port to groom Pakistan as the gateway to Central Asia it would help India to surpass Pakistan and develop a North-South Corridor. Moreover, Chabahar is Iran's closest access point to the Indian Ocean. So, for India import of oil and gas from Iran and Central Asia through a pipeline which need not pass via Pakistan is an ideal solution. Indeed, Pakistan was neither agreeable to allow a pipeline through it nor was dependable even in short run. In light of this, the Chabahar deal would help India to overcome this hurdle. India can now bring the energy imports by a pipeline from Central Asia through Afghan and then up to Chabahar from where oil and Gas can be brought to India through ships.

### **Multiple Benefits of Chabahar**

The Chabahar would now be a transit point as well as a center of regional trade, investment and transportation as a hub for linking

India via the Indian Ocean to the Central Asia. For the first time, India will now get access to the region through friendly nations, without entering into Pakistan. So, the Chabahar port would offer several discrete advantages. They are:

**1. Chabahar and its access to Central Asia without dependence over Pakistan:** From the Chabahar port of Iran, the existing Iranian road network can link India up to Zaranj in Afghanistan, which is about 883 km from the port. The Zaranj-Delaram road was also constructed by India in 2009 and it can give access to Afghanistan's Garland highway, setting up

due to Nehruvian myopia.

**2. An all time and politically sustainable connectivity to Afghanistan from India:** Chabahar-Zahedan-Zaranj corridor is a potential game-changer for regional connectivity, as it gives an alternative access for Afghanistan to India via the sea route through Chabahar. This connectivity will enhance economic and political engagement between the two friendly countries i.e India and Afghanistan. Though, India could have a direct link with Afghan by road via Gilgit-Baltistan, had India not allowed Pak to occupy Gilgit-Baltistan in Kashmir, due to



***Chabahar is Iran's closest access point to the Indian Ocean.***

road access to four major Afghan cities —Herat, Kandahar, Kabul and Mazar-e-Sharif. Mazar e Sharif is near to Uzbekistan. So, through Chabahar India can develop trade and economic relations with the Central Asia viz the Turkmenistan, Uzbekistan, Tajikistan, Azerbaijan, Turkey, Georgia, Kazakhstan etc for trade and economic cooperation. Had India not allowed the Pak occupied Kashmir to cede in Nehruvian era this link could be accessed directly from Kashmir. But, due to this blunder of Jawaharlal Nehru in dealing with Kashmir, India has to access this region through Chabahar. This Modi has opened this access, which India lost

Nehruvian myopia of leaving the Pak occupied Kashmir (POK) under Pakistan's control in 1947-48 when Indian Army was moving ahead and was likely to capture it, during Kargil attack on Kashmir.

**3. To Avoid our dependence China sponsored one Road and Belt Projects connecting Central Asia:** China has been developing a strategic road network from Central Asia to South East Asia under one road and belt project so, at present, central Asia is getting lot of connectivity projects sponsored under the China sponsored Road and Belt Policy. India is not a part of the endeavor and also become Chi-

nese are not very dependable for India. so, in this context, an Independent and own initiative through Iran will help India to avoid dependence on China sponsored Central Asian connectivity.

**4. Fulfills India's wider Aspirations:** Last year, Modi spoke of creating a "vast network of physical and digital connectivity that extends from Eurasia's northern corner to Asia's southern shore". It isn't just imagination — but now that the ink has dried on the Chabahar agreement, the hard work has to begin, and India's record on that front isn't quite as good as on dreaming.

rope. Therefore, in view of India's ongoing negotiations with the Eurasian Economic Union, made up of Belarus, Kazakhstan, Kyrgyzstan and Russia, too would help India to expand trade and investments into that region, Chabahar deal is a shot in India's arm.

**5. Energy Security and New Economic Opportunities:** The new land trade routes linked from Chabahar would also ease business with Central Asia's energy-rich economies. India is the world's fourth-largest energy consumer, and the access to Turkmenistan and Kazakhstan's immense gas reserves would meet its future

Mumbai via Chabahar and estimated that the corridor would slash freight costs to Russia by some 30%, and take just under half as long as the current sea journey through St Petersburg on the Gulf of Finland. So India would have a more affordable trade access to Europe as well. While there is no doubt that the port of Chabahar in southeast Iran is central to India's efforts to circumvent Pakistan and open up a route to landlocked Afghanistan where it has developed close security ties and economic interests.

**6. India's swift Endeavour has successfully kept China off**

**Chabahar:** India's commercial deal with Iran for development of Chabahar port has come at a most opportune time, when China was also eagerly interested in it and pursuing this deal. Notwithstanding its presence at Pakistan's Gwadar, where it has developed and acquired operational control of the port, China has also aspired to invest in the development of Chabahar port. Only last month, a Chinese consortium had visited the Chabahar free trade zone and expressed interest in developing the port and also building an industrial town there. The head of the Chinese consortium, which visited Chabahar was quoted as having said that Chinese companies were eager to invest in this strategically located port. Therefore, India had to move quickly in the past few months not just to sign the contract between IPGPL (India Ports Global Private Limited) and Iranian firm Arya Banader, but also for a confirmation statement between EXIM Bank and Central Bank of Iran confirming availability of credit up to Rs 3,000 crore for the

*Iran is central to India's efforts to circumvent Pakistan.*



Both India and China have been trying to secure energy supplies for their growing economies, investing in projects abroad and offering engineering and financial assistance in a race that extends from Africa to Latin America. In this pursuit of India Chabahar is the first foreign port that India is directly involved in developing. India is also struggling to modernize its own congested ports. China, on the other hand has helped build a string of ports in foreign countries, including Gwadar in Pakistan and Sri Lanka's Hambantota port. It is indeed, busy in developing infrastructure across the world, including the North America and Eu-

needs. India already has small export openings in the region, selling pharmaceuticals and information technology, but the land route will offer new opportunities for the construction industry and heavy manufacturing.

The proposal of the Chabahar hub is a small alternative cog to substitute one road one belt of China for developing the International North-South Trade Corridor — a giant strategic project even to rival China's better-known One Belt, One Road project, which runs East to West. The Federation of Freight Forwarders' Associations in India, has carried also out the 2014 dry run to Astrakhan from



import of steel rails and implementation of India's Chabahar port commitment. This was also followed by the visit of the Chinese President Xi Jinping to Iran in January this year when the two countries mentioned in their joint statement development of ports as one of the areas where they could have tangible cooperation.

India's desperation to seal the contract, in fact, also stemmed from Iran's own conduct in the past few months wherein Tehran was seemingly playing both ends for a while. Even after India had signed the MoU for developing Chabahar last year, Iran's ambassador to India Gholamreza Ansari had warned that India needed to look at benefiting from business opportunities in Iran, once the international sanctions on Tehran were lifted, and not waste time in "cheap negotiations". Therefore, the intergovernmental MoU signed by the Union minister Nitin Gadkari last year as a prelude for developing Chabahar was also the interest shown in the Iranian port by the China Harbour Engineering Company, which runs the Gwadar port in Pakistan. The contract envisaging India's investment and participation in the first phase of Chabahar port which involves development of two terminals and five berths with multi-cargo capacity has to stick to specific timelines for its implementation, to keep China away.

The Sistan and Baluchestan Governor, Ali Osat Hashemi, hosted another Chinese delegation at Chabahar in October 2015 and announced that Iran would be glad to work with Beijing and provide it with lucrative business opportunities as it had always stood by Iran. He had said he would discuss in-

vestment possibilities in Chabahar with both China and Pakistan.

Any sizeable presence of the Chinese in Chabahar would be prejudicial to the interests of India, and obviously needs to be resisted by India, even if Beijing's presence grows elsewhere in Iran. India needs to be more cautious, because unlike India, Iran has welcomed China's Maritime Silk Road initiative and it even begun to compare the Indo-Iran trade volume of \$9 billion with Iran's trade with China which is standing at \$52 billion. Therefore, Chabahar is more important for India than its economic benefits to Iran, and is also

sanctions by the West, primarily the US, against Iran for its nuclear programme. The sanctions were lifted in January, 2016 only and India has moved very fast then.

### **Strategic Significance**

The reason for India to move fast on the deal, because the Chabahar Port is of greater strategic importance to India than China. The port with all its logistic significance will help India to counter Chinese presence in the Arabian Sea. Chabahar is largely India's answer to China's Gwadar project and can provide the diplomatic edge to India's ambition of devel-



***The deal would become more meaningful if Japan also joins as another partner.***

vital to keep itself (India) free from strategic encirclement by China. China today not only controls the Gwadar port in Pakistan but has also reinforced its presence in Colombo and Hambantota in Sri Lanka. So, Chabahar deal has immense strategic significance for India. India and Iran had as early as in 2003 agreed to jointly develop the Chabahar port due to being strategically located on the Gulf of Oman, outside the Strait of Hormuz, near Iran's border with Pakistan. Even ignoring all this, Iran had of late tried negotiate with both India and China as soon as the sanctions were lifted. While India has moved slowly on this project, solely because of

opening a blue-water navy besides establishing a trade and transit corridor. Thus While India's partnership with Iran in Chabahar combines economic as well as strategic goals.

### **To counter China, India may welcome Japan**

The Chinese presence at Gwadar in Pakistan and threats posed by Kashgar-Gwadar corridor would also be checked considerably by this Indo-Iranian deal. The deal would become more meaningful if Japan also join as another partner.

Further, it is with Japan that India can work with complementary in interests for the connectivity in this neighborhood of India.

Therefore New Delhi should closely look at the outcome of PM Shinzo Abe's visit to Tehran a few months from now. Though there is no official confirmation in this regard yet, Japan is said to be contemplating developing the port and an industrial complex in the free trade zone in Iran.

### **Conclusion: An Ideal Deal at Most Opportune Time**

To conclude, the Chabahar port being developed by India will help the country to bypass Pakistan and transport goods directly to and from Afghanistan and central Asia. The Chabahar port located in south-east Iran will enable India to sideline and effectively bypass Pakistan for access to the land-locked Afghanistan, with which New Delhi has close security ties and economic interests. It will also open India's trade route to Central and West Asia. From Chabahar the existing Iranian road network can link up to Zaranj in Afghanistan, about 883 km from the port. The Zaranj-Delaram road constructed by India in 2009 can give access to Afghanistan's Garland Highway, setting up road access to four major cities in Afghanistan - Herat, Kandahar, Kabul and Mazar-e-Sharif. India has already spent \$100 million on building a 220-kilometre road in the Nimroz province of Afghanistan. The road will link to Chabahar. Now, when India will no longer be dependent on Pakistan's permission to allow Indian trucks to Afghanistan through the Wagah border, Chabahar will help New Delhi to better engage with Kabul directly both strategically and economically. This is the first joint international port project to arouse this level of involvement and enthusiasm from

India. Now India may further expand its wings for more such projects elsewhere. At present, Pakistan does not smoothly allow India to transport through its territory to Afghanistan. India has to airlift cargo. It has, only, recently allowed some Afghan shipments to come to India, through its territory. But, it is not dependable even for short run cooperation.

This new deal will also give momentum to the International North-South Transport Corridor of which both India and Iran are initial signatories along with Russia. Iran is the key gateway in this

***Now India may  
further expand  
its wings for  
more such  
projects  
elsewhere.***

project. It entails the ship, rail, and road routes for moving freight between India, Russia, Iran, Europe and Central Asia to usher in a new economic era. The route primarily involves moving freight from India, Iran, Azerbaijan and then Russia. The objective of the corridor is to increase trade connectivity between major cities such as Mumbai, Moscow, Tehran, Baku, Astrakhan etc.

Strategically, it would also counter Chinese presence in the Arabian sea through the support to Pakistan in developing Gwadar port. It can be used to station security vessels for merchant ships

off the African coast apart from giving the country a foothold in the western Arabian Sea, which is important as many of its energy imports pass through the route. The port was partially built by India in the 1990s. An initial pact to build the Chabahar port was first inked during the Atal Bihari Vajpayee's government in 2003, but the deal had to be put on hold during subsequent years, due to Euro-US sanctions against Iran. Fresh negotiations could only be revived only after the nuclear deal struck between Iran and the 5 + 1 countries, comprising the UN Security Council's five permanent members — China, France, Russia, UK and US — plus Germany last year. The negotiations for Chabahar were then launched immediately by India. But, reaching the deal was far from smooth and differences cropped up over ownership as Tehran's Port Authority introduced role of private player in the process. After several rounds of negotiations between India's consortium of JNPT, Kandla Port Authority and Iranian authorities, along with some sacrifices the contract was finally made ready for signing.

Now, at a time when India has emerged as the fastest growing economy of the world, with a super-power level status in space programmes, missile technology, parallel processing based super computing, pharma manufacturing. Moreover, it has also struck a comprehensive treaty with Africa and now when the US is too keen to extend all the support needed to counter China; India must further proactively step up its economic and strategic engagement with the countries across the globe. □□



**CNG found carcinogenic; No fuel is clean**

## **NGT must learn from aviation, go for maintenance, not scrap 10 cr vehicles a year**

Some of the regulators like the National Green Tribunal (NGT) are functioning more with enthusiasm ignoring the basic tenets of law and impact on the gradual wealth formation and economic growth. The NGT order to regional transport office (RTO) for deregistering 10-year-old vehicle is also unscientific. Its concern is more populist than practical. Throwing out say about 82496 (registered in 2015) diesel vehicles in Delhi, or about 5 lakh petrol vehicles every year, going by the 10-year and 15-year scrapping orders, would impoverish the country but would not solve the problem of pollution. All over the country the numbers would swell to at least 10 crore a year.

The NGT order ironically is in contradiction with the provisions of Motor Vehicles Act (MVA). A judicial or quasi judicial body is supposed to adhere to the law of the land. The magistracy does that more appropriately. "It is stated that vehicles are released by the magistrates after imposing fine under the MVA and the vehicles surface again on the roads", the NGT noted on July 19.

There is nothing like a clean fuel. All fossil fuels – coal, petrol, diesel, kerosene and CNG – are "unclean". Even electric vehicles' batteries are pollutant. So should we ban any energy-producing substance?

"Natural gas is supposed to be a clean fuel when used in internal combustion engines, right? But, I don't think people realize that what you see (smoke) is perhaps better than what you don't see (no smoke from CNG vehicles)," said Council of Scientific and Industrial Research (CSIR) director general MO Garg during his address at the Global Green Energy Conclave at Ahmedabad on August 6, 2015.



*Abandoning running and efficient vehicles would only add to problems and chaos. It is also against the very concept of "swachh Bharat",*  
**pleads  
Shivaji Sarkar**



“Imagine what will be its effect when all the commercial vehicles, such as buses, run on natural gas in Delhi. You can see smoke coming out from diesel engine and tell that it is dangerous. But, nano-carbon particles coming out from vehicles is something we need to look at,” Garg added.

The compressed natural gas (CNG)-run buses are harmful for humans as they emit “nanocarbon” particles which can cause cancer, according to a study conducted by CSIR with a professor of Alberta University, who have developed a device to measure and analyze particles emitted by vehicles, Garg said.

In 2010, the Central Pollution Control Board’s (CPCB) source appropriation for air pollution study attributed about 7 percent of particulate matter pollution from CNG-run vehicles. Of the total pollution PM load in the Capital, the study said 52 percent was because of dust.

The CPCB study said that CNG vehicles contribute about 10 percent of the total nitrogen dioxide load in the capital. “The CNG does not contribute much to PM 10 (which is widely monitored). But it plays an important role in the circulation of smaller particulate pollution of 2.5 and 1 microns. These facts are known in the scientific community but have not been disseminated to people,” a senior CPCB scientist was quoted by a Delhi newspaper (Hindustan Times, March 13, 2015).

The studies have come from the highest scientific bodies in India. Why we should not ban CNG vehicles, if we have to go by the logic of the NGT and courts. The CSIR and CPCB studies reveal how utopian orders are being passed by

bodies, which do not function on reality and practicability. Mere euphoria cannot solve problems. It can hurt the fledgling economy of a country that is struggling to come up. It is possibly also hitting the efforts of political leaders, like prime minister Narendra Modi, who are trying to take the economy on fast track. Such orders take country back by several decades.

There is yet another aspect. About a month ago, the civil aviation department allowed aviation companies to purchase 18-year-old aircraft, instead of 15-year-old, to make air travel easier between smaller cities. The planes on domestic US flight are often as old as 40 years. If these do not cause

### ***Why we should not ban CNG vehicles ?***

pollution how can a well-maintained vehicle run on any fuel adhering Euro IV to VI norms would cause it? The NGT has not studied these aspects unfortunately. It owes an explanation to the nation for its not so wise decisions.

There is yet another aspect. Banning old vehicles add to pollution and problems of disposal of metallic and toxic substances. Cities across the country are facing severe garbage dumping problems. Abandoning running and efficient vehicles would only add to problems and chaos. It is also against the very concept of “swachh Bharat”.

The quixotic ban orders sometimes of petrol vehicles, sometimes of 2000 cc diesel vehicles, at other of all diesel vehicles or levying of penal registration

charges or utopian parking norms are hitting the automobile industry and users hard.

India has made efforts to make it a global automobile production hub. It earns substantial foreign exchange from vehicle exports. On an average it is earning over \$ 2 billion a year forex. Almost a similar sum is earned by export of automobile ancillaries and spare parts. The recent NGT and court decisions have caused uncertainty in the car industry. It hurts the transport and taxi industry and makes travel unnecessarily difficult and costlier.

Apart such Tughlaqi orders increase rent-seeking and harassment of common man, who find it difficult to eke out a living. So far it was only the police. The latest order has empowered the RTO people also to do it. To survive the common man, be a private or commercial vehicle owner, would like to pay “illegal rents” than face the deprivation of his hard-earned vehicle. Stringent impractical orders lead to a parallel economy and severe corruption.

The NGT’s concern is not unreal but the solution is. Let the nation follow the standards of maintenance of vehicles. As per MVA, drafted with utmost care and practicability, vehicles are allowed to have registration even after 15 years if these are in suitable conditions. Let the NGT set those standards in consultation with the automobile industry. Let it learn from the aviation industry where four-decade-old aircraft are airworthy. Let no vehicle, unless not maintained properly, be ever scrapped. The NGT needs to revise its orders and contribute to the economy and ease of life and business. □□

# Economic and Social Integration of Indian Festivals

India is the land of festivals, cultural fairs and holistic seasonal congregations. Country celebrates a wide range of delightful events passionately and spiritually in commemoration of the Rushi's, Guru's, Gods and Goddesses and the victory of good over evil since down the ages in excess of four festivals per month without government intervention and participation except security personal in unusual situations. As per the data of Rajya Sabha – 2013 (Government of India), there are 51 official festivals of which 17 are nationally and 34 are regionally or locally celebrated. These festivals help to reinforce cultural roots and values, enable communities to preserve their traditions and bring economic values. All these auspicious festival roots grossly connected with the economic agents such as agricultural bliss, business prosperity, entrepreneurship development and social benefits.

Similarly, India is equally significant for temples which attract huge stocks of wealth by offerings, donations in the form of cash, ornaments, lands and kind by its devotees with belief and trust. Shri Padnabha Swamy temple (Thiruvananthapuram of Kerala) is an icon for holding huge stock of gold and diamond ornaments and Sri Venkateshwara Swamy temple (Thirupathi of Andhra Pradesh) for attracting the hundreds of Crore rupees every year. With the usage of temples wealth, Government of Andhra Pradesh running many subsidy and welfare



*Culturally rich country like India need not necessarily follow the western solution models in addressing the unemployment issue. There is plethora of ways to solve each economic problem by adopting and promoting festivals with economic importance and to improve living conditions of people, suggests*  
**Dr. S. Lingamurthy**







### ***Festivals encourage the trend of sustainable spending.***

schemes in a discriminatory way of majority's beliefs like many other state governments does in India. Despite of this, these temples are evidenced for the welfare of the people through food distribution, free education and facilitating water and health facilities. Therefore, it can be said that temples are the stocks of abundant wealth and festivals are vibrant of our holistic economic system.

#### **Economic Importance**

All these festivals allow the local communities to connect with their talent, art, craft, food, dance and other forms of cultural landscape and promote significant livelihoods through entrepreneurial activities. They fetch an economic boom through the culture of exchanging gifts, sweets and fruits which are completely associated with the economic agents such as producer, entrepreneur and consumer. In every festive season, demand for specific goods and services driven by cultural events and supply follows the demand by and large. Thousands of shopkeepers who live in a temporary shop on the streets find new opportunities during festive period.

Many market players believe that launching a new product or service during festival time attracts

of its targeted customers as compare to non-festival season. Therefore, producers and entrepreneurs wait for the auspicious occasion to launch their product or service for its demand and to establish the pan-India brand. Hence, new products like automobile, home utensils, furniture and electronics etc, enter into the market during that time.

Festivals encourage the trend of sustainable spending specifically from the higher end of the social strata than the lower ends, and the lower ends tend to benefit from the consumption of the higher end by gaining additional income through entrepreneurial and tertiary activities.

#### **Social Integration**

Celebration of the festivals is the way of life of Indians. Whole society integrates during the festivals to celebrate it privately and publicly in various temples, residential complexes, and at the streets by singing devotional songs and organizing peaceful processions of the Gods and Goddesses and exchanging sweets and gifts, etc, to the relatives, friends and neighbors. Therefore, it explores the situation to understand our co-existence of customs and culture with the economic agents.

12<sup>th</sup> five plan of India more specifically emphasized on inclusive economic growth by accommodating the marginalized sections into the mainstream economic system. In this practice, planning architects and policy makers are still so longer than sooner to achieve their principal goal due to splitting up of the people on the basis of gender, religion, social status and economic class by vigilant or reckless follow of western economic theories. This kind of incomprehensive economic approach never integrates the Indian society as a whole. We need to have more comprehensive understanding towards people customs, traditions, festivals and culture. On the other way our festivals succeeded in integrating the people, in community values and in ties social bondage to attain the peace, prosperity and social integrity of all the social strata in addition to bringing them into the mainstream economic system.

#### **An Evidence of Bhagyanagar Ganesh Utsav**

The Ganesh Chaturthi festival is observed during the month of Bhadrapada according to the Hindu calendar and commences on the Chaturthi day. Ganesh Chaturthi celebrated for a period of 10 to 12 days and ends on the Anantha Chaturdashi day with the immersion of Lord Ganesh Idol of about 1 lakh at the tanks and lakes of Bhagyanagar (Hyderabad) and popularly at Vinayak Sagar (Known as Hussain Sagar) where more than 2 million people come together by chanting slokas, singing devotional songs, bhajans to demonstrate their spiritual unity and integrity however they symbolize to different political parties, re-

ligions and ideological backgrounds.

This popular festival fully driven by the society without any intervention of the government body by forming groups with like-minded people, friends or neighbors called *Ganesh Utsav Samitis*. The *Samiti* functions in the collection of funds, managing finance, planning and procurement of the items for the festival, preparation of the *pandals or mandaps* (where the Lord Ganesh idol is installed), arrangement of logistics, preparation of the public *Prasadam* and all other activities involved in the smooth functioning of the festival, from ordering the idol to immersion of the idol.

Various Samitis' celebrating the Ganesh festival competes with each other for the decoration and the size of the Ganesh idol. Many skilled artists who are involved in making these beautiful Ganesh idols in different sizes and poses come from both the religions Hindu and Muslim. Apart from this, planning and coordination with government and non-governmental organizations is a vital aspect of this festival and it provides tremendous opportunities for ordinary people to develop various interpersonal skills, coordination skills and leadership skills.

Today, this festival has been creating wide range of opportunities for various small-scale entrepreneurial activities such as event management, public sound systems, musical instrument players, tent houses, idol makers, photo/videographer, garland makers, transporters in addition to providing around 12 days of employment to *purohit (Brahmins)* and agricultural labourers. Thousands of agricultur-

al labourers and non form labourers get into the income generating activity through selling the puja material like *patri* (leafs), fruits, flowers, etc. in the streets of Hyderabad town who hails from Mahaboobnagar, Medak and Nalgonda districts during last three days before and on the beginning of festival.

Idol manufacturing activity is century's old traditional activity by the families of Rajasthan, Gujarat, Bundhelkhand region of Uttar Pradesh and Madhya Pradesh, Bihar and Hyderabad. Majority of the families migrated to the old city of Hyderabad and it's outskirts who made temporary sheds to prepare the idols beside the main roads in Uppal, Nagol, Saroor Nagar, Hayat Nagar, Kukat Palli and Dhulpet of old city, etc. All these families have been living in Hyderabad for decades together with idol manufacturing activity.

The idol manufacturing activity is almost a year long task, starts in the month of December and ends in September every year. All the family members involve throughout year including their children. In addition to them, during the peak season of the de-

mand for idols and last three months before commence the festival, the manufacturers gets involve hired people on the basis of daily wage and piece work rate. Therefore, during the last three months it is estimated that more than 50 thousand labourers comes from various northern states of India to fastening the finishing peripherals and artistic work on the idols. Hence, it is estimated that Ganesh festival alone in Hyderabad town providing employment opportunities to more than 1 lakh people throughout year directly and many more stakeholders during the festive season indirectly. It is observed that each Idol in Hyderabad creating more than 90 man-days of employment for four persons directly and on an average 10 days for all stake holders indirectly during festival. This is a significant foot

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***Ganesh  
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print in supplementing the government efforts in providing employment to its youth in the capital city of Telangana State.

The major expenditure of this festival ranges Rs. 80 thousand to Rs. 20 lakh incur is on the decoration, sound system and its colourful illumination of the *pandal* for the entire festive days. Then next comes to the idol varies the cost of Rs. 8,000/- to Rs. 2 lakh based on its size, pose and artistry. For *purohits* (*Brahmin*) who charges to perform puja (it varies *pandal* to *pandal*) minimally Rs. 1,000/- in a day. And in addition to the above all, more than Rs. 1,000/- expenditure incurred every day for the holy items like garland, flowers, coconut, Lord's shawl, prasadam and all. Thus, each *pandal* of the Ganesh Samithi estimated to be spent ranging from Rs. 0.1 million to Rs. 2 million.

Henceforth, it is estimated that the gross expenditure of including all *pandals* of the Ganesh festival is more than Rs. 500 billion. As per the theory of economics, some one's expenditure is equals to others investment plus profit or wage for providing services. Therefore, it can be said that all this gross Rs. 500 billion expenditure of all Ganesh *Pandals* and personal expenditure of the dev-

otees is the profit or wage and retaining investment of the thousands of unorganized business persons, idol makers, event managers, decoration workers, skilled and unskilled labourers including women who largely belongs to backward classes.

Like all the festivals, Ganesh Chaturthi is the symbol of collectivism in taking decisions on every corner issue including economic matters. Budget for the celebration of this festival keeps on increasing significantly year on year. The entire responsibility of the expenditure is on the shoulders of every devotee who generously contributes to the nearby *pandal's* in cash or kind or in both. The majority of the donations contributed by the above middle class and higher strata of the society because the higher capacity of the people who sentimentally attached to the worship of God.

### Challenges

Festivals are the soul of replica of our mother land and the symbols of holistic development and economic system. They generate positive economic impact resulting in direct and indirect gains with spread effects for a range of stakeholders. In general, customs and consumerism have

always co-existed in our country. Therefore, festivals are seen as a major source of entrepreneurship, income and tourism at local and national levels. There is plethora of opportunities for each state in India to attract international tourists and develop a policy framework for huge entrepreneurial activities. Any economic slowdown does not affect Indians' sustainable expenditure on festivals owing to their deep-rooted family savings which meant for precautionary expenditure of their children, family members and customs.

Culturally bonded economic rich country like India, need not necessarily to follow the western solution models in addressing the unemployment issue. There is plethora of ways to solve each economic problem by adopting and promoting festivals with economic importance and to improve living conditions.

However, it is observed in Bhagyanagar in our face to face interaction with idol manufacturers, they are have serious hurdles due to the lack of basic necessities like ration card, drinking water and proper work shed. They are still for to accessing institutional credit which pushing them to money lenders at exorbitant interest. Therefore, providing the basic necessities to its people is the primary responsibility of the government. Keeping in view this problem, they need to be ensured credit support with normal interest rate along with insurance for idols, market connectivity, storage facility and threats from the outrageous. It is also equal responsibility of the civilians to ensure the safety instead of exploit them. □□



# Brexit and End of Globalisation?

When Britain voted to leave EU [called British Exit—or Brexit] the Dutch Prime minister Mark Rutte said “England has collapsed politically, constitutionally and economically” [Financial Times 29-06-2016]. The vote by Britain has also impacted the unity of United Kingdom since Scotland and Northern Ireland wanted to continue in Europe while as England and Wales wanted out.

Younger age groups wanted to remain compared to older cohorts and poor wanted out compared to rich. Throughout the seventies and eighties it was globalization [The G word] of manufacturing facilities that is for Product Markets.

The anecdotal evidence often told in many a business school classrooms used to be something like this. The doors of the Ford car are made in Barcelona and the seat cushions near Budapest and gearbox in the suburbs of Paris and music system in Osaka and the assembly is done at Shanghai and the car is sold in Thailand. So, what is American about it? It is transnational and the geographical boundaries are crumbling and think global and act local we were told, and the term “glocal” came into existence. This was the ultimate in the process of global integration of economic activities through integration of manufacturing facilities to reduce cost, take advantage of pool of skilled resources available in the emerging markets. It also argued about “standardization “of live styles —mostly the American standards— in terms of Jeans, processed food and cola drinks.

## Then the nineties saw the globalization of Financial Markets

You want to set up a facility in Chennai then you can think of raising funds from New York stock exchange or European Banks if the project is found to be



*Project Europe is in shambles and so is globalisation. The idea that one size fits all is losing its shine. Different cultures /Different communities have different aspirations and goals. It cannot be fitted in to an American or for that matter European model, explains*

**Prof. R Vaidyanathan**



attractive. Funds were looking for markets and “geographical diversification” became the buzzword. The pension funds were one of the largest investors running into nearly 15 trillion USD and at least 15 to 20 % of this was in non-domestic markets. The Funds started searching for markets instead of markets trying to attract funds. The life expectancy in the Europe and US increased significantly and the pension funds were to earn for longer period since old people have to be provided for. Then came the idea of consumption led growth and greed as the norm. On May 18, 1986 Ivan Boesky gave the commencement address at the Univer-

graphical allocation” wherein it was felt that risk should be reduced by spreading it across territories and across product lines. The more financial markets integrated the less they became attractive for diversification since the correlations were becoming more positive. But the melt down has impacted on the idea of globalization. Suddenly countries which are supposed to be de-coupled from the global markets are considered smart. Indian Central Bank is praised for keeping India “de-coupled” from integrators. Not only that—The US congress included a “buy American” clause in the USD 787 billion stimulus package particularly man-

collar labor. Labor to clear the garbage, remove plates in restaurants, clean the sewerages and treat the municipal and industrial waste. It cannot be outsourced so easily as that of white collar work since the later has significant content of software portion while as brown collar work still has requirements for human beings at locations. In the fifties and the sixties, millions of the Turks and Kurds and Iraqis went to Germany when that economy was booming and they were/are called guest workers. Even today most are not given rights of Citizens and continue to be guest workers. The Algerians and Moroccans went to France and continue to be a significant minority in France and also active in their Soccer teams. Still, many of them are guest workers since France have this interesting idea of blood being important for becoming citizens—of course the “original” French blood. ! Hence French are rather frugal in accepting them! More than a million Mexicans in USA are called “undocumented”—euphemism for “illegal”. These workers in France / Germany / USA etc. were mainly in the blue and brown collar jobs more so in the lower skill categories like cleaning restrooms and restaurants / meat cutting / grape picking/domestic help/ road laying/garbage processing/plumbing/handyman jobs; babysitting etc.

There was a mass of literature on “Social Cost” of having these migrants [in simple language the pain on the civilized west due to the brown and black people] Then came the economic slump in the late nineties and these European countries have erected fences and reject visas etc. for third world



***Greed  
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sity of California at Berkeley’s business school. “I think greed is healthy,” he told his wildly enthusiastic audience. “You can be greedy and still feel good about yourself.” A few months later Boesky was indicted on the charges that would land him in Southern California’s Lompoc Federal Prison, also known as Club Fed West.

But greed continued to be the norm rather than the exception. The inter-temporal expectations became very large and waiting time became shorter and the so called “get rich quick” attitude took over. To achieve those aims domestic markets were not found to be adequate. Hence the search for “geo-

dating the use of U.S –made iron and steel in stimulus –funded projects, it was clear that protectionism has trumped globalization. As a response China has a “buy Chinese” clause in its stimulus package of USD 586.

So the whole game is unravelling on the G front. But the third and most important dimension of globalization, is in the context of the Labor Markets, to allow free flow of human beings to carry out brown collar work in the west. There is a spectre haunting the West. It is the spectre of uncleared garbage, clogged drains and overflowing sewerages. West is facing an acute crisis in the area of brown

labor. Between England and France there is a huge camp [San-gatte camp] near the starting of the tunnel tube train on the French side and the main job of thousands of migrants held there, is to attempt to get into England and sometimes they get killed in the tube rails. But that is fine, since they are after all from lower forms of civilization. But the requirements are soaring in the brown collar area. We find that the municipal waste alone has significantly increased and the per capita waste or generation intensity for OECD countries is more than 600 kg per annum, which has increased many fold compared to their population. This coupled with industrial waste provide a very large challenge to the west since the brown collar work is not being preferred by the white Caucasians. Let us look at the demographic profile of Europe and US in the next few decades taken from UN population projections.

The average total fertility rates in the year 2000 in developed countries was 1.57, and in developing countries it was 3.05. The rate for Europe is 1.4 and Japan is 1.3. USA is just 2.1, India at 3.1 and China at 1.72. It is felt a rate of 2.1 is an appropriate replacement rate, including some death of infants etc. For instance, in another forty years the German population would be lesser by nearly 30%. One third of the population will be more than 65 and they will outnumber children by two to one. Italy's rate is 1.2, and in that Catholic country in another forty years more than 40 percent will be above 65 yrs. Over the next decades, the situation could worsen. Estimates suggest that in the next 50 years USA will grow by 100 million numbers and Europe will be

less by 100 million numbers. In Russia, two out of three pregnancies are terminated before birth, and Russian women average 2.5 to four abortions each, and their death rate is, believe me, 70 percent more than the birth rate. Putin warns that in 15 years there will be 22 million less Russians, that is, seventh of its current population. Japan is already facing the age crisis. Of course, the Whites in England are not having enough children, with London readying to have "ethnic majority" in a decade. One can go on.

This reduction in population is out of Choice in the post-contraceptive world unlike the reduction in the 16/17 centuries due to plague

lice drowns illegal Africans.

In this context Europe had "integration" where in Polish and Romanians could move into France and UK. Europe does not have common language nor culture. But Project Europe was visualised by French and German "experts" trying to create an artificial entity.

It is important to note that all conflicts in the last thousand years emanated from Europe only and later spread to other parts of the world. Crusades and jihadis were centred on Europe and so is the 1<sup>st</sup> and 2<sup>nd</sup> world war.

The elites of the world who can be called Davos Junta or Cos-mocrats wanted unlimited financial

***If borders are sovereign for labor then it is equally sovereign for financial flows also.***



etc. The aging of the developed countries coupled with a desire of the labor class, including white collar workers, to work for lesser hours are creating a catastrophe. The best example is the term "Working French" "which has become an oxymoron. If borders are sovereign for labor then it is equally sovereign for financial flows also. If financial markets want a borderless world so be it for the labor markets but it is not acceptable by many in the west. West since they treat G as a one way street. Hence the presence of the "minutemen" in Arizona who will shoot illegal and rhetoric by Obama about Bangalore taking away the jobs from Buffalo and Italian po-

flows across globe and wanted to use Europe as a model.

They don't have loyalty to any country only to their funds and return on the funds. They don't have any specific culture other than the "global culture" "of drink/eat and fornicate. They like global terrorists do not respect or recognise sovereignty of nations the so called Westphalian consensus evolved in 1648 ending the thirty year war.

The huge movement of people across Europe more so from countries like Romania/Poland etc. to France /Germany/UK created massive problems for small businesses in those countries.

A report in Financial Times



## Spot Light

[29-06-2016] in a way high lights this issue.

### Quote

“Alexandre a fifty year old builder in France supported Brexit— He complained about how builders from Portugal/Spain/Romania were winning small contracts that he had competed for and yet did not pay the same level of taxes or social charges that he faced in France”

### Unquote

Couple with the movement of people within Europe is the huge influx of refugees pouring into Europe in the last few years from war torn countries like Syria/Yemen/Iraq/Afghanistan and even Pakistan. This has created its own tensions in Europe due to religious and cultural conflicts.

Hence we find many right wing parties in France [Le Pen] Holland

[Wilders] Austria/Hungary etc. are not enthusiastic about EU and may initiate methods to leave.

Surprisingly Davos Junta and left groups are for EU which is a peculiar alignment of Global finance and Domestic labour. But the labour in England revolted and voted for Brexit. So Project Europe is in shambles and so is globalisation. The idea that one size fits all is losing its shine. Different cultures / Different communities have different aspirations and goals. It cannot be fitted in to an American or for that matter European model.

Also, it is difficult to compel people to live as per models. Much more important to model actual behaviour of people in different contexts.

It will take decades for the West to internalize that the axis of global economy has shifted to Asia. It will be globalization on the

terms of the East. India is the most enthusiastic and eligible candidate for the G since India itself is a Globe but not realized by many Indians. In my class of hundred students—every year— I have at least eight major languages as mother tongues, six different cuisines and four major religions and multiple ways of saying “How are you?” Can any group be more globalised? India understands heterogeneity much better than the homogenization process of globalization thrust by the West on the rest. Indian globalization is based on acceptance and not tolerance. That is the difference. That is the real Globalization. That alone will work. Even China is learning it the hard way by the revolt of the Uighurs which brings the issue of heterogeneity and China’s ability to handle it. Sooner the Chinese learn from India better for them. □□

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# USA: A Country of Guns

Once again the ugly face of terrorism has been exposed before the world, with recent mass killing of 49 people in Orlando City of USA. Over the years, many incidents have come to fore where not only the terrorists, but even crazy young men often had carried out mass killings. However, incidents of mass violence make the headlines of newspapers, reports of murders that occur every day, go unnoticed. According to a rough estimate, 87 murders take place daily in the United States. It is said that staying in Chicago, USA is much riskier than to go to war in Afghanistan. The recent massacre in the United States has not only shaken USA, but the whole world.

## A Country of Guns

In United States perhaps it's most easy to buy a gun. Guns are so easily available, and can be purchased most easily like vegetables, in thousands of stores, without much hassle. In addition, people often buy guns from relatives and friends. To buy a gun, unlike India, a person need not possess a license in USA. One has to only give some information about one self, by filling up a form. Within minutes of the filling up of the information, verification is done by the Federal Bureau of Investigation (FBI) and gun reaches into the hands of the buyer.

According to the website of the FBI, in the last one decade, enquiry was sought in 10 crore cases and only 7 lakh people were found ineligible to purchase a gun, that is, less than one percent of the total. We can understand that, almost every citizen of USA is eligible to have a gun. With a spurt in murders in the last few years, it s being said that ease of having a gun is causing ease of murders and illegal activities.

Though, it is no good to comment on the cultural traits of citizens of other nations, however, the quantum in which murders are taking place, forces us to



*It is no good to comment on the cultural traits of citizens of other nations, however, the quantum in which murders are taking place, forces us to think about insensitivity and intolerance in Americans,*  
**Dr Ashwani Mahajan**



think about insensitivity and intolerance in Americans. In such circumstances, ease in possessing a gun makes it easy to murder others. It is notable that, people of all age groups are engaged in this act of murders, including minors.

### Gun Lobby

Though, there is an old history of murders using guns, in recent times, this tendency has accelerated. Demand for restricting guns, has been there for long time, and many political leaders have been trying to make gun laws stricter. However, they have been facing numerous problems in their endeavour to enact strict laws. And behind this, there is strong gun lobby.

Since 1871, there has been a strong organisation, called National Rifle Association in USA; which has been directly engaged in political lobbying for weak gun laws, since 1934. Though, there are nearly 50 lakh members of NRA, who contribute for the association, major chunk of financing of NRA comes from gun manufacturing companies. For obvious reasons, this organisation makes every possible effort to kill any effort to make any strict law against possession of guns. We can gauge the in-

fluence of this gun lobby by the fact that NRA received a donation of nearly \$350 million last year. Using its strong financial muscles, this organisation funds Senate members, who in turn make all possible attempts to defeat efforts to curb guns in USA.

### Gun Bill

Though, Republicans themselves generally try to keep status quo on gun laws, recently under pressure from recent Orlando massacre, has brought a bill, according to which Department of Justice will have three days time for enquiry. It is notable that though enquiry was made at least twice, about terrorist involved in Orlando violence, even then he was able to fetch gun. Therefore, supporters of the bill say that with this bill becoming a law, it would become difficult for people linked with terror to possess guns.

On the other hand Democrats don't favour this bill and they

***NRA is directly engaged in lobbying for weak gun laws, since 1934.***



instead want that guns should be denied to people doubtful of terror links and psychological problems. Because of this lack of unanimity about the proposed changes in the gun law, gun law couldn't be enacted in June 2016 also. Debate is on about whether the government should have the right to deny guns to those with doubt of having terror links or psychological problems or law department has 3 days time to say yes or no to the permission and onus of denial be on the government.

NRA is also opposing to sharing of data about people with psychological problems, citing this to be an attack on privacy.

President Obama is also facing a lot of criticism from the gun lobby for issuing some administrative orders, imposing restrictions on purchase of guns. Therefore, whether it's an issue of making a stricter gun law or taking any administrative action to restrict guns, gun lobby always tries to create hurdles. Sometimes in the name of right to possess guns or on the pretext of privacy, this lobby tries to defeat efforts to curb guns, by soliciting support of senators; or even by legal fights. A senator Bill Nelson who has been vehemently favouring Gun Bill in the Senate, in June 2016, murmured after the bill was defeated, "What am I going to tell 49 grieving families?; I am going to tell them that NRA won again."

Though, this is not first case of giving priority to corporate interests to the humanity; we are forced to think that for them profit is their sole objective, even if it is at the cost of lives of innocent people.

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# Madhorubagan, satanic verses, polyester prince

The liberals in and outside the media are celebrating the Madras High Court judgement in the case of Perumal Murugan who wrote a book “Madhorubagan” — the book that had invited massive protests in Western Tamil Nadu by the Kongu Vellalar community who felt hurt by its contents. The High Court has written a long and profound prose on how liberal the Indian Constitution is and the freedom it guarantees. The Murugan case judgement calls for a comment in the backdrop of the country’s political and constitutional ecosystem.

## Madhorubagan case

First, the facts of the Murugan case. The judgment sets out the contents of the book and the objections to it in paras 27 to 62, which are important. Madhorubagan is the name of the Hindu temple deity “Arthanareeswara” in Tiruchengode where from Murugan hails. The belief is that on the Vaikasi Visakam day of the temple’s annual car festival, childless couples who circumambulate the ‘Varadi Kal’ [a large boulder on hilltop] would be blessed with a child, known as “Sami Kodutha Pillai” [God Given Child]. Murugan’s book centres around a childless couple, Kali and Ponna of the 1940s. Kali’s mother advises him to allow his wife Ponna into the sexual orgy that takes place on the Vaikasi Visakam day — so that she begets a child through the orgy. As Kali refuses, Ponna’s brother tells him that the popular belief “Sami Kodutha Pillai” is only child begotten by women by sex orgy with strangers during Vaikasi Visakam. The imputation is also that most married Kongu Vellalar womenfolk in Tiruchengode indulge in sexual orgies and the childless among them get impregnated in the one night orgy. The festival is a once a year opportunity for youths from “untouchable” community, according to Murugan, to explore their libidos and orchestrate it on Kongu Vellalar com-



*A helicopter view of the cases on ban on books in most cases and selective assertion and celebration of freedom in some other cases exposes political and constitutional hypocrisy that goes on in the name of liberalism and freedom of speech, pronounces*  
**S. Gurumurthy**





### *Can women of a community be trivialised as amoral.*

munity women above 30 years. Murugan even wrote that the youths would boast about how many women they had had sex with on that one night. It does not need a seer to say that unless a community is saintly, it must feel hurt by such writing, hurt to its religious feelings apart.

#### **Facts not denied**

The judgment does not indicate that the facts set out by the community are false. The only issue discussed is whether the author had intended the book as fiction or as historical narrative. Far from claiming it as fiction Murugan had said in his preface that he had studied and documented the Tiruchengode orgies. But when, at the peace meet called by government officials, community leaders asked for the documents, he could show none.

Despite the author himself asserting to the contrary [even though he withdrew his claim later], the book has been accepted as fiction in the judgment. Constitutional freedom of expression is not unlimited. Hurting facts may be permitted. But hurting fiction should not be easily allowed. The law is clear that expressions should not offend decency or morality nor defame anyone or incite violence. Can women of a community be trivialised as amoral like Murugan has done to assert one's constitutional right? Do such undignified

remarks about women, whose dignity is paramount in any civilised society, promote freedom?

#### **Self-exculpatory**

The Court has castigated those who protested against the book as “a section of people just seeking to put themselves or their ancestors in the shoes of persons who are affected because of a reference to a location and a folklore, which description of location also stood withdrawn subsequently, since the author believed it was a work of fiction and could have been based anywhere else”. What impression the book intends and creates in the average reader is critical, not what the author Murugan believes, particularly post facto. Murugan's retroactive belief is clearly self-exculpatory. He has written not about an unspecific section of people, but particularly about the women of the community he names. That community and the ritual are connected geographically and could not relate to any other place or any other community. He names and undermines the Kongu Vellalar community women. Imagine the community in Murugan's book is about a more aggressive community or its ancestors. There would have been no peace meeting as in Tiruchengode — but only massive violence. Threat of violence, a worldly reality, has led to judicial silence, even restraint, on free ex-

pression. The most famous case was on Salman Rushdie's book, “Satanic Verses”. Some 25 years back Islamic cleric Ayatollah Khomeini issued a fatwa to kill him for writing that book. The man is under protection till today. Recall Kamal Haasan's film Vishwaroopam, three years back. The film cleared by Censor Board was banned in Tamil Nadu on law and order grounds as the protesting Muslims halted Chennai. The ban led to stopping its screenings in neighbouring states, even in a few foreign countries.

#### **Satanic Verses and Polyester Prince**

Judicial declarations on liberty and freedom hardly enthuse the people because of lack of consistent and evenhanded approach to all cases. When the Supreme Court denied the right to life and liberty in ADM Jabalpur case during Emergency and post-Emergency pontificated on the right of Maneka Gandhi to passport as part of the right to liberty, it was laughable. Salman Rushdie claimed his “Satanic Verses” was just a fiction and apologised, but no one took notice of it. India which, according to the Murugan case judgment, has “one of the most modern and liberal Constitutions” was the first country to ban Rushdie's book! Liberals were afraid of challenging the ban. Even if it were challenged no court would have pontificated on the freedom of expression of Rushdie because had the book not been banned there would have been riots all over. Likewise no liberal challenged the ban on Vishwaroopam before courts like Murugan's admirers enterprisingly do now. The reason is obvious. In the face of threat of

violence, no one looks at freedom of expression. Liberals vanish before violent mobs. Take another case, that of Dhirubhai Ambani. This newspaper had carried on a relentless campaign in the 1980s to expose the wrongdoings of Reliance. But the government of the day joined hands with the wrongdoer and raided the paper, arrested the writer, harassed the owners, and filed over 300 criminal cases against it to protect Ambani. Later Hamish MacDonald, an Australian journalist, wrote a book "Polyester Prince" which documented the work of this paper and misdeeds of Ambani. "Polyester Prince" was barred in India. By who? By the judiciary at the lower level! The liberals like those who are crying for freedom of expression today did not take the case to the High Court or Supreme Court. The reason is self-evident. It concerned a most feared and richest Indian business group.

### Ban on other books

See the sort of books banned by governments in India. The book "The Reminiscence Of The Nehru Age" by M O Mathai, secretary to Pundit Nehru, which explosively described all important personalities of Nehru era, was banned in 1978. Why? Because it offended the powerful. Freedom of expression didn't matter. "Understanding Islam through Hadis" by Ram Swarup was banned in 1991. Why? Because it was critical of political Islam. "The Moor's Last Sigh" a fiction by Salman Rushdie was banned in 1995. Why? It contained a character resembling Balasaheb Thackeray, the powerful Shiv Sena boss, also had a dog named Jawaharlal. The Supreme Court declared the ban unconstitutional in

1996. Yet, the book sellers, fearing violence, refused to stock the book in Maharashtra, the Shiv Sena forte. No liberal approached the Supreme Court for contempt. More.

The "True Furqan", written by two Muslims Al Saffee and Al Mahdee, was banned for purportedly mocking Islam. A Pune court ordered the copies of the book by Anand Yadav which was derogatory to Tukaram and Dnyaneshwar to be destroyed in June 2014. Clearly, there is no consistency in the executive or judicial approach on objected books. The only guiding principle seems to be whether it will lead to violence.

### Constitutional hypocrisy

The Tiruchengode community who were protesting against 'Madhorubagan' were ordinary people — dhoti-wearing countrymen, not modern urbanites. Not like the wealthy Ambanis, who could threaten the publisher to pulp the book or politically powerful like those who could get books, like the ones on Pundit Nehru or Bal Thackeray, banned. The Tiruchengode people conducted a peace talk democratically where Perumal Murugan was invited to produce the evidence he had claimed. There was no violence. No one abused or molested him despite the issue being sensitive. Murugan apologised for his writing because he could not adduce any evidence. Yet the peace meet is regarded as kangaroo court, despite government officials initiating it. Many disputes in India are settled by informal talks — be it panchayat or community leaders' intervention. The famous Manipal group dispute lingering for decades in High Courts and Supreme Court was finally solved by a spiritual leader — Veerendra Heggade. A sweep-

ing generalisation is likely to undermine a valuable, cost effective social capital still functioning in many parts of India. The judiciary ought to be empathetic and issue guidelines on how peace meetings or panchayat should be held rather than ridiculing and trivialising them. In communal riots or caste wars, even police invariably resorts to peace meetings and solves issues. Are they too kangaroo courts? Despite Murugan's provocative writing against their women, the community gathered for the peace meet, which was held without violence. They need to be patted. In Rushdie and Vishwaroopam cases, the protesters succeeded in their aim by unleashing violence. Were the Tiruchengode people wrong then in holding peace meeting? The conclusion is self-evident: A helicopter view of the cases on ban on books in most cases and selective assertion and celebration of freedom in some other cases exposes political and constitutional hypocrisy that goes on in the name of liberalism and freedom of speech.

### Evenhanded approach needed

A personal account: An educated lady professional from Tiruchengode, who begot a child by undertaking the Visakam ritual, asked me what those who had read Murugan's book would think of her and her child. I had no answer. Nor can the liberals who celebrate Murugan's book have any. Thousands of women in Tiruchengode areas suffer this humiliation—silently. I understand their pain. Lesson: A balanced and even-handed constitutional approach to ban or permit objectionable expression is needed. □□

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# Perils of economic reforms

**T**wenty five years ago Dr Manmohan Singh had presented his maiden budget ushering in economic reforms. We have made huge strides since then. But chinks in the armor are appearing now. There is a need to review the entire approach fundamentally. The reforms had two components—internal and external. Internal reforms consisted of disinvestment in Public Sector Units, dismantling of government control on the sale of coal and other commodities, removal of government control on the pricing of new capital issues, and the like. These have undoubtedly provided benefits to the economy. Energy of our businessmen has been let loose and they are producing goods of international quality. The picture in respect of external reforms is less clear.

The two components of external reforms are free trade and patent protections. We have reduced the import duties on almost all goods drastically. Foreign goods are entering our borders unfettered nowadays. Our people have access to cheap LED bulbs made in China and garments made in India have access to the markets across the world. This has proven to be a double edged sword though. Our businesses have benefited from exports to the developed countries like Europe and the United States. This has led to the creation of jobs in certain sectors in India. On the flip side, cheap goods produced in China have got free entry into India. The entry of these goods has taken away jobs of large number of our people.

The final impact of free trade can be gauged by looking at the reaction to free trade in the developed countries. Both the candidates for the United States Presidency have expressed reservations regarding free trade. Democratic candi-



*The combination of domestic reforms and protectionism alone will provide relief to our people. It is time to review our approach to the economic reforms, insists Dr Bharat Jhunjhunwala*



date Hillary Clinton has said that it is necessary to renegotiate the free trade agreements with Mexico and Canada. Republican candidate Donald Trump has asked for a review of all the free trade agreements made by the United States and even threatened to rescind them unilaterally if the opposite party resisted renegotiation. Britain has recently voted to leave the European Union. The British people found that the benefits from free trade did not percolate down to them. There was a huge influx of workers from poorer countries of the European Union like Poland and Hungary. This led to lowering of wages in Britain.

Our position with respect to China is similar to the Britain's position with respect to Poland. Cheap workers from Poland entered Britain in large numbers. Cheap goods from China have entered our country in large quantities. The wages of the British people came under pressure from the influx of less paid workers from Poland. The wages of our workers has come under pressure due to the import of cheap goods from China.

Our businesses nevertheless stand to benefit from free trade. They get an opportunity to sell their goods in the markets across the world. India is supplying auto components to auto manufacturers to the five continents today. The Multinational Corporations have benefitted even more. They have got protection for their patents and are able to sell their goods at monopoly prices across the world. But the common man has benefitted less. American and British people are not getting higher wages. Indian workers too are not getting

higher wages. The monthly wage for an unskilled worker in Delhi has remained in the range of Rs 6,000 to 8,000 for the last five years even though inflation has more than doubled. This means the real income of the workers has declined. This is the situation despite our businesses making huge profits, making larger tax payments and the Government using these revenues for running welfare programs like MNREGA.

The final tally is that the Indian people stand to make small benefits from availability of cheap imported goods from China and increased employment from exports to the developed countries. They stand to lose more due to the loss of jobs due the import of

***Foreign goods are  
entering our  
borders  
unfettered.***

cheap goods from China. They further stand to lose from the patent protection provided to the corporations of the developed countries. They are buying medicines at exorbitant prices, for example. Free trade ushered in by Manmohan Singh has delivered for the upper classes. They are able to get French wine and Swiss chocolates at their asking. But the common man has not gained little.

The way forward is to push for domestic reforms and withdraw from free trade. Let us take a step backwards. The situation before the reforms of 1991 was that the bureaucracy was meddling everywhere. Businesses were not free. At the same time we had erected import barriers. Import

duties were very high. The cost of production in India was high because of bureaucratic meddling and this was sustained because cheaper goods were not allowed entry through imports. The benefits of protection were appropriated by the bureaucracy. High prices of goods in India enabled them to collect corruption money in licensing etcetera.

Then Manmohan Singh implemented economic reforms. We liberated domestic businesses from bureaucratic meddling. This was the beneficial part. But we also opened ourselves to cheap imports. The entry of cheap goods led to lower prices in India and translated into low wages. At the end of the day, economic reforms have not delivered for the common man.

The way forward is to push yet more strongly for domestic reforms. Make it easy for businessmen to do business. At the same time provide protection from cheap imports. There is no possibility of wages of our workers increasing substantially until we accept free trade. It is a hard truth that free trade involves a global race to the bottom. The country with lowest wage rate will win and all the countries of the world will have to move towards those low wages. Therefore, restrictions on free trade are necessary if we have to secure a substantial improvement in the wages of our workers.

The old formula of the BJP was "internal reforms first, external reforms later." That was the correct formula. The combination of domestic reforms & protectionism alone will provide relief to our people. It is time to review our approach to the economic reforms. □□

# Nobel laureates need to look beyond GM crops, focus on food wastage to fight hunger

Nobel laureates are a respected lot. So when more than 100 Nobel laureates presented a signed letter defending genetically-modified (GM) crops, blaming Greenpeace in particular for blocking 'golden rice' which it claimed has the potential to reduce or eliminate much of the death and disease caused by Vitamin A deficiency, the world would certainly sit back and take notice. After reading the letter, addressed to "the Leaders of Greenpeace, the United Nations and Governments around the world", I must say I was greatly disappointed. I have had the privilege of meeting, knowing and talking to many a Nobel laureate over the years, and I must acknowledge that while this was a great privilege I did realize from my meetings that a majority of them had rarely moved outside of their laboratories and conference halls, but this letter simply knocks me out. These distinguished scientists, and we salute them for their scholarship, have little idea how the world outside their lab looks like. But I never knew they were so ignorant.

Coming at a time when the *New York Times* (July 14, 2016) reports that the demand for organic food in United States is far outstripping the supply, forcing food companies to make payments in advance even taking care of the transition costs, it seems the Nobel laureates are completely out of sync with realities. But let's get back to the letter.

'How many poor people in the world must die before we consider this a "crime against humanity"?' the letter ends on this impassioned note. The question in particular is related to the acceptance of 'golden rice' which the GM industry has always been pushing as the answer to childhood blindness globally affecting 250,000 to 500,000 children every year. According to UNICEF, half of them die within 12 months of losing their sight. But perhaps what the Nobel laureates were not informed by the biotech industry before they signed on the letter is the



*The food crisis is not because of any shortfall in production. The problem is because of the absence of food justice, which in other words means access and distribution, explicates*

**Dr. Devinder Sharma**





fact that Greenpeace has nothing to do with the denial of approval for 'golden rice'. Prof Glenn Davis of the University of Washington has in an exhaustive study shown that 'golden rice' has still not crossed regulatory hurdles.

We will come to that later. But first let's look at the usual scientific rhetoric that I find is repeated worldwide *ad nauseam*: "Opposition based on emotion and dogma contradicted by data must be stopped." Whose data? The data produced by GM companies or the data produced based on the research funded by biotech giants? After all, why should scientific bodies, including the Royal Society, always overlook the scientific studies and references challenging these 'scientific' claims? I draw their attention to a compilation of more than 400 scientific studies done by the Coalition for GM Free India. This study has a foreword by the well-known scientist-administrator Dr M S Swaminathan. Closer home, the Nobel laureates must see the work of the European Network of Scientists for Social and Environmental Responsibility, which too has questioned the so-called 'scientific' claims.

To say that scientific and regulatory agencies around the world, which find GM crops as safe as, if not safer than those derived from any other method of production, is a clever ploy to hoodwink public opinion and thereby push harmful and risky crop production technologies. The way the Food and Drug Administration (FDA) in the United States and for that matter the Genetic Engineering Appraisal Committee (GEAC) in India have been very conveniently turned into a rubber stamp for the GM industry clear-

ly shows how futile and frustrating the search for scientific truth can be. If you want to see the 'criminal destruction' of scientific facts you must do a careful perusal of the FDA (or the GEAC) recommendations.

But why should I blame the regulatory bodies if the public opinion of even the Nobel laureates can be so easily swayed?

If ever any of the Nobel laureates feels like moving out of his/her laboratory to see the ground realities, I would like to invite them to Punjab, the food bowl, situated in northwest India. Last year, nearly 300 farmers committed suicide after a deadly attack of white-fly insect on Bt cotton ravaged the fields.



***White-fly is not the insect against which Bt cotton has inbuilt resistance.***

Bt cotton is the only GM crop approved for cultivation India. This year, drawing a lesson, as much as 40 per cent area under cotton dropped while cotton farmers in more than 72,000 hectares in the northwest States of Punjab, Haryana and Rajasthan, have already shifted to non-Bt native varieties and hybrids. Although I am aware that white-fly is not the insect against which Bt cotton has inbuilt resistance, but the fact remains that the virulent insect attack is primarily confined to Bt cotton. The question I therefore want to ask is why shouldn't the GM seed companies be held accountable for the death of nearly 300 Punjab farmers?

More gory consequences of GM soya cultivation have been documented from Argentina, Brazil and Paraguay. I thought the Nobel laureates would at least Google to know how damaging GM crops have been to the environment, animal and human health in some of Latin American countries. This is the least I had expected from them before they signed the letter. If they had done so, I am sure they would instead have written a letter to the GM companies, the United Nations and Governments around the world warning them to be wary of GM crops and at least learn from the Argentina debacle.

If this is a collateral damage

for addressing the bigger issue of global hunger, I am afraid the Nobel laureates have never cared to go beyond the newspaper headlines. According to the US Department of Agriculture, the world produced food good enough to meet the requirement of 13.5 billion people. In other words, the world produces food for double the existing population. In US alone, latest studies show that nearly half of all US food produced is thrown away. If only US food wastage was to be minimized, the food requirement of the entire Sub-Saharan Africa can be met. In Europe too, nearly 52 per cent of

[Continued on page no. 33]



## Maintain status-quo with respect to FDI in Defence; DIIA tells Government

**Defence Innovators & Industries Association (DIIA)**, an organisation of Indian industry engaged in defence sector has asked the government of India to put on hold the decision to raise FDI limits in the sector.

In letter to Arun Jaitley, the Finance Minister and Manohar Parrikar, Minister of Defence, DIIA has pleaded to maintaining the status-quo with respect to FDI in Defence

The letter written by its chairman Rahul Choudary reads as follows:

On behalf of the Defence Innovators and Industry Association (DIIA), we request you to maintain the status quo in Foreign Direct Investment (FDI) in Defence. Past experience suggests that raising of FDI in the Defence sector has not yielded the desired objective of acquisition and absorption of high technology. Hardly any Defence sector Original Equipment Manufacturer (OEM) has either come to the country with a significant and advanced state-of-the-

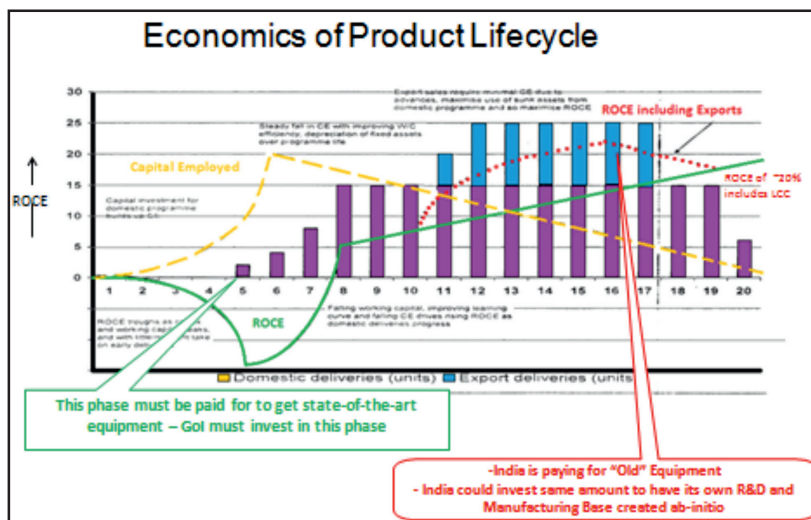
art technology through the FDI route or created the much needed defence specific infrastructure. As you are aware, typically, a Defence company cannot supply its technology independently or on its own terms. The government of the country where the company is located, controls the technology and decides whether the technology should be shared with another country, such as ours. Therefore, the power of a foreign OEM, and by correlation, the significance of FDI, in helping India acquire advanced technology remains muted and merely symbolic.

Internationally, the Defence business, which has the Product Development Phase of 5 -8 years (maybe more if it is a major complex system like a fighter aircraft), is funded by the governments of the country to which a Defence company belongs. However, in most Defence products, by the time the first introductions into the home country's Defence Forces begin, the government starts focusing on getting an exports market. Usually the exports begin in the 10<sup>th</sup>

year. This allows the Home Country to upgrade their own systems from the realization of the export profits and on developing next generation technologies. In general, for all Defence Systems, lifecycle costs are 4-7 times the initial purchase costs. Globally, the Return on Capital Employed (ROCE) of a Defence company is based on "Life Cycle Returns" where returns are driven through upgrades and refreshes etc. whereas in India we have followed an assembly model with no upgrades coming out of our DPSUs for last 60 years. Thus in the present model India is not only chasing the technology tail-lights i.e. getting technologies which are 10-20 years old, but we also remain critically dependent on foreign technology for our security.

Having just brought in the IDDM (Indigenously Designed, Developed and Manufactured) category as the first choice for Acquisition in the DPP, increasing FDI at this stage gives an impetus to "Assemble in India" and will frustrate any attempts to "Design and Develop in India". In this connection we find it appropriate to quote from 'The Economist' of 14<sup>th</sup> April 2016:

*"Sceptics wonder whether local groups do much more than give existing foreign weapons systems an Indian veneer just thick enough to get contracts. Assembly work is not the lucrative bit of the weapons industry—just as the iPhone brings more profits to Apple (its designer) than to Foxconn (its contract manufacturer). All that could change if Indian companies develop expertise to design, not just assemble, equipment. Last month the government said it would give priority to weapons designed and made in India. Countries that spend heavily on*



*armed forces typically have successful arms-making companies. India's ambition, one day, is to stop being an exception to this rule."*

<http://www.economist.com/news/business/21696959-country-conglomerates-are-throwing-themselves-arms-making-opportunity-strikes?frsc=dg%7Ca>

The Economist Article clearly brings out the point that jobs follow the "The Value Creation" in the Industry. Today design, life-cycle supports and upgrades have a larger share of value creation than "Manufacturing", especially high-tech manufacturing where design to manufacturing capabilities, 3D printing are creating the phenomena of 'jobless growth'.

DIHA whole heartedly supports the 10% customs duty on systems and subsystems being imported for Defence Manufacturing in India as this will provide the competitive advantage we seek to create for Indian Defence products and sub-systems in the long run. Further, certain changes to the existing purchase orders to the Indian industry and how the L1 bid is calculated in the Global Tenders have been notified by MoD. This would be discussed through a sep-

arate letter. For now, we are thankful for this progressive step which avoids the policy mistakes of the past. We are also appreciative of the fact that Government of India has taken a bold initiative by introducing Preferential Market Access (PMA) policy in Telecom sector, which is applicable for all government procurements and is open for domestic as well as foreign equipment manufacturers provided they meet the progressive value addition criteria per year as per set eligibility criteria. This is fair and transparent for competition without compromising on technology, quality and pricing. We hope that the government continues to take such progressive measures instead of relying upon outdated, unreliable and time-proven mistakes like FDI.

To take an example, India has allowed 100% FDI available in Telecom Equipment Manufacturing since almost 15 years now. We are also one of the 'largest telecom market' in the world (wide subscriber base) but still, hardly any telecom equipment manufacturing happens in this country despite of the size of the market and freedom provided to foreign capital and own-



# Strategic Partners for Domestic Manufacturing

**The Government** is committed to the goal of achieving self-reliance in our defence capabilities. Accordingly, the concept of 'Make in India' is a focal point of the current defence acquisition policy and procedures. The Defence Procurement Procedure (DPP) focuses on giving boost to the 'Make in India' initiative of the Government through indigenous design, development and manufacturing of defence equipment, platforms and systems. A new category viz. 'Buy (Indian-IDDMM)' [Indigenously Designed, Developed and Manufactured] has been introduced as the most preferred category of Procurement. The 'Make' procedure has been simplified to ensure increased participation of Indian Industry. There is provision for Government funding of upto 90% in cases involving design and development systems / equipment which necessitate harnessing of critical technologies and which may involve large infrastructure investment. Provisions for involving private industry as Production Agencies and Technology Transfer Partners have been incorporated. The role of MSMEs has also been enhanced in the defence sector.

The V.K. Aatre Task Force was constituted by Government to lay down criteria for selection of the Strategic Partners for various platforms from the Private Sector Industry. It has presented its Report to Government.

This information was given by Defence Minister Shri Manohar Parrikar in a written reply to Dr. Bhola Singh and Shrimati Poonamben Maadam in Lok Sabha. □

ership. Despite of 100% FDI in the Telecom sector, there has hardly been any significant hi-tech design, development and manufacturing of telecom equipment in the country.

Going back to the Defence sector, we feel that the current geopolitical situation, where major Western countries are reducing their budgets for Defence, provides a unique opportunity for India to leverage its interests and scale as a large market. Due to the budget cuts in foreign countries, the foreign Defence companies and their Governments will be far more open to finding export opportunities and therefore will accommodate Indian MoD's demands for Transfer of Technology (ToT). Indian Defence market and our positioning in the BRICS as a reliable stable partner provides us that additional leverage, enabling us to negotiate from the position of strength, as Team India.

Today, the Indian industry has surged ahead in many strategic defence areas; it is also making break-

through in some cutting edge technological areas, and is investing in R & D in many new areas. The increase in FDI may adversely affect the gains which Indian industry has made in several technological sectors. The time has come to consolidate these gains, not squander them by increasing the FDI level which would only benefit the Foreign OEMs.

In fact, the performance of FDI in other sectors of economy has been far from encouraging. Empirical data establishes that FDI has in fact adversely affected the Indian economy leave alone providing a solution to the Indian problem. Outflows through royalty, interest, profits, and exorbitant salaries to Foreign OEM specialist so on are more than inflows of FDI. For example, the year 2014-15, had FDI inflow of US \$ 31 billion, and an outflow of US \$ 36.5 billion. FDI is not known for pushing the economic growth or creating employment opportunities, it only allows foreign companies

and their governments to make their business and economies profitable.

The Indian Defence Innovators and Industries Association needs government support not only as "The Market" but also as "The Market Maker" in order to create product design capabilities to create & absorb 'know-why' instead of the current thrust on 'know-how' (Assembly). We need your support to creating Indian "System Engineering Capabilities" "which goes way beyond mere "Systems Integration" which is just a nice metaphor for assembling. Mere assembly of Defence Product created abroad, and replacing DPSU Assembly lines with Private Sector Assembly lines, will ultimately result in nothing more than some assembly jobs. This cannot be our policy thrust as for the Defence sector, "Make in India" has to mean "Design, Develop and Make in India".

Kindly put any proposed decision for raising FDI in defence on hold. □□

## Automation to shave off 25k jobs in IT sector

**Increasing** automation would shave off 10% of incremental jobs in India's IT sector each year even as half of middle-level managers would also bear the brunt in the era of artificial intelligence, says industry veteran T V Mohandas Pai.

"I think in the IT sector, may be 10% minimum of incremental jobs that are created will disappear. That means every year if they do (create) 2 to 2.5 lakh jobs, 25,000-50,000 jobs will disappear," said the former CFO & HR Head at Infosys. According to him, middle-level managers account for 10% - or 450,000 people - of the 4.5 million (45 lakh) strong IT industry in India. Half of them (2, 25,000) would lose jobs over the next one decade as their work would get automated.

The tech investor said the new breed of IT engineers should have better skills and deep technical knowledge, adding, prospects for those having just a bachelors degree (B. Tech) are going to be less and less in IT.

"An ordinary B.Tech is like 10th standard today because you have to go ahead for the next 30 year," the chairman of Manipal Global Education said.

"For lower-level jobs (entry-level), hiring will

keep reducing by 10% every year. Ordinary graduates who are trained to go up the ladder will have less prospects. Out of the total number of people hired, fresher level doing ordinary work, there will be 10-15 per cent reduction in the category year-by-year," he said. But there will be 10-15 per cent increase in the category of masters (post-graduates) and skilled people because there is a great need for that, added Pai, a prominent angel investor. He said automation, machine-learning (artificial intelligence) and robotics would create a new kind of specialised workforce.

Only 2 lakh-2.5 lakh IT engineers out of the total 6.5 lakh who come to the market every year get jobs in their chosen field.

"Many of the engineers who come out of bad colleges.. there are good jobs like Ola and Uber waiting for them. I am not joking. In Bengaluru, many of the software engineers are giving up their jobs and driving Ola and Uber and making more money. It's much more lucrative. Why work for 14 hours a day (in an IT company) and earn (only) Rs 3.5 lakh (per annum), when you can earn Rs six lakh to Rs 7 lakh (per year) driving a car?" he said. □□

[Continued from page no. 29]

## Nobel laureates need to look beyond GM crops .....

the food is wasted. The food wasted in Italy, for instance, if saved can feed the hungry in Ethiopia.

Globally, the world wastes 1.6 billion tons of food every year.

I wonder whether the Nobel laureates are aware that US faces its worst hunger, breaking all previous records, with more than 40 million people sleeping hungry at a time when the US is cultivating a number of GM crops. The US is also the Mecca of GM foods. I thought the question Nobel laureates would first ask is how come US has so

much of hunger (and malnutrition) if GM crops were the savior? If GM foods could not reduce hunger in America, how do you think it is the solution for hunger in Global South? Isn't it time therefore that the Nobel laureates focus on the immediate crisis of growing hunger first in their own neighbourhood?

What has to be accepted is that the food crisis the world witness is not because of any shortfall in production. The problem is because of the absence of food jus-

tice, which in other words means access and distribution. If the world was to eliminate food wastage there would be enough food available even at the end of the 21<sup>st</sup> century given the present rate of production. It is therefore high time the Nobel laureates begin to focus where the need is urgent. Come, join the global efforts being spearheaded by the United Nations on reducing food wastage. Isn't food wastage at a time when millions of people are living in hunger, with some 20,000 succumbing to it daily, a mankind's crime?

I am asking the same question that you asked before: How many poor people in the world must die before we consider this a "crime against humanity"? □□

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## Roadmap for next 15 years

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Prime Minister Narendra Modi has said that the time for incremental change was over and the requirement was for transformational change. The *niyat* (intentions) of policymakers is even more important than the *niiti* (policies) itself, he said, addressing the NITI Aayog. The Prime Minister asked the Aayog to create a vision document and road map for India's development for the next 15 years. Interacting with the Aayog's members, Mr. Modi said the Union Government had the "courage and the ability" to deliver transformational change for bettering the lives of the people. This was his second visit to the Aayog since it was set up to replace the erstwhile Planning Commission.

Pointing out that historically, Indian policymakers had tended to lament the country's constraints rather than play to its strengths, he said judicious and intelligent application of India's natural resources and human resources would be at the heart of this change. He mentioned land, the country's mineral wealth, and vast untapped solar energy potential and said India had made sub-optimal use so far of its vast coastline. Talking about human resource development, Mr. Modi said: "Focussed skill development is vital, as India has the potential to fulfil the global requirement of human resources in the future." He also stressed on the need to develop India's tourism potential. Partnerships with States for promoting development and boosting exports were need of the hour, he said.

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## No need to reveal land details

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Himachal Pradesh High Court has ruled that Priyanka Vadra need not reveal land details or house plans under any RTI query. Ms. Vadra is building a house at Chharabara in Mashobara, about 13 km from Shimla. Justice Trilok Chauhan dismissed the application of RTI activist Debashish Bhattacharya seeking information on Ms. Vadra land and called it misconceived. Ms. Vadra is an SPG protectee.

Mr. Bhattacharya had sought information from the State Information Commission regarding the permission given to Ms. Vadra under Section 118 of the Himachal Land Reform and Tenancy Act. The Information Commission had ordered the district administration to provide the information under the RTI and had ignored the stay given by the court. Later the Information Commissioners had to seek an apology from the court after their order was declared as contempt of court. Ms. Vadra

moved the High Court against the orders of the Information Commission. In its verdict, the court said the RTI activist had no requirement of the information on the land records of Ms. Vadra in Mashobara.

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## Double coverage of HBV vaccine

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Coverage of Hepatitis B vaccine at birth in India should be doubled by 2020 from the current 45 per cent by addressing the administrative and logistic issues to safeguard the young against the deadly disease, according to the World Health Organisation. WHO representative to India, Henk Bekedam, described "the administration of Hepatitis B dose within 24 hours of birth as a key challenge." Hepatitis B is a contagious liver disease. If babies get infected, the virus usually remains in the body for a lifetime. But this claim is contested by several medical experts world over. Bekedam, however, described India reaching 86 per cent coverage of Hepatitis B third dose in 2015 as a "commendable" performance.

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## Transgression, not Incursion

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As the Opposition expressed concern in Parliament over the recent Chinese intrusion into the border district of Chamoli in Uttarakhand, Defence Minister Manohar Parrikar termed the incident as "transgression" and not "incursion." He said the incident took place due to "difference of perception" in the two countries about the Line of Actual Control (LAC). Responding to the Opposition queries in the Lok Sabha, he said the border was not demarcated thereby leading to such transgressions. Parrikar said on July 22, two Peoples Liberation Army (PLA) soldiers entered 200 metres in Barholi area of Uttarakhand inside the Indian territory and the villagers warned them.

The Minister said every year, there are about 400-500 incidents of transgression, but this year it has come down. Parrikar also said it is the Indo Tibetan Border Police (ITBP) under the Ministry of Home Affairs that takes care of the LAC and not the Defence Ministry. Raising the transgression issue, Congress leader Jyotiraditya Scindia said PLA had transgressed the border on land and by air in Chamoli district earlier this month when its men stationed themselves 200 metres inside the Indian territory. Saugata Roy (TMC) also expressed concern. Samajwadi Party (SP) chief Mulayam Singh Yadav cautioned the government about the intentions of China which he described as "dhokebaz desh" (deceitful country).



## 50% of rural jobs target MET

As against 100 days guaranteed in the MGN-REGA, an average 49 workdays of employment was generated in 2015-16 under the central rural job scheme, the Government told Parliament. MoS for Rural Development Ram Kripal Yadav, in a written reply in the Lok Sabha said Manipur reported only 16 workdays of employment, the lowest among all States, followed by Puducherry with 17 days, Goa 18 days and Lakshadweep 22 days. The overall average was 49 workdays in 2015-16, he said. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a demand-driven wage employment programme, guaranteeing up to 100 days of unskilled work in a year to every rural household. It has been a key source of livelihood for millions of rural households, primarily during the lean period. It is not a substitute for all other employment opportunities.

The Government is actively engaged with State Governments in establishing systems that ensure provision of work as per demand, transparency and accountability, Yadav said. The Minister added that the States have also been requested to organise 'Rozgar Diwas' periodically to capture latent demand under the programme and to disseminate about provisions of the Act. According to the officials, 49 workdays of employment is highest so far and several steps have been initiated to streamline the rural job scheme.

## RBI fines UCO Bank

RBI has imposed Rs 1 crore penalty on UCO Bank for flouting its instructions relating to opening of current accounts & providing bill discounting facilities to account holders without any borrowing facility with the bank resulting in 'siphoning off of funds'. RBI had carried out an inspection of books of accounts, internal control, compliance system and processes at one of the UCO bank's branches in May-June, 2015.

## Scare on flight to Dubai

Terror outfit Islamic State is feared enough to cause panic even by the very mention of it. A passenger triggered an alarm on a Karipur-bound Indigo flight from Dubai on Thursday as he turned violent, shouting slogans against the IS.

The flight was forced to land at Mumbai, and the man taken into custody by the CISF. Panic was let loose as C. Shameer, 33, from Kannur started shout-

ing at the other passengers soon after the flight took off from Dubai. The attempt by another passenger to pacify him failed as he turned violent. Shanavas from Thalassery was injured in the attack. Some passengers apparently mistook Mr. Shameer as a supporter of IS ideology, and sent out wrong messages to their relatives when the flight landed at Mumbai.

## Spending on CSR activities

It has reported that an assessment of CSR expenditure of 4,257 companies indicates that these firms have spent about 72 per cent of the mandated amount on CSR activities, Corporate Affairs Minister Arun Jaitley said in a written reply to Rajya Sabha. As many as 2,351 companies have not spent a single penny on corporate social responsibility (CSR) activities, while a total of 776 firms have engaged NGOs for implementing such tasks, Parliament was informed. The new Companies Act mandates every company with a networth of Rs 100 crore to set aside minimum 2 per cent of their 3-year average annual net profit for CSR activities. Of these, 621 firms have spent more than prescribed amount, while 400 companies spent 'exactly' the same amount as prescribed under the rules.

Further, 261 firms have spent 66-99 per cent of their mandated CSR fund, while 624 companies spent less than 66 per cent of the prescribed amount. As many as 2,351 companies have not spent any amount on CSR activities. Out of the total 4,257 firms, 776 have engaged NGOs for implementing CSR, he said.

## Swamy blames Rajan

Subramanian Swamy member of Parliament and well known leader has blamed Reserve Bank of India (RBI) Governor Raghuram Rajan, for dip in growth rate of small and medium enterprises. "As you can see the MSME growth has sharply declined in one year. In 2015-16 data seen sharper decline. R3 effect!" he tweeted.

Swamy, who has been critical of the outgoing Governor for keeping lending rates high with a view to check inflation, uses R3 to describe Raghuram Rajan. He attached with the tweet an unstarred question he raised in Rajya Sabha on July 27 on performance of Micro, Small and Medium Enterprises.

The rate of growth of output of MSMEs at current prices, for the years 2013-14 and 2014-15 are 13.09 per cent and 9.79 per cent respectively. □□

## Microsoft to cut additional jobs

Microsoft has said it that will cut 4,700 jobs globally by the end of fiscal year 2017. Last June, Microsoft had announced it will cut 7,400 jobs from the smartphone business unit. Hurt by a failed \$7.6 billion Nokia experiment amid growing losses in the smartphone hardware business segment, Microsoft has announced to lay off an additional 2,850 workers to the previously 1,850 jobs it said it would cut. In a regulatory filing, the tech giant said it will cut 4,700 jobs globally by the end of fiscal year 2017, PC World reported on Friday. Earlier in May, signalling the end of its Nokia experiment, Microsoft announced it was cutting 1,850 jobs and writing off \$950 million of which \$200 million will be used for severance payments.

According to a report in The Verge, the latest job cuts mean that the majority of former Nokia employees will no longer be working at Microsoft. Almost a year ago, Mr. Nadella had announced a “more effective and focused phone portfolio” with business, value phones and flagships gaining prominence. Microsoft’s Lumia and Windows Phone strategy has failed as both sales and Windows Phone market share have declined since the tech giant’s mobile restructuring last year.

## UN SC reforms suffers setback

India’s push to achieve urgent reforms of the U.N. Security Council this year and secure a permanent seat has suffered a setback when the General Assembly decided to roll over discussions on reforming the world body’s top organ to its next session. India along with the G4 nations said it is “unfortunate” that momentum could not build up over the issue in the current session.

Brazil’s envoy to the U.N. Antonio de Aguiar Patriota, speaking on behalf of the G4 groups of Brazil, Germany, India, and Japan, lamented that the U.N. had not been able to push forward and achieve success in implementing the long-pending reform of the 15-nation India has been pushing for completing reforms of the U.N. Security Council in the 70th session of the General Assembly, which will end in September this year.

Taking consensus action, the General Assembly adopted an oral decision paving the way for Member States to continue discussions on reforming the Security Council during its 71st session, which will commence in September.

In giving effect to that “technical rollover”, the Assembly reaffirmed its central role on the issue of Security Council reform, known formally as “the question of equitable representation on and increase in the membership of the Security Council and other matters related to the Security Council.”

## Legal claim threatens Tata assets

A dispute over alleged unpaid dues between Japan’s mobile phone operator, NTT DoCoMo, and the Tata group could involve the latter’s assets in Britain, according to a UK media reports. The Japanese firm has served an order from London’s Commercial Court against Tata Sons which allows DoCoMo to enforce an arbitration deal, made in London in June, against Tata Sons’ assets in the UK, ‘The Financial Times’ reported. Tata Sons issued a statement stressing that DoCoMo has obtained an “ex parte” or one-sided order from the Commercial Court in London. The statement said: “Because the order was obtained ex parte Tata’s arguments have not yet been heard. We would like to clarify that the London Commercial court has granted Tata Sons a period of 23 days, starting July 27th 2016, to apply to set aside the ex parte order.

“The arbitral award cannot be enforced until the end of that period, or until any application made by Tata Sons has been finally decided upon.”

Tata Sons, the Indian conglomerate’s holding company, owns a 29 per cent stake in Tata Steel, which includes embattled UK steel units, and a 23 per cent in Tata Motors, which includes the Jaguar Land Rover (JLR) brands in the UK. The Tata statement also said the UK assets of Tata Steel and Jaguar Land Rover are not owned by Tata Sons. The latest development follows DoCoMo’s rejection of Tata Sons’ offer to deposit \$1.17 billion — a penalty awarded by an arbitration panel — with the Delhi High Court registrar. The dispute relates to DoCoMo’s exercise of its right to exit from Tata Teleservices — its joint venture with the Tata Group.

## China's fosun to buy gland pharma 1

In the largest acquisition of an Indian company by a Chinese firm, Shanghai Fosun Pharmaceutical Group Co has agreed to buy Hyderabad-based drug-maker Gland Pharma Ltd for about \$1.26 billion (nearly Rs 8,500 crore). Fosun Pharma will acquire 86

per cent of Gland Pharma for \$1.26 billion, the KKR-backed Indian firm said in a statement adding that a definitive agreement has been signed for the deal. Gland Pharma's founders and US private equity firm KKR, who jointly hold around 96 per cent of the drugmaker, will sell most of their stake to Fosun.

Gland founder PVN Raju and his son Dr Ravi Penmetsa will continue to be on the Board, and Dr Penmetsa will continue as the Managing Director and CEO. The family will retain a stake in Gland. Established in 1978, Gland develops and manufactures generic injectables for use in nearly 90 countries on five continents, with a focus on the Indian and US markets. It owns four factories. KKR, which invested in Gland in 2014, is exiting the firm completely. The transaction is subject to customary regulatory approvals, the statement said.

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### **'World is at war is not a clash of faiths'**

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As he began his first official visit to Poland, Pope Francis has said "the world is at war," and he challenged the conservative governments of Central and Eastern Europe to soften their resistance to migrants seeking refuge. The pope's visit to the southern Polish city of Krakow to celebrate World Youth Day, a major event on the Roman Catholic calendar, began just a day after the horrific killing of a priest in France. The priest, the Rev. Jacques Hamel, 85, was celebrating Mass in a small town in Normandy when two men with knives entered the church and slit his throat. The Islamic State claimed responsibility for the attack.

Francis, 79, was clearly shaken by the attack, and he appeared solemn and pensive as he headed to Poland, the first stop on a trip to Central and Eastern Europe. "The world is at war," he told reporters on his plane from Rome to Krakow. "We don't need to be afraid to say this." But with anti-Muslim sentiment growing after the recent Islamic State-inspired terrorist attacks in France and Germany, Pope Francis emphasized that he did not see a religious conflict. "I am not speaking of a war of religions," he said. "Religions don't want war. The others want war." He said he was referring to "a war of interests" and a war for money, resources and the "domination of peoples."

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### **Hillary makes history**

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Fifty years after India had a woman at its helm in the person of Prime Minister Indira Gandhi, the

United States may finally be catching up by trying to put its first woman in the White House Oval Office as the Democratic Party took the first concrete step by nominating Hillary Clinton as its nominee for the 2016 presidential race. At hand for the occasion was her husband and America's 42nd President, Bill Clinton. The celebrations on the convention floor were briefly marred by a protest walk-out from a section of supporters of Bernie Sanders, not reconciled to Clinton's nomination that was preceded by a formal roll call of votes. Outside the convention venue that had been turned into a well-protected fortress, a large number of Sanders supporters and an assortment of other groups kept up their protests.

Having already conceded defeat and endorsed Clinton, Sanders himself asked convention officials to suspend the process and nominate his erstwhile rival by acclamation. In the roll call, Clinton secured 2,842 delegates as against Sanders' 1,865 delegates.

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### **Death sentence for Terrorists upheld**

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A Bangladesh court has upheld the death sentence for six Islamist militants convicted over a suicide bombing in 2005 of a lawyer's office that killed eight people, a top prosecutor said. Bangladesh's judiciary is under pressure to fast track cases involving militants as the government faces mounting criticism to crackdown on Islamists over a series of recent deadly killings. A Bench of two High Court judges rejected appeals from the six convicted over the 2005 bombing, claimed by local extremist group Jamat-ul-Mujahideen Bangladesh (JMB).

"The court upheld the death orders against the six JMB extremists as the charges against them were proved beyond any doubt," Deputy Attorney-General Sheikh A.K.M. Moniruzzaman told AFP. JMB has also been blamed for a siege this month by five gunmen on an upscale cafe in Dhaka that killed 20 mostly foreign hostages and two police officers. Police have rejected the Islamic State (IS) group's claim for the July 1 attack. The group posted gruesome images of the carnage before the military stormed the cafe. Authorities launched a crack down on the JMB at the time, but it has regrouped in recent years under new leaders. According to experts, it has been actively recruiting young and highly educated young men to its ranks. Police have blamed the banned group for scores of gruesome murders of religious minorities, as well as of foreigners, since 2013. □□



## US seeks sanctions against India

US is seeking trade sanctions against India after winning a dispute at the WTO regarding India restrictions on imports of US poultry meat, eggs and live pigs, the WTO said. The US has requested a WTO meeting to launch the claim for compensation, according to an agenda circulated by the WTO. The agenda did not give any details, but the US Trade Representative's office has previously said US annual exports of poultry meat to India could exceed \$300 million. The US won the dispute last June, when the WTO's Appellate Body ruled that India's restrictions were discriminatory and based on unsubstantiated fears over bird flu. The US argued that it had not had an outbreak of high pathogenic avian flu since 2004, while India had 90 such outbreaks.

The United States won the dispute in June last year, when the WTO's Appellate Body ruled that India's restrictions were discriminatory and based on unsubstantiated fears over bird flu. India had 12 months to comply with the ruling. At the time, US Secretary of Agriculture Tom Vilsack called it a "major win for US agriculture" and said it would help keep markets open based on international standards.

## US Bill To Bar Indian Companies

A bipartisan group of two US lawmakers has introduced in the House of Representatives a legislation, which if passed by the Congress would prevent Indian companies from hiring IT professionals on H-1B and L1 work visas. Since the revenue model of majority of big Indian IT companies is heavily dependent on H-1B and L1 visas in the US, such a bill is likely to have a major impact on their businesses.

The H-1B and L-1 Visa Reform Act of 2016 introduced by Democratic Congressman Bill Pascrell from New Jersey and Republican Dana Rohrabacher from California would prohibit companies from hiring H-1B employees if they employ more than 50 people and more than 50 per cent of their employees are H-1B and L-1 visa holders. Before the bill is signed into a law by US President Barack Obama, it needs to be passed by the Senate, wherein it has not been tabled so far. Notably, the two sponsors of the bill come from the two American states which have the maximum concentration of Indian Americans.

Pascrell and Rohrabacher had introduced a similar version of this bill in 2010, which could not gain

enough support in the Congress. The lawmakers said the H-1B and L-1 Visa Reform Act of 2016 would close loopholes in the H-1B and L-1 visa programs, reduce fraud and abuse, provide protections for American workers and visa holders, require more transparency in the recruitment of foreign workers, and increase penalties on those who violate the law.

## US case against Chinese Taxes

United States is bringing a case against China to WTO, arguing that taxes the Chinese impose on raw materials exports put U.S. manufacturers at a disadvantage. Distrust of American trade policies has emerged as a potent issue in this year's presidential campaign. Republican Donald Trump accuses China of unfair trade practices and says he'll impose big taxes on Chinese imports. Democrat Hillary Clinton has come out against the Obama administration's signature trade initiative: the Trans-Pacific Partnership, which is meant to expand trade with 11 Pacific Rim countries.

The administration is eager to show that it is tough on trade. The administration has brought 13 cases against China before the WTO. China imposes duties of 5 percent to 20 percent on exports of nine raw materials, including cobalt, copper and graphite, used in industries ranging from aerospace to chemicals. According to the U.S., China was supposed to eliminate the duties after it joined WTO in 2001 but didn't.

## U.S. misread WTO rules: China

China's Commerce Ministry says the United States had deliberately misinterpreted WTO rules after the U.S. Commerce Department found in favor of subsidy rates for Chinese steel. The U.S. Commerce Department found in favor of anti-dumping measures for imports of stainless steel sheet and strip from China and said it had set a preliminary subsidy rate of 57.30 percent for a Chinese steel manufacturer, according to a preliminary finding released on 26 July 2016.

China's commerce ministry said in a statement it was not satisfied with the decision and that it would use the WTO dispute settlement process to defend its interests. Recently, the United States levied high taxes on Chinese stainless steel, cold rolled steel, corrosion-resistant steel plate and other goods that served as a "man-made obstacle" and an effective "rejection of Chinese steel products," the commerce ministry statement said. □□