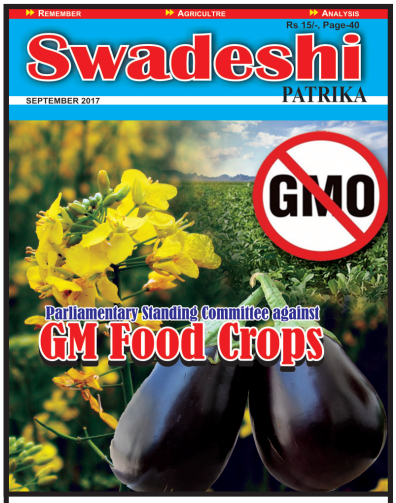

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CONTENTS

Chinese Buycott

Respected Sir,

I reads Swadeshi Patrika regularly. The Swadeshi Patrika August 2017 issue on Buycott Chinese Products. By the inspiration from the articles published in Swadeshi Patrika, I have started boycotting Chinese products. I want to draw your kind attention towards the Set-Top Box installed by local cable operator. The all Set-Top Box installed by our local cable operators are Chinese. I request you to kindly launch a movement for awareness in the customers to replace the Chinese Set-Top Box with Indian company.

– Neeraj Choudhary, *Paschim Burdwan, West Bengal*

Dear Editor,

Swadeshi Patrika's latest issue (August 2017) has brought relevant facts which were never noticed before.

Both the fact tables from the cover story of Prof. Bhagwati Prakash Sharma providing a desired and latest comparison of India and China on their economy and military grounds has not seen before. China's road construction in Doklam; preparation for stealth fighter aircrafts; diverting water of Brahamputra; China-Pak Economic Corridor (CPEC); China the largest polluted country are the latest burning issues will covered by the writer.

The interview with Dr. Ashwani Mahajan on Boycott China has successfully placed the Swadeshi agenda for the upcoming festival of Diwali.

Dr. S. Lingamurthy has brought the fact of Chinese invasion on India's festival economy.

Shivaji Sarker, Bharat Jhunjhunwala and Abhishek Pratap have written wonderful stories.

– Anil Saxena, *Allahabad, Uttar Pradesh*

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Quote-Unquote

Urged tax officials to use data analytical tools to proactively track & determine undeclared income and wealth. This will be beneficial.

Narendra Modi
Prime Minister

Judgement on Tripple Talaq undoes the injustice to Muslim women who were victims of a unilateral termination of a matrimonial relationship.

Arun Jaitely
Finance Minister

The Economist

When Paul Samuelson started out, debates over economic theory were predominantly verbal rather than mathematical.

Roger Backhouse
in The Economist

Centre must warn Karnataka govt of dismissal if they fail to implement the Karnataka . High Court order prohibiting slaughter of cows today on Eid in Bengaluru.

Subramanium Swamy
Indian economist, mathematician and politician

EDITORIAL

Stop ready to use foods for treating child under-nutrition

More than 44 million children under the age five remain chronically undernourished in India, this is a grave situation and its negative impact is often irreversible. The National Family Health Survey (NFHS-4) data on child feeding and nutrition shows stunting is 38.4%; underweight is 35.7% and severely wasted is 7.5. India is currently reducing child under nutrition at the rate of 1% per year which is not a satisfactory pace at all. Severe acute malnutrition (SAM) is just one component of this whole range of child malnutrition. Minister of State for Health, Sh. Faggan Singh Kulaste told the Rajya Sabha that "It is estimated that around 93.4 lakh children are having SAM as per NFHS-4 and out of this, 10% of SAM with medical complications may require admission to NRCs". Many other questions have been raised in the Parliament on this issue and response of Govt of India is almost same in terms of what we are offering as interventions. Childhood under-nutrition is a deep rooted and multi-dimensional problem. It needs sustainable solutions. Food security; protecting, promoting and supporting breastfeeding and optimal complementary feeding; preventing early child bearing; strengthening preventive & curative health systems, and improving water supply & sanitation are some of fundamentals to be in place to eradicate malnutrition. Current drive of managing this problem by Ministry of Woman and Child Development, only through 'treatment' of SAM children, that too with commercial 'ready to use therapeutic foods' (RUTF) is a cause of major concern. This is an entry point for food industry and such packaged foods will satisfy the 'hungry for profits' food industry and not our children who need real food. Our concerns are based on the global push for RUTF approach. Scaling Up Nutrition (SUN) movement has managed to rope in three State Governments (Maharashtra, Jharkhand & UP) as its members. SUN has a business network called SBN with majority of its members in food businesses promoting ready-to-use foods, nutrition supplements, ingredients for formulas and highly processed products and snacks. These members include Pepsi, Cargill, Nutriset, Britannia, Unilever, Edesia, General Mills, Glaxo SKB, Mars, Indofood, Nutrifood, DSM, Amul, and Valid Nutrition. Global Alliance for Improved Nutrition (GAIN) ,another player in promoting ready to use foods, is chaired by none other than Vinita Bali, previously MD of Britannia, and now the chair of GAIN. GAIN leads the SBN. All this is a nexus operating on nutrition and international agencies support it. These vested interests do like to promote 'magic bullet' and market-led approaches. Such approaches are misleading and undermine local, bio-diverse and sustainable food cultures. It is worthwhile to point out to you that GAIN- India office is headed by Tarun Vij, who was also in-charge of PATH which carried out controversial trials carried out in south India of rota-virus vaccination. He was also heading TCI Foundation which was used by Bill Melinda Gated Foundation from its AIDS related initiatives in India. Indian data for the treatment of SAM children suggests that there is little difference between commercial ready to use foods or home augmented foods to treat SAM. The results also show that the differences between home augmented foods group and commercial RUTF group were not significant. The locally created ready to use therapeutic food group was found little better as there was 57% recovery rate as compared to 43% among the commercial RUTF group. However, the study reveals that after you stop the treatment the overall proportion of children cured had dwindled down to 15%. As far as international data is concerned, several international experts and research bodies have questioned the evidence for the routine use of ready to use therapeutic foods for severe acute malnutrition. But agencies,like World Bank and UNICEF, which have keen interest in the SUN movement, have interpreted it suiting vested interest calling it effective.

We understand that SAM children do need be treated; RUTF does not seem to be the solution for treatment. The Revised Nutritional and Feeding Norms for SNP in ICDS Scheme circulated vide letter no.5- 9/2005/ND/Tech (Vol. II) dated 24.02.2009 states that children in the age group of 6 months to 3 years must be entitled to food supplement of 500 calorie of energy and 12-15 gm of protein per child per day in the form of take home ration (THR). For the age group of 3-6 years, food supplement of 500 calories of energy and 12-15 gm of protein per child must be made available at the Anganwadi Centres in the form of a hot cooked meal and a morning snack. For severely underweight children in the age group of 6 months to 6 years, an additional 300 calories of energy and 8-10 gm of protein would be given as THR. For pregnant and lactating mothers, a food supplement of 600 calories of energy and 18-20 gm of protein per beneficiary per day would be provided as THR. There is a need to further define THR so that RUTF, as projected by the vested interest lobby, does not accepted as norm?

Parliamentary Standing Committee against GM food crops

Sandhya Jain
appreciates Report of Parliamentary Standing Committee against GM food crops for its clear stand on GM food crops.

The Renuka Choudhury-led Department-related Parliamentary Standing Committee on Science & Technology, Environment & Forests dealt a major blow to the transgenic food crop lobby with its insistence that no genetically modified (GM) crop should be introduced in India unless the bio-safety, socio-economic desirability, and long term effects are evaluated by a participatory, independent and transparent process, with a retrieval and accountability regime.

In its 301st Report on "Genetically Modified Crops and its Impact on Environment", submitted to Parliament on 25 August 2017, the Committee said the Ministry of Environment, Forest & Climate Change must examine the impact of GM crops on the environment thoroughly, in consultation with concerned Government agencies, experts, environmentalists, civil society, and other stakeholders so that the nation understands all its probable impacts before taking a call in the matter.

Astonished that the Ministry's Genetic Engineering Approval Committee (GEAC) approved commercialisation of GM Mustard when the matter is pending before the Supreme Court of India, the Committee pointed out that GM Mustard is a herbicide-tolerant GMO (genetically modified organism) and there is clear evidence of adverse impacts of such GMOs across the world. Many State Governments oppose its entry even in the form of field trials, leave alone com-

mercial cultivation. Hence, the haste to commercialise GM crops is inexplicable.

The Ministries of Health & Family Welfare; Environment, Forests & Climate Change; and Departments of Biotechnology; Agricultural Research & Education; Animal Husbandry, Dairying & Fisheries; and civil society and subject experts deposed before the Committee.

GMOs are organisms (plants, animals or microorganisms) in which the genetic material (DNA) has been altered in a way that does not occur naturally by mating and/or natural recombination. In this technique, individual genes are transferred from one organism into another, even non-related species (recombinant DNA, rDNA). The offspring are called GM crops or transgenic plants.

Conventionally modified hybrid crops and organisms (cross breeding) are limited to exchanges between the same or very closely related species, and can take a long time to achieve the desired results. Genetic engineering facilitates specific and predictable changes in the transgenic plant, and crosses the species barrier to enable gene transfer across microorganisms, plants and animals. According to the Secretary, Ministry of Environment, Forest & Climate Change, India framed comprehensive bio-safety rules in 1989 ('Rules 1989'), and a proposal from the lab stage to the point of clearance takes at least ten years, if not more. However, a non-official witness informed the Standing Committee (5 January 2017) that the Review Committee on Genetic Manipulation (RCGM) is only a lab (institutional) committee that ensures the lab procedures. But the legal body to ensure that the designs for the lab work are appropriate is the role of Department of Biotechnology. When sued for ultra vires, the Department started to write guidelines. The Bt cotton trials, after the planting of 1998, "when we broke the case", they (developers) ran to RCGM which sent hand approvals to the people carrying out the trials. But it is not the competent body. Statutory approval on environmental safety and bio-safety in terms of a deliberate release into the environment can only be given by the GEAC.

Civil society representatives told the Committee that the existing regulatory mechanism is stringent only on paper and the regulation system depends upon data made available to the regulators by the technology developers.

The witness explained that anything in the environment is called a "deliberate release". Once it is out even in a small trial, one bee can pick up the pollen and contaminate. Even a one-by-one plot in the open environment will affect the soil; affect the pollinator. Hence all tests have to be done under contained conditions of green houses where one can find out what is happening to the soil, to the toxicity and health through lab research. The witness insisted that the developers /promoters are wrong to claim that they need to do open releases for research; not a single health safety test is done in the field. "It is done in the lab by feeding trials and they have done no human feeding trials and they have done no animal feeding trials".

Civil society representatives told the Committee that the existing regulatory mechanism is stringent only on paper and the regulation system depends upon data made available to the regulators by the technology developers. The Committee found this to be true, and urged the Central Government, in consultation with State Governments and Union Territories, to ensure that field trials are done in closed environment keeping bio-safety and health safety in mind and in collaboration with agricultural universities to minimise scope for fudging primary data.

Although GM crops were introduced in India in 2002 (Bt Cotton), the Government did not establish the desired protocols until 2011. Questions also arise about the criteria adopted by the Ministry for selection of the members of GEAC, and their credentials. Two of the top three GEAC posts are held by officials of the Ministry of Environment, Forest & Climate Change, and there is a conflict of interest in the appointment of some members. The Committee felt that the GEAC should be headed by an expert from the field of Biotechnology. Moreover, the GEAC should include members of civil society, representatives from States, especially where Bt

NGOs point out that the production output of GM crops reduces with successive generations of crops - productivity of third generation GM crops is much lower than first generation crops.

Cotton has been introduced, and the District Level Committee (DLC), one of the most important bodies to regulate GM crops at the ground level. The DLC should include Members of Parliament of that constituency so that its activity is shared with the public.

Globally, GM crops were introduced in 1996 over an area of 1.7 million hectares, which spread to 179.7 million ha. in 2015. Currently, only 6 countries continue to account for over 90% of all GM crop area (USA 40%, Brazil 23%, Argentina 14%, India 6%, Canada 6%, China 2%). Most developed countries, including most of Europe, Japan, Russia, Israel etc., do not grow GM, as there is increasing evidence of the lack of safety of GM crops and little or no benefits to justify the risks. Indeed, the Government of India would do well to study why these developed countries have rejected this technology.

Bt Cotton

Bt cotton, the only transgenic crop approved for cultivation in India, was introduced mainly for bollworm control. Cotton yields which stood at 189 kg lint per ha. in 2001, increased to 504 kg lint/ha. in 2015. Before the introduction of Bt cotton in 2001, about 13,176 tonnes of insecticides were used for cotton pest control in around 86 lakh hectares at 1.53 kg insecticide per ha. In 2013, insecticide usage was 0.96 kg/ha. at a total usage of 11,598 tonnes used in 127.5 lakh ha.

The Department of Agricultural Research & Education, Ministry of Agriculture & Farmers Welfare, claimed that there has been no report of adverse impact on health and environment due to Bt Cotton cultivation. It claimed that comprehensive bio-safety studies were carried out by ICAR institutions with Bt cotton to study its effects on lab animals such as rabbit, rat and guinea pigs, on broiler chickens (by Central Avian Research Institute, Izatnagar, Bareilly); on fish (by Central Institute of Fisheries Education, Mumbai), on Barbari goats (by Indian Veterinary Research Institute, Izatnagar), on tethering goats (by Central Institute for Cotton Research, Nagpur) on cows (by National Dairy Research Institute, Karnal) and large animals like cow and sheep (by Central Sheep & Wool Research Institute (ICAR), Avikanagar). Claiming that Bt Cotton farmers earned a gross return of Rs 36,831.05/ha., the Department claimed that cotton yields doubled with Bt cotton and that crop failures are not responsible for farmer suicides.

Members of civil society dismissed this rosy picture, saying that cotton production in India has risen mainly due to increase in area under cotton, increase in irrigation, fertile groundnut areas shifting to cotton, etc. The Parliamentary Standing Committee found that the data provided by government agencies mention only production and not average yield in area. In reality, India's cotton yields increased by 69% between 2000 and 2005, when Bt cotton was less than 6% of total cotton area, and by only 10% from 2005 to 2015 when Bt cotton grew to 94% of total cotton area.

NGOs point out that the production output of GM crops reduces with successive generations of crops - productivity of third generation GM crops is much lower than first generation crops. Hence, the long term benefits of GM crops are doubtful. According to a news item, at the Global Rajasthan Agri-Tech meeting, a Minister in the State Government of Rajasthan stated that Rajasthan already produces 28 to 30 quintals per ha. from normal seed whereas GM mustard reportedly produces only 16 quintal per ha. The oil content in their mustard was 40 to 42 per cent, which was the highest in the country.

Claims that GM technology will reduce dependence on chemical herbicides and pesticides were debunked by members of civil society who pointed out that use of insecticides for sucking pests has increased sharply in value and quantity because sucking pests replaced the bollworm menace when Bt cotton grew from 12% of total cotton area in 2012 to 95% of total cotton area in 2015. Maharashtra's annual consumption of pesticides (insecticides, weedicides and fungicides) has risen from 2800 lakh tonnes in 2002-03 to 11502 lakh tonnes in 2015-16, an increase of 311%.

The Committee has observed that farmers using GM seeds have lost sovereignty over the seeds as

they had to purchase seeds from seed companies every time, even if they were not getting fair price for their produce.

Environmental safety

The Standing Committee found that concerned government agencies have not conducted any study on the impact of Bt Cotton on the environment, bio-diversity, bio-safety, ecosystem, human and animal health. Witnesses informed the Committee that in response to an RTI query, the ICAR - Directorate of Rapeseed-Mustard Research (DRMR) revealed that no trials were conducted and that data received from the technology developer was passed to DRMR to pass on to the GEAC.

Gene flow and the potential of introduced genes to outcross to weedy relatives of crop plant have the potential to create new super weeds. The Department of Agricultural Research & Education, Min of Agri and Farmers Welfare, admitted that a herbicide-tolerant gene may escape through pollen into nearby farms and fields, to another GM or non-GM cultivars or to a wild and weedy relative.

The Committee found many instances of open air field trials of GM crops leading to contamination of non-GM crop. Cross pollination with non-GM could also be with related and wild species (not just intra-specie contamination), hence the possibility of a selection advantage being conferred on the new contaminated species. This could lead to erosion of native diversity and genetic purity. Contamination has an immediate regulatory implication for organic farmers as their organic status is withdrawn.

In the United States, farmers were faced with a tenacious species of glyphosate-resistant weed called Palmer amaranth, or pigweed, which grows three inches a day and can reach seven feet or more, choking out crops, and so sturdy that it can damage harvesting equipment. Hoping to kill the pest before it became that big, farmers began mixing herbicides into the soil. More than 50% of US farms surveyed for a study were infested with glyphosate resistant weeds in 2013. In southeastern USA, a reported 92% of cotton and soybean fields are infested with superweeds due to Roundup Ready HT crops.

GM contamination and creation of superweeds can destroy our traditional crops and organic farming. The Department of Agricultural Research & Education, Ministry of Agriculture and Farmers Welfare, accepted that an herbicide tolerant gene may escape through pollen into nearby farms and fields, to another GM or non-GM cultivars or to a wild and weedy relative. If GM crops are allowed in the midst of other indigenous farming, contamination cannot be stopped.

Regarding insect resistance to GM crops, the Ministry of Environment, Forest & Climate Change admitted that in long term, insects develop tolerance and cannot be managed. The officials submitted some resistance management strategies, which the Committee found impractical for small farms.

The Department of Agricultural Research & Education, Ministry of Agriculture and Farmers Welfare, admitted that commercialisation of transgenic crops may affect biodiversity and contaminate gene pools of endangered plant species, and many endangered plant species are threatened by habitat loss or hybridization with cultivated plants. The potential transfer of a transgene to local flora and its possible subsequent impact on specific plant species must be considered before commercial release of specific transgene.

Regarding concerns about GM genotypes becoming the dominant cultivars, the Ministry of Environment, Forest and Climate Change admitted that adoption of GM technology could result in one or a few GM genotypes becoming the dominant cultivars, leading to reduction of crop diversity in farmers' fields. The Ministry added that pest management traits embodied in currently commercialised GM crops have caused changes in the use of pesticides that may impact on biodiversity.

Noting the changes in pest and disease ecology, the Committee observed that insects are a vital part of agricultural, horticultural and forest ecosystems and ensure food security as pollinators and natural pest controllers. Heavy and continuous

Heavy and continuous exposure induces the target pest to develop resistance and several studies show how insect resistance to Bt crops have caused changes in pest & disease ecology.

exposure induces the target pest to develop resistance and several studies show how insect resistance to Bt crops have caused changes in pest and disease ecology.

In India's experience with Bt cotton, secondary pests became major pests. Bollgard I was released in 2002 and Bollgard II in 2006-07 when the pink bollworm showed resistance. However, white fly, mirid bugs and other pests in Bt cotton crop have led to increased use of chemical insecticides. After 15 years of Bt cotton cultivation and expansion to nearly 95% of the cotton cultivation area, India's pesticide use on cotton has only increased, and will have environmental impacts in terms of contamination of resources and impact on unintended organisms.

The Committee was astonished to learn that the Department of Health Research had not examined the impact of GM crops on human health, beyond narrating studies done in other countries growing GM crops.

The Committee felt that insect resistant GM crops are based on faulty pest management science, where a target pest is sought to be killed through use of an externally sprayed pesticide, or in-planta toxin production wherein if the target pest eats the Bt plant, it gets killed. This kind of pest management creates resistance through natural principles of evolution and mutations, which happened with pink bollworm.

The sudden, lab-based insertion of genes, often across species, triggers unpredictable environmental impacts at multiple levels. Currently 99% of GM crops are modified to express only two traits 'Herbicide Tolerance' and 'Insect Resistance or Pesticide Producing', both of which are major interventions in living agro-ecosystems, natural ecosystems and human diets. Bt crops continuously express a pesticide which can adversely affect non-target organisms like soil microbes, insects, birds or even mammals, while developing swift resistance in the target insect.

GM technology impacts microbes, soil and water. Bt toxin produced in genetically modified Bt Crops is present in every part of the plant; when parts that have not been harvested decompose, a considerable amount of the toxin could reach the soil. Herbicides also impact soil microorganisms, which are the foundation for agricultural and wild ecosystems, and affect water sources for all species, including humans.

GM crops impact unintended organisms including beneficial organisms like bees and butterflies. A former Secretary of the Department of Biotechnology, Government of India, told the Standing Committee that hardly any research or study on the impact of GM crops was funded by Department of Biotechnology; most research was supported by seed and insecticide companies which cannot be relied upon.

Impact on human health

The Department of Health Research (24 May 2017) submitted that GM products in the international market have all passed safety assessments conducted by national authorities, and so far, no serious health problem in humans has been shown as a result of the consumption of such foods by the general population in the countries where they have been approved. Several studies abroad were cited to support this contention. But the Committee pointed to studies showing that an allergen from a food known to be allergenic can be transferred into another food by genetic engineering (Nordlee et at, 1996), while a UK study to assess degradation of transgenic DNA from GM Soya and Maize in human intestinal simulations indicated that some transgenes in GM foods may survive passage through the small intestine (Martin-Orue, 2002).

Regarding scientific studies undertaken to assess the impact of GM food on human health, the Secretary, Department of Health Research, informed the Committee: "In terms of food, it would be very difficult to design a study where you tell one group of people that you have to take only this GM food and, then, you tell another group of people to not take that GM. Then, you have to follow them for many years. So, this type of study has not been done anywhere in the world. It has not been done in India also". He added that the Indian Council of Medical Research feels that this kind of test on human beings is not practical, and his Department has asked the World Health Organisation to

give them some collective evidence from the globe.

The Secretary revealed that the GEAC was preparing a study but it was aborted in 2016 and no further action was taken. The FSSAI, not wanting to duplicate the GEAC effort, moved towards making consumers aware of what they were eating through labelling, and formed a scientific panel for GMO in food. It recommended that labelling should be mandatory for any food product having GE ingredient 5 per cent or more. A decision in this regarded is awaited.

The Committee was astonished to learn that the Department of Health Research had not examined the impact of GM crops on human health, beyond narrating studies done in other countries growing GM crops. Nor has there been any in-house scientific study to study the impact of GM crops on human health.

So how did the Department of Health Research give approval for commercialisation of GM crops in India without thorough study? The Department did not even collaborate with any country growing GM crops for in-depth research. Moreover, only acute and sub-chronic studies have been done and chronic (long term) effects have not been studied on human health anywhere in the world.

Animal health

The Secretary, Department of Animal Husbandry, Dairying and Fisheries opined that although ICAR has undertaken feeding trials of Bt Cotton on Broiler chicken, Sheep (Lamb), Goats, Cross-bred multiparous cows karanswiss and Karanfresien (KS & KF) species, the trials were of short duration (one month to a maximum of four months). Hence, long term feeding trials in all species of livestock, including fish, are required.

The Committee was unimpressed by the duration and manner in which ICAR conducted its trials to study the impact of GM crops on animal health. The trials were conducted on a very small number of animals whereas they should have been conducted on a large number of animals and for at least 2 or 3 generations. The ICAR's methodology for conducting the trials was also questionable. The Standing Committee suggested that the Department of Animal Husbandry, Dairying and Fisheries prepare guidelines for the purpose and conduct trials under its supervision, to establish the veracity of the claims.

Even after 15 years of introduction of GM crop in India, the Department of Animal Husbandry, Dairying and Fisheries has not scientifically proved whether GM crops have any adverse impact on the health of an animal. Paradoxically, when the Department itself feels that long term feeding trials in all species of livestock, including fish, are necessary, how did it conclude that GM crop has no impact on animal health? These scientific studies are imperative.

Several extant several animal studies indicate serious health risks associated with GM food, including infertility, immune problems, accelerated aging, insulin regulation, and changes in major organs and the gastrointestinal system. The Committee has urged the Ministry of Environment, Forest & Climate Change in consultation with ICAR and the Department of Animal Husbandry, Dairying & Fisheries, to organise serious studies on these issues.

In conclusion, the Indian agricultural scientific establishment across the country has failed to conduct a single credible investigation over the past 15 years on the impact of GM crop on soil fertility, on animals feeding on crop residue, and on human beings on whom GM food crops are being sought to be unleashed with the force of a hurricane.

The Renuka Choudhury-led Department-related Parliamentary Standing Committee on Science & Technology, Environment & Forests has performed a sterling service to the nation, vindicating the concerns of thousands of farmers, independent scientists, and concerned citizens regarding this toxic technology that has already claimed the lives of over three lakh Indian farmers with just one crop – Bt Cotton. One shudders to think of the impact of multiple GM food crops growing simultaneously in our fields. ❑❑

The Indian agricultural scientific establishment across the country has failed to conduct a single credible investigation over the past 15 years on the impact of GM crop on soil fertility, on animals feeding on crop residue, and on human beings.

Top scientists have serious concerns about GM crops

It is really sad that one of our most eminent scientists Dr. Pushpa Bhargava has passed away at a time when very important issues raised by him were reaching a very critical stage. Dr. Pushpa M. Bhargava was the founder of the Centre for Cellular and Molecular Biology and in addition he was also the Vice Chairperson of the National Knowledge Commission. Many people's science movements looked upon him as their mentor. He had been appointed by the Supreme Court of India as an observer in the Genetic Engineering Appraisal Committee as he was widely perceived to be not only a very accomplished expert on this issue and that too of the highest integrity but in addition he was also seen on the basis of his past record as a very strong and persistent defender of public interest.

Therefore it is very useful and interesting to see what this very senior scientist with a comprehensive understanding of this issue had to say about GM crops. First of all he made a strong and clear effort to break the myth which had been created by relentless manipulation by the very powerful forces trying to spread GM crops In India. According to this myth most scientific research supports GM crops. While demolishing this myth Dr, Bhargava wrote, " There are over 500 research publications by scientists of indisputable integrity , who have no conflict of interest, that establish harmful effects of GM crops on human, animal and plant health, and on the environment and biodiversity. For example, a recent paper by Indian scientists showed that the Bt gene in both cotton and brinjal leads to inhibition of growth and development of the plant. On the other hand, virtually every paper supporting GM crops is by scientists who have a declared conflict of interest or whose credibility and integrity can be doubted."

Remembers Dr. Pushpa Bhargava for his contribution in creating awarness about GM among scientific community.
Bharat Dogra

Elsewhere in this article he commented, " The central government departments that have been acting as peddlers of GM technology-probably in collusion with MNCs marketing GM seeds—have shown little respect for law."

In a review of recent trends titled 'Food Without Choice' (Tribune) Prof. Pushpa M. Bhargava (who was nominated by the Supreme Court of India in the Genetic Engineering Approval Committee to protect safety concerns), internationally acclaimed authority on this subject, drew pointed attention to the " attempt by a small but powerful minority to propagate genetically modified (GM) crops to serve their interests and those of multinational corporations (MNCs) (read the US), the bureaucracy, the political setup and a few unprincipled and unethical scientists and technologists who can be used as tools." Further he has warned, "The ultimate goal of this attempt in India of which the leader is Monsanto, is to obtain control over Indian agriculture and thus food production. With 60 per cent of our population engaged in agriculture and living in villages, this would essentially mean not only a control over our food security but also over our farmer security, agricultural security and security of the rural sector."

The strong stand of Dr. Bhargava against GM crops is supported by other eminent scientists in various parts of world. A group of eminent scientists organized under the Independent Science Panel have stated in very clear terms, "GM crops have failed to deliver the promised benefits and are posing escalating problems on the farm. Transgenic contamination is now widely acknowledged to be unavoidable, and hence **there can be no co-existence of GM and non-GM agriculture**. Most important of all, GM crops have not been proven safe. On the contrary, sufficient evidence has emerged to raise serious safety concerns, that if ignored could result in irreversible damage to health and the environment. **GM crops should be firmly rejected now.**"

The Independent Science Panel (ISP) is a panel of scientists from many disciplines and countries, committed to the promotion of science for the public good. In a document titled 'The case for a GMO-free Sustainable World' the ISP has stated further, "By far the most insidious dangers of genetic engineering are inherent to the process itself, which greatly enhances the scope and probability of horizontal gene transfer and recombination, the main route to creating viruses and bacteria that cause disease epidemics. This was highlighted, in 2001, by the 'accidental' creation of a killer mouse virus in the course of an apparently innocent genetic engineering experiment. Newer techniques, such as DNA shuffling, are allowing geneticists to create in a matter of minutes in the laboratory millions of recombinant viruses that have never existed in billions of years of evolution. Disease-causing viruses and bacteria and their genetic material are the predominant materials and tools for genetic engineering, as much as for the intentional creation of bio-weapons."

The strong stand of Dr. Bhargava against GM crops is supported by other eminent scientists in various parts of world

In 1994 several scientists involved in studying the implications and impacts of genetic engineering got together at the International Conference on 'Redefining of Life Sciences' organised at Penang, Malaysia, by the Third World Network. They issued a statement (the Penang Statement, or PS) which questioned the scientific basis of genetic engineering. This statement said :

"The new biotechnology based upon genetic engineering makes the assumption that each specific feature of an organism is encoded in one or a few specific, stable genes, so that the transfer of these genes results in the transfer of a discrete feature. This extreme form of genetic reductionism has already been rejected by the majority of biologists and many other members of the intellectual community because it fails to take into account the complex interactions between genes and their cellular, extracellular and external environments that are involved in the development of all traits.

"It has thus been impossible to predict the consequences of transferring a gene from one type of organism to another in a significant number of cases. The limited ability to transfer identifiable molecular characteristics between organisms through genetic engineering does not constitute the demonstration of any comprehensive or reliable system for predicting all the significant effects of transposing genes." ❑❑

Expectations From NITI Aayog

A few weeks ago, Vice-chairman of NIT I (National Institution for Trans forming India) Aayog sent his resignation to Prime Minister, Narendra Modi citing reason for not getting extension of leave from his employer Columbia University, where he had been serving as Professor. Government has appointed Prof. Rajiv Kumar (Economist) in his place. Along with Prof. Rajiv Kumar, Dr. Vinod Paul, who is serving at All India Institute of Medical Sciences (AIIMS) has also been nominated as member NITI Aayog. Media reports suggest that Arvind Panagariya has perhaps resigned due to 'criticisms' coming from Swadeshi Jagran Manch and Bhartiya Mazdoor Sangh, both organizations affiliated with RSS, This is also being said that nobody from government has come to his rescue amidst these criticisms.

Why NITI Aayog?

NITI Aayog came into existence on January 1st, 2015. Prime Minister Narendra Modi made announcement to this effect that a new system would be set in place replacing erstwhile Planning Commission. While NITI Aayog was being constituted, Prime Minister had said that while working as Chief Minister of Gujarat, he realised that States always had to approach Planning Commission with begging bowl. Centre makes policies and programmes, which states have to follow, whether they want them or not. Therefore there was a need to have co-operative federalism. 'One Size Fits All' approach is no good; therefore programmes have to be tailor made for states. There is need to have 'Bottom to Top' approach in place of 'Top to Bottom'. Therefore NITI Aayog was seen as an instrument of states' empowerment. NITI Aayog was devoid of power to allocate funds, which Planning Commission possessed. NITI Aayog was considered not as a power centre, but as a 'Think Tank'.

We need an approach to development, where small scale and cottage industries get attention keeping corporate interests at bay, where fanners get remunerative prices for their produce, where employment generation gets priority along with GDP growth, says **Dr. Ashwani Mahajan**

Natural expectation from the NITI Aayog was that along with GDP growth it would on other challenges faced by the nation namely, poverty, unemployment, deprivation, inflation etc; Programmes would be chalked out to meet these challenges, after consulting the states, based on the principle of co-operative federalism. Since, NITI Aayog was envisaged as a Think Tank, it was naturally expected that NITI Aayog would be working with open mind, and not under any pressure. Policies and programmes would be made according to the needs and conditions of the states. However, we find that NITI Aayog despite being equipped with huge workforce of statisticians, officers and experts, failed to make a solid policy document, even to make a start in this regard. Even about long pending issue of finding a suitable definition of poverty it could not make any headway.

Corporate Influence

Instead of finding solution to the long standing challenges of poverty, unemployment and deprivations, NITI Aayog's attention has been mainly on the issues which were connected with interests of the big corporate, including MNCs. Issues rouging from giving permission to GM crops to dismantling of price control mechanism for pharma prices (so that interests of Pharma companies are not hurt), attracted the attention of the NITI Aayog. It didn't even hesitate to hire international consultancy firms, to take forward corporate interests.

Expectations from NITI Aayog

Declared objectives and structure of NITI Aayog are really appreciable. As we understand that in present days, we have bid farewell to the planning and role of private sector has increased enormously. Therefore need was being felt that there would be a think-tank guiding the government free from the responsibility of allocating resources. Even Ex-Prime Minister Dr. Manmohan Singh had also indicated the need for this shift from Planning Commission. However, the issue of ulmost importance is about the choice of people to spearhead this task. Government has done away with making of policies by inviting economists from abroad (may be of Indian origin). After Arvind Pangariya's resignation, government decided to appoint an Indian economist to lead the NITI Aayog. Minimum expectation from the vice chairman and members of NITI Aayog is that they would understand the problems of this country closely. Need of the hour is to have an inclusive development and not just corporate based, GDP growth.

Inclusive development means development where farmers get remunerative prices for their produce, workers get due share in the production, health and education are easily and appropriately available to the masses and incomes are more or less equally distributed. Our youth gets employment and farms get irrigation facility. A criterion of development is not development of big cities only; rural development gets equal attention. For this, minimum requirement is that people sitting in NITI Aayog are sensitive to the problems of farmers, workers, unemployed and deprived.

In this context, it would be appropriate to state that there are two schools of thought about development in the world. One is represented by Prof. Jagdish Bhagwati - Arvind Panagariya combine and the other by Prof. Amartya Sen. First approach states that we should merely concentrate on GDP growth. If we have high rate of growth of GDP, benefits of the same, would automatically accrue to the poor and deprived. According to this approach the only way to reach high rate of growth of GDP is globalisation and free trade. According to the other approach, represented by Prof. Amratya Sen, though free trade and globalisation is the only possibility, however, it leads to inequalities and poor are not able to fulfill their basic needs. Therefore, to overcome their problems, poor are needed to be provided with food security, employment guarantee, and health facilities etc. If we look deeply, both these approaches are not appropriate for a country like India. Both approaches have corporate interests in focus. Both do not talk of employment generation and talk about job-less growth. Poor are left in lurch in Bhagwati - Panagariya's approach and on government's mercy in A.K. Sen's approach.

Away from these two approaches, there is an imperative of a third approach. An approach, where small scale and cottage industries get attention keeping corporate interests at bay, where fanners get remunerative prices for their produce, where employment generation gets priority along with GDP growth. Everybody has a fair chance to be employed and earn livelihood, so that he/she is not left to look upon government for fulfillment of basic needs, including food, shelter, education and health. ❑❑

Industry Consortiums to Invigorate Domestic Manufacturing

Need to Promote Made by India Products and Brands

Indian manufacturing is getting reducing as a host of assembly lines for the foreign brands. We cannot flourish in manufacturing and innovations, unless we rollout Made by Bharat products and brands. India has less then 3 percent share in the world's nominal GDP based upon exchange and mere 2.05% share in the world manufacturing, inspite of a 17.8 percent share in the world population. China too had only 2.4% share in world manufacturing in 1981. But, today it has a 22.5 percent share in the world manufacturing and has thereby pushed the US to second position with 17.2% share in world manufacturing. Moreover, of late, in the post reforms period India has even been experiencing deindustrialization, on account of liberal imports and growing foreign direct investments (FDI). Most of the foreign MNCs, which have brought FDI into India have mostly been bringing their components or completely knocked down (CKD) kits from outside and are merely assembling their products into the country. So, the real manufacturing, including manufacturing of the original equipments has been going down, ever since the onset of the economic reforms in 1990s. Besides, the Indian brands and indigenously manufactured products are also fast losing their market share, and many of these are turning to be extinct. They are being replaced by the Chinese or other foreign brands. More than two-thirds of the manufacturing in most of the sectors in India has gone under foreign ownership and control in last 26 years of economic reforms which was largely under Indian ownership and control, before the reforms. Even, many of the Indian brands too have Chinese or other imported components or even sometimes the Indian brands

There is a need to promote 'made by India' by industry consortium on lines of other countries including US, says **Prof. Bhagwati Prakash Sharma**

too are assembled outside India, mostly in China, and merely bear the tags of Indian brands. Besides, on account of dumping of cheap products by China, Industry and industrial cluster after cluster are turning sick and facing closures at a large scale. The worse target of cheap dumping are the tiny and small scale industries, ranging from toys, cycle and cycle parts glass products, leather products furniture to electricals and so on. Therefore, there is an urgent need of pursuing the strategy to our manufacturing technology and promote 'Made by India' products and brands. In several major sectors of economy. India has only a miniscule share in manufacturing. For example, in world ship-building, share of India is just 0.01%. While South Korea, which has 5% of our area and 5% population has 26% share in world ship-building, inspite of the fact that India is 4th largest steel producer in the world with a large pool of skilled manpower. To the contrary, wherever the industry is provided an enabling environment by the government, it had done well. For instance, in case of pharma sector, by virtue of an enabling patents regime provided since 1970 onwards till 2005, the Indian pharmaceuticals sector has become capable to contribute almost 10% by volume, in the world pharma manufacturing and now provides affordable medicines world over. Thereby, India is also called the pharmacy of the world. But, now this sector is also on rapid decline on account of changes made in the patent laws of India, since 2005 to comply with the agreement on TRIPS of the World Trade Organization (WTO). So, today, India can grow only if indigenous industry flourishes. This requires to promote domestically owned enterprises. For this the domestically owned enterprises have to enhance their technology, quality and bring economy in their operation.

Most of the industrialized countries have promoted industry-level pre-competitive cooperative researches by sharing the cost of developing latest state of the art technologies for a host of industries

Industry Consortia can Promote Manufacturing Ecosystem

For this India needs to adopt consortium approach to move fast on the path to upgrade and develop technologies across the manufacturing value chains in different sectors, needed to make Indian manufacturing and services economical and competitive world over and attain an edge over the foreign products and services. The industry consortiums approach, already having firm footing in Euro-American and other industrialized countries can only place Indian manufacturing in the front rank, worldwide by virtue of their time tested capability to develop affordable technologies at the least cost. The major industry clusters if transformed into consortiums and consortium development in stepped up across the country, horizontally as well as vertically for most of the sectors this can only help the country to overtake other the industrialized countries including China.

Industrial Research is a high cost prerogative and most of the industrialized countries have promoted industry-level pre-competitive cooperative researches by sharing the cost of developing latest state of the art technologies for a host of industries with liberal financial support from government via 3 cooperative routes. The 3 common cooperatives routes have been: (i) Initiating formation of industry specific consortia for technical and market research and liberal state funding of these consortia. (ii) Facilitating formation of Technology Development Cooperative Association and state funding of these. (iii) Facilitating, recognizing and supporting Technology Development Cooperation Agreements among 2 or more companies as well as by industry level agreements. The United States has enacted the Cooperative Research Act, as early as in 1984 to develop Industry Consortiums for collective industry level efforts in R&D and market researches with government support. Even the Airbus corporation was initially developed as an industry consortium of aerospace component manufacturers of Europe to launch a high-end civilian aircraft in competition with the Boeing of the U.S. This Airbus Consortium i.e. "association of Aerospace component manufacturers" from across the Europe, then developed and launched high-end civilian aircrafts under the brand of Airbus Industries consortium. The same Airbus consortium has been converted into Airbus Corporation much lat-

er. All the consortium members, who were aerospace component makers became shareholder into the corporation made from consortium.

In US, Europe, Japan, South Korea, Taiwan etc. there are several hundred industry consortia, both vertical as well as horizontal, which are liberally supported by their respective governments for pre-competitive research, technology development, market research and brand promotion. In US, there are more than 1200 consortia for the industries ranging from Photonics, Automobiles, Telecom, IT, Pharma, Energy, Agrochemicals, Biotechnology and so on. Most of which are funded by the government from 70% to 90%. The rest is contributed by the individual corporate units, member of the industry consortium concerned. Most of the advanced Researches on each industry segment are being conducted by the industry consortium concerned. Through such researches being conducted by the Industry consortia, the U.S. and other countries are powering the development of advanced technology for having an edge over other countries. India can take an edge over the whole world in technology development through consortium approach.

A consortium is an association of two or more individuals, firms companies, associations, universities, organizations or govts with the objective of participating in a common activity or pooling their resources for achieving a common goal, especially for group of industrial enterprises either for developing a new technology or cultivate a market or similar other objective.

Concept: A consortium is an association of two or more individuals, firms companies, associations, universities, organizations or governments (or any combination of these entities) with the objective of participating in a common activity or pooling their resources for achieving a common goal, especially for group of industrial enterprises either for developing a new technology or cultivate a market or similar other objective. Generally an industry consortium engages in pre-competitive research at industry level. But there may be other types of consortia also. Mostly, in a majority of countries consortium is a co-operative research effort among business firms, governments and universities to help the participating companies or firms to attain and maintain leadership or gain a competitive edge over their international competitors in a particular industry. A technology consortium is a stronger alliance than a trade association with well defined roles, yet more loosely coupled than some other forms of joint ventures. A technology consortium may consist of direct competitors or complementary firms in a value chain. Normally an R&D consortium often has lower equity and other inputs from each member than is the case in other alliances, or in shared production facilites.

Benefits: Mostly, the industrialised countries also emphasize over various advantages of consortia such as minimizing the cost of developing new technologies by reducing unnecessary duplication of research efforts, sharing the risks of undertaking R&D, getting immediate access to new technologies, new markets and cheap production sources, and making otherwise big and complex research projects possible.

Government, academia & industry Cooperation Platform: In most of the cases the consortia are a shared platform inter se the industry i.e. group of units operating in a particular sector, the government and one or more universities or technical institutes, having the common goal of developing new technologies crucial for the participating industry. Sometimes the government does not participate directly. It may be through some government agency or the government can give a direct grant for the R&D and technology development.

Such consortiums are found in all industrialised countries. The Institute for Food Safety and Health is a consortium consisting of the Illinois Institute of Technology, the Food and Drug Administration's Center for Food Safety and Applied Nutrition, and members of the food industry. Some of the work done at the institute includes, "assessment and validation of new and novel food safety and preservation technologies, processing and packaging systems, microbiological and chemical

methods, health promoting food components, and risk management strategies.

Consortia in US: In the United States, technology consortia, mostly horizontal, have rapidly grown after 1984, when the Congress implemented the National Cooperative Research Act (NCRA). This law allows American firms in the same industry to establish consortia that conduct precompetitive R&D. In the United States, however, the formation of industry specific R&D consortia was earlier hindered by antitrust laws that penalized cooperation among competitors until the US Congress passed the National Cooperative Research Act of 1984 (NCRA). In 1993 the NCRA was amended to include cooperative production and redesignated the National Cooperative Research and Production Act of 1993 (NCRPA). These legislative acts reflected a new technology policy to facilitate cooperative research with sharing costs aimed at reducing risk for individual companies. Governments often liberally extend financial grants for the commercialization of new technologies crucial for any industry to grow and compete globally.

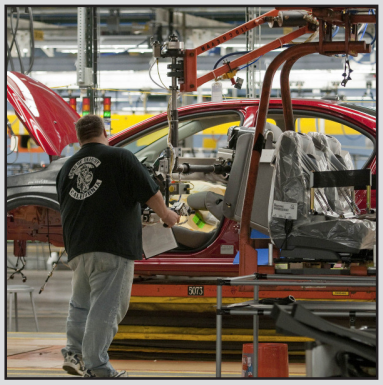
Research and development consortia in the US are required by the NCRPA to register with the U.S. Department of Justice, which recorded more than 600 new consortia from 1985 to 1996. While the NCRPA does not provide exemption from antitrust laws, it limits the damages that may be assessed if an antitrust violation occurs. Where antitrust laws provide for triple damages to be assessed, the NCRPA limits liability to single damages. In addition, any alleged antitrust violations would be judged under a rule of reason standard, rather than assuming they were illegal per se. In the years since NCRA was passed, no antitrust proceedings have been brought against registered consortia.

Under the NCRA, firms within an industry may form consortia to conduct "precompetitive" research. Precompetitive research is research that is considered generic to the development of multiple products of basic and primary value to all participants. By forming R&D consortia, manufacturing firms can avoid duplicating basic research tasks and share the results more cost effectively. As a result they are able to compete more effectively in the global marketplace.

After the implementation of the NCRA, technology consortia have increased substantially in the United States. There are now about 350 technology consortia involving about 1500 American and 50 foreign firms. As indicated above, they predominate in high-tech industries. The Microelectronics and Computer Technology Corporation (MCC), the Semiconductor Research Corporation (SRC) and the Software Productivity Consortium (SPC) are examples of cooperative research ventures that involve companies in similar markets.

Common Features of Industry or Technology Consortia in the US are :

- More than 80% consortia are initiated by the private sector in the United States. Less than 20% consortia are found to have been initiated by the government. But, government gives liberal grant to most of the consortia.
- The Primary goal of most consortia precompetitive research is to conduct on an ongoing basis, and the secondary goal is product development.
- Eighty percent of U.S. consortia have less than 100 members.
- The funding for technology consortia is mostly provided by government-industry shared programs. Less than 25% consortia are funded solely by the private sector i.e. member units of the industry.



More than 80% consortia are initiated by the private sector in the United States. Less than 20% consortia are found to have been initiated by the government.

Technology Development Cooperative Association - An alternative: Such associations can be created for a variety of sectors with pre-defined contribution and pattern of sharing the benefits. Or the benefits of co developed technology can be accessed, availed and commercially exploited by all equitably.

[Continue in Next Issue...]

SEBI and SHELL companies in India

The Securities and Exchange Board of India has issued an 'extraordinary' direction on 7th august evening to stock exchanges to effectively freeze trading in 331 suspected "shell" companies. What this means is that the securities in this group will be allowed to trade only on first Monday of every month on a trade-to-trade basis and with 200% margin from buyer, which will be retained with the exchange for a period of five months. Moreover, the upside move has been capped to previously traded price. The promoters and directors of these companies shall not be allowed to transact in these securities, except buy them, unless credentials/fundamentals of the company are verified by the exchange. For the verification, an independent auditor will be appointed to audit and, if necessary, a forensic audit too might be done. After verification, if the exchange does not find appropriate credential/fundamentals of these companies, they will be delisted.

The markets regulator issued a second communique to the exchanges, asking them to look at the tax returns and financials of the companies for the past three years. Exchanges were directed to seek documents from the companies and hear them out.

"If the verification does not throw up red flags, exchanges will report the same to SEBI. If the financials throw up concerns, then the companies will undergo an audit and other steps mentioned in 7 August circular," said a source in SEBI to press.

SEBI second circular came, after some of the 331 companies—162 of which were actively traded and 169 had already been suspended—protested against the regulator's move, pointing to their operating and dividend-paying track record.

Attack on Shell companies in an attack on tax evasion, says
Prof. R. Vaidyanathan

The National Stock Exchange said it has started collecting information about the 48 firms that are listed on its platform, out of the 331 suspected shell companies referred by markets regulator Sebi. The leading bourse would report to the SEBI about the 48 companies after collecting the information. Out of the 48 firms, ten entities had already been suspended before the SEBI's directive.

Also some market participants expressed concern about outsourcing of "forensic audit" by exchanges. As expected some of the companies have approached Securities Appellate tribunal [SAT]. It had provided relief to some eight companies. The ground was that SEBI passed its impugned order without investigation. Shares of both J Kumar and Prakash—part of the banned companies but later given relief by SAT– hit the 20 per cent lower circuit in the week ending Friday's trade. Interestingly some of these shell companies have Goldman Sachs, BNP Paribas, Black Rock Global Funds, Fidelity securities etc. as shareholders.

This move has generated lot of criticisms from market participants. Under Indian laws shell companies are not well defined. This move by SEBI is not against the so called thick shell outside–core empty type of companies–London and New York are familiar.

In the western markets a shell company is one that is listed on an exchange but doesn't really have any activities other than that listing. No, substantial at least, business exists inside the corporate wrapping of listing. It is possible for a company which wishes to become a listed company to reverse into that shell. It's a well-known, well understood and rather regulated process.

But the action in India it seems is to curb tax evasion and money laundering.

Prime Minister in his Independence Day address on 15th August mentioned the following.

"Data mining has showed that 3 lakh companies were shell companies and during the last one year, the government's anti-corruption steps led to the closure of 1.75 lakh shell companies, which were run by black money operators There have been instances where 400 shell companies where running from a single location. Eighteen lakh people have been identified where their assets are more than their known source of income. Of this 4.50 lakh people have accepted their fault. Interestingly, 1 lakh had never heard about income tax".

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Demonetization of Rs500 and Rs1000 notes were done in November 2016 and this step against Shell companies seems to be continuation of that effort. He also mentioned that Rs3 trillion has come back to the banks after demonetization. More than Rs1.75 trillion under scrutiny; and estimated Rs2 trillion in black money has reached banks.

At the time of writing—RBI has not released the exact information on the returned notes post-demonetization—One can use PM's suggested estimates.

Reports suggest that Investigation agencies have specially identified more than 13000 shell companies post demonetization. The Income Tax Department, Enforcement Directorate, the Central Bureau of Investigation and the Serious Fraud of Investigation Office had sent their individual lists to the Financial Intelligence Unit (FIU) which had compiled them. It seems that this list was made before SEBI's ban halting trading in 331 'shell companies'.

As many as 145 out of Sebi's list of 331 shell companies are registered in Kolkata, a city which has historically been the 'Mecca of parallel banking'. Hence this is not the shell companies known in the west.

This list of companies was apparently forwarded to SEBI by the Ministry of Corporate Affairs (MCA) almost 2 months back, which, in turn, drew the list based on inputs from the income-tax department, the Serious Fraud Investigation Office (SFIO) and other agencies

One thing is clear. Current Government seems to be serious in dealing with tax evasion and money laundering using "dummy" companies and plans to clean up the market.

Hence Demonetization followed by Benami Holding Act followed by attack on "shell" Companies. All directed in tackling tax evasion and black money. One can expect strong action on the illicit money kept abroad as next step. ❑❑

India China Relations after Doklam

India and China both are civilizational states. However, despite the sincere desire from both the leadership and series of high level engagements between India and China bilateral relationship seems more likely leading towards downturn and difference of opinion over key issues like terrorism, rising bilateral trade deficit, India's membership in NSG (Nuclear Supply Group), China's admission of 'One India' policy, freedom of navigation in South China Sea (SCS) and much recent standoff at the border. Given the case when both the states suffer from 'trust deficit' due to long pending unresolved boundary dispute. In the given scenario the peaceful resolution of Doklam standoff between both which lasted for more than two months is a welcome development.

In the case of Doklam, Chinese side seems reluctant to endorse the notion of 'mutual win-win', which they are fond of using in their diplomatic engagements and announcements. Certainly for some sections in China, the 'mutual disengagement' seems to be a less acceptable solution, given their initial instance on 'unilateral with drawl' by India towards any step for resolving Doklam issue. The state controlled Chinese media and the propaganda wing of the People's Liberation Army (PLA) played a significant role in drumming up the war hysteria. However, despite all this diplomacy wins over the dispute.

The end of Doklam standoff comes as a diplomatic win for both the countries, and goes as a 'historic feat' in terms of foreign policy management of the present government led by Prime Minister Narendra Modi. This also brings in as a learning experience for both the states, bestowing mutual 'faith in diplomacy' for management of such disputes. It also adds to India's stature as a responsible

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Abhishek Pratap Singh

'status quo power' with high stakes in diplomacy rather conflict.

If we make a careful assessment of Doklam issue one can see the larger play geo-politics and regional security. To the very first question why Doklam happened at this time? According to Chinese sources, China's road construction activity in Doklam is part of the Chinese Western Theater Command's efforts to improve infrastructure in the region, and not specifically aimed at India. However, India was afraid the completion of the Chinese road would change its military advantage in the Sikkim Himalayas sector of the border, as pointed out by India's ministry of external affaris on June 30, 2017. The MEA had said "such construction would represent a significant change of status quo with serious security implications for India."

One can also sense the timing of incident and objectives. The dispute took over during the time of PM Modi's visit to United Sates (US), and its efforts to build greater synergy and ties between India and US. Notably India's active diplomacy in terms of expanding 'global outreach' and influence might also be the Chinese source of unease for India. However, despite this 'strategic context' the problem lies with China's belligerence to accept the 2012 agreement, which had called for adherence to status quo on the Doklam issues. The "security implications" are serious as Chinese construction activity usually precedes a strong claim on the territory.

Despite the end of standoff many questions still needs to be answered. In the near future post Doklam, it is less likely that India China border will remain peaceful at large. Over the years, both the countries have managed to maintain 'peace and tranquility' under certain mechanism at the border. But the Doklam incident has caused serious rethinking in terms of approaches to bilateral relations. In the backdrop, there have been more points of contestation between both the states rather convergence on issues. The 'strategic hostility' and uneasiness between both is much visible despite efforts to build confidence between both.

Given this situation, post Doklam both the countries must strive towards greater confidence building and trust in bilateral relations. India under Modi government agreed to develop "a closer developmental partnership" that will be a 'core competent' of their relations. As envisioned, the idea of 'Asian century' under Modi's regime was to be build based on 'peer partnership and equity' with China. The new policy shift notes pragmatic policy consideration for Indian interests and must not be viewed by China in terms of any hostility. China must understand to accept the rise of aspirational India in terms of acceptance and support. The mutual efforts must be put together to identify 'sectoral engagements' between both in terms of greater cooperation and engagement. This will facilitate to address the problem of 'high trade deficit' in bilateral economic relation, which is also bone of contention between both.

In the near future post Doklam, it is less likely that India China border will remain peaceful at large.

Similarly, both countries must try to build more clarity and agreement on issues like One India policy, global terrorism, and UNSC reforms, strengthening multilateralism under BRICS and India's membership in NSG. The re-opening of Kailash yatra via Nathu la could be another possible alternative step to boast bilateral relations between India and China. In the interest of setting a "multipolar world order", China and India would think alike in a diverse multilateral context, which in turn would enhance their bilateral relations as 'Asian Powers'. India China relations have multi-faceted dimensions. It would be futile to understand bilateral relations only through the lens of security. Given the 'power gap' between both more developmental exchanges in areas of 'relative comparative advantage' must be identified in bringing depth and vitality to India-China ties.

The claim of being civilizational states is not just convincing alone, and becomes even futile given the desire to behave as an empire state. No doubt there are deep-rooted fundamental problems and perception in mutual relations. However, the future seems less likely to ignore the fact that despite hostilities both India and China have no better choice to escape in living together as direct neighbors. ❑❑

Shady dictats, speed mania cause rail accidents; Funds not cultprit,

Wisdom of operation staff can save lives, money

Two accidents occur, about 30 die, railway board chief resigns, Air India chief replaces him, railway minister offers to quit. These are the quick successive developments in the last week of August. Would these improve the lot on Indian railways? Theoretically it may but practically it is difficult. All of them are only technically responsible. None of them in reality run the organisation, except conceptually. So if any improvement takes place with the changes it would only be accidental. The trains are managed and run on the tracks by people at control, other operational staff, including station and assistant station masters (ASM), and the crucial gangmen, who are the hands, eyes and ears of railway safety. The human errors that often are blamed happen at these lower levels.

Are they inefficient? Absolutely not. The operational staff in the traffic, ASMs and the staff below them is the most efficient. They are kingpin of the railway safety. It is for them that over 95 percent of the trains across 17 zones and running track over a route of 66,687 km and a total track of 119,630 km with 7216 stations, run almost to around 95 percent accuracy. It is the world's biggest rail network. The leaders at the top matter marginally. The unsung heroes bear the brunt of punishment but are rarely appreciated.

The Utkal-Kalinga express accident at Khatauli apparently happened as the railway operational staff w as put under pressure through dictats to run trains at high speed and ignoring basics of safety. It is unheard of that when the track main-

Incidence of derailment is on rise and needs to be tackled urgently.
Shivaji Sarkar

tenance staff demands a 15-minute block – stoppage of traffic – the control unwisely refuses it.

On an average, as per railway estimates one unscheduled stoppage of a train has a minimum cost of less than Rs 100. So in a block if there are 50 trains, it would technically cost about Rs 5000 but it would have saved precious lives, infrastructure, and the huge cost of restoration of the track and traffic.

The enquiry is not about the human lapse to find out why this block was refused and a train at a speed of 100km was allowed to pass through virtually un-mended track but to spot the responsibility on who or what circulars of Railway Board or member, Traffic led to such disastrous consequence.

The gangmen are experienced people, they use such *jugaad* - putting a small rail piece to cover broken portions often but that is for just passing a train at dead speed. At Khatauli, this was used to pass a train at high speed. Surprisingly even the station master, responsible for clearing the green signal, and others were not aware of this maintenance. That also calls for probe.

No less surprising was the accident next day of the Azamgarh-Delhi Kaifiyat express hitting an overturned dumper that was carrying material for building a new rail track. The lapses here too are obvious. How on such a busy track, almost a train following another in 90 seconds, a vehicle was allowed to cross the track without basic safety procedures and information to control and the nearest stations? People at top level are usually not aware of such manouevres. This, however, speaks volumes how the railways are compromising with the safety continuously.

This is more surprising after the most disastrous tragedy of Patna-Indore express derailment in Kanpur Dehat killing 147 and injuring 180 and 12 other notable accidents through 2016.

The 2017-18 budget has proposed a Rs 1 lakh crore corpus for a railway safety fund. The allocation for infrastructure stands at a record level Rs 3,96,135 crore in 2017-18, Rs 38,000 crore more than the previous budget. Finance Minister Arun Jaitley says infrastructure is the thrust area of the government for efficiency, productivity and quality of life.

The approach is fine. But the improvements that the system is looking for require minimum investment and improving coordination. Often it is said that the gangmen are illiterate. But recent experiences of the railways reveal that they have one of the finest skills in detecting flaws including rail fractures. Recently when railways recruited some people with high qualification, including MBA, it was found such educated staff lack the devotion the class eight pass, the minimum qualification, gangmen have. The educated ones do not patrol the track and prefers to while away their time at level crossing sheds.

The derailments are increasing as per railway data. In 2015, there were 82 derailments etc caused by staff failure, in 2016 it was 55 and 2014 it was 49. On an average it can be said to be around 50 a year.

One reason is stated to be the inadequate number of gangmen and their long working hours often because of lack of replacement due to shortage of staff. Yes, the railways need to put more people at this level to maintain tracks. It is often now being compromised. They are the least paid but have the highest value for safety of operations. So saving on this crucial component is penny wise.

Former additional member safety of railway board, Kamlesh Gupta after the 2016 Indore-Patna train tragedy commented that the accident was due to rail fractures, that is very difficult to detect.

Another reason for high casualty is stated to be the Integral Coach factory (ICF) coaches, which said to pile up on collision as in the Khatauli accident. The Anil Kakodkar committee suggested stainless steel Linke Hoffman Busch (LHB) coaches, which have more efficient shock absorption capacity.

The railways have always been crying of lack of finances. But recent figures show that railways earn more, over 60 percent from cancellation and dynamic fare structure. It means they earn for not giving any service and playing on psyche of shortage of berths.

The operating ratio of IR was high, at 93.6 per cent in 2013-14. There was a spike in 2009-10, from 75.9 per cent to 95.3 per cent, due to the Sixth Pay Commission. Staff costs comprise 54.5 per cent of the total expenses. There is something fundamentally wrong in railway accounting. The fare in many cases equal or surpass the air fare.

Railways need to revamp its internal mechanism, appoint more people at the track operation level, increase coordination to keep the tracks safe. Funds are needed but it is not the culprit for most of the rail accidents. ❑❑

From Seeds of Suicide to Seeds of Hope:

Why Are Indian Farmers Committing Suicide and How Can We Stop This Tragedy?

As more than 2 lakh farmers have committed suicide so far, there is a need to save them from rigged farm prices, asserts **Dr. Vandana Shiva**

In a land where reincarnation is a commonly held belief, where the balance sheet of life is sorted out over lifetimes, where resilience and recovery has been the characteristic of the "kisan," the peasant cultivation, why are Indian farmers committing suicide on a mass scale? 200,000 farmers have ended their lives since 1997. Farmers' suicides are the most tragic and dramatic symptom of the crisis of survival faced by Indian peasants. Rapid increase in indebtedness is at the root of farmers' taking their lives. Debt is a reflection of a negative economy. Two factors have transformed agriculture from a positive economy into a negative economy for peasants: the rising of costs of production and the falling prices of farm commodities. Both these factors are rooted in the policies of trade liberalization and corporate globalization.

In 1998, the World Bank's structural adjustment policies forced India to open up its seed sector to global corporations like Cargill, Monsanto and Syngenta. The global corporations changed the input economy overnight. Farm saved seeds were replaced by corporate seeds, which need fertilizers and pesticides and cannot be saved. Corporations prevent seed savings through patents and by engineering seeds with non-renewable traits. As a result, poor peasants have to buy

new seeds for every planting season and what was traditionally a free resource, available by putting aside a small portion of the crop, becomes a commodity. This new expense increases poverty and leads to indebtness.

The shift from saved seed to corporate monopoly of the seed supply also represents a shift from biodiversity to monoculture in agriculture. The district of Warangal in Andhra Pradesh used to grow diverse legumes, millets, and oilseeds. Now the imposition of cotton monocultures has led to the loss of the wealth of farmer's breeding and nature's evolution.

Monocultures and uniformity increase the risk of crop failure, as diverse seeds adapted to diverse to eco-systems are replaced by the rushed introduction of uniform and often untested seeds into the market. When Monsanto first introduced Bt Cotton in 2002, the farmers lost 1 billion rupees due to crop failure. Instead of 1,500 kilos per acre as promised by the company, the harvest was as low as 200 kilos per acre. Instead of incomes of 10,000 rupees an acre, farmers ran into losses of 6,400 rupees an acre. In the state of Bihar, when farm-saved corn seed was displaced by Monsanto's hybrid corn, the entire crop failed, creating 4 billion rupees in losses and increased poverty for desperately poor farmers. Poor peasants of the South cannot survive seed monopolies. The crisis of suicides shows how the survival of small farmers is incompatible with the seed monopolies of global corporations.

The second pressure Indian farmers are facing is the dramatic fall in prices of farm produce as a result of the WTO's free trade policies. The WTO rules for trade in agriculture are, in essence, rules for dumping. They have allowed wealthy countries to increase agribusiness subsidies while preventing other countries from protecting their farmers from artificially cheap imported produce. Four hundred billion dollars in subsidies combined with the forced removal of import restriction is a ready-made recipe for farmer suicide. Global wheat prices have dropped from $216 a ton in 1995 to $133 a ton in 2001; cotton prices from $98.2 a ton in 1995 to $49.1 a ton in 2001; Soya bean prices from $273 a ton in 1995 to $178 a ton. This reduction is due not to a change in productivity, but to an increase in subsidies and an increase in market monopolies controlled by a handful of agribusiness corporations.

Indian farmers are facing pressure due to dramatic fall in prices of farm produce as a result of the WTO's free trade policies

The region in India with the highest level of farmers suicides is the Vidharbha region in Maharashtra — 4000 suicides per year, 10 per day. This is also the region with the highest acreage of Monsanto's GMO Bt cotton. Monsanto's GM seeds create a suicide economy by transforming seed from a renewable resource to a non-renewable input which must be bought every year at high prices. Cotton seed used to cost Rs 7/kg. Bt-cotton seeds were sold at Rs 17,000/kg. Indigenous cotton varieties can be intercropped with food crops. Bt-cotton can only be grown as a monoculture. Indigenous cotton is rain fed. Bt-cotton needs irrigation. Indigenous varieties are pest resistant. Bt-cotton, even though promoted as resistant to the boll worm, has created new pests, and to control these new pests, farmers are using 13 times more pesticides then they were using prior to introduction of Bt-cotton. And finally, Monsanto sells its GMO seeds on fraudulent claims of yields of 1500/kg/year when farmers harvest 300-400 kg/year on an average. High costs and unreliable output make for a debt trap, and a

suicide economy.

While Monsanto pushes the costs of cultivation up, agribusiness subsidies drive down the price farmers get for their produce.

Cotton producers in the US are given a subsidy of $4 billion annually. This has artificially brought down cotton prices, allowing the US to capture world markets previously accessible to poor African countries such as Burkina Faso, Benin, and Mali. This subsidy of $230 per acre in the US is untenable for the African farmers. African cotton farmers are losing $250 million every year. That is why small African countries walked out of the Cancun negotiations, leading to the collapse of the WTO ministerial.

The rigged prices of globally traded agriculture commodities steal from poor peasants of the South. A study carried out by the Research Foundation for Science, Technology and Ecology (RFSTE) shows that due to falling farm prices, Indian peasants are losing $26 billion annually. This is a burden their poverty does not allow them t bear. As debts increase — unpayable from farm proceeds — farmers are compelled to sell a kidney or even commit suicide. Seed saving gives farmers life. Seed monopolies rob farmers of life.

Tribals farms are being forcefully appropriated for Jatropha plantations, aggravating the food and livelihood crisis in Chattisgarh.

Farmers suicides in the state of Chattisgarh have recently been before in the news. 1593 farmers committed suicide in Chattisgarh in 2007. Before 2000 no farmers suicides are reported in the state.

Chattisgarh is the Centre of Diversity of the indice varieties of rice. More than 200,000 rices used to grow in India. This is where eminent rice scientists Dr. Richaria did his collections and showed that tribals had bred many rices with higher yields than the green Revolution varieties.

Today the rice farming of Chattisgarh is under assault. When indigenous rice is replaced with green Revolution varieties, irrigation becomes necessary. Under globalization pressures, rice is anyway a lower priority than exotic vegetables. The farmers are sold hybrid seeds, the seeds need heavy inputs of fertilizers and pesticides, as well as intensive irrigation. And crop failure is frequent. This pushes farmers into debt and suicide.

Chattisgarh is also a prime target for growing of Jatropha for biofuel. Tribals farms are being forcefully appropriated for Jatropha plantations, aggravating the food and livelihood crisis in Chattisgarh. The diesel demand of the automobile industry is given a priority above the food needs of the poor.

The suicide economy of industrialized, globalised agriculture is suicidal at 3 levels - it is suicidal for farmers, it is suicidal for the poor who are derived food, and it is suicidal at the level of the human species as we destroy the natural capital of seed, biodiversity, soil and water on which our biological survival depends.

The suicide economy is not an inevitability. Navdanya has started a Seeds of Hope campaign to stop farmers suicides. The transition from seeds of suicide to seeds of hope includes :

- a shift from GMO and non renewable seeds to organic, open pollinated seed varieties which farmers can save and share.
- a shift from chemical farming to organic farming.
- a shift from unfair trade based on false prices to fair trade based on real and just prices.

The farmers who have made this shift are earning 10 times more than the farmers growing Monsanto's Bt-cotton. ❑❑

The Author is Physicist, environmentalist, feminist, writer and science policy advocate.

Capitalism isn't for farmers

At a time when Punjab Chief Minister Captain Amarinder Singh was pleading before the Union Government to relax the borrowing limit by Rs 10,000-crore to fund its farm debt waiver scheme, came the news report that the public sector banks had quietly written-off a record Rs 81,683-crore worth of bad debt for the financial year ending March 2017. This is in addition to the Rs 70,000-crore cash flow benefits that have been provided to the stressed telecom sector this year.

While Punjab is seeking relaxation under the Fiscal Responsibility and Budget Management (FRBM) Act 2003, which limits the current annual borrowing limit to 3 per cent of the Gross State Domestic Product (GSDP) so as to enable the state government to raise additional market borrowing to meet the farm debt liability, the question that crops up is that while both the industry as well as the farmers default the banks, why are the write-off rules different for the two categories of bank defaulters.

The argument is that state governments are expected to maintain fiscal discipline by ensuring that the budget deficit does not exceed 3 per cent. But why then, between 2012 and 2017, when Rs 2.46-lakh crore of corporate non-performing assets (NPAs) have been written-off, no state government was asked to bear the burden from its own revenues? Why hasn't the RBI passed on the burden instead to the state governments, where these companies were located, asking them to find resources for the write-off? For instance, one of the steel majors, having an outstanding debt of Rs 44,478-crore has its headquarters in New Delhi. Why isn't the Delhi government being asked to write off the staggering amount?

If not, then the question that needs to be therefore asked is why should the state governments be asked to waive farm loans from its own resources? Just like the industry, why doesn't RBI then direct the nationalised banks to waive the

Why doesn't RBI direct the nationalised banks to waive the outstanding farm debt as well? questions
Devinder Sharma

outstanding farm debt as well?

Soon after UP Chief Minister Yogi Adityanath had announced the farm loan waiver, Finance Minister Arun Jaitley had made it clear that the states will have to find their own resources for farm loan waivers. What he implied, in other words, was that farm loan waivers are a state subject. But having enacted the Insolvency and Bankruptcy Code (IBC) last year, and having empowered this year the RBI to launch insolvency proceedings against big defaulters, I expected the Finance Minister to also tell the banks to find their own resources or ask the state governments to write off. After all, industry, too, is a state subject.

It didn't happen. In fact, SBI chairperson Arundhati Bhattacharya went a step ahead. While she made it abundantly clear that the farm loan waivers lead to credit indiscipline, she had no qualms in pleading for an economic bailout for the telecom industry, which, too, is reeling under 'unsustainable' stressed loans of Rs 4.85-lakh crore. The Chief Economic Advisor Arvind Subramanian later justified the writing-off of corporate NPAs, saying "this is how capitalism works." I wonder why capitalism doesn't work the same for farmers.

Moreover, if farm loan waiver 'undermines honest credit culture' and could affect the 'national balance sheet' as the RBI Governor Urjit Patel had remarked, it is time to know why the Rs 2.46-lakh crore write-off by banks in the past five years is seen as inevitable for economic growth and makes economic sense. This certainly smacks of double standards. The discrimination that farmers face when it comes to bank defaults, therefore, needs to be addressed in the same manner as the corporate write-offs.

First, farm loans need to be clubbed with corporate loans. Since both agriculture and industry are state subjects, it is rather unfair to treat them separately when it comes to loan waiver. State governments should, therefore, refuse to write off outstanding farm loans from its own revenues. Not only for the total farm bad debts of nationalised banks, let the cooperative bank/societies loan write-off, in turn, be the responsibility of the National Bank for Agriculture and Rural Development (NABARD). Secondly, the FRBM Act 2003 needs to be suitably amended so as to exclude the burden of farm loan waivers from the states' expenditures. ❑❑

Culture, meaning and tax

In July 2017 a representation titled "A plea for reconsidering GST rates for the crafts sector" was submitted to the Prime Minister's Office. The reason this representation had been discussed, compiled and delivered was the effect on the handicrafts and handloom sector of the Goods and Services Tax (GST), which came into force on 1 July 2017 under the slogan, "the single biggest tax reform in the history of the nation". The representation to the PMO pointed out that this single biggest tax reform had been drafted, passed and was being implemented without a single consultation with the largest national number of craftspeople and artisans in the world.

The representation went on to explain that the GST consultations had not included or even recognised "the widespread existence of crafts people, practices and products based on centuries old histories and skills, which give India a unique place in the world and brings economic benefits to dispersed rural artisans". Without a lobby in the manner that many industries have, India's craftspeople and artisans were unrepresented and unheard during the consultations on GST and continue to be. Yet simply not compelling them to leave their skills is encouragement enough for them to be self reliant and economically strong.

Handicrafts and hand weaves provides employment and livelihood which is, in terms of numbers, next only to agriculture (indeed the two are concomitant, being based on nature and the application of knowledge). While many crafts and artisanal products are seasonal, estimates are that over 110 lakh persons are so engaged, with more than 43 lakh in the handloom sector alone.

The needs of handicrafts and handlooms have so far been ignored and unrecognised by the GST, whose success will come at a cultural cost India cannot and must never bear, asserts
Rahul Goswami

For bag vendors tax rates applicable have gone from 5% to 28% which will need a corresponding increase in MRPs - and a drastic one at that. Clearly, there will be enough and more who will have to reconsider the viability of the business itself.

Till now the crafts sector has largely remained untaxed because of which products were cheaper and their prices 'competitive' compared with factory-made goods (an unnecessary comparison because hand made is cultural, whereas factory-made exists because of the idea of a consuming market that has no relation to cultural values). Thus hand made shoes and apparel, handloom fabric, were out of the tax net. Now, in one fell swoop, GST has been imposed on these products in the range of 5% to 28% making these products relatively expensive and therefore, in a consumer world where fifty rupees swings a decision, uncompetitive. There should on the contrary, and as is the case with certified organic food produce, be a premium to be paid and received for handicrafts and hand weaves, which opportunity GST has now robbed.

Some of the direct effects that have been highlighted by the "A plea for reconsidering GST rates for the crafts sector" representation are:

- Invoicing post GST has increased drastically as a result small vendors have not been able to concentrate on daily production supervision as a result their productivity and main work is getting hampered and they can't even hire/afford accounts staff again increasing their costs.
- Small artisans who do not have access to accountants. They are now searching for people who will be able to help them out with the new system. Till then, their business is entirely on hold.
- Even the suppliers more conversant with accounting, and not just the weavers and the actual artisans, cannot figure out the HSN classifications that the GST is based on. The vendors are finding it difficult to figure out the correct HSN codes due to value addition at every step of manufacturing, the HSN code tends to change.
- Tax rates imposed have led to a significant increase in taxes and hence end prices. For bag vendors tax rates applicable have gone from 5% to 28% which will need a corresponding increase in MRPs - and a drastic one at that. Clearly, there will be enough and more who will have to reconsider the viability of the business itself.

The GST crisis for handicrafts and hand weaves has shown that this sector is constantly on the defensive. It can only proceed by causing the recognition in economy that this sector (cultivation and its 'arts and local manufactures' included) does not produce only food, it also produces feed for animals, fuel (both traditional fuels and biofuels) and fibres and grasses and woods, the minerals and clays, the colours, for artisanal (and industrial) production, and that the maintenance of the bioeconomy - that is the service of balancing our ecological habitats upon whose gifts we base our lives, a balancing brought about by the application of uncountable streams of local knowledge - is fundamental to the well being of the country's peoples.

This balance was seen in the 1951 Census, the first of independent India, wherein among the list of industries and occupations according to which the working population was described were herdsmen and shepherds, beekeepers, silkworm rearers, cultivators of lac, charcoal burners, collectors of cow dung, gatherers of sea weeds and water products, gur manufacture, toddy drawers, tailors and darners, potters and makers of earthenware, glass bangles and beads, basket makers. It is a list that still had everything about "arts and manufactures" to it.

This is likely to have helped the writers and planners of the Second Five Year Plan (1956-61) secure the "Government's acceptance in principle of the Stores Purchase Committee's recommendation that certain classes of stores should be reserved exclusively for purchase from village and small industries and that price differentials should be allowed to them over the products of large-scale industries".

And also that "the production of certain varieties of cloth has been reserved for the handloom industry and an excise duty has been levied on the production of large mills so as to build up a fund from which financial assistance is being given to hand-loom and khadi industries. All applications for substantial expansion of existing large units or for the establishment

of new large units in leather footwear and tanning industries are examined in the light of their possible effects on the cottage and small-scale sector."

These directions were amplified in the Third Five Year Plan (1961-66) which described village and small industries as "art metal work, toys, palmyra fibre, stone and marble carving, lacquer work, lace and embroidery, bamboo articles, carpets, fancy leather goods and glazed ceramic-ware. There are several schemes for the development of specific handicrafts, including horn, gold and silverware, ivory, bidri, wooden toys and cane and bamboo work in Uttar Pradesh; artistic pottery, Malda silpa and mat weaving in West Bengal; lac bangles, himroo, carpets and druggets, silver filigree, coloured stones and salimshahi and appashahi shoes in Hyderabad; leather toys, grass mat-weaving, brocade, ornamental brassware, and papier mache in Madhya Bharat ..."

There was a clarity of thought and purpose that has been matched thereafter in such plans - and has been absent entirely in the work of the Niti Aayog, the successor to the Planning Commission. The Third Five Year Plan said "the concept of a decentralised economy is not necessarily related to any given level of technique or mode of operation" which is a remarkably holistic view to hold in a plan for a country. And moreover concerning rural development "...distinguishing feature of the future programme will be the preparation of local plans for the maximum exploitation of available resources for local use with a view to achieving local self-sufficiency to the extent possible, These plans are to be executed by registered institutions as well as service cooperatives and gram panchayats."

In later Plans, the consideration given to 'village and small industries' began to change. The landscape element that had until then been so prominent in discussion and description of craft, or of "arts and manufactures", disappeared. When it did, so too did the understanding of the continuum of craft material, habitat, and the knowledge streams that used and transformed nature's materials into craft.

Later administrators, whatever their personal outlook on crafts and weaves, laboured to fit these into a 'sector' or 'sectors', into a form of 'economy' or 'industry', or as a channel for 'livelihoods' and 'income'. When that began to happen - and it continues to, the difference now being that the distance between planner or economist and land is today far greater than it ever has been - the very language and idiom used to describe what it is, in the eyes of administrators and planners, "arts and manufactures", had nothing whatsoever about the very essentials of these streams of knowledge: conservation, tending of the habitats that provided raw materials, the meanings and symbols that gave these life and made them attractive and joyful, the cycle through which they returned to the habitat.

Still, there were signs that the ideas which held handicrafts and hand weaves in high esteem earlier had not altogether been abandoned. In early 2011 the Ministry of Environment and Forests announced that it had begun a new programme to value what it called (but not for the first time) "the immense wealth of natural resources and biodiversity in India". Its collaborator in this programme was an idea that had begun to attract interest in the very small world of ecological economics, and it was called The Economics of Ecosystems and Biodiversity. This was a process by which environment and how it was looked after could be given economic values.

Third Five Year Plan (1961-66) described village and small industries as "art metal work, toys, palmyra fibre, stone & marble carving, lacquer work, lace & embroidery, bamboo articles, carpets, fancy leather goods and glazed ceramic-ware.

By then, there were signals enough that new ways of considering 'economy' were very much more relevant than 'GDP' and all its deformed financial offspring. Biodiversity, carbon, ecosystem services, and even cultural services had begun to be discussed and debated inside the very framework that GDP and its vast structure rested upon. Terms and ideas such as externality and social costs were

being used to describe the changes to society and environment that were under way, visible but never acknowledged, which weakened and sickened both.

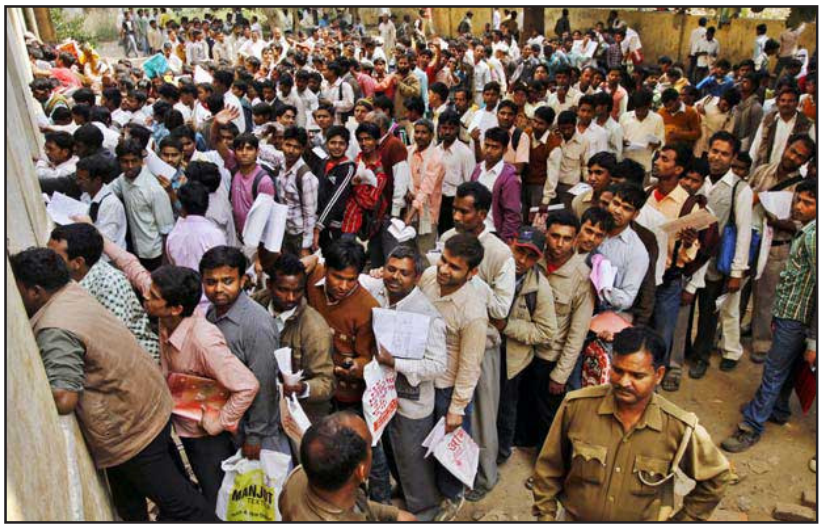
There were barriers all around. Even though the report of the Steering Committee on Handlooms and Handicrafts for the Twelfth Plan had said "these two sectors constitute the only industry in the country that provide low cost, green livelihood opportunities to millions of families, supplementing incomes in seasons of agrarian distress, checking migration and preserving traditional economic relationships", it was no more than a small foothold which stayed small.

'Green livelihood' made a quiet entry into planning vocabulary then. Now, 'livelihood' has been replaced with 'economy', which is quite a different idea, and the loud calls to a 'green economy' for India have helped shelter a variety of very ungreen enterprises and practices.

There is the question of 'skill' and what is is taken to mean. In our time it is schemes and yojanas, missions and programmes that determine the meaning of 'skill' because these the limited instrumentation through which government works, and because of it, how it sees and thinks. During the monsoon session of this Lok Sabha, these are the replies to a few questions concerning skills (these replies are for questions 3845 and 3831):

"The Government through various targeted programmes such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Prime Minister's Employment Generation Programme (PMEGP), Pradhan Mantri MUDRA Yojana, Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) and National Urban Livelihood Mission (DAY-NULM), Startup India, Standup India is stimulating creation of wage/self-employment. Programmes such as Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), Pradhan Mantri Kaushal Vikas Yojana and Pradhan Mantri Yuva Yojana are enhancing the employability of the labour force to access job opportunities."

There is the question of 'skill' and what is is taken to mean.



And:

"The Human Resource Requirement Reports were commissioned by the National Skill Development Corporation (NSDC) under the Ministry of Skill Development and Entrepreneurship. The objective of these Reports was to understand the sectoral and geographical spread of incremental skill requirements across 24 high priority sectors between 2013-17 and 2017-22. The study estimated incremental human resource requirement of 103.4 million during 2017-2022 across these 24 sectors. There are 347 Training Partners (TP) registered with NSDC in various categories namely NSDC Funded TPs, Innovation TPs, Special Project TPs and Non Funded TPs. NSDC's TPs are required to place 70% of their trained candidates. A total of 31,49,585 candidates were trained by these TPs during 2015-17, out of which 13,86,492 candidates were placed/upskilled/self-employed in the country."

It is a sad commentary on our times that such questions and answers both give no place to culture and meaning that handicrafts and hand weaves are expressions of, which in today's mechanistic and electronic world we call skills. The Ministry of Finance, the GST Council, India's macro-economic planners and administrators need urgently to consider the results of their single "biggest tax reform in the history of the nation" on the most important skills that are extent in India, those that are visible in the handicrafts and hand weaves, and so rethink and rewrite their approach. ❑❑

Oppo, Vivo send Chinese expats home on low sales, high hostility

The military standoff at the Dokalam tri-junction seems to have made a major impact far from the Line of Actual Control. More than 400 Chinese expats working for Oppo and Vivo are headed back home after sharp falls in July and August smartphone sales, with anti-Beijing sentiment on the rise in some of India's large consumer markets.

Several of the exits involve the three-dozen Chinese-owned distribution companies at these two mobile-phone handset brands. Some recalls are also likely at the main subsidiaries of Oppo and Vivo in India, four industry executives told ET. Vivek Zhang, the high-profile Chinese expat who negotiated and signed the Indian Premier League's title sponsorship deal for Vivo as its chief marketing officer, also returned home earlier this month. Industry executives attributed the exits to 30 per cent year-on-year sales drop at both brands in July and August. The drop in sales prompted the Chinese parent companies to reshuffle the local management and bring in new faces who would help counter the anti-China wave in certain consumer markets since the mid-June Dokalam standoff. Buyer resistance in some parts of northern India, Uttar Pradesh, Chhattisgarh and Odisha has prompted the parent companies to restrict front-office roles for Chinese expats in the distribution establishments in these markets. In Maharashtra and West Bengal, too, some distribution setups have seen similar exits. Top executives at both Oppo and Vivo had also met trade partners to understand the reason for the sudden drop in sales, and are seeking to increase the numbers in the festive season.

"Among the scores of brands that have their origin in China — Xiaomi, Lenovo, Motorola and OnePlus — largely Oppo and Vivo have the consumer perception of being Chinese.

The anti-Chinese sentiments have had the maximum impact on them in several states, where even their outdoor hoardings are pulled down. Even the entry of Xiaomi in offline retail has hit these two brands," said the chief of a leading cellphone retail chain. Another executive said Oppo and Vivo are trying to break this consumer perception by associating with Indian sports and celebrities through advertisements and also at various touch points, including web sites.

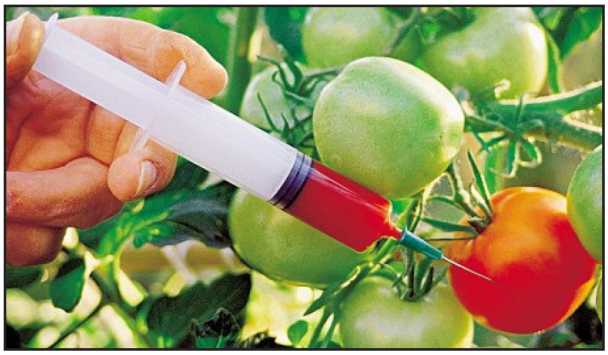
Parliamentary panel flags severe loopholes in existing field trial system of GM crops

Just as when the government is readying its response in favour of genetically modified (GM) mustard for submission in the Supreme Court, a parliamentary panel on Friday flagged severe loopholes in existing methods of field trials of transgenic crops and asked environment ministry to examine the impacts of such crops "thoroughly" before taking its final call.

Noting that the existing regulatory system is "susceptible to manipulations", the Panel - parliamentary standing committee on science & technology and environment & forests - also expressed its concerns as to how the regulators are predominantly relying on the data made available by the applicant of GM crops.

Referring to various representations made before it, the Panel comprising of 31 MPs including 11 from the ruling BJP said it was surprising to know that none of the agencies conducted the closed field trials on their own but were solely dependent on the data provided to them by the technology developer.

"The Committee feels that this leaves a scope for the technology developers to fudge the data to suit their own requirements", said the panel's report on 'Genetically Modified crops and its impact on Environment'. The panel, headed by the Congress member Renuka Chowdhury, submitted its report to the Rajya



Sabha chairman M Venkaiah Naidu. The report comes days after the government told the Supreme Court that the Centre could take a final decision on the regulator's go-ahead for commercial cultivation of GM mustard by September-end. It had, however, assured the apex court on July 31 that the transgenic mustard would not be allowed to be sowed till then.

The Court had then agreed to postpone the next hearing on the issue to the second week of September and directed the Centre to place the decision taken on Genetic Engineering Appraisal Committee's (GEAC) go-ahead for GM mustard before it. The GEAC had last year given its approval for commercial release of transgenic mustard, developed by a Delhi University institution.

The parliamentary panel, however, questioned the composition of the GEAC. It noted that the members of the central regulator were mostly from the government and government-aided institutions and there was hardly any representation from the states particularly where Bt Cotton (transgenic cotton) had been introduced. It suggested that the GEAC must be headed by an expert from the field of biotechnology, given the understanding of scientific data and analysis of research and its implication before coming to a conclusion in the matter. Though the panel examined all the submission made by different ministries which vouched for the safety aspects of transgenic crops, it does not appear to be satisfied with their arguments. It questioned how could they be so sure when there has been "no in-house scientific study carried out till date to analyse the impact of GM crops on human health". The Committee in its analysis also felt that farmers who were using GM seeds had lost sovereignty over the seeds since they had to purchase seeds from the seed selling companies every time even if they were not getting the fair price for their produce. At present, Bt Cotton is the only GM crop whose cultivation is allowed in India.

Referring to issues around GM mustard, the Committee has also come to know that many state governments in the country are opposed to its entry even in the form of field trials, leave alone commercial cultivation.

"The Committee strongly believes that unless the bio-safety and socio-economic desirability, taking into consideration long run effects, is evaluated by a participatory, independent and transparent process and a retrieval and accountability regime is put in place, no GM crop should be introduced in the country", said the report. It, accordingly, recommended that the environment ministry "should examine the impact of GM crops on environment thoroughly, in consultation with the concerned government agencies, experts, environmentalists, civil society, and other stakeholders so that the nation is very clear about all its probable impacts before taking a call in the matter".

SJM opposes special food packets schemes for malnourished children

RSS's offshoot Swadeshi Jagran Manch (SJM) has urged the government to not rely on dietary supplement packets to help malnourished children since it will benefit large corporations.

The SJM said the programme to begin ready-to-use therapeutic foods (RUTF) begun in BJP-ruled Rajasthan and Maharashtra has proved to be an "expensive and unsustainable" exercise. More than a third of all children in the country are underweight, government surveys have found, prompting officials to look at the option of feeding children RUTF. These food packets are usually a protein, carbohydrate, lipid and vitamins and minerals that are dissolved in water and given to children. There is a need to define take-home ration, so that RUTF, "as projected by the vested interest lobby, is not accepted as norm", the SJM said in a letter to the ministry of women and child development (WCD). The SJM, which has earlier taken on the NITI Aayog for supporting privatisation of health care, is concerned that introducing RUTF would benefit private players.

"Our concern is that the current drive of managing this problem is only through 'treatment' of severe acute malnutrition children, that too with commercial 'ready-to-use therapeutic foods' (RUTF). This is an entry point for food industry and such packaged foods will satisfy the 'hungry for profits' food industry and not our children who need real food," SJM's

Ashwani Mahajan has written. SJM has alleged that that the Scaling Up Nutrition (SUN) movement that has roped in three state governments —Maharashtra, Jharkhand and UP—as its members have a business network called SBN with majority of its members in food businesses promoting ready-to-use foods.

"These members include Pepsi, Cargill, Nutriset, Britannia, Unilever, Edesia, General Mills, Glaxo SKB, Mars, Indofood, Nutrifood, DSM, Amul, and Valid Nutrition," Mahajan has pointed out. He said in Maharashtra, which is already using RUTFs under the National Health Mission supported by agencies like GAIN, ACF, and UNICEF, a Rs 100 crore plan has been floated to tackle malnutrition in rural areas with packed RUTFs to be given to each child three times a day for 72 days at cost of Rs. 25 per packet.

"India cannot afford to allow this dangerous trend to come in and tear apart its food system," Mahajan has written. The SJM has drawn attention to the prevalence of malnutrition, pointing out that more than 44 million children under the age of five remain chronically undernourished in India.

"The National Family Health Survey (NFHS-4) data on child feeding and nutrition shows stunting is 38.4%; underweight is 35.7% and severely wasted is 7.5.India is currently reducing child under nutrition at the rate of 1 % per year which is not a satisfactory pace at all," Mahajan wrote.

Pushing for a policy to guide the states on most sustainable and local solutions, which are indigenous, economical and culturally relevant, Mahajan said Indian data for the treatment of severe acute malnutrition (SAM) children suggests that there is little difference between commercial ready to use foods or home augmented foods to treat SAM.

Rashtra Sevika Samiti calls for Boycott of Chinese Goods

Rashtra Sevika Samiti Medhavini Sindhu Srijan (Prabuddha Varga) Organised a seminar on boycott of Chinese goods. The seminar was organisedKirori Mal College Auditorium. Dr Ashwani Mahajan of Swadeshi Jagran Manch was the main speaker and Rajkumar Bhatia former President of National teachers Democratic Front, Kiran Chopra, Director Punjab Kesari group, Sunita Bhatia PrantKaryavahika of the RashtraSevika Samiti also addressed the gathering.

Ashwani Mahajan said that China was a powerful country and was trying to establish its hegemony all around. Chinese trade with India is continuously on an increase and China would be ill advised to even think of war in such a situation. It is due to this that Indian DefenceMinister Arun Jaitley has asserted that India of today is different from India of 1962. China opposes India in almost every sphere be it issue of a terrorist like Masood Azhar or India's entry into the NSG.

Swadeshi Jagran Manch had made a call for boycott of Chinese goods during last Diwali which led to a fall in sale of Chinese goods by about 50%. About 97 lakh Indians had signed a resolution for this boycott and the Manch seeks to raise this figure to 2.5 crore to make a significant impact. Initially while the US, Europe and Japan had signed free trade agreement but China had kept out. Now it wants to control the entire world market through WTO and it has started giving subsidies to its industries to sell cheaper goods to establish such control. India has imposed anti-dumping duty on 133 Chinese products.

Rajkumar Bhatia said that India should become a closed economy to keep its industry alive. Even costlier Indian good should be given a preference over the cheaper Chinese goods in national interest.

Kiran Chopra said that no mission could be completed without women. Women represent new India and had promoted Indian goods by using mauli during the Raksha Bandhan.Intellectual women of the Medhavini Mandal should logically explain to the college students why Chinese good should be boycotted and how it can strengthen India.

Sunita Bhatia Karyavahika of the RashtraSevika Samiti briefed audience about the history and activities of the Samiti. Rashtrasevika Samiti is an 80 year old organisation established by Lakshmi Bai Kelkar in 1936 in Nagpur. The Samiti has been working for gender equality and physical, mental, intellectual and spiritual growth of women and also aims at maximizing their contribution for the family and the country. Dr Nisha Rana conducted the program which was attended by about 100 college lecturers and women lawyers.

Panel on waiver of local sourcing norms set up: MNCs lobby in happy

The government has set up a committee under department of industrial policy and promotion (DIPP)

secretary Ramesh Abhishek to decide on requests for waiver of 30% local sourcing norms by foreign single brand retail companies planning to set up branded stores in India and claiming to have products with state-of-the-art and cutting-edge technology. The committee will comprise representatives of NITI Aayog, officials from the concerned ministries and independent technical experts. Last year, a similar informal committee, headed by the DIPP secretary without technical experts, had recommended waiving the local sourcing norm for Apple Inc. to allow the company to open its own branded stores in India but the proposal was rejected by the finance ministry.

Goldie Dhama, a partner at PwC India, said the move will be helpful. "At least now companies know whom to approach even though a clear definition of state-of-the-art and cutting-edge technology is still missing," he added.

Devraj Singh, executive director, tax and regulatory services at EY India, said the committee under the DIPP secretary will enhance investor confidence among those seeking relaxation from the sourcing norms in single brand retail trading. He said there were high expectations from the foreign direct investment (FDI) policy review although the government seems to be of the view that policy relaxation is a continuous process and should be delinked with the consolidated FDI policy.

"The policy liberalization may be carried out during the year in the form of press notes and can be consolidated on an annual basis through consolidated FDI policy," Singh added.

RSS Affiliate Writes to Govt. on Department of Pharmaceuticals, Alleges Industry Collusion

Swadeshi Jagran Manch (SJM), the economic wing of the Sangh *parivar*, has written to the minister of chemicals and fertilisers, Ananth Kumar, alleging that certain wings of his ministry are working against making healthcare and medicines affordable to the public. The letter is aimed directly at the department of pharmaceuticals (DOP), which is under the Ministry of Chemicals and Fertilisers. The SJM alleges that the "DOP is working against the stated objectives of prime minister as well as your ministry." The letter was also sent to Union health minister J.P. Nadda, CEO of the NITI Aayog Amitabh Kant, secretary of the DOP Jai Priye Prakash and the chairman of the drug price regulator Bhupendra Singh.

The letter raises four major issues, with the bulk of the focus on India's drug price regulator, the National Pharmaceutical Pricing Agency (NPPA). There are "severe, unwarranted intrusions in the functioning of the NPPA and undermining of the authority delegated to it," it says.

The letter was sent to the Kumar a few days before a draft of the pharmaceutical policy was circulated to various industry and civil society bodies. *The Wire* has previously reported on this new draft policy. Some of the issues the SJM raises in their letter find space in the draft policy. In the draft prepared by the DOP, the government repeatedly expressed its intention to provide affordable healthcare. It spoke of the importance of government interventions via price control and also discussed at length several ways of changing the structure of the NPPA.

"The major issue is they want to take away paragraph 19 from the NPPA," says Ashwani Mahajan, the national co-convenor of SJM. Paragraph 19 is a section of the drug price control order, which allows the NPPA certain "extraordinary powers" to take quick and independent decisions, free of control and review from the DOP. "It is paragraph 19 that allowed NPPA to fix prices like they did recently with knee implants. Paragraph 19 also allows NPPA to fix the prices of items not covered by the National List of Essential Medicines (NLEM)," he says. ❑❑