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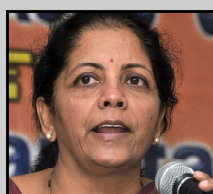
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Swachh Bharat Abhiyan

There is no doubt that the Swachh Bharat Abhiyan has a huge potential to change the landscape and fortunes of India on the global map. The campaign has been rightly started with much fanfare by the most popular Prime Minister ever. This has given a sense of dignity; much needed priority focus and urgency to take the clean India drive more seriously. For too long we as a country have ignored this aspect of civil life. The western life style depicted by its use and throw mentality has added to the amount of garbage being generated daily in particular the solid waste. These heaps of garbage can be seen everywhere. Urbanisation and its consequential implication also adds to this problem. Hence the clean India project will face many hurdles in various forms.

Clean India will face the sheer challenge of the Indian mentality which considers roads and neighbouring areas as dustbins. There is also chemical and electronic waste which is becoming a major concern. The growing pollution of our rivers, some of which we consider as sacred and deify, too is a matter of shame. The Government cannot do everything on its own, as it has to be supported by intent and action on the ground by all of us. We will have to think beyond our homes and make our streets, roads, villages and cities clean to craft a better India. The Government can at best run an awareness campaign with regular frequency so that the issue remains high in the minds of the people. Every Indian has to realize that "Our waste is our responsibility" and we have to dispose it in an appropriate manner.

– Govind Ram, Noida

Kisan Vikas Patra relaunched

Kisan Vikas Patra (KVP), a very popular and trusted saving scheme has been re launched. It was in vogue for a long time and was contributing significantly to the strengthening of economy in a major way. However, it was stopped in 2011 for unknown reasons. If the money laundering was the reason to withdraw it as is being alleged by Congress Party spokesperson, then Participatory Notes (PN) are more than qualified to be stopped. KVP was an easily available option for poor Indians contributed to national savings in a big way. Naturally its withdrawal also had adverse impact on the savings rate in the country, which fell from 36.8 per cent to 30 per cent in last 2-3 years. KVP is highly beneficial to the low income group people who will be able to save in smaller denominations. The most important benefit to the depositors will be that their money will be safe with the Government and they can also withdraw part of it after 30 months. In that sense fake and cheating finance companies will fade away in due course of time. While the depositor gets interest on his money, he will also be helping the state in widening its scope of expansion in developmental projects. It has to be said that Gross collections under the scheme in the year 2010-11 stood at Rs 21,631.16 crore which was 9 per cent of the total gross collections during the year.

– Krishan Kumar, Jammu

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Quote-Unquote



The world always needs Hindu thought or Indic tradition. It is the responsibility of Hindus to teach and guide the world.

Dr. Mohan Bhagwat

Sar Sanghchalak, RSS



Will only two families rule J&K, can't other families produce leaders.

Narendra Modi

Prime Minister of India



The Mumbai attack highlights how violent extremism can become even more dangerous when abetted by the capacities of a sovereign state.

Michael Grant

Canadian envoy to UN



War against terror was unleashed in wrong country.

Hamid Karzai

President of Afghanistan

TFA: Deceptive projection of benefits

The Indo-US 'breakthrough' agreement on stockpiling of food grains has resulted in the adoption of a major and the only multilateral trade deal in 19-year history of WTO. The Trade Facilitation Agreement (TFA) was being pushed by the US led developed nations to reinforce their slumped economies through unhindered international trade by way of a uniform and easy procedures at customs. Lowering trade barriers, decreasing import tariffs and eliminating agricultural subsidies in poor & developing countries are some aspects of these efforts to access vast markets of the developing world. Global civil society including SJM opposed this Corporate-driven model because of the risks involved in a binding TFA for the developing countries. They pleaded to more accurately rename it as "import-facilitating rules" for developing countries TFA, largely agreed upon in Bali last year by the then UPA government in spite of stiff resistance by stakeholders was blocked by The Narendra Modi-led BJP government. The new regime refused to sign it without a permanent solution to the food subsidy issue. One of the bones of contention is the rule that caps subsidies to farmers at 10 per cent of the total historical value of farm production. This stipulation - as is articulated at the WTO - undermines the responsibility of developing countries to feed their poor. India and some others have also questioned the methodology of arriving at such a subsidy cap. Under the new pact, India has approved global agreement on streamlining customs rules. In return US will give an open-ended commitment to protect India's food subsidy programme from legal challenges over exports of surplus grain stocks accumulated in government warehouses. The deal with the U.S. now provides for an indefinite peace clause until a permanent solution is found to the farm subsidy issue. The deal is being projected as a victory of the Modi government's assertion of national interest while being flexible on modalities. According to some deceptive estimates projected by proponents of the TFA, it could add \$1 trillion in new trade globally and create 20 million new jobs worldwide. This is widely contested as there is little empirical basis for this claim. On the contrary there are enough of studies which may vary from one another in several aspects but are unanimous on the conclusion that CGE models of trade liberalization offer 'a penny per person per day in some variants, and as little as one quarter of a penny from some forecasts of the likely effects of the Doha round'. Consequentially the effects of trade liberalization on global poverty turn out to be much less than originally advertised. But the apologists, who were criticizing this government for being irrational, are again appreciating US for the reasonable response once India's stand and its concern over the implications for food security were explained clearly to that country. TFA has now become a reality, but it is essential to publically debate all aspects of TFA including the money that India will have to spend to develop required infrastructure.

In December 2013, WTO members concluded negotiations on TFA. The Agreement will enter into force once two-thirds of members have completed their domestic ratification process. Commerce and Industry Minister Nirmala Sitharaman had earlier stated that "this government has been very consistent in saying that we don't consider the Bali round agreement very fair when it comes to public stockholding". The fact remains that TFA in its present form follows Corporate-driven globalization model focused on increasing the volume of trade, rather than achieving globally-shared development goals. The costs of a TF agreement like implementation, regulatory, human resources, and infrastructure costs associated with it, many of which are recurring, and would be siphoned from national budgets, diverting available resources from development also need to be calculated and discussed. TFA is also expected to lead to irreplaceable loss of tariff revenue. Compared to developed countries, the share of customs revenue in the total tax collection is much higher in developing countries and Least Developed Countries (LDCs). Foregone tariff revenue would have serious implications for national budgetary support for key development issues such as education, health, and poverty reduction. Reducing national budget support for addressing the Millennium Development Goals can in no way be referred to as a pro-development outcome. Indo-US pact may enable the multilateral trade negotiations to move forward. Of course, the bilateral pact will have to be ratified by the WTO. but with the U.S. showing the way, other members would find it acceptable. It underscores once again the dominance of the U.S. in a multilateral global forum even while it is recognition of India's place in the global economic environment. Issue is the role and responsibility of India appropriately articulated by Our Prime Minister. Are we discharging our duty truthfully?

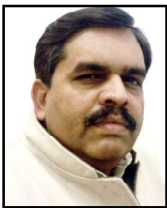
Better than Bali But No Victory

Lot of activity is seen in international relations after Narendra Modi has taken over reign of power from UPA. First Nepal, and later China, Japan, USA and latest Australia visit of PM, indicate the fact that present regime is sincerely active towards better and more informed international relations. Apart from this we also witness government coming out of the shell of indifference, and is more conscious in approach, particularly with Pakistan and China.

On the same lines, government seems to be more vigilant and proactive in context of international economic relations and has also been taking decisions and that too fast. Recent agreements with China, Japan, USA and host of other countries pertaining to economic cooperation have also been making headlines in the newspapers. In this context controversy between USA and India has been topic of discussion, particularly about ratification of Bali agreement on food subsidy. It is notable that before 9th Ministerial Conference of WTO, USA had objected to the quantum of food subsidy by India for ensuring food security. Developed countries have been exerting pressure on India to curtail food subsidy, so that it does not go beyond threshold limit of 10 percent of GDP and were threatening to take this issue to dispute settlement panel of WTO. Government then, was trying to ensure that there is no threat to the 'game changer' Food Security Act and therefore was not willing to cave into the demand of developed countries. After a series of meetings, persuasions, and diplomatic efforts, an agreement was reached whereby developed countries agreed not to raise any dispute for four years or till the permanent solution is reached.

However later it was realised that agreement so reached was a deceptive one, and developed countries could raise dispute after 4 years. Apart from this deceptive agreement, there was yet another linked agreement on trade facilitation. According to this Trade Facilitation Agreement, there was a binding commitment to create infrastructure required to provide trade facilitation.

After the new government took over strings of power, sensing that Trade Facilitation Agreement is beneficial for the developed world, it was a ripe time to get earlier agreement amended in India's favour and thus it maintained that till India's concern are not addressed, it will not accede to Trade Facilitation Agreement.



It is notable that trade deficit is exceeding 10 per cent of GDP, and the resulting payment crisis is weakening the rupee day by day. By providing trade facilitation, imports from the rest of the world may flood India, further worsening the already difficult external payment position, cautions
Dr. Ashwani Mahajan.



Recently, USA agreed to accept India's concern partially by amending Bali Agreement, such that till a permanent solution is found, USA will not raise any dispute in WTO about food subsidy for present food security programme. This new agreement is being painted as a big success of India's economic diplomacy. It is notable that agreement reached by UPA's Commerce Minister was also painted similarly as a victory, which was later proved to be a farce.

Better than Bali but.....

Though the present agreement with USA is an improvement over WTO, Bali Agreement, there are many issues remaining which are not good for India. For instance the present agreement does not include India's concern over the calculation of subsidy. Present system, which is a part of the original agreement reached in WTO is an inequitable and unjust; and formula for calculating support for public stockholding for food security is unreasonably loaded against the developing countries, as the base year for pricing of food grains has been pegged at 1986-1988 prices (25 years old prices). After 1988, prices of foodgrains have gone up manifold and, therefore, it cannot be accepted. If Government of India pays Rupees 1400 per quintal to farmers for procurement of wheat, and price of wheat was Rupees 385 in 1986-88, then it would be assumed that government is giving subsidy of 1015 per quintal of wheat. Thus, there is a need to change WTO rules.

Foreign Eye on Internal Policy Matters

According to the arrangement agreed to in Bali, which will



continue to prevail, there is a provision of transparency, which unambiguously states that it must notify to the committee on agriculture that it is exceeding or is at risk of exceeding either or both of its aggregate measurement of support (AMS) limits (the member's bound total AMS or the de minimis level) as a result of its programmes. The draft also mandates that the committee on agriculture shall 'monitor' the information submitted under this decision. This implies that the country will have to admit year after year that it is exceeding the threshold limit of support on public stockholding for food security; and this information is subject to scrutiny by the member countries.

The member countries, through a process of consultation, will also have the right to 'scrutinise' the food programmes of India, or for that matter other member countries and in case of any breach, the same could be disputed. All these provisions of the agreement clearly indicate at a foreign eye on internal policy matters of India and also erosion of sovereignty of the country.

The Ninth Ministerial Conference of WTO reached an agreement, which had been termed as a big victory for the then government. The official version stated that by virtue of this agreement, interna-

tional trade-related hurdles with regard to food security programme have been removed, as developed countries have agreed not to dispute about support for public stockholding of foodgrains for food security exceeding the threshold limit of 10 per cent of the total value of agricultural produce.

The agreement, reached after extending the conference by one more day, states that, "In the interim, until a permanent solution is found, provided that the conditions set out below are met, members shall refrain from challenging through the WTO dispute settlement mechanism compliance of a developing member with its obligations under Articles 6.3 and 7.2(b) of the agreement of agriculture (AoA) in relation to support provided for traditional staple food crops in pursuance of public stockholding programmes for food security purposes existing as of the date of this decision."

It is notable that developed countries were trying to pressure India to make further gains in WTO negotiations by saying that India is giving more than the threshold limit by way of support for public food grain stockholding for food security, against which they can raise disputes.

It was imperative for the government not to buy that argument, as the whole food security pro-

gramme under the much-celebrated food security act would have been in doldrums. Even before the Bali conference, developed countries were ready to offer a peace clause of four years, under which they would not raise disputes even if the support for public stockholding for the purpose of food security exceeds the threshold limit of 10 per cent of the total value of agriculture produce.

From the very beginning of the conference, the Indian delegation led by then commerce minister Anand Sharma was 'firm' on the demand that this peace clause is not acceptable to India. On December 5, in a press conference held at the convention premises in a fully packed hall with more than 500 media people, Anand Sharma said that food security is non-negotiable for India.

However, by the evening December 5, after his meeting with the US trade representative on the mediation of the Indonesian trade minister and probably a phone call by the Indonesian president to then prime minister Manmohan Singh (as per newspaper reports), the scenario changed and the Indian delegation softened its stand, leaving all its arguments with regard to unjust trade rules and gave consent to the final draft of the agreement, which extended the peace clause till a permanent solution is reached in exchange of extending trade (read import facilitation), subject to fulfilling the conditions, set forth in the final draft, namely transparency, no new food security programme, monitoring and scrutiny of India's food security programme; and by the morning of December 6, the draft was put on the website of WTO.

The final draft for agreement as notified by WTO has a clear transparency clause,

No New Food Programmes Possible

As per the draft, this peace clause was to be applicable only to the existing food security programmes as of the date of this decision. Further, this agreement covered only agreement on agriculture (AoA), and not ASCM, without which the programme may be accused of impacting the export market, even if involuntarily, and would be subject to dispute.

Death of Doha Round

In the last five ministerial meetings, before Bali, though no headway could be made on DDR, but hopes were alive that the issue of unequal treatment for developing countries and LDCs, leading to loss of international trade, would be addressed. It is notable that developed countries give mammoth subsidies and there is a long-standing demand of the developing countries to reduce these subsidies. However by agreeing to the peace clause — even though it is better phrased than the earlier one offer by the developed countries — India lost the momentum and pressure built in the last five ministerial conferences.

The final draft agreed in Bali mandated developing countries to ensure various measures of trade facilitation, which include efforts at simplifying border procedures (e.g. the modalities at the port), so that exports from developed countries could enter developing countries conveniently, without hassles. It is notable that trade deficit is exceeding 10 per cent of GDP, and the resulting payment crisis is weaken-

ing the rupee day by day. By providing trade facilitation, imports from the rest of the world may flood India, further worsening the already difficult external payment position.

Further, several of the provisions under negotiations could hold significant administrative and institutional burdens on LDCs and other developing countries. Meeting the obligations, as proposed, is likely to involve significant cost for India and other developing countries. Apart from building huge infrastructure (both soft and hard) including airports, sea ports, dedicated corridors and roads, it would also involve automation of customs system. It is unfortunate that no cost assessment has been made by the government about implementing the provisions of trade facilitation.

This is a fact that meeting this cost would mean a huge diversion of resources from public services such as health care, food security and education to customs administration.

Defeat Persists

Therefore the 'victory' claimed by the Indian delegation was actually a 'defeat'. This could at best be said to be a momentary gain for the UPA in overcoming possible international trade dispute in implementing the food security programme, which was seen as an election gimmick to garner votes. However in reality, this agreement had actually eroded sovereignty of the nation, on the one hand, and put a ceiling on the freedom of future regimes to announce any such food security programme. Thus we can say that though there is some improvement from agreement reached at Bali, but major part of the defeat then persists. □

FMCG cos have 142 per cent profit and are increasing prices

The Great Indian Loot

It is open loot through the free pricing mechanism. The wages in India shrink; one pays more and buys less. Little is left in the pockets of an average wage-earner but the profits of the companies in the fast moving consumer goods (FMCG), milk, housing, pharmaceutical and other areas rise phenomenally.

The lack of a social mechanism to check the process of fixing the prices is playing havoc with the economy and plight of the poor consumers. The companies are thriving by raising prices of every product as a new product batch enters the market. The FMCG companies like Hindustan Unilever (HUL), Colgate and Indian Tobacco Company (ITC) have raked in mean profit of 82.04 per cent during the past five years. Others like the Tata group are not much behind. Housing companies have more than tripled the prices and have profits of over 60 to 80 per cent.

The loser is the consumer and of course the government, as in most cases it is paid taxes at the base lowest prices. Wage increases have either been in the range of three per cent or remained stagnant.

Free market does not mean free loot of the consumers. The myth spread by Manmohanis that nobody should interfere with the price-fixing mechanism of the producer is playing havoc. The cost and prices have little relationship.

Inflation indices give an erroneous view. The recent 'slump' in wholesale and consumer indices does not indicate fall in prices. The indices indicate that after runaway inflation of over 44 – to 46 per cent during since 2009-10, the rate of increase has slowed over the already prevailing high prices. Not a commodity has become cheaper. Rather food items, vegetables – potato, tomato, and onion included, all other packed goods and items of everyday use have become costlier.

Even milk prices determined by milk cooperatives like Mother Dairy and Amul have increased from Rs 12 to Rs 48 a litre though benefits to dairy farmers have not matched it.

The Narendra Modi government having succeeded an inefficient and ineffective regime has to do a lot to give succour to the people. It is needed to be done not only for economic reasons but also for social and political purposes. High prices



Free market does not mean free loot of the consumers. The myth spread by Manmohanis that nobody should interfere with the price-fixing mechanism of the producer is playing havoc, finds
Shiva Ji Sarkar



Colgate
**increased the
prices of its
toothpaste
brands five to 13
per cent.**

weaken not only the economy and the currency but also the social fabric and leads to severe law and order issues.

Another aspect often not talked about is it robs the government, the largest consumer, of sizeable revenues. This is the surmise of a paper produced by Lok Sabha secretariat in September 2013. It says, "The rising prices adversely affect the economic conditions of fixed-income groups, particularly wage earners. When prices are high, the value of money is low and vice versa. There is always a lag between price rise and money-wage adjustment. Poor people in the unorganised sector are hit the worst because their income is not linked with price index. However, business firms gain during price rise because the money value of goods in their stock rises continually.

"Inflation also encourages hoarding of essential commodities, leading to speculation and generation of black money". In short, it is defeating the objectives of the NDA government.

The companies have devised novel ways to increase the prices. Companies such as Hindustan Unilever (HUL), India's largest FMCG company, raised prices of soap brands Lux and Rexona 11 and 16 per cent in the last six months of 2012, respectively. Ac-

cording to financial services company Edelweiss report, for the Lux brand, the weight of a strawberry variant pack was reduced from 100 gm to 90 gm. Kolkata-based Emami raised the price of its Boroplus antiseptic cream 7.1 per cent, while Colgate increased the prices of its toothpaste brands five to 13 per cent, respectively. Procter & Gamble increased the price of its Ariel detergent about five per cent. The company's Head & Shoulders shampoo recorded a price rise of 5.1 per cent in December 2012, said Edelweiss.

Annually the prices are being raised in this manner and weight or volume is being reduced. The rise in prices, however, comes at a time, Edelweiss says, when commodity prices have been softening. "In the last few months, the prices of key inputs palm oil and copra fell 30 and 20 per cent", respectively.

It is just not the private companies even public sector organisations like railways or road transport corporations are unethical in fixing fare and freight. They increase fare and freight on the pretext of higher fuel prices but when it comes down they never reduce it. The railways have also raised fare phenomenally through the so called 'premium' trains, run with rejected coaches.

The private sector does not care for niceties. For them high

profit is seemingly their birth right. How much profit is realistic or ethically should be there? The liberalised economy does not have a yardstick. The socialist economy meant either no profit or a realistic profit up to seven to eight per cent, something even capitalist economy accepts.

A study by Indian Journal of Applied Research, Rajkot, by Alpa Joshi (June 2013) finds that HUL, Colgate and ITC have a mean profit after tax (PAT) of 82.04 per cent. Individually, from 2008 to 2012, HUL profit varied from 87.2 to 142.7 per cent; Colgate 104 to 156 per cent; and ITC 15.7 to 18.7 per cent. Is not that exploitative?

The FMCG sector creates employment for about 30 lakh people mostly in low-paid jobs in downstream activities. The total FMCG market is in excess of Rs 850 billion. Its wage bill is one of the lowest. The HUL has virtually taken over many contenders to create a monopoly and beat the competition.

All these companies have penetrated different political parties to sabotage policy-making. They have forced the UPA government to dismantle Monopolies and Restrictive Trade Practices Commission (MRTPC) and create a lame-duck Competition Commission.

The NDA government has to take a call on these widespread malpractices. The society has a role in checking the weird behaviour of any of its sections. The corporate sovereignty is not utilised when it comes to deliver social responsibilities. It is used only for exploiting the society. All companies must be dealt with a heavy hand for rampant malpractices that has become the rule and stop the phenomenal loot.

Black money debate degenerating into a farce?

Moneys parked in secret accounts in tax havens is not a mere tax evasion issue. “It is respectfully submitted that due to increasing globalisation, it has become easier for taxpayers to make, hold and manage investments through financial institutions outside of their country of residence. Therefore, vast amounts of money are kept offshore and go untaxed to the extent that tax payers fail to comply with tax obligations in their home country.”

Now, this is not a lecturer of finance in High School pointing out to his student on the downsides of global financial architecture.

Rather, this is the preliminary submission of Government of India in a Writ filed last week with the Hon’ble SC. It is apparent from this submission that the government views the issue of money parked in secret accounts in tax havens solely as tax issue; to be sorted out by the tax man through the tax laws.

At the core of the misunderstanding of this issue is our inability to distinguish between Black Money [where buccaneers have not paid tax on such income] and Red Money where the source of such income itself is illicit and hence the owners seek to secret the amounts for obvious reasons.

Put pithily, the issue with Red Money is that it is invariably a by-product of drug running, illegal weapons sale, terror or corrupt money. Consequently, the owners seek to disassociate with the same fearing the penal consequence of such income and not – repeat not – taxes. Taxes is a minor irritant when it comes to Red Money.

Therefore to club Red Money – the higher of the two evils – with Black Money and thereby treat the entire issue of moneys parked in secret accounts in tax havens as a mere tax evasion issue when larger questions of the source of such income remains unanswered, is complete dilution of a serious issue.



The real issue is Red Money and red money account holders – the drug peddler or the corrupt minister – that is of interest to the nation as the entire Red money – not merely the tax portion belongs to the Government. And on this, there cannot be any secrecy, DTAA or no DTAA, accentuates M.R. Venkatesh.





But Why this debate on DTAA?

But if this up-front dilution shocks you, the repeated reference to Double Taxation Avoidance Agreement [DTAA] in this debate will stun you.

DTAA, as readers would know, is an agreement between two sovereign countries to ensure that income in one country to a tax payer in another is not taxed in both countries Viz., the country where the income originates as well as the country of residence of the tax payer.

Therefore, DTAA ensures that either the income is taxed in country of origin or in country where the tax-payer is resident. Thus, readers may note DTAA involves genuine tax payers having legitimate income and not to those who possess illicit income.

Just as a tax-payer is entitled to confidentiality of his income and taxes paid within a country, every DTAA provides clause for confidentiality of the information so exchanged between the two countries.

Article 26 of the DTAA between India and Germany deals with the issue of confidentiality of the information so exchanged between the two countries. Accordingly: "Any information received by a Contracting State shall be

treated as secret in the same manner as information obtained under the domestic laws of that State and shall be disclosed only to persons or authorities (including courts and administrative bodies) involved in the assessment or collection of, the enforcement or prosecution in respect of, or the determination of appeals in relation to, the taxes covered by this Agreement."

Again, one need not be a student of law to decipher the contents of Article 26. It is apparent that the confidentiality of the information applies only to situations where DTAA is applicable in the first place – i.e. to a legitimate income arising in one country to an honest tax-payer in another, not otherwise.

Surely, DTAA is not intended to benefit buccaneers evading taxes in both countries and definitely not those who shy from even owning the income in the first place. But this is what the Government of India is arguing with the apex court for the past three years without any let or fear of contradiction!

The emphasis strangely seems to be on the words "any information" without referring to the previous 25 Articles in the DTAA that deal only and only with income arising to a resident in India and having income in Germany [or

vice-versa] and nothing else.

Stunned? Now get Stumped!

If the reference to the Indo-German DTAA and the consequential debate on confidentiality is stunning, the reference to origin of the "information" would stump you. The origin of this information is not in Germany, but Liechtenstein.

It is often remarked that people all over the world park their dirty money in Switzerland. And the Swiss? Well it is Liechtenstein – popularly called the ugly wart in the otherwise beautiful face of Europe. In fact, the origin of this "information" is from the LGT Bank in Liechtenstein, where the Germans were successful in prising open the details of account holders by apparently bribing an employee of that Bank.

Having obtained the details in 2008, the Germans were willing to share the "information" [i.e. the data they obtained illegally from LGT Bank] with all sovereign governments. And that included India. It is pertinent to note that we dithered till 2011 when the hydraulic pressure of public opinion forced the then UPA government to seek this "information" from Germans, inexplicably under DTAA.

Now where does DTAA between India and Germany figure in this illegal data obtained from Liechtenstein by Germans? Why did the then UPA Government seek information under DTAA? Did the Germans share this information with other countries under the respective DTAA or did it provide it in normal course? And crucially where is the confidential clause in such "information" obtained illegally?

NDA government must explain the position to the Germans as it should to the Hon'ble Supreme Court.

Questions for which there are no answers.

Strangely, having criticised the previous UPA Government when it was in office for seeking information under the DTAA, the NDA is now explaining the virtues of DTAA and explaining as to why the Hon'ble SC should treat information obtained from Germany – read Liechtenstein – as confidential and not reveal the names of account holders.

Wonders never cease, do they?

It may be noted that the “information” from Germany comprises details of a mere 18 account holders against whom the Income-tax department has, according to the recent Writ filed in the Hon'ble SC, concluded investigations under the Indian tax laws and launched prosecutions.

But this Liechtenstein data obtained through Germany is a trailer of a magnum opus. The next set of data were received from the French when they did lay hands on an employee of Zurich Branch of HSBC, Switzerland. This data from France contains the names of approximately 700 Indians. It is not clear at this point whether the Government of India is citing the confidentiality clause in the Indo-French DTAA also. If they do, let us be clear, it is an elaborate charade.

What is interesting is that the



data obtained thus far – from Switzerland through the French authorities and Liechtenstein through the German authorities is divine providence. On both cases, the Government of India has nothing to show for its own efforts.

It may not be out of place to mention that for the past decade the Government of India [under the UPA of course] has played footsie with such account holders by not having one successful indigenuous probe. And even as the French and German have done and provided data to us on a platter, the UPA Government acted with great reluctance and with a calculated aim to obfuscate.

Naturally, that brings us to the question on the need to differentiate between “Black” and “Red” Money. Money parked in secret accounts abroad in a tax haven for fear of taxes by a businessman is purely Black Money. World over tax havens cater to the need of such businessmen. It is a sin but of a lesser order.

But the real issue is Red Money. And surely that sustains tax havens which offer secrecy to generators of “Red” money, launders it and allows it to be re-cycled into global economy as lily white clean

money.

It is therefore natural that the names of the red money account holders – the drug peddler or the corrupt minister – that is of interest to the nation as the entire Red money – not merely the tax portion belongs to the Government. And on this, there cannot be any secrecy, DTAA or no DTAA.

Strangely, the Government of India seems to be oblivious to this distinction. By seeing this as a “Black Money” problem and hence addressing the same purely as a tax evasion issue and leaving it to the tax authorities to deal with the same, we are guilty of diluting the issue.

More pertinently, the UPA is guilty of seeking this information from the Germans under the DTAA. And even if the Germans have provided the information under the DTAA and now object to the same being made public, the NDA government must explain the position to the Germans as it should to the Hon'ble Supreme Court.

And either way – DTAA does not apply to “Red Money.” Over to Hon'ble Supreme Court for a precise ruling on this issue.

Else the debate on the issue is fast degenerating into a farce. □□

Implement Swadeshi Model of Development



BJP considers itself a party with difference and proudly expresses its commitment to take India to its supreme glory- 'Param Vaibhav'. BJP also proclaims to have a thought to fulfil this commitment. The thought is of 'Integral humanism' and normally displayed on every party banner with photos of Pt Deendayal Upadhyaya. Integral humanism is a brief of Bhartiya Vichar Darshan shaped in to a politico-economic thought giving BJP a foundation for its policy prescriptions. One policy prescription derived from integral humanism is its 'Swadeshi Model of Development'. More

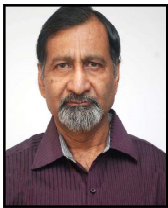
the BJP become comfortable in its governance at centre more will be the pressures to implement its own policy prescriptions than to follow earlier policies. It is thus desirable to discuss Swadeshi model.

'Swadeshi' a spirit of enthuse and a right

'Swadsehi' is a spirit of enthuse that played a great role in Indian freedom struggle. **First**, 'Swadeshi' is a claim local people have on all natural and other resources that are available within their environment and geography and a right for its utilization for their development. **Second**, Swadeshi is a national commitment and a part of state policies that protect the interests of its citizens and all resources including all socio-economic capabilities of a nation from exploitation by other countries or outside players for their benefits. **Third**, Swadeshi is the assurance of utilization of all natural and other resources within one environment and one geography for the socio-economic growth and prosperity of resident people. **Fourth**, Swadeshi is an opportunity for people and society to pursue goals of growth, development and prosperity within their cultural outlook and lifestyles without outside interferences or thrusting of choices and alternate lifestyles from outside. **Fifth**, Swadeshi is following of one's own 'Swabhav dharma' manifested at society and regional or national level and achieving of all goals of socio-economic prosperity to fulfil cultural and spiritual needs by carrying suitable modifications to its environment and geography.

Colonization is the background

As is known, last 400 years were different from earlier centuries due to its technological innovations and development of expansionist tendencies. This led to colonization of many countries and exploitation of natural and other resources benefiting colonizers. The system of local claims to utilize all the resources available within their environment and geography for local benefits thus got modified with this colonization that finally led to confrontation and conflicts among the local population and colonizers. India is no exception. Indians also asserted their claim on Indian resources through 'Swadeshi movement' and made



Present policies of industrialization have brought world societies to non-returnable path of destruction. Indian Swadeshi Model is the alternative that cares for human development and goes well with the nature and other forms of life. Hopefully BJP government will initiate implementation of SMD, hopes
Anil Javalekar

that as integral part of Indian freedom struggle.

Globalization is a threat

Recently, colonization and expansionist tendencies have taken a new shape that allowed world's major economic players to control world resources and gain on the cheap labour and abundant natural resources of poor countries. Freeing of world trade is their main tool and propagating false ideas of globalization and illusory integration of world economies their main philosophy. This poses a new threat to local resources and local people that deprive them from their livelihood source. 'Swadeshi' as concept and as movement can counter this move and possibly ensure control and utilization of local resources for local development.

Swadeshi Model of Development (SMD)

There is no precisely defined Swadeshi model though 'Swadeshi' is a widely discussed concept. Much of the base level thinking for SMD is derived from Gandhian thoughts and was mainly emerged during freedom struggle. Acharya Vinoba Bhave, great Gandhian, elaborated and acted on 'Swadeshi' through his 'Bhoodan' and 'Gram Swarajya' movements and Pt Deendayalji insisted for economic system that achieve the production of all the basic things essential for the maintenance and development of people as well as the protection and development of the Nation. After independence, the idea of Swadeshi was incorporated partially in the strategies of self-reliance. Indian state policies, however, exploited Indian resources for urban industrialization that marginalized rural areas, destroyed

self-reliant rural economy and deprived rural population from their livelihood source. This caused unrest among farming community, rural youth and tribal population resulting in the protests and claiming rights over their agriculture and other natural resources. The Policies of economic reforms and liberalization of 1990s and thereafter almost killed the idea of Swadeshi. This however, rejuvenated Swadeshi Movement under active guidance of 'Swadeshi Jagran Manch', a platform created mainly to oppose growing foreign intervention in socio-economic life of Indian society. The SJM now leads Swadeshi Movement, promote thinking on Swadeshi and help shaping SMD for modern India. There are other NGOs like Ekatma Vichar Kendra and Ekatma Prabodh Mandal among others who help shape SMD. EPM has already published its book 'National Policy Studies-in the light of Ekatama Manav Darshan' highlighting major components of various Indian National policies. Gandhian thinkers and many environmentalists also help build SMD.

Major components of SMD:

1. Territorial identities are important

First, SMD accept local identity of resources and needs of local people. Local lifestyle needs are conditioned mainly by local environment and local geography and societies are solely dependent on natural and other resources available within their territory. Right to exploit natural resources within and meeting all their lifestyle needs are thus important for local communities and disturbing this will surely cause conflicts among different regions and different peo-

ple. Preserving and protecting this right and claim is one major component of SMD.

2. Local self-sufficiency is crucial

Second, Swadeshi recognizes claims of local people by supporting local self-sufficiency model of development. This self-sufficiency is with reference to basic infrastructural facilities, minimum food security requirements and minimum livelihood support. Local area is identified with Common agro-climatic and socio-cultural characteristics as talked about by Pt Deendayalji in his concept of 'Janpad'. The exploitation of local resources for urban industrialization has endangered local self-sufficiency and has left depleted natural resources like land and water to local people. This has made local areas dependent on outside support in every aspect of their survival be of water, food or livelihood source and made people to migrate to other areas. SMD consider this exploitation of local resources without reference to local development and making local people and area dependent on outside support as dangerous and potentially not sustainable.

3. Need appropriate policies

Third, SMD expects state to assure utilization of Indian resources for Indian development and accept this as its national commitment. This implies not falling prey to lobbying and world politico-economic pressures that insist for opening of Indian markets or investment opportunities in non-priority areas. For SMD, not every sector of Indian economy is the priority for globalized trade nor does every sector need foreign capital. SMD pleads for restrictive use of foreign capital and go slow attitude with foreign

trade mainly because its profiteering priorities and speculative preferences for high profits bring volatility in the local economy, makes it unstable and harm long term interests of local producers.

Other important policy components:

i. India's development model, in principle, should be based on Indian indigenous thought, resource capabilities within and Indian needs. Uniform industrialization and consumerist lifestyle without reference to local resources and local needs is a fallacy propagated in the name of globalization and should be buried for all purposes. Every country and every area is unique with its needs and resource base and should follow its own path or model. **Self-reliance** in every of its meaning should be the base of Indian policies.

ii. Indian education, research and technologies presently carry the lifestyle approaches of western countries and follow their development path. This has not only drained Indian resources but also distorted Indian socio-economic life systems. Changing this orientation of Indian education and research and developing **appropriate technologies** that suits to Indian system is important.

iii. India is a country of small entrepreneurs, small traders and small agriculturists with small income and small needs. Therefore, Small land holding agriculture, small entrepreneur led manufacturing and trade along with supportive infrastructure by government are real sources of Indian development. More important, grooming of localized free enterprise and self-employment is the answer to Indian poverty and unemployment. Protecting and supporting local

economies to **increase local incomes** is thus more important than welfare programmes of direct assistance to poor and unemployed or promoting real estate led urbanisation and corporate led high tech manufacturing and service sector.

iv. Local small economies are important for Indian self-reliance and their survival depends on localised production and localised consumptive lifestyles. Indian policies therefore, should incentivise local production and local consumption through favourable taxation and revenue systems and local market development. Local economies can survive not by taxing outsiders but by giving **local advantage** and local competitive edge to local producers in local markets.

v. History has not been fair to natural resources and to local people or local area. Natural resources were first free to all but later controlled by powerful rulers and then by state. Now this control is being transferred to world's major economic players for their profits in the name of industrialization and progress. SMD pleads for revival of this transfer system so to incorporate natural rights of local people. The need is to **review all Indian laws** that allow use of natural resources through simple mode of pricing and value payment. The users should be made more responsible towards natural resources and local interests.

4. Local areas should benefit from innovations

Fourth, SMD consider all the new innovations and new technologies as resources of mankind and are helpful to increase efficiency and productivity of limited resources and also help mitigate many of de-

velopment and climatic risks. Local areas and local people should benefit from emerging new technologies and innovations world over. SMD however, ask for a guarded approach towards new innovations and new technologies because of its doubtful intended applications and profit motifs that endanger local resources, local environment and harm interests of local people.

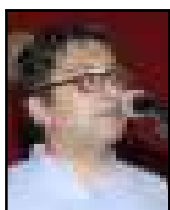
5. People's participation

Fifth, SMD is more dependent on public participation in its implementation and like to create awareness among people about the dangers of consumptive lifestyles that threatens earthly life systems. Participative Public spirit and resistance to socio-economic injustice apart from national outlook, a measure of self-discipline, and law-abidingness are important for success of Swadeshi' model. SMD thus envisages a great role for NGOs and Volunteers particularly those who are enthused with Swadeshi spirit.

Implement Swadeshi Model

Present policies of industrialization have brought world societies to non-returnable path of destruction. New proposed approaches and new policies are fragmented pieces that offer isolated solution to specific problem whether it is environment related or relating to distributive justice of economic gains or the problems of production, market or international trade. These isolated approaches are not enough to give comprehensive model. Indian Swadeshi Model is the alternative that care for human development and goes well with the nature and other forms of life. Hopefully BJP government will initiate implementation of SMD. □□

Ekatma Manav-vad (Integral Humanism): In the Age of Civilisations



It is important to read and understand Pandit Deen Dayal Upadhyay and his theory of "Ekatma Manava-vad" or what is known as "Integral Humanism" and how "cultural nationalism" came to occupy a central space in the political imagination of the people of the country, opines Vikramjit Banerjee

Once upon a time political ideologies were much in debate and were discussed and spoken about at length by the political leadership of the country, unlike today, when there is a broad consensus among the governing class about which route to follow both in politics and in economics. Irrespective of the terms we use as part of the political debate, the ideas of political debate has it seems moved beyond ideologies to issues. It seems in today's almost post ideological age the conflict between various different ideologies

may look to be in the distant past, but in the 1960s they were a lived reality. India in the 1960s was torn into broadly four political currents, which have mingled and separated to what they are today. These currents exist just underneath our political parties. Sometimes our political landscape reflects these currents under the broad umbrella of different parties and sometimes they seem to have disappeared only to come up under a different form and clothing, only to go subterranean again.

The four broad political streams which have flowed under the Indian political course could be broadly classified as (a) The Indian National Congress which was and is today, the inheritor of the liberal discourse in the country, deeply westernized" and "socialist and secular" in a clearly western sense (b) The Socialists which consisted of a large number of assorted groups, but the most influential being the Lohiaites, tracing their source to one of the most perceptive social thinkers of the country, Ram Manohar Lohia, who mixed "class and caste" effectively into an Indian socialist argument which till today carries immense weight, (c) Swatantra followers, that is those who believed in the primacy of Markets and Individualism recognizing that as values they had parallels in Indian culture and civilization but were oriented towards western style free market individualism. They were famously led by the brilliant and erudite Chakravarty Rajagopalachari and (d) those who contributed to the idea of the Jana Sangh, an unique India centric, pro poor interpretation of political thinking based on "cultural nationalism" led by the unequalled political philosopher Pandit Deen Dayal Upadhyay.

In retrospect today, the differences between Swatantra and Jana Sangh may look not too wide because in the course of history both the streams overlapped and came to be subsumed into a broad cultural nationalist narrative after the emergence of the Bharatiya Janata Party from the ashes of the Janata Party but these narratives still exist till this day and are the two undercurrents which still move under the broad tent of the Bharatiya Janata Party.

In reading the intellectual political history of the country and understanding

"Integral Humanism must necessarily make a balanced appraisal of both Bharatiya as well as Western ideologies. On the basis of this evaluation it seeks to show a way which would make man progress further from his present position of thought, experience and achievement. The Western world has achieved great material progress but in the field of spiritual attainment it has not been able to make much headway. India on the other hand lags far behind in material advancement and so its spiritualism has become a hollow-sounding word. There can be no spiritual salvation without material prosperity. It is necessary, therefore, that we strive for strength, and material happiness, so that we may be able to build up national health and contribute to the progress of the world, instead of being a burden on it. Integral Humanism is the ideal which determines our direction which has to be translated into practice. Our program, therefore, has to be grounded in realism. Indeed realism is the forte of our program, the measure of our achievements and the touchstone of our ideal."

Pt. Deen Dayal Upadhyay himself broadly categorized the movements of the day into two parts, the socialists and the non socialists and observed "Parties that have faith in democracy naturally belong to the non-socialist group. Bharatiya Jana Sangh and the Swatantra party can be placed in this group. But there is a difference in emphasis in the two parties. The Swatantra Party is non-socialist to the extent of opposing all acts of the Government that seek to change that status quo in an effort to better the lot of the under-privileged. The Jana Sangh is non-socialist so far as it does not subscribe to the totalitarian concept of socialism but it definitely stands for social justice, reduction of inequalities, changing of the status quo in most matters. By non-socialism it does not mean capitalism If laissez faire variety."

The Swatantra Party does not visualise any other growth process except that of the industrial West. It also does not care about nationalism. It is therefore a democratic party but it cannot be called national democratic. Bharatiya Jana Sangh places equal reliance on nationalism and democracy and recognises that socialism too has some part to play in the present stage of development of the country."

"National Democrats and National Socialists", Organiser, Diwali, 1963, <<http://deendayalupadhyay.org/national.html>> (08.10.2014)

This is not to be confused with the "Integral Humanism" of Jacques Maritain, the Christian Political Philosopher who was the inspiration of the Christian Parties in Europe after the Second World War and a founding thinker of the Christian Democratic movement in Europe.

how "cultural nationalism" came to occupy a central space in the political imagination of the people of the country it is therefore most important to read and understand Pandit Deen Dayal Upadhyay and his theory of "Ekatma Manava-vad" or what is known as "Integral Humanism".

The Basics of Ekatma Manava-vad

Ekatma Manava-vad is opposed to both western capitalist individualism and Marxist socialism, though welcoming to western science. It seeks a middle ground between capitalism and socialism, evaluating both systems on their respec-

tive merits, while being critical of their excesses and alienness.

Integral Humanism followed the tradition of advaita developed by Adi Sankara. Non-dualism represented the unifying principle of every object in the universe, and of which humankind was a part. This, according to Pt. Deendayal Upadhyaya, was the essence and contribution of Indian culture.

Humankind, according to Upadhyaya, had four hierarchically organized attributes of body, mind, intellect and soul which corresponded to four universal objectives, kama (desire or satisfaction), artha (wealth), dharma (moral duties) and moksha (total liberation or 'salvation'). While none could be ignored, dharma is the 'basic', and moksha the 'ultimate' objective of humankind and society. He claimed that the problem with both capitalist and socialist ideologies is that they only consider the needs of body and mind, and were hence based on the materialist objectives of desire and wealth. Upadhyaya rejected social systems in which individualism 'reigned supreme'. He also rejected communism in which individualism was 'crushed' as part of a 'large heartless machine'. Society, according to Upadhyaya, rather than arising from a social contract between individuals, was fully born at its inception itself as a natural living organism with a definitive 'national soul' or 'ethos' and its needs of the social organism paralleled those of the individual.

Deendayal Upadhyay's Integrated Humanism advocates a holistic view of man and society. Every person is an integral whole and is a member of the cultural nation to which he belongs. Dedication of life by an individual for

his cultural nation is the highest ideal to be pursued in life.

Deendayal Upadhyay conceived the political philosophy known as *Ekatma Manavvaad* (Integral Humanism) which was adopted by Jana Sangh in 1965 as its official doctrine. It contains visions organized around two themes:

1. Morality in politics
2. Swadeshi

These notions revolve around the basic themes of harmony, primacy of cultural-national values and discipline. According to Pandit Deendayal, the primary concern in India must be to develop an indigenous economic model that puts the human being at center stage. It is opposed to both western capitalist individualism and Marxist Socialism.

The philosophy of Integral Humanism advocates the simultaneous and integrated program of the body, mind, intellect and soul of each human being. His philosophy of Integral Humanism, which is a synthesis of the material and the spiritual, the individual and the collective, bears eloquent testimony to this. In the field of politics and economics, he was pragmatic and down to earth. He visualized for India a decentralized polity and self-reliant economy with the village as the base.

Bharatiya Culture is Integrated

The first characteristic of Bharatiya culture is that it looks upon life as an integrated whole. The diversity in life is brought about from the basic internal unity only. For example, a seed symbolizes the internal unity, but the roots, the trunk, the branches the leaves exhibit diversity. But we see the genesis of a tree and recognize the relation of its diverse parts to the common seed. Even in societies,

the diversity that we see is an expression of internal unity.

Bhartiya Sanskriti vs. Nationalism, Democracy And Socialism

Western political thought has accepted Nationalism, Democracy, and Socialism or Equality, as ideals. Nationalism led to conflict between nations which led in turn to global conflict. Democracy, equality, national independence and world peace are inter-related concepts. But in the West these concepts have often clashed with one another. The outlook of Bharatiya Sanskriti is integral. Bharatiya Sanskriti offers the philosophical substratum on the basis of which these concepts can be harmonised and cherished objectives realised. In the absence of such a basis, human thought and development have been stultified. The basic truths propounded by Bharatiya Sanskriti have a validity beyond country and age. The outlook of Bharatiya Sanskriti is integral. It accepts the seeming differences among various entities and aspects of life, but it seeks at the same time to discover the unity underlying them—and takes an integrated view of the whole scene. In the manifold activities of the world. Unity in Diversity is the Central thought of Bharatiya Culture.

Panditji writes, “*Western political thought has accepted Nationalism, Democracy, and Socialism or Equality, as ideals... Nationalism led to conflict between nations which led in turn to global conflict... The first characteristic of Bharatiya culture is that it looks upon life as an integrated whole. It has an integrated viewpoint.*”

Unity is the dominant theme in Bharatiya culture. Conflict is recognized but it is recognized as a symptom of perversion. Conflict

The basic truths propounded by Bharatiya Sanskriti have a validity beyond country and age.

is not the purpose of culture. We have recognized desire, anger etc., among the six lower tendencies of human nature. But our culture exhorts us to overpower them. Thieves and robbers exist in the society and our culture also recognizes their existence, but they are not our ideal standard of human behaviour.

“The first characteristic of Bharatiya culture is that it looks upon life as an integrated whole. It has an integrated viewpoint. To think of parts may be proper for a specialist, but it is not useful from the practical standpoint. The confusion in the West arises primarily from its tendency to think of life in sections and then to attempt to put them together by patchwork. We do admit that there is diversity and plurality in life, but we have always attempted to discover the unity behind them.”

Survival of fittest through conflict is the law of the jungle. Civilisations have developed not on the basis of this law, but by consideration of how the operation of this law could be reduced to the minimum in human life. If we wish to progress, we have to keep this history of civilisation before our minds.

However Deen Dayal Upadhyaya was not a blind supporter of the past and recognized that one cannot “go home” as India had interacted with history actively and not in a passive manner.

(To be contd.)

Author Vikramjit Banerjee is Advocate, Supreme Court of India.

Beyond WTO

Agreement has been reached between India and the United States on the contentious issue of Minimum Support Price (MSP) given by our government to our farmers for procuring food grains for the food subsidy program under the Food Security Act. Last year agreement had been reached in the WTO on this issue. The developed countries wanted uniform rules to be followed at ports across the countries so that goods could move seamlessly. This was called "Trade Facilitation Agreement." Presently countries have prescribed different formats which make it difficult to undertake trade. India had agreed to this. In return we had won a four year reprieve on paying higher prices to our farmers for procuring food grains under our MSP program. That, however, will not be sufficient to provide lasting relief to our farmers.

Presently Government of India is purchasing food grains from our farmers at rates fixed administratively under the MSP programme. Wheat, for example, is being purchased at about Rs 15 per kilo and supplied to Ration Shops for distribution at Rs 1 per kilo to BPL households. Food exporting countries had objected to this. Their contention was that India should purchase the wheat in the global markets and dismantle its MSP programme. A country like Australia was being deprived of the opportunity of supplying wheat at, say, Rs 12 per kilo. By purchasing wheat from Indian farmers under the MSP programme, India was depriving Australian farmers of an opportunity to export to India, they said.

A give-and-take agreement was reached in the WTO last year. India agreed to sign the Trade Facilitation Agreement. In return, the developed countries agreed not to challenge India's MSP programme for four years. This agreement was to be signed this year. But the our government changed and NDA came to power. The NDA decided that the reprieve of four years was not sufficient and wanted a permanent arrangement by which it could pay higher price to its farmers. The NDA Government decided not to sign the Trade Facilitation Agreement. The WTO talks got deadlocked. Now, unconfirmed reports indicate that the United States has



*The condition of our farmers has continued to decline over the last few decades because of faulty policies of the Government. NDA has done well by obtaining a permanent reprieve for continuing our MSP programme. But there is need to go much farther, says **Dr Bharat Jhunjhunwala***



agreed not to challenge the MSP programme in perpetuity. This has removed the roadblock to the signing of the Trade Facilitation Agreement. The WTO can move forward; and Indian farmers can enjoy the benefits of the MSP programme for times to come.

There is flip side to the MSP programme, however. MSP is provided to select crops such as wheat, rice and sugarcane. Our farmers have increased the production of these crops because they are assured of a decent price. This success has shifted the farmer's attention away from other crops that could provide higher returns such as vegetables, fruits, timber, flower and orchids because of uncertainty of price here. The government must, therefore, work out ways to move the farmers from low-value MSP crops to high-value market-oriented crops. In particular it is important to support crops that have a huge international demand such as flowers, organic food and designer vegetables. The NDA should put in place a programme for providing skill development in advanced agricultural technologies such as tissue culture to enable cultivation of these crops. We have a varied climate from Kerala to Kashmir. It is possible for us to become global flower and vegetable hub and supply these items across the year. Problem is that prices of these market-based crops are uncertain while those of the MSP-based crops are certain. NDA must work out a system to cover the risk of the farmers in cultivation of market-based crops. A subsidized insurance system which covers against price decline would be one option.

There is a need to reconsider

other agriculture sector policies as well. We are asking for dismantling of domestic agricultural subsidies by the rich countries under the WTO in pursuance of this policy. The idea is that opening of the markets of rich countries will provide opportunities for our farmers. I fully support this approach but the final benefits of this strategy are doubtful because these markets will be opened not only for us but for other players as well. The resulting increase in supply from other producers can wipe out most of the expected gains in price from opening of these markets. For example, the entry of Vietnam in coffee and black pepper has wiped out the gains for Indian farmers from free trade. We should consider an altogether different policy. We must make cartels for specific agricultural commodities just as OPEC has done for oil. India and Malaysia can join hand to increase the world price of rubber. India can likewise co-operate with Bangladesh in jute, Sri Lanka in tea and Pakistan and Egypt in cotton. This will certainly provide high prices to our farmers. But we may have to come out the WTO in the process.

The Government is trying to increase the flow of credit to the farmers under the impression that lower interest rates will provide relief to them. No relief is likely to be got, however. The rural areas are flushed with funds. The credit-deposit ratio of rural banks is typically 15—for every Rs 100 of deposits the loan given out is only Rs 15. Rural banks have plentiful depositors but few applicants for loans. Farmers have the money but no opportunity to deploy it productively because of absence

of profitable opportunities in villages. Expansion of credit will serve no purpose in this situation. It is like pouring tap water into the waterfall. The Government must focus on specific areas such as floriculture where the profits are high.

Public investment in agriculture also needs a close study. Mere building of more canals and increasing area under irrigation will not help because, as mentioned previously, the prices are declining. Remember that most farmers' suicides are taking place in irrigated areas. Public investment must be fine tuned to support value-added agriculture. For example, the global demand for organic foods—guavas, mangoes, coffee and tea—is increasing. The Government must create a certification mechanism in each district to promote this. Export subsidy may be provided to private exporters of value-added agricultural commodities to help them penetrate this lucrative global market.

The Government is trying to reduce agricultural subsidies of food, fertilizers, water and diesel to contain its fiscal deficit. The need is to turn these subsidies towards areas that lead to a multiplier effect. For example, instead of subsidizing electricity for extracting ground water, the same money can be better utilized to provide subsidy for water recharging by building check dams, ponds and anicuts. The conditions of our farmers have continued to decline over the last few decades because of these faulty policies despite massive investments by the Government. NDA has done well by obtaining a permanent reprieve for continuing our MSP programme. But there is need to go much farther. □□

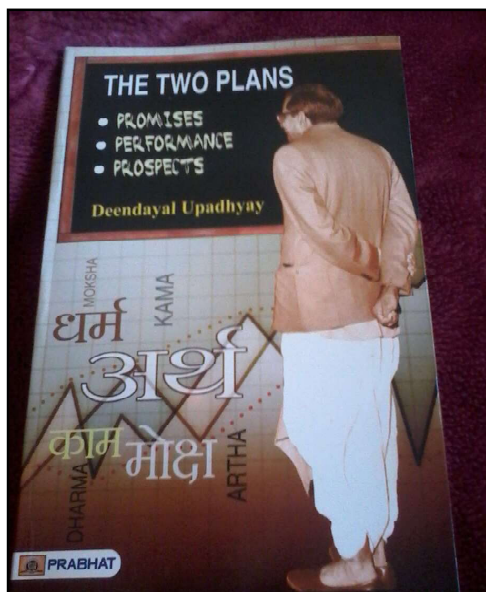
The two plans: promises, performance, prospects **The 1958 Book by Pt. Deendayal Upadhyay Re-launched**

A function to release the reprinted edition of “**The two plans: promises, performance, prospects**” a book by Pt. Deendayal Upadhyay was held in Ektam Bhawan DDU Marg on 15th Nov. 2014. Book release function was presided over by Dr. Bajrang Lal Gupt, while Sh. Muralidhar Rao was the key speaker. Dr. Mahesh Chander Sharma, chairman of Ektam Manav Pratishthan introduced book subject and the guests.

Beginning with the subject, Dr. Mahesh Chander Sharma recalled life and times of Deendayal

Upadhyay and said that Pandit ji was a person who would always recast himself according to the requirements of the responsibility, he was asked to shoulder. That is why, “we see Deendayal ji & who wrote scholarly excellent literary works in novel form like “Chander Gupta Maurya” and “biography of Shankaracharya” writes an excellent analysis of five year plans for a political organisation”, continued Mahesh ji. He further recalled that when workers of the party asked about “Economic policy of BJS” Deendayal ji to resorted a school teacher type of educator with black board and chalk in a workshop in Nagpur, to explain economics.

Pt. Upadhyaya is well known for his idea Integral Humanism – a concept which is deeply embedded in Indian Psyche. The philosophy of Integral Humanism advocates the simultaneous and integrated programming of the body, mind, intellect and soul of every human being. His philosophy of Integral Humanism, is a synthesis of the material and the spiritual & the individual and the collective. In the field of politics and economics, he was pragmatic and down to earth. He visualized for India a decentralized polity and self-reliant economy with the village



as the base.

Muralidhar Rao, general secretary of BJP, in his speech drew the attention of participants to the conditions in which Pt. Deendayal Upadhyay wrote and analysed 5 year plans. On one side was the Prime Minister of those times who was also one of the prominent leader's of freedom struggle and that of nation. Socialism was globally on ascendance. On other side was a young political leader of a political party that was in its infancy and had no profile to demonstrate to impress people.

Muralidhar Rao criticised people who were accusing BJP of mainstreamisation of its icons saying “When PM Narendra Modi announced dismantling of the Planning Commission, there was no protest, no mourning. It is a clear indication that leaders like Deen Dayal Upadhyay who judged this country correctly is in the mainstream, not Nehru.” Deendyal ji dared not only to challenge the most popular and powerful leader, but also the institutions that he was trying to show as modern temples of India Murali ji added. Deendayal was not even an economist of the type and repute of those who had prepared these five year plans, yet his analysis was so deep, comprehensive and farsighted that the then Deputy Chairman of the planning commission Sh. Shrimannarayan Aggarwal issued a circular to all the concerned officials stating – “I have never seen such a serious and factual analysis as Pandit ji has done in this book”, Murali ji quoted.

In his extensive and impressive talk Murali ji highlighted several aspects of the book and remarked that those who read this book seriously will realise that Deendayal ji has explicitly conveyed political message where ever it was possible without compromising

cultural nationalism and integral humanism. He has effectively exposed the contradictions of both capitalism and communism and forecasted their fall at a time when these ideologies were yet to peak.

Murali ji appreciated the vision of those who had asked Deendayal ji to work in political field. He also congratulated publishers for making this rare book available to present generation at a time when Nehru's theories were no longer relevant and models like planning commission were losing relevance.

In his concluding remarks Dr. Bajrang Lal Gupta extensively quoted Deendayal Upadhyay to underline his several observations that are equally relevant even today. These quotes are in a way commentary on the

present government also. Some of these quotes are "from conception to inception the plan has been based on speculative estimates of possible resources which had no relation to realities." Assumptions on which the plan has been based are more of wishful thinking." Dr. Bajrang Lal ji was explaining the casualness and disconnection of the people in authority with the real India.

He also quoted Deendayal ji saying "Even the so called most intelligent people in the country have either lost the capacity to give free expression to their opinions if they run counter to the fanciful utterances of those in authority?"

He was emphasizing need to be qualified to understand Pt. Deendayal Upadhyay and his message. □

Dattopant Thengadi Memorial Lecture 2014

Gurumurthy speaks on Indian Economy, Indian Impulses and Western Ideas

Delhi Unit of Swadeshi Jagran Manch organised an impressive function to pay rich tributes to its founder Rev. Dattopant Thengadi on his 94th birth anniversary.

Function was held in constitution club, Rafi Marg, New Delhi on Nov. 11, 2014. Dr. Sachin Chaturvedi, Director General of RIS presided over the function, while Sh. S. Gurumurthy delivered the Dattopant Thengadi Memorial lecture. Sh. Kashmiri Lal ji spoke about life and vision of Rev. Dattopant Thengadi.

Rev. Dattopant Thengadi was born on Nov. 10, 1920 in Arvi of Maharashtra's Wardha district. He is the founder of SJM. Hence his birthday is an important occasion to recall his life and works.

Sh. Kashmiri Lal Rashtriya Sangathak of SJM in his brief speech highlighted several aspects of the life of Dattopant Thengadi as an organiser, thinker, orator, philosopher and guide. He recalled that Thengadi ji was eloquent in speech and versatile with his writing and has some 140 titles to his credit in Marathi, Hindi and English.

Most of his works are mainly focussed on the problems of the working class and some of his popular books are "Vichar Sutre", 'Karyakarta', 'Sanket-rekha', 'Ekatma Manav', 'Ek Adhyayan', 'Pragatipath Kisan', 'Dr Ambedkar', 'Saptakram' and 'Lakshya Aur Karya'.

Thengadi, a graduate in law, was not only the founder of BMS in 1955 but also helped set up Akhil



Bharatiya Vidyarthi Parishad in 1949, Bharatiya Kisan Sangh in 1979, Swadeshi Jagran Manch in 1991 and Samajik Samrasta Manch in 1983. He was also involved in a number of other organisations of all hues and nature like the Jan Sangh, Akhil Bhartiya Adhivakta Parishad, Sanskar Bharti and Swadeshi Science Movement.

Thengadi ji had very good personal relations with all people cutting across party barriers, Kashmiri Lal added.

In an excellent and innovative manner Kashmiri Lal ji used the personality of Dattopant Thengadi's imaginary presence to evaluate present situation. He said that, Thengadi ji would have been a very happy person to see Indian PM receiving an unprecedented reception abroad particularly in USA. Similarly the other things that would have added to the happiness of Thengadi ji would include, Indian stand on WTO and successful launch of Mangalyaan with complete

swadeshi inputs. But constantly contradicting messages emanating from government on GM foods and continued thrust on FDI would have turned him sad.

An efficient organisation builder, Dattatraya Bapurao alias Dattopant Thengadi, the trade union leader and RSS ideologue, was equally proficient at mesmerising people by his words and deeds. He has inspired a huge number of people whosoever came into his contact. He had toured the length and breadth of the country in his capacity as a RSS Pracharak in his early days and later the expanse of the world as a pioneer of trade union movement.

Every year a memorial lecture is organised on some important subject related to Indian Economy. This year Sh. S. Gurumurthy, all India co-convenor and well known columnist, writer, CA and corporate advisor was the main speaker. He delivered as thought provoking and well informed lecture on “Indian Economy: Indian impulses and Western Ideas.”

Speaking on the occasion he, pointed out policy fallacy of economic education in India where students in classes are taught theories far removed from economic reality on ground. Referring to a study conducted by SJM in Tamil Nadu in this context, in which ground 350 Women teaching economics were surveyed, Gurumurthy revealed that even these teachers themselves did not follow in their own domestic lives what they teach in classrooms. Referring to formation of SJM by Rev. Dattopant Thengadi in 1991, Gurumurthy reminded of the situation arising then after the breaking of elsewhere USSR. Paying rich tributes to the amazing capabilities of Dattopant Thengadi, he recalled that Thengadi ji had correctly predicting fall of both socialism and capitalism, that too in the correct order.

Both socialism and capitalism are similar in their understanding of human needs, the only difference being replacement of the role (ownership) envisaged for state in socialist model by market in capitalist model, Gurumurthy added.

He further said that every effort to foist these western ideas on Indian people failed because of our traditional wisdom and orientation of society in a manner that respects family and relations.

He cited several examples supported this view with official data to substantiate his point. He said that Indian economy was feminine in nature and major part of credit to preserve it goes to Indian women.

Comparing employment provided by public

sector and private sector corporate/organised sector, Gurumurthy quoted economic survey to point out that, just 3.7 million jobs in 20 years from 1991 have been provided by so called organised sector.

He quoted The Asia/Pacific Equity Research paper of Crédit Suisse — which manages \$1.3 trillion worth of assets — to point out that corporates constitute just “the tail” of the Indian economy and that, only half of India’s GDP and 10 percent of India’s employment are in the formal sector. Further, only a fraction of the formal sector is listed.”

Compared to it the unincorporated sector provided the bulk of employment. This is the sector which has been denied the financial assistance from the state. They are forced to borrow money on exorbitant rates of interest that at times goes up to 30% per day.

The National Sample Survey Organisation (NSSO) Survey 2011, he added, presents as comprising 57.7 million non-corporate business units outside the huge construction sector. And 70 per cent of them are unregistered, says NSSO. They are the fastest growing since 1991, almost doubling since 1998. In contrast, and post-liberalisation, the share of jobs in the organised sector came down from 8 to 7 per cent.

Pointing to what he termed as the unknown picture of this huge sector, Gurumurthy underlined that majority of the 57.7 million units operate in rural areas, the most difficult terrain for the government to provide non-farming jobs. They add an aggregate value of Rs.6.28 lakh crore to the national economy, 70 per cent of them in the rural areas, and employ 108 million; 53 million in the rural areas. Their value addition per unit is Rs.1.09 lakh; per worker it is Rs.58,000, and per hired worker it is Rs.47,000, which equals the average per capita income in 2009-10 and is higher than the rural per capita income. The fixed capital employed per unit is Rs.2 lakh, which is not insignificant. More than two-thirds of them are engaged in trade and services and a fourth, in manufacturing.

Another vital, but unknown truth is that it is dominated by the disadvantaged sections — the Other Backward Classes (OBCs) the Scheduled Castes (SC) and Scheduled Tribes (ST), he added further. In spite of all these glaring facts the huge section of population engaged in this sector has not only survived but has also preserved culture and civilisational ethos of the nation.

He said that Western thinkers are unable to understand the complexities of Indian economy hence their ideas can’t be applied here. He said SJM from

very beginning has been raising its voice on these issues without fear or favour. He cited the example of minority judgements of the courts to assert that in the manner a Judge in spite of knowing that his dissent won't matter still puts it on record SJM has been voicing its dissent and stand vindicated now.

Dr. Sacin Chaturvedi in his concluding remarks highlighted several points that the confronts the econ-

omy today. He in particular mentioned the need to evaluate the huge amount of aid provided by India to other countries & the returns of same for the country.

Dr. Ashwani Mahajan proposed the vote of thanks. Ajey Bharti conducted the proceedings. Among other things the eloquent presence of Lok Sabha speaker Smt. Sumitra Mahajan in the audience was a major high light of the event. □

Babu Genu

A Tribute to a Swadeshi Martyr

Babu Genu, a congress party worker in the pre-independence era, was killed in the most gruesome manner while attempting to stop a speeding truck in Mumbai from carrying imported materials from Britain. It was on 12th December 1930 that Babu Genu lay on the ground before the speeding truck in the New Hanuman Road at Kalba Devi at around 11 AM on that fateful day in an attempt to prevent foreign goods from entering the Indian soil.

Even as the police were physically preventing him and his colleagues from participating in this non-violent protest, Babu Genu never gave up his resolve to stop the trucks. The truck driver - Balbir Singh – an Indian would come close to the protestors and stop for he would not and could not drive over fellow Indians. Seeing this, the police once again intervened and physically removed the protestors from the road to enable the truck pass through.

Freeing himself from the policemen gathered there, Babu Genu once again lay on the road in another attempt to prevent the passing trucks. Seeing the procrastination of the Indian driver the British sergeant lost his temper and took on himself to drive the truck at full speed over Banu Genu crushing his head and leaving behind a pool of blood and mass of flesh. Babu Genu was seriously injured and within hours passed away. He was in his early twenties when he died. Yet his life is a message to every Indian.

Babu Genu was born in 1908 in a poor family in Pune district of Maharashtra – a family that was



steeped in abject poverty. The only prized possession of the family was a bullock that was used for farming. His father was a farmer and the other members of his family were his mother, two elder brothers and a sister. His father passed away in 1910 when he was a mere two year old child.

His mother unable to continue living in her village migrated to Mumbai to earn her livelihood as a domestic help. She left her sons back in the village in the care of some neighbours

All this meant that Babu was deprived of formal education in his formative years. Yet that did not mean that he was neither ignorant nor unaware of the issues confronting the country. After a spending a few years in the native village Babu Genu joined his mother in Mumbai. As his mother could not support his stay in Mumbai Babu Genu was compelled to seek employment as a casual labourer in the mills of Mumbai.

On many days he would not get employed. This did not deter him and he did not feel left down. Quite the contrary that gave him enough time and space to interact with the leading lights of independence movement in Mumbai and in the process understand it in different perspective.

Babu Genu was highly influenced by the sacrifices of Lala Lajpath Rai and the trio of Bhagath Singh, Rajguru and Sukh Dev. Yet he was wedded to the cause of non-violence and satyagraha as enunciated by Mahatma Gandhi. □□

Unnat Gaon - Unnat Bharat

Looking at the unemployment and poverty in rural India the spending on MGN-REGA should have increased but in reality it has not, due to various reasons which include corruption, malpractices, and delays in identification, processing and approval for projects/works. The poor man suffers due to dishonesty and inefficiency of authorities and officials.

I will not go into details of other schemes but the fact is that the actual outcome on ground has been extremely poor. Though we see the development on paper and Government reports but on ground the impact is not commensurate to the money spent. The access to sanitation may have increased to 24 % and the drinking water may have reached more than 90% villages, literacy rate in rural areas may have gone up to 69%, Indra Awas Yogna and Bharat Nirman may have provided houses to 32.3 million HH, PMGSY may have connected 1.78 lakh habitations, etc but how much of this development and work is qualitative, is a big question. Can we feed our growing population in years to come, at the current pace of agricultural growth, can we provide jobs to our young population which is expected to reach a figure of about 25 crs in 2025. Can we provide quality education to 70% of India's population living in rural India and healthcare when 75% of quality health infrastructure is available in urban areas? We also need to examine if the progress so far is sustainable. Have we been able to create sustainable assets in terms of infrastructure and human resource, energy sources etc? Have we ensured the sustainability of natural resources?

An ideal village and a strong rural India should have all ingredients of development. It should have all necessary infrastructural facilities including roads, electricity, water, communication, education institutes, healthcare facility, sustainable agriculture & energy sources, nonfarm based income generation opportunities etc.

In order to achieve that we require a need based policy, sustainable programme, rational strategy, financial planning, skilled, motivated & honest human resource, strong institutional back up, participation of stake holders and a dynamic monitoring mechanism.

In policy formation mostly it has been seen that Government follows a top



A major cause of poverty among India's rural people is lack of access to productive assets and financial resources. High levels of illiteracy, inadequate health care and extremely limited access to social services are common among poor rural people, emphasizes Sanjay Ganjoo



down approach. In order to form a viable policy it is necessary to study the needs of beneficiaries and to include their inputs in policy formation. While charting out the strategy we find that the detailing is missing. Government thinks that by drafting a 20 page guideline and SOP of a particular scheme their job is over. India being a diverse county, we can't apply uniform procedures and cost in every part of the country. The implementing procedure and cost for MNERAGA/NGA/PMGSY/NRLM etc in Rajasthan has to be different than Tamil Nadu, for it to succeed.

Financial planning has to be done in such a way so that optimum and realistic prices are factored into and a regular fund flow is maintained. In certain cases we need to avoid straight jacketed approach. It has been observed that in certain schemes the costing is practically unviable. Sustainability of projects and their impact on environment is important. The assets built should have a long life without damage to the environment. Poverty reduction and economic growth can be sustained only if natural resources are managed on a sustainable basis. Greening rural development can stimulate rural economies, create jobs and help maintain critical ecosystem services and strengthen and strengthen climate resilience of the rural poor.

Investment on human resource that actually carries out this work is extremely important. While working in rural areas, that too when we want people to participate in the process of governance, it is necessary that the grass root officials and panchayati representatives are educated, skilled and motivated. It is extremely sad that Panchayati Raj



Punjab has seen the negative effects of extensive use of such chemicals on health of farmers & natural resources.

institutions are in a poor state of affairs. MoRD which runs schemes worth Rs 80,000 crs invests least in capacity building of 30 + lakh Panchayati Representatives.

All such development programmes need to be governed by a study/research based mechanism. That can be done only if research institutions are involved. Technology will play a major role in planning, implementing and monitoring of all programmes. Increase in quantity and quality of such institutions is necessary. A grid of technology and research institutes should be created to develop, exchange and share technology solutions. Compartmental approach should be done away with. Unless there is flow of information, the lab to land mission cannot be achieved. Therefore all such institutions should open their windows and allow information to flow. Every poor of this country should have an easy access to technologies, which can improve his life.

Unnat Bharat Abhiyan as I understand is a mission of IIT Delhi to extend benefit of such sustainable technologies to rural masses in order to develop model villages. Focus of this conference is to create network of technology institutes working in the area of rural development and to extend their expertise to rural India.

Organic agriculture can remove the ill effects of fertilizers and

pesticides and restore the health of natural resources. Punjab has seen the negative effects of extensive use of such chemicals on health of farmers and natural resources. Cow based agriculture, health and environment has an immense potential to generate wealth for rural poor. Receding water tables have to be restored by way of innovative methods of water management and conservation. To eradicate poverty unemployed rural youth and women have to be gainfully engaged in income generation activity based on rural resources. Keeping in view the unavailability and unreliability of electricity the solar power solutions will have to be tabbed.

Last but not the least the institutions and government departments have to work in close coordination from policy formation to implementation level in order to bring results. MHRD has launched a wonderful platform for knowledge dissemination through E Library but it will be of use to our rural youngsters only if other departments cooperate and provide computers, electricity and internet connectivity to these schools.

We need to focus on these topics and arrive at realistic solutions to develop Unnat Gaon and Unnat Bharat to further achieve Gandhi ji's dream of "Gram Swaraj".

(The author Sanjay Ganjoo is CEO, Bhaskar Foundation)

(Concluded)

India Should Leverage the Tectonic Shift in the Global Economic Order



West is in decline and many of its institutions are failing. We should take the lead along with others in the East to create alternative institutions to the World Bank, the IMF and the UN. Our ability to look beyond Marx and market into our thriving communities and bazaars will provide us answers to many issues, advocates Prof. R Vaidyanathan

As per Angus Maddison's pioneering OECD study, India and China had nearly 50 percent of the global GDP as late as the 1820's.¹ Hence, India and China are not emerging or rising powers. They are merely retrieving their original position or re-emerging markets. In 1990, the share of G-7 in world GDP [on PPP base] was 51 % and that of the emerging markets was 36 %. But in 2014 it is the reverse. [See Chart 1].

The crisis faced by the West is primarily due to forgetting a six letter word called 'saving' which is a result of forgetting another six letter word called 'family'. The West has nationalized families over the last sixty years. Old age, ill health, single mother, child care everything is the responsibility of the State. When family is a 'burden' and children an 'encumbrance', society can be said to be in a state that should cause concern. Actually, for long household savings has been negative in the USA

We find from Table — 1 that the Debt to GDP ratio is above 300% in many developed countries. Importantly, the Household Debt to GDP ratio is significantly high in many G-7 countries like US, UK, Canada etc. and comparatively low in countries like China and India. Saving is still not forgotten in these countries. Also, the credit card culture could be a major reason for such high levels of indebtedness in the developed countries.

We have given in table-2 the household savings rate as percentage of disposable income for many OECD countries. Except France, most are in single digits. The lack of savings by households has an impact not only on the current situation but also on distribution of wealth over time. We can use a thumb rule to conclude that whenever the savings rate of a society is less than 10% of its disposable income [with stable taxation and inflation] then the society is bound to get into difficulties. Many households begin to rely more and more on social security and

Table -- 1 Overall Debt and Components as % of GDP

Country	Overall Debt	Govt. Debt	Household
UNITED STATES	289	90	83
CANADA	273	69	91
BRITAIN	494	92	96
GERMANY	287	86	60
FRANCE	349	91	49
SPAIN	366	75	81
ITALY	310	104	46
RUSSIA	72	7	9
BRAZIL	148	66	15
JAPAN	511	227	67
SOUTH KOREA	315	32	82
CHINA	184	28	28
INDIA	122	55	10

Source: IMF, World Economic Outlook-2012

this liability, in some countries, is either not funded, or, inadequately funded. This, in turn creates substantial issues of solvency of the government and the ability of the government to take care of the old age security of its citizens.

This, coupled with the declining population growth rate and longevity of the current generation, creates an explosive situation of a bankrupt state exchequer and lower accretion to the social security fund.

The decline, and in many cases, the extinction of the joint family system in these countries adds to the agony of the elderly in terms of their old age security and health and emotional care. The increasing number of children born out of wedlock to younger girls and single mothers creates additional dependency numbers for the State. The consumption driven society turns out to be a 'Responsibility Denial' society. A couple of years ago, hundreds of aged people died in France from the heat due to lack of care by their family and the State. Younger family members had all gone on vacation in the summer leaving the old to the vagaries of nature. And the State is blamed for not taking care of the old! The slogan of 'Shop till you drop' is slowly changing to 'Shop and get dropped'. Consumers are feted and savers are frowned upon. But the wheel is slowly but surely turning. Suddenly the good old virtues of saving and thrift are becoming the fashion from Alberta to Auckland. The limits to consumption led growth have at last dawned upon the people. On a global scale, the consumption led growth of some countries like the USA is supported by saver countries in the devel-

Table -2 Household Saving Rates

Country	1995	2000	2005	2010	2012	2013	2014
Australia	5.3	1.8	2.7	10.1	11.3	10.4	9.8
Canada	9.3	3.4	1.6	4.3	5.0	5.2	5.0
Denmark	0.2	-4.0	-4.2	0	-0.7	-0.1	-0.2
Germany	11.2	9.4	10.7	10.9	10.3	10.0	9.9
Japan	12.2	6.8	1.4	2.0	1.3	0.9	0.6
Korea	18.5	9.0	7.5	4.7	3.9	5.1	5.2
USA	5.2	4.0	2.6	5.6	5.6	4.5	4.1
France	15.7	14.2	14.8	15.9	15.6	15.6	15.7
UK	9.4	4.6	2.9	7.3	7.3	5.1	3.9

Note: Net saving as a percentage of disposable household income. In the case of the UK, it is gross saving.
Source: Household savings OECD fact book. [<http://www.oecd.org/dataoecd/5/48/2483858.xls>]

oping world. But how long can these anomalies continue?

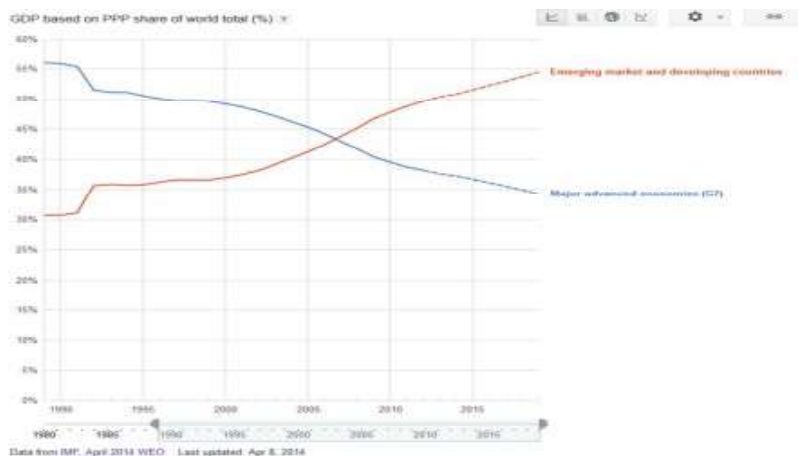
Not only that, the West is also facing a severe demographic crisis. The population of Europe at the time of the First World War was nearly 25% percent of the world's population; today, it is around 11% and is expected to become 3% in another twenty years. [See Chart — 2] Europe will disappear from the world map unless migrants from Africa and Asia take it over. The demographic crisis impacts them in other ways too. The Social Security system goes for a toss since people are living longer and there aren't sufficient numbers to contribute towards the Social Security fund or pay taxes. So the nationalization of families becomes a burden on the state. European work culture has also deteriorated with even our own Tata complaining about the work ethics of British managers.

In UK, the situation is worst with alcoholism becoming a common problem. The Chief Rabbi of the United Hebrew Congregation in London says, *"There are all signs of arteriosclerosis of a culture and a civilization grown old. Me has taken precedence over We and pleasure today*

over viability tomorrow." [The Times, 08-09-2011]. Married couples make up less than half [45%] of all households in the USA says the recent data from the Census Bureau. Also, there has been huge growth in unmarried couples and single parent [mostly poor black women] families. Society has become dysfunctional or disorganized in the West. The Government is trying to be organized. In India, society is organized and Government is disorganized. Because of the disorganized society in the West, the state has to take care of families. The market crash is essentially due to the model of consumption with borrowings and no savings.

According to a recent report [Wall Street Journal, 10-10-2011], nearly half of the U.S. population lives in households receiving government benefits like food stamps, subsidized housing, cash welfare or Medicare or Medicaid (the federal-state health care program for the poor) or Social security etc.

The unemployment rate in many European countries like Spain and Greece is more than 20% and among youth (aged 16 to 24 years) it is nearing 50%.



Britain has fallen out of love with marriage. The 2011 Census shows that the number of married people has fallen to 20.4 million, nearly 200,000 less than a decade ago. A quarter of the people in England and Wales are single, while the number of those cohabiting has risen from 9.8% of the population to 11.9 %. Growing numbers of people are also choosing to divorce.

The breaking up of the family has put tremendous pressure on the state to sustain single parent/single women families and also the elderly. This has put their social security schemes – if at all funded – under strain.

Europe has become secular, which is a euphemism for renouncing or ignoring the church. For instance, the recent census in the UK has revealed that there has been a decline of 12% in people belonging to Christianity and 25% of the population said they had no faith – an increase from 15% a decade earlier.

The UK is also exhibiting tendencies in societal behavior more typical of third world countries. For instance, urinating in the streets is becoming a major issue and the town of Chester is using innovative ways to punish offenders like asking them to maintain local heritage sites.

The French are grappling with the issues of illegitimacy and a failure of the family system. An ex-French law minister had simultaneous relationships with eight men and it was difficult to ascertain who the father of her child was. In another decade, many French children may be able to identify their fathers only through DNA tests.

The USA is facing similar issues. In 2010, more than 50% of the children were born out of wedlock and illegitimacy is the new norm. Among blacks, it is 75% and among Latinos, it is more than 55%.

The US faces an unprecedented crisis since families have been nationalized and businesses privatized. Society has become dysfunctional. This year, more than half the births are of non-white children, giving rise to the possibility of the US becoming a non-white major-

ity country in another 30 years where Spanish and Chinese could become major languages. This could have a tremendous impact in Mid-West and give Southern Bible-thumpers like Rush Limbaugh a field day. This could also give rise to sharper social conflicts and open up the old civil war fault lines.

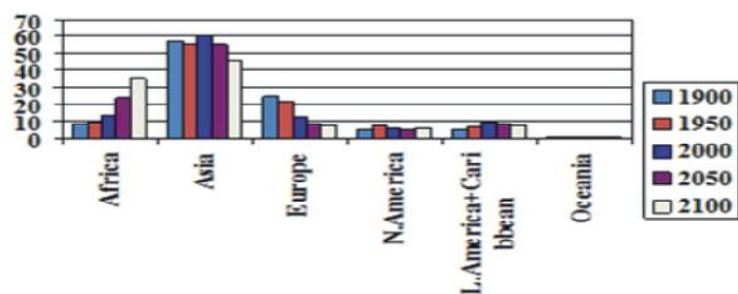
Two reports released in December 2012 in the US will have significant and far-reaching implications for countries like India. These reports are: **Global Trends 2030: Alternative Worlds**, by the US National Intelligence Council, and **US Strategy for a Post-Western World: Envisioning 2030**, by the Atlantic Council.

The aforementioned two reports tell us something we always hesitate to believe till someone from the West confirms it for us. The reports indicate how China and India will be more powerful than the US by 2030. One of the reports also suggests that Asian cultures will supersede America's and Europe's in 20 years as the global middle class grows. But it also predicts that competition for resources, including food, space and water, will be fierce.

Five trends which will have far-reaching implications for the West and us are the following:

- The West's problems are relat-

World Population By Region



Source: United Nations Dept of Economic and Social Affairs - Population Division: World Population Prospects - The 2010 Revision, accessed from <http://esa.un.org/unpd/wpp/OtherInformation/wpp-chart.htm>

ed to the decline of the family as an institution and household savings.

- Demography is increasing the proportion of old people in the population.
- Rising longevity is leading to a social security crisis which will bankrupt governments.
- The decline of the Church and belief systems – both in Europe and US – could have major implications.
- The Westphalia Consensus about the sovereignty of nations which are not western/white is over.

These trends have not been dealt with in full detail in the main reports possibly because they are focused more on economics, energy etc. But the building blocks of any civilization start with the family, and this has become an issue in the western world, without

alternate institutions emerging.

Under the circumstances India needs to strategize for the future.

We should recognize that for most of the Indian elite, their umbilical cords are linked to the west. Many of them are/were educated in the US or Europe, and most of them have their children studying or working there. Due to colonial genes, acceptance and recognition by the West is critical for average middle class Indians.

The danger is that we are going to replicate their failed models when they are in decline. They will try to sell us everything they have, and we will buy it because of our colonial genes. They will hire more Indians to head global companies as showpieces in order to penetrate our markets.

The reality that the West is in decline and many of its institutions are failing has still not struck us and

we will continue to try and imitate them – including their dysfunctional family systems. We should recognize that we are a civilization and not just a market. Today, funds are in search of markets and not the other way round. Instead of heading global institutions, we should prepare to acquire them.

Civilisationally, we are nearer to the East than the West. We should take the lead along with others in the East to create alternative institutions to the World Bank, the IMF and the UN. The need is to recognize that the old debate about big business or big government is passé. Our ability to look beyond Marx and market into our thriving communities and bazaars will provide us answers to many issues.

Will India, as Aurobindo mentioned, rise from the ruins of the West? □□

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Collection of Arms

Kabuliwallahs used to smuggle cocaine to India and their network stretched from Turkey, Arabia, Persia, Afghanistan upto Asam in India. Revolvers and catridges were generally obtained from Kabuliwallahs by the revolutionaries on Payment. Sailors of foreign ships used to deposit arms in the houses of prostitutes at Kidderpore where from revolutionaries took these on payment. Besides, Abhinav Bharat of Savarkar spreading its branches at Madhya Pradesh, Karnataka, Delhi and Maharastra, Parallel Revolutionary organisations led by different individuals became active during this time. A tin of gun powder is mightier than tons of papers” was the theme they derived from the philosophy of bomb.

At Pune Kharve's group, Kolhapur group and Mahajan's group were active. At Nasik both Karve's group and Dharap's groups were active. The centres for manufacturing bombs and repairing arms started at Pune, Bombay, Nasik, Kolhapur, Aund, Satara, Yeotmal, Nagpur, Amaravoti, Pen, Khanapur, Baroda, Gwalior, Kothura. Basai or Bassein was the Chief centre for manufacturing explosives. Patankar had to sell his wife's ornaments to fund Basai Bomb Centre. Unlike Bengal they refused to commit political dacoity.

Savarkar sent P.N. Bapat to Paris to learn the technique of Bomb-making from Russian Revolutionaries and secured a Bomb-Manual in Russian Language. It was

The Freedom Movement

(Untold stories)

—Saroj Kumar Mitra—

translated into English and the copies were sent to India along with Browning Pistols by Savarkar through one Chaturbhuj Amin in 1908. One copy of the Bomb Manual was presented to Tilak. Chatrubhuj Amin became an Approver in the case against Savarkar in 1910.

Kharve moved by foot through Borghat marking points on the Railway track to destroy trains carrying English Officials through his clock work device to explode in a fixed time. This was the first indigenous Time-bomb developed in India by Kharve.

Savarkar in London

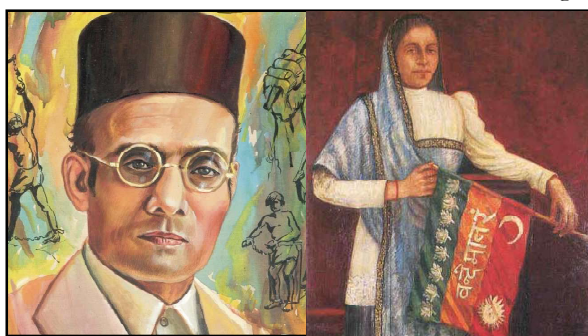
Savarkar reaching London in 1906 was vigorously working for armed rebellion in India receiving assistance from Shyamji Krishna Verma. Shyamji already founded the Home Rule Society in London in 1905 and India House was the centre of such activities.

In 1904 Dadabhai Naoroji put forth India's case in the Congress of Socialists at Amsterdam. Madam **Bhikhaji Rustam Cama** left for Paris in 1902 and along with Sardar Singh Rana attended the International Socialist Congress at Stuttgart on 18 August 1907. In this conference Madam Cama unfurled a tricolour flag claiming to be the National flag of India

and moved a resolution to free India from British slavery. Ramsay Macdonald and other delegates from England opposed the resolution and left the meeting in protest.

Though the resolution could not be passed on technical ground, Mr. Singer, the President in his presidential address approved the spirit of the resolution. Savarkar was in touch with the revolutionaries of Egypt, Ireland, Turkey and China. He too had contact with Lenin. In 1907, Savarkar celebrated the 50th anniversary of the war of 1857 in London which he termed as the First National War of Independence. “... Revolutionary war knows no truce, save liberty or death,” wrote Savarkar and his pamphlets translated in Indian languages were sent to India including the Sikh Regimental centres in Punjab. To celebrate the occasion, Shyamji published in the Indian Sociologist in London a placard issued by Dr. Richard Congreve in 1859, protesting against the thanks giving ceremony held at London then for the war against Indian Sepoys in 1857. Dr. Congreve wrote, “Believing the cause of British in India to be unjust and that of Hindus just as the legitimate effort of a nation to shake off an oppressive foreign yokepublicly protest the thanks giving as an act at variance with the national profession of a free peopleand an outrage of all the higher feelings of mankind.” A national conference was held in London in 1908 demanding Swaraj and rejecting Morley-Minto Reforms.

In 1907, at California, the Indian Independence League was formed by Pandurang Khankhoje, Khagendranath Das, Tarak Ch. Das and Abhar Ch. Laskar. Lala Lajpat Rai was putting forth India's case in USA effectively. Despite President Roosevelt's praise for British rule in India 18 prominent citizens of USA



sent an open letter to the President describing how British rule was more despotic than Russia, how money plundered from Bengal was the foundation of great industrial prosperity of Britain and how exorbitant taxation ruined Indians as salt was taxed 2000 percent etc.

British Newspapers and politicians were getting nervous to find intelligent Indian students in the Universities of England driven towards an armed revolt. To socialise Indians one meeting was held in London in 1908 where Sir William Lee Warner was hit by a blow from Vasudev Bhattacharya for calling an Indian as Nigger. At Savarkar's direction Madanlal Dhingra attempted to kill Curzon and ex-It. Governor of East Bengal, Fuller in London, but failed. Finally he shot dead Sir Curzon Wylie on 1 July 1909 in broad day light in London. This cold-blooded murder was like a bombshell shaking the foundation of British Empire as it was reported in the international Press. Dhingra's heart beat was normal as per the Medical report obtained immediately after the murder.

Dhingra's statement was taken away by London police. But Savarkar smuggled out the statement from the prison from Dhingra and sent the same with Gyanchand Verma to Paris from where it was mailed to various Newspapers throughout the world. Before hanging, Dhingra could see his statement published with a striking caption, "Challenge". It stated, "I believe that a nation held in bondage with the help of foreign bayonets is in a perpetual state of war. So when open battle is rendered impossible to a disarmed race, I attacked by surprise. Since guns were denied to me, I drew forth my pistol and fired." Dhingra was compared with Plutarch's "immortal heroes" even by Lloyd, Churchill and Irishmen af-

ter his hanging. Birendra Chattopadhyaya published his letter praising Dhingra in London. But his timid sister Sarojini Naidu sent rejoinders from Hyderabad to "The Times" of London claiming herself and her family totally dissociated with her brother being loyal subjects of the Nizam of Hyderabad, which were also published twice.

To Condemn Dhingra's action Indians residing in London conducted a meeting at Caxton Hall under Aga Khan. But the moment Aga Khan read out a resolution condemning Dhingra and declared it being passed, Savarkar shouted, "No, not at all." Among the coward-Indians noticing a voice of dissent, Palmer, the English Barrister hit at Savarkar. Palmer got the return hit by a stick from Acharya sitting behind Savarkar when V.V.S. Aiyar aimed his revolver. Pandemonium started and both Indians and Englishmen ran out of the Hall. A number of Indians who attended the meeting at Caxton Hall to condemn Madanlal Dhingra fearing retaliation from Englishmen became high dignitaries in India afterwards and had the temerity to call Savarkar as "communal". Savarkar's interview appeared in the Sunday Chronicle of London thus, "....."India has nothing to for what to thank the English unless it be the de-nationalisation of the Hindus." Savarkar's articles appeared in the "Gaelic American" of Irishmen published from New York and its translation in Russian, German, French, Portuguese and Chinese languages were also published. India's cause was thus put up on a global scale by Savarkar to inspire revolutionaries fighting against colonialism in their respective countries.

On health ground Savarkar stayed in Paris. But soon he returned to England and was arrested. At the request of Govt. of India, Savarkar was sent to India from London

by a ship called S.S. Morea. As per his plan Savarkar escaped out of the ship through a pot hole and swimming across the English channel landed at French territory. But the fate of India was to be decided otherwise. So Savarkar was captured by the Indian Police in the French territory while seeking political asylum before the French police. Madam Cama was late to arrive at the spot in her Taxi. The ship left for India and Savarkar was tried in Nasik Conspiracy Case. The Govt. of France though raised a dispute in the International Court at Hague against England for arresting Savarkar inside its territory, softened its stand for political considerations. The World Court justified Savarkar's arrest. The verdict was condemned by international press. English Newspapers in England questioned whether Russian could arrest Prince Kropotkin enjoying political asylum in London too? Savarkar was awarded two life imprisonments and sent to Andamans in 1910. Savarkar was wearing a batch on which it was inscribed, "To be released in 1960." Savarkar's brother Babaro was at Andamans facing deportation. But the two brothers could meet in the Cellular Jail only after five years.

The Gadhar Party was formally established in 1913 at San Francisco with Hardayal as its Secretary and Sohan Singh as its President. Gadhars under Gurudit Singh landed in Calcutta in a ship called Kamagataguru in 1914. When Police harassed Gadhars suspecting their intentions, riot took place in Calcutta. Somehow some Gadhars succeeded averting arrest by Police and reached Punjab to start revolutionary activities there.

In 1914, Birendra Nath Chattopadhyaya with Sukhthankar formed an association at Berlin to supply arms to India.

[To be Continued]

Jan-Dhan Yojana can double ATM network

The Pradhan Mantri Jan-Dhan Yojana (PMJDY) is turning out to be an opportunity to the slowing ATM (automated teller machine) industry to more than double its network to 3 lakh machines in two years. It is also turning out to be a huge challenge as ATM deployers are seeing a plunge in transaction volumes, causing leading private banks like HDFC Bank and Axis Bank to go slow on machine deployment. The opportunity for ATM companies is that in a few months banks would have added an additional 15 crore RuPay debit cards to the existing 40.9 crore cardholder base (as of June 2014). Ideally, a rise in the number of cards should translate into an increase in demand for ATMs. However, ATM deployment has been running out of steam and new machines are seeing daily transactions of less than 100 – way below the 120 transactions that are required for break-even. ATMs are expected to play a huge role in making the PMJDY viable as this has been the main alternate channel for banks so far. Some say that this could change & credit card-accepting devices can be the new touch point for PMJDY customers. □

Sethu Samudram route abandoned

The Centre appears to have formally abandoned the UPA-identified route for the Sethu Samudram shipping channel that had raised a huge uproar as it would have “damaged” the Ram Sethu or Adam’s bridge. On its query about exploring alternative route for the shipping channel, Attorney General Mukul Rohatgi has given an opinion telling the Centre that the government was free to explore alternative routes despite the pendency of the matter in the Supreme Court. However, he advised the government to file an affidavit detailing the decision to explore the alternative route to the shipping channel since the matter was sub-judice. The apex court had in 2007 directed the Centre not to damage the Rama Sethu in implementing the project. In February last year, the UPA government had informed the SC that it intended to go ahead with the Rs 25,000 crore Sethusamudram shipping channel project, which had raised a political storm after it was revealed that the mythical Ram Sethu would face dredging.

Govt to change archaic labour laws

After Prime Minister Narendra Modi’s ‘Make in India’ pitch, the labour ministry is “actively” considering to amend several archaic provisions in labour laws, including Factories Act, Apprenticeship Act and Minimum Wages Act. The BJP government is also considering amending the Child Labour (Prohibition and Regulation) Act to bring it in tune with the Right to Education (RTE) Act, which has been operational since 2010, making education compulsory for all children up to the age of 14 years, Labour Minister Bandharu Dattatreya told Rajya Sabha.

Elaborating on the proposed amendments in Factories Act (1948), the minister said there are proposals to amend section 66 of the Act relating to per-

mission for employment of women for night work with adequate safeguards, amendment of sections 64 and 65 to enhance limit of overtime hours from the present 50 hours per quarter to 100 hours per quarter among others. Another proposal is to empower the Central government to make rules under the Factories Act on some important provisions.

250 Account Holders Identified

Finance Minister Arun Jaitley disclosed in Rajya Sabha that 250 account holders out of a list of 627 names provided by HSBC, Geneva, have admitted to having accounts but the almost the entire opposition walked out saying they were “disappointed” with his reply to the debate on the issue. Responding to the repeated demand for disclosure of the names of blackmoney holders, the minister said premature disclosure would only help the offenders. He, however, deftly sidestepped the Opposition criticism made during the day-long debate in both Houses of Parliament and its demand for an apology from Prime Minister Narendra Modi for his “failure” to fulfil his election promise of repatriating the blackmoney from abroad in 100 days and distributing Rs 15 lakh to each citizen.

Replying to the repeated taunts of the Opposition about the 100 day deadline by Modi during the election campaign, he said, “you may have no satisfaction about what we have done in 100 days. But we have done more than any other government has done. We have done a lot.” He hit back at opposition saying, “all I have said is we can have endless debate on the reasons for your defeat in the elections or the best way to punish the offender.” “Populism and sarcastic comments are not response and solution to the issue,” he told the Opposition members.

Set up Manufacturing Units in India

To bridge the trade gap between the countries which stood at \$36 billion in 2013-14. India asked Chinese companies to invest here and set up manufacturing units. Expressing concerns over ballooning trade deficit with China, Secretary in the Department of Industrial Policy and Promotion (DIPP), Amitabh Kant, said that huge scope is available in India for Chinese firms to relocate their manufacturing units. "It is important that Chinese companies come to invest in India because the trade imbalance is unsustainable in the long run. It will be difficult to continue this business unless and until Chinese companies relocate and manufacture in India and from India penetrate the global market," Kant said.

He was addressing Ficci's India - China (Zhejiang) Business Cooperation Conference. Jack Ma, founder of the world's biggest e-commerce firm Alibaba was also present at the function. The bilateral trade stood at \$65.85 billion in 2013-14. India's imports from China were valued at \$ 51.03 billion while exports were \$ 14.82 billion in that period. Kant said that Indian government has taken a series of steps to improve business climate and ease of doing business. There is a need for a closer economic relationship between the countries to promote regional trade and development, he said, adding trade and economic relationship has seen a lack of progress in the last few years. □

Incentivising solar panel installation

With Prime Minister Narendra Modi bullish on greater usage of unconventional sources of energy, especially solar energy, the Ministry for New and Renewable Energy (MNRE) is learnt to be in talks with the Finance Ministry for incentivising home loan seekers to install roof-top solar panels.

Media reports say that discussions between the banking division of the Finance Ministry and MNRE are being held on exploring the possibilities whether a small component of home loans could be earmarked for setting up solar panels on under construction houses. This step can go a long way in incentivising greater installation of solar panels on roof-tops. A 1 kw of solar PV installation roughly costs under Rs one lakh and generates 4 to 5 units a day. Such installations take up roof space of about 10 to 12 square metres, informed industry experts. Amid falling interest rates and foreign exchange rates stabilizing, the cost of capital for renewable projects will gradually come down, he had said at that time. Looking at this scenario, the Government has increased the target of solar generation to 100,000 mw by 2022.

India fastest growing smartphone MKT

India continues to be the fastest growing smartphone market in the Asia Pacific region, with about 82 per cent growth in the July-September quarter of 2014 over the same period last year, according to research firm IDC. The growth in sales is being driven by increasing preference of consumers to upgrade to smartphones as well as shorter refresh cycles. The shipments grew 82 per cent year-on-year to 23.3 million units in the third quarter of this year, while it was higher by 27 per cent on a quarter-on-quarter basis,

IDC said in a statement.

"The Indian smartphone market outshone other emerging markets in the Asia Pacific region in terms of quarter-over-quarter growth. This is the second consecutive quarter of more than 80 per cent y-o-y growth for smartphones, reflecting robust end-user demand," it added.

Samsung continued to lead the smartphone market with 24 per cent share, followed by Micromax (20 per cent), Lava and Karbonn (8 per cent each) and Motorola (5 five per cent). "With six per cent contribution in the overall smartphone market, phablets (5.5-6.99 inch screen size) are observed to be hitting a plateau," IDC India Research Manager Client Devices Kiran Kumar said. The total handset market in India grew nine per cent to 72.5 million units in the said quarter, while it was higher by 15 per cent quarter-on-quarter. Feature phone segment, however, declined nine per cent year-on-year to 49.2 million units, but was higher by 10 per cent when compared to the April-June 2014 quarter. □□

68 percent respondents say yes to Made-by-India call of SJM

IBN7 news channel on December 1, 2014 conducted an opinion poll on whether the Made by India call given by Swadeshi Jagran Manch against Prime Minister's Make in India call is right. The news channel declared that people by way of sending huge number of text messages (SMS) participated in the poll out of which, 68% of the viewers favoured SJMs made by India call. The outcome of this opinion poll was announced after the panel discussion in which Dr. Ashwani Mahajan, All India Co-convener, SJM participated. □

US business community to wait and watch

Despite the successful India-US Trade Policy Forum meet in New Delhi, the American business community has said it would wait and watch on Modi government's trade policies, particularly the areas of concern. This was the first trade policy meeting between the two countries after a gap of four years. US Trade Representative Michael Froman lead the American delegation while Commerce and Industry Minister Nirmala Sitharaman represented India at the talks.

"Only then can the United States and India reach the full potential of their economic relationship. We will continue to engage at every level to urge progress and results toward a fair and level playing field in US-India trade," the statement said. The statement also thanked Froman and his team for their hard work in re-starting the Indo-US Trade Policy Forum after a four-year hiatus and for advancing meaningful conversations with India about longstanding and new barriers US business are facing in India. □

Highest Jobless claims in US

The number of Americans filing new claims for unemployment benefits last week rose to the highest level since September, but the underlying trend remained consistent with a firming labour market. Initial claims for state unemployment benefits increased 21,000 to a seasonally adjusted 313,000 for the week ended November 22, the Labour Department said. It was the first-time since early September that claims broke above the 300,000 threshold. The four-week moving average of claims, considered a better measure of labor market trends as it irons out week-to-week volatility, remained below 300,000 for an 11th straight week, a sign that the jobs market was improving.

Ferguson protests in America

Thousands of people took to the streets across America as protests over the Ferguson grand jury decision not to indict white police officer Darren Wilson for the shooting death of black teenager Michael Brown quickly spread from coast to coast, sharpening the racial divide. Ferguson town itself witnessed a second night of unrest, but the incidents of violence and arson were kept within check by the massive deployment of National Guards after the free run that rioters were allowed to have the previous night.

African-Americans, along with a sprinkling of white Americans and civil rights activists, staged protest marches in as many as 170 cities across the nation, demanding indictment of Wilson and justice for Brown. President Barack Obama, renewing his appeal for peaceful demonstrations after the widespread arson and looting in Ferguson, spoke of the separate investigation being conducted by Attorney General Eric Holder.

In the midst of the angry demonstrations, police officer Wilson spoke out publicly for the first time,

asserting he acted in self-defence and that his conscience was clear.

No Funeral prayers for war criminals

Bangladesh has said it will not allow funeral prayers for any of the war criminals, sentenced to death in the country's 1971 war of independence against Pakistan, to be held in capital Dhaka. The country's Liberation War Affairs Minister Muzammel Hoque said that no more Namaj-e-Janaza of any 1971 war criminal will be allowed to be held in Dhaka.

"Many freedom fighters sacrificed their lives during the war of independence. No Namaaz-e-Janaza were held even for one per cent of them," Hoque said while speaking at the "Bijoy Mela" — a victory fair, celebrating Bangladesh's independence. "Animals ate their decomposing corpses. That's why no more Janazas of war criminals after their execution will be allowed in Dhaka," he was quoted as saying.

A total of 11 people have been sentenced to death for committing crimes against humanity while siding with Pakistani troops during Bangladesh's 1971 Liberation War, since the war crimes trials were initiated in 2010.

Alibaba will invest more in India

Jack Ma, China's richest man and founder of e-giant Alibaba, has set his eyes on India. He has deployed a high-level team to increase engagement with India, promises to invest more here and is likely to hire Indian talent. Ma, who addressed Indian businessmen at a Ficci event, said: "Of course, we will invest." This, after he was asked if his company would pump in money given that online commerce is on a surge here.

The Chinese businessman, who started Alibaba in 1999 after giving up on teaching, raised a record \$25

Saarc business traveller card

Prime Minister Narendra Modi proposed a Saarc business traveller card for making it easier for traders and merchants in the region to travel and access one another's markets. "India will now give business visa for 3-5 years for Saarc. Let's make it even easier for our businesses through a Saarc business traveller card," the prime minister said as the two-day, 18th Saarc Summit began at Kathmandu.

According to Modi, intra-regional relations become stronger as connectivity is increased and people-to-people contacts encouraged. He said this will also provide for boosting opportunity for tourism in the region. "We could begin with the Buddhist circuit, but we don't have to stop there."

In the area of health-based tourism and connectivity within Saarc region, the Indian prime minister added: "Those coming to India for medical treatment, India will provide immediate medical visa for the patient and an attendant." □

billion in the US. The 50-year-old, who is worth nearly \$25 billion, is upbeat on India as the country is the second-largest sourcing centre after China, a statement that surprised many.

Ma said spices, chocolates and tea were the top three products sourced from India and acknowledged that the market had been ignored in the past. "Indians suppliers are smart. They are the second-highest Alibaba users after China. They use our site often. We are improving technology (to transform Alibaba) into a platform that'll help small business in India," he said. Close to 4 lakh Chinese buyers buy from India through Alibaba.

Girl killed for listening to loud music

A sixteen-year-old Pakistani girl was gunned down by her uncle following a row over loud music. The incident occurred in Matan Kallaan village of Chakwal district in Punjab province. Rehana Bibi was listening to music at her home when her uncle asked her to reduce the volume, a cop said. The girl refused, leading to an argument between the two. The man, in a fit of anger, whipped out a gun and shot her dead and fled. The deceased girl's father registered a case against the killer who fled the village after the incident. Pakistan is among the countries where violence against women is rampant. Every year dozens of women are killed in the name of honour.

26 killed, 50 injured in China

At least 26 workers were killed and 50 others injured when a major fire engulfed a coal mine in China's northeastern Liaoning province soon after a mild earthquake jolted the region, in one of the worst mine accidents in the country in recent years. The fire was noticed in the early hours at the coal mine under Hengda Coal, a subsidiary of state-owned Fuxin Coal

Corporation, a major producer in the province.

In the blaze, 26 mine workers were killed and 50 others injured, state-run Xinhua news agency reported. Fuxin Coal said the rescue is over and all the injured workers have been hospitalised. Among those taken to hospital, mostly with burns and respiratory injuries, 30 were seriously hurt and four were in life-threatening condition. During initial investigations, it was found that coal dust in a shaft was ignited shortly after a weak earthquake with a magnitude of just 1.6 hit the mine. Local Government is further investigating connections between the tremor and the fire.

Indian Cardiologist Honoured

An eminent Indian cardiologist was conferred the degree of Doctor of Science (Medicine) for his outstanding contributions to public health by the University of London at a ceremony at the Buckingham Palace. K Srinath Reddy, president of Public Health Foundation of India (PHFI), was given the honour by Princess Royale of Britain, Princess Anne, who is also the Chancellor of the University.

"While it may be an award given taking into consideration my cumulative contribution to public health and cardiology, it is also recognition of India's great relevance and stature in dealing with global health, increasing inter-connectivity and inter-dependence in the field of health," he said.

Reddy has headed the PHFI since its inception in 2006. Reddy, previously, was head of Cardiology Department at the All India Institute of Medical Sciences. Reddy, a Padma Bhushan awardee, has been acclaimed as a global leader in tobacco-control and played a key role in the development of WHO's Framework Convention on Tobacco Control while representing India in international treaty negotiations during 2000-2003. □□

WTO adopts contentious Trade deal

WTO has announced the adoption of TFA after being approved by its 160 member nations in Geneva after months of deadlock, according to a statement released by WTO. TFA was formulated in December 2013 during a WTO conference in Bali amidst wide spread protests by civil society members and stakeholders. The deal had remained stuck in limbo after disagreements between the U.S. and India over clauses related to public stockpiling of food for poor. The impasse was broken earlier in November after India and the US announced that they have “successfully resolved” their differences on the issue of public stockholding for food security purposes. Bali Conference had provided for only a four-year “peace clause” during which no member country would be legally barred from implementing food security programmes even if the farm subsidies resulting from it breached the caps imposed by Agreement on Agriculture (AoA). India wanted to make sure that this protection would be available in perpetuity, should a permanent solution to the problem of the WTO agriculture subsidy caps not be found.

AoA currently limits the value of farm subsidies by members at 10 per cent of the total value of their crop production. The subsidies, in turn, are computed in relation to global “reference prices” fixed at 1986-87 levels – when global wheat prices were \$ 130-\$ 140 a tonne. India has been demanding a revision in the subsidy calculation methodology to reflect current prices, which are in the \$ 225-\$ 230/tonne range.

Trade rules & nutrition objectives

In a statement to the Second International Conference on Nutrition in Rome, Deputy Director-General David Shark emphasized the critical importance of multilateral cooperation on nutrition. “The WTO remains more than ever fully committed to participate in and to contribute to this multilateral cooperation,” he said. WTO takes the issue of nutrition very seriously. Malnutrition in its various forms, including hunger and obesity, is a tremendous challenge that affects us all. So at the outset let me commend the adoption of the Rome Declaration and Framework for Action by this Conference, he added. It is clear that trade rules and policies can play a positive role in addressing nutrition objectives, as you have recognized in the Framework for Action.

Pakistan files dispute against EU

Pakistan has notified WTO Secretariat of a request for consultations with the European Union regarding the imposition of countervailing measures by

the EU on imports of certain polyethylene terephthalate (PET) from Pakistan and regarding certain aspects of the investigation underlying those measures. According to Pakistan, the EU appears to have acted inconsistently with several articles of the Subsidies and Countervailing Measures Agreement in determining that Pakistan’s tax law and other schemes and programmes in certain cases constitute a subsidy that is contingent upon export performance. PET is used in synthetic fibres and in beverage, food and other liquid containers.

Brazil rejects Tax panel

At the meeting of the Dispute Settlement Body on 18 November 2014, Brazil rejected the request by the European Union for a panel to study the dispute over taxation and charges applied by Brazil to the automobile, information technology and other sectors. Brazil rejected the first-time request for a panel by the European Union over this dispute. The EU said that the dispute concerned a number of programmes in the automobile, information and communication technology and automation sectors that granted domestic producers certain tax advantages consisting of the exemption from, or reduction of, taxes and charges levied on the sale of goods. The advantages resulted in a higher tax burden on imported goods and created incentives to source locally in Brazil and thus were discriminatory and aimed at import substitution. Brazil also had tax exemption schemes for Brazilian companies meeting certain export targets, contrary to the prohibition on export-contingent subsidies. Brazil said that its measures were consistent with its multilateral obligations.

Extra time to reduce strain

India and the United States, noting that the dispute settlement system was facing a significant volume of disputes resulting in a backlog for the Appellate Body, made a joint request to the Dispute Settlement Body (DSB) to agree to provide additional time for the adoption or appeal of the panel report in this dispute.

India said it acknowledged the current strain on the Appellate Body and took seriously its responsibilities to cooperate to alleviate that strain. India added that it considered that the additional time would provide greater flexibility in scheduling any possible appeal of the panel report in this dispute. The US expressed its hope that members in similar circumstances would take the same constructive approach which would help the Appellate Body manage its workload. The DSB agreed that no later than 26 January 2015, it would adopt the report of the panel in the dispute unless either party to the dispute notifies the DSB of its decision to appeal it. □□