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MARCH 2024

India's concrete efforts

for global peace

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CONTENTS

E-Commerce's Last Moratorium at WTO

"The World Trade Organization (WTO) has traveled from the first to the thirteenth ministerial conference since the year 1996. The consensus-driven decision-making agreements are the soul of the WTO. Bharat has been consistently opposing the moratorium on e-commerce and subsequently more urgency of ending the moratorium is necessary. Two decades ago, e-commerce was restricted to a few cities and to a smaller population hence the loss to the exchequer was relatively nimble and the absence of string domestic policies for nurturing competitive indigenous e-commerce services put us at backfoot i.e., to participate in e-commerce we had lesser bargaining power.

Today, when Bharat is the cheapest provider of internet data and affordable smartphones to all its citizens; e-commerce has a huge population as its customers, and the policymakers are encouraging floods of indigenous e-commerce service providers and consequently our interests in e-commerce moratorium policy at WTO have scaled up. The e-commerce import tax evasion might cause serious financial loss to the treasury. The rising cybercrime is a reflection that even less educated people are using the internet for multiple purposes including e-commerce services. The moratorium on e-commerce must end in the fourteenth ministerial conference which is going to be hosted in the upcoming two years.

The survival of WTO will be determined by the departure of the e-commerce moratorium period and the developed world will be looking for a compensatory tradeoff by eyeing something more that might be more troublesome to us. We need to prepare and win otherwise let the WTO extinct.

— **Anant Singh,** *Begusarai, Bihar*

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Quote-Unquote

Despite being left behind during the first, second, and third industrial revolutions due to various reasons, Bharat is now confidently forging ahead to lead the fourth industrial revolution, industry 4.0.

Narendra Modi, Prime Minister, Bharat

The govt. many come up with a scheme to incentivise semiconductor ancillary firms to address disability in the segment and make it convenient for supply chain players to set up their units in India.

Rajeev Chandrasekhar, Minister of State for IT

If we have to become a global superpower, we have to showcase and capitalise the soft power of sports. Music, films and sports are vehicles to rise and we are good at all of them.

Anurag Thakur, Union Minister for Youth affairs & Sports

Failure of the 13th Ministerial Conference in Abu Dhabi, the UAE, was a success for India, which has been fighting the cause of developing nations in the WTO.

Dr. Ashwani Mahajan, National Co-convenor, SJM

EDITORIAL

False Narrative of North-South Divide

From north to south, from east to west India is one. All the people living in this sub-continent consider themselves to be Indians with diverse religions, castes, languages, regions, dress and food. Vishnu Purana states: *'Uttaram Yat Samudrasya Himadreshchaiva Dakshinam. Varsham Tad Bharatam Naam Bharati Yatra Santatih.'* Its meaning is; The land situated north of the sea and south of the Himalayas is called the land of Bharat and the people living on this sacred land of India are called Bhartiya. It is true that different regions in India were ruled by different rulers at different times. But an unbreakable bond remained between all the people living throughout India. Our Jyotirlingas, pilgrimages and Dhamas, situated in different parts of the country are witness to the fact that all the Indians have been considering the entire nation as their Rashtra, and linguistic, regional, food and other diversities have never been any hindrance to the same. But it is a matter of regret that during the foreign rule, such literature was published by the British government and false narratives were deliberately created by way of history writing, which poisoned the minds of the people of South India against the people of North India. False history was created that, Aryans came from foreign countries and the Dravidian people hurt by their brutal invasion and were forced to move towards the south. In such a situation, hostility towards the Hindi language was promoted in the southern states, more violently in Tamil Nadu. It is said that this false story was started by a German orientalist and philologist. Today there is abundant scientific evidence which proves that the Aryan invasion theory is a complete myth. This is imaginary; and based on unscientific principles. According to recently published research papers by researchers from India, US and other countries. based on the evidence of scientific facts of the Harappan period, it can be said that there has never been such a large-scale migration of Aryans from Central Asia. Apart from this, many historians have also worked to expose this false narrative.

Recently, a US magazine named The Economist has tried to create new definitions of division between North and South through in a very mischievous article. The magazine tries to make a case that South Indian states are class apart, as just 20 percent of India's population lives in five southern states of Andhra Pradesh, Karnataka, Kerala, Tamil Nadu and Telangana, but these states receive 35 percent of the total foreign investment coming into the country. These states have developed more than other parts of the country and whereas in 1993 these states generated 24 percent of the country's GDP, it has now increased to 31 percent. Having said all this, the magazine mischievously links the issue to politics and says that the ruling Bharatiya Janata Party lacks strong base in the southern states. The magazine also argues that therefore it can be said that the present government does not have the mandate of the entire country. It is noteworthy that in the country where The Economist magazine is published, no Prime Minister has ever received the similar mandate from the entire country in the elections. Does that mean that Prime Minister lacks of mandate of entire country? In the history of democracy across the world, there are very few examples of a government being formed after receiving majority votes from all regions equally. Similarly, some political leaders from south India are also promoting their separatist politics by putting forward similar arguments. We know that the development of many states was hampered due to some corrupt and incompetent leaders in the country, which included Southern states also. Many states of the North-East have been victims of neglect by the former central government. But many states such as Jammu and Kashmir continued to receive resources far in proportion to their population.

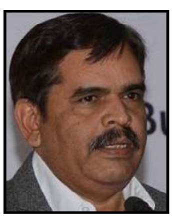
We also have to understand that development of all our states can happen only through mutual cooperation with each other. As far as development is concerned, among the ten states and union territories with the highest per capita income in the country, only two are from the South and that too at fifth and sixth position, and that too due to IT sector, where people from all parts of India are working. While the northern states have a significant contribution in providing food grains in our country, similarly the contribution of the southern states in providing industrial production, especially electronic and IT products, cannot be underestimated. In this way, India is like a family and all the states are its members. No one is big or small in the family; There is no consideration of rich or poor, everyone works together and makes our integral family, that is Bharat, prosperous. Moreover, we are the believers of the 'Vasudhev Kutumbkam' that is, whole universe is a family.

People with political motives have now given a yet another dimension to North-South divide, by raising the issue of so called unfair devolution of tax money to the southern states. Karnataka Congress leaders, including Chief Minister Siddaramaiah, staged a protest, saying that southern states were deprived of their legitimate share from central taxes. It's notable that the tax share is decided based on recommendations from the Finance Commission. Moreover, share of Andhra Pradesh, Tamil Nadu and Kerala in total devolution of central taxes remained more or less the same in the 15th Finance Commission recommendations as compared to previous ones.However, the share of Karnataka came down to 3.64 per cent from 4.71 per cent and Kerala to 1.92 per cent from 2.5 per cent over these periods. Therefore, data doesn't in way prove the alleged bias by Finance Commission. We must understand that on the issues of national integration and regional harmony, we should avoid such utterances, amounting to separatism, as the same can go a long way impacting national integration and well-being of our nation. Separatist voices are needed to be curbed and international agencies and media indulging in separatist agendas, must be dealt with sternly.

By blocking Investment Facilitation Agreement,

India has Safeguarded Sovereignty and Global Peace

13th Ministerial Conference of WTO has just concluded, in which we saw a huge anxiety over whether WTO will have yet another Plurilateral Agreement in its fold, namely Investment Facilitation for Development Agreement (IFDA), which was supported by more than 120 nations, comprising more than 70 percent of WTO membership. It may be important to note that WTO being a multilateral organisation, most of its agreements have been multilateral in nature; however there is also a precedence of having plurilateral agreements in the fold of GATT, even prior to the formation of WTO. But we must also note that though plurilateral agreements are permissible under WTO rules, but in WTO, multilateral agreements is rule; while plurilateral is exception. Drama on IFDA ended abruptly when India and South Africa submitted a paper in 13th Ministerial Conference in WTO, about inadmissibility of this plurilateral agreement in WTO's fold.



IFDA was needed to be blocked at any cost, in the interest of global peace; which India could do, effectively. With this India has been able to safeguard sovereignty and global peace.
Dr. Ashwani Mahajan

What is IFDA

IFDA is a trade agreement proposed by the World Trade Organization. Its aim is to create legally binding provisions for facilitating investment flows. It requires states to augment regulatory transparency and predictability of investment measures. It must be noted that though every international agreement limits scope for domestic regulations; in case of IFA this is more the case, and sovereign rights of the member countries compromised in the name of investment facilitation.

Why India was concerned about IFDA

Normally agreement, whether multilateral or plurilateral, are made when a group of countries get together to agree over a set of rules, which would be followed over a matter; and the same is of mutual benefit to each other. However, the speciality of IFDA is that this proposed IFDA had been pushed by a single country (China), for its own benefit, and other members have been made to sign on dotted lines, by exerting pressure by a dominant military and economic power, which is in the neighbourhood of our country, namely China. Sole aim of China is to promote its economic interests by forcing IFDA member countries to facilitate its investment in their respective countries. Proposed agreement mandates member countries to facilitate investments by any foreign entity by streamlining its procedures, introducing standard practices and avoiding bureaucratic hurdles.

It's understandable that in the past one decade, China has been advancing its expansionist agenda of pushing developing and even some developed ones into a debt trap, by luring them of liberal financing of infrastructure projects which are being built by China itself. It's notable that these infrastructure projects which are being built by using Chinese investments, are being deliberately chosen to be ones which were unviable and uneconomic, so that host country is unable to service the debt, and goes into further deep debt. This is what is called 'debt trap diplomacy' of China.

At present many countries are already reeling under debt due to debt trap diplomacy of China, in the garb of Belt Road Initiative. Sri Lanka, Pakistan, Bangladesh and host of African countries have already been ruined by China with this debt trap diplomacy. While Pakistan is already under debt trap, Srilanka was forced to handover its Hambantota Port to China under 99 years of lease and strategic assets of many other countries have either been snatched away or at the verge of the same.

The proposed agreement will further facilitate China to get new pasture grounds for loot, plunder and subjugation. With BRI, China is being looked upon as a new expansionist power. In the present world it's no longer possible to subjugate sovereign countries militarily. But through such like acts, country are being indebted and in a way being subjugated. The proposed agreement is designed to serve the interests of China in its expansionist designs.

How was IFDA blocked?

This unholy attempt of China with the help of WTO secretariat to bring IFDA under WTO's fold, at the behest of certain global powers, including China, was actually, completely illegal. There are several legal issues involved in the process of adding IFDA as a plurilateral agreement to Annex 4.

First, the proposed IFDA didn't qualify as a 'trade agreement' under Article X.9 of the Marrakesh Agreement. The IFDA does not include any substantive provision related to trade; and therefore was liable to be rejected, as a "trade agreement".

Second, the request to add the IFDA into the WTO could come only from members that have fulfilled their domestic procedures to sign and ratify the IFDA, and for which the agreement has entered into force. As the IFDA had not yet entered into force for even a single party, the request to add it into the WTO was ultra-virus. Such a request could be made only after the IFDA enters into force, and not before that.

Third, negotiations on the IFDA were initiated without a multilateral mandate. This was contrary to the long-held practice of the WTO to take decisions by consensus, and prevented members from examining whether issues related to investment facilitation were trade-related or not. Attempts at adding the IFDA to the WTO ignored the reality of illegality of initiation of the underlying negotiations.

In light of these legal infirmities mentioned above, the celebrated proposal of integrating IFDA into WTO fold was demolished abruptly. A rules-based WTO couldn't ignore its own rules, when going ahead with this China-led initiative.

We further note that there was nothing in IFDA that could help developing countries to attract foreign investment. In reality, it was a charter for protecting the interests of foreign investors (say China). It strengthens multinational corporations to lobby against new laws that they oppose, giving them rights that we don't have as citizens.

Further, it needs to be emphasised that inviting foreign direct investment is the prerogative of a sovereign, which cannot be and should not be diluted or tempered with, by any international agreement, as it would be encroaching upon the rights of the legislature or in other words, people of the sovereign nation.

There seems to be sinister designs behind the intent, content and structure of the proposed agreement. This is also apparent from the fact that in the garb of creating global standards for investment facilitation measures, they wanted to deprive the sovereigns from the rights of regulating and monitoring FDI in their respective territories.

Though, the promoters of the agreement are claiming that agreement will not restrict the parties to regulate FDI in the public interest within their territories but it is self contradictory, because the agreement includes provisions, such as, 'Most Favoured Nation' (MFN) treatment and impartial administrative procedure for investment from all member countries.

This can be explained by an example that post Doklam, India has put certain restrictions on FDI from all the countries which share border with India, mandating permission of investment through 'approval route', in place of 'automatic route'. With this measure, India could restrict investment from a country which was at war with India. if we allow this agreement, parties will be deprived of any such freedom to safeguard their respective interests.

[Conitnued on page no. 9]

Bharat, United States of America, China, and the WTO

The Bharat, the United States of America (USA), and China have emerged as strategic players in the geo-politics. The USA is the biggest economy equipped with the strongest defense forces and leading technology power. China is dreaming and chasing the USA but post covid pandemic the whole world is openly scrutinizing the Chinese on all the parameters. These two permanent members of the Security Council also have veto power. The Bharat despite being a member without veto power at the United Nations Security Council has emerged as the most trustworthy partner worldwide for everyone. We hence have the best support worldwide in geopolitics as well as geo-economics including geo-trade agreements.

The United States of America conceptualized the World Trade Organization (WTO) in 1995 to meet its dominance in world trade and create wealth for itself at one stroke. The earlier version of WTO came up with Dunkel's proposal and it was projected as accept it or reject it within the framework of the General Agreement on Trade and Tariff (GATT). Now the year 2024 witnessed a handicapped WTO in Abu Dhabi without any Dispute Settlement Body (DSB) having zero members in the Appellate Body (AB). In between China entered WTO in the year 2000 and dispersed USA in international trade in general and manufacturing sector in particular.

The WTO can be a starting point. The upcoming ministerial conference in the next two years needs a lot of homework to be done by our trade policy practitioners and may be renaming WTO.

Alok Singh

In the 2024 WTO meeting at Abu Dhabi Bharat dominated the show although there were no concrete satisfying agreements. The time-buying strategy of the moratorium on e-commerce is the single repeated success to be figured out. The status quo on agriculture, and fisheries, and blocking the new China-led non-trade related issues labeled as Investment Facilitation for Development Agreement (IFDA) are notable gains.

Rashtra Rishi Dattopant Thengdi had predicted two decades ago that the shelf life of WTO would be two decades. WTO's failure to activate DSB which is dysfunctional since 2019 is signaling the end point of its original character. The glamour of plurilateral agreements on a multilateral trade agreement forum is another reflection that WTO is just of name and is encroaching upon the free trade agreements (FTA) which are usually among two or more groups of countries but not for the whole world. Thengdi Ji had invocated: Either Break WTO, Quit WTO, or Turn WTO. Now, we are witnessing a broken WTO where everyone is playing their own tunes and originally WTO was designed so that all the decisions have to be taken consciously. We are witnessing a turned WTO where the attempts for plurilateral agreements are louder than multilateral agreements. We are witnessing Quitting WTO where the dispute resolution board is itself absent means being a member or non-member tradeoff is diminishing.

The Americans are not allowing the revival of AB members. The DSB of the WTO has been a work in progress for many years. It means the big question is "Who Cares" for WTO? The DSB of WTO is the highest body to resolve disputes among the trading members of WTO. So, the members of WTO are trying their best to reactivate it so that one size fits all can be re-accepted but with the Covid pandemic, the philosophy of one size fits all has been discarded, and moving many steps further the member countries are looking for alternative sources to meet their requirements. Now these approaches are not complementary. So, it seems that the WTO is not dead but it is working to extend its sine die mode. The members do not want to kill this organization as it is not effective and hence not harmful. Its efficiency can be gauged from the urgency to fill the seats of AB and consistently failing to do so in the last four years is a concern. Currently, AB is working with a zero member instead of seven members who are to be appointed by DSB and has been designed in such a way that at a particular point in time, not all the members complete their tenure, and it is a continuous process of appointing and retiring members. In the last few years, members have been completing their tenure but no new appointments are being made. The DSB has not been functioning since 2019. The appointments in AB can be the single step to consider WTO seriously. Today, the status is that "No One Cares for WTO".

The WTO commanded China to raise its share in world trade to fifteen percent and about four decades ago its share was near one percent. The export-led Chinese economy and the world looking for China plus one platform, and the demographic disadvantage are hammering the fragile Chinese economy. There was a time when the Chinese were learning English fast to snatch the services sector business from us. But today, artificial intelligence-led developments and many other factors have demolished the barrier of language in writing the grammar of growth, development, and self-sufficiency. The WTO ministerial conference at Abu Dhabi was an opportunity for China to push a design of trade agreements to favor its economy using tools like plurilateral trade agreements in lieu of multilateral trade agreements and IFDA. Bharat successfully blocked IFDA with the support of many other countries.

The thirteenth ministerial conference at WTO should get its own credit. The credit goes to Americans for not coming up with a concrete plan for filling the vacancies at AB. The credit goes to China for pushing IFDA. The credit goes to Bharat to demand full occupancy at AB to make it operational and block China-led IFDA. The moratorium on e-commerce, fisheries, and agriculture-related issues was obviously to be maintained as the status quo. We were supposed to do our work and we did it well.

Today, we have to decide whether we should break, turn, or quit WTO. Whatever we do the world will follow us. The opportunity to enlighten the world with the philosophies of Rashtra Rishi Dattopnat Thengdi Ji and Pandit Deen Dayal Upadhaya Ji has arrived. The WTO can be a starting point. The upcoming ministerial conference in the next two years needs a lot of homework to be done by our trade policy practitioners and may be renaming WTO. ❑❑

[Conitnued from page no. 7]

By blocking Investment Facilitation Agreement,

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It is being observed that the IFDA had been pushed by China and more and more signatures consenting the proposal have been obtained by arm twisting of the small nations, participating in Belt Road Initiative (BRI). If we see, even South Africa, which opposed IFA initially, was later arm twisted to withdraw from their joint statement with India. It is no secret that through BRI, China is giving effect to its evil 'Debt trap' diplomacy with its expantionist strategy. Through its debt trap diplomacy, China has been able to snatch away key strategic assets and locations from BRI participating countries and is increasingly becoming threat to global security and peace. Therefore IFDA was needed to be blocked at any cost, in the interest of global peace; which India could do, effectively. With this India has been able to safeguard sovereignty and global peace. ❑❑

Farmers' protests:
A fight for the Minimum

Minimum support price (MSP) is at the heart of the farmers' protests. The government is caught between its viability and political compulsions.
Anilesh S. Mahajan

On February 22, as the protesting farm unions from Punjab tried to breach the Haryana border again in Khanauri during their 'Dilli Chalo' march, a young farmer was killed in the clashes. The unions called off the protest for two days to mourn the death of 22-year-old Shubh Kiran Singh, but it was clear that their stand had hardened. The mood had changed dramatically from the evening of February 18 when the farm union leaders briefly seemed upbeat about the Centre's offer of a Minimum Support Price (MSP) for five crops.

The proposal had come after four rounds of discussions—brokered by Aam Aadmi Party (AAP) leader and Punjab chief minister Bhagwant Mann—with Union ministers Piyush Goyal, Arjun Munda and Nityanand Rai. The offer to buy masoor, urad and arhar, along with maize and cotton at MSP, had seemed like a game-changer for the farmers and the state. The agitating farm leaders—Jagjit Singh Dallewal of the Bharatiya Kisan Union Ekta Sidhupur (BKU Ekta Sidhupur), and Sarvan Singh Pandher of the Kisan Mazdoor Sangharsh Committee (KMSC)—were even fielding questions about how it could lift Punjab out of the wheat-and-paddy cycle.

The elation, though, was short-lived, as the unions backed out soon after. Pandher claimed it was because the Centre had put a 'five-year, contractual basis' rider on the offer, which the unions found unacceptable. Experts in Punjab say the deal would have anyway broken down in the future as crop diversification requires much more effort than just assured MSP for produce. "Wheat and paddy are easier crops to grow than, say, cotton. And they don't require much involvement from the farmer, except during sowing and harvesting," says a Punjab Agricultural University (PAU) professor.

More than anything, however, it was reminiscent of the 13-month siege the national capital had witnessed in 2020-'21, just that the farmers haven't reached the gates of Delhi yet. The Haryana police have managed to sequester them at the Shambhu and Khanauri borders for now. The threat of a long-drawn protest has the ruling BJP worked up again, especially as the Lok Sabha election is just months away. The previous siege had forced the Narendra Modi government to back down and withdraw its big-ticket farm sector reforms. This time, the demand is for an MSP guarantee for 23 crops, an enhanced price discovery formula among a host of other demands.

Farmers' anxiety

Two years after becoming the prime minister, Modi had in February 2016 committed to doubling farm incomes by 2022. Extrapolating from the 2012-13 National Sample Survey Office (NSSO) estimates, the average annual income of a farm household at the national level in 2015-16 was assumed to be Rs 96,703 (Rs 8,058 per month) and a target was set to take it to Rs 2.71 lakh at cur-r-ent prices (Rs 22,610 per month). This required an annual growth rate of 10 per cent. Instead, the 77th round of the Situation Assessment Survey of Agricultural Households, 2021, found the estimated monthly income of farm households in 2018-19 to be Rs 10,218 in nominal terms. Average outstanding loan per farmer household, as revealed in the Lok Sabha in February '23, was Rs 74,121. This tells us how acute distress in the farm sector is.

This is also why guaranteed MSP is such a sensitive subject, especially in Punjab where 85 per cent of the produce that comes to the market is picked up by government agencies at these prices. It's also why farmers in other states are demanding the same. The community already has a sense that MSP calculation doesn't reflect the true input costs. In 2018, the Centre decided to use the second best of the M.S. Swaminathan committee's formulas to calculate MSP—A2+FL (direct expenses incurred by farmers, such as seeds, ferti-lisers, pesticides and irrigation, plus 50 per cent more, along with the imputed value of unpaid family labour). The farmers have two issues with this—they don't trust the calculations of the Commission of Agricultural Costs and Prices (CACP), which sets the MSP; and they want it to take into account the rental value of their land and interest value of capital assets.

Farm unions often complain that the CACP estimates fail to adequately take into account increasing input costs and factor in inflation. Which is why they are pushing for MSP calculations on the basis of the third Swaminathan construct—C2 (factors in rentals and interest forgone on owned land and fixed capital assets, on top of A2+FL). For instance, if we take CACP data of C2 costs for paddy (Rs 1,911 per quintal) and apply the best-case 'C2+50% of C2' formula to calculate MSP, it will be Rs 2,866 per quintal, whereas the MSP right now is Rs 2,183 per quintal. If the weighted average of C2 costs provided by the states (Rs 2,139 per quintal) is considered, the MSP will be Rs 3,208 per quintal. On the other side, a CRISIL research estimate suggests

Farm unions often complain that the CACP estimates fail to adequately take into account increasing input costs and factor in inflation. Which is why they are pushing for MSP calculations on the basis of the third Swaminathan construct—C2.

that state agencies will have to spend Rs 3.8 lakh crore a year to procure paddy (factoring in that 'marketing year '23' had a 185 MT crop).

Double-edged sword

Back in 1964, then food and agriculture minister C. Subramaniam had come out with a "producers' price" for paddy and wheat as "a minimum price or a support price at which government should buy any quantities that may be offeredâ€æ." He later also recommended addition of coarse cereals, pulses, oilseeds, sugarcane, cotton and jute. Of course, this was a time when the country's buffer stocks were empty, and agriculture had faced back-to-back drought years. Cut to the present, and can the government buy all 23 crops, as demanded by the unions, at this predetermined price? Does it make economic sense? What will the impact of this be on crop patterns? These are some of the questions that have been asked frequently in the past few days. One of Punjab's top agronomists, Sardara Singh Johl, says it is both "impractical and illogical". "If MSP is legalised for

In the present agriculture structure in Punjab, Haryana and other parts of the country where MSP procurement is prevalent, the bigger farmers also double up as arhatiyas, or middlemen.

23 crops, then, of course, everyone will only want to sell to the government. But they simply cannot procure the entire produce. And even if it does, where will it further sell, use or dispose of it? The government is not a trader," he says. Right now, MSP-based procurement is undertaken to maintain the national buffer stock, stabilise prices and also fulfil the food security commitments to 810 million beneficiaries. In 2023, the Centre spent about Rs 2 lakh crore to honour food subsidy bills.

In the present agriculture structure in Punjab, Haryana and other parts of the country where MSP procurement is prevalent, the bigger farmers also double up as arhatiyas, or middlemen. This allows them to aggregate the crops from small and marginal farmers at much cheaper prices. Meanwhile, industry lobby groups argue that MSP-based procurements distort the markets. "If a legal framework for MSP comes up, it will kill the market altogether," says the CEO of a top food processing company. They argue that the big players may buy at MSP, but small food processors—who form 80 per cent of the sector—won't be able to compete and will be wiped out. They argue that what the agri sector needs is to evolve towards a demand-based ecosystem rather than a production-oriented one.

Work in Progress

Having been forced to repeal the farm laws in 2021, the Modi government then took a different tack—building infrastr-ucture to decentralise procurement. This included pushing states to take up the Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA)—an umbr-ella scheme to ensure MSP to farmers. From 2019, they have also got income support under the PM-KISAN scheme.

In addition, the government has also fortified the warehousing and electronic negotia-ble warehouse receipt (e-NWR) infrastructure. Ashwani Mahajan, national co-convenor of the Swadeshi Jagran Manch argues that farmers sell their crops at distress (below MSP) not because they haven't got a good price, but because they can only hold on to their crop for so long. "If he [the farmer] has reached the market, he can't take the crop back," Mahajan points out. As of November-end, 2023, 6,929 warehouses with a storage capacity of 41.1 million tonne had been registered with the Warehousing Development and Regulatory Authority. But it's still not enough to make a difference, either on prices or movement of crops or incomes of farmers.

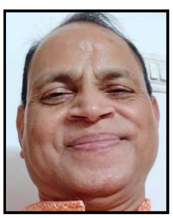
Treading lightly

For the BJP-ruled Centre, the crisis couldn't have come at worst time. Its only hope is that the agitation doesn't spread beyond Punjab. Clashes and human casualties could escalate matters. The 'khap' panchayats in Haryana are threatening to join the strike and the Samyukt Kisan Morcha (SKM), the umbrella body of farmer unions that spearheaded the 2020-'21 protests, as well as the Bharatiya Kisan Union (Ugrahan), one of the largest such outfits in Punjab, are also bristling. The latter held day-and-night protests in front of the residences of BJP MPs, ministers and MLAs in Punjab during February 20-22.

After the repeal of the farm laws, the Modi government had in July 2022 appointed a 29-member committee under former agriculture secretary Sanjay Agarwal to deliberate on MSP-related issues, among other things. The SKM was invited to send three nominees, but it refused, possibly because the panel was packed with government experts and BJP sympathisers. Union agriculture minister Arjun Munda has now called for a fifth round of talks, saying everything was on the table, "inclu-ding MSP and FIRs [filed against the protesters]". That offer may be stillborn if the death of the young farmer at Khanauri takes a political turn. New Delhi has to come up with an honourable solution soon, before the situation gets out of hand. A legal framework for MSP will then be the least of the Modi government's worries. ❑❑

https://www.indiatoday.in/magazine/special-report/story/20240304-farmers-protests-a-fight-for-the-minimum-2506172-2024-02-23

Contours of Oil Refining Industry



Changing dynamics in the global oil market have put immense pressure. Bharat will need to stay firm and have comprehensive energy policy which it should keep tweaking depending on the situation. We must continue to focus on diversification of energy sources.

Vinod Johri

The oil refining industry is gaining one of the most vital factors in the growing economy on way to globally third biggest slot. The scope of this industry is gaining momentum to the extent of being the largest exporter of oil-based products after China which is considering slowing down the oil refining industry for certain reasons. Oil refining industry has issues of carbon emissions, the vital concern of COP28 besides dependency on crude oil imports.It is important to note that Bharat is one of the major exporters of refined products with a net export close to 1 million barrels per day (MMb/d) in 2022. To make Bharat a refinery hub, there is a need to secure long-term crude oil supply, given the domestic demand-supply mismatch. Speaking at the 'Urja Sangam' conference in March 2015, Hon'ble Prime Minister Shri Narendra Modi ji had urged all stakeholders to increase the domestic production of Oil and Gas to reduce import dependence from 77 % cent to 67 % by 2022, the 75th anniversary of our independence. He further said that import dependence should be brought down to 50 per cent by 2030. In fact, the target to reduce import dependence by 2023, has long been missed. Hon'ble Prime Minister Shri Narendra Modi ji declared investments of $67 Billion to improve the energy mix.

On February 6, in his address at inauguration of Bharat Energy Week 2024, Hon'ble Prime Minister Shri Narendra Modi ji said "Additionally, we have solidified our position as one of the largest refiners globally, with our current refining capacity surpassing 254 Million Metric Tonnes per Annum (MMTPA). By 2030, we aim to elevate Bharat's refining capacity to 450 MMTPA."

Therefore, it is imperative to understand the policy concerns, oil pricing, Red sea menace of Houthy rebels, OPEC policy vicissitudes, manufacturing capacity, FDI and global scenario. We have to be careful and address the issues about Crude oil suppliers' concerns about rupee settlement for cargos over repatriation of funds in preferred currency and high transaction costs on conversion of funds along with

exchange fluctuation risks.

Oil refining is an essential process for transforming crude oil into marketable products such as fuels, lubricants, and kerosene. A typical oil-refining process consists of several processing units such as distillation, cracking, coking, reforming, and post-treatment and refining of the products.By aiming to become a global refinery hub, Bharat can turn its disadvantage of inadequate oil and gas production into an advantage, with few countries planning greenfield refineries due to environmental concerns.The country's refining capacity has increased from a modest 62 million tonne annually in 1998 to 254 MMTPA. Our refiners would add 56 MMTPA by 2028 to increase domestic capacity to 310 MMTPA.

Certain relevant statistics relating to our country, apprise us better about the crucial and key facts about the industry:

1. Oil demand in Bharat is projected to register a 2X growth to reach 11 million barrels per day by 2045.
2. Diesel demand is expected to double to 163 MT by 2029-30, with diesel and gasoline covering 58% of our oil demand by 2045.
3. Consumption of natural gas is expected to grow by 25 billion cubic metres (BCM), registering an average annual growth of 9% until 2024.
4. In February 2023, our oil demand rose to a 24-year high, which resulted due to a boost in the industrial activity. It was the 15th consecutive year-on-year rise in demand.
5. Consumption of natural gas is expected to grow by 25 BCM, In February 2023, our oil demand rose to a 24-year high, which resulted due to a boost in the industrial activity. It was the 15th consecutive year-on-year rise in demand. Registering an average annual growth of 9% until 2024.
6. Bharat imported 21.4 million tonnes (mt) crude oil in January 2024, the highest in last 20 months to meet domestic consumption and take advantage of rising demand for refined products in export markets.
7. Bharat aims to commercialise 50% of its SPR (strategic petroleum reserves) to raise funds and build additional storage tanks to offset high oil prices.
8. In May 2022, ONGC announced plans to invest US$ 4 billion from FY22-25 to increase its exploration efforts.
9. The Government has allowed 100% Foreign Direct Investment (FDI) in upstream and private sector refining projects.
10. In July 2021, the Department for Promotion of Industry and Internal Trade (DPIIT) approved an order allowing 100% foreign direct investments (FDIs) under automatic route for oil and gas PSUs.
11. In Union Budget 2022-23, the customs duty on certain critical chemicals such as methanol, acetic acid and heavy feed stocks for petroleum refining were reduced.
12. In September 2021, Bharat and the US had agreed to expand their energy collaboration by focusing on emerging fuels. Op
13. Petroleum trade with Europe added $40 billion to exports. Bharat's petroleum products exports were $94.5 billion in FY 23, up from $25.8 Billion in 2020-21.

According to the Petroleum Planning and Analysis Cell (PPAC), Bharat's imports last month were the highest since April 2022, when the world's third largest crude oil importer bought 21.6 MT of the critical commodity, which accounts for more than 85 per cent of its domestic requirement. According to S&P Global Commodity Insights, our oil products demand increased 398,000 barrels a day, or 8.2 per cent, year-on-year and 8,000 barrels a day month-on-month in January (2024) on the back of higher consumption of all products except fuel oil. Bharat usually purchases crude oil from Middle East countries through term contracts and with Russia through the spot market. For the oil PSUs, the spot market offers opportunities to buy competitively priced crudes and explore new crude oil grades from diverse geographies.

Ourgovernmentis keen on making Bharat a refinery hubfor theapparent reason that western countries may not increase refining capacity due to climate pressure, so we can tap this opportunity to supply to them.According to Ellen R. Wald, President of Transversal Consulting and author of "Saudi, Inc.", "China pursued this strategy and it worked well for them. They have many independent refineries that export refined products across Asia. Bharat is in a good position because it can import Russian crude oil, refine it into products and sell those products to Western European consumers who cannot buy Russian refined products due to sanctions."Those in refinery business see it as a balance between import and export of crude oil and petroleum products. Though major global refiners are currently not spending much in new projects and older refineries having almost lived their lives, Bharat can become a supplier to the world. Basically, the balance of payment will be in our favour.

Bharat is one of the major economies in the world where total oil demand is expected to grow through 2045. The refined products demand is expected to grow from 5.4 million barrels per day (MMb/d) in 2022 to about 8.1 MMb/d in 2045 (i.e., an increase of about 50 per cent), almost reaching the peak demand.In comparison, the demand growth in China and the world is likely to peak in this decade and is expected to decline by about 18 per cent and 8 per cent respectively, by 2045 from their peak demand. So, it is imperative that Bharat needs to add refining capacity to meet the domestic oil demand.

Since greenfield refineries need long gestation period, the banks/FIs should extend loans for them. It is correct that Bharat's import dependency for crude oil has been growing with the decline in domestic production and refinery capacity additions. It has increased from around 80 percent in 2010 to around 90 percent in 2022 and is expected to increase further.

It is expectedthat the net exports of refined products may reduce over a period owing to a decline in demand in the other parts of the world, particularly the matured economies, and difficulty in justifying new refining capacity additions in a world where demand is declining from the later part of this decade.Higher import dependency is definitely posing energy security challenges, however, some of that is driven by the domestic demand growth.

CO2 emissions in Oil refining

Emission Source	*Description*	*Share of CO_2 Emissions (%)*	*CO_2 Concentration in Off-Gas Flow (Vol. %)*
Process furnaces	Combustion of fossil fuels for heat generation for distillation columns & reactors	30–60	8–10
Steam generators	Combustion of fossil fuels to generate process steam	20–50	4–15
Catalytic crackers	Burn-up of petroleum coke	20–50	10–20
Hydrogen	Reforming of hydrocarbons to H_2 and CO_2 production	5–20	20–99

Environmental Concerns

The operation of these processes requires large amounts of thermal energy and results in the release of significant amounts of CO_2 from different sources in the refinery, as shown in Table below.

In general, petroleum refineries generate about 1 billion tons of CO_2 annually, which represents around 4% of global CO_2 emissions. Depending on the complexity of the refinery, around 1.5%–8% of the fuel is used in the refining process. A typical refinery generates about 0.8–4.2 million tons of CO_2 per year.

Several strategies could be employed to reduce CO_2 emissions by the oil-refining process; the most economical way is to reduce energy consumption. However, the nature of the refining processes implies that a refinery will still consume a substantial amount of energy, which in turn would result in the production of a considerable amount of CO_2 emissions.

Our options

The obvious option is to revive domestic oil production, use of biofuels, and EV focus, while improving strategic relationships with the major oil producers, and developing strategic storage. We should remember that Biofuel alliance will generate $500 billion economic opportunities.

If new refining capacity additions are focused on export markets, that may not help the situation and further challenge the net zero ambitions. If we look at China, the country has restricted refined product exports and is managing the refinery capacity additions to address the energy security concerns and net zero ambitions. The country has developed a large strategic and commercial crude oil inventory as well to address the geopolitical challenges.

But Bharat cannot follow China's path, given its growth, jobs and fiscal pressures. The way out for Bharat is to strike a balance between its diplomatic positioning and economic interests, while looking at all sources of energy generation. There has to be a consistent long-term strategy. It has to be understood that a consumer like Bharat cannot risk global shifts that happen in the oil market which bring in a major element of uncertainty and unpredictability. Changing dynamics in the global oil market have put immense pressure. Bharat will need to stay firm and have comprehensive energy policy which it should keep tweaking depending on the situation. We must continue to focus on diversification of energy sources. ❑❑

Addressing the land question:
Focus on Equity

Solving the misallocation problem is not, therefore, merely a question of fixing markets and incentives. It requires societal acceptance of the ailment - the use of land to enhance inequalities and promote narrow rather than broad prosperity. Policy solutions will be effective if, and only if, they increase inclusivity.

The first and most immediate task is to agree to a single principle governing the deployment of all types of land. Every redeployment or deployment of land should be demonstrated to reduce inequality.

In the case of private residential land, deployment keeping equity considerations paramount will be tough. Noisy, selfish elites, especially the so-called "middle class," by now addicted to real estate appreciation, will have to be discouraged by using policy measures from treating residential real estate as a capital investment.

Several fiscal and regulatory instruments exist for this purpose. (For example, taxing luxury developments so that the rate of return on them is lower than on more equitable developments, imposing an absolute ceiling on the development of high-end residential property until 90 per cent of the existing stock is occupied or rented etc.) The key would be to (a) notify and quantify these instruments and (b) link changes in valuation to a public benchmark such as a geographically calibrated consumer price index. Many other suggestions in the 2014 proposals (cited in the previous article) are of immense complementary value in this endeavour, but the crucial thing is to accept that any redeployment of land that reduces equity will not be countenanced. Note that compensating people for their land is not equitable. The key question, when it comes to equity, is what the land will be used for.

Indian elites consider it their divine right to have first claim over our Commons - and the Indian state, a petty landlord obsessed with revenue crumbs, actively collaborates.
Rathin Roy

This proposal in no way increases government control over private property. Land is already highly regulated in terms of the conditions underpinning its use and development. However, the principles of regulation remain unclear. I am proposing one single simple principle no redeployment of land that demonstrably increases inequality should be permitted.

The same principle would apply to redevelopment for commercial or industrial purposes. What activity, who gets employed, and whom do profits and surpluses accrue to become germane to approvals granted. It, therefore, follows that more inclusive and more egalitarian economic activities would be preferred for land allocation to less equitable ones.

Hence, the total expected share of wages versus profits, employment effects, benefits or costs to ecosystem services of the activities to be carried out using the land would all be pertinent factors.

With government land, the first urgent task is to unify its ownership a complete and public listing of all land owned by the state. This sounds trite until you realise it has not happened for 75 years - ambiguity permits obfuscation and pandering to vested interests. The current government had started an initiative to do this but it fizzled out - for obvious reasons.

The same equity principle applies to India's biggest landowner. For this, it is necessary next to have a land use mapping of what the government does with its land. How much of it has been given over to private debauchery by the bureaucrats and generalissimos? How much to "housing societies" and developers? Once this is known, the contours of corrective action can be defined. For the future, a simple principle: State land will never be sold or handed over to any entity. It will always be leased, the title being retained by the state.

This is a common enough practice, except subject to atrophy, so a system of decennial reviews can be instituted to see if the land allocated is still being used for purposes intended, and if those purposes are still relevant. The state has many equitable projects for which it can prioritise public land. A slumfree India, a world-class education and health system, infrastructure, water supply and universal sanitation - all these initiatives require land, which the state has in abundance. The key will lie in unlocking it and using it to serve the public interest, not just that of the rich and of state courtiers.

The Commons should be least complex, but are in fact the most difficult. In contemporary times, the rich have both money and leisure to acquire things that development destroys - those that nature offers. From five-star hotels in the Jaisalmer desert to the mass migration of the Delhi elite to create the ecological mess that is Goa, to the nepo babies engaged in privatising the Himalayas for expensive ecosystem adventure sports, the Commons have become a site for elite extraction. Mining depredations in the Chhattisgarh and Jharkhand forests, and the consequent disempowerment of Adivasis, is well-advertised but the phenomenon is more widespread than that. Indian elites consider it their divine right to have first claim over our Commons and the Indian state, a petty landlord obsessed with revenue crumbs, actively collaborates.

With govt. land, the first urgent task is to unify its ownership a complete and public listing of all land owned by the state. This sounds trite until you realise it has not happened for 75 years - ambiguity permits obfuscation and pandering to vested interests.

This poses a difficult socio-political challenge. Those disempowered are not part of the social mainstream and electorally not significant. But it is a journey we must undertake as an ideological prior if we are to have a Commons in line with the "traditional" Indian values we like to go on about nowadays. At the very least, since we have become such an obsessively religious country, should our pilgrimage Commons prioritise the rich? Should the devout be allowed to deplete the Commons so that they can visit Vaishno Devi in helicopters? Should Sri Ayodhya be parcelled out to developer oligarchs because Uttar Pradesh is poorer than Gujarat?

An equity-based approach to land is difficult to implement. But it is indispensable. Remember that the vast majority of countries have ended up in a middle-income trap because it is difficult to overcome. Acting to secure a high income, inclusive economy is more difficult than just boasting about Amrit Kaal in 1947. ❑❑

https://www.business-standard.com/opinion/columns/addressing-the-land-question-focus-on-equity-124020901864_1.html

Inclusive Growth has led to Poverty Decline

The findings of the survey paint a picture of significant progress in poverty reduction and economic development in India.

Dr. Jaya Sharma

Bharat is currently experiencing the transformative phase of Amrit Kaal, and has already started showing promising signs. A notable development is the substantial reduction in poverty levels. The latest Household Consumption Expenditure Survey (HCES) conducted by the National Sample Survey Office (NSSO) reveals that poverty levels in India have fallen below 5%. This milestone, highlighted by the CEO of NITI Aayog, not only marks a significant statistical achievement but also symbolizes a substantial improvement in the quality of life for millions. This showcases a prosperous future, reshaping the socio-economic fabric of both rural and urban areas. On top of all 24.82 crore people have escaped from multidimensional poverty in Bharat in last nine years. Findings of NITI Aayog's discussion paper 'Multidimensional Poverty in India since 2005-06' give credit for this remarkable achievement to significant initiatives of the government to address all dimensions of the poverty between 2013-14 to 2022-23.

The Household Consumption Expenditure Survey (HCES) is a comprehensive study that aims to assess the economic well-being of households in India. The survey collects data on various aspects of household consumption, including food, non-food items, and services, to estimate the Monthly Per Capita Consumption Expenditure (MPCE). This data is crucial for understanding the living standards of different socio-economic groups and for formulating policies aimed at poverty alleviation and economic development.

Poverty estimation in India is carried out by a task force of the NITI Aayog through the calculation of poverty lines based on data collected by the National Sample Survey Office under the Ministry of Statistics and Programme Implementation (MOSPI). As per the panel's definition, a person spending Rs 47 per day in cities and Rs. 32 in villages is below the poverty line.

The Multi-dimensional Poverty Index (MPI) is used by many countries as a tool to track progress in reducing poverty and to design more effective poverty alleviation policies. The Multidimensional Poverty Index (MPI) is a metric that measures poverty by considering multiple factors or dimensions that contribute to a person's well-being. It goes beyond just income or monetary poverty and includes indicators such as access to education, healthcare, housing, and living standards. The MPI provides a more comprehensive understanding of poverty by capturing the various ways in which people can be deprived and is often used alongside income-based measures to create a fuller picture of poverty within a population.

Key Findings of the survey

The HCES findings underscore the progress India has made in reducing poverty and improving the economic well-being of its citizens.

1. The bottom 5% of India's rural population, ranked by MPCE, has an average MPCE of Rs. 1,373 while it is Rs. 2,001 for the same category of population in the urban areas.
2. The top 5% of India's rural and urban population, ranked by MPCE, has an average MPCE of Rs. 10,501 and Rs. 20,824, respectively.

3. Among the states, MPCE is the highest in Sikkim for both rural and urban areas (Rural – Rs. 7,731 and Urban – Rs. 12,105). It is the lowest in Chhattisgarh (Rural – Rs. 2,466 and Urban – Rs. 4,483).
4. The rural-urban difference in average MPCE, among the states is the highest in Meghalaya (83%) followed by Chhattisgarh (82%).
5. Among the UTs, MPCE is the highest in Chandigarh (Rural – Rs. 7,467 and Urban – Rs. 12,575), whereas, it is the lowest in Ladakh (Rs. 4,035) and Lakshadweep (Rs. 5,475) for rural and urban areas respectively.

The survey not only indicates a decrease in poverty but also highlights evolving consumption patterns, indicating a growing prosperity that is reshaping rural and urban lives alike. The survey's results provide significant understanding into the economic health of Indian households, demonstrating positive trends in poverty alleviation and consumption patterns. The survey data, available on the Ministry's website, indicates a significant increase in per capita monthly household consumption expenditure from 2011-12 to 2022-23, suggesting a rise in prosperity levels across the country.

Another key observations from the survey is the shift in spending patterns, particularly in terms of food expenditure. Rural households, for the first time, allocated less than 50 per cent of their total expenditure to food. It also claims that the urban-rural consumption divide has narrowed from 91% in 2004-05 to 71% in 2022-23, signifying a reduction in inequality.

The survey's categorization of people into 20 different income groups highlights that poverty primarily persists in the 0-5 percent income bracket. This underscores the importance of targeted interventions to uplift the poorest sections of society and reduce income disparities. The shift in consumption patterns towards non-food items, as indicated by the survey, reflects an improvement in living standards and a rise in disposable incomes among Indian households. This shift signifies increased prosperity and changing lifestyle preferences among the populace.

Moreover, the narrowing gap between rural and urban consumption patterns suggests improved access to goods and services in rural areas, indicating progress towards economic parity between rural and urban populations. However, challenges remain in addressing poverty among the most vulnerable segments of society and ensuring sustainable economic growth. The survey's findings also have implications for inflation and GDP calculations, highlighting the need to adjust the consumer price index to accurately reflect current consumption patterns.

Positive Implications

The reduction in poverty in India holds significant potential for impacting the overall economy, living standards, and quality of life in the country. Economically, a decline in poverty translates to a larger consumer base with increased purchasing power, stimulating demand for goods and services and thereby driving economic growth. This shift can lead to improved living standards, as higher incomes enable people to afford better housing, healthcare, education, and nutrition. Consequently, there can be substantial improvements in health and education outcomes, as increased access to healthcare and education empowers individuals to lead healthier and more productive lives. Additionally, the reduction in poverty can enhance the quality of life by reducing financial stress, improving access to basic amenities and services, and fostering a sense of dignity and empowerment among the populace.

Socially, a decrease in poverty can promote greater social cohesion and stability, as more people have access to resources and opportunities, reducing the likelihood of social unrest and conflict. In essence, the reduction in poverty in India has the potential to create a more inclusive, prosperous, and harmonious society, benefiting individuals, families, and the nation as a whole.

Conclusion

The findings of the survey paint a picture of significant progress in poverty reduction and economic development in India. The decline in poverty levels to just five percent is a testament to the effectiveness of various government initiatives and policies aimed at improving the lives of the poor. The shift in consumption patterns towards non-food items and the narrowing gap between rural and urban consumption indicate a growing prosperity and a more balanced economic growth. However, challenges remain, particularly in ensuring that the benefits of economic growth are distributed equitably and reach the most vulnerable sections of society. Continued efforts to address these challenges, along with a focus on sustainable development, will be crucial in maintaining and building upon the progress achieved so far. ❑❑

The cotton chronicles of India

Cautious optimism towards step-wise implementation of sustainable agricultural system in combination with modern technologies is the way ahead for 2047 to achieve the goal of Viksit Bharat.

Dr. R. Krishna Chaitanya

Origins of cotton

The glorious history of Indian cotton and its fabrics is dated back to pre-Indus civilization times. The genesis of cotton cultivation and trade is from the Indian sub-continent. The scientific analysis of an 8000-year old copper bead from Mehrgarh i.e. present day Balochistan, discovered several threads of cotton attached to it. Similar fragments of cotton textiles excavated from the Mohenjo-daro and Mediterranean regions establish the functionality of cotton trade since 5000 years. A plant dye was extracted from the cotton found in Indus valley indicates that the people of this region also possessed the knowledge of cotton dyeing.

The past glory of Indian cotton

Vedic period literature consists of terminologies associated with cotton and it's weaving process. In Rigveda, weaver was termed as vasovaya. The male and female weavers were mentioned as vaya and vayitri respectively (Rigveda, 10.26.6; 2.3.6.). The process of cotton weaving was used metaphorically (Mandala10, Hymn 130).

यो यज्ञो विश्वतस्तन्तुभिस्तत एकशतं देवकर्मेभिरायतः।
इमे वयन्ति पितरो य आययुः पर वयाप वयेत्यासते तते।।

Panini in Astadhyayi, referred to cotton as tula; loom as tantra; place where the weaver ply the loom as avaya; and the shuttle as pravani. The quality of the cloth depended on the tantu (thread) spun. Kautilya's Arthashastra discussed cotton as a source of king's revenue. As per the texts, threads (sutras), coats (varma) and cloth (vastras) were manufactured by skilled artisans and yarn spinning was regulated by the superintendent of yarns (sutradhyaksa). Amarkosha, a thesaurus written during the Gupta period, has words connected with cotton cloth (karpasam, phalam), thread (tantu, sutram), weaving of cloth (vani, vyuti) and the tools for weaving (vema, vamadanda).

Indian textiles were traded for Roman gold during the Roman period. Roman historian, Pliny (79-23 CE) estimated the value of Indian cotton imports to Rome to be a million sesterces (equal to 15 million Indian rupees during that time) every year. Satavahanas traded cotton textiles produced from the Deccan region across the Indian Ocean to Egypt. Zhou Qufei, a Chinese government official referred to cotton textile export in large volumes from the port of Masulipatnam (now Machilipatnam) during the regime of Vengi, the 12th century king of Chola dynasty. References of thriving textile industry during 15th century Vijayanagara empire were mentioned in temple inscriptions, literary works, and Portuguese and Persian travelogues. Tome Pires, a 16th century Portugese traveler, described the ships from Gujarat and the Coromandel coast which carried clothes of thirty different varieties to Malaccan region.

The Indian cotton varieties were exported mainly from four regions: Indus plains including Punjab and Sind, Coromandel Coast, Gujarat and the west coast, and Bengal. References to chippa saree, printed calicoes, bandhani, kalamkari, forms of embroidery - kashida and chikin are available in various texts and travelogues. Cotton muslin from the erstwhile Bengal made via an elaborate 16-step process with rare variety cotton grown along the banks of Meghna River was considered to be a prized possession. India was globally famed for skills in weaving, embroidery, printing, painting and dyeing of its textiles. The varieties of dyeing ingredients of high quality were used. Indian dyers used lime, lemon peel and juice, pomegranate, myrobalan, milk, flour, alum, ochre, antimony, copper, iron vitriol, indigo, saffron, sandal, safflower, etc.

Indian cotton from riches to rags

The fall of Mughal empire eventually allowed European merchants to gain control over Indian regions. Indian cotton textiles were quite popular in Britain and imported from India by the East India Company. Between 1681 and 1685, the Dutch East India Company imported 7 tonnes of gold and 240 tonnes of silver for textile trade predominantly cotton and silk. The popularity of Indian cotton in the European markets met with local trader resistance. As a result, the European government brought in several acts, known as calico acts, between 1700 -1740, to ban or levy heavy duty on Indian cotton imports. At the same time, the hand-made cotton textile system prevalent in India was severely affected by the European industrialization. Textiles were being machine-made in Britain. Further, import duties on British mill manufactured cloth into India were removed. Consequently, millions of Indian textile workers and women spinners lost their occupation and jobs. Many switched to grow cotton to survive. India, the age-old producer of the finest cotton in the world was reduced to supplier of raw cotton to the English textile mills in less than half-century time.

The American civil war curbed the cotton supplies to Britain (1861-65) leading to a cotton famine. Due to this, Indian raw cotton that accounted for 31% of British cotton imports in 1861 increased to 90% in 1862. This further resulted in decline of the Indian textile industry. When America ceased to be a supplier of cotton, the East India Company set to 'improve' the Indian cotton. The newly introduced American cotton produced a longer staple more suited to the rigors of machine processing. American cotton planters were hired for India to train farmers to grow the cotton. In a span of 40 years, import of British cotton goods rose from £1,100,000 in 1813 to £ 6,300,000 in 1856. The Indian patriotic leaders like Bipin Chandra Pal, Dadabhai Naoroji, Tilak and Ranade observed that the weakening of the Indian textile industry and subsequently the Indian economy was not due to internal poverty but a systematic drain of wealth by the British and started resistance against the colonial rule. The movement gained momentum with Gandhiji's idea of swaraj in 1915. He introduced the Khadi movement and motivated the people towards hand spun and handwoven cotton fabric. Consequently, the mills in Manchester were forced to close which lead to a turning point in the Indian independence movement. Excerpt from the book as quoted by M.K. Gandhi-

"It is a shame that we who grow more cotton than we need should have to send it abroad for being turned into cloth for us. It is equally a shame for us that we who have in our villages unlimited unused labour, and can easily supply ourselves with village instruments of manufacture, should send our cotton to the mills of our cities for it to be manufactured into cloth for our use. We know the history of the shame. But we have not yet discovered the sure way to deal with the double shame beyond a patriotic appeal to the public."

Cotton hybrids and the pest menace-post independence

The cotton processing machinery needed uniform raw material supply in large. The nature of farm practices transitioned from sustainable family based agriculture to intensive commercial farming. Surti Local, Broach Desi, Western local, Wagad local, Kampta local, Jarilla, Jayadhar, Digvijay, Hyderabad gaorani etc. were some of the local varieties grown which totally vanished from the fields. The era of high-yielding cotton hybrids began from 1970. The release of world's first intraspecific cotton hybrid "H4" was from Cotton Research Station, Surat. Two years after the release of H4, the world's first interspecific hybrid was released under the name "Varalaxmi" at Bangalore. These hybrid varieties needed irrigation, which increased humidity. Humidity attracted pests. Cotton pests including, pink bollworm, whitefly, spotted bollworm, cotton bollworm etc. infested the cotton fields. To curb the menace, pesticides and insecticides were sprayed in the fields indiscriminately. Consequently, pest resistance and ecological issues emerged as a major concern.

Bt cotton technology- the perils associated with it

Soil-dwelling bacteria known as Bacillus thuringiensis (Bt) naturally produces a toxin that is fatal to certain insect species. The toxin produced by Bt is genetically engineered into cotton germplasm such that the Bt cotton plants could express the toxin. The toxin is lethal to several insect pests. To tackle the pest menace, Bt technology was introduced in the year 2002. Today, almost 95% of the cotton plantation in India is the transgenic (Bt) American cotton. After over 20 years of its inception into the Indian agricultural set-up, questions pertaining to Bt technology in cotton with respect to its sustainability and efficacy remain. Currently, among the 29 Bt cotton growing countries, the only documented case of practical resistance to Bt dual toxin (Bollgard-II) is reported in the cotton pest, Pectinophora gossypiella from India which is a matter of serious concern. In the year 2002, single toxin expressing Bt cotton (Bollgard-I) was commercially introduced in India. Within 8 years of commercial introduction of Bollgard-I, the private firm, Mahyco Monsanto Biotech (India) officially confirmed pink bollworm resistance. Non-compliance to refuge strategy, i.e. plantation of atleast 10% of non-Bt cotton plants in proximity to Bt cotton was attributed as primary reason for generation of the field resistance. Meanwhile, to enhance the efficacy of the Bt cotton against the bollworms, a combination of two toxins with commercial name, Bollgard-II, was launched in the year 2006. Subsequently, pink bollworm resistance to Bollgard-II cotton was confirmed in the central, southern & northern cotton growing zones. Ineffective implementation of various policies, practices and methods at the field level also lead to emergence of the pest resistance in cotton fields. India is the only nation that cultivates Bt cotton as hybrids. Genetically, this is a favorable scenario for resistance development. Replacement of short- to medium-duration Bt varieties with long-duration Bt-hybrid varieties, usage of large number of hydrids with varying flowering and fruiting periods, early sowing and late harvesting practices facilitated pest multiplication with overlapping generations and accelerated resistance development. Pink bollworm or any other insect will eventually evolve resistance against transgenic crop if the technology is not combined with integrated pest management practices such as monitoring with light & pheromone traps, use of biopesticides, biological control methods using wasps etc., crop diversification, animal grazing of harvested fields, destruction of stubbles and stalks, gin waste, winter irrigation and post-harvest deep ploughing.

The success of Bt cotton in India is often exaggerated, based on a selective and optimistic analysis of the available evidence and downplaying of the negative results. Policy analysts and politicians draw general conclusions from the insufficient evidence to create a misleading impression that Bt cotton is a value addition in terms of sustainable & productive agricultural livelihood. Bt is not an intrinsically yield-enhancing technology but a pest control technology. Yield advantage of Bt cotton can be expected only in seasons where bollworm pest pressure is high. In other pest-free seasons, Bt farmers have to bear the additional costs of transgenic seeds but gain no particular yield advantage over non-Bt farmers. Bt cotton produced a significant yield advantage and farm productivity under irrigated conditions. However, most of the cotton in India is grown in rainfed conditions, and only one-third is grown under irrigation. A connection between the economic factors associated with Bt cultivation and farmer suicide was earlier established by few studies.

Way ahead for 2047

While the global average of cotton yield is greater than 800 kg/hectare, India as on 2022, produced near about to 500 kg/hectare only. Bt technology is not a viable solution in small farmer set-up which comprises almost 70%. High-density, short-season, non-hybrid, non-genetically modified, irrigated and rainfed cottons could be a viable alternative for Indian conditions. Wherever Bt technology is feasible, 15-20% refuge strategy combined with integrated pest management (IPM) strategies has to be implemented. Advanced soil testing laboratories need to be set up for testing soil health. IoT & space satellite technologies can augment pest surveillance, predict weather patterns and analyse the impact of climate change which aids in precision agriculture. National-level multidisciplinary agri-task forces can be constituted comprising of expertise in plant breeding, genetics, ecology, entomology, geology, soil science, economics, meteorologists & engineering to monitor the existing technologies as well as recommending the future technologies in 15 agro-climatic zones of India. Cautious optimism towards step-wise implementation of sustainable agricultural system in combination with modern technologies is the way ahead for 2047 to achieve the goal of Viksit Bharat.❑❑

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MSP for Farmers: Does India Need to Look Westwards for a Solution?

By linking the Kisan Credit Card to price floors and crops as collateral, the government can ameliorate the agrarian distress by investing in an agrarian programme for supply management.

Indra Shekhar Singh

As the government and farmers are battling each other on Punjab-Haryana borders over the right to fair price, we need to ask the question – how will the minimum price floors be implemented? Financially speaking there is a consensus of a requirement of Rs 1.5 lakh crore as financial support, but agriculturally speaking how will the system work? The 'New Deal Farm' programme from the US may have a potential answer.

The origin of Minimum Support Price (MSP) idea

It was Dr Frank Parker of USAID who gave the MSP idea to the Indian government. He suggested the price floors drawing from an FDR (Franklin Roosevelt) New Deal agrarian policy that transformed rural America and increased farmers net income by 115% in 10 years between 1942 and 1952. This was a golden period not just for the farmers, the industry got raw materials for fair price and consumers were not pinched too. The American parity system was built on price floors (minimum and ceiling floors), growing quota, government grain reserves and co-operative and individual systems for growing quotas, among other things. Instead of losing money, the government gained revenue and also directly added to rural American economy. The vestiges of the same idea are still embodied in our agrarian and food institutions likes MSP, Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation (NAFED), etc.

FDR's New Deal

The American farmers were destroyed by the summer of the 1920. By June, prices from corn to hogs all had crashed, ending the World War I high demand and high prices. For instance, in a matter of five months the price of corn fell from $1.83/bushel to less than 70 cents/bushel at the Chicago market.

Thousands of farming families were foreclosed and rural America was battling over production given that more land was brought under agriculture under during World War I years. For example, the area under wheat had increased from 48 million acres in 1914 to over 75 million by 1919. With the crash, rural America was being plagued by hyperinflation on land prices, speculation and excessive debt. Meanwhile, by 1922 American agricultural exports had fallen to the value of $1,883,315,000; 50% decrease from 1919. The prices didn't rise again for a long time as by 1929 the Great Depression had rocked the economy. In over production, supply mismanagement and falling incomes, rural America was almost on the precipice for collapse. The situation is best described in a letter – pleading for a farm debt moratorium – to then agriculture secretary Henry C Wallace, "Why should we all have our homes taken from us".

Another Georgia sharecropper wrote to the Agriculture Secretary, "This fall not only will i lose my home and everything in it, but hundreds, perhaps thousands, will be in my conditions, homeless. Unless, the farmers gets 35c to 40c for his cotton, we will be ruined…."

To prevent a rural meltdown Franklin Roosevelt's government introduced a New Deal for farmers built upon price floors, grain reserves and recourse loans. It began with key agricultural commodities like corn (1933), cotton (1933), wheat, tobacco (1937) and then even spread into the meat, poultry, fresh vegetables and to even dairy farmers. From an agricultural policy perspective, the period between 1942-1952 was also called the parity years where farmers got 100% value of their produce assured to them by government loans.

So how did the programme work? In principle, the USDA after analysis of agri-climate, market, demand-supply and carry over calculations suggested price floors for various agricultural commodities likes wheat, corn, rye, etc. to the Congress. The Congress then ratifies the price floors each season and announces them to the farmers.

The govt. agencies worked with the farmers directly and also through large farmers' co-operatives like the Burley tobacco co-operative in Kentucky. But in principle, before the sowing, every farmer received their growing quotas for their various agricultural commodities along with the price floors. At harvest time, farmers went to the co-operative market yards or grain elevators/silos or to the government grain reserves and deposited their produce and got it sealed and inspected by the govt. agents.

After receiving the grain storage certificate, the farmers went to the bank, showed the certificate and secured a nine month loan equivalent of 90% value (the percentage could differ from year to year, but 90% is a good average) of the crop. The bank gave the farmers a non-recourse loan, which was guaranteed by the US government Commodity Credit Corporation (CCC), and used the stored crop as a collateral.

During the nine-month period, if the farmer is successful in selling the crop in the open market he/she/they return the loan amount at a low interest to the bank. If the farmer isn't able to sell the crop, then the government takes over the crop collateral and transfers the produce to government reserves and the CCC pays the banks. Only a small part of the agriculture produce landed in the grain reserves, the rest of it was brought and sold in the open market. The grain reserves acted as a bulwark against inflation and farmers were given growing quota based on carry-over reserves from the previous year.

In this scenario, the farmers receive the fair price and also the money required for the next sowing without failing into debt. The government by controlling the agriculture produce through reserves and supply management also ensured that industries get a regulated supply of raw material. This policy made the industry, farmers and consumers happy, as all were being dealt with fairly.

The co-operative mode of this programme worked to keep millions of agrarian families in Kentucky growing region afloat. This model was promoting subsistence farming vs big farm. The small family farms could generate enough cash income from one or two acres of a tobacco crop only because of a price floor and guaranteed purchase programme.

The result of this programme was that farmers' net incomes increased by 115% between 1942-1952 when compared with 1920-1932 period, increasing rural prosperity and restarting the economy.

After 1952, price floors over next four decades was lowered, and then ended due to corporate pressure and mismanagement. A full 100% of parity for agriculture as a whole was never achieved again after 1952 though a few individual crops continued to achieve parity during the 1950s, such as burley tobacco and peanuts, according to USDA data. After the end, millions were forced from the farms, the economic despondency reigned in once prosperous areas like Iowa, Kansas, Kentucky, etc.

The other unique thing about the programme was that it calculated price floors not on cost of production estimates but used a new base line method. They selected a base line period 1910 to 1914. These years were selected because within this period, the price of the agricultural commodities rose at par with other market based commodities.

Each year after was adjusted for inflation from the base line. They selected this formula because cost of production method is contingent on new technology, volatile agri-inputs, innovations, etc and hence can change drastically in the future. But the price of agricultural commodities over time will reflect general inflation and factor in newer production methods too.

In summary, the programme worked on four general principles – first being the minimum price support floors which were backed by supply reduction quotas to meet supply and demand goals. Next is the guaranteed procurement and a ceiling price floors for the markets.

In case the agricultural commodity price reach a price ceiling, the government flooded the market with reserve grains/produce from the food/grain reserves stabilising the prices immediately. The whole system is based on a non-recourse loans and hence not a government subsidy for the farmers.

New Deal for India

The big question now is – can this programme be adapted for India? Potentially yes. And lets begin with institutions. India already has a robust agricultural extension system which is supported by government-backed grain procurement through FCI, NAFED, and other state agencies, much like post World War II USA.

We have APMC (Agricultural Produce Market Committees) mandis and the price floor mechanism is already working in India. As for the financial credit, government has a robust rural credit system through the kisan credit card (KCC). And the final straw the government is already organising farmers into Farmer Producer Organisations (FPOs) and co-operative societies.

We have the CACP (Commission for Agricultural Costs and Prices) which is setting prices floors for 23 crops each season. So our Indian agrarian system is very aligned to receiving such a policy intervention. To run it smoothly, additional investments in storage and marketing will be required. At the farmers level, government first has to take stock of the KCC data and get an estimate of the number of farmers linked to the KCC. After this step, a through voluntary pilot programme will create clusters, potentially organic clusters, for enrolling farmers for various crops.

The govt. can begin with wheat, rice, legumes, oilseeds and a programme for potatoes, onions and tomatoes. In the meanwhile the governments needs to stress on PPP (public-private partnership) to increase decentralised grain and perishable storage godowns linked to Food Corporation of India (FCI) and other state agencies, who can store the block level grains.

The enrolled farmers upon harvest, will have the option of selling in the open market or else depositing the grain/produce to the government back godown. After depositing the grain, the farmers can get a certificate making the grain the collateral for a loan.

Farmers can approach any govt. or private bank for 90% value loans based on the price floor for nine months. In case, the farmers find better price in the open market they can sell and repay the credit, interest and storage costs, else the grain/produce can be be sent over to the FCI and the state agency. After the sale of the produce, the bank or KCC provider can be repaid. To battle rural indebtedness, farmers should also be allowed to repay their KCC debt with crops or produce through this mechanism. This will also stimulate the agricultural processors and the so called middle layer to curb excessive profit making and trade fairly.

To check overproduction, there can be a per acre limit of government procurement for certain commodities based upon the agro-climate conditions of the region. For example, there won't be paddy procurement centres in dry parts of Rajasthan, but of legumes or oilseeds instead.

The FPOs and co-operatives societies linked directly with the programme would need to discipline members on production quotas, so all the members are benefited. This will be easily done as 70% of Indian farmers are small land holding farming families with under two acres of land. So their size makes them best suited for subsistence agrarian programme through which they can be plugged into the agrarian supply programme and also be given a cash income through price floors directly.

NABARD can provide the refinancing for KCC loans or back the crop collaterals.

What is needed to implement this system?

Political will. Expanding the agrarian institutions to grow into new roles of marketing, banking and storage is already the government's agenda.

NAFED, Agricultural and Processed Food Products Export Development Authority or APEDA can also look for foreign markets for Indian surplus produce. By linking KCC to price floors and crops as collateral, the government can highly ameliorate the agrarian distress by investing in an agrarian programme for supply management. If successful, this programme will also ensure MSP for farmers and food sovereignty for India. ❑❑

https://thewire.in/agriculture/msp-for-farmers-does-india-need-to-look-westwards-for-a-solution

Is South /Karnataka really being discriminated?

A nuanced analysis

At a time, when India is on the verge of becoming 3rd largest economy a few years, it is unfortunate that opposition politicians from South/Karnataka have raised the bogey of "Discrimination against Southern States, in distributing the Central Government resources. It is doubly unfortunate that the leaders from Congress, the national party which ruled in Centre for about 6 decades and the Chief Minister who has presented 15 budgets have raised this bogey, just to excite people of south/ Karnataka against north Indians purely for political gains., even though the principles followed in distribution of central government tax revenues were the same during UPA regime.

The arguments of persons who are raising this bogey can be summarized in the following words of Shri P. Wilson Rajya Sabha MP from DMK (extract from his article in New Indian Express dated 21st Feb 2024) "for every rupee paid in GST and direct tax, Tamil Nadu on average between 2018-19 and 2022-23 received only 26 paise, Karnataka 19 paise, Kerala 62 paise, Andhra Pradesh 50 paise, and Telangana 40 paise.". In contrast, Uttar Pradesh received a considerable Rs 2.02 for every rupee paid to the Union government, Madhya Pradesh got Rs 1.70 and Rajasthan got Rs 1.14.

He closes with a very provocative statement "Why are the southern states are being punished for implementing good policies including measures to control population growth?"

For the purpose making this false assertion of discrimination, the contribution from a state is assumed to include all the taxes collected within the geographical boundary of that state by Central Government.

Mahadevayya Karadalli & K.R. Sridhar

He conveniently omits to mention the fact that as per the same calculation method, Haryana received only 25 Paise, Gujarat received only 22 paise and Maharashtra received only 8 Paise for every Rupee contributed to central government kitty through GST and Direct taxes. It is highlighted that what all these 3 rich Non – Southern states received back in proportion to their contribution is lesser

Particulars	Unit	Tamil Nadu	Bihar	Source
Population (2011 Census)	in Cr.	7.21	10.38	https://www.adda247.com/upsc-exam/india-population/
Length of National Highway	Kms	6,741.50	5,030.60	https://prepp.in/news/e-1552-list-of-national-highways-in-india
Length of (2016 Data)	Route KMs	4027.08	3730.57	https://bestcurrentaffairs.com/state-wise-length-railway-lines/
Number of Air ports	Nos	10	6	https://en.wikipedia.org/wiki/List_of_airports_in_India

than the amount received by southern states (except Karnataka).

Now let us deep dive into the mode of calculation to understand the nuances.

Fallacy in Numerator i.e., funds being returned to southern states from their contribution: In the calculation of above numbers, only the States' Share in the divisible pool of Central Taxes & duties released to the State Government is taken and it does not include the amount expended by Central Government directly in the states for the benefit of people of that state.

From the below table it is evident that on a per capita basis, the infrastructure investment in TN is far higher than that of Bihar.

Should not this huge investment in infrastructure made by Central Government from its own funds, be counted as the amount spent for the benefit of people of Tamil Nadu. While calculating the amount returned by Central Government to TN from Taxes raised in TN, why count only the amount transferred to TN Government, and leave out the investment made in the state of TN.

The above argument is doubly true for Central Government sponsored Welfare schemes and poverty alleviation programs such as NREGA, LPG/Piped water/housing for poor, Mudra Yojana etc.

In fact, schemes like Production Linked Incentive scheme (PLI), directly go towards enhancing the economic activity of TN, which in turn increase TN's own tax revenue. Without PLI, Apple and other mobile manufacturers would not have established assembly units in TN and the State GST earned by TN, due to sale of those products locally and due to increased income of workers of those units, would not have accrued to TN.

Grants for Karanataka During	UPA Period Rs in crores	BJP Period Rs in crores
Period	**2004-2014**	**2014- 2024**
Tax Share	81,795	2,82,701
Development Grant	60,779	2,08,882
Railways 2009-2014	835 km	11,000 km (2023) 7,524 km (2023-24)
Railway electrification	16	3,265 km
Tap Water	24 lac houses	73.75 lac houses
Metro Railway	7 km	73 km
Airports	7	14
National Highway	1947–2014 :: 6750 km	13,500 km
IIT		First IIT
Medical colleges Å		Chickballapur, Haveri, Chickmagalur, Kodagu
Bhadra upper canal project		Chitradurga dist - 5300
Smart Cities		7 - 7281
Bangalore Outer Ring Road		5,500+
Raita Samman		10,990
Sagarmala		1 lac crores+
Devp of Kalyana Karnataka		3000

Should not the amount corresponding to the benefits of these schemes, enjoyed by people of TN be counted as the benefit accruing to TN State. Why conveniently restrict it only to the funds physically transferred to Government of TN.

Fallacy in Denominator: The taxes contributed by State to Central Government Exchequer.

For the purpose making this false assertion of discrimination, the contribution from a state is assumed to include all the taxes collected within the geographical boundary of that state by Central Government.

Can the personal Income tax paid by a techie working in Google India, in Hyderabad be claimed as contribution of Telangana, just because it has given space to Google to open office in Hyderabad like a Land Lord.

Can the Corporate Income tax and GST on interstate Sale, paid by a company registered in Mumbai, be claimed as the contribution of Maharashtra, when in fact, this amount has been come from the pockets of large number of buyers spread across India to whom it has sold the product.

Under Indian Constitution, the right to levy and collect Direct Taxes lie only with Central Government and hence, no state can claim it as their contribution.

Fact: Karanatraka state has been very fairly treated by Central Government. This is clearly evident from the below data (Source: As Tweeted by BJP Karnataka). If a similar table is compiled for other southern states, the same conclusion would emerge.

Fallacy: This is not a North – South issue. This a "Rich – Poor issue"

Instead through the lenses of "North – South" divide, would it not be better if we look at central government expenditure from the Lenses of "Rich – Poor Divide".

Unfortunately, due to uneven economic growth, In FY 21- 22 The TN had a state per capita income of Rs. 2.42 Lakhs, as against the state precipitate income of Bihar of only Rs. 47,498 (source Wikipedia: https://en.wikipedia.org/wiki/List-of-Indian-states-and-union-territories-by-GDP-per-capita)

The Distribution from Central Pool of Taxes naturally has to be equitable and favor the poor and as a result poorer states get relatively more funds from central pool.

The loud talk of "regional discrimination "can be dragged even further. Why should taxes collected in Bangalore go for the benefit of poorer districts of northern Karnataka .

The correct way to look into this is whether the Taxes are going for the benefit of the Poor wherever they are. As unfortunately, higher concentration of Poor people is in the northern states, higher quantum of resources would flow to northern states for their upliftment.

Fallacy: Central Govt is discriminating against South just because they vote for opposition parties.

> ***Inter-state relations and prioritizing inclusive growth is important for positive approach towards Unity in diversity and achieving a balanced and sustained economic growth. BHARAT is ONE/Indivisible sacred land, and any attempt to set one region against another is highly condemnable.***

It is the most unjustifiable falsehood, deliberately intended to spread misinformation and bring North – South Divide. As mentioned in earlier para, rich BJP supporting Non – Southern states of Maharashtra, Gujarat and Haryana are getting much lesser of tax revenue than southern states on the same comparable basis.

An objective reading of criteria adopted shows that the charge that South is being punished for effectively controlling population is false. No doubt 15th Finance commission, moved forward the basis for calculating population criteria, from 1971 to 2011. However, to compensate for the likely loss it added the criteria "Demographic Performance" and "Tax and Fiscal efforts" in which Southern States score far higher than northern states, thereby nullifying to a large extent the loss to southern states due to shifting the base year for population criteria.

To use 50-year-old population data for determining state's share in 2021 is highly illogical. Imagine, the same policy (i.e., adopting 1971 population data) being adopted for determining the distribution of share of Karnataka state government to each district and thereby punishing Bangalore city for its huge growth in its proportion of population to Karnataka's total population.!!.

India is ONE/Indivisible sacred land, and any attempt to set one region against another is highly condemnable.

A significant challenge lies in the persistence of thought – "vividhata me Ekata" (Unity in diversity) driven by varying economic growth rates and diverse geographies across states. To ensure that every state contributes optimally to India's growth story, it is important to harness each state's unique potential and contribute to overall economic growth and development. Inter-state relations and prioritizing inclusive growth is important for positive approach towards Unity in diversity and achieving a balanced and sustained economic growth. BHARAT is ONE / Indivisible sacred land, and any attempt to set one region against another is highly condemnable.

We are sure that the highly intelligent patriotic people of Bharat would not fall for such cheap political tactics and continue their effort to increase their contribution to the growth of GDP of the country, paving the way for realizing the dream of making Smrudda Bharat an "Economically Developed Country" during Marital i.e., by the centenary year (2047) of Bharat's independence. ❑❑

KR Sridhar: ***Analyst of Ecoomic Affairs.***
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Indian Ocean: The Centrality of Sea Power

The Indian Ocean Conference was attended by the President of Sri Lanka, Ministers from 16 countries including Maldives, officials from 16 countries and 6 multilateral organisations, and delegates from over 40 countries.

Sandhya Jain

The centrality of sea power for trade and dominance, as reflected in the growing militarization of the Indian Ocean and conflict in critical sea lanes such as the Red Sea and the growing assertiveness of China, were highlighted at the 7th edition of the annual Indian Ocean Conference hosted by the India Foundation, New Delhi, in collaboration with the RSIS, Singapore.

Interestingly, Indian diplomat-scholar KM Panikkar noted that India began losing command of the sea in the 13th century and lost to European dominance in the early 16th century. The result was a commensurate loss of economic and political power.

In the late 19th century, American naval officer and historian, Alfred Thayer Mahan, examined the role of sea power in previous centuries and mooted strategies to enhance US naval power. He presciently observed, "Whoever controls the Indian Ocean will dominate Asia. This ocean is the key to the Seven Seas." In the 20th century, British geographer and geopolitical expert, Halford John Mackinder, proffered a "Heartland Theory," wherein the power that controls Central Asia (from the Carpathian range in the west, the Hindukush in the south and the Altai Mountains in the east) would become the most powerful nation in the world.

Currently, several countries, including India, the United States, Australia, the United Arab Emirates, Saudi Arabia, and China, are increasing their naval presence in the Indian Ocean, which is diminishing the space for manoeuvrability for littoral states. Sri Lankan President Ranil Wickremesinghe mused, "Balancing between the great power rivalry is becoming an increasingly more complex task" as rivalry in the Indian Ocean Region impacts decision-making on political, economic and security issues.

The Indian Ocean is not an artificial geo-political construct; it stretches from the Persian Gulf to the Straits of Malacca, an expanse of over 74 million square kilometres. India Foundation president Ram Madhav reminisced that the Ocean is "more a civilisation than a mere maritime geography. Over millennia, its waves touched the shores of countless countries carrying a cultural and civilisational message."

The 21st century has shifted the global power axis to the Indian Ocean. Over 60 per cent of the world's container trade and 70 per cent of the energy trade passes through the sea lanes of this region. A collateral development is the spurt in the movement of warships and submarines in these waters. Australia straddles the Pacific and Indian Oceans and has overcome its Pacific Ocean-centric identity to engage with the Indian Ocean.

External Affairs Minister, Dr. S. Jaishankar, in his keynote address, observed that the Indian Ocean faces manifold challenges, from conflict and threats to maritime traffic, piracy and terrorism, to concerns about international law, especially upholding decisions under UNCLOS 1982, to freedom of navigation and overflights, and safeguarding the sovereignty and independence of littoral states and those navigating the waters.

Further, there are grey areas emanating from climate change and natural disasters that are occurring with greater frequency and deeper impact, making resilience a challenge. Indian Ocean states are vulnerable to dual-purpose agendas often combined with improved connectivity with strategic intent, which require deeper awareness of the issues at stake. Jaishankar warned that globalization with over-concentration of manufacturing and technology is creating supply-side risks. The lessons of the COVID-19 pandemic call for dispersed production across varied geographies, with reliable and resilient supply chains.

The Indian Ocean region needs lateral land-based connectivity across its expanse to supplement and complement the maritime flows. The IMEC Corridor to India's West and the Trilateral Highway to India's East can link the Pacific to the Atlantic. The Indian Ocean Rim Association (IORA) strengthens regional security by addressing maritime safety, piracy, and environmental sustainability.

The Indo-Pacific Oceans Initiative (IPOI), proposed by India in 2019, is an open, non-treaty-based global initiative to manage, conserve, sustain, and secure the maritime domain with special regard to maritime ecology, maritime security, maritime resources, and disaster risk reduction.

The Bay of Bengal regional forum, BIMSTEC, embraces India's "Neighbourhood First" or "Act East" policy in the Indian Ocean. India is the lead country for the Security pillar of BIMSTEC, which covers counter-terrorism and transnational crime, disaster management and energy security.

The Quad grouping (US, Australia, Japan, India) addresses maritime security, safety, HADR, environment protection, connectivity, strategic technologies, supply chain resilience, health, education and cyber security, amongst others. The Indo-Pacific Economic Framework and the Partnership for Maritime Domain Awareness are Quad endeavours that complement ASEAN initiatives.

India's deepening ties with the Pacific Islands led to some ambitious goals at the May 2023 Summit in Port Moresby. In Fiji, India is building a hospital, an oceanic research centre, and a cyber security hub; and a space application centre in Papua New Guinea. India is engaging all other members on education, solarisation, desalination, dialysis facilities, artificial limbs, sea ambulances and SME development.

Issues

As much as 60 per cent of the Indian Ocean is not the Exclusive Economic Zone (EEZ) of any littoral State, but a Global Commons; it needs common solutions. As some Island nations have more EEZ than land area, rules regulating the Indian Ocean must address local concerns. Currently, Mauritius has disputes over EEZ with the Maldives and with the United States (Diego Garcia and Chagos Islands).

Major challenges that are common to all include illegal fishing and over-fishing that disrupt supply chains (for instance, excess fishing of squid impacts the supply of tuna that feeds on squid). The solution is to give equal attention to all fish species and stakeholders, who must unite to uphold all regional and international agreements. Bangladesh observes a 45-day moratorium on fishing in the Bay of Bengal to allow fish populations to breed and replenish stocks.

Other serious problems include climate change, rising ocean levels, natural disasters, and Deep-sea mining. The International Seabed Authority in Jamaica must be adequately funded.

The Antarctic Treaty protocols are due to be renewed in 2048. The region is rich in hydrocarbons (potential reserves are estimated at between 300 and 500 billion tonnes of natural gas on the continent and potentially 135 billion tonnes of oil in the Southern Ocean). China has four research stations within the Australian Antarctic Territory, and a fifth on Inexpressible Island in the Ross Sea. However, Washington may support keeping Antarctica's hydrocarbons and minerals off limits for exploitation.

The Indian Ocean is one of the least governed oceans. It is plagued by space debris, as bits of nearly 7000 satellites in low orbit fall into the Ocean frequently. It is also the hottest ocean, with rising sea surface temperatures causing coral bleaching in the Maldives. Island nations face the danger of floods and submersions as the ocean is rising 3.7 mm annually.

The Gaza War and Yemen's challenge to the freedom of navigation in the Gulf of Aden and Red Sea, and its threat to undersea cables, have triggered a quest for new ports and new routes.

Human smuggling and drugs are major crimes on the high seas and require international jurisdiction. Oil spills and plastic waste are littering the oceans and impacting marine species, habitats and biodiversity. As 50 per cent of the world's fish production comes from the Indian Ocean, stakeholder consensus is vital to regulate

[Conitnued on page no. 32]

Mewar as Focus of Guhila State (Part-XX)

Here I give a detailed account of the family based on this record: In the Tämarâda family, there was a man named Uddhârana who, being able to protect the good and punish the wicked, was made the talarakºa of Nägadrahapura by the King Mâthanasimha, and who had eight sons, he eldest of whom was Yogaraja, who in turn was made talâra in the eity by the King Padmasimha. His (Yogarâja's) younger brother was Ratabhû, whose son was Kelhana. Kelhana's son was Udayi, whose Son was Karmana. Yogarâja had four sons, namely Pamarâja, Mahendra, Campaka and Kºema, of whom Pamarâja was killed fighting the army oF Suratrâna (Sultan) near Bhûtâlâ, while Nâgadrahapura was destroyed. Mahendra had three sons named Bäla (Bâlaka), Alhâdana and Vãyaja. Balaka's son was Pehaka, whose son was Sâmanta, a worshipper of Visnu. While Kotadâka was being taken and a battle with Rânã Tribhuvana was being fought, Bâlaka was killed fighting in front of the King Jaitrasirmha.203 His clever wife Bholi, being unable to bear the pains of separation of her husband, became sati. Campaka had a son named Räjasimha whose son was Bhacumda. Through the favour of the King Jaitrasimha, Kºema secured the post of talarakºaka of Citrakûa. His son named Ratna was killed along with Bhimasimha in a battle fought at the foot of the fortress of Citrakûta. Ratna's son was Läla and his brother was Madana. The latter proved his valour in the battle field of Utthinaka. Jaitramnalla's son Râjasimha on being made a minister, paid him (Madana) much respect. Through the favour of the King Samarasimha, he (Madana) succeeded his father to the post of talaraksaka of Citrakûa, when he worshipped Siva in the temple of Tribhuvananârãyaòa built by King Bhoja. Madana's son was Mohana. Surrounded by hills and beautiful sights, the village Cirakûpa is situated near Nâgdâ and was given as a gift by the King Padmasimha to Yogar·ja serving in his army. The latter built there the temples of Yogeúvara and Yogeúvari which were restored later on by Madana who granted Some land near the lake Kâlelãya for the maintenance of these temples. Another beautiful temple of Visnu called Uddhârana Svâmi had formerly been built there by Uddhãrana. Vâyaraka, Pâaka, Munda, Bhuvana, 1eja, Sämanta, Ariyâputra, Madana and their descendants were urged to preserve the grant fully.

Here is a clear instance of a process in which a local family of a non- Rajput and a non-Jain, social background attained upward social mobility. Functioning as talaraksaka of Nâgdâ in itself is evidence of the family's Prior importance in the locality of Nãgdâ. The record clearly states that Uddharana was famous for 'protecting the good and punishing the wicked'. Appointments by royal authority benefited both the Tâmtarâda family and the state. The family's career prospects grew in the service of the state as its members graduated from the post of talaraksaka of Nâgdâ to that of the capital town, Chittaurgarh, and as they became captains in Mewar's army. On the other hand, the state not only expanded and

As the Guhila State grew it forged socio-political and economic bonds with locally important communities including the Bhils of Mewar.

Prof. Nandini Kapur Sinha

strengthened its base by crossing the Rajput-Brähmana-Jain barriers by integrating a locally important family of an entirely different social background through various important administrative and military appointments; but also checked the growing influence of the locally entrenched Rajput families.

The village of Cirakûpa not only took care of remunerations for their services but also expanded the social base of the state in the Nagdã belt. During the course of the thirteenth century, the Tämarâda family had undoubtedly emerged as a focal point in the local elite network.

The other influential social group in thirteenth-century Mewar seems to have been that of the kâyasthas. However, even if they had already figured as wealthy, local notables in the seventh century and as officials in the tenth century, we do not have records mentioning any kâyastha functionaries in the thirteenth century. However, their prosperity in general is evident from the discovery of a record of a kâyastha family of Chittaurgarh. A Chittaurgarh Pillar Inscription, dated AD 1287, of the reign of Samarasirmha records the grant of few dramma coins to the temple of Vaidyanâtha, situated on the bank of Citrânga lake, by Vijada, son of Kâyastha Pacasiga. The record is too short to throw light on Vijada's ancestral home. We do not know whether he was a migrant or originally belonged to Chittaurgarh. Like the family of Vijada, a few more Kâyastha families might have emerged as prosperous families in Chittaurgarh in this period. At least the family of Vijada must have been part of the local elite and thus may have functioned as a link between the state and other Kâyastha families. Their status is evident from the wealth they possessed which seems to have distinguished them.

The Bhils in the State Formation of Mewar

In my discussion of the Bhil-Guhila relationship between the seventh and tenth centuries, I remarked on the political implications of B legends relating to the settlement of the early Guhilas in Mewar hills indicating a possibly violent transfer of power as well as on Guhila records suggesting the peasantization of core-area Bhils. The long drawn out relationship between the Guhilas and the Bhils of the Oghna-Panarwa and the Undri (see Map 9) seems to have reached a significant stage in the period between the thirteenth and fifteenth centuries. The latter part of the period seems to have coincided with the incorporation of the local Bhíl chíefs into the political structure of the Guhila state. The problems of integration demanded that the Bhil chiefs of the core-e be conferred with a suitable political rank. The prestigious title of rânã (status equivalent to the royal kinsmen) was conferred upon the Bhil chief of Oghna-Panarwa. This Bhil chief was one of the autochthonous chiefs. The earliest documented evidence of the title of ränâ for the chief of Panarwa comes from the Sisodiyãn ri Khyãt of he seventeenth century. Nainsi refers to Rânâ Dayâldas Bhil, the chief of Panarwa. It is equally significant that Nainsi also refers to Ravat Narasinhadâs, the Bhil chief of Nahesar, the area of Jura (south-west of Panarwa). Since different Bhil chiefs bore different titles - rãnã and rãvat, the possibility that these political titles were conferred on the Bhil chiefs by the state is strong. Nainsi also reports that Panarwa was the 'place' for refuge for the Bhils which belonged to the mahârânã. Hence an important historical source of the seventeenth century points to traditions of close alliance between the Bhils of Panarwa and the Guhilas.

(to be continued...)

[Conitnued from page no. 30]

Indian Ocean: The Centrality of Sea Power

over-fishing, illicit fishing and bottom trawling. The acidification of the oceans has created coastal dead zones and needs urgent redressal.

As the waters of the Himalayas eventually reach the Indian Ocean, Nepal and Bhutan suggested that the Himalayas and Indian Ocean be treated as a unity, with the ecology of the mountains receiving commensurate attention. In recent years, the monsoons have become erratic, there is less snow, summers are hotter, and the glaciers are melting.

The Indian Ocean Conference was attended by the President of Sri Lanka, Ministers from 16 countries including Maldives, officials from 16 countries and 6 multilateral organisations, and delegates from over 40 countries. It was supported by the Ministry of External Affairs, Government of India, and Department of Foreign Affairs and Trade, Australia, together with Perth US-Asia Centre. ❑❑

https://www.sandhyajainarchive.org/2024/02/15/indian-ocean-the-centrality-of-sea-power/

Press Release

Issued on the occasion of Discussion Meeting, 13th WTO Ministerial:

Conference Failed – India Succeeded

The 13th Ministerial Conference of the World Trade Organization was scheduled in Abu Dhabi, United Arab Emirates, from 26 to 29 February 2024. Since consensus could not be reached among the members of different countries on different issues, this conference was extended for two more days till 2 March 2024. Despite extension, a consensus could not be reached and conference ended without conclusion regarding various important issues except one where agreement could be reached, despite intense opposition from majority member countries, was tariff moratorium on e products. This also could happen, due to appeal by the Trade Minister of UAE. But what this decision means is that this extension of tariff moratorium is the last one. Final Ministerial Declaration included the para *"Members also agreed to maintain the current practice of not imposing customs duties on electronic transmissions until the 14th Session of the Ministerial Conference (MC14) or 31 March 2026, whichever is earlier. The moratorium and the Work Programme will expire on that date."* It may be noted that since 1998, this moratorium has been continued, as the same kept on extending periodically, by the member countries.

There were several other issues in this conference on which there was lack of convergence, since the beginning of the conference. These issues were fisheries subsidies, permanent solutions for public stock holdings for food security investment facilitation for development agreement (IFDA), spearheaded by China. Apart from this, another important issue, which the developed countries had been pushing forward was the issue of so-called reforms in the World Trade Organization.

Fisheries Subsidies: The topic of disciplining fisheries subsidies first came up at the Doha Ministerial Conference in 2001. Some members demanded that subsidies, that contribute to overfishing and overcapacity in the oceans should be banned. It also called for the elimination of subsidies that contribute to illegal, unreported and unregulated (IUU) fishing. Members adopted the Fisheries Subsidy Agreement at the 2022 ministerial conference in Geneva, but it could be implemented formally, only if ratified by two-thirds of WTO members. Although it was ratified by some members at the 2024 Abu Dhabi conference, there were wide differences among WTO members on several key issues, including the definition of harmful subsidies, especially distant waters fishing by vessels of developed countries. Due to differences on limiting the subsidy being given, a consensus could not be reached in MC13.

Our Indian delegation raised the issue of protecting the interests of 50 crore fishermen of the world, including India, and placed a condition that this agreement should not be taken forward until a decision is taken on subsidies for fishing in distant waters, impacting the catch by traditional fishermen. It was also pleaded that countries should be allowed to subsidise fishing in their exclusive economic zones (EEZs), for the next 25 years. Since developed countries were not ready for either of these demands, this agreement did not move forward.

Public Stockholding for Food Security: When some developed countries, including USA, objected to the subsidy given by India for public food stockholding, saying that the same is trade distorting, in the 9th Ministerial Conference held in Bali, India argued that this subsidy is for public stockholding for ensuring food security for the poor. The Agreement has provision to calculate quantum of subsidies taking 1996-98 as the base year. It was also argued that the method of calculation of subsidy is also not justified, because the reference year for making this calculation is 1986-88. It is noteworthy that after 1986, there has been a significant increase in the market price of food products, hence there is a need to replace this reference year with the latest one having inbuilt mechanism for inflation adjustment. In view of all these things, a 'peace clause' was agreed to give relief to India and other developing countries from this objections, that the developed countries will not raise any objection to food subsidy, till there is a permanent solution is reached to this issue.

In this conference, the issue of permanent solution to the question of subsidies for public stock holding was on agenda. Developed countries were adamant that a permanent solution to food subsidy issues should be linked with limit on subsidies beyond 10 percent of total production. India was firm on its just demand that this subsidy is being given for ensuring food security to the poor and there cannot be any compromise regarding this, under any circumstances; rather the reference year needs to be changed. India had the support of 80 countries of the world on this issue, saying that developed countries give 200 times more subsidy than developing countries, hence protection is necessary for resource poor farmers in developing countries. When a proposal came from the developed countries and food grain exporting countries, known as cairn countries, to set a time limit for ending subsidies for public stockholding of food, given by developing countries was tabled at the Abu Dhabi conference, India rejected it outright saying that this time limit, cannot be accepted, saying that subsidy for public stockholding is key to food security. Thus, no consensus could be reached on this issue as well.

China Led IFDA Also Blocked: MC13 was also marred by huge concerns from many countries, including India, over the potential adoption of China led Investment Facilitation for Development Agreement (IFDA). Finally, the anxiety around the agreement ended after India and South Africa took a firm stand against it, and rightly so, at the conference, which concluded on 2 March.

It was claimed that IFDA aimed to create legally binding rules for facilitating investment inflows and was supported by more than 120 nations, representing over 70 per cent of WTO membership. This was a plurilateral rather than multilateral agreement—meaning that it was between a select group of WTO members, but not all of them.

There seem to be sinister designs in the intent, content, and structure of the proposed agreement. It appears that in the garb of creating global standards for investment facilitation measures, the agreement sought to deprive sovereign nations of their right to regulate and monitor FDI in their respective territories.

Post Doklam, India had put certain conditions on FDI from all border-sharing countries, mandating government approval in place of the 'automatic route'. This measure allowed India to restrict investments from a country with which it was in conflict. If IFDA were implemented, countries party to it might be deprived of their freedom to safeguard their respective interests.

It is being observed that the IFDA had been pushed by China and more and more signatures consenting the proposal have been obtained by influencing the small nations, especially those participating in Belt Road Initiative (BRI). If we see the list of nearly 120 signatories to IFDA, around 80 are BRI countries. It's significant that Pak and Sri Lanka didn't sign the proposed IFDA, as they were the major victims of BRI. In the meanwhile, South Africa, and India both opposed IFDA vehemently, initially. Majority of WTO members rejected China-backed investment facilitation plan. However, in the final document we find mention of only India, as opposer of the agreement. There is no doubt that IFDA needed to be blocked to safeguard sovereignty and global peace, which India was able to do.

New Issues: WTO Reforms: There is a push from the developed countries to include new issues in WTO negotiation, what they call WTO Reforms. Inclusion of these issues is nothing but repackaged 'Singapore issues', which were tried to be introduced in early ministerial meetings of WTO, and were outright rejected by majority of member countries. Now in the name of "empowering women, expanding opportunities for micro, small, and medium – sized enterprises (MSMEs) and achieving sustainable development in its three dimensions – economic, social and environmental", the developed country members are trying to snatch away the rights of developing countries, which they have achieved over a period in WTO. For instance, they want equal treatment for underprivileged women in developed and developing countries, similarly they are also trying equal treatment for MSME of developed and developing countries both. In the name of environment they have many ways for promoting their business of environment products and limiting exports from developing countries in the name of environmental protection. It is heartening to note that, there were only talks, and there was hardly any convergence on these issues. A word about the Director General of WTO, Ms. Okonjo-Iweala. There was a general feeling in the conference, that DG has been crossing limits of her constitutional role. Constitutionally, Director General is an international civil servant and her role is only to facilitate the negotiations, without bias. However, DG had been pushing, sometimes even pressurising the member countries to sign the agreements, for which they were not inclined. Her actions earned her a lot of criticism from different quarters, and more explicitly from the civil society organisations. Finally about the diminishing role of civil society in WTO. It was quite apparent that WTO secretariat was not interested in listening to the concerns raised by the civil society organisations. They were not allowed to press their demands and show concerns and protest.

Dr. Ashwani Mahajan, *National Co-convenor, Swadewshi Jagran Manch*

SJM opposes illegal attempt to add investment facilitation agreement to WTO

The Swadeshi Jagran Manch (SJM) staunchly opposes efforts to illegitimately incorporate the Investment Facilitation for Development Agreement (IFA) into the World Trade Organisation (WTO) Agreement during the ongoing 13th Ministerial Conference of WTO in Abu Dhabi. Expressing solidarity with the Indian delegation and South Africa, who have vehemently opposed the addition of this agreement to the WTO, SJM asserts that the move by the WTO secretariat, purportedly at the urging of certain global powers including China, is entirely unlawful. Highlighting several legal concerns surrounding the process of adding IFA as a plurilateral agreement to Annex 4, SJM contends that the IFA does not meet the criteria of a ‘trade agreement’ as outlined in Article X.9 of the Marrakesh Agreement. The absence of substantive trade-related provisions in the IFA leads SJM to reject any classification of the agreement as a “trade agreement.”

SJM has raised legal objections regarding the proposed addition of the Investment Facilitation for Development Agreement (IFA) to the World Trade Organisation (WTO), highlighting specific procedural irregularities. According to SJM, the request to include the IFA in the WTO can only be made by member countries that have completed their domestic procedures to sign and ratify the agreement, and where the agreement has subsequently entered into force. However, as the IFA has not yet entered into force for any party involved, SJM deems the request to add it to the WTO as “ultravirus” or beyond the legal authority. They assert that such a request can only be made after the IFA becomes effective, not before.

Additionally, SJM contends that negotiations on the IFA commenced without a multilateral mandate, contrary to the longstanding practice of the WTO to make decisions through consensus. This prevented members from examining whether issues related to investment facilitation are indeed trade-related. SJM argues that attempts to incorporate the IFA into the WTO overlook the legal irregularities surrounding the initiation of the negotiations underlying the agreement.

The SJM strongly opposes the proposed integration of the Investment Facilitation for Development Agreement (IFA) into the World Trade Organisation (WTO) during the ongoing 13th Ministerial Conference (MC 13). SJM underscores

According to SJM, the IFA lacks provisions beneficial to developing countries in attracting foreign investment. Instead, it primarily serves to safeguard the interests of foreign investors, granting multinational corporations privileges to influence legislation they oppose. SJM points out that the IFA does not offer any special or differential treatment, further disadvantaging developing nations.

Moreover, SJM asserts that attracting foreign direct investment is a sovereign prerogative that should not be compromised by international agreements. They emphasise the importance of safeguarding the legislative rights of sovereign nations and their citizens.

In light of these concerns, SJM urges WTO members to adhere to established legal principles and reject the integration of IFA into WTO proceedings, cautioning against diluting sovereign rights in favor of multinational interests. There appear to be ulterior motives behind the proposed agreement’s intent, content, and structure. It seems that under the guise of establishing global standards for investment facilitation measures, the agreement aims to strip sovereign nations of their rights to regulate and monitor Foreign Direct Investment (FDI) within their territories.

While proponents of the agreement argue that it will not limit parties’ ability to regulate FDI in the public interest within their borders, this claim contradicts the agreement’s provisions. For instance, the inclusion of clauses such as ‘Most Favoured Nation’ (MFN) treatment and impartial administrative procedures for investments from all member countries indicates otherwise. Therefore, the Swadeshi Jagran Manch (SJM) strongly advocates for blocking the IFA entirely in the interest of global peace and stability.

https://organiser.org/2024/02/29/224226/bharat/swadeshi-jagran-manch-opposes-illegal-attempt-to-add-investment-facilitation-agreement-to-wto/

Bharat Ratna MS Swaminathan had backed ‘Swadeshi’ stand on GM crops

The Bharat Ratna award for Dr MS Swaminathan is much more than merely being a gesture to woo the southern voters. Rewind a little bit and one would understand how Dr Swaminathan played an important role in endorsing the stand of Rashtriya Swayamsevak Sangh (RSS)-inspired organisations on the crucial issue of Genetically Modified (GM) Crops.

After his demise, SJM issued an official press statement praising his stand on Genetically Modified (GM) crops. It might have come as a surprise to many but the fact is that Swaminathan, SJM, and another RSS-inspired organisation – Bharatiya Kisan Sangh (BKS) – were on the same page on the issue of GM crops.

SJM, which is known for its advocacy of Swadeshi economics, when it comes to policy frameworks had this to say about Dr Swaminathan in September 2023: "Generally, it's seen that scientists of any clan remain blind to the environmental and health impact of any new invention or discovery. However, Dr Swaminathan was a scientist, who could distinguish between a good and a bad science.

Since late 1990s and early 2000, a group of scientists, called GM scientists, had been pleading for introduction of Genetically Modified Organism (GMO). But Swaminathan refused to accept these GM seeds, unless it's proved beyond doubt that these seeds are not harmful for health and environment."

"He raised serious concerns about these GM seeds. In an article published in a peer reviewed journal authored by Dr Swaminathan and his co-author, (they) had said, 'There is no doubt that GE (genetically engineered) Bt cotton has failed in India. It has failed as a sustainable agriculture technology and has, therefore, also failed to provide livelihood security for cotton farmers who are mainly resource-poor, small and marginal farmers," according to the paper,' …The precautionary principle (PP) has been done away with and no science-based and rigorous biosafety protocols and evaluation of GM crops are in place."

The SJM noted that Swaminathan "was not just raising concerns over GM seeds, but was also fulfilling his 'scientist's dharma'. However, he had to face the wrath of GM fundamentalists, who see nothing beyond their laboratory."

SJM had made an interesting observation while paying homage to Dr Swaminathan after his demise as he explained how Dr Swaminathan was targeted for his stand on GM crops, "One such GM fundamentalist, Channa Prakash said, 'It is sad that Prof. MS Swaminathan, who has contributed to India through the green revolution, knows the value of biotech more than most people, is now pandering to the anti-GMO crowd, sounding more like Vandana Shiva! Not sure if he really means this?'

This led to confusion for a while whether Dr Swaminathan had supported GMO. But according to Ashwani, Dr Swaminathan sent a personal message to him via X, formerly Twitter, to the effect that he stood by one of his reports on this issue. Dr Swamintahan stated, "Dear Ashwani, I thank you for your comment on GM crops. I give below my recommendation in a report submitted to the Ministry of Agriculture in the Year 2004. The bottom line of our national agricultural biotechnology policy should be the economic well-being of farm families, food security of the nation, health security of the consumer, biosecurity of agriculture and health, protection of the environment and the security of national and international trade in farm commodities."

Both SJM and BKS have made their stand clear on GM crops that they are not in its favour. In November 2022, both the organisations made an intervention when there were indications that the Centre might give a go ahead for GM Mustard crops based on recommendations of a government regulatory body.

In a joint statement issued in November 2022, they had categorically said that they have sought intervention of the Union Environment and Forests Minister Bhupender Yadav to "ensure that no GM mustard seed is allowed to be planted, now or ever". They also came down heavily on the Genetic Engineering Appraisal Committee that had given a nod to GM Mustard for cultivation in farmers' fields in the country.

SJM said in an official statement, "The regulators are joining hands with GM crop developers and are time and again compromising the regulatory regime quite seriously, and they have done so with this GM mustard also." Both the organisations also dismissed the claim that "GM Mustard is Swadeshi and has been developed in India."

https://www.moneycontrol.com/news/opinion/bharat-ratna-ms-swaminathan-had-backed-swadeshi-stand-on-gm-crops-12244301.html

Farm Protests 2.0 And MSP Conundrum: Noted Economist Suggests 'Workable Solutions'

Amidst the Farmers protest 2.0 over demands of Minimum Support Price (MSP) for all crops, Ashwini Mahajan, nation's leading economist has suggested 'workable solutions' for putting an end to the impasse, without hurting the interests of either farmers or government.

"Guarantee for MSP or legal protection for it could impose financial burden on state government as well as Centre. This will impair the existing fund allocation for various government developmental programs including education, health, infrastructure and others," SJM explained. Contending against MSP guarantee for crops, SJM said that government's fund generation is limited. If a law is made for MSP guarantee, it will bind government's hands in fund allocation to other sectors and it will find itself in quandary, in case of any exigency. Currently, government buys crops from farmers, as per the fund availability and the quantum of farm produce.

SJM also put forth a solution for dealing with the MSP conundrum. SJM suggested a unique 'warehouse receipt' scheme for ensuring farmers well-being as well as government exchequer's stability.

"Farmers must not be forced to sell farm produce at below-market price. If farmers store their produce in warehouse or godown, a warehouse receipt could be issued. Government could turn to be a facilitator in selling the produce at certain market prices," SJM said.

"Hedge funds, insurance firms could also be roped in for the purpose. A trust could also be formed to implement this," SJM further suggested.

Citing example of cotton purchase, SJM said the crop has enjoyed a sort of guarantee, a similar arrangement could be introduced for other crops using warehouses, insurance schemes.

Speaking about the revocation of farm laws after farmers protest 1.0, SJMsaid,"had the three agricultural laws were introduced and corporates brought into system for fetching market price, there would have been more likelihood of their exploitation than their upliftment." The need of the hour is to find out a mechanism to help improve the lives of farmers and also fulfill requirements of nation in terms of agricultural produce.

"Warehouse receipts could turn to be effective measure in safeguarding farmers welfare as well as ensuring MSP for crops," SJM said.

"Currently, lot of money goes into buying the farm produce. Breaking away from conventional modes of procurement and devising new methods of engagement could be the solution," SJM added.

Sharing his views on the Farmers protest 2.0, he said that politics can't be entirely ruled out from these protests and it may be politically motivated, as it has come just ahead of Lok Sabha elections.

https://menafn.com/1107871138/Farm-Protests-20-And-MSP-Conundrum-Noted-Economist-Suggests-Workable-Solutions

Ahead of WTO meet, SJM presses for 'permanent solution' on food security, public stockholding

Ahead of the 13th ministerial conference of the World Trade Organization (WTO), Swadeshi Jagran Manch (SJM) pitched for a "permanent solution" on food security and public stockholding. In the 9th ministerial conference in Bali in December 2013, a decision on public stockholding for food security purposes was taken. Members agreed to put in place an "interim mechanism" and to negotiate on an agreement for a permanent solution applicable to all developing countries, SJM said in a statement.

"After Bali, the first proposal for a permanent solution came from India along with other countries of the G-33 (developing countries) in July 2014, which essentially demanded to move public stockholding for food security into the 'Green Box'. The proposal also called for a permanent solution," SJM said.

"Green Box" supports are allowed without any limit because they do not distort trade or do so minimally, but it explicitly excludes price support.

"A good number of years have passed since then and countries like India are still waiting for a permanent solution on food security and public stockholding to arrive at the WTO." SJM said a recent UN report has "confirmed" that hunger has increased in the world post COVID-19 pandemic and poor countries are in dire need of affordable food for the survival of their population. Wars have "aggravated" the scarcity of food for a large number of countries in the world, he said.

"We strongly support the proposal of the Africa group, countries of G-33 along with India for a permanent solution as well as undoing the wrong done at WTO initial agreements, when the base years were kept at 1986-88 for the purpose of calculation of agriculture subsidies," SJM said. Other issues relating to agriculture such as market access, special safeguard mechanism, export competition and transparency should be postponed till the issues related to agreement on permanent solution and public stockholding for food security are resolved, SJM added.

The SJM noted that the current moratorium on custom duty on electronic transfer is "extremely" against the interests of developing countries in general and India in particular. This is not only impacting 7job creation in the electronic sector, but also the revenue generation, it added.

"Therefore, we strongly recommend to end this moratorium as also proposed by South Africa. It is worthwhile to mention that If the moratorium is not extended by the members, it will lapse automatically. We urge upon the Government of India to use its diplomatic channels to let the moratorium lapse in this ministerial," it added.

"SJM strongly opposes the developed countries suggestion for an exemption for low-income, resource-poor or livelihood fishing or fishing-related activities in developing countries operating within 12 nautical miles, with a limit of only five years for fishing in the EEZ (exclusive economic zone)," SJM said.

"Therefore, we urge the government to look for renegotiating on these issues," SJM added.

https://theprint.in/india/ahead-of-wto-meet-sjm-presses-for-permanent-solution-on-food-security-public-stockholding/1975761/]

India not in a hurry to ratify first agreement on fisheries; SJM welcomes stand at WTO

SJM welcomed the statement of the official delegation of government of India at WTO's 13th Ministerial Conference (MC13) in Abu Dhabi that India is in no hurry to ratify the first agreement on fisheries. It is understood that there is a dire need to discipline the corporates of developed countries fishing in distant waters, and exploiting the ocean resources, causing depletion of fish and other ocean resources, SJM said. SJM noted that any agreement, which is silent on the real culprits of depleting ocean resources is not acceptable.

"We also appreciate and welcome the stand of India's delegation that India doesn't support bringing in gender and micro, small and medium enterprises in the WTO discussion and as the same may further complicate the WTO functioning. We further support the statement that these issues are better addressed at other international forums," SJM said.

Today was the second day of WTO MC 13, at Abu Dhabi UAE. Members were engaged in intense discussions on fisheries subsidies and agriculture. As per the official briefing by the WTO Secretariat, the issue of support for public stockholding for food security continued to remain the bone of contention.

The Cairns Group of countries (net exporters of food grains) were seen as blocking the permanent solution which was agreed upon in 2013, 2014 and 2015. In the ninth 9MC at BALI in December, 2013, a decision on public stockholding for food security purposes was taken. Members agree to put in place an interim mechanism and to negotiate on an agreement for a permanent solution applicable to all developing countries. It was also decided in 2014 that until a permanent solution is found, Members shall refrain from challenging through the WTO Dispute Settlement Mechanism. This is known as 'Peace Clause'.

"Since, it is the right of India and other developing countries to get permanent solution for public stockholding under this agreement, the efforts to block the same is highly deplorable," SJM said.

If said the official delegation of India needed to intensify its efforts to get the reference period changed from 1986-88, which is highly objectionable, to the latest one, till the time permanent solution is achieved along with changing 'eligible production' to 'actual procurement'. In addition, SJM urged the government to make its best efforts for getting the permanent solution by bringing public stockholding for food security into Green Box, which is a category of subsidies which are not subject to any restrictions under the WTO agreement on agriculture.

SJM in a statement called upon the people and governments of all the countries to understand the rights of global poor for food security; first condition of which is ability to have sufficient public stock holdings to save people from hunger and malnutrition. We further wish to emphasise that there is no reason for WTO to object to measures taken by the sovereign governments to safeguard the interests of their respective populations. If the developed world continues to block permanent solution to public stock holdings issue, there is no relevance of WTO and we may be forced to give a call for exclusion of agriculture from WTO, as was the case with its predecessor, that is General Agreement on Trade and Tariffs.

The fisheries agreement regulates the provision of fisheries subsidies and recognises that certain types of subsidies can have a negative impact on the sustainability of marine natural resources. ❑❑

https://www.tribuneindia.com/news/india/india-not-in-a-hurry-to-ratify-first-agreement-on-fisheries-swadeshi-jagaran-manch-welcomes-stand-at-wto-595442

Swadeshi Activities

Purankalik Karyakarta Prashikshan Varg

Pictorial Glimpses

New Delhi

West Bengal (North)

Discussion Meeting

Conference Failed – India Succeeded (Delhi)

Swadeshi Patrika Posted on 7-8 March 2024
at LPC Delhi, Delhi PSO, Delhi RMS, Delhi-06

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Swadeshi Activities

Entrepreneurship Award

Bharat Mandapam, New Delhi (2 March 2024)

Pictorial Glimpses

SJM team's visit to WTO Ministerial

Abu Dhabi, UAE

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