**Current Affairs: G.S. Mains 2012 – Summary – November 2012 (Indian Express)**

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<td>The justice of policy - Higher education policy</td>
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<td>India’s courts have played decisive role in shaping higher education and employment policies. Indian courts have not nudged policy in education and employment; they have made it. This policy drift — a consequence of absent executive and legislative leadership — is dangerous because one million young people will join India’s labour force every month for the next 20 years. A demographic dividend does not mean people but productive people. Productivity — output per worker — is the elixir of poverty reduction and depends on human capital that produces more with less. Few disagree that higher education and employment policy is challenging because it tries to solve what Keynes called “the political problem of mankind; how to combine economic efficiency, social justice and individual liberty”. But complexity or difficulty are poor alibis for outsourcing policy-making to courts. Education and employment policy are too important to be left to courts. India, and its people, must take a view on the four thorny issues. The first is a legitimate private sector in education. We need to end the lie about non-profit in India’s education delivery — 90 per cent of capacity created in the last 20 years is for profit — so that we can increase transparency and use currently foregone taxes as scholarships for the needy. The second is education regulation. The current licence raj amplifies the competence and corruption weaknesses of our current regulators to deliver neither quantity nor quality. We need a regulator that has open architecture, focuses on outcomes and is designed to avoid becoming the old regulator. The third is recognising employment as a voluntary, fixed-term contract that is reversible. The current “marriage without divorce”</td>
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nature of employment breeds informal employment, retards job growth, has kept manufacturing at 12 per cent of employment, encourages buying machines rather than hiring people and creates corruption.

The fourth is recognising that wages are set by complex market and regulatory mechanisms. Wage legislation must enable productivity linkages and allow for a cost-to-company world where benefits (Provident Fund, ESI, Gratuity, etc) are included in wages.

All four issues are key to harnessing our demographic dividend and need holistic policy responses that combine the tactical (definitions, jurisdictions, etc) with the philosophical (mandate, objectives and vision). But court orders often allow the specifics of single incidents or local conditions to set national policy. This is wrong, inefficient and dangerous. Noting the lack of court-driven policy in financial markets is also important because it testifies that strong executive and legislative action — SEBI — can enable policy-making outside courts.

India’s economic and social injustices are gut wrenching but solving them is not the mandate of courts. Courts are making policy; the important question is why.

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<th>Potholes in growth- The highway network- Infrastructure</th>
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<td>The highway network is essential to India’s growth trajectory. Connecting supplies of raw materials to manufacturing hubs, and transporting final products to ports and railheads is only part of it; it is essential also to the creation of a true single market, where prices and wages are allowed to respond to national signals, creating truly inclusive growth and the expansion of markets. And, most importantly perhaps, good roads are crucial to keep transportation prices down and control inflation. Yet, while we are continually assured that road-building is high on the government’s priorities, facts on the ground demonstrate roads are in a state of shocking disrepair. It appears that in 2011-12 alone, the roads ministry projected that Rs 2,800 crore would be needed for maintenance and repair work on highways, but has actually discovered a shortfall in funding of Rs 1,772 crore, or 63 per cent. This problem extends, too, to state highways. Indeed, cash-strapped states are trying to get the Centre to take the problem off their hands: a total of 60,000 km of state highways have been submitted to the Centre as candidates for upgrade to Central highways. This is not good news, for quality is likely to deteriorate in the medium term, according to Roads Minister C.P. Joshi: “The move has a five-year fallout as it takes time for the Centre to make surveys on the highways transferred to it by states and for work to begin. As a result, the condition of the road can worsen during the transition period.” The problem lies partly in the artificial distinction between funds disbursed for new roads, and those for the upkeep of already built</td>
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roads. The former is classed as Plan, and the latter as non-Plan expenditure. What this means is that in times when spending is being squeezed, maintenance gets cut disproportionately, as governments — state and Union — have been foolishly incentivised to prioritise Plan spending, even when non-Plan spending is equally essential investment in India’s infrastructure.

Simply put, India’s roads are absolutely essential to the battle for growth, and against inflation. Archaic bureaucratic distinctions cannot be allowed to degrade their quality for ever.

It is accepted in all circles that the essence of government in a democracy must be transparency with every organ of government — executive, judiciary and legislature — being answerable to the citizen.

India’s Right to Information Act, 2005 therefore, asserts that democracy requires an informed citizenry and transparency of information, which are vital to its functioning and also to contain corruption and to hold governments and their instrumentalities accountable to the governed.

We know that infrastructure in India is woefully inadequate despite privatisation; employment growth of 2.1 per cent in 1983 had in fact declined to 1.84 per cent in 2004; in the health sector there are regional, socio-economic, caste and gender-based disparities; Centre-state fiscal relations are a matter of concern; an institutional framework for public-private partnership is still to be developed; access to justice is not universal despite the rise of panchayati raj.

In this context, it is important to dwell on the definition of “information” in the Act.

Information means any material in any form including records, documents, memos, emails, opinions, advice, press releases, circulars, orders, logbooks, contracts, reports, papers, samples, models, data material held in any electronic form and “information relating to any private body which can be accessed by a public authority under any other law for the time being in force”.

Key concepts under the right to information, then, include the following:

Transparency and accountability in the working of every public authority.

The right of any citizen of India to request access to information and the corresponding duty of the government to meet the request, except the exempted information.

The duty of the government to proactively make available key information to all.
Clearly then, this law places a responsibility on all sections of the national fabric: citizenry, NGOs and the media. The responsibility is not that of government alone.

Every public authority shall — a) maintain all its records duly catalogued and indexed in a manner and form which facilitates the right to information under this Act and ensure that all records that are appropriate to be computerised are, within a reasonable time and subject to availability of resources, computerised and connected through a network all over the country on different systems so that access to such records is facilitated.

And what then is a “public authority”? This covers any authority or body or institution of self-government established or constituted —

- by or under the Constitution;
- by any other law made by Parliament;
- by any other law made by state legislature;
- by notification issued or order made by the appropriate government, and includes any body owned, controlled or substantially financed; non-government organisation substantially financed, directly or indirectly by funds provided by the appropriate government.

The right to information includes the right to inspect works, documents, records, take notes, extracts or certified copies of documents or records, take certified samples of material, obtain information in form of printouts, diskettes, floppies, tapes, video cassettes or in any other electronic mode or through printouts. It does not extend to information not held in material form.

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<th>Lifting AFSPA, by the numbers</th>
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<td>Since the early 1990s, the national endeavour in Jammu &amp; Kashmir has involved three battles: a military contest to crush jihadi militants by force, a political battle to defeat secessionism and a psychological one to ensure that it is India's narrative that dominates the discourse.</td>
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Ending the insurgency requires us to win all three. One reason why the conflict has continued for so long is that we have not been able to simultaneously attain positions of military, political and psychological dominance. Now, after over two decades we have a chance to try and bring a painful, unfortunate chapter in our history to a close.

A careful, judicious and step-by-step revocation of the Armed Powers Special Powers Act (AFSPA) can set off a virtuous cycle that will send a positive signal to the people of the state, strengthen the desirable political forces, put separatists on the backfoot, and take New Delhi a few moral notches higher.

Source: Indian Express
The defence ministry has opposed it on the grounds that we cannot expect our army to fight with its hands tied behind its back. First, it is important to recognise that while the defence ministry’s opinion must be considered with the greatest seriousness, the final decision vests with the Union cabinet. No ministry or arm of government ought to be entitled to a veto. We might already have arrived at the point where further application of military force in populated areas of Kashmir will yield negative returns. Sure, the army must remain deployed along the Line of Control to prevent infiltration and keep a watchful eye on Pakistan, but its visibility in towns and villages where there is no militancy will only deepen resentment.

Second, revoking AFSPA does not mean the army’s hands are tied in the whole state. Rather, the provision can be lifted prudently in surgically chosen geographical areas — which can be smaller than districts — with an explicit caveat that it will be reimposed if violence rises. If the situation holds, the revocation can be extended to the next set of locations. If it gets worse, the Central and state governments can declare the areas disturbed and employ security forces as they do now.

Third, a number of steps have to be taken in tandem to manage the risks of an escalation in violence. The army and the security forces must be employed in a manner such that militants and malefactors cannot treat areas where AFSPA has been lifted as safe havens. State police and intelligence agencies must gear up to contain militant mobilisation and activity in such areas. Politically, the UPA and the Omar Abdullah governments must engage their respective opposition parties meaningfully to achieve a measure of bipartisanship.

So there are risks to making a carefully calibrated move towards the endgame now, but these can be managed. Our policy discourse is ill-served by framing the issue as “AFSPA vs no-AFSPA” and rehashing standard arguments. We would be much better off asking what the Central government, the army and the state government ought to do to ensure that lifting the AFSPA leads to the desired results.

What is noteworthy is that this law specifically seeks universal access, especially to the poor. It is, of course, open only to citizens of India, as per Section 3, but the fee is also required to be at a reasonable level, although the quantum is specified only by rule, and there is no fee for BPL persons. Assistant public information officers are required at sub-district levels to facilitate the filing of applications and appeals. Hence, heads of post offices have been given this authority by the Central government.

There is no need to specify a reason for seeking information or to provide any other personal details. There is a provision that the
PIO reduce oral requests into writing and for the PIO to provide all required assistance, including to disabled persons. Information is to be provided in local languages. There is provision for damages.

This placed a host of responsibilities on public authorities, who were required to appoint PIOs/assistant PIOs within 100 days of the RTI enactment and to begin maintaining, cataloguing, and indexing, computerising and networking records in accordance with Section 4(1) (a).

If this has not happened to the extent required, the government, which appoints CPIOs from officers at a relatively junior level, has only itself to blame. These authorities were to publish, within 120 days of enactment, a whole set of information, and update it every year.

This was to include publishing suo moto all relevant facts while formulating important policies or announcing the decisions which affect the public, and also providing reasons for its administrative or quasi-judicial decisions to all affected persons. Authorities were made primarily responsible for raising awareness, educating and training officials and the public. Every department was expected to develop and organise educational programmes to advance the understanding of the public, particularly the disadvantaged, to exercise the right to information. Not having done so, the government can hardly blame the public for misuse.

Government was thus to encourage public authorities to participate in programmes, promote timely and effective dissemination of accurate information, train PIOs and produce relevant training materials. To achieve this, government has developed a scheme for e-governance. It is agreed that for the success of this initiative, RTI is essential. Here there has been progress, but only at the level of the Centre.

Key to the effective functioning of the Act is the Gram Panchayat, which can be the repository for scheme information, citizen surveys, fiscal information, etc. But this will happen only with the devolution of functions, funds and functionaries.

This body can then become the service provider for over-the-counter services, certificates, taxation, billing, licences, ration cards, and a host of such services at the grassroots, working to keep the citizenry informed as a group (Gram Sabhas) and as individuals, whose concerns and questions can also be appropriately addressed by reference to the relevant authority. This would ensure better feedback and accountability.

In reviewing the enforcement of the RTI Act, it would be wise to bear in mind the remarks of Justice Mathew on behalf of the bench in State of UP v Raj Narain (1975), oft-quoted in judicial circles while debating the law:

“In a government of responsibility like ours, where all agents of the public must be responsible for their conduct, there can be but
The idea of a “New Silk Road” linking South Asia to Central Asia via Afghanistan is all the rage these days. It is about reviving the land links that are nearly 2,500 years old.

The old Silk Road connected China, India, Persia, Arabia, Rome and Egypt through a network of routes that moved merchants and preachers, goods and ideas across the vast Eurasian landmass.

From Washington to Beijing, Delhi to Dushanbe, and Tehran to Kashgar, there is much excitement about the enormous potential of the New Silk Road — road and rail corridors, oil and natural gas pipelines and power transmission lines land-linking the territories that became remote only in recent history.

Two very different events showcase the opportunities and challenges in building a New Silk Road.

One is the conference in Istanbul that brings together Kabul’s neighbours and major powers to promote peace and reconciliation within Afghanistan as well as regional security and prosperity.

The other is the visit to India by Nur Bekri, the governor of China’s Xinjiang province. If the former is about exploring multilateral solutions to a prolonged regional crisis, the latter is about expanding the template of Sino-Indian relations to cover an important province that borders India and is being developed into a thriving hub for Central and South Asia.

Together, the two events highlight the new possibilities for trans-border economic cooperation but also underline the persistent problem of cross-border terrorism.

Building a New Silk Road has become a major component of the Obama administration’s strategy to secure Afghanistan’s future beyond 2014. It has been mobilising support from major international financial institutions like the Asian Development Bank and private investors to back the plans for reconnecting Afghanistan to both South and Central Asia.

A comprehensive regional security framework is likely to remain elusive because of Pakistan’s opposition. Islamabad sees itself in a privileged position in Afghanistan and has no interest in regional mechanisms that constrain its freedom of action.

Meanwhile, China has already taken the lead in building ambitious trade corridors between western China on the one hand and Pakistan and the Middle East on the other. Beijing also has ambitious plans to develop a “Eurasian land bridge” linking its Pacific
As Sino-Indian relations stabilise and expand, it is possible to conceive land links between western China and India over the longer term.

While India has reasons to object to China's development of infrastructure in Pakistan-occupied Kashmir, Delhi has every incentive to explore the possibilities for joint ventures with Beijing in the future development of Afghanistan. Both India and China have an interest in developing the natural resources of Afghanistan and connect the country to global markets.

The idea of a New Silk Road, then, opens up a rare opportunity for Delhi to work with both Washington and Beijing in promoting grand trans-border infrastructure projects in the north-western subcontinent and Central Asia.

While many fundamental differences remain among Islamabad, Delhi and Beijing, and the future of Afghanistan remains very uncertain, the collective regional pursuit of a New Silk Road might provide a very different context to address them.

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<th>Most favoured steps- MFN status</th>
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<td>In a decision that will significantly boost bilateral trade, the Pakistan cabinet has cleared the way for giving India most favoured nation status.</td>
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While India granted Pakistan MFN status in 1996, Pakistan had failed to reciprocate, linking normalisation in trade to movement on other issues, especially Kashmir. Yet, the move, by which bilateral trade is expected to increase manifold from the paltry $2.6 billion at present, signifies more than a long-desired reciprocity and is a welcome strategic development.

It marks a reversal of the Pakistan establishment’s reluctance to trade with India that dates back to the 1965 and 1971 wars. This is, potentially, a big breakthrough. India must therefore seize this moment.

MFN status ensures fair market access for exports — for instance, at present India can export almost 2,000 items to Pakistan, but about 20,000 have to be routed through a third country. According to an industry estimate, removal of tariff and non-tariff barriers could triple trade within five years.

In this Pakistan's delivery on the MFN potential is just one component. India too needs to respond by showing its commitment to realising “fair trade” — there are innumerable tariff and non-tariff barriers that must be addressed, and it is in India’s national interest to be large-hearted, not least because the trade deficit is in its favour. Opening up the Indian market for Pakistani exports makes both economic and strategic sense in integrating the subcontinent’s northwest.
The UNDP’s 2011 Human Development Report was released in New Delhi. The report, which is released every year, pioneered the use of the human development indicator, which economists believe captures various facets of human development that income statistics might miss.

India has traditionally underperformed on the index: a matter of considerable concern, demonstrating that an aspirational population is unable, because of the deficit in India’s educational, connectivity and health infrastructure, to convert economic dynamism into a change in real living standards.

This year’s report, however, has demonstrated additional cause for worry. Another indicator captures gender inequality across various dimensions: the rate at which women are part of the labour force; reproductive health, as measured by the maternal mortality ratio and the fertility rate; and empowerment, as measured by parliamentary representation and how many are in high school.

The report’s outline of India’s gender disparities is shocking, with some South Asian neighbours that have a considerably lower per capita income consistently outperforming India on this indicator. Bangladesh, Nepal and Pakistan are ranked 112, 113 and 115 in the latest report, while India is 129th. (Sri Lanka, meanwhile, is at 74, way ahead of the pack, and has even overtaken China.) India’s numbers have actually got worse since 2008.

Statistic after statistic demonstrates how unequal access to the Indian growth story is between men and women.

As our policymaking works out how to increase our record in service delivery — of health, of education, of access to finance and markets — India needs to better target improvements in human development. And as it does so, policy must keep in mind that policy that is framed without keeping our enormous and unconscionable gender divides in mind will fail at properly empowering one half of our vast population.

The mining working group for the Twelfth Plan (2012-17) has for the first time suggested setting up a national body in two years’ time with a corpus of Rs 500 crore to source strategic minerals, metals and rare earths, possibly on the lines of the Japan Oil, Gas and Metals National Corporation. It also calls for an inter-ministerial group along with industry stakeholders to identify countries with which bilateral agreements can be signed urgently to “for securing the supply of strategic minerals.”

For what is clearly the first Indian attempt at spelling out a strategy for this sector, several measures have been suggested:

- To build a national stockpile for “strategically critical input metals” — tin, cobalt, lithium, germanium, gallium, indium,
niobium, beryllium, tantalum, tungsten, bismuth, selenium and rare earth metals — at an estimated cost of Rs 1,000 crore. The Non-Ferrous Materials Technology Development Centre, Hyderabad, has been identified as the nodal coordinating agency for this.

- Focus and invest on research and development by adopting a “technology mission approach specific to strategic minerals.” For this purpose, the document calls for reorienting the focus of mineral research and development centres besides coordinating “pre-competitive research” on energy critical and rare earth metals with CSIR, DRDO and institutions under the mines ministry.

- Encourage domestic producers by incentivising by-product recovery. This is important because most of these metals are by-products of base metal mining. Cobalt, for instance, is a by-product of copper and nickel mining used in the defence industry. Gallium is a by-product of the alumina making process while germanium, which is used for making solar cells and is major input metal to the defence industry, is a by-product of the sphalerite, zinc and copper smelting process.

- Establishment of an Indian competence network for strategic minerals and metals with all stakeholders, after a proper study in the first two years of India’s market potential, exploration levels and other factors.

- The department of atomic energy is to take “substantive steps” to refashion its exploration strategy, using the latest technology, to maximise the potential of beach sand mineral reserves. This is important because monazite, a beach sand mineral resource, is an abundantly available source for rare earths, but is under DAE control for its thorium content.

- Simplify land acquisition and grant concessions to exploit beach-sand minerals. State governments need to prioritise mining of these minerals in their land-use policy so that these metals are not lost to another activity.

- The Geological Survey of India should carry out a detailed study of all available data from the national geochemical mapping exercise for the specific purpose of locating possible sources for rare earth minerals and metals.

This is clearly not an ambitious plan, but surely the first definitive steps towards a foundation.

There are several challenges that will continue to inhibit progress on this front despite concrete measures. Take for instance the case of extracting rare earths from monazite. It proves to be far more expensive than what China brings to the market, with heavy rare earths there being extracted from ion exchange clay and light rare earths from bastanaesite. China has ample reserves of both these sources. So much so that Indian Rare Earths Ltd was forced to suspend operations in 2004 at its monazite processing plant
due to cheap Chinese imports.

But there is a need to re-energise efforts here, because global demand is only on the rise and there is a desperate search for alternate suppliers. While the global demand for rare earths fell marginally to about 96,500 tonnes in 2009 due to the economic crisis, the increased emphasis on clean technology across all industries, driven by the climate change debate, has shot up demand estimates to 1,97,000 tonnes in 2015, which could outstrip supply levels.

Now, India holds 16 per cent of the world’s beach-sand mineral reserves but its production is only 6-7 per cent of the global production. For this reason, the working group has suggested setting up joint ventures with state governments of Orissa, Andhra Pradesh, Tamil Nadu and Kerala as a first step to improve exploitation of resources like monazite.

On a broader plane, it’s important to realise that India is starting out rather late — but on the plus side, the international political environment is conducive to supporting India with technological assistance and even market access. To jumpstart various levels, the government will have to frame a comprehensive policy as a matter of national strategic priority. This is vital because in many ways, this will revive the core of an almost non-existent security-industry complex.

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<th>The SWF fix- sovereign wealth fund</th>
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<td>The government has decided to set up a sovereign wealth fund. The objective is to acquire strategic resources that enable economic growth but are finite in supply.</td>
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<td>To sustain India’s economic growth and development, in the long run, it will become imperative to source such resources globally. Ensuring sustained long-term supply of these resources requires engagement on an international scale. This requires prior coordination between diplomatic, ministerial and financial entities in the country.</td>
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<td>Countries such as China, Russia, UAE and Singapore invest in private companies abroad. Strategic resources are often bought by their public-sector companies.</td>
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<td>However, considering that these are not democratic governments, for them to choose where to invest can be a non-transparent and political decision.</td>
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<td>Unlike funds that are run for normal capitalist shareholders, sovereign wealth funds carry the danger that they may not work to maximise value.</td>
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<td>In fact, this has led to fears in host countries about interference of foreign governments which are investing to maximise their</td>
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political influence.

There has been discomfort about such direct investment by foreign governments leading to the Santiago Principles, which seek to regulate SWFs’ investments. Also, on an international scale, democracies do not run sovereign wealth funds — with exceptions like Norway, where the government placed oil revenue into a fund which to support the budget over the coming years.

By their very nature, sovereign wealth funds thrive in autocracies, where powerful bureaucrats and politicians derive political benefits from controlling vast assets. Several countries, including the United States, Canada, Australia, and Germany, have introduced substantial legislative changes in order to screen and restrict investments by sovereign wealth funds and other state-owned entities. India would, in all likelihood, be competing with China in resource-rich developing countries in Africa and Central Asia for acquiring mines and oil fields.

To bid for strategic resources across the world, a system of coordination and cooperation between ministries and public sector undertakings, standardised legal and financial structures should be in place.

This does not suggest a need for an Indian sovereign wealth fund — it suggests the need for broad-ranging reform on strategic investments by public sector companies, their financial capabilities and strategic coordination across different ministries.

This could very well be served through an empowered group of secretaries of relevant departments and ministries, than set up a new institution by way of the proposed fund.

The sole neighbor-SAARC

India and the World

The 17th summit of the South Asian Association for Regional Cooperation in happens at a rather opportune moment for India. For the first time in years, Delhi’s bilateral relations with most of its immediate neighbours are on the mend and have set a very different stage for annual regional consultations.

India’s unending tension with Pakistan has cast a shadow over the proceedings of the annual South Asian summitry in recent years, much to the irritation of the rest of the subcontinent.

In a break from that tradition, it is good news about Indo-Pakistan relations that is likely to dominate the headlines from Maldives. The current thaw in Indo-Pakistan relations and Islamabad’s proposal to normalise trade relations with India will surely be welcomed by other members of SAARC.

Even more significant has been the dramatic transformation of India’s relations with Bangladesh in the time since Prime Minister
Sheikh Hasina came to India in January 2010.

While Delhi’s engagement with Islamabad is based on hope, ties with Dhaka are now driven by a shared commitment to resolve all outstanding bilateral political issues, deepen economic cooperation and build an enduring partnership.

India’s trade and investment ties, as well as political and security cooperation, with Sri Lanka and Maldives are growing. India has every reason to celebrate Bhutan’s democratic transition under the new monarch and encourage the recent moves in Nepal to take the peace process to its logical conclusion. India’s engagement with Afghanistan has now been elevated to the level of a formal strategic partnership.

To be sure, there are many problems as well — and none more important than the rapidly deteriorating situation in the border lands between Afghanistan and Pakistan and the potentially huge consequences for regional security.

Nevertheless, the Maldives summit offers a moment to savour the rare optimism about India’s relations with its South Asian neighbours. However, good mood alone is not enough to accelerate regional integration in South Asia.

The Maldives summit is not going to set the Indian Ocean on fire with the kind of agreements that are on the anvil — a regional mechanism for rapid response to disasters, a South Asian seed bank, and two agreements on regional standards.

The utterly modest pickings at the Maldives summit are not a reflection on the possibilities of South Asian regionalism. They are an important reminder of the real limitations of SAARC as the driver of South Asian regionalism.

Regional integration in the subcontinent is not going to come through the pitifully slow multilateral negotiations under SAARC. It can only come through decisive Indian leadership of South Asian regionalism.

Leadership does not only mean India proposing new ideas for collective consideration and steering them through the painful SAARC process. It is about taking positive and unilateral steps that fundamentally alter the context and structure of regional cooperation in the subcontinent.

That it is India’s task to lead the region, if necessary through unilateral actions, towards peace and prosperity is defined by its unique location in the subcontinent.

India has operational borders with all other South Asian countries except Afghanistan. None of the other members of the SAARC, except Afghanistan and Pakistan have a frontier with each other.
This unique geographic circumstance and the facts that India is the largest nation and the biggest economy in the region has meant that Delhi always had the power to mould South Asian regionalism unilaterally.

Put simply, given India’s size and the economic geography of South Asia, Delhi’s national policy decisions would automatically shape the regional environment.

India’s inward economic orientation and an insistence on strict reciprocity meant Delhi was unable to benefit from its natural preponderance in the region for much of the post-Independence period.

This began to change with the liberalisation of the Indian economy and the new political conviction in Delhi that its search for a larger global role must be rooted firmly in solid South Asian regionalism.

India is prepared to take unilateral initiatives in promoting South Asian regionalism and present itself as an economic opportunity for its neighbours.

The very fact that Islamabad, which has been so persistent in its refusal to engage Delhi in economic cooperation, is now prepared to normalise trade relations underlines the new recognition among the South Asian elites that they can and must partake of and prosper in India’s economic growth.

It is up to India now to strengthen this emerging trend in our neighbourhood, by reinforcing strategy of positive unilateralism. Outlining a series of national steps that will promote regional integration should be at the heart of his engagement with the South Asian leaders this week.

These steps could include, for one, further unilateral reduction of tariffs on imports from the neighbouring countries. India enjoys trade surplus with all its neighbours and it is in Delhi’s self-interest to make regional trade fair and beneficial to all.

Second, India’s many non-tariff barriers to trade with the neighbours are notorious and Dr Singh must announce a plan to dismantle them quickly.

Third, India must offer an ambitious plan for trade facilitation with its South Asian neighbours. India’s infrastructure for trans-border commerce and connectivity is poorer than most of its neighbours. Delhi will help its own border states and the neighbours by unveiling a credible action plan to modernise its border infrastructure.

For India, SAARC is the annual stage, where it must set an ambitious agenda for South Asian regionalism and demonstrate the
Beyond ethnology - Tribal issue

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In a far-reaching ruling, the Supreme Court overturned its own earlier precedents, introducing a more liberal interpretation of the tests required to prove the genuineness of a claim on the benefits assigned to historically disadvantaged sections.

The judgment said indicators of “affinity” with a Scheduled Tribe are no longer required for a successful claim; they can at best be “corroborative” of documentary evidence. This differs from earlier rulings, which had insisted that “anthropological moorings and ethnological kinship affinity gets genetically ingrained in the blood”. On the contrary, said the court — once again, demonstrating a sensitivity to the social changes sweeping India — claims cannot be disregarded “on the ground that his present traits do not match his tribes’ peculiar anthropological and ethnological traits, deity, rituals, customs, mode of marriage, death ceremonies,” and so on.

This is a far-seeing point because it goes to the very heart of what special benefits for the historically disadvantaged seek to do. Preferences in schooling, in credit, in job searches are designed to aid the mobility of those born into sections of Indian society insufficiently connected to the mainstream of the Indian economy and polity. The whole point is to aid individual aspiration; and sometimes, those aspirations are not served by clinging fast to the traditions, rituals and traits of one’s ancestors.

Furthermore, it is not the case that disadvantage or discrimination is a product of a single, static mode of life. They persist in insidious ways, even as technology and urbanisation make the manner of their propagation harder to pin down. The court’s words are a timely reminder that we need to be alert to lingering manifestations of discrimination and deprivation of opportunities.

The return of treaty diplomacy - India - Neighbours

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<td>India - Maldives</td>
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A new partnership agreement with the the Maldives that Prime Minister Manmohan Singh is expected to sign this week marks two definitive trends in India’s foreign policy.

One is the growing importance of the Maldives in India’s strategic calculus, especially in the maritime domain. The agreement with the Maldives also brings into bold relief India’s new “treaty diplomacy” with its neighbours.

Straddling the vital sea lines of communication between East Asia and the Middle East, the Maldives has emerged as a critical element of any future security order in the Indian Ocean.

Today, as the Indian Ocean becomes a new theatre for competing great powers as well as menacing pirates, cooperation between India, the Maldives and other island states such as Sri Lanka, Mauritius and Seychelles, has become essential for the maintenance of peace and stability in the region.
The formalisation of a new partnership with the Maldives follows Delhi’s conclusion of far-reaching agreements with Afghanistan last month and Bangladesh in September. Taken together, these agreements mark a historic shift away from the old treaties that India had with most of its neighbours and the institution of new agreements that reflect contemporary realities.

While India’s ties with each of its neighbours are unique, the new partnership agreements that India is signing with them underline Delhi’s commitment to build enduring security cooperation on the basis of equality and mutual benefit.

Some of India’s past bilateral treaties with its neighbours have been widely seen as “hegemonic”. Rightly so. Take, for example, the 1949 treaty of friendship between India and Bhutan.

Recognising the new imperative to modernise the relationships with its small neighbours, India revised the treaty with Bhutan in early 2007. The offending provisions were removed and a new basis was crafted for security and political cooperation between Bhutan and India. Thus, the treaty with Bhutan became the new template for India’s engagement with its other neighbours.

As our neighbours seek solid partnerships with India, it is up to Delhi to match its new treaty diplomacy with domestic institutions that can respond to the emerging regional opportunities.

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<th>The right to fix your education—</th>
<th>Right to Education (RTE)</th>
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On November 11, 2011, the Prime Minister launched the Shiksha Ka Haq Abhiyan — a yearlong nationwide campaign for promoting the Right to Education (RTE). As these efforts gain ground, the country faces one important choice: should elementary education be delivered through the current model, which focuses on the expansion of schooling through a top-down, centralised delivery system?

Or should we use the RTE as an opportunity to fundamentally alter the current system, to create a bottom-up delivery model which builds on an understanding of children’s learning needs, and which privileges innovation and accountability for learning, rather than schooling?

Let’s first understand the current system. For decades, India’s education goal has been to create a universal elementary education system by expanding schooling through inputs: building schools, hiring teachers, and enrolling children in these schools. Substantial finances have been provided to create these inputs: in 2008-09 the country spent Rs 6,314 per child (this is a low estimate, as available data is yet to take into account post-RTE budget hikes). Most of this money has gone toward creating a large education bureaucracy controlled and managed by the state and central government.

When PAISA (an annual survey of elementary education plans and finances) analysed the budgets of 7 states between 2009-10 and 2010-11, it found that, on average, 76 per cent of the education budget is allocated to teacher salaries and management costs. All
critical teacher- and administration-related decisions, whether salary payment or hiring, are taken by the state (and in some cases the district) bureaucracy.

School infrastructure receives about 4 per cent of this money. Funds for building are often channeled directly to school accounts; but all decisions, whether about the nature of infrastructure (buildings or toilets or on procurement are taken by the district bureaucracy. Investments directly in children account for just 6 per cent of the total budget.

Interwoven in this top-down system is an intention to involve parents in decision-making through the Sarva Shiksha Abhiyan (SSA), which mandates parent committees to make plans and monitor school activities.

But SSA has done little to empower these committees. For one, teachers, as pointed out already, are not accountable to them. Second, committees have spending powers over just about 5 per cent of SSA funds. And these expenditures are expected to be undertaken based on norms set by the Government of India.

To the extent that expansion of schooling has been the goal, this top-down model has been effective. Schools have been built, teachers hired and the country has reached near universal enrollment levels. But there is no evidence that improved infrastructure has resulted in children acquiring basic abilities in reading and arithmetic.

Between 2004-05 and 2009-10, India’s elementary education budget has nearly doubled. Yet learning levels have remained stagnant.

According to the Annual Status of Education Report, only half the country’s Standard 5 children can read a Standard 2 textbook, far fewer can do basic arithmetic. The current top-down system can create inputs but the assumption that this model can deliver on the next generation challenges of elementary education does not hold. A fundamental rethink is imperative.

The good news is that the framework for an alternative model is already in place. Like SSA, the RTE mandates parental involvement through school committees that are tasked with making annual school development plans.

Crucially, RTE entitles all children to “age-appropriate mainstreaming.” It also lays down entitlements for schools, through norms related to inputs. It thus requires the system to focus on the needs of individual schools and children, where the emphasis is on understanding children’s learning levels and building skills appropriate to their age and grade. This necessitates a decentralised, bottom-up system.

To ensure that the RTE avoids the SSA trap of bottom-up responsibility with no bottom-up control, the current financina model
needs to be fundamentally altered. Rather than dropping funds to schools through tightly controlled line-item budgets, the current model could be altered to provide a basket of monies to the school and allow the school plan to determine whether it wants to build a boundary wall in a given year, or purchase new materials, or provide extra training for children and teachers.

Above all, SMCs should be empowered to hold the education bureaucracy accountable. This could be achieved by giving them some role in decision-making over teachers assigned to their schools. In a 2006 study, Pritchett and Pande lay out an innovative framework for building a district cadre of teachers and empowering Gram Panchayats and school committees to draw on this cadre, and assign teachers to their schools. Teachers will be assigned on a contractual basis, renewable on performance and paid through the panchayat or committee.

At the very least, such a system will serve to strengthen parent engagement and ownership with the school and encourage accountability to parents. This is a critical first step.

How much does she know? - Right to Education (RTE)

On November 11, 2011, a big campaign was launched to make citizens of India aware of the Right to Education Act. The campaign has the potential to engage citizens in demanding their rights. Hopefully, the effort will also push the government at different levels to prepare to provide the “rights” as envisaged by the law.

At the core of the law is a “guarantee” — a guarantee for quality, free and compulsory education for all children in the 6-14 age group.

For those who have faith in the transformational power of education, the objective of RTE goes far beyond inputs and infrastructure. The Act refers to “age appropriate mainstreaming”.

In spirit, this goal implies that efforts have to be put in place to guarantee that every child (whether currently out of or enrolled in school) reaches grade-level skill and knowledge appropriate to his or her age — all the way up to the age of 14.

In simple terms, this means that a child in Class 8 should be able to confidently handle the content and competencies expected of her in that grade. This ought to be the central message of the RTE communication campaign.

On children’s learning, the status is well known. For six years, for every rural district in India, ASER (the Annual Status of Education Report) has shown that basic reading and basic arithmetic levels are woefully low.

Over half of all children in Class 5 cannot fluently read Class 2-level text. One out of every three children in Class 5 cannot do numerical subtraction problems (like 71 minus 29) that children are expected to do in Class 2. A recent study, “Inside Primary
Schools” (Bhattacharjea, Wadhwa, Banerji), tracks 30,000 children from 900 government schools over 15 months. The data shows that children do learn over the course of the year but much slower in comparison to what the textbook demands.

At the core of any education system are teachers. “Inside Primary Schools” assessed close to 2,000 government school teachers on a number of basic tasks. Here are some findings: over 65 per cent of surveyed teachers were well qualified with BAs or MAs as well as teaching qualifications. Yet, less than 60 per cent could correctly explain how to solve a simple percentage problem. The evidence shows that a critical block in the system is teachers’ ability to effectively teach what the current curriculum demands. We need to equip teachers with content knowledge and communication skills. Qualifications and degrees are not enough.

What about parents and families? Two out of three children in the 30,000-children sample of “Inside Primary Schools” had mothers who had never been to school. Over 40 per cent children came from families which had no print material at home. Only 30 per cent of families had any adult women who could read. From ASER 2010’s survey of almost three lakh rural families, we know that half the mothers of school-going children have not been to school themselves. Most Indian parents support schooling, but at least half do not know how to support children’s learning.

So as we start the journey of educating parents and citizens, teachers and children about the Right to Education, we have a lot to do. Curricular expectations, teachers’ capability to teach and parents’ ability to support, all have to be aligned. It is imperative that the big vision is clear to all — a child confident with what is required at the grade level for her age.

The campaign needs to assure citizens that the school system is re-inventing itself to effectively deliver the teaching-learning that is required. “Business as usual” is not going to get us to the RTE objective.

Finally, even illiterate parents must know that they have the right to demand learning, not just schooling.

The Bali summit (East Asian Summit) marks the emphatic return of the United States to Asia’s centrestage. In the 1990s, the US was preoccupied with managing the post-Cold War political arrangements in Europe. In the last decade, the US dug itself into a hole in the so-called Greater Middle East with the wars in Iraq and Afghanistan.

As it lost ground to China, Washington seemed unwilling or incapable of contesting Beijing’s new Asian primacy. President Barack Obama’s instinct in 2009, the first year of his tenure at the White House, was to construct a joint management system with China for Asia and the world.

The sixth annual East Asia Summit in Bali this week is the first occasion when a US president joins the process. It ends a
longstanding illusion that Asia can construct a regional order on its own. By inviting America and Russia into the tent, ASEAN has declared that Asian security can only be constructed within a larger framework.

East Asia’s fear of a rising China and its re-embrace of America are playing themselves out in three very different domains.

The first is the economic. Until now, East Asia accepted the centrality of China in promoting regional economic integration. The principal vehicle for this has been the “ASEAN Plus Three” structure that brought the 10 Southeast Asian nations together with China, Japan and South Korea. The region is now actively considering an alternative, the so-called Trans-Pacific Partnership.

Launched originally as a modest initiative for deeper integration among the most liberal trading nations by Singapore, Brunei, Chile and New Zealand, it has now been adopted as the future template by the US. Japan, Australia, Malaysia, Vietnam are among those backing the TPP. Beijing sees it as a mechanism to exclude China in the name of tougher standards of trade liberalisation.

The second is in the political arena. Only a few years ago, even the closest allies of the US, including Japan, Australia and Korea, were drifting towards neutrality between Washington and Beijing. Today, they are all eager to reinforce their longstanding alliances with the US.

The traditionally non-aligned Southeast nations too are drawing closer to the US as they contemplate the future of East Asia under China’s shadow. Washington in turn is ready to build new strategic partnerships with countries like Vietnam, Indonesia and Malaysia.

Washington is also standing up with the smaller nations of Asia in their intensifying maritime territorial disputes with China. While the US does not take sides in these disputes, it has emphasised American interest in a peaceful resolution of the competing claims in the South China Sea according to accepted principles of international law.

Beijing in contrast prefers to talk with its neighbours bilaterally and is likely to oppose any discussion of the territorial disputes and the larger question of maritime security at the East Asia Summit this week.

The third is the military. There has been much concern in Asia about the military staying power of the US amidst the economic crisis and the growing pressure to cut the defence budget.

The Obama administration has outlined plans to reorganise its global military deployments in order to ensure a credible presence in Asia and its waters. Before arriving in Bali, Obama will announce the establishment of new military facilities closer to Southeast Asia in north-western Australia.
Washington is also rethinking its military doctrine. As it confronts China’s rising naval and missile capabilities in the Western Pacific, Washington is expected to announce a new doctrine called “air-sea battle” that will counter Beijing’s attempts to push the US navy away from the Asian littoral.

India also has the opportunity to carve out a larger role in the definition and the management of the Asian security order.

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<th>Under a blue ensign- Sea Piracy</th>
<th>Sea Piracy</th>
<th>International Affairs</th>
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<td>Britain has urged the international community to “come together with much more vigour” in support of counter-piracy endeavours. The leader of this small island nation with a rapidly dwindling navy has offered to lead the effort to combat this menace.</td>
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<td>Dominated by the Horn of Africa, the Gulf of Aden forms a funnel for 24,000 merchant ships annually transiting the Suez Canal carrying energy and raw material to Europe and finished goods to Africa and the Middle East. The abjectly poor Somalian Republic, which occupies most of the Horn, has been in a state of turmoil for nearly two decades, and is only notionally governed by a transitional federal government.</td>
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<td>An interlocked world economy, heavily dependent on seaborne trade and energy supplies, is extremely sensitive to any perturbations at sea. The threat of piracy has already caused insurance rates to rise steeply, and as shipping companies reluctantly implement anti-piracy measures, including the deployment of armed guards, and re-routing of ships to avoid piracy-infested waters, operating expenses are skyrocketing.</td>
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<td>From just 10-15 incidents in 2004, the waters of the Gulf of Aden have seen acts of piracy and hijacking spiraling rapidly and in each of the last two years there have been nearly 400 attacks, a quarter to one-third being successful. With experience, the pirates have gained immeasurably in audacity as well as the scale of their depredations. They have graduated from small skiffs and trawlers to using medium-sized captured merchantmen as “mother ships”, which allows them the freedom to extend their range up to 1000-1500 miles from Somalia — right up to Indian territorial waters. The amount of ransom has risen from a few hundred thousand to a few million US dollars per ship and crew.</td>
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<td>Legally speaking, the safety of a merchant ship is the responsibility of the country under whose flag the ship is registered or the “flag state”. However, 60 to 70 per cent of the world’s shipping is registered under “flags of convenience” offered, as a cost-cutting and tax-dodging device, by small nations like Liberia, Panama, Bahamas or the Marshall Islands.</td>
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| While it is unrealistic to expect such flag states to initiate any action in a piracy/hostage situation, we must bear in mind that a very large number of officers and seamen who serve on the world’s merchant fleets happen to be Indian nationals. As we have already
seen, a hostage situation involving Indian sailors can bring enormous public pressure to bear on the government.

The deployment of warships by 25 nations has failed to deter piracy because these forces are inadequate and lack coordination. The depredations of Somali pirates, now at India’s doorstep, pose a serious threat to international shipping and the world economy.

Given India’s central location in the Indian Ocean and the fact that the Indian navy and coast guard represent a maritime capability unmatched in this part of the world, this situation presents a rare opportunity for India to demonstrate that it can act resolutely, not only in its own interests, but also for the common weal.

To this end, New Delhi must immediately convene a meeting of Indian Ocean and other maritime nations to discuss a substantive multi-national initiative to combat piracy simultaneously on three fronts: at sea, in the Somalian homeland and in specially constituted courts. If it calls for a white-hulled naval law-enforcement force sailing under the UN blue ensign; so be it.

A clear demonstration of leadership such as this, at sea, will garner far more support for India’s UNSC bid than any amount of pleading and cajoling in foreign capitals.

Karnataka has announced a landmark initiative that, if implemented right, could turn this into a real scenario and, in the process, change the face of government services being delivered to the public.

The draft of the citizens’ charter, called the Karnataka Citizens’ Services Guarantee Bill, has been approved by the Karnataka cabinet and will be presented for debate in the state legislature in its December session.

This will be the state’s flagship legislation for 2012 and could be implemented as early as the first quarter of next year. As a sample, birth or death certificates will take seven working days after application. Driving licences could be issued within 30 working days. Habitual defaulter officials will be penalised while those with impeccable service records will be given incentives.

Karnataka’s move is in keeping with state governments across the country who, with a little push from not-for-profit organisations and civil society groups, are bringing measures that could dramatically alter the way government offices run.

In Karnataka, for instance, the Lokayukta has been an effective anti-corruption ombudsman, although it is now without a chief. Alongside, NGOs like I Paid a Bribe are monitoring and course-correcting government departments. Of all these, the citizens’ charter could be the most transformational. Government offices and departments will have to appoint grievance redressal offices to whom
citizens can take their complaints if a service is not delivered within the stipulated time.

The citizens’ charter, as a concept, is growing in importance with states like Madhya Pradesh and Punjab bringing in sporadic initiatives.

But Karnataka’s bill is pioneering because it is comprehensive and is to cover over a 100 services by a dozen departments, says Ramesh Ramanathan, co-founder of Janaagraha, a non-profit that works towards getting citizen participation in urban governance. I Paid A Bribe, the anti-corruption website, is a Janaagraha initiative.

The key element in any citizens’ charter is in publishing data on the service levels, whether they meet the promises made and what the government is doing to plug the gaps.

The citizens’ charter, or in other words, the Right to Services, is more landmark than even the Right to Information Act. RTS is the real game-changer whereas RTI makes information available on services delivered.

But urban affairs specialists caution that the government needs to commit systems, training processes and funds to supporting the RTS rather than merely legislating it. Unless the government invests in managing the workflow, government officials will be under stress in managing the flood.

On the horizon, citizens already see respite from long waits in endless lines, multiple treks to government offices and unpleasant interactions with bribe-seeking officials. Change may not come overnight, but it is on the way.

The guaranteed return of the pension bill

Indian Economy

Just in time for the winter session of Parliament, the cabinet has cleared the Pension Fund Regulatory and Development Authority Bill, 2011. Sharad Raghavan explains what the bill aims to change and the politics behind it.

What’s the news on the Pension Bill?

Since they potentially affect the futures of millions of Indians, the pension sector and the PFRDA Bill have come under great scrutiny. A parliamentary committee chaired by Yashwant Sinha was set up to study the sector and the bill and provide recommendations for its improvement. That process is now complete, with many of the recommendations not being taken on board in the framing of the new bill — which has created a lot of controversy, notably in the context of foreign direct investment (FDI) in the sector.

What is important about FDI?
This is a sensitive issue, since if foreign investment is allowed, foreign corporations will be responsible for the futures of a huge number of Indians. The Yashwant Sinha committee recommended a cap on FDI to be put in the PFRDA Bill itself, but this was ignored. “The government is of the view that the FDI cap in the pension should be at 26 per cent, on par with the insurance sector... However, it would like to retain the flexibility of changing the cap, and that is why it has not been kept as part of the bill,” said a government official after the cabinet meeting. That’s basically bureaucrat-speak for “every time we want to change the FDI cap, we’re going to have to go back to Parliament, and we don’t want that”. That, coupled with the fact that the government has found it extremely tough going, in trying to change the FDI cap in the insurance sector, means that it’s probably a good move that the FDI cap hasn’t been set in stone.

What were the other changes to the bill?

The PFRDA Bill provides for the establishment of a statutory authority (as opposed to the interim one in existence now) to undertake promotional, developmental and regulatory functions. The interim fund, called the PFRDA, currently is in charge of administering the New Pension Scheme (NPS), which manages the retirement savings of government employees who joined service after January 2004. The scheme’s ambit was subsequently expanded to include state government employees and private individuals. As of now, the scheme has a corpus of Rs 10,000 crore and over 24 lakh subscribers, and it is assumed that after the statutory body takes over, this number will increase.

Also, the government has rejected the Yashwant Sinha committee’s recommendation that a provision for assured returns also be inserted into the bill. Based on a small sample, which may not be representative, the 2010 shortfall in the Employees Pension Scheme was Rs 50,000, and so the last thing pension firms need is to be forced to give assured returns.

Criticism

Critics say, “The pension bill will deprive lakhs of government employees both at the Centre and state level of their right to get an assured rate of pension at the time of retirement which they have been enjoying.”

This is quite possibly a limited view because the absence of a provision for assured returns doesn’t mean that the pension companies will now rook subscribers just because they can. While the feeling that pensioners’ money should be kept safe at all cost is a valid one, the interim regulator has some safeguards of its own. For example, some pension funds are forced to only invest in ultra-safe securities.
There is still much to be done, such as in the case of agent commissions. At present, they have no incentives to sell NPS-type pension products, but have a lot of incentive to sell insurance. This must be addressed, as must the fact that while the pension regulator covers all pension firms, it has no authority over insurance companies selling pension schemes — a major loophole.

| Where India overlaps with China-17th SAARC summit | “Building Bridges”, the theme of the recently concluded 17th SAARC summit in the Maldives, is an evocative one. There is no denying its relevance, both for enhanced physical connectivity as well as for the prospects for improved political dialogue in the South Asian region. But the infrastructure metaphor is perhaps most apt for China, and in more ways than one. In the coming months, the regional organisation, with eight members and nine observers, is set to seriously undertake a comprehensive review of all matters relating to its engagement with observers. As China seeks to upgrade its engagement with South Asia, what will be worth watching is if it can play a role in bridging differences in the region. This will depend on how China’s public diplomacy tackles three critical challenges. The primary challenge will be to see the kind of normative choices it is likely to make in the region. As a rising power, the ideas, norms and values it will come to represent will be key to China’s self-image. For some time now, China has been advocating the “new security concept”, structured around the values of accommodation and cooperative security. The interplay of ideas, interests and institutions will be a compelling one, and its trade-offs as yet complex and uncertain. The second key challenge will be for China to show a willingness to negotiate on a range of regional public goods. China’s increased engagement with SAARC offers a valuable opportunity for the region to begin a sub-regional conversation on water management issues, cultural and natural resources, ecosystem and biodiversity conservation. The days of exclusive regionalism are clearly over. The evolving regional security environment will be both complex as well as uncertain, as new players reframe key issues of regional order building. This will call for India and China to demonstrate a capacity to deal with varying levels of complexity in their relations, and above all, a capability to forge rule-based cooperative structures.

| Time to act is now- AFSPA | The return of peace and normalcy in Kashmir is a reality. And to ensure a durable and lasting peace, a humane approach to handle the law and order situation may be required. In a vibrant, democratic country, authoritarian ways of suppressing people’s voices...
prove to be counterproductive.

The socioeconomic conditions and educational attainments of the people in Kashmir are far better than those who live in PoK.

In a free India, which attained freedom by practising “non-violence”, laws like the Armed Forces (Special Powers) Act, or AFSPA, which jeopardise democratic and human rights have no relevance. Instead, a more civil way to deal with conflicting issues that tend to divide the society due to diversities of socioeconomic situations may be required. The changing trends in the political atmosphere should therefore be objectively discerned.

The recent debate on a review of these laws is interpreted to mean that national security is being compromised. The argument that the current peace is fragile and the law and order situation obtaining in the early nineties may re-occur is highly speculative.

National security can be ensured only when there is equalisation of opportunities and the citizens are duly empowered to realise their genuine socioeconomic aspirations, as guaranteed in the Constitution. In view of this, the following needs to be considered.

There are credible signs of peace and restoration of normalcy in Jammu and Kashmir, which is evident from: free and fair elections of local bodies (panchayats) after the lapse of 33 years, in which over 80 per cent of voters participated; over 13 lakh pilgrims and tourists visited the state, which is unprecedented; and the people’s massive support to engage in non-violent democratic movements, mainly to improve governance and delivery of essential services and to punish human rights violators.

As a result, the army has of late not felt the need for resorting to the provisions of the AFSPA for cracking down on militancy with a view to safeguarding the concerns of national security. Likewise, the use of the PSA by the state police has been minimal in 2011 but that too, whenever the PSA was invoked for arresting the youth on suspicion of causing social disturbances, the courts have struck down all such cases on the ground of unjust and illegal application of this law.

All this goes to prove that draconian laws — namely the AFSPA and the PSA — have no relevance in the contemporary situation of the state.

The people in J&K, particularly the youth, have realised that in the last 20 years of Kashmir turmoil, which corresponds to India’s credible economic reforms and superior quality of life, the economic fortunes of the people in Kashmir and in the rest of the country have moved in opposite directions.

The Kashmir imbroglio has dismantled educational and economic institutions, and the youth have missed the opportunities for personal and professional development. The people of the state are therefore duly responding to the need for politico-economic
integration with the vast and fast-growing Indian economy. And, we all ought to be receptive to their aspirations.

More importantly, the state’s administration should be asked to improve overall governance so as to make full and efficient use of meagre resources. The record of performance on account of implementation of infrastructure projects and various flagship programmes, which aim at a direct assault on all forms of poverty, have been abysmally low. Due to rampant corruption and inefficient delivery of services to the poor, alienation and marginalisation have increased, which ought to be arrested through a credible plan of action.

Unfortunately, the Central agencies do not seem to have underscored the need to address people’s concerns about human rights violations, including the circumstances in which recent custodial killings occurred. Despite various suggestions made from time to time to the state government, there is no worthwhile monitoring mechanism to ensure effective implementation of recommendations for ameliorating the conditions of the people.

In many districts, the army and security forces are enjoying co-habitation in residential hubs, wherein the local people, including the separatist activists, are also concentrated. In the process of socio-cultural mobility and interaction, there are occasions when they develop friction, which at times leads to social disturbances and suddenly erupt in “Azadi” slogans. Besides, the security forces’ occupation of important buildings, commercial premises, educational institutions and sports complexes adversely affects the people’s freedom to pursue the societal goals.

Programmes like “Operation Sadbhavna”, designed, managed and financed by the security forces for providing education and health care facilities and for promoting sports and cultural activities, should be ideally left to the local elected bodies, as has been the practice in other states. The security forces could thus provide sufficient space to democratically elected bodies to manage the affairs of the state and to allow the people to seek accountability from public servants, including elected leaders.

In effect, the politics of good governance should become a way of life. As the people of Kashmir yearn for peace and prosperity through effective democratic governance, we ought to give them a chance, lest our credentials as the biggest democratic and secular country be challenged.

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<th>Time to tackle threats that go beyond the traditional Non-National Security</th>
<th>National Security</th>
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<td>A traditional conflict has a political raison d’être, or is the result of incongruent beliefs between warring parties. The security orientation of nation-states has also stayed focused on issues where violence of the “traditional” kind is to be addressed. The menace of non-state actors has, however, acquired intimidating proportions, and brought with it the unique problem of addressing adversaries who hold no physical or territorial assets. Added to this asymmetric warfare threat component, a new</td>
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Source: Indian Express  
www.visionias.wordpress.com
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<th>traditional security (NTS) threats</th>
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Element centred around non-traditional security (NTS) threats has emerged.

NTS threats do not directly threaten the sovereignty of a state but have debilitating effects on the society, public institutions and economy of peoples on a national or transnational scale.

Being political, economic, societal and environmental in nature, some have worldwide ramifications like food security, global warming, cybersecurity, piracy and financial instability in world markets; the financial tsunami caused by the downgradation of the US by just one rating agency was a pointer to the power of an NTS threat.

These threats, if not addressed in time and in adequate measure, could affect a state’s stability and security. However, as no loss of territory and thus of prestige is involved, they do not arouse the same trepidation. States, thus, are reluctant to accord due importance to the NTS menace or to commit adequate resources to confront it.

India and its neighbourhood in South and Southeast Asia are inherently more vulnerable to NTS threats due to its high population density, slow development, poor health and sanitation facilities, and low literacy levels.

Due to these reasons, there are some that afflict us more — HIV/AIDS, human migration, drug trafficking and terrorism. Though some attempts have been made to secure these human security issues to gain greater visibility, acceptance and financial support, a lot more needs to be done.

Security dialogues bring with them the issue of the relative importance accorded to the two types of security — state and human.

As democratic forces strengthen and human rights issues gain ascendancy in theoretical studies and intellectual debates, the legitimacy of nations that do not adequately address human security concerns has come into sharp focus.

There is even a school of thought that questions the right of such states to exercise sovereignty over their populace just because they have territorial possession.

With its avowed policy of propagating peace, India has played an important role in aiding traditional security; our soldiers and airmen have brought us laurels in peacekeeping operations world wide.

It is time that NTS threats, which actually concern the Indian nation intimately, get their due in debates, discussions and action programmes.

Our economic progress, advancements in science, technology and the manufacturing sector, and the economic leverage earned...
courtesy our huge educated middle class, should not be held hostage to societal consequences born out of NTS dangers.

While the global commons concern us all, we as a nation need to give due importance to NTS dangers lurking closer and within our own boundaries.

NTS threats know no borders; they have transnational security implications. A time may come when the United Nations, through its various bodies and including the Security Council, may be forced to act if inaction or insufficient actions of recalcitrant governments start affecting the security and well-being of a larger part of humanity.

The resultant measures need not be military-centric, but may use coercive sanctions as tools.

India is now a non-permanent member of the Security Council after a long hiatus. Tackling NTS threats on a global scale would be a leadership setting fraught with openings that our nation, staking a claim for a place on the high table of the world body, should address aggressively.

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<td>Many countries, including the BASIC host, South Africa, have coalesced in favour of a legally binding instrument to crystallise mitigation and other commitments that will chart the world through to a 2°C or even 1.5°C world.</td>
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The Alliance of Small Island States and other vulnerable countries on the frontlines of climate impact believe that anything short of a legally binding instrument would be an affront to their grave existential crisis. The EU has indicated that they will offer the Kyoto Protocol a lifeline to ensure its survival for a transitional commitment period, conditional on the adoption at Durban of a deadline-driven roadmap towards a “global and comprehensive legally binding agreement” under the FCCC. This agreement, applicable to all, is intended to take effect post-2020.

Brazil, China and India argue that extending Kyoto is a legal obligation, not a bargaining tool to wrench further concessions from developing countries. These countries are, if at all, only willing to consider a mandate for a new legally binding instrument after the completion of the review of the long-term global goal of 2°C slated for 2015.

The United States, nervous about the gathering momentum in favour of a Durban mandate, has indicated that any new legally binding instrument, if and when it becomes necessary, must incorporate symmetrical mitigation commitments, at least in form, for all significant emitters. Needless to say, the BASIC countries will find such symmetry unpalatable.

Whatever the merits of these positions, it is worth stepping back from the ever-dire politics of the blame game, and exploring what
Legally binding instruments do that COP decisions cannot; why, if at all, we need such an instrument; and why India, among other developing countries, may have little to fear and much to gain from a legally binding instrument.

Legally binding instruments can, unlike COP decisions, create substantive new obligations for parties. If existing legal instruments and obligations — not just on GHG mitigation but also on financing, technology and adaptation — are insufficient (and they are) to meet the objective of the FCCC, it would appear self-evident that new obligations and therefore, a new legally binding instrument is necessary.

Such an instrument does not have to bite developing countries as hard as it does others. Provisions, even within legally binding instruments, have differing levels of rigour and precision, and different degrees, therefore, of “teeth”. The FCCC and its Kyoto Protocol are prime examples.

Parties can negotiate a finely balanced set of soft and hard obligations based on equity in relation to the architecture of the instrument, the range and character of obligations within it, the degree of flexibility it allows different parties and the nature and extent of differentiation it contains.

The debate in India mistakenly conflates the form of the instrument with the character of GHG mitigation commitments within it, thereby constructing the negotiation of a legally binding instrument exclusively as a threat.

Admittedly, the efforts of the US, Japan, Canada, Russia and the EU to shift the goalposts in these negotiations away from comforting (to developing countries) interpretations of differentiation will pose significant negotiating challenges for India.

Assuming we have the mettle, with our BASIC partners, to withstand such a challenge, the negotiation of a new legally binding instrument built on the principles and provisions of the FCCC and its Kyoto Protocol could offer useful opportunities for India.

First, India could insist on continued differentiation between mitigation commitments and actions — in form, content and stringency — within this instrument. In doing so, given current politics, India may need to carefully re-imagine differentiation between parties, without, however, moving established goalposts or breaching our red lines.

Second, India could seek to create concrete enforceable obligations in relation to finance, technology and adaptation. This would deliver the certainty, predictability and accountability developing countries have been seeking on assistance obligations.

Third, India could advance its agenda items on “equitable access to sustainable development”, intellectual property rights in relation to technology transfers and unilateral trade measures.
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<th>Commercial benefits-SAFTA</th>
<th>India and the World</th>
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Such issues are best addressed in a legally binding climate instrument rather than in international dispute settlement bodies with little climate-relevant expertise, as the controversial EU aviation scheme is likely to.

Finally, India could also seek to provide a firm basis and future to the Clean Development Mechanism (CDM), thereby providing Indian industry with the predictability they need to invest in CDM projects.

In the ultimate analysis, a legally binding instrument is a signal of seriousness. Kyoto needs to be treated with more seriousness by developed countries than it has thus far. And, if India wishes to be perceived as the responsible climate actor it is, the growing demand for a new legally binding instrument to advance the climate regime needs to be treated with due seriousness by India.

This has been a historic year for India’s changing trade relations with two of its important South Asian neighbours — Bangladesh and Pakistan. The idea that economic gains through freer trade could serve as a powerful means for conflict resolution appears to be finally finding full acceptance by all three countries.

India, Pakistan and Bangladesh along with Bhutan, the Maldives and Nepal signed the South Asian Free Trade Agreement (SAFTA) in 2006 under the aegis of the SAARC. Afghanistan was included as a member in 2007.

A major reason for the SAFTA remaining a non-starter was that Pakistan did not accord MFN status to India. Under the MFN clause, all members of the WTO are obliged to extend trading benefits to a country, equal to those accorded to any other country.

Under the extant bilateral trade arrangement between the two countries, Pakistan permits the import of only a limited number of items from India, currently 1,934 items, often referred to as the “positive list” approach. This approach is applied exclusively to India.

Items not on the list are banned from entering Pakistan. Trading under the positive list approach has led to large informal trade flows, mostly in items excluded from the positive list.

A large proportion of such trade is routed through Dubai from where goods enter the Pakistani market after passing through Iran and Afghanistan or directly to Karachi by sea. The positive list approach also lacks transparency, creates uncertainties for traders and leads to high transaction costs.

Even though India accorded MFN status to Pakistan in 1996, the latter did not reciprocate as the MFN issue was closely linked to the dispute on Kashmir. The deadlock continued until the trade negotiations shifted to a different peg following the deliberations of
member countries under the SAFTA.

A request from Pakistan to India to remove non-tariff barriers for improved market access in exchange for granting MFN status was indeed the turning point in trade negotiations.

Bangladesh has had a major grouse against India, as the latter had kept a significant amount of trade outside the scope of preferential treatment by keeping it on the sensitive list. From Bangladesh’s point of view, it is not difficult to understand why it had such a strong grievance all these years over concessions that it has received from India under the SAFTA.

Textiles are a major item of export, accounting for about 70 per cent of its total exports. With these items on the sensitive list, it had restricted market access in a category that was of crucial importance to its economy.

On the other hand, India had offered massive tariff concessions to Bhutan, Nepal, Sri Lanka and Afghanistan under bilateral arrangements which preceded the SAFTA. Bangladesh also had concerns about the non-tariff measures that India imposed which restricted market access.

Pakistan’s federal cabinet has decided to grant MFN status to India. India, on its part, has taken measures to address non-tariff barriers identified by Pakistan’s business community.

The identified barriers were related to complex and lengthy visa procedures in India and the lack of awareness on the part of Pakistani business and government authorities of Indian regulations and licensing requirements for a range of products.

To address these barriers, India arranged interactions between Indian regulators and Pakistani regulators and business groups to address information gaps on the business environment between the two countries.

This innovative, yet simple method of addressing non-tariff barriers not only serves as a powerful confidence-building measure, but is also an effective way to facilitate further trade.

India made an attempt to address Bangladesh’s concerns by reducing the sensitive list in stages. In 2007, the sensitive list was reduced from 744 products to 480 products. In the subsequent year, India offered duty-free access to 164 textile items up to a limit of eight million pieces and raised the limit to 10 million pieces in April 2011.

In a significant move, in September, India announced duty-free access to 46 of these items. Perhaps what is of significance is the approach that India has followed in offering these concessions.
India requested Bangladesh to send a list of items of their interest on which they wanted zero duties. Clearly, this novel approach left no room for dissatisfaction on the Bangladeshi side; rather it restored confidence in India’s trade liberalisation efforts.

The confidence was further strengthened with India reducing the sensitive list further to 25 items on November 9. On non-tariff barriers as well, India has resolved several of the outstanding issues under a bilateral dialogue.

The pace at which trade liberalisation measures have been undertaken by India, Pakistan and Bangladesh is unprecedented.

These developments also lay down a sound foundation for enhancing trade, bridging the trust deficit and eventually restoring peace in the South Asian region.

As the 12-day UN Framework Convention on Climate Change (UNFCCC) talks got underway in Durban, South Africa, the twin foci are the future of the Kyoto Protocol that expires in end-2012 and staving off a cruel fate for the poor island nations most vulnerable to the effects of climate change.

These nations have now banded together, along with the EU, to extract emission cuts from the most polluting developing countries.

The Durban divide is about legally binding emission cuts and a deadline for finalising a new global agreement. The EU wants to begin work on the agreement immediately, as do the vulnerable island states, have it ready by 2015 and operational by 2020. The US, Japan and Russia, along with India and Brazil, want a longer timeframe. India’s position still insists on “historical responsibility and equity”, whereby developed economies responsible for emissions for the last 200 years and thus global warming itself continue to take a larger share of the cuts.

While this logic of “cumulative emissions” meets the argument for “current emissions” head on, the sense of outrage at a developing economy being denied its chance to grow is not without cause.

However, even as India insists on unconditional commitments by developed nations and opposes a legally binding deal, it should steer clear of appearing as a deal-breaker. There’s no reason why New Delhi should paint itself as the bad boy when there’s as much justification to its stand as there isn’t for its desperation. Delhi needs to communicate its position effectively, incrementally gain the understanding of others and explore the contours of the divide in order to bridge it. While India’s economy may not be ready for cuts on the basis of current emissions, as the fourth largest CO2 emitter, it cannot evade responsibility either.
The idea that private capital ought to further social goods beyond the direct interests of profit is a very appealing one. But the idea that Corporate Social Responsibility (CSR) should be mandated by law and enforced by the state is flawed.

Capital’s primary responsibility is profitable investment. Through its activity it should be an engine of innovation and employment generation. It ought to work within the law and make sure that it does not inflict environmental damage.

A society is also greatly enriched if wealthy individuals deploy wealth for higher purposes, ranging from helping the vulnerable to enriching aesthetic choices. But requiring companies to, by law, put aside a certain proportion of their profits is a counterproductive idea.

From time to time there are proposals to make CSR compulsory.

While full details are not available, it appears that the new Companies Bill will initially make disclosure compulsory, but not full implementation. But there will be a schedule of activities that companies will be asked to carry out.

They are holding out promises of CSR transforming India’s most backward districts. SEBI is asking business to submit “business responsibility reports” describing measures taken along the ministry of corporate affairs’ National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

Simplistically put, our society has three modes of being. Capital relies on incentives and profit. The state on compulsion backed by legitimacy. And civil society has to rely on voluntary persuasion. These modes of operating are the source of the contributions each of these sectors makes.

The pursuit of profit brings its own forms of innovation in its appropriate sphere; and it is absolutely necessary to suspend considerations of profit in other spheres. Liberalism is founded on this art of separation.

By making CSR subject to state direction, we are saying that we will use the compulsive power of the state to direct profit-making entities to give to NGOs, whose basis should be voluntary persuasion.

In compulsory CSR there is a strange subversion of democracy.

First, the state, instead of carrying out its dharma of providing public goods, is simply passing on this responsibility to the NGO and private sector. The energies and organisational experience of the NGO and private sector should certainly be deployed in thinking about better delivery of public goods. But this proposal represents an admission by the state that it will coerce private entities into performing a role that is properly its own. Instead of becoming supplements to the state responsibilities, they begin to displace it.
Second, a mandatory requirement of CSR is like a tax. It would be better if a government just straightforwardly taxed companies. But in revenues collected through taxation, the citizens, through their representative, at least exercise control over how these revenues are spent. If compulsory CSR is enacted we are in this anomalous situation. Government is exercising its coercive powers to get companies to pay out something. But it exercises no power over what the money is spent on. With taxation there is a process of both public justification on collecting and on spending it. With compulsory CSR, giving will be compulsory; but the spending of money generated through compulsory giving will not be subject to public justification.

Finally, there is something odd about companies, as opposed to individuals, furthering social goods, beyond the direct interests of profit and their long-term sustainability. There is no doubt that we would all be better off, if the wealthy regarded themselves as trustees and directed their private wealth for social purposes.

A socially enabling environment for that would be desirable. But compulsory charity is an oxymoron. It violates both the ethics of compulsion and the meaning of voluntary furthering of social goods.

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<th>Positioning for our future- GIS (Geographic Information System)</th>
<th>GIS Sc.&amp; Tech.</th>
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<td>GIS (Geographic Information System) and GPS (Global Positioning System) technology, are mostly associated with research and its applications in agriculture, space, or climate change. But GIS/GPS is also a powerful tool in the hands of those who shape India’s urban destiny.</td>
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As seen in some of our earlier columns, it is already making a major impact in some cities and towns, addressing specific challenges of service delivery, improving the efficiency of bus services in Ahmedabad, Indore and Bhopal, improving road safety in Tamil Nadu, ensuring cleaner streets and better solid waste management in Hyderabad, and strengthening the financial resources of the municipal corporation by boosting property tax revenues in Bangalore.

GIS can also help address the challenges of managing electricity distribution in our cities and towns, especially controlling the “theft” of electricity, which often happens with the collusion of the distribution staff. NDPL (North Delhi Power Limited), an electricity distribution company with 51 per cent ownership by Tata Power and 49 per cent by the government of Delhi, has addressed this challenge by using GIS technology and combining it with IT applications.

NDPL was able to improve service delivery, for example, by reducing the time taken to get a new connection (from 15 days to two days) or the waiting time for restoration of service (from an average of three hours to one hour), as a direct result of an integrated approach that combines better information attained through GIS maps with IT applications.

It began with the GIS mapping of the network which was completed by end-2006. GIS maps were digitised using the satellite images and field surveys of the network, including distribution transformers and other assets, land base covering the licensed area, as well as the data on customers. The mapping of assets helps the company to identify the route of the network for fastest rectification of any fault. It also
leads to saving on the extra length of cables that were “used” in the absence of proper verification of the actual need.

The GIS mapping of customers and IT also helps identify theft because it allows the company to trace the actual customers connected to specific distribution transformers. The data on electricity passing through individual transformers can be compared with the data on electricity billed to the households connected to the transformers, to provide an accurate indication of the level of electricity lost for each transformer. Large deviations from normal loss levels give an indication of where “theft” may be occurring. As Arunabha Basu from NDPL put it, “GIS converts complexity to simplicity.”

GIS information is interfaced with SAP (Systeme Anwendungen Produkte), an enterprise resource package software that controls financials, human resources, plant maintenance, billing, and material and project systems management at NDPL. All SAP modules are interconnected, which makes real-time reporting possible. Thus, geo-referenced location of each asset of NDPL is integrated with plant maintenance modules of SAP for preventive maintenance of the system. The Outage Management System is integrated with GIS such that, on receipt of a complaint, the person handling an outage checks with the application as to which feeder is at fault and how many customers are affected. This helps in immediate fault rectification.

GIS mapping of customers not only helps with accurate billing but also helps detect a defaulter trying to get a new connection on the same premises after having been disconnected once for non-payment.