



Current Affairs: G.S. Mains 2012 – Summary – March 2012 (The Hindu)

Topics	Section	Summary (Articles / Opinions / Editorials)
Chasing mirage	a Ecology & Environment	<ul style="list-style-type: none">• The Supreme Court direction to the Centre to <u>constitute a special committee to pursue the outdated plan of linking India's rivers</u> is based on a misplaced premise.• Achieving huge inter-basin transfer of waters in the Himalayan and peninsular river systems is a complex goal for a variety of reasons• Displacement of a large number of people. Huge amount of funds• The 2008 National Council on Applied Economic Research report on the “Economic Impact of Interlinking of Rivers Programme”, which seems to have guided some of the discussions, explicitly did not consider the plan's environmental aspects or Cost-benefit calculus.• Moving waters across river basins cannot be achieved without energy-intensive heavy lifts and destructive modification of Ecologically important landscapes.• Also, in the Himalaya plan component, there is the additional challenge of taking along neighbouring countries.• It is no surprise then that the National Commission on Integrated Water Resources Development Plan, which went into the Proposals a decade ago, favoured development of water resources within river basins over massive inter-basin transfers.• Negative externalities are a concomitant of any big river link project, and the proposals identified by NCAER involve 30 links.• Sharing of river waters even under an agreed formula has not been easy, as the Cauvery issue has shown.• As the Supreme Court has pointed out on various occasions, environmental impact assessment must be the cornerstone of any project. In this context, the Ministry of Environment and Forests found no cause to support the Ken-Betwa link and declined to clear it last year.

		<p>The way forward</p> <ul style="list-style-type: none"> To improve the prospects of water-deficit basins is to work on more efficient and less destructive options. These include <ol style="list-style-type: none"> devoting resources for rainwater harvesting programmes of scale, raising irrigation efficiency, curbing pollution and effecting local water transfers for agricultural and municipal use.
<p>With all due respect, My Lords</p>	<p>Ecology & Environment</p>	<p><u>Criticism of Supreme Court regarding ILR project order</u></p> <ul style="list-style-type: none"> In the normal course, a project goes through certain stages and procedures. The Supreme Court rides roughshod over all this and orders <i>not</i> quick consideration and decision-making by the government, but <i>implementation</i>. The government and the Planning Commission have been reduced to the position of subordinate offices or implementing agencies of the Supreme Court. In fact, there is no approved, sanctioned project called “the inter-linking of rivers project”. In 2003, when there was a raging controversy about this idea, an important defence by its supporters was that it was not a project but a grand concept; that it will consist of 30 links, each of which will be a project that will go through all the usual examinations and procedures; and that the critics are needlessly raising the bogey of gigantism. If it is a concept, how can it be ‘implemented’? It has first to be translated into projects, and each of those projects has to be properly approved or rejected, as the case may be. Thereafter we can talk about implementation. How many of those 30 projects have been actually approved? None. Three — Ken-Betwa, Damanganga-Pinjal, Par-Tapi-Narmada — have reached the stage of preparation of Detailed Project Reports, and one (Polavaram), though included in the ILR Project, was separately taken up by the Andhra Pradesh government on somewhat different lines, but is mired in controversy. There is not a single case of a project actually sanctioned and ready for implementation. The “delay” is not the result of executive failure or inefficiency, but a deliberate (though unstated) slowing down of action on the project. [UPA was rethinking about this project.]

		<p><u>Two more problems</u></p> <ol style="list-style-type: none"> 1. First, assuming that there is a serious water scarcity problem, it is not the business of the Supreme Court to deal with it; there is an Executive Government to deal with such matters. True, the citizen's right to water is a fundamental right, and therefore the Supreme Court is concerned with it; but while it may direct the government to ensure that the right is not denied, it is not for it to lay down the manner in which or the source from which that right should be ensured. Moreover, the connection between the right to water and the ILR Project is very tenuous; it is the large demand for irrigation water that generally drives major projects and long-distance water transfers. 2. Secondly, and finally, we come to the heart of the matter, namely the view that the country faces a looming water crisis; that the answer lies in augmenting supplies; that given the magnitude and distribution of India's future water requirements, the ILR project is the best possible answer; and that it is in the national interest to implement it quickly. It is that conviction that provides, in the Supreme Court's view, the justification for its intervention. If that view of India's water crisis and its solution is challenged, the whole basis for the Supreme Court's order collapses.
<p>A river sutra, without links</p>	<p>Ecology and Environment</p>	<p><u>Benefit — flood control and drought moderation is also debatable</u></p> <ul style="list-style-type: none"> • The idea of inter-basin transfers is based on the assumption that certain surplus (flood-prone) and deficit (drought-prone) areas exist so that water is readily available without any objection to transfer from the former to the latter. But in practice, people in so-called surplus areas do not agree that they have spare water which can be transferred to other, faraway areas. • Any neat division between “deficit” and “surplus” areas becomes more of a problem in these times of climate change when erratic weather patterns are more frequently seen. Some time ago we had a curious situation when arid, deficit parts of western India (including Rajasthan) had excess rain and experienced floods while flood-prone parts of eastern India (including Assam) had drought-like conditions. • As soon as the grand looking river-linking plans are transferred from paper to reality, we enter the real world of shifting rivers bringing enormous siltloads, landslides, hills, plateaus, seismic belts, gorges, ravines, bends and curves which make the task of large-scale transfer of water difficult, enormously expensive, energy-intensive and hazardous. • Evidence suggests that even villages which experience very low rainfall, as in the desert areas of Rajasthan, have evolved a range of local methods of water conservation and collection which, if followed up carefully, take them towards water self-sufficiency to a large extent. • In the case of flood-prone areas we should not ignore the resilience of local communities where people learnt from early childhood how to cope with rising rivers.

<p>Speeding on safety</p>	<p>Road Safety</p>	<p><u>India has a tally of nearly 126,000 road accident deaths in a year, and injuries many times that number.</u></p> <p><u>Amendments to the Motor Vehicles Act, 1988</u></p> <ul style="list-style-type: none"> • The Union Cabinet on 1 march 2012 gave its approval for introduction of a Bill in Parliament by making amendment to the Motor Vehicles Act, 1988, with such modifications as considered necessary. The new amended Bill would be called namely, “The Motor Vehicles (Amendment) Bill, 2007. • The new amended Bill would remove ambiguities and difficulties in the enforcement of the provisions of the Act, improve responsiveness of transport authorities in meeting the requirements of the citizens, improve public transport and strengthen the enforcement of safety related provisions. <p><u>Sunder Committee on Road Safety and Traffic Management(2007)</u></p> <ul style="list-style-type: none"> • The Committee constituted under the Chairmanship of Shri S. Sundar, former Secretary, Ministry of Surface Transport, submitted its report on 20.2.2007, recommending creation of the National Road Safety and Traffic Management Board and also creation of a dedicated fund namely ‘National Road Safety Fund’.
<p>A fire in the forest</p>	<p>Ecology and Environment</p>	<ul style="list-style-type: none"> • The destruction wreaked by a massive forest fire at Nagarhole National Park in Karnataka is the worst in recent years, and is a major setback to conservation efforts in this prime tiger and elephant reserve. • The 643 sq km national park is contiguous to Bandipur National Park in Karnataka, Mudumalai Wildlife Sanctuary in Tamil Nadu, and Wayanad Wildlife Sanctuary in Kerala and is part of the famed Nilgiri Biosphere reserve. • Nagarhole was the favourite browsing place for herbivore animals like deer, sambhars, gaurs, etc., that constitute the prey base for carnivores such as tigers, leopards and dholes, Indian wild dogs. • A GPS-based survey has shown that 509 hectares of core area of Nagarhole has been devastated in the fire. • If the ground fire destroys the vegetation, the forage for herbivore is destroyed, unedible weeds like Lantana and Epatorium take over the forests and the population of prey animals dwindle, which impact the carnivore population. In addition, smaller mammals, ground-nesting birds, insects, slow moving reptiles and other wildlife species are destroyed and valuable leaf litter accumulated on forest floor that acts as natural manure for trees and plants are burnt, leading to fodder shortage in forests

<p>Water transport imperatives</p>	<p>Ecology and Environment</p>	<ul style="list-style-type: none"> • The Union Government has yet again announced its resolve to “fast-track” the development of Inland Water Transport. IWT for passenger and freight movement involves lower operating costs and environmental pollution than for road, rail or air options. • The global experience offers interesting comparisons. In several countries, IWT accounts for a substantial share as a percentage of the total: 32 per cent in Bangladesh, 20 in Germany, 14 in the U.S. and 9 in China. • By contrast, in India only 0.15 per cent of domestic surface transport is accounted for by IWT, compared with 68 per cent for road and 30 per cent for rail. • India has inland waterways with a navigable length of 14,500 km, but of this only 5,700 km is being used for navigation by mechanised vessels. • In 2006, the Parliamentary Standing Committee on Transport criticised the government for extending ‘step-motherly’ treatment to IWT. • The Inland Water Transport Policy Document of 2001 sought to give an impetus to the Inland Waterways Authority of India. • The government declared five sections as national waterways: 1,620 km on the Ganga; 890 km on the Brahmaputra; 205 km in Kerala, 1,027 km across Andhra Pradesh, Tamil Nadu and Puducherry, and 588 km in West Bengal and Orissa. Yet, traffic on waterways remains sparse. • India needs to study the viability and means to attract more investment to the sector, by creating an institutional framework. IWT should also become a part of the National Maritime Development Programme. <u>The enhanced level of involvement of the private sector in IWT that has now been initiated is a welcome step.</u>
<p>Muddy questions about Mullaperiyar dam</p>	<p>Ecology and Environment</p>	<ul style="list-style-type: none"> • In recent years, the controversy over the Mullaperiyar dam has acquired new dimensions. A purely technical matter has turned into an emotional and political issue between Kerala and Tamil Nadu. • For the best decision, the Mullaperiyar issue needs to be considered from all technical and engineering aspects. It is surprising, therefore, that the silting of the reservoir has not been taken into consideration by any party. • The process of sedimentation reduces the life of a reservoir. The estimated life of any reservoir is of the order of 120 to 180 years (broadly speaking, not more than couple of centuries). • <u>As per available records, the storing capacity of Mullaperiyar Dam has been lost by about 50 per cent during the last 116 years.</u> The rate of silting in peninsular India is less compared to the alluvial rivers of Himalayan region. It may take another 150 to 200 years for the Mullaperiyar dam to get fully silted up.

		<ul style="list-style-type: none"> • Even if the request of one party to increase the water level is partially or fully granted, it cannot be a final or permanent solution. With the addition of silt every rainy season, the volume of water in the dam would continue to reduce and the demand to raise the water level would crop up again. • The cumulative accumulation of silt in the reservoir is not dangerous to the stability of the dam as it does not exert any dynamic pressure on the body of the dam. The only danger of silt deposition is effective reduction in the storage capacity of the reservoir. • In the case of Mullaperiyar dam de-silting is not even possible due to its design, type of construction, age of the dam and the building material.
<p>The ways of science</p>	<p>Science & Technology</p>	<ul style="list-style-type: none"> • After announcing on September 23 last year that <u>neutrinos travelled 60 nanoseconds faster than light</u>, the OPERA (Oscillation project with Emulsion-tracking Apparatus) team has recently identified certain flaws. • The two possible errors, pertaining to the novel use of the global positioning system (GPS) in particle physics to synchronise the atomic clocks at CERN and Gran Sasso, could have led to an overestimation or underestimation of the neutrino speed. • The scientists would be conducting new velocity measurements in May using “short-pulsed beams,”. • While the results challenge Einstein's theory of Special Relativity, the team has never claimed to have proved that neutrinos travel faster than light, and that the laws of physics have been upended. • In fact the team wants further “scrutiny and independent tests” before its measurements could be “confirmed or refuted.” After all, independent verification and replication of the results are central to science.
<p>How Fukushima is relevant to Kudankulam</p>	<p>Science & Technology</p>	<p>The nuclear plant accident at Fukushima, Japan, in March 2011 exemplifies the prescient remark of nuclear reactor pioneer, the late Alvin Weinberg, that “a nuclear accident somewhere is a nuclear accident everywhere.</p> <p>Issues from Fukushima</p> <ul style="list-style-type: none"> • First, it was triggered by a very rare natural event — the occurrence together of an earthquake of magnitude 9 on the Richter scale and a 15-metre tsunami which completely overwhelmed the plant and its safety systems. • Second, the analysts exposed the close ties between public regulators and the private plant operators that could have led them to collude and neglect safety and other features. • Third, although the physical structure of the Fukushima plant withstood the earthquake, together with the tsunami, the earthquake led to the loss of offsite and onsite power.

		<ul style="list-style-type: none"> • Fourth, radiation leaks from the disabled plant spread far beyond what had been deemed likely, affected rice crops, milk and other products for domestic consumption and exports. <p>Concerns in Kudankulam</p> <ul style="list-style-type: none"> • Just a few hundred metric tonnes of steam could pose a serious threat to the containment's structural integrity of Kudankulam with its VVER-type reactor. • Kudankulam is located in the rice and milk producing, heavily populated and fast growing southern state of Tamil Nadu near Sri Lanka. • Social cost/benefit analysis of alternative responses to very low probability events, which, were they to occur could inflict large social costs in terms of population loss, damages to structures and long term health consequences is a difficult analytical problem. • The Fukushima accident highlighted the need for the independence of regulators from plant operators. The Atomic Energy Regulatory Board (AERB) has long been criticised for being subservient to DAE, the promoting organisation for nuclear power.
<p>A historic move to make drugs affordable</p>	<p>Science & Technology</p>	<ul style="list-style-type: none"> • <u>India's use of the compulsory licensing provision under its patents law for the first time to make the patented cancer drug Nexavar available at affordable prices is an essential, although belated step to curb the mounting cost of drugs.</u> • The grant of the licence by the Controller-General of Patents, Designs and Trade Marks to Natco Pharma for manufacture of the drug Sorafenib Tosylate (Nexavar) to treat liver and kidney cancer is a landmark event, consistent with the test of public interest that governs such a measure. • Under Section 84 of the Indian Patents Act, 1970, any person can make an application to the Controller for a compulsory licence after the expiry of three years from the date of sealing of the patent, on the following grounds — non-fulfilment of reasonable requirements of the public, or non-availability of the invention to the public at a reasonable price. • The Trade-Related Aspects of Intellectual Property Rights and the Doha Declaration provide for compulsory licensing in specified circumstances, including concerns on public health or public interest. • The question of drug access and prices has become particularly important after India changed over from a regime that recognises process patents for medicines to one of patents for products, since 2005. The effects are expected to be felt most acutely in the case of new drugs, notably those relating to cancer, HIV/AIDS and psychiatric conditions. Further, the Planning Commission HLEG has drawn attention to more possible negative outcomes if enhanced provisions of TRIPS Plus, which would enable “evergreening” of patents beyond 20 years, are applied.

		<ul style="list-style-type: none"> Indians consumed about Rs.56,000 crore worth of medicines through private chemists in the open market, going by March 2011 figures submitted to the Planning Commission. What is revealing is that the price gap between government procurement of drugs and retail sale can be staggeringly wide — between 100 per cent and 5,000 per cent. Moreover, the price index for medicines has parted from the index for all commodities and moved steadily upward, since 1997-98. This is clear evidence of unethical pricing of many medicines for rising profit, using patents as a cover, as well as lack of regulation.
Swiss plan to shut down nuclear plant by 2022	Science & Technology	<ul style="list-style-type: none"> The Swiss operator of one of Europe's oldest commercial nuclear reactors says it plans to shut the plant by 2022. Muehleberg plant began operation in 1972. Switzerland gets about 40 per cent of its power from five nuclear reactors. The country plans to phase out nuclear power by 2034.
TB control must not be left in the dark	Science & Technology	<p>March 24 is World TB Day</p> <ul style="list-style-type: none"> TB is one of India's oldest and perhaps most neglected public health challenges. India's Revised National Tuberculosis Control Programme (RNTCP) is widely appreciated for having made a big contribution by expanding basic diagnostic and treatment services to cover 100 per cent of the Indian population. A laudable but insufficient achievement in a country of 1.2 billion people. Why? Because despite these achievements, India has over two million new TB cases every year and TB kills nearly 1,000 people every day. The emergence of drug resistant TB has made things worse. Three months ago, a team from the Hinduja hospital in Mumbai reported a few cases of “totally drug-resistant tuberculosis” — suggesting that this form of TB was incurable because of resistance to all the TB drugs tested. The RNTCP has been consistently under-funded for many years. What about India's large private sector, which manages over half of all tuberculosis cases? Unfortunately, tuberculosis management practices in the unregulated private sector vary widely, often deviating from established standards. Also, there is virtually no reporting or notification of confirmed TB cases to the RNTCP by the Indian private sector. efforts are now underway to make TB reporting mandatory. Ultimately, the typical tuberculosis patient in India is caught between two suboptimal options — an under-funded public programme with limited capacity to deal with drug-resistant tuberculosis, and an unregulated private sector where mismanagement is likely

		<p>Way forward in control</p> <ul style="list-style-type: none"> • The RNTCP is beginning a new phase, the National Strategic Plan (NSP), for the period 2012-2017. • The Planning Commission has raised allocation for the RNTCP to about Rs.710 crore for 2012-13, an 80 per cent increase over the last fiscal year's budget. • <u>Indian industry, celebrities, philanthropists and high net-worth individuals can and should make a bigger contribution to control a disease that causes an economic burden of \$23.7 billion annually.</u>
<p>A slow but necessary ascent</p>	<p>Science & Technology</p>	<ul style="list-style-type: none"> • The heads of as many as 53 nations, including India, are expected to attend the 2012 Nuclear Security Summit in Seoul on March 26 and 27. • The <u>first such summit was held in Washington in April 2010.</u> • there are about 150,000 weapons worth of fissile materials lying around in the world as compared to the five to 25 kg needed for a weapon. Already, 20 cases of theft or loss of such material have been discovered. Clearly this is a very dangerous situation. The Nuclear Security Summit (NSS) was designed to bring high-level political attention to this vital but hitherto obscure problem of nuclear materials security. • Was the first NSS in Washington a success? • To start with, the very fact that such a summit took place was a success in itself. • That summit reached a consensus that nuclear terrorism is among the top global security challenges and that strong nuclear material security measures are the most effective way to prevent it. This may not seem like much, but getting 47 nations to agree on any nuclear issue, however innocuous, is not always easy. • In addition, 29 of the countries present made voluntary commitments to enhance nuclear security. • Country-specific steps — colloquially termed “house gifts” — were taken ahead of the summit. Thus, Chile removed all its Highly Enriched Uranium (HEU) — 18 kg — in March 2010, while the Philippines joined the Global Initiative to Combat Nuclear Terrorism. • Several countries, including India, announced that they would create new “centres of excellence” to promote nuclear security technologies. • Since then, several countries seem to be on track towards meeting their commitments by 2012.

		<ul style="list-style-type: none"> Reportedly, approximately 60 per cent of these national commitments have been completed, and notable progress has been made on the rest. For instance, Kazakhstan has secured enough material to make 775 nuclear weapons, Russia has ended its plutonium production and signed a plutonium disposition protocol with the U.S., Ukraine has removed over half of its HEU and so on. <p>Energy centre in Haryana</p> <p>India has also made some progress, albeit slowly, on its commitment to set up a Global Centre for Nuclear Energy Partnership. It announced that <u>the centre will have a 200 acre campus in Bahadurgarh, Haryana and comprise four different schools covering nuclear security, nuclear energy systems, and radiation safety.</u></p> <p>Securing all materials</p> <ul style="list-style-type: none"> Unlike Washington, Seoul 2012 may choose to address the securing of all radioactive materials, and not just fissile materials. A suitcase full of such radioactive material (the so-called dirty bomb) if exploded in a public place would, in addition to killing some people and polluting the neighbourhood with deadly radiation, also create enormous panic resulting in massive stampedes and more casualties given the public's extreme fear of radioactivity especially after Fukushima.
<p>Needed, more HUNGaMA over malnutrition</p>	<p>Social issues</p>	<ul style="list-style-type: none"> The recent "HUNGaMA" report from <u>112 districts over nine States tells us that 42 per cent of children are underweight and 58 per cent are stunted by the age of 24 months.</u> In addition to greatly increasing the chances of infant death, child malnutrition has other devastating consequences. Research has established that the damage that begins in the womb and during the first two years of life is irreversible, leading to reduced intelligence and physical capacity. Malnutrition thus has a direct impact on productivity and economic growth. It is also clear that the consequences of malnutrition transcend generations, as stunted mothers are likely to have underweight children. <i>Why is child malnutrition still so high in India?</i> The seriousness of the problem is still largely invisible to the families and communities that experience them. Equally important is the fact that adequate nutrition is not seen as a human right and the malnourished have little voice in determining the directions of policy. There are also some myths that need to be demolished before significant progress can be made.

- **The first is that malnutrition is about inadequate food intake.** Many children in food-secure environments are underweight or stunted because of inappropriate infant feeding and care practices, poor access to health services, or poor sanitation.
- **The second myth is that improved nutrition only comes with economic progress and poverty reduction.**
- Both myths are disproved by experience in parts of India and from other countries.

What needs to be done?

- The experience from all over the world is that food alone does not ensure better nutrition. A range of other interventions is necessary to ensure the health and nutrition of mothers and children.
- Following a “life cycle” approach, these should begin with the health of the woman before the pregnancy begins and address all the critical stages of the birth and development of the baby.
- To make lasting improvements, interventions should go beyond the direct causes of malnutrition, diet and disease burden.

What can we do differently?

- The combined efforts of all of them with the power of engagement with the communities who need the help most is the need of the day.
- It is essential to ensure that the families and communities know what is at stake.
- There is a need for evolving strategies separately for urban and rural areas
- Three key elements should be kept in mind to make such an approach successful. These are Coordination, Convergence and Monitoring.
- The potential for monitoring performance much more efficiently by harnessing the power of modern technology is not always realised. SMS on cell phones can provide instant updates, replacing slow paper based reporting forms. Colour coded GIS maps can pinpoint the situation on the ground, down to the nutritional status of individual children in ICDS centres, ensuring the possibilities of rapid responses.
- The bulk of infant deaths occur in the neo-natal period of about a month after birth. Neonatology and peri-natal care have made considerable advances and if we can ensure that all health facilities handling deliveries are fully equipped and staffed by trained personnel we can bring about a sharp decline in infant deaths.

<p>From New Delhi, some urban legends</p>	<p>Social Issues</p>	<ul style="list-style-type: none"> • <u>The assessment of seven expert committees, which reviewed the state of urban planning ahead of the 12th Five-Year Plan, is that Indian cities will soon reach a precipice—unless a course correction takes place, cities will turn into a nightmare.</u> • <u>The urban population at present is 377 million (31 per cent of the total population) and about half this number live in the 50-million-plus cities.</u> • The 12th Plan expert committees have prescribed various strategies and plans as a way forward. They include preparation of national spatial strategy, drafting regional plans, making flexible local-level plans, strategic densification of cities(increase FSI- Floor Space Index, a ratio that determines how much area can be built on a given plo), urban regeneration that will pay for itself and devolving planning powers to the local bodies. • Some of these proposals are recycled ideas and a few others seem to unthinkingly mirror the well-known but misplaced views of the World Bank on FSI. • Recommendations such as “promoting symbiotic development” between urban centres and rural hinterland, building capacities at the Centre, State and local level and establishing a professional cadre of State development authority were also made five years ago. No headway has been made. • The suggestion is that the FSI be increased but even with low FSI, Indian cities have one of the highest densities in world. • What is also conspicuously missing in such a recommendation is the possibility of increasing FSI only for the purpose of social housing to reduce the mounting housing deficit. • It is evident that neither the Central government nor its experts have been able to influence State-level urban policies but the locus of action has to be at the State level for efficient urbanisation.
<p>Spending for a healthy India</p>	<p>Social Issues</p>	<p><u>Universal health coverage(UHC) Plan</u></p> <ul style="list-style-type: none"> • An increase in public expenditure on health from an estimated 1.4 per cent of GDP to 2.5 per cent by the end of the Twelfth Plan can, if it is used wisely, bring about a revolution in health care. • Universal health coverage, including cashless treatment, is to be achieved through greater expenditure and a system of strong regulatory oversight outlined by the Planning Commission's High Level Expert Group (HLEG).

		<ul style="list-style-type: none"> • Arguably, with a significant increase in public funding, India can move towards its own model of Britain's famed National Health Service. • HLEG has not suggested the scrapping of the private health sector but its participation in the UHC plan on a contracted-in basis, with tight monitoring of costs and protocols. • At present, private out-of-pocket health expenditure constitutes 3.3 per cent of GDP, or around 67 per cent of the total spending. Moving towards universalisation of care can cut it to about 33 per cent by 2022. • An increase in outlay on medicines from 0.1 per cent of GDP to 0.5 per cent for public procurement can ensure free universal access to essential drugs
Bodoland at a crossroads	Social issues	<ul style="list-style-type: none"> • As the movement demanding a homeland for the Bodo people completes 25 year, it remains one of the most serious potential sources of violent political confrontation in northeastern India. • The Bodoland Autonomous Council that came out of the first tripartite Bodo Accord of 1993, and the Bodoland Territorial Council that the second tripartite Bodo Accord of 2003 spawned, have admittedly failed to meet the political aspirations of the movement's leadership • Yet another territorial division of Assam is inconceivable. • Under Sheikh Hasina, Dhaka has also done its bit to stem Bodo militancy. • A coherent policy, not ad-hocism, should be the hallmark of centre's approach.
The ABCs of RTE	Social Issues	<ul style="list-style-type: none"> • Amartya Sen pointed out last year, the Indian education system remains deeply unjust. • That injustice is evident in the low figure of mean years of schooling for the national working age population: 5.12 years in 2010, compared to China's 8.17 years, and Brazil's 7.54 years. <u>In a full decade from 2000, India could not raise the mean substantially from 4.2 years.</u> • RTE has raised hopes but there are few vitals issues. • The Planning Commission identifies the twin problems of half a million existing teacher-vacancies, and the need to have another half a million teachers with requisite qualifications to meet the RTE Act's pupil-teacher ratio.

		<p><u>Suggestions</u></p> <ul style="list-style-type: none"> • Sarva Shiksha Abhiyan, the main vehicle for universalisation of elementary education, can tap non-profit initiatives for speedy infrastructure building
A different poverty trap	Social Issues	<ul style="list-style-type: none"> • The results of the 2009-10 edition of the five-yearly large sample survey of consumption by the National Sample Survey Organisation point to a seven-percentage-points reduction in the national incidence of poverty between 2004-05 and 2009-10. • Public attention is focused on the fact that the “poverty lines” on which these estimates are based appear ridiculously low: a per capita daily consumption expenditure of Rs. 28.35 and Rs. 22.42 in urban and rural areas respectively. • The government has only recently been subject to ridicule because of an affidavit filed in the Supreme Court suggesting that a measly per capita expenditure of Rs. 32 in urban areas or Rs. 26 in rural areas in 2010-11.
Empower the health-care consumer with knowledge	Social Issues	<ul style="list-style-type: none"> • To combat these public health problems with our limited health resources and to obtain maximum gain it is essential to create an innovative health education policy that would lead to intrinsic positive behavioural changes amid our general populace. Health education leads to empowerment and emancipation of health-care consumers resulting in a standardised quality health-care system. • Postgraduate, graduate and diploma courses on health education with adequate job opportunities should be created for health educators. • Research suggests that an improvement in health literacy has a positive effect on the nation's economy. A World Bank report indicates that the economic impact of inadequate sanitation in India in 2006 was Rs.1.7 trillion, and in 2010, Rs.2.4 trillion.
Vodafone is a misunderstood case	Economy	<ul style="list-style-type: none"> • The demand for tax in the <i>Vodafone</i> case was a result of failing to understand the difference between the sale of shares in a company and the sale of assets of that company. It is an elementary principle of company law that ownership of shares in a company does not mean ownership of the assets of the company. • The assets belong to that company which is a separate legal entity. • The transfer of shares of one non-resident company (Hutchison) to another non-resident company (Vodafone) did not result in the transfer of any asset of HEL in India. • Under Section 9(1)(i) of our Act, there is liability to tax only if there is a transfer of a capital asset in India.

		<p>India-Mauritius treaty</p> <ul style="list-style-type: none"> • There has been severe criticism of the India-Mauritius Treaty and it has been accused of depriving the Indian government of crores of rupees of tax revenue. If there is a policy decision to permit tax exemption for investments through Mauritius, one cannot blame the courts for any potential loss of revenue.
The growth gamble	Economy	<ul style="list-style-type: none"> • Economic growth in the third quarter of the current fiscal fell to 6.1 per cent. (same period last year, the economy grew at 8.3 per cent) • The more worrying thing is that manufacturing sector growth was almost flat — at 0.4 per cent in the third quarter. • What the disappointing third quarter data mean is that the RBI's projected growth rate of 7 per cent for the current fiscal appears hopelessly unrealistic. In fact, the actual growth rate could be even lower than the 6.9 per cent projected by the government.
A railway mission to fantasyland	Economics	<p><u>Railway Safety</u></p> <ul style="list-style-type: none"> • Kakodkar Committee on railway safety has just published its report, with plans that require an outlay of Rs. 1 lakh crore. • Sam Pitroda Committee has submitted its plans for the modernisation of IR at a cost of Rs.5.6 lakh crore. • These plans need huge sums which is almost impossible. • the Special Railway Safety Fund (SRSF) of Rs.17,000 crore set up in 2001 and the Corporate Safety Plan 2003-2013 (CSP) unveiled in August 2003 arose out of the recommendations of the Khanna Committee.(setup in 1997). • The Kakodkar Committee has made a number of references to “zero tolerance” to accidents. While this is a commendable ideal to strive for, achieving it is almost impossible unless there is access to unlimited resources. In contrast, CSP 2003 had, for the first time, prescribed target rate of accidents overall (the number of accidents per million train kilometres) and target reductions in numbers in different types of accidents, sought to be achieved by the end of the CSP period (2012-13). <p>Way ahead:</p> <ul style="list-style-type: none"> • We should have a "National Railway policy". • A plan B which costs less and is more realistic.

<p>A simple proposal on food security</p>	<p>Economics</p>	<p>Criticism of National Food Security Bill, recently introduced in Lok Sabha</p> <p>The Bill relies on a complicated three-way division of the population between “priority,” “general” and excluded households. This division, we feel, is problematic for several reasons.</p> <ol style="list-style-type: none"> 1. First, there is no clarity as to how these different groups are to be identified, and we have serious doubts about the possibility of devising a practical, fair and effective method of doing it. 2. Second, with PDS benefits largely restricted to priority households, this approach would have many of the weaknesses of “BPL targeting,” which has proved so unreliable and divisive in the past. 3. Third, this rigid framework, based on selection criteria and other parameters prescribed by the Central Government, would undermine the positive trend towards a more inclusive PDS in many states. 4. Last but not least, this framework is confusing — simplicity and transparency are essential for the success of this historic legislation. <p>Suggestions:</p> <ul style="list-style-type: none"> • Give the same PDS entitlements to all households outside the excluded category. This would dispense with the need for a complicated identification process, except for the use of exclusion criteria, which is relatively straightforward. • This approach could go a long way <i>even without additional resources</i> (compared with the current version of the Bill).
<p>Bringing back what's ours</p>	<p>Economics</p>	<ul style="list-style-type: none"> • The statement by the Central Bureau of Investigation Director on illegal money stashed abroad by Indians at the inauguration of the first Interpol Global Programme on Anti-Corruption and Asset Recovery last month has added confusion to a politically sensitive subject. • The Director made three points regarding black money. • First, Indians hold an estimated \$500 billion of illegal money abroad. • Second, Indians are the largest depositors in banks abroad. • Lastly, shell companies are set up, and layered transfers made from one account to another. • The estimate of \$500 billion is quite close to the figure of \$462 billion disclosed by Global Financial Integrity (GFI) in November 2010 for the amount of capital that has illegally gone out of India since independence. • But GFI methodology has certain drawbacks which cannot be ignored.

<p>No green signal yet for the Yuva Kisan</p>	<p>Economics</p>	<p>In this year's budget, Union Finance Minister Pranab Mukherjee has essentially tried to consolidate the gains from the initiatives he had launched during the previous two budgets. Thus, in agriculture there is no new initiative except increasing the target for agricultural credit to Rs.5,75,000 crore during 2012-13. This represents an increase of over Rs.1,00,000 crore from last year. The interest rate of four per cent recommended by the National Commission for Farmers has been retained for those who are able to repay the loans promptly. On the credit side, there are also proposals for technologically upgrading the Kisan Credit Card. Similarly, there is a proposal to amend the Bill relating to the National Bank for Agriculture and Rural Development.</p> <p>Food processing, water recycling</p> <p>The budget contains an assurance that the subsidy required for operationalising the legal commitments contained in the National Food Security Bill will be made available. The exact figure will be known only after the bill is finalised and adopted by both the houses of Parliament. The Finance Minister has also proposed to improve subsidy delivery, particularly for fertilizer. The subsidy will be paid during this year directly to farmers' accounts in 50 selected districts. Obviously the details will have to be worked out since according to the current policy, fertilizer subsidy is to be based on nutrients and not products. Nutrient-based subsidy will be effective only if farmers are provided with soil health cards that contain information on the macro and micronutrient status of soils. Among the earlier initiatives whose gains are to be consolidated, is the initiative to bring the green revolution to Eastern India. This has resulted in an additional paddy production of seven million tonnes during kharif 2011. Encouraged by this result, the Finance Minister has increased the allocation for this scheme to Rs.1,000 crore from last year's Rs.400 crore. Similarly, the 60,000 pulses villages project is to continue since it has already resulted in raising pulses production to nearly 18 million tonnes.</p> <p>The budget also provides substantial additional allocation to irrigation and agricultural research and extension. A new national mission on food processing is to be started in order to minimise spoilage. This is a good step as currently there is a mismatch between production and post-harvest technologies. The proposal to set up an Irrigation and Water Resource Finance Company is also a good one, provided it concentrates on supporting rainwater harvesting through <i>Jal Kunds</i>, wastewater recycling and micro irrigation. The Finance Minister has also proposed a programme for coastal aquaculture with an outlay of Rs.500 crore. Based on past experience, it should be ensured that only Low External Input Sustainable Aquaculture practices are promoted, since otherwise there will be serious environmental problems including groundwater pollution along the coast.</p> <p>The Finance Minister has announced various excise and custom duty exemptions which should help to stimulate additional investment by the private sector. Also provision has been made for increasing the grain storage capacity by two million tonnes through the construction of modern silos. It is hoped that the additional storage capacity for five million tonnes will be added very soon, since the stock position with the government as on February 1, 2012 was 23.4 million tonnes of wheat and 31.8 million tonnes of rice. During the next two months, the government will have to buy at least 25 millions of wheat and about 20 million tonnes of rice. It is obvious that the neglect of this vital sector over a long period of time cannot be made up in one or two years. However a decentralised grid of modern grain storage structures for the safe storage of at least 50 million tonnes will be essential if we are to implement the provisions of the National Food Security Bill effectively.</p>
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<p>On a wing and a prayer</p>	<p>Economics</p>	<ul style="list-style-type: none"> • <u>The Union budget for 2012-13 seeks to address two primary concerns — the economic slowdown and the unsatisfactory state of government finances</u> — but the means it employs are so cautious, and even contradictory, that the chances of success appear slim. • Apart from introducing necessary amendments to the Fiscal Responsibility and Budget Management Act, Mr. Mukherjee has come up with two new concepts: “effective revenue deficit” and “medium term expenditure framework” to better target public expenditure. He will endeavour to keep central subsidies under 2 per cent of the GDP. • The decision to increase duties on gold is an interesting one that is aimed at curbing the rising import of the yellow metal which, according to Mr. Mukherjee himself, is pushing up the current account deficit. • An unstated aim of the move is obviously also to channelise public money into productive investment avenues that will help the economy. Gold is an idle investment that has no multiplier effect.

<p>The Food, the Bad and the Ugly</p>	<p>Economics</p>	<ul style="list-style-type: none"> • Sharad Pawar is fond of citing as foodgrain production rises every year but this give distorted picture. • The daily per capita net availability of foodgrain has been falling steadily and dangerously during the “reform” years. If we take five-year averages for those years from 1992 to 2010 — the figure declined every five years without exception (see table “Declining per capita ...”). From 474.9 grams of cereals and pulses for the years of 1992-96 to 440.4 grams for the period 2007-2010 (The 2011 figure is yet to come). A fall of 7.3 per cent. There has not been a single five-year period that saw an upward blip. • What about the 20 years preceding the reforms? That is 1972-1991? The per capita availability figure rose every five-year period without exception . From 433.7 for 1972-76, to 480.3 grams in 1987-91. An increase of 10.7 per cent. • If production is rising, which it is; if the upper classes are eating a lot better, which they are; and if per capita availability keeps declining, which it does — that implies three things at least. That foodgrain is not getting to those who most need it. That the gap between those eating more and those eating less is worsening. And that food prices and incomes of the poor are less and less in sync. • The highest figure for any year in our history was the 510.1 grams for 1991.(just before reforms) • Some may argue that food composition has changed (shift to better, nutritious food) but GHI rank(Global Hunger Index, 67/81) defies the claims.
<p>A risky way to save tax</p>	<p>Economics</p>	<p><u>Financial Sector reforms in Budget 2012-13</u></p> <ul style="list-style-type: none"> • Important measures of this genre in the latest budget include (a) permitting qualified foreign investors access to bond markets; (b) simplifying the process of initial public offers (IPOs) to lower their costs and make them easily accessible to retail investors in small towns by utilising the nationwide electronic network of stock exchanges; (c) promoting shareholder democracy by harnessing technology. • Rajiv Gandhi Equity Savings Scheme to augment the flow of funds to the capital market <p><u>Rajiv Gandhi Equity Savings Scheme</u></p> <ul style="list-style-type: none"> • The scheme will allow 50% deduction for those who invest up to Rs 50,000 in stocks, provided their taxable income is below Rs 10 lakh. While the funds will not be allowed to be withdrawn for three years, even churning of portfolio is not permitted during the first one year. The scheme can be availed only once in a lifetime.

<p>Local solutions to conquer hunger</p>	<p>Economics</p>	<p>India is a hungry country. The Food and Agriculture Organisation Report on Hunger 2006 pegs the number of malnourished in India at 212 million and estimates that between 20 and 34 per cent of our population is malnourished. Despite the implementation of the Public Distribution System for several decades and Targeted PDS for the last one-and-a-half decades, it is estimated that more than 50 per cent of the children in rural areas suffer from malnourishment; with 21 per cent suffering from severe malnutrition. <u>The irony is that these dismal facts and statistics coexist with record production of foodgrains.</u> So, why is it that there is such deprivation amidst such plenty?</p> <p>Green Revolution</p> <p>More than 65 per cent of the Indian landmass is semi-arid. The agriculture that evolved under these regions is adapted to low rainfall and poor soils. The agricultural systems here are characterised by the practice of mixed farming. Whether it is the <i>Saat Dhaan</i> of Rajasthan or the <i>Baraah Anaaj</i> system of Uttarakhand or the <i>Pannendu Pantalu</i> system of Andhra Pradesh, one sees a multitude of crops being cultivated; and such systems ensure the survival of rural communities, even under the harshest of conditions.</p> <p>The Green Revolution brought about fundamental changes in the paradigm of Indian agriculture. It offered purely technical solutions to the food crisis that was prevailing. Improved, high-yielding and hybrid seeds were introduced; farmers were pushed to use chemical pesticides and fertilizers; mono-cropping was introduced; all with an intention to augment food production; and augment it did. One cannot dispute the fact that the Green Revolution resulted in an increase in the production of certain foodgrains; and it did lead to the prosperity of farmers in certain pockets of the country. But in the long run, the policies pursued under the Green Revolution greatly undermined Indian agriculture.</p> <p>Rural communities lost control over the seeds they were sowing in their lands, and became dependent on traders and extension services for most of the agricultural inputs; the progressively high doses of pesticides and fertilizers led to poisoned soils; the cost of cultivation shot up; agricultural bio-diversity was decimated, with several endemic land-races completely disappearing; and nutritional deficiencies got further accentuated, especially in rural India. All these factors together precipitated an agrarian crisis that saw more than 200,000 farmers, mostly in arid and semi-arid regions, committing suicide.</p> <p>A closer look at existing PDS</p> <p>PDS was created with an intention to provide the people of India — the poor especially needed to lead a dignified life. Analyses have indicated that rice, wheat and sugar account for 75 per cent of all items purchased from PDS outlets in rural areas. The vast majority of the rural population depends on cereals for most of the calorific and nutritional requirements — 68 per cent of the calorific needs and 67 per cent of the protein needs of the rural population are met through cereals alone. And yet, there has been an overall decline in both calorific intake as well as protein intake especially among the poor. This clearly points to the poor quality of cereals that are being consumed by the rural populace (NSSO data indicate that PDS rice and wheat are inferior to millets and endemic foodgrains in terms of nutritional content). This also indicates that the decimation of mixed farming systems that comprised a variety of crops undermined the nutritional intake of the rural households. Since nutritional needs could not be met from within their villages and lands, rural households were compelled to meet them from markets; with the result, more than 55 per cent of the monthly per capita expenditure incurred by rural households is towards food. This is where the current PDS has fallen short.</p>
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In the PDS as it exists today, large quantities of grains are procured from one part of the country, stored in warehouses, and moved to other parts. Despite spending millions on these processes, we have not succeeded in reaching every nook of India; nor have we been able to curb corruption that has become endemic to this system.

Finally, the availability of cheap rice and wheat at PDS outlets has dissuaded many a rural household from trying cuisine that evolved out of the environmental and socio-economic conditions in a given area. These local cuisines were cost-effective, used local ingredients thus minimising the need to depend on external sources, and were designed to meet the nutritional needs of people in the most effective way.

In the light of these arguments, we advocate the need for decentralising the PDS. The decentralised Public Distribution System is PDS reimaged; one that is democratic and involves rural communities at every stage of planning and implementation.

The concept of decentralised PDS rests on the principles of localised procurement, storage and distribution. The emphasis is on the participation of people — especially the marginalised and women — and on a holistic approach that integrates biodiversity, natural resource management, rural livelihoods and empowerment. The inclusion of local knowledge and expertise at every stage would make such a PDS truly participatory. Such a PDS would focus on the food crops that are locally produced. In some locations this might be millets, while in others it might be endemic varieties of rice and wheat. Being made a part of PDS would enhance the demand for these foodgrains and augment their production, thus reviving traditional agricultural practices. The storage of these grains would also be undertaken by the local communities, at village or panchayat level, thus reducing storage and transport costs, and generating employment for a few rural households.

Revival of traditional systems

The revival of traditional agricultural systems would mean that a diverse range of cereals, pulses, oilseeds and vegetables would be available close on hand to the rural communities. The combination of such crops would ensure that the nutritional needs of the communities are locally met at a reasonable price. This is likely to enable rural households to spend less on food and use the money thus saved for other purposes. The fact that such systems are hardy and do not need pesticides and fertilizers would also help farmers to bring down the cost of agriculture. Further, the in-built risk-mitigation properties of such agricultural systems enhance the capacities of rural households to cope with the phenomenon of climate change.

Together, these benefits would enhance incomes and savings of rural households, and strengthen the rural economy; and hold the potential to decrease distress migration. Further, decentralised PDS and reviving the traditional systems would restore women's place in the drivers' seat, as far as the production and distribution of the foodgrains are concerned; give them an opportunity to develop entrepreneurial and organisational skills and break stereotypical gender roles in relation to division of labour in agriculture.

Thus, a decentralised PDS not only ensures that the rural communities have access to adequate food and nutrition, but also empowers them to seek that nutrition in their midst. It places the control over food and farming back into the hands of the rural populace and re-establishes the prominent role of women in agriculture; not to mention the prominent ecological and economic costs that would be accrued by the communities.

		<p>Food Security Bill & PDS</p> <p>The National Food Security Bill that has been tabled in Parliament seeks to enhance the food security of the poor, but provides for measures that are grossly inadequate. Many RtF activists, including the Deccan Development Society (DDS), have been demanding the inclusion of millets and the implementation of a decentralised PDS. However, the Bill accepts only the former. Considering the small quantities of millets that are presently produced (18 million tonnes), handling them centrally would be unviable in the long run. Further, a centralised PDS would sideline local knowledge and food cultures and thereby undermine the well-being of the rural masses. Therefore, for long-term food sovereignty of India and for the nutritional security of its rural communities, it is absolutely vital that a decentralised PDS be made part of NFSB and vigorously implemented</p>
<p>BRICS and the 'Responsibility while Protecting' concept</p>	<p>International Organisation</p>	<p>The concept of “the responsibility while protecting” is an interesting example of how Brazil is attempting to play the role as a mediator between the United States and Europe (which tend to be quick to recommend military intervention) on the one hand and reluctant BRICS members, such as Russia and China on the other.</p> <p>During her first address to the U.N. General Assembly, Brazil's President Dilma Rousseff acknowledged the concept of the “responsibility to protect,” according to which it is legitimate to intervene in another country that is unable or unwilling to preserve the lives of its citizens. At the same time, she conditioned her support by suggesting a complementary norm which she called “the responsibility while protecting,” which involves establishing basic criteria to assure that interventions by force always do the smallest damage possible. This provides an important framework for emerging powers who seek to strike a balance between protecting threatened populations while reducing the negative implications of military intervention. The concept of “responsibility while protecting” was part of the last IBSA summit declaration, and there is potential to approach this important topic during this year's BRIC summit in India (March 28-29).</p> <p>On Syria</p> <p>Syria shows why the concept of “Responsibility to Protect” is in crisis. There seemed to have been consensus in the case of Libya in February and March 2011. Yet already during the war, the BRICS have rightly argued that North Atlantic Treaty Organisation (NATO) forces exceeded the U.N. mandate given to them. Resolution 1973 was “to protect civilians and civilian populated areas under threat of attack,” yet NATO regarded it as a permission to bring upon regime change. As a consequence, the BRICS are now suspicious of any resolution regarding Syria.</p> <p>The concept of “Responsibility while Protecting” (RWP) may be a way towards a compromise. It proposes a set of criteria (including last resort, proportionality, and balance of consequences) to be taken into account before the U.N. Security Council mandates any use of military force. In addition, a monitoring-and-review mechanism to ensure that such mandates' implementation is seriously debated.</p> <p>There is likely to be resistance from both established powers and the BRICS. Europe and the U.S. will regard it as yet another tactic to delay resolutions that allow the use of force. India and South Africa are supportive of the concept yet Russia and China are certain to be sceptical. But there is a growing consensus that the alternative to Security Council cooperation is a return to the days of Rwanda and Kosovo, in which</p>

		<p>there is a stark choice between inaction in the face of large-scale killings (Rwanda) and action outlawed by the U.N. Charter (Kosovo).</p> <p>As the BRICS' economic and geopolitical weight increases, they have strong incentives to avoid such a scenario. While it may have been feasible to prize sovereignty over intervention at all times before, emerging powers' interests are too important and complex to hold on to such a radical position. A protracted political crisis in the Middle East, for example, strongly affects all BRICS members' national interests, and if they were able to articulate a common strategy in specific moments, they'd be able to offer a serious alternative to the established powers' narrative.</p>
<p>For a new highway, from Rio to Delhi</p>	<p>International Organisation</p>	<p>Health care, poverty alleviation and market-driven social innovation are just a few areas where cooperation between these powers(India and Brazil) can produce broad social benefits.</p> <p>'Zero Hunger'</p> <p>Brazil's "Zero Hunger" strategy, for instance, has been successful in reducing poverty, inequality and hunger by developing profitable small farms and delivering cash to poor families through innovative payment systems. As the debate rages in India about how best to reduce poverty, curb growing inequality and boost agricultural production, Brazil's experience can help.</p> <p><u>Brazil's social schemes are among the world's best targeted and are transparent. They have demonstrated how to streamline the delivery of services across all levels of government.</u> By collaborating with Brazil, India can improve the reach and efficiency of its own, notoriously leaky schemes, including the Public Distribution System, whose losses are estimated to be around 44 per cent a year. There are of course vast differences between the two countries. India's poor are twice Brazil's entire population, for example. But that shouldn't stop India from borrowing some good ideas. It's not necessary for India to indiscriminately adopt cash transfers or other Brazilian schemes to benefit from knowledge sharing. India can leverage its private sector skills to scale up programmes.</p> <p>In turn, Brazil can benefit from India's innovators, who are finding novel ways to provide the country's low-income population greater access to products, services and employment that enhance living standards.</p> <p>India has produced the world's cheapest car, electronic tablets that cost \$50, large, successful retailers who link thousands of rural workers to modern urban markets, and family-sized apartments in cities that sell for \$4,200</p> <p>Fighting AIDS</p> <p>In health care, the benefits of an India-Brazil collaboration are already evident. Faced with common diseases and limited resources, India and Brazil have used each other, challenging the international intellectual property regime to combat HIV/AIDS. In 2007, for example, Brazil broke a patent on an antiretroviral drug produced by Merck Pharmaceutical in the wake of rising drug costs. Indian firms were the only producers of the generic version of the drug, and Hyderabad-based Aurobindo ultimately provided Brazil with the active ingredient to produce it. It was estimated that this would save Brazil \$237 million through 2012.</p>

<p>No more at sea</p>	<p>India and World</p>	<p>The new emphasis on <u>maritime cooperation</u> is a positive development in the relations between India and China. The proposal came last week from Chinese Foreign Minister Yang Jiechi, and has been accepted by India in principle. The details are as yet hazy but will likely include joint operations <u>against piracy, and the sharing of seabed research technology</u>. Over the past two years, China has been an active participant in escort missions in the Indian Ocean, where the security of shipping routes originating in the Gulf of Aden is crucial to the country's energy imports. Last December, it initialled an agreement with the Indian Ocean nation of Seychelles for the refuelling and reprovisioning of its naval vessels on anti-piracy runs. <u>Underscoring its inclination and capacity to engage in maritime operations beyond its own waters, the Peoples Liberation Army Navy (PLAN) carried out an operation to evacuate Chinese citizens from Libya. China is also involved in upgrading port facilities in Sri Lanka and Pakistan. On another front, the International Seabed Authority, a U.N.-established organisation, awarded China exploration rights to polymetallic sulphide ore deposits in a 10,000 sq km area of the Indian Ocean over the next 15 years.</u> With China's increased engagement in the Indian Ocean region causing concern in some circles in India, it is good that the two sides have begun exploring ways of working together on the maritime front. A multi-ministerial group is to finalise the details of the anti-piracy proposal. Once operationalised, this may well see Indian and Chinese naval vessels cooperating with each other on the high seas.</p> <p>For India, broadening its <u>vision of maritime co-operation in the East beyond the "triangular" envisaged by the United States and Japan — or the "quad," if one includes Australia — will also help allay Chinese concerns about Indian participation in some sort of U.S.-led alliance against it.</u> The fact of the matter is that Indian strategic interests are not served by either a polarised maritime space or an Asia divided into blocs. As a major seafaring nation, India has a stake in the freedom of navigation in the Indian Ocean — where it is a provider of security for others — as well as in distant international waters like the South China Sea and the Pacific Ocean. As such, it has an interest in developing a working relationship with all navies in the region, including the PLAN, Japanese Maritime Self-Defence Forces, U.S. Navy and Viet Nam People's Navy. Apart from identifying concrete areas for cooperation, a regular Sino-Indian dialogue on maritime matters will dispel the fears both sides have developed about each other, fears the U.S. is able to take advantage of by playing the role of a balancer.</p>
<p>Don't give up on Iran oil</p>	<p>India and World</p>	<ul style="list-style-type: none"> • India finds itself in a rather difficult situation following the West's sanctions on Iran and the overt pressure being brought on it by the United States to curtail oil imports from the Gulf nation. <u>Iran is India's second largest supplier of crude oil(12%) after Saudi Arabia</u> and given the growing energy requirements of the country, it is not a viable option to close the tap on Iran, even if the West has done so. India should be guided in this issue solely by its own interests and not by sanctions that the U.S. and Europe may apply outside of the United Nations umbrella. Indeed, the pressure has been on for more than a year now on India. First, the payments for Iranian oil imports through banks based in the West were choked but India found a way out by routing money through a Turkish bank. But with pressure mounting on Turkey to close the channel, India and Iran agreed to rupee payments with about half the value of imports to be paid thus. And now, there is pressure to wind down imports from Iran totally, not just on India but also on China and Japan. While Japan is negotiating with the U.S. to keep a part of its imports out of the sanctions, China has thus far ignored them. • India, however, appears to be succumbing to pressure.

		<ul style="list-style-type: none"> • Policymakers should strategise to find an intelligent way out of the problem rather than giving in to American demands. Iran is said to be entering into barter deals with countries such as Russia by exchanging oil for wheat. India should offer similar bargains to Iran for not just food grain but also refined petroleum products.
Dealing with Sri Lanka	India and World	<ul style="list-style-type: none"> • India faces a crucial decision-making moment at the United Nations Human Rights Council on the U.S.-sponsored resolution that urges Sri Lanka to address rights violations alleged against its army in the final phase of the war against the LTTE in 2009. • In fact, the proposed censure might work in exactly the opposite way, by further fuelling Sinhala nationalism and rendering the possibility of political reconciliation even more distant. • It should be clear to all concerned that a decision by India not to support the resolution cannot be seen as backing for Sri Lanka's record on human rights; Colombo would be mistaken if it interprets it thus. Indeed, an Indian decision to abstain or vote against the resolution would place an even bigger responsibility on New Delhi to ensure — through more effective and even hard-edged diplomacy — that the Rajapaksa government delivers on the commitments it has made on the political and human rights front.
Lifting up the Indo-Pak trade game	India and World	<p>Few policy decisions in Pakistan have been subjected to as much rigorous analysis and public debate as liberalising trade with India. Benazir Bhutto's Pakistan People's Party government launched the discourse in 1996 with a major report that concluded that gainers (consumers, farmers, most manufacturers and the government as revenue collector) would far outweigh the losers (some manufacturers) and had strongly recommended normalisation of trade. That robust conclusion has been corroborated subsequently by several studies.</p> <p>And yet it has taken 16 long years to grant the Most Favoured Nation status to India. This is because the debate is informed mainly by a cost-benefit analysis of gainers and losers in the short term, and a national frame without the context of a strategic regional vision. Such a vision, commonly shared by India and Pakistan, is critical to avoid the inevitable pitfalls that could threaten India-Pakistan trade in the future.</p> <p>Immediately following the Partition in 1947, India was Pakistan's most important trading partner accounting for half of Pakistan's exports (agricultural produce and minerals) and 32 per cent of imports (mainly manufactured goods).</p> <p><u>Difficulties surfaced as early as 1949</u> for primarily economic management reasons. Pakistan did not match India's decision of devaluing the currency which resulted in a reduction of Pakistan's exports to India and a surge of imports. In the brave old world of quantitative interventions and obsession with bilateral trade balances, Pakistan placed restrictions on imports from India and trade fell dramatically.</p>

Jingoistic dimension

India-Pakistan bilateral trade never really recovered from that early jolt. The wars of 1965 and 1971 and the Kashmir revolt in the 1990s introduced a jingoistic dimension to the debate. The compelling economic argument for resumption of trade was put to the impossible test of “improvement in ground realities”.

It would be a mistake, however, to overlook the economic underpinnings of the reservations over liberalising trade with India. The early restriction on imports of Indian manufactured goods was an important element of the import substituting industrialisation strategy that created a strong industrial base in Pakistan. For three decades, Pakistan's manufacturing sector grew at double digits and helped spur an average annual GDP growth of over 6 per cent.

With sustained high GDP growth, young and increasingly assertive industrial entrepreneurs and rapidly improving infrastructure financed by generous multi-lateral assistance, Pakistan was seen as the poster child of successful economic development. India, in contrast, was mired in the 3 per cent **“Hindu” growth rate**, its entrepreneurs blunted by stifling state regulation and crumbling infrastructure.

Trade with India is being liberalised in a setting different from those heady days. Pakistan's economy has experienced sharp boom and bust cycles in the last 20 years while India's has been on a steadier upward growth trajectory. India's manufacturing, while not as competitive as China's, is beginning to strengthen. **Pakistan's manufacturing, on the other hand, has not built on the earlier momentum and is losing ground internationally.** The liberal trade regime with China has flooded the local market, edging out small and medium enterprises that had previously enjoyed protected local niches.

The apprehension of industry in Pakistan is that another dose of trade liberalisation with yet another large economy, where industry enjoys the advantage of scale, will erode profitability further. While China's “friendly fire” has been accepted grudgingly for geo-political reasons, the threatened industry will argue that there is no advantage in losing market share to the “enemy”.

Thus bilateral trade imbalance, rapid loss of market share and associated loss of employment in the affected industry will be watched carefully in Pakistan and the reaction will be loud and shrill. The losers, more visible, better organised, will drown out the amorphous, less visible, gainers. The trajectory of trade liberalisation with India is thus likely to be jagged.

How do we avoid the inevitable pitfalls of India-Pakistan trade liberalisation that threaten quick and sharp reversals? The answer lies in both Pakistan and India lifting up their game to subject the bilateral trade relationship to a longer term strategic cost-benefit analysis than one that is tactical and myopic. Pakistan has to see trade liberalisation with India and China as part of a longer term economic growth and nation building strategy. For sustained improvement in living standards, Pakistan needs an economic growth of 7-8 per cent per annum for three decades or more. Furthermore, given the complex ethnic mix, economic growth has to be regionally balanced. Such a growth strategy has to be built on advantages rooted in history and geography.

The region that now constitutes Pakistan was a contiguous “nation” way back in the era of the Indus Valley Civilisation and then patchily and episodically under the Taxila Buddhist kingdoms, the early central Asian Muslim slave fiefdoms and then most recently under the Sikhs. And yet, the region has had a strong influence on South Asian culture and identity.

This is because the three principal regions of modern day Pakistan, Peshawar, Lahore and Upper Sind were connectors of the lands to their West and North — Iran, Central Asia and China — and those to the East — India — and as such became centres of trade, commerce and culture. This flourishing activity made them growth nodes that brought prosperity to their surrounding regions.

Anglo-Russian rivalry and the long Chinese slumber cut off the land routes and markets to the West and the North, and Pakistan-India disputes truncated the routes to the East. Independent Pakistan invested heavily in infrastructure and trade along the North-South corridor via Karachi replaced trade across land borders. For the first time in history, Pakistan's three historical regional centres achieved a high degree of connectivity defining an Indus Basin market across the length of modern day Pakistan.

The Indus Basin market that spurred growth rates of 6 per cent or more for several decades has now run its course. Pakistan thus has to create a new “vent” for long-term sustained economic growth that is regionally balanced. This requires reverting to geography and history.

Pakistan lies at the heart of a rapidly transforming world around its land borders. To the North and East are the skills and savings-rich economies of China and India with a combined population of over 2 billion growing at 8 per cent or more. To the West are resource rich Central Asia, Iran and the Persian Gulf states. Reopening the historical East-West-North trade routes and linking them with a strong North-South corridor will make Pakistan the trade hub of South Asia. And trade hubs, that lower cost of transporting materials and people, are precursors of industrial hubs that produce sustained economic growth.

This is the strategic vision that should guide Pakistan's trade relations with all its neighbours, including India, and not the short-term cost-benefit analysis of the impact of liberalisation on some niche manufacturers.

And how should India lift up its game? All paths to economic development and prosperity do not have to be routed through sweat shops catering to affluent western consumers. A large and vibrant Asian regional market would constitute a significant and, given demographic shifts, growing part of global demand for products. India's long-term strategic interest is to help create that Asian market. That, in turn, requires strengthening Pakistan to be an effective regional hub that connects the Asia-wide market.

Full-fledged ties

A successful management of the new liberalised India-Pakistan trade regime to scale it up to a full-fledged economic relationship will be key. In the short term, it may well mean exercising voluntary restraint on exports that hurt small and medium-sized Pakistani manufacturers. It would

		<p>also require focussing on export of machinery and technology to Pakistani firms that currently import these at high cost from more expensive developed country sources.</p> <p>Joint ventures and other investment strategies would need to be developed to set up production units for the Asia-wide market. Visa regime will have to be liberalised and travel facilitated so that small entrepreneurs develop cross-border business linkages and gains from liberalisation are shared more widely.</p> <p>Above all, collective punishment as a policy option in dealing with Pakistan will have to be eschewed. Imposing sanctions on people already hurting from barbaric acts of terrorism is counter-productive in realising the vision of a prosperous and peaceful Asian economic region.</p>
BRICS starts building	International Organisation	<ul style="list-style-type: none"> • The forceful and positive statement of intent with which Brazil, Russia, India, China, and South Africa concluded their fourth annual summit on Thursday is entirely appropriate for five countries which between them account for 43 per cent of the world's population and 18 per cent of global trade, and attract 53 per cent of global financial capital. • While the BRICS five have repeated their criticism of the slow pace of reform in the International Monetary Fund and called for modified international financial institutions which better reflect today's global pattern of economic power, their key Delhi move has been the plan for a new development bank modelled on the World Bank and the Asian Development Bank; major steps towards this are the respective agreements on credit facilities in BRICS currencies and on letters of credit. • These are intended both to finance development and to reduce the vulnerability of member states to the vagaries of the currently under-regulated international financial system. The declaration explicitly notes the risks volatile food and energy prices pose for the world economy, as well as the problems of equally volatile capital flows caused by the “aggressive” actions taken by advanced countries' central banks in response to the world economic crisis. While the BRICS bank idea will likely take years to fructify, the key lies in deepening the channels of economic and financial flows within the five. • In political terms, the Delhi Declaration is a clear signal that the states concerned have global weight and mean eventually to use it.
Syrians pay the price	International Affairs	<ul style="list-style-type: none"> • In Syria, Mr. Assad continues to claim legitimacy, stating that the recent referendum has endorsed his constitutional proposals with a 90 per cent vote in favour, on a 57 per cent turnout. The proposals include guarantees of free expression and opinion, elected councils in a pluralist political system, and a two-term or 14-year presidential mandate limit; the Baath Party would also cease to be the constitutional leader of state and society. • These changes are not very effective now because of geopolitical reasons. • For the United States, regime change in Syria is a pit stop on the way to confrontation with Iran, so any settlement which leaves Damascus-Tehran relations untouched will not be acceptable.

		<ul style="list-style-type: none"> • Russia, Syria's most powerful ally today, is angry about what it considers deceit by the western powers over Libya. Moscow will veto any U.N. resolution proposing intervention in Syria, and will continue to arm the Syrian regime. • Iran, another strong backer of Mr. Assad, recognises what the collapse of his regime will do to regional dynamics in West Asia, especially in Lebanon. • Furthermore, the failure of the Arab League mission in January and the absence of consensus and even credibility at the U.N. Security Council mean that other international options are fast disappearing. Syria as a nation commands respect in West Asia, and public feeling in the region is undoubtedly embittered by the fact that the U.S. has never allowed the U.N. to condemn Israel for its actions in Gaza and the West Bank and stand up for the legitimate rights of the Palestinians. Given the interests propelling its most powerful members, the U.N.'s helplessness should not surprise anyone.
French nuclear giant Areva reports \$3.2-bn loss	International Affairs	<p><u>Germany has decided to shut down all of its plants by 2022, forcing Areva to lay off staff in that country.</u></p> <p><u>Switzerland by 2032</u></p>
Sri Lanka against itself	International Affairs	<ul style="list-style-type: none"> • Sri Lanka is engaged in an all-out effort to stave off a resolution against it at the ongoing session of the United Nations Human Rights Council at Geneva. • Draft resolution asks Sri Lanka to implement the recommendations of its own Lessons Learnt and Reconciliation Commission, as well as to initiate credible investigations into violations of international human rights laws not addressed adequately by the LLRC. • Sadly, Sri Lanka's response to the Geneva challenge has been to whip up anti-U.S., anti-West, Sinhala nationalist protests at home, creating an atmosphere of an island under siege. This is hardly a constructive response; if anything, the government's over-the-top campaign may further sharpen ethnic cleavages in the country.
A month of living dangerously	International Affairs	<ul style="list-style-type: none"> • Two issues have to be sorted out urgently for the country(Maldives) to make a political turnaround. One, a decision on a date for Presidential elections, and two, actually holding the elections. But this may be easier said than done, as none of the players seems to be in any urgency to break the deadlock. • Ironically, Mr. Nasheed himself hastened the pace of the State moving towards constitutional anarchy when in his last days as President, he ordered the arrest of a judge on charges of corruption on January 16. This act negated much of Mr. Nasheed's

		<p>achievements: the first democratically elected President of the Maldives, ended up setting in motion a process that struck at the very roots of democratic practices that he had embraced.</p> <ul style="list-style-type: none"> • The Parliament meet is crucial because it has to approve with two-thirds majority an amendment to the Maldivian Constitution to hold elections ahead of schedule. • The Maldives archipelago depends mostly on tourists' wallets and to a small extent on tuna exports.
<p>Cautionary tales from the high seas</p>	<p>International Affairs</p>	<p>The killing of two innocent Indian fishermen allegedly by Italian marines has triggered a debate on the efficacy of allowing private maritime security companies on merchant vessels in the battle against piracy on the high seas.</p> <p>According to estimates, 35 per cent of ships that transit through the Gulf of Aden and the Arabian Sea deploy armed guards. There have been no reports of hijacking of such ships.</p> <p>In August last year the Government of India approved guidelines permitting the deployment of armed security guards on merchant vessels, three months after the International Maritime Organisation (IMO) circulated its own draft guidelines on the subject.</p> <p>Both in the IMO, and in the meetings of the Contact Group on Piracy off the Coast of Somalia — countries that have voluntarily come together pursuant to the U.N. Security Council Resolution 1851 on piracy — several countries agreed to deploy armed guards, but flagged some issues as areas of concern that remained to be sorted out.</p> <p>According to a background note prepared by the government to its guidelines, these included deploying military personnel as against private security guards and the possible “infiltration” by terrorists or other unlawful elements; the possibilities of escalation of violence at sea; issues of liabilities for injuries or deaths of innocent fishermen and seafarers; transit of merchant ships with armed security guards through territorial waters of a coastal state using right of “innocent passage” granted under the provisions of United Nations Convention on the Laws of the Seas (UNCLOS); the facilitation that would be required from coastal states for the embarking or disembarking of security guards from merchant ships; and questions over chain of command — the Master of the ship has over-riding authority, as mandated by the International Convention for Safety of Life at Sea (SOLAS) — that may arise by deploying military personnel on board.</p> <p>Guidelines</p> <p>The Ministry of Shipping of the Government of India has not endorsed the use of armed guards on merchant ships. But given the threat to shipping from pirates it has allowed the Indian ship owners to deploy armed security guards, and prepared guidelines for this after consulting different agencies and the Indian Navy. It has also made clear that it is the ship owners who must make the risk assessment.</p> <p>Among the guidelines suggested was that before ship owners finalise contracts with a private maritime security company, they should do due</p>

diligence on the company structure, its ownership, insurance and seek other documentation including police records, and run a check on its employment history.

The guidelines are also clear that when ship owners enter into a contract with a private maritime security company, they should ensure that the command and control structure remains with the Master/ship's officer and that the role of the armed guards' team is both clearly defined and documented.

Role of the Master

The Chief of the Southern Naval Command, Vice-Admiral K.N. Sushil, told *The Hindu* recently that at all times the responsibility of the armed guards should rest with the Master of the ship.

This empowerment would not only ensure a clear command structure but also make the Master accountable, and more diligent about first ascertaining the bonafides of an approaching vessel.

Before arriving at a conclusion that an approaching boat or a skiff had pirates, he said, a Master must ascertain its intention.

The Master could order the vessel to undertake evasive manoeuvres — that is change the ship's course — to establish whether the approaching boat was on its own course or if it was chasing his vessel. In case it continued to approach the vessel, the Master could order the guards to take necessary action by firing to deter the pirates from boarding the ship.

The guidelines issued by India are categorical that the armed guards on board a vessel should remember that their primary function is to prevent boarding by pirates by using minimal force, and undertake all responsible steps to avoid the use of force.

The guidelines also state that the private guards should not use firearms against persons except in self defence or defence of others against the imminent threat of death or serious injury to prevent the preparation of a serious crime involving grave threat to life.

In the wake of the tragic incident off the Kerala coast, India has starting issuing navigational warnings sensitising transiting merchant vessels about fishing activities in the area. The International Maritime Bureau Piracy Reporting Centre based at Kuala Lumpur has also issued an advisory.

As the Indian Navy does not want to take on the job of providing security to merchant vessels, there is a move to involve the Central Industrial Security Force and the modalities of this are being worked out.

It is for the IMO and countries affected by piracy to draw the right lessons from the incident off the Kerala coast and decide on how to streamline the different sets of existing guidelines in various countries into a comprehensive internationally accepted law.

<p>Punishing a whistleblower</p>	<p>International Affairs</p>	<p>The United Nations special rapporteur on torture has just submitted his findings on Washington's prolonged and controversial detention of WikiLeaks hero Bradley Manning. Simply put, <u>he has concluded that the punitive conditions imposed on him, before being pronounced guilty, amount to cruel, inhuman and degrading treatment.</u> The former U.S. intelligence analyst has been under incarceration since May 2010 for allegedly having leaked secret State Department cables to the whistleblower website WikiLeaks. Mr. Manning is charged with over 20 offences, of which that of aiding the enemy could even attract the death penalty. The United States government has hampered investigations into his treatment — including solitary confinement for eight months, ostensibly to prevent him from causing harm to himself</p>
<p>Feed the needy, not nuclear ambitions</p>	<p>International Affairs</p>	<p><u>North Korea</u></p> <p>The Food and Agriculture Organisation of the United Nations (FAO) estimates that there is an “uncovered deficit” of over half a million tons of food. The United Nations Children's Fund (UNICEF) considers that a quarter of women in the age group of 15 to 49 are malnourished and nearly 90,000 children in danger of slipping into severe malnutrition.</p> <p>The first crisis</p> <p>Why is North Korea so chronically short of food? Part of the reason is the topography and climate. Most of the country is mountainous and the crop growing seasons are short. But more important is the government's practice of “self-reliance” in food supply in the world's last total command structure economy. All markets were banned in North Korea for many years in efforts to create a society hermetically sealed off from the outside world. The first major crisis hit the country with the dissolution of the Soviet Union and the loss of crucial economic support including oil supplies at “friendship prices” from the Eastern Bloc. The public distribution system that reached food and essential supplies to the majority of the population suffered a setback from which it never fully recovered.</p> <p>It was during the famine that illegal food markets sprang up in the country as a desperate coping mechanism. The government was compelled to bring in reforms that recognised these markets in 2002. This policy was however reversed from time to time. In 2007 we were witness to one such bizarre attempt when women under 40 were banned from trading in general markets.</p> <p>It was also in 2002 that the government announced that it would resume plutonium production and ejected International Atomic Energy Agency (IAEA) inspectors for the first time. Following North Korean announcements in December 2002, Japan introduced trade embargoes and the U.S. imposed financial sanctions. The complexities multiplied manifold with the nuclear tests done by North Korea in 2006 and 2009 and the U.N. sanctions that followed. An aborted satellite launch also preceded the 2009 nuclear test by a month.</p>
<p>No budgeting for health</p>	<p>Economics</p>	<p>The absence of significant statements of intent or noteworthy financial outlays on health in the Union budget is glaring.</p> <p>Significant government support would be required to make progress on a National Health Package offering free treatment under UHC. Several tasks have to be accomplished in parallel. These include creation of trained public health cadres, setting up of a National Health Regulatory</p>

		<p>and Development Authority to evolve norms for treatment, costs and so on, and developing an Information Technology platform to administer the massive enterprise. The challenge to achieve quality and access is staggering. The global average of hospital beds to population is 2.9 per thousand, but India has 0.9 beds. If there is a focus on preventive care, a lower ratio of 2 per thousand would be able to meet the national requirement by 2022, estimates say. But what is particularly worrying is that half of the beds now available in government facilities are listed as “non-functional”, along with 30 per cent in the private sector. It must also be pointed out that rural citizens have shockingly low levels of hospital bed access, especially in central India, compared to urban counterparts. Evidently, it will take a Herculean effort over the next five years to create a foundation for UHC. The finalised Plan and the financial outlays will reveal whether a revolution is on the anvil.</p>
<p>How to ignore Somalia</p>	<p>International Affairs</p>	<p>The London conference on Somalia held last month with participation by 55 countries and international organisations concluded with a communiqué which gives as much attention to Somalia-based piracy as it does to stability and recovery of the country. The emphasis on the former is understandable given that 62 seafarers have been killed in the last four years, that nearly 200 attacks on merchant ships have been logged in the first 10 months of 2011, and that ransoms now stand at \$4 million per ship. But unless the fight against piracy is part of a comprehensive plan to help Somalia reacquire a functioning government, it will never fully succeed. The world's shipping powers collectively spend \$2 billion a year on anti-piracy operations spread across an area the size of mainland Europe. Many countries have also approved the use of armed guards on board their ships. On the political side, U.N. Security Council Resolution 2036, passed on February 22, widens the mandate of the African Union Mission in Somalia and increases the size of its troop contingent. The London communiqué, for its part, notes that the current Transitional Federal Government (TFG) mandate ends in August, and proposes that a caretaker authority govern Somalia until a new constitution is endorsed by a referendum and a new executive and parliament are elected.</p> <p>The communiqué, however, says nothing about standards for shipboard guards, rules of engagement, or liability for harm or damage to third parties. Secondly, it rules out impunity for pirates, but ignores the warlords who have devastated Somalia. Thirdly, a purely military response sidesteps the need to address the absence of sovereign authority. Somalia's TFG was represented in London, but so were representatives of three northern provinces; moreover, the Joint Financial Management Board created by the conference will mean de facto western economic control over Somali finances. In the war-torn south, the TFG has recaptured most of the capital, Mogadishu, from the extreme Islamist al-Shabaab grouping, but the Kenyan and Ethiopian forces which helped them will not leave soon, especially as instability on the border could cost Kenya tourism revenue. Sadly, the London communiqué makes no attempt to address the creation of physical infrastructure in Somalia, which would enable the flourishing, clan-based Somali civil society to provide a foundation for the political reconstitution the country needs. The conference, in effect, focused more on the threats piracy poses to foreign commercial interests than on Somalia itself. Which is a pity, since a lasting solution to the problems at sea can only be found on land.</p>

<p>A wake up call for Colombo</p>	<p>International Affairs</p>	<p>The passage of the United Nations Human Rights Council resolution on Sri Lanka is proof that the international community disapproves of the manner in which the Rajapaksa government is addressing the fallout of its Armageddon moment of mid-May 2009. The resolution, backed by India, asks Sri Lanka credibly to investigate allegations of rights violations in the course of its war against the LTTE. The wording of the resolution was tweaked by India to say the implementation assistance the United Nations Commissioner for Human Rights will provide must be with Sri Lanka's "concurrence". Yet, Colombo must not misread this concession.</p>
<p>A time for India to stand up and be counted</p>	<p>International organisation</p>	<p>The World Bank is at a turning point, and <u>India has a major voice in deciding its future</u>. The serious candidates (Finance Minister Dr. Ngozi Okonjo-Iweala of Nigeria and Dr. Jim Yong Kim of the United States) present the 180 countries who sit on the Board of the World Bank with a clear choice between visions of the World Bank.</p> <p>Two visions</p> <p><u>Vision One is the World Bank as a full-service development institution that provides loans and grants and development advice to promote economic development through capable administration that allows governments to carry out their core functions — economic management, law and order, education, infrastructure, regulation and environmental management.</u> This is the role that the Bank has played over decades in India and a role that continues to evolve as India's financial capacity grows and its development needs change. This is similar for other growing countries — during my time as World Bank Country Director for Brazil, the Bank's focus was that of a partner assisting Brazil address what now-President Dilma Rouseff defined as "helping address the paradigmatic challenges" (which included finding a balance between development and conservation in the Amazon, building a platform for inclusive growth in the poor northeast and modernising the public sector). To lead an institution with this vision, the qualifications for the President are clear: exposure to the breadth of development issues in a wide variety of countries, experience in setting economic and financial policy, and experience in managing a multi-cultural large organisation.</p> <p><u>Vision Two is that of the World Bank as an aid agency implementing the vision of "the anointed" in rich countries. In the U.S. this means the vision of domestic charities, which care little about or are hostile to economic growth but see development as being focused on health rights for the poorest, and see NGOs as the central delivery mechanism for these services.</u> This vision is manifest in the appointment of the Administrator of USAID — a young physician whose main working experience is in the Gates Foundation which champions the social sectors, and which opposes a role for USAID in critical areas like infrastructure development.</p> <p>The candidates</p> <p>The beauty of the contest for the President of the World Bank is that there are two serious candidates, one aligning with each of these visions. On the one hand is Minister Ngozi, who is the former Foreign Minister and also former number two in the World Bank, a woman with deep experience throughout the developing world, who is widely respected for her courage and demonstrated capability in diplomacy, strategy and management.</p> <p>On the other hand is the U.S. nominee, Dr. Jim Yong Kim, an academic physician who has done fine work on complex medical issues (like</p>

tuberculosis) and who helped found an NGO which gets funds from rich people to help address the health needs of the poor in Haiti and Rwanda. Aside from his first five years in Korea, he has not lived in a developing country, has no experience in development issues in countries which have grown out of poverty, has no experience in finance, economics, business or regulation, and has a world view (as shown in *Dying for Growth*, his only published non-medical work) that economic growth leads to more poverty. His writings and work show no interest in the road followed by countries that have escaped from poverty (like his native Korea), and no grasp of the development choices by these countries.

President Obama is sending Dr. Kim on a road trip to seven countries, including India. If India is to be true to its claimed and proper role in the world, it will (a) define the qualifications it sees as necessary for the job (b) objectively assess Minister Ngozi and Dr Kim against these qualifications. If this process is followed, the outcome is obvious. In the words of fellow Harvard Professor and former World Bank economist Lant Pritchett "(Kim's nomination) is an embarrassment to the U.S. You cannot with a straight face say this person is the most qualified to lead the World Bank." However, there is no doubt that the Obama administration, which will not want the embarrassment of facing accusations of "who lost the World Bank?" in an election year, will strong-arm countries into acquiescing with its frivolous choice. This is a time for India to stand up and be counted.