

Freedom First

The Liberal Magazine

FREEDOM LOST

One by one, our institutions
are being denigrated without
a thought for the future.

Freedom First believes in an open society based on minimum government and maximum freedom tempered by a sense of individual responsibility, in which the people's genius has a fair opportunity to develop and grow; we reject any ideology, movement or policy that sets one group of citizens against another be it based on class, caste, religion or envy.

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N O T E S

Sino-Nepal Treaty

The full text of the Sino-Nepal Treaty signed at Peking in September after parleys between Nepal's Premier Mr. Tanka Prasad Acharya (who was on a *private* visit to Peking) and Mr. Chou En-lai has not yet been published. The agreement corrects the position of superiority and privilege that Nepal enjoyed in Tibet as a result of a military victory over the forces of invading Tibet in the 18th century. Nepalese traders in Lhasa had the protection of a Nepalese military unit. Tibet gave an annual subsidy to Nepal. Nepal had the right to send military escorts to trading groups travelling to Lhasa. Of course these terms have become out of date and a new agreement normalising the relations between China and Nepal on a basis of reciprocity seems necessary and natural. Accordingly Nepal's relations with Tibet (and China) are redefined in the new treaty. Travellers to Tibet including diplomatic representatives will now have to possess passports and visas as between neighbouring nations of the modern world.

One curious feature of the agreement seems to be that Nepal will have the right to station trading units in three places in Tibet in exchange for which it is *China* and *not Tibet* that will have corresponding trading units in Nepal. China thus will have permanent outposts for trade and diplomacy in Khatmandu and other places in Nepal. And China adds her own to the British, Indian and American embassies in Nepal. Russia, it may be presumed, will not lag far behind before following suit with her own claims.

The agreement is said to mention the *panchshila* principles as governing the relations between the two countries. Thus India cannot object to the entry of Chinese influences into Nepal as she is the doughty champion of *panchshila* as the paramount basis of international relations.

The fact remains however, that Nepal lies within the perimeter of Indian defence on the North. India has a strategic interest in this area which cannot be abrogated by *panchshila* abstractions. One item of the agreement is the offer of aid by China to Nepal to the extent of Rs.6 crores for economic development "without strings" of any kind (as it is announced). Such aid cannot be formally objected to but under the present administrative conditions in Nepal, large amounts of Chinese funds are likely to flow into the hands of politicians and others who may develop a vested interest in Chinese largesse. Indian aid is earmarked for specific projects in the execution of which India offers the assistance of technical personnel. It is said that many Nepalese do not like this rigidity in Indian aid conditions for their own reasons.

Dr. K. I. Singh, who was on a visit to New Delhi last month, has expressed uneasiness about the possible mischief of this Chinese aid proposal and in general about this open door policy extended by Nepal to China.

The absolute need that India has of assuring herself of

the defence of her paramount interest brings Nepal within the ambit of Indian influence. *Panchshila* only freezes the status quo and ignores the dynamic factors that are continually growing beneath the surface. India should enter into negotiations with China and get her to acknowledge and respect India's overriding interest in this vital area.

The intrusion of Chinese forces into the border of Burma ignoring the *Panchshila* treaty between them (so recently signed) on the plea of old maps and undemarcated borders recalls to Indian observers the existence of similar old maps showing Bhutan and considerable portions of Indian territory inside the MacMahon line in Assam within China.

The grim fact is that China is expansionist from the beginning of her imperial days centuries ago; and the new military might being forged by her present rulers has only strengthened this old trait of hers! *Panchshila* seems too frail a barrier against the urge of New China. This is all the more reason therefore for special efforts to get India's rights recognised betimes.

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Freedom of The Press

We have not had any reassuring reaction from the Prime Minister (who has been undoubtedly a champion and architect of democracy in India before the advent of national independence) in regard to the reactionary Bill imposing fresh shackles on the Press passed recently by the Punjab Legislature. He might have advised the Punjab Government against the measure and persuaded them to make it at least short-lived with a definite time limit set on it.

But on the contrary it is a matter of dismay to find him thinking on the same lines himself! He said in a meeting recently that the extent and nature of class hatred stirred up by certain communal papers in the U.P. during the agitation against Bharatiya Vidya Bhavan's publication *Religious Leaders of the World* had prompted him to advise the Home Minister to draft a new measure to be put on the statute book curbing the freedom of the press and directed against the tendency to inflame communal passions.

The freedom of the press is fundamental to liberty. If all other liberties are suppressed leaving only the freedom of the press untouched, it is possible to recover them all through public canvassing and organisation of opinion, but if the freedom of the press which is a part of the freedom of expression is suppressed, other liberties will not long survive.

What you have just read are excerpts from the comments in *Freedom First* in its issue No.54 of September 1956. You will find the full text of these comments and more in our archives - www.freedomfirst.in

Freedom First

The Liberal Magazine
62nd Year of Publication

Number 557 – November 2013

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Subscription:

Annual: Rs.200: Two years Rs.350

Three years: Rs.500

Overseas: Annual only US\$20 / £10.

Cheques/DDs in favour of ICCF

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Published by J. R. Patel for the Indian Committee for Cultural Freedom and printed by him at Union Press, 13 Homji Street, Fort, Mumbai 400001. Tel. 22660357, 22665526. Typeset by Narendra Kotak, A-605/606, Mahavir Platinum, Next to Indian Oil Nagar, Govandi, Mumbai 400043.

Between Ourselves...

After the rather depressing narration in the last issue of why the country was going towards its doom, we felt we would shift to a less depressing subject. As it happens, as we were preparing this issue for the press, we received from our two stalwart columnists two articles. The first from Ashok Karnik pleading with the state and Indian people to 'Spare the Army' and the other by Firoze Hirjikaka who felt that we were creeping towards better days – even if such days were far away but taking satisfaction that at least we were headed in the right direction. We wondered which one to take as the cover story and after some deliberation convinced that the present and immediate danger was the tinkering with the Army, a favourite pastime of the civil establishment.

The Election Commission, the Supreme Court and the Armed Forces are the only three institutions that have still stood the test of time these 60 plus years. And so the cover went to the story by Ashok Karnik. If readers feel that we are treating this as a game, we apologise for giving such an impression. The fact we are being needled from three sides: In the North West by Pakistan's Army and their *Jihadies* in and out of uniform, and to the North and East by the Chinese. This is the time when the Army's morale ought to be very high and the support of the establishment of the and people would greatly add to their morale.

Editor

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From Our Readers

Need for Referendum on Telangana

The demand of people in Seemandhra for a unified Andhra Pradesh is now reaching a crescendo. While, fortunately, the agitators have remained peaceful so far, it is possible that unruly elements may enter the fray, causing violence and more mistrust.

While one can endlessly argue for the creation of Telangana or for a unified Andhra Pradesh, it is obvious that the UPA II government has succumbed to the pressure tactics of the Telangana agitators. In the process, it has failed to gauge the feelings and views of those who demand a unified Andhra Pradesh.

Unfortunately, the UPA II government led by Manmohan Singh and the Congress party leadership, which obviously has goaded UPA II government to accede to the demand of Telangana do not have the credibility and moral authority to engage in a fruitful dialogue with the agitators from both the sides, to work out an amicable solution. The net result is that tremendous damage are now being done to the economic and social conditions in the entire Andhra Pradesh state and the pride of Telugu people is being injured.

Under the circumstances, the only solution to solve this present impasse in Andhra Pradesh is to hold a referendum amongst the people in the entire Andhra Pradesh on the issue of creating separate Telangana. This referendum can be conducted separately along with the forthcoming parliamentary polls. The next Union government that would be formed after the parliament elections can take an appropriate decision on the basis of the results of the referendum.

Leadership of the UPA II government should have the wisdom to take such bold and pragmatic decision that can find a convincing solution for the problem in a truly democratic and civilised way. Such referendum will also call the bluff of the politicians in the state who claim that they speak on behalf of the common men with regard to creation of separate Telangana or unified Andhra Pradesh. Let common men speak for themselves.

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“None of the Above”

The Supreme Court has ruled that we the people,

now have the right to reject a candidate with dubious background. Politicians have already started feeling alienated and as expected, there is unanimity in their opposition to the ruling.

I have noticed that when the heat is turned on our corrupt and spineless politicians take umbrage behind the ‘burka’ of the Supreme Court bypassing parliamentary democratic process as if only the parliament has the sole right to decide what is good for the people.

More importantly, in a country with an illiterate electorate where votes can be bought with cheap desi daru (country liquor), can the ruling fulfil its noble objective? I have my doubts! Lekin mera dil phir bi hai Hindustani.

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Borders and Limits to Patience

The Kashmir issue cannot be settled and debilitating intrusions and terror attacks from Pakistan will not cease until India takes over Pakistan Occupied Kashmir (POK) by means of bold and decisive military action, and in the bargain pummels Pakistan to a pulp. It is only then that Nawaz Sharif - or whoever it is that matters - will develop true sincerity in talks with India. All along till now they have been making monkeys of us, and we seem to revel in our ancestral heritage, rather than display a modicum of national pride or a basic animal instinct of self-preservation inherent even in apes.

Temple Stampedes

The pujaris and management of popular temples all over the country rake in the moolah by way of valuable “offerings” made by devotees flocking to them on certain “auspicious” days. Why, then, is the government always held responsible for the stampedes that predictably occur every now and then? It’s the duty of the temple management to enlist and train an adequate number of volunteers to ensure smooth and safe passage of devotees, and to provide adequate insurance cover. The local administration may, at best, provide guidance and play an advisory role in crowd management. In a secular society, it is beyond the purview of the State to play a role in facilitating the religious proclivity of its people.

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Spare the Army

Ashok Karnik

*One by one, institutions are being denigrated in this country, without a thought for the future.
The venerated Army is now suspect.*

The sensational newspaper reports about the Army's Technical Support Division (TSD) prepared by the Army's own Board of Officers enquiry was shocking; it puts our apolitical Army in the dock. It is alleged that the TSD indulged in electronic snooping over the Government, tried to bring down the J&K Government and used an NGO to lodge a PIL against the then prospective COAS, Gen. Bikram Singh. The allegations are prima facie dubious but since these are made by the Army's own enquiry, held by Lt. General Vinod Bhatia, one has to take notice. The report was leaked and its official version is not available but the Government has not denied its existence.

False Trail?

It was made to appear as if the TSD was set up under instructions of General V. K. Singh (now retired) and controlled by him like his personal army. The TSD worked under a Lt. Colonel, with 30 men and had a budget of a few crores. V.K. Singh has had a running battle with the Ministry of Defence (MOD) prior to his retirement over his date of birth (DOB). In this fracas, anything was considered good enough to beat V. K. Singh with; his likely alliance with the BJP adding fuel to the fire. Therefore, the present report and its leakage raised doubts. There was also an important question why, if the report was so alarming, the Government did not take action for six months after the report was received in March 2013. In fact, if the report is true, the Army's activities amounted to treason. It may be recalled that a news story had claimed last year that an army unit had marched on Delhi without authorization, at the height of Gen. Singh's battle with MOD over his DOB. This turned out to be a false alarm. Such reports are deliberately leaked to damage reputations of those who clash with the Government. Gen. Singh's fight over his DOB might be unedifying but to resort to underhand tricks to defame him is even worse. Some news media allow themselves to be used as cat's paw; they need to take care to avoid being manipulated; sensational disclosures are often gambits in intramural power play.

Flawed response

Gen. V. K. Singh countered the allegations by claiming that the TSD was set up post-26/11 under orders

of the Minister of Defence. The equipment alleged to have been used for eavesdropping was purchased by the Defence Intelligence Agency (DIA) and not by the TSD. The DIA does not work under the Army Chief but directly under the Ministry of Defence (MOD). The equipment was found to be unserviceable and was given away to a private party. The Government should ask why the DIA purchased this equipment and what was done with it. It was ridiculous to allege that a mere Rs. 1.30 crore were enough to topple a state government. V. K. Singh did admit that money was paid to a Minister but it was meant for social and sports activities meant to bring the Kashmiri youth into the national fold. Here, he committed a blunder. Reticence is a virtue the General forgot. If the money was paid from the secret service fund, he had no business explaining its purpose. He was not required to do so. In his eagerness to rebut the allegations made against him, he forgot the cardinal principle that secret operations are meant to be kept secret and there was no need for him to drag a Kashmir Minister into the controversy. Gen. Singh raised more questions by making such a disclosure: Why should the TSD indulge in such covert activities? Is the Army meant to dabble in internal socio-political matters by using its secret funds? It does a lot of social work in J&K and other states through 'Operation Sadbhavna' to make the Army's profile more people friendly but should it be a covert operation?

Gen. V. K. Singh obviously holds Gen. Bikram Singh, the current COAS, responsible for the report against him. The relations between the two Generals are certainly not cordial. Bikram Singh may feel that V. K. Singh tried to deny him the Chief's post by trying to extend his own service by one year and the latter feels that his successor tried to strike back through the present enquiry report. In fact, the sniping within the Army has given a chance to outsiders to malign the Army. It is not like any other bureaucratic struggle as the Army Chief is God for lakhs of jawans and his getting tarred affects those who are prepared to die for him.

Tarnished Institutions

The entire sordid episode raises more fundamental questions beyond Gen. V. K. Singh's personal conduct.

The Army is now accused of using its secret funds for political ends as also to settle personal scores. The apprehension that it also tried to intercept Government communications puts it in the rogue category. The one institution that was universally respected in the country now stands charged with misconduct or even treason. How did such a thing come to pass? Who has gained what through these shenanigans?

It is an unwritten rule of governance that an entity that has the power of the gun should be kept separated from the power of Intelligence. Every military force or paramilitary organisation genuinely wants to have the ability to collect Intelligence for its own operational use. Care is taken to ensure that these forces are equipped to collect only tactical Intelligence with national security-related Intelligence being left to other specialized agencies that have no armed powers. In India, the task is given to the IB and R&AW who do not have even police powers. This ensures that concentration of power is avoided and it does not breed unwanted ambition. The Army should have desisted from raising units like the TSD or, if found absolutely necessary, its role should have been carefully delineated. The Army is under attack from several sources. Even its role in the encounter in the Keran Sector of J&K in which it fought for 15 days (September 24-October 8) to repulse the intruders was belittled as the hype of the media and the battle that never was. What happens to the Army's credibility?

The Government has already been lax in allowing a battle between the IB and the CBI (Ishrat Jahan case)

to demoralize the IB; the CBI is already the famed 'caged parrot'; the Government has attacked the CAG, tried unsuccessfully to protect the Parliament / Assemblies from convicted criminals, started questioning the overreach of the Courts; the Cabinet system has been undermined, the Parliament is no longer a forum for debates on conflicting ideas; it is reduced to a platform for obfuscation of issues. Now the Government has allowed the Army's reputation to be dragged through mud. Intelligence operations which are supposed to be sacrosanct are now being discussed on street corners and Generals being questioned as to whom they paid for what. Secret operations are to be left to competent operators with full faith in their integrity and their word accepted as to the monies spent. No accountant can question an Intelligence Chief.

In whatever manner the present sorry controversy is resolved, the Government must take responsibility for allowing it to damage the Army's reputation. The PM and the Defence Minister have the responsibility to see that such disputes are settled within four walls and do not become the talk of the town. All officers have their personality quirks but a Minister should have the calibre to keep control over his domain. Abdication of responsibility and passing the buck has become the rule of UPA II. Who will stand up to be counted as a leader and say he takes the responsibility and also the blame?

ASHOK KARNIK Deputy Director, Intelligence Bureau (IB), Government of India. Post-retirement he has been a commentator on issues involving national security, runs a column in *Freedom First* "Point Counter Point." ashokkarnik2001@yahoo.co.in.

Amartya Sen thinks that the starting point for achieving the desired goal must be an immediate massive attack on illiteracy and ill health. This would not only directly contribute to better education and health, it would also bring about faster growth by producing a healthier and more literate health force. Higher growth would in turn yield larger revenues, allowing faster attack on illiteracy and ill health.. A virtuous cycle will thus emerge. In this story, growth automatically follows improved literacy and health. This perhaps why Sen sees little need for policies aimed at accelerating growth, what we call Track I reforms in our book. In the past Sen has never written calling for an end to the licence permit raj, liberalisation of foreign trade or generous entry to foreign entry to private players, in banking, telecommunication and civil aviation. Indeed he has been outright disdainful of anyone writing or reporting on foreign investment liberalisation.

Therefore if in 1991 India embraced many of the Track 1 reforms, writings by Sen play no role in it. Growth literature to which Sen contributed was wholly esoteric. The intellectual origins of the reforms are to be found instead in the writings of Bhagwati, both solely and jointly with Padma Desai and T. N. Srinivasan.

Arvind Panagariya, professor of Indian political economy at Columbia University. This passage is excerpted from his article in *The Times of India* of July 27, 2013.

India's Creeping (R)(E)volution?

Firoze Hirjikaka

Like a latter day Tilak, the public demanded official accountability as a birthright and they were determined to have it.

Over the past five years or so, India has been witnessing a quiet, gradual revolution (perhaps 'change' would be a better word), the likes of which has perhaps never been seen before anywhere in the world. There are no mobs in the streets, no armed insurrection, no calls for the overthrow of the government. And yet inch by inch, almost imperceptibly, Indians are clawing back the rights and privileges due to them in a truly functioning democracy.

Nominally, India is the world's largest democracy, but it is a deeply flawed one. Ironically, India's democracy started with the noblest of intentions. Gandhi, Nehru, Patel and other stalwarts concluded that it was the most practical form of government for a free India; and they drafted a Constitution to reflect this. Where they erred was in underestimating the sagacity and common sense of the average Indian. Even as he struggled to free his countrymen from the British imperial yoke, Mahatma Gandhi regarded the largely rural and semi-literate population as his children. The trouble was he literally treated them as children who had to be told what was good for them. In a sense, this was a continuation of the British notion of a mai-baap sarkar, although Gandhi's motives were decidedly more altruistic.

Conditioned by almost three centuries of British rule, most of the population accepted this system as the natural order of things. The British loot of India's natural resources had virtually ensured that more than half the population subsisted below the poverty line; and for such individuals, the assurance of roti, kapda and makaan - however meagre - was adequate. If it occurred to some of them that they were being deprived of their individual rights and the freedom of independent thought, it was not important enough to agitate about it. Our founding fathers probably acted out of genuine concern for citizens, but subsequent political generations soon discovered that it was in their self interest to set themselves up as apart from the common man; netas with their own set of rules and privileges. They also discovered that the old colonial laws - particularly those associated with the bureaucracy and the police - designed to keep the natives in check, would work very well for them too. And so, apart from

some cosmetic changes, the regulations were retained. The regulations permitted them to move about with a large retinue of sycophants and a posse of policemen for 'protection'. It all served to enhance the impression that they were a breed apart from the common man. The common man had not experienced anything different for three centuries and so he quietly accepted it. Above all, the netas covered themselves in a shroud of secrecy and silence, which meant that they did not have to explain or justify their actions or statements. Moreover, they perfected the art of handing out freebies just before elections, so that the general populace - particularly from the weaker sections of society - would be suitably grateful and elect them back to power.

Changing Scenario with RTI

As Indian democracy slowly started to mature, some members of the public did begin to question the ascendancy of the politicians. Constitutionally, they were not elected to be our masters, but to serve the people. However dissemination of their arrogance was limited, since the mainstream print media by and large toed the government line; and television was owned and controlled by the rulers. Moreover, since the police was controlled by the politicians; and the judiciary was known more for procrastination than activism, there was not much the people could do to bring about any reform.

The creeping revolution started in earnest in the 1990s with the introduction of cable and satellite television. This gave birth to a proliferation of news channels, which significantly extended their reach among the general population. The intense competition between the news channels to garner greater numbers of viewers led them to seek out controversial and titillating titbits; and they discovered a treasure trove among the political class. This resulted in the misdeeds and antics of political leaders being exposed with increasing regularity; and the public realized the moral and ethical degradation in the leaders who had been allowed to lord over them for decades. Even worse was to follow for our netas. The promulgation of the Right to Information (RTI) Act shredded the cloak of secrecy that had hitherto allowed them to act as they pleased without any sort of accountability. Initially, they

countered this onslaught by utilizing their long-practiced skills of procrastination and denial, but soon a new breed of RTI activists arose who pinned them between a rock and a hard place.

Revelations obtained from the RTI confirmed the long held public perception that their rulers were greedy, opportunistic charlatans whose major purpose was to feather their own nests. Furthermore, the expanding reach of television and FM radio woke up rural India to the reality that they had been fooled and taken for granted for far too long. They did not come out on the streets. They merely became savvy. For example, they continued to accept the freebies doled out to them at election time, but then went out and voted according to their own judgement. The urban segment too woke up to the fact that their country's Constitution did in fact give them the right to question the political parties' policies and actions, as well as the right to criminally prosecute them when they break the law.

Police-Politician Nexus

Another battle to be fought is in the area of police reform. Although concrete recommendations have been in place for years, the politicians refuse to relinquish their unholy control over the police. There is the other side of the coin too. Even if the police reform act were to be implemented, it would not absolve the police from their lack of sensitivity and their obvious bias towards the rich and powerful - even if they be criminals - while registering cases. Then there is the issue of corruption. The police regularly figure in the top three most corrupt government departments. Asking for bribes is almost regarded as a perquisite. The reason they are so brazen is because they are protected by the very politicians they grumble about; and they take great pains to keep their political masters 'happy'. In that sense, it is a symbiotic relationship

Peoples' Response

The people are fighting back. Anna Hazare started the ball rolling with his crusade against corruption in public life. The initial public response was overwhelming. For a brief moment it held out the promise of an Indian spring. Unfortunately, partly because of Hazare's ego and petulance, it could not be sustained. A further blow was struck with the downfall of Suresh Kalmadi. There was nothing novel or extraordinary about Kalmadi misusing the platform of the Commonwealth Games to amass huge wealth for himself and his cronies. His political brethren had been doing the same sort of thing for decades. Upto then however, they did it with impunity, confident that their misappropriations would not be disclosed or seriously investigated, let alone charge sheeted. They controlled the police, after all. This time, an increasingly inquisitive

and aggressive media laid bare all of Kalmadi's acts of omission and commission; and the people were outraged. They refused to be silent and bayed for his blood. The ruling dispensation was initially bemused, then amazed and lastly nervous at this sudden manifestation of people power. The myth that the netas were truly the masters had been exploded; and there was no going back. When a powerful politician like Kalmadi was actually put in jail - an unprecedented event in the annals of Independent India - the rulers realized a tiger had been unleashed; one that could not now be put back in its cage.

Kalmadi's incarceration led to further revelations of monumental scams: 2G and Coalgate, to name just two. These had been ongoing in secret for years, but it was only now that the new found activism was shining a devastating spotlight on them. The netas began to realize that the time-honoured tactics of prevarication and obfuscation were no longer effective. Like a latter day Tilak, the public demanded official accountability as a birthright and they were determined to have it. When the political parties tried to circumvent a Supreme Court directive mandating immediate disqualification of members of parliament who had been convicted of a criminal offence, the people would not stand for it and forced them to eat humble pie. Another milestone was reached when Lalu Prasad, the uncrowned emperor of his domain, was convicted and sentenced to five years imprisonment.

The signs are heartening, but the battle is only half won. The profligacy and downright loot of taxpayers' money continues unabated. Without exception, every public project, particularly in the infrastructure sector, is delayed and goes grossly over budget. Ministers and bureaucrats continue to take their cut with impunity. A classic example is Maharashtra's irrigation scam, where ministers and bureaucrats pocketed hundreds of crores. When the scam was exposed by the media and the public demanded accountability, the government promised a White Paper, which was soon downgraded to a status report - and the perpetrators were given a clean chit. They are still in power.

There is an ongoing agitation against political parties seeking to exempt themselves from the RTI act. Petitions galore are being solicited and circulated. What is sometimes lost sight of is that it is not enough to get information: the information must be accurate and verified. The public may be heartened by the recent Supreme Court mandate directing all candidates for the forthcoming assembly elections to not leave any column blank while filling in their nomination forms. Presumably this implies that they must declare their assets. This may prove to be

(Cont'd. on page 13)

Whose Ordinance Was It Anyway?

Nitin G. Raut

The melodrama over the Ordinance issue has made a mockery of the Cabinet's collective responsibility and its accountability to Parliament.

On 10.7.2013, the Supreme Court ruled that Law Makers (legislators at the Centre and the States) sentenced for more than two years in jail stand disqualified as legislators. On 4.8.2013 the Congress-UPA II Government assured an all party meet that it will amend the law to nullify the Supreme Court's Judgement. On 4.9.2013 a Review Petition filed by the Congress-UPA Government in respect of the Judgement dated 10.7.2013 is rejected. Thereupon the Congress-UPA introduces a Bill in Parliament to achieve what it could not succeed in convincing the Supreme Court? On 7.9.2013 Parliament ended its Session but the said Bill could not be taken up. On 24.9.2013 the Congress-UPA Government promulgated an Ordinance to nullify the Supreme Court Judgement dated 10.7.2013. On 27.9.2013 the Congress Vice-President Rahul Gandhi dubbed the Ordinance as "nonsense which should be torn and thrown away".

Mr. Rahul Gandhi made a melodramatic entry into a Press Club meet on 27.9.2013 knowing full well that the Ordinance would be "torn and thrown away", confident that the Gandhi family diktat will never be opposed. The IC media chief who prior to Gandhi's entry was waxing eloquent on the virtues of the Ordinance was so nonplussed that after Gandhi's exit he sheepishly stated that whatever Gandhi said about the Ordinance is the official line of the party, confirming how a submissive party can fall in line. And it could have been so even if the Ordinance had been justified by him. After all the dynasty can do no wrong!

The unscheduled announcement lacked political conviction and was devoid of political foresight and its ramification, both nationally and internationally. The Ordinance trampled ruthlessly over public opinion already simmering with discontent over corruption and the criminalization of politics. In fact IC was callously dismissive of public sentiment against corruption. The Lok Sabha Leader of Opposition Sushma Swaraj's tweets against the Ordinance drove the Law Minister Kapil Sibal to say that Sushma Swaraj a lawyer does not understand her law. Will the same Law Minister dare to measure Mr. Rahul Gandhi's legal knowledge after 27.9.2013?

What was the game plan? Simple. It was to discredit Prime Minister Manmohan Singh in a desperate attempt to white wash the IC. It is inconceivable that the Cabinet decision on issuing an Ordinance could have been taken without the knowledge of the National Advisory Council and the Congress Core Committee both controlled by Sonia and her son Rahul. It was the compulsion of coalition dharma that required that the corrupt and the criminal had to be shielded. After all verdicts of two major corruption scandals was awaited. Hence the Ordinance. But in the face of public outrage and there had to be a face saving device whereby the dynasty remains untarnished even if the Prime Minister were to become the sacrificial goat. Nevertheless it cast serious aspersion on Mr. Gandhi's leadership qualities.

At a time when the India's Prime Minister was attending the UN General Assembly and was scheduled to meet US President Obama followed by a meeting with Pakistan's premier Nawaz Sharif, Rahul Gandhi's outburst definitely undermined Dr. Manmohan Singh's authority. If a party functionary howsoever important to the party indulges in a cheap game of one upmanship to suit his dynastic ambitions, the party and its leader is going to get hurt.

When even the constitutionality of the Ordinance was doubtful and the President of India sought an explanation, the Ordinance had become a hot potato. Mr. Gandhi swung into damage control not so much out of concern for good governance as much as safeguarding the political fortunes of the dynasty.

The melodrama over the Ordinance issue has made a mockery of the Cabinet's collective responsibility and its accountability to Parliament.

Under Article 123 of the Constitution of India an Ordinance can be promulgated by the President during the recess of the Parliament provided the President is satisfied that circumstances exist which render it necessary for him to take immediate action. Every such Ordinance

shall be laid before both Houses of Parliament and shall cease to operate at the expiration of the six week from the reasonably of the Parliament. In the present case the only urgency was to protect two main Congress-UPA supporters – Lalu Prasad Yadav and Rashid Masood who

were subsequently convicted and unseated.

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Was the BJP Really Opposed to Protecting Convicted MPs?

Keshav Rau

The melodrama over the Ordinance issue has made a mockery of the Cabinet's collective responsibility and its accountability to Parliament.

Rahul Gandhi describing as “complete nonsense” the Government’s decision to promulgate the Ordinance to save convicted MPs/MLAs from the Supreme Court judgment of July 10 was clearly a directive to Manmohan Singh and Cabinet Ministers to forthwith call back the Ordinance and withdraw the Bill moved in the Rajya Sabha on August 27. Prompt was the compliance by the Prime Minister and his Cabinet Ministers within a matter of just five days. For the country, such display of extra constitutional authority was nothing new. Some four decades earlier, another member of the Nehru-Gandhi family just by virtue of being born in the Family, wielded unbridled power to humiliate and ridicule senior leaders, ministers, bureaucrats.

Like it happened in the mid-seventies, on this occasion also, the Congress Party spokespersons and many Union Cabinet Ministers were quick to come to the defense of the scion of the family. A dissenting note, particularly voiced by a young leader, were always welcome in the Party, it revealed the value given by the Party to the democratic process, the Young Vice President should actually be applauded for having taken note of the country-wide outrage over the proposed Ordinance etc. Like during Indira Gandhi’s long regime, the two spells of the UPA also have always revolved round the Family, which is always looked up to for all policy and decision-making process. It is, therefore, not surprising that Rahul Gandhi behaved in the manner he did nor is the sycophantic defense of him by the Party leaders and Ministers surprising.

But it is also worthwhile examining the role played by the BJP, the principal Opposition Party, in the Government’s bid to protect convicted MPs/MLAs/MLCs. A careful study of the events from the Supreme Court judgment of July 10 till the end of Rajya Sabha session on September 5 reveals that the BJP leaders started kicking up tantrums only when the Cabinet approved the Ordinance. In keeping with their style, their prominent

leaders called on the President to dissuade him from affixing his stamp on the Ordinance. When the President called Sibal and Shinde for clarification, BJP promptly took credit for the President’s decision. When Rahul slammed the Ordinance as “nonsense”, BJP’s Prime Ministerial candidate Narendra Modi thundered at a Delhi rally that the country would never tolerate the Prime Minister BEING insulted and humiliated in this fashion. Finally when the Ordinance and the Bill were withdrawn, the Party patriarch Advani blogged that it was all because of the intervention of President Pranab Mukherjee.

To counter this campaign of the BJP to claim credit for opposing the Ordinance, the Congress Party pointed out that the BJP was all along in favour of introducing legislative measures for overturning the Supreme Court judgment, and that the provisions contained in the Ordinance were only a replica of the Bill introduced in Parliament. Kapil Sibal said that the Supreme Court, too had, observed that if the law was amended, it had no problem.

In a statement on October 3, Arun Jaitley, Leader of the Opposition in Rajya Sabha, gave a chronology of events that led up to the Ordinance: During Independence Day flag hoisting ceremony, Sibal had, in the presence of Chidambaram, sounded Jaitley on a possible constitutional amendment to overcome the judgment to which Jaitley expressed his apprehensions. Jaitley continues in his statement:

“After a few days (August 15) the Government conveyed to us that they were contemplating an Amendment in section 8(4) of the Representation of the People Act. I had examined this matter and consulted various informed persons...my own understanding upon reading of section 8(4) which was being proposed was that such a provision would suffer from the vice of the unconstitutionality which the original section 8(4) suffers. I had conveyed this myself to the Law Minister.”

Jaitley seems to have clearly spelt out his views on Sibal's proposals, but behind the scenes. Of course, Sibal himself has a different version to narrate about his interaction with Jaitley at the all-Party meeting on August 13, Independence Day flag hoisting ceremony at the Red Fort and a few days prior to the Bill being introduced in the Rajya Sabha. [*The Indian Express*, October 13]. Leaving aside Sibal's version and accepting Jaitley's version as the reliable one, it was expected of him as the Leader of the Opposition to have carried forward to its logical end the firm stand taken by him by opposing the introduction of the Bill in the Rajya Sabha on August 27. Parliament's procedure provides: "Motion for leave to introduce a Bill may be opposed by any member on general grounds or on the ground that Bill initiates legislation outside the legislative competence of the House."

However, Jaitley chose not to exercise the option, even though he held strong views on the Bill and had spelt them out also in advance to the Law Minister. The records of Rajya Sabha reveal that one BJP Member of the House opposed the introduction as he was of the view that a Constitutional amendment was the only way out of the Supreme Court judgment. However, that objection was not pursued further as it was taken that the Motion had already been introduced. Jaitley quietly acquiesced to the introduction of the Bill.

Jaitley and his Party could also use another weapon available to Parliamentarians to get the Bill examined threadbare before it was taken up for consideration by the House within a limited span of time and passing (or overruling) it. That weapon was a demand for reference to the Standing Committee of the House. The functions of such Departmental-related Committees is to examine Bills introduced in either House and submit its report within the time given to it. Normally, the reference is made by the Chairman or the Speaker, but there is nothing preventing a member also to put in a request for reference to the Committee. However, Jaitley and his Party chose not to

adopt this route either.

On the contrary, the Business Advisory Committee, which consists of leaders of all Parties, at its meeting held on September 2 decided to take up for consideration the Bill and allotted one hour's time for it. From then on, the business of the House schedule for each day till the end Rajya Sabha's Monsoon Session listed this Bill as amongst the Bills which would be taken up for consideration and passing. Thus, Jaitley and the BJP were all set for Rajya Sabha to consider the Bill in the Monsoon Session itself and pass it. However, with several other Bills – some of which were equally priority items for the Government – crowding into the limited 5-day period remaining of the Monsoon Session, the Bill was never brought for consideration. Looking back, it suited the BJP because thereafter the Government took the Ordinance route, providing a handle to the Party for going on the offensive, conveniently forgetting the role played by the Party itself in the preceding weeks.

The Party has also charged the Government for trying to hustle through the Ordinance when the matter was already pending before the Standing Committee. However, records of the Rajya Sabha speak otherwise. The Cabinet submitted the draft Ordinance to the President for approval and promulgation on September 24, but the Chairman of the Rajya Sabha referred the Bill to the Department-related Standing Committee only on September 26.

Parliament may be a the supreme law making body, but that does not mean that every judgment of the Apex Court striking down enactments of Parliament as infringing on the constitutional provisions should be sought to be tackled by an amendment to the law in question. It's time the country debated this issue.

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We have now added a Swatantra Party section to www.freedomfirst.in

The Party claimed that it was "a Party with a Difference". Not many of the present or recent generations would know much about this party. For example its economic policies. Communist China turned to free enterprise in 1978 and India did so in 1991 but the Swatantra Party did so in 1959. Its blueprint for an economic policy, its policy to reform agriculture by encouraging peasant proprietorship and economic policy and free trade were all proposed two decades before it came into being in India though with deformed characteristics; education policies with emphasis on primary education, policies to improve our relations with our neighbours. All this will be presented through actual resolutions, policy statements; factual material on the Party's principles, policies and position; our attitude to parliament almost bordering on worship which may surprise young readers that such a party was in existence within 12 years after freedom... All these are based on Party's records between 1959 and 1972 which we managed to salvage when I was the Swatantra Party's Executive Secretary at its National Headquarters.

Singh-Sharif Meeting: A Failed Summit

B. Ramesh Babu

The message is loud and clear, Sharif or no Sharif, their Army is the boss as far as relations with India are concerned.

Since last month's article on "Talking to Pakistan" went to the press much water has flown down the Yamuna. As expected nothing came out of the Singh-Sharif exercise on the sidelines of the UN General Assembly. Ironically the misplaced hopes of pro-talks leaders and the "in house experts" in the two countries were shattered by domestic factors on both sides – predictable on the Pakistani side and unforeseen on the Indian side.

Meetings between the top leaders of long time adversaries have some chance of moving forward a bit, if and when the necessary background work on the major issues of contention coming up for discussion are spelled out in meticulous detail. Even then Summit Diplomacy often boils down to both sides reiterating their known and established postures and policies to demonstrate to people at home how tough they are in negotiating with the adversary. As the D-Day approaches, leaders on both sides caution their people not to expect much from the meeting. That was what happened in this case as well.

The Usual Back Stabbing

As mentioned in my article last month, hell or high water our Prime Minister was determined to meet his Pakistani counterpart on the sidelines of the meeting of the UN General Assembly in New York. As expected, the ceasefire violations on the LOC in Jammu and Kashmir continued unabated. In fact on the eve of the Big Meeting, there was yet another terrorist attack from across the border. Manmohan Singh dismissed it as "one more in a series of provocations and barbaric actions of enemies of peace." He went on to add that "such attacks will not succeed in derailing our effort to find a resolution to all problems through a process of dialogue." He used his address to the UN General Assembly to strongly condemn terrorism and named Pakistan as the epicenter of terrorism in the region. Going overboard, he asserted that even after the terrorist infrastructure on the LOC is destroyed (!), Pakistan should understand that J&K is an integral part of India and "there will never ever be any compromise" on the territorial integrity of the country.

With that as a prelude, Manmohan Singh went on to meet Nawaz Sharif as scheduled. Even as the two leaders were shaking hands and smiling away for the cameras,

the Pak Army fired more salvos across the border in Jammu. As usual a batch of terrorists tried to sneak in under protective fire cover from behind. Even as I write this piece (8 October 2013), the guns are booming on both sides of the LOC in Keran and Samba sectors. The Indian Army announced that they have successfully cordoned off the terrorists to a small area in the high mountains and the operation will continue till all the terrorists are captured or killed. The Pak Army once again succeeded in undermining the credibility of their Prime Minister as he was embarking on a peace mission with India. This has become the routine over the years. The message is loud and clear, Sharif or no Sharif, their Army is the boss as far as relations with India are concerned.

The Double Salvo

In an ironic twist to the proceedings underway, our PM was also undermined equally effectively by unforeseen developments at home. The unseemly outburst of Rahul Gandhi against the infamous Ordinance at a press conference in New Delhi revealed who was the boss of the show at home. He castigated the odious Ordinance as "nonsense" and angrily tore a copy of the document into pieces on the spot to the utter bewilderment of one and all. The face of Ajay Maken, the Congress spokesperson, who went to great lengths to defend the Ordinance a few seconds earlier on the same stage, has to be seen to be believed! A Bill seeking to circumvent the Supreme Court's landmark judgment outlawing charge sheeted criminals from their offices with immediate effect was duly considered and unanimously approved by the Cabinet. When the Government was unable to get it through the Parliament, it went in for the Ordinance, which was also duly considered and unanimously approved by the Cabinet presided over by the Prime Minister on the eve of his very important foreign trip. By condemning the Ordinance in such an untimely and uncouth manner, Rahul Gandhi smashed the credibility of Manmohan Singh while he was abroad and a few hours before his scheduled meeting with the American President in the White House.

The media was agog with the Rahul bombshell! The meeting with Obama and the projected meeting with Nawaz Sharif receded into the background instantaneously. Nothing else seemed to matter. The large contingent of

the international and Indian media in the US to cover the Big Tour was agog with speculation as to what happened at the press conference and why at such a juncture? Manmohan Singh was seen as a helpless leader undercut by his own Party and Government. Many wondered aloud whether he would resign in protest and fly back home immediately. In fact that is what he should do was the public advice of his former press secretary Sanjay Baru. The knowledgeable recalled how Prime Minister Rajiv Gandhi imperiously dismissed an Ambassador at a press conference. The hapless senior diplomat learned about it soon enough and promptly put in his papers!

Undermining PM's Stature?

Naturally, a strong wave of popular outrage swept the nation and there was a widespread demand that the PM should resign on the spot and return home forthwith, "if, he had any sense of honour!" There were reports that Sonia Gandhi called the PM on the phone. However, neither the prodigal son nor the mother supreme offered any apologies then or later. Naturally, the expected reiteration of "highest respect" for the beloved PM and full faith in his "leadership" were forthcoming. But, the damage was done. The image of our PM was tarnished irretrievably! On his way home, he told the assembled media people on board the aircraft that he was going to meet Rahul Gandhi at latter's request soon after reaching Delhi and ask him as to what happened and why. However, he added that he has seen many ups and downs in his long life and does not get upset easily! There was no question of his resigning, he clarified.

Irrespective of the merits of Rahul's stand on the Ordinance, the damage was done to both the dialogues on the anvil – firstly with President Obama and secondly with Nawaz Sharif. As far as the second meeting was concerned, the double jeopardy – uninterrupted terror attacks on the LOC and the sudden blow to the PM's credibility – sealed the fate of the Singh-Sharif Summit even before it was underway!

India's Creeping (R)(E)volution *(Continued from page 8)*

a pyrrhic victory, however. Criminally intentioned candidates, as well as sitting politicians, are adept at concealing their true worth under benami entities. Unless these assets are audited and verified by an independent authority, they become little more than a cosmetic declaration.

A few observations in conclusion

The public is justifiably focussed on corruption. However, merely eradicating, or even reducing, this scourge will not solve the country's problems. We need

To add insult to injury, after reaching home, Nawaz Sharif reportedly ridiculed Manmohan Singh by saying that his complaining to Obama against Pakistani terrorism was not dissimilar to the proverbial dumb "village woman" going round to one and all with her sob stories! Naturally, this was officially and strongly denied by Pakistan immediately. True or not, it did not enhance the public image of our PM! Sharif demonstrated that even if his country continued to violate the cease fire at will and continued to smuggle terrorists across the LOC in J&K or elsewhere, India would be constrained to keep the dialogue process going! This may be seen as a small gain for Pakistan. Be that as it may, India-Pakistan relations are a bit worse than before!

Is the Ceasefire Dead?

The only bit the two leaders agreed at the Meeting was to have the CMGs of the two countries to meet immediately and restore peace along the LOC. Even this very modest piece of agreement lies in shambles as the armed infiltration bid in the Keran sector and the counter operations by the Indian Army stretch to the third week. The cease fire is virtually dead and only a formal burial is due.

The latest concern voiced on the Indian side is whether the happenings in the Keran sector and the simultaneous happenings in the Samba sector and elsewhere in the area are a part of a larger scheme the Pak Army is hatching before General Kayani lays down his office by the end of November 2013! Is it going to be the last hurrah in his passionate mission to fight India by all available means? Only passage of time can unravel this riddle!

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to change the mindset of those that regulate our lives. They need to lose the lethargy, procrastination and indecision that is currently part of their make-up. Above all, they need to shed the utterly unjustified sense of entitlement. We still have a ways to go before we become the fully functioning democracy envisaged in the Constitution. But at least we have taken the first steps.

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Indian Banking – The Way Ahead

V. Krishna Moorthy

“The primary role of the central bank is monetary stability, that is, to sustain confidence in the value of the country’s money. Ultimately, this means low and stable expectations of inflation”.

– RBI Governor Raghuram Rajan

Indian Banking: The Way Ahead

The RBI has proposed a comprehensive overhaul of the country’s banking structure, to increase competition and growth, and to also further facilitate financial inclusion. At present, under our laws, only a universal banking structure is allowed, and there is no separate licensing provision for niche activities as in developed countries. The central bank thinks that the universal model is the preferred model, particularly in the aftermath of the global financial crisis, though it acknowledges the need for differentiated banking licenses – for infrastructure financing, retail banking, wholesale banking, and investment banks.

In a discussion paper titled: Banking Structure in India – the Way Forward, the regulator has provided a road map for the reorientation of Indian banking and the central bank proposes a four-tier structure as under:

- * The first tier of three to four large banks, with sizeable international presence.
- * The Second tier is likely to comprise several mid-sized banking institutions, including niche banks with economy-wide presence.
- * The third tier may encompass old private sector banks, regional rural banks and multistate urban cooperative banks. and
- * The fourth and last tier might embrace many small privately owned local banks and co-operative banks.

Unlike in the past and breaking away from the long tradition of ‘stop and go’ licensing policy pursued all these years, RBI has proposed a continuous authorization policy. Till now, the country has seen three phases in banking licenses – in 1993, 2002 and the one on the anvil the process of which started in 2010. The newly appointed Governor, immediately on assuming office, has created an external Expert Committee headed by former RBI Governor Bimal Jalan who would screen and scrutinize the applications of aspirants for new banking licenses that would be announced in the first quarter of 2014. According to the

central bank, the proposed continuous authorization policy is likely to keep the competitive pressure on the existing banks and also not strain the banking system as ‘block’ licensing may do. While acknowledging the need for large banks, the RBI has also kept in mind the need for smaller banks to cater to the small borrowers in sectors like agriculture, small enterprises, banking services in unbanked and under-banked regions. It has at the same time pointed out the need to address issues surrounding capital requirements, corporate governance and exposure norms, among others in respect of smaller banks. As regards the presence of foreign banks, in the aftermath of the global financial crisis, RBI has emphasized the need for domestic incorporation of foreign banks through the subsidiarisation route.

Rupee’s Slide

The rupee has virtually maintained a daily slide against the dollar since the first week of June. From January to May 2013, it oscillated between Rs.52 and Rs.54 against the US dollar. The rupee sank to a low of Rs.61. Alarmed at this steep fall the RBI intervened by making available dollars from its reserves through commercial banks. Though it provided temporary reprieve it was back to Rs.61 during the first week of July. From then on it has gradually been losing, and in August 2013 the market saw unprecedented volatility and the dollar-rupee touched an all-time high of Rs. 68.81 on the eve of the new Governor assuming office. Rajan’s debut as the new RBI Governor was well received who immediately unveiled a slew of proposals to support the rupee. These included increasing the existing limits on importers and exporters for cancelling and rebooking forward contracts in the rupee, increasing the limits of overseas borrowings of banks and providing a window for domestic banks to swap their foreign currency non-resident deposits with RBI. These measures to start with have done their bit to improve sentiment. This has raised hopes that the RBI will adopt a new approach to defending the rupee.

In the days following Rajan assuming office the rupee posted strong gains against the dollar to end at

Rs.65.24 as on 6th September and further gains have been achieved to touch well below Rs.64 the following week. It is reported that the Fibonacci projections made on the dollar-rupee chart suggested a possible target of Rs.70.80-Rs.71.20 for dollar-rupee in September-October 2013. The investment bank Goldman has forecast negatively for the rupee, expecting the currency to trade at Rs.70 in three months and at Rs.72 in six months per dollar and back to Rs.70 in 12 months time. Goldman's forecast downgrade comes after Nomura and HSBC also cut their forecasts for India during the first week of September 2013. However, the first steps taken by Rajan to address the rupee's weakness – increasing the existing limits on importers and exporters for cancelling and rebooking forward contracts in the rupee, increasing the limits of overseas borrowings of banks and providing a window for domestic banks to swap their foreign currency non-resident deposits with the RBI – have improved the sentiment significantly.

Even though exports have been showing signs of recovery over the last few months, the rupee continued to fall in August, as the market did not believe the country would be able to fund its current account deficit. However, economists are indicating that the CAD coming close to 2.5 per cent of the GDP (around \$70 billion) range would be a good sign, for any sustained improvement in inflation coming down to make gold unattractive and oil price to stay benign.

As far as GDP growth is concerned, RBI is only one of the engines on which the economy runs. The driver and controllers are the government and its policies. The Governor however, cannot stop the outflow of dollars from the market, especially since interest rates in the US are going up and the arbitrage opportunity gets reduced. This is a result in the context of US Fed's proposed change in its monetary policy of QE tapering strategy. Already, this has started destabilizing capital flows from some key emerging market economies including India. This development has provoked discussions among central bankers about the adverse impacts of US tapering.

In this context, RBI now needs to increase its policy focus on the structural inflation problems confronting the economy. Raghuram Rajan, on taking over as RBI Governor, has made a forthright statement about the role of the central bank when he said, "The primary role of the central bank is monetary stability, that is, to sustain confidence in the value of the country's money. Ultimately, this means low and stable expectations of inflation." He knows full well that controlling inflation and ensuring financial stability are the core accountabilities of a central bank.

It is reported that the Reserve Bank of India under

the stewardship of Rajan is having a fresh look at the monetary policy framework it has to pursue in a globalised and highly inter-connected environment. To make the monetary policy framework more transparent and predictable RBI has since appointed a committee that will be chaired by RBI Deputy Governor Urjit Patel, with eight members. Among others they include, veteran banker P. J. Nayak, Sajjid Z. Chinoy, chief economist and ED of JP Morgan, Bank of Baroda's chief economist Rupa Nitsure and others. The committee besides considering the recommendations of previous committees and groups will mull on the objectives and conduct of monetary policy in a globalised and highly inter-connected environment. It will review all relevant factors, including identifying of regulatory, fiscal and other impediments to monetary policy transmission. RBI has also decided to create a central repository of borrowers in the nature of an information bank of large borrowers, both individuals and entities with exposure of over Rs.10 crore. This is likely to enable banks to be aware of building leverage and common exposures and help the central bank in its monitoring of banks.

It is to be remembered that after the First World War (Keynes in 1924 called it a "barbarous relic") gold was replaced in the balance sheet of central banks by a combination of foreign exchange assets and domestic government debt. When the Bretton Woods system collapsed in the early 1970s, the link with international reserves was weakened and the advanced countries moved entirely into the world of what is called pure fiat money. The experience of the advanced countries in the 1970s showed that this framework was insufficient to manage inflationary expectations, particularly in a world of floating exchange rates.

The above experience resulted in the theory and practice of 'inflation targeting.' This approach was first adopted in New Zealand in 1990 and thereafter in the UK and a number of other advanced countries and emerging markets (though not in the US). Under this doctrine, announcement of politically endorsed inflation target by an institutionally autonomous central bank seeks to provide an anchor for price stability of the kind previously provided by gold. However, under successive governors, the RBI has resolutely rejected inflation targeting, insisting that it was both inappropriate and unworkable in India, and has preferred to operate a so-called "multiple indicators" approach that the RBI has complete discretion over both goals and instruments.

In reality however, the biggest driver of cost pressures in the Indian economy is the supply side and the inefficiencies inherent in production and distribution. This means that policy should not be focused on aggregate

demand, but rather on overcoming capacity constraints and productivity deficiencies. Economists also believe that the real job of restoring growth, curbing the fiscal deficit and getting foreign investors to put more money into India needs to be done by the Government, and not the RBI. There are clear indications that the government is also determined to implement the 10-point agenda that the Finance Minister unveiled in Parliament recently. The 10-point agenda includes the following:

- * Resolving the judicial impasse on iron ore and coal mining;
- * A commitment to keep the fiscal deficit for the current fiscal at 4.8 per cent of GDP;
- * Containing the current account deficit at \$70 billion;
- * Re-capitalizing public sector banks;
- * Speeding up investments by public sector enterprises;

and,

- * Encouraging manufacturing and export.

However, the proposed structural reform measures of the Government will give the real result only after some time, when these measures are seen to be getting going, when they will have a good impact on the sentiments. A research team at India Forex Advisors recently observed that the RBI and the Central Government need to work in parallel to stabilize the slowing economy growth. Analysts also expect the new Governor to improve the central bank's communication with markets, which could help in restoring confidence among investors.

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Since 1965, India has witnessed a series of communal riots and around 7,500 people had died because of them by 1995 before the BJP came to power. The break-up of the Congress in 1969 meant that it was no longer a broad-based party which tolerated diverse views in a multi-polar structure. It became the personal fiefdom of its leader and all dissent and debate ceased.

Secularism became not so much sarva dharma nirapekshata – indifference to all religions – but sarvadharm Samabhava – equal respect for all religions. Secularism was made into anti-Jan Sangh ideology and a protective regard for the Muslim Vote bank.

It was the Emergency which fractured this version of the idea of India. It became identified with Fascist rule. Jan Sangh and old Congress leaders were sent to jail and became martyrs for freedom

Meghnad Desai from his column 'Out of My Mind', *The Sunday Express*, September 22



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Why the Indian Government Abhors Our Farmers

Sharad Joshi

Many examples can be cited to show the manoeuvring against India's farmers not only in monetary terms but also in the use of technology.

Agriculture is an omnibus word in agrarian economics that refers not only to the cultivation of food grains but also pulses, vegetables, fruits and many cultivated products. If a farmer sows one seed the crop is one hundred, or even a thousand-fold. The reason for this is that it uses energy available in all five natural resources (earth, water, sunshine, wind and fire). "Panchamahabhute" as it is termed in Sanskrit. A short supply of any one of these resources affects production. Man has discovered various supplements and invented technology for their usage in the right proportion to ensure proper yields.

The Green Revolution technology was not new to India's farmers. They knew its techniques even before the Nehru era; but as the government felt that resort to these techniques would result in serious unrest the advent of the "Green Revolution" was delayed. This has always happened when "Technology" is used. Take the example of BT Cotton. There are many advantages like increased production, long thread and it has also been proved time and again that it does not have any adverse effect on the environment. Still certain NGOs are opposing it on the ground that its seeds would be unsafe for animals. Thus their usage was delayed by seven years. Now the same thing is happening with genetically modified (GM) vegetables like tomato and brinjal for instance.

Government Policies Inimical To Farmers

In fact, right from the beginning of the Green Revolution, NGOs, Government, research institutions and even the Judiciary have been constantly trying to suppress the usage of fertilizers by farmers. It is claimed that the use of fertilizers increases the cost of agricultural production which makes it difficult for

the farmer to get a price to cover his costs. Had this been true, the Government would have had policies in place which would discourage their use. In agriculture, supplements like fertilizers, insecticides, pesticides etc., are as important as land and water supply. The Green Revolution that took place in the 1960s was mainly because of the balanced use of water, chemical fertilizers, hybrid seeds, and pesticides. After the Green Revolution, on account of Government policies, farmers could not recover the cost of production for their agricultural produce. Besides, the chemicals (insecticides/ pesticides) which are available in the world market are not available to Indian farmers because the European manufacturers of organic manures are hand in glove with Indian NGOs.

Due to the imposition of negative subsidy, the Indian farmers have always remained in debt. Many examples can be cited to show the manoeuvring against India's farmers not only in monetary terms but also in the use of technology. There is good progress in Europe in respect of chemicals that are used in agriculture. However, imposition of various sanctions on the use of technology and vested interests ensure that Indian farmers are prevented from taking advantage of technological innovations to enhance the productivity of agriculture.



The NGOs who get generous grants from the foreign countries are, to a great extent, involved in this conspiracy. They fabricate data/information published in catchy brochures disseminating negative propaganda against chemicals by misrepresenting them as being bad for humans, cattle and plant-friendly insects. In fact, the same chemicals are used for pest control in cities but these very same people do not utter a single word against the use of such chemicals in urban India.

Lobbying of Multinationals

A recent example is the pesticide Endosulfan. In Kerala, Endosulfan was sprayed on certain cashew nut orchids. The NGOs used panels of doctors to spread a rumour that people were falling sick because of its use. Actually, no causal relationship has been established between Endosulfan and harmful effects on human health. It is now being proved that many of their diseases were congenital. The main reason for opposing Endosulfan is that India is the largest producer and exporter of this pesticide. Multinational pesticide companies, which championed its use for many decades, have developed newer molecules which offer better margins and are therefore making attempts to have Endosulfan banned everywhere so that they can push their more profitable products.

A similar controversy is going on in the case BT Cotton. Wrong propaganda is being carried on by some NGOs that animals die and production suffers because of BT seeds. In fact, after Indian farmers started using BT-cotton seeds, we became the second largest cotton producer in the world. Secondly because of BT-cotton, the length of the thread has also increased. Ironically, the NGOs who oppose chemicals under the pretext of environmental damage, also oppose BT- gene seeds though they do not require any chemical pesticides! It is very clear that these NGOs understand their economics very well. The greater the failure of agriculture; the more profit for industry. If agriculture becomes profitable, the raw materials for industry as well as food grains become costly. Consequently, to maintain the profitability of the industrial

sector agriculture is made to sustain losses.

What could be the motive behind depriving agriculture of technology? In the international scene, the US and other developed countries have, more or less, given up the production of chemicals and are now concentrating on organic farming based on genetics. This kind of farming, based on genetically modified seeds, requires very small amounts of chemicals reducing its consumption in Europe to a great extent. Now, because of competition between the producers of chemicals and producers of Genetically Modified (GM) seeds, the producers of chemicals spend large huge amounts of money by way of grants to the Indian NGOs to oppose GM technology.

The funniest part is not only the NGOs, but also various research institutions are involved in opposing its use. Based on fraudulent reports fabricated by them, our Judiciary also gives verdicts which are against the farmers. The reality is that for one or the other reason the judiciary, government, institutions and NGOs are all conspiring to destroy the Indian farmer. By so doing these NGOs are also enabling our enemy countries to gain at our cost.

Take tomatoes for instance. At present, in India, we do not grow good quality tomatoes. Surprisingly, our Government which puts impediments in the case of GM food praises China for the progress it has made in this area. The same thing is true in the case of cotton as well. Elsewhere in the world, the sale of BT cotton is increasing but our Government is allowing the NGOs to get huge foreign grants to oppose BT cotton. When an opportunity arises for our farmers to get a good price for agricultural commodities in overseas markets, our Government bans their export. Even when the farmers are incurring losses on onions in the domestic market, Government bans their export. All this only go to show the Government's abhorrence of farmers.

SHARAD JOSHI, National President, Swatantra Bharat Paksha and Founder of Shetkari Sanghatana, the farmers' movement. sharadjoshi.mah@gmail.com . This article is from his column in the popular Marathi daily Loksatta of 2 October 2013. English translation by Supriya Panse.

"I am a 100% democrat, democracy is at my heart. I am a perfect Hindu, but that is my personal faith, it has nothing to do with government, India is a Hindu nation in the cultural sense. A catholic in Goa is also Hindu culturally, because his practices don't match with the Catholics in Brazil.

"I am not the Hindu Nationalist as understood by some TV media – not one who will take a sword and kill a Muslim. That is not Hindu behaviour at all. Hindus don't attack anyone., they only do so self defence. – that is our history. But in the right sense of the term, I am a Hindu nationalist."

Goa Chief Minister Manohar Parrikar, in the course of an interview to the *New York Times*. Excerpted from a report of this interview in *The Times of India*, September 6, 2013.

Point Counter Point

Ashok Karnik

Every issue has at least two sides. A wise man examines all sides before coming to a conclusion. This is an attempt to present various sides of an issue so that a considered opinion can be formed.

Global Terror

1. The Nairobi terror strike (September 21-24) was a reminder of the Mumbai attack (26/11) because of the similarity of operation. About 15 armed terrorists entered a popular mall in Nairobi and opened fire on innocent people. The siege/battle lasted 4 days, attracting world-wide attention. The terrorists' single aim is to gain publicity for their warped cause. The misconstrued ideological conviction to use 'jihad' as a weapon of terror without fear of death make the perpetrators both ruthless and frightening. When a person is prepared to die, he becomes nearly unstoppable. Just to remind us of the continuing problem, the two attacks in Jammu (September 26) on a police post and an army camp and a long drawn encounter (from September 24 to October 8) with infiltrators in Keran sector in J&K made nonsense of the PM's peace talks. Let us not forget that the danger persists. It may ebb and flow but as long as fidayeen are ready to sacrifice their lives, the world will have to be on guard. There were some obvious security lapses in Nairobi. The Al Shabaab terrorists hired a shop in the mall in advance to store weapons and explosives. This was suspected in the Taj Hotel case in Mumbai too but was not borne out. The Mall security Management should have been alert to the entry of new owners in the mall. Such failures are too common here too as the much advocated vigilance becomes lax due to fatigue over months and years.

1. What do we learn from Mumbai and its repetition in Nairobi? Advance Intelligence is the way to stop the mindless massacre but Intelligence is not a magic wand and there will be more failures than successes. Let us not believe that heightened security would protect us completely. 'Tightening of security' has become a platitude but there are limits to which tightening can be done and be effective. Yes, advance preparations will help in countering the attackers more effectively (after the attack) but cannot stop them completely. After 2014, the security scenario is likely to deteriorate once the Americans leave Afghanistan; their preventive shield will be less effective and the militants are likely to gain ground in that country. India must stop depending on the US to do something about Pakistan; why should a third country worry about our security concerns when we try to cozy up to Pakistan ourselves in the hope of building bridges? It is time we had a contingency plan that would be put into operation the moment there is an attack across the border. It is not a call for war as many pacifists fear; it could be a small punitive action – as mild as withdrawal of our High Commissioner. There is too much empty chest thumping like, 'perpetrators will be brought to book', 'there will be no talks unless we see some action from Pakistan', 'zero tolerance for terrorism' etc. Talk without action invites contempt. Unfortunately, India has reached this level of futility by doing nothing for years.

Rahul's Awakening

2. Rahul Gandhi's shock attack (September 28) on the Ordinance that aimed to protect convicted law makers from disqualification was a revelation. He, who was accused of not opening his mouth on matters of national import, suddenly joined the battle on the side of the people who were aghast with the Government's determination to protect tainted politicians. Rahul apparently heard the anguished cry of the people and hit at his own party's Government for introducing a piece of paper that was nonsense and needed to be torn and thrown away. Skeptics wondered whether Rahul was really disturbed by the common man's anguish or realized that the ordinance was counter productive and decided to jump on the right side; in the process, he did not mind insulting his ever tolerant PM, who perhaps counts for nothing in political equations. Rahul claimed later that he did not intend to embarrass the PM or the Cabinet but what is the use such claims

2. It is conceded by Rahul's critics that he did the right thing in the end, irrespective of the whys and how's. The question is whether the same end could not have been achieved more diplomatically. He could have asked the PM to reconsider the ordinance after returning from the US. It would have protected the dignity of the PM and his Cabinet. However, it would not have projected Rahul as the people's hero. Was that the real intention behind the entire drama? Rahul had three opportunities to reject the legislation but did not do so and sprang a late surprise when the PM was abroad. Sonia Gandhi and Rahul both wrote to the PM assuring him of their highest regards and full backing. It is like slapping a man and asking how he was feeling. UPA allies also felt the sting of the slap as they were a party to accepting the ordinance in the Cabinet. However, we abandoned long since, the practice of resigning from any post over damaged self-respect!

after the damage is done? The Cabinet went through the charade of meeting again and formally withdrawing the offending ordinance/legislation.

Shinde's Muslim Card

3. Sushilkumar Shinde, our usually floundering Home Minister, boldly took a political position on a law and order issue by asking all the Chief Ministers to ensure that Muslim youths were not unjustly detained in cases of terrorism. Indeed, there has been a clamour from minority groups that Muslim youth were being targeted whenever there was a terror strike. This is a genuine issue but it relates to inadequacies of our criminal justice system and not necessarily to the communal bias of police officers. Even if the police pick up a wrong person for detention, should the courts not be vigilant enough to release him? The laxity of our criminal justice system sees thousands of under-trial prisoners rotting in jail even beyond the sentences they would have suffered if found guilty. The trial that never takes place penalizes thousands. All detainees need to be released quickly if there is no evidence against them. The Home Minister needs to find an answer to the systemic problem rather than use it as an electoral gimmick. His intentions became suspect because he failed to analyse the problem and forgot to suggest solutions worthy of a Home Minister and not a politician.

3. Sushilkumar Shinde, our usually floundering Home Minister, boldly took a political position on a law and order issue by asking all the Chief Ministers to ensure that Muslim youths were not unjustly detained in cases of terrorism. Indeed, there has been a clamour from minority groups that Muslim youth were being targeted whenever there was a terror strike. This is a genuine issue but it relates to inadequacies of our criminal justice system and not necessarily to the communal bias of police officers. Even if the police pick up a wrong person for detention, should the courts not be vigilant enough to release him? The laxity of our criminal justice system sees thousands of under-trial prisoners rotting in jail even beyond the sentences they would have suffered if found guilty. The trial that never takes place penalizes thousands. All detainees need to be released quickly if there is no evidence against them. The Home Minister needs to find an answer to the systemic problem rather than use it as an electoral gimmick. His intentions became suspect because he failed to analyse the problem and forgot to suggest solutions worthy of a Home Minister and not a politician.

Readers are invited to email their points of view on serious issues of the day to ashokkarnik2001@yahoo.co.in.

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“Nehru’s Feeling of Guilt for the 1962 Debacle”ⁱ

Suresh C. Sharma

An obvious reason for Nehru’s guilt feeling could be that he had ignored all warnings about the likelihood of an attack by China.

Yashwantrao B. Chavan took over from Krishna Menon as Defence Minister after the 1962 defeat by Communist China. When the former met the Prime Minister Nehru he sensed that the Prime Minister (PM) was suffering from a feeling of guilt for the debacle. As PM, he must have realized he was accountable. Even those of us in the army who were far removed from the combat zone shared this mood of defeat. Being at the helm of affairs he must have realized his mistakes.

Prime Minister Nehru was concerned about the future of Lt. Gen. B M Kaul who was once his trusted officer. Chavan decided to let Kaul proceed on retirement and sent his recommendation to the PM to keep him informed. Nehru initialed it and sent it back without any remarks. He did however mention to Chavan his worry that Kaul might commit suicide and thought of finding a berth for him as ambassador or with the Teja Shipping company. None of these were to be found necessary as Kaul on retirement decided to write a book of his experiences.

An obvious reason for Nehru’s guilt feeling could be that he had ignored all warnings about the likelihood of an attack by China. He depended on the advice of Menon and Mullick, Director Intelligence Bureau [IB]. The question arises whether there was a credible warning of likelihood of an attack. Lt Gen Verma, Chief of General Staff, wrote a paper on the inevitability of a war with China. He emphasized the lack of India’s preparation and therefore, the certainty of our defeat. The paper was put up to the PM through the Chief of Army Staff and came back with a note from the PM that a war with China was not possible in his life time.

Lt Gen Daulat Singh, GOC-in- C Western Command warned of China’s preparations for an attack in Ladakh and was told that the highest authorities had discounted any such possibility. As early as August 1962, Colonel [later Lt. Gen.] Bhagat VC, the then Director Military Intelligence, had prepared a paper on the threat from China.

In October that year, Inspector Karam Singh was taken prisoner and ten constables of his party shot by the Chinese. Bhagat made a presentation of his paper to President Dr. Radhakrishnan at the latter’s desire. The President told him to make a similar presentation to Nehru but Menon blocked it. Earlier too, Nehru had ignored the warnings by Generals Cariappa and Thimayya. China had become an exclusive preserve of Menon.

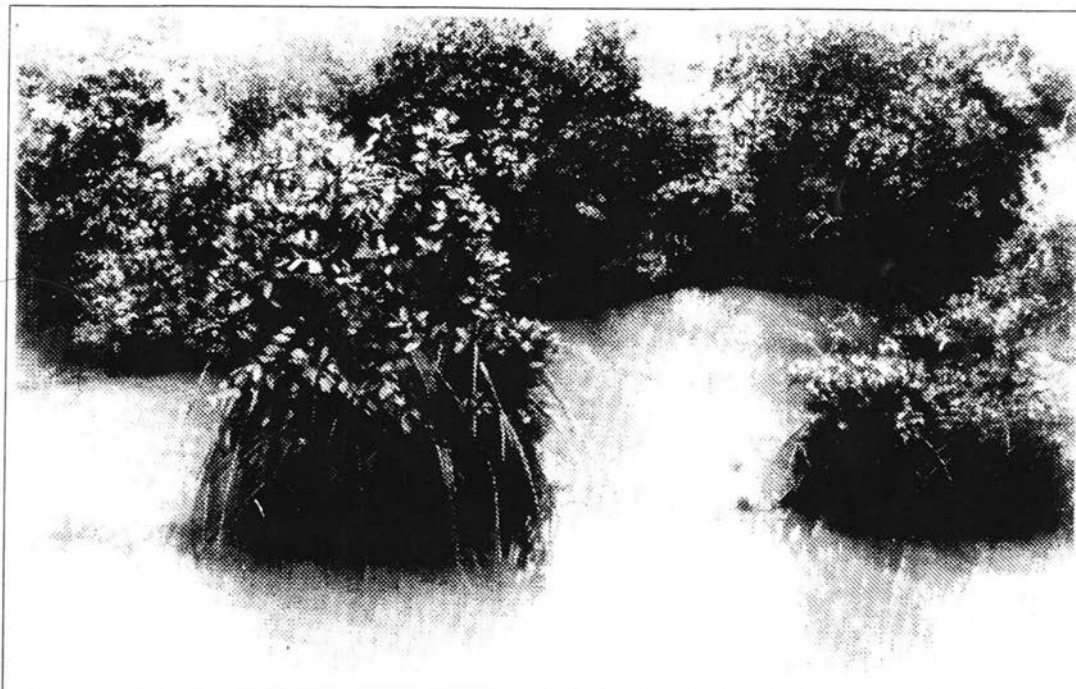
In September 1961, B K Nehru, our ambassador in USA had met Lt. Gen. Kaul at the residence of India’s High Commissioner, T K Kaul in London. Gen. Kaul told B K Nehru that India could soon face an attack by China and asked him to talk to authorities in USA for help in case of such an eventuality. B K replied that he would not take up any proposal contrary to India’s avowed policy. B K asked Kaul why he did not convey this appreciation to the PM himself to which Kaul replied that the PM only listened to Menon who was interested in furthering his own career and not the national interest. B K Nehru did mention it to the PM who replied after a few days that Menon had assured him that the army was ready to face the conflict.

A possible reason for this overconfidence may have been the advice by Khrushchev that China would not attack India. Based on Chinese sources, MacFarquhar comments that Zhou sought Russian support for a massive attack by India, his jargon for attack by China. At a dinner in honour of the departing Chinese Ambassador Liu Xiao on 8 October, Khrushchev gave his approval. He was not aware that on that day, CIA had detected construction of missile silos in Cuba. President Kennedy announced it on 22 October. The USSR got locked in a confrontation with USA on this issue and wanted the support of China. The Soviet Union’s attitude on the Sino-Indian border dispute changed. Nehru received a message from Khrushchev on 20 October alluding to reports of India’s intention to commence hostilities and urging him to accept Zhou’s offer of talks. India was not aware of the telegram sent by Khrushchev to China on the following lines.

‘As per our information, India is preparing

ⁱ Title taken from the book “Debacle to Resurgence” by R. D. Pradhan, published by Atlantic Books, New Delhi.

CONCERN FOR THE ENVIRONMENT



A unique feature of the Industrial Garden Township, Pirojshanagar, is a large expanse of swamp, one of the very few such areas existing in the city under original mangrove forests.

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It is almost unbelievable that, like the Sanjay Gandhi National Park in Borivli, such a mangrove still exists in the excessively congested and polluted megapolis that Mumbai is

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to launch an attack on China. We would have adopted similar measures as China is undertaking. On the border dispute, neutrality on our part would be an act of a traitor.'

The Soviet Representative later said he was unaware of any support to China by Khrushchev. India should have drawn the right conclusion from Moscow's decision not to fulfill its commitment to sell us MIG25 aircrafts. When China did attack India, the USSR opted to remain silent over the war between brother China and friend India.

Prime Minister Nehru never expressed sympathy

for the people of Arunachal who were left at the mercy of the enemy. The administrative officers who had left their posts rushed back after Chinese withdrawal. It raises an important issue about the behaviour of administrative staff in case of enemy advance. Take the example of Europe where the administrative staff of utilities, services and elected municipal bodies invariably stayed back to face the enemy. They continued to operate the various services even under enemy rule.

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Reflections

The Indian Navy in the 1965 Indo-Pak War

Brig. S. C. Sharma

When the politicians talk of a limited war, it means that they are not serious

– Colin Powell, former Chairman, Chiefs of Staff, USA

In March 1965, Pakistan established two posts inside Indian territory in Kutch which is a marshy area of about 500 to 80 kms. It was one of the un-demarcated areas after the Partition of 1947. Pakistan's claim was based on the ground that it was under the administrative control of Sind which was now part of Pakistan. Another strong reason for the claim was the prospect of finding oil.

On 9 April 1965, Pakistan attacked the CRPF Post at Kanjarkot and claimed it to be its own territory. The CRPF forces withdrew and the task of meeting the Pakistani aggression was taken over by the Army. A major attack by Pakistan on 24 April was contained. A cease fire was signed on 30 June through the good offices of the Prime Minister of UK. The international press commented adversely on the performance of the Indian troops. Pakistan had deployed one division and two regiments of Patton tanks. India lodged a protest with USA regarding use of US supplied Patton tanks. USA made a formal protest to Pakistan but nothing happened. The dispute was referred to an international tribunal which awarded 480 sq kms out of 4800 sq kms to Pakistan. The area awarded to Pakistan had a large number of islands while the area with India comprised swamps.

The people of India had vivid memories of the humiliation of the 1962 defeat and felt that the Government should have acted more firmly with the incursion by Pakistan. The Army Chief had advised that the escalation

of conflict in Kutch was tactically not in our interest. During the Commonwealth Prime Ministers conference, Marshal Ayub Khan said patronisingly to Lal Bahadur Shastri that his men had given a bloody nose to the Indian Forces who committed an aggression and ran away. Shastri replied "You are a general. Do you think I would choose a terrain where I had no logistical support and you have all the advantages?" This thought startled Ayub who probably had been led to believe that India was the aggressor.

Naval Chief's Embarrassment

No naval or air encounters occurred during this period. When the skirmish occurred, some ships were on routine assignments on both coasts and in the Andamans. Most ships in Bombay were undergoing maintenance in preparation for the annual exercises in the Bay of Bengal for the duration of the South West monsoon. The aircraft carrier had disembarked her air squadrons and was on her way back to Mumbai for docking. When Pakistan intruded in Kutch, she was ordered to sail back and re-embark her aircraft. By the time she had done so, the cease fire had been declared. This delay in her docking was to result in the Carrier not being available for operations later in the year. After the cease fire, it was decided to update the operational readiness of the ships.

INS Mysore and anti-submarine frigates were sent to the East Coast to take part in the anti-submarine exercise with the British submarine. On conclusion of the exercise,

the ships made do with the meagre maintenance and repair facilities in the East Coast. In August 1965, Pakistan sent a large number of infiltrators into Kashmir and launched a major attack in the Akhnur sector on 1 September. The Indian Army crossed the border at Wagah on 6 September and headed for Lahore.

Keen to discharge his responsibility, Vice Admiral Soman, Chief of Naval Staff [CNS], issued a signal on 6 September to all naval units to be ready to neutralize any misadventure by the Pakistan Navy. He was asked to cancel the signal as no war had been declared. It caused him great embarrassment. The Navy was directed to remain in the Andamans for defence against threat from Indonesia. Relations with Indonesia had deteriorated after the Bandung conference of 1955. It had received one cruiser, fourteen destroyers, fourteen submarines, eight anti-submarine patrol vessels, twenty missile boats and several motor torpedo boats from the USSR. It had signed a mutual defence agreement with Pakistan. Indonesia made claims on Andaman and Nicobar islands and wanted the Indian Ocean to be renamed Indonesian Ocean. This was perhaps an apprehension and no specific intelligence was provided. Rear Admiral Samson, Eastern Fleet Commander, asked for permission to move to Mumbai and was told to stay put on the East Coast. As if that was not disappointing by itself, a letter was received from the Ministry of Defence [MOD] directing that the Navy was not to take any offensive action at sea and not to operate north of the latitude of Porbandar.

The Exclusion of the Navy

Admiral Soman met the Defence Minister who confirmed the orders in the letter from the MOD. The Defence Minister said that even the Prime Minister, Shri Lal Bahadur Shastri, did not want the conflict to escalate at sea. Soman requested him for permission to see the Prime Minister so that he could convince him of what he felt strongly about and he readily agreed. The PM told Soman that his responsibilities in the Andamans were more important than in the Arabian Sea. The CNS said that it was not fair to exclude one Service from action as long as it did not bite more than what it could chew. As for the desire not to escalate the war at sea, he pointed out the reverses suffered by Germany in the two World Wars due to keeping the fleet bottled up. The PM was annoyed at this remark and told him that he had no choice. In reply to his request to see the Supreme Commander, he said "You do not have to see him."

Pakistan believed that the Indian Navy was bottled up in the harbour due to threat from the Pakistan submarine, Ghazi, prowling in Indian waters. It afforded an opportunity to Pakistan to attack the radar station at Dwarka. The aim of the attack on Dwarka was to destroy the radar station,

draw the Indian Navy ships from the harbour for attack by the submarine, Ghazi, and to draw IAF aircraft away from the Northern sector. Dwarka was blacked out and Pakistani ships had to be guided by radar. Pakistani flotilla attacked Dwarka at midnight of 7 September fired 50 rounds in four minutes and altered course. It was followed by bombing by Pakistan Air Force. On 8 September, Naval HQ directed commanding officer [CO] of INS Talwar to inspect the damage. He reported that Pakistani vessels disguised as merchant ships had bombarded with majority of shells not exploding. Bombing by air had damaged one railway engine and a railway guest house. Bombardment of Dwarka with the Indian fleet still preparing to sail was an affront to the larger Indian Navy. Talwar returned to Mumbai. It is believed that the CO of Talwar felt so unhappy that he had to be cajoled to return to his ship. Ghazi made a false claim of sinking INS Brahmaputra which had to be paraded at Mumbai to convince the media.

Pak Only Killed a Cow

All ships of the Navy returned to Mumbai by 9 September from the Bay of Bengal. All ranks of the Navy were itching for revenge. They wanted to sail to Karachi. The directive from the Government of India not to seek action beyond the latitude of Porbandar had brought shame to a time honoured Service. The Indian Navy ships had intercepted two ships carrying arms to Pakistan but allowed them to continue their journey. This laxity added to the shame of not taking any action against the Pakistani ships. Vice- Admiral Krishnan commented that "Even if there was a mandate against the navy participating in the war, no Government would blame a warship going into action, if attacked. An affront to the nation is no joke and we cannot laugh it away by saying that the Pakistanis only killed a cow. Let us at least create a memorial for the unknown cow." An MP asked in the parliament "What was the Indian Navy doing when the Pakistan Navy bombarded Dwarka?" Mr. L. K. Jha, Principal Private Secretary to the Prime Minister reveals the reason for not using the Navy: "The attempt on our part was to keep the whole thing confined, territorially and otherwise, to a local conflict." A shift in the policy of Russia towards Pakistan and apprehension of intervention by China were additional reasons for not allowing it to assume the character of an Indo-Pak war. We have fought four wars without declaration of war. Was capture of Haji Pir Pass and strike at Lahore not a war?

To a military commander, this is confusing as he wants to use all resources to destroy the enemy. It is even more surprising that the CNS was not consulted in evolving this policy or taken into confidence.

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Corruption – The Perspective from Folklore

Dr. R. Srinivasan

Folklore knew all along what political scientists had to be reminded of by Laswell that all politics is power in the last resort. If power is important, the abuse of power which is the essence of corruption is inevitable and we have to come to terms with it.

In this paper, I look into the place of folklore in explaining the persisting phenomenon of corruption in our land and I try to find out whether study of folklore would be helpful in understanding the nature of corruption, in coming to terms with it, and to reduce its damaging consequences to the larger society. The general attitudes enshrined in folklore seem to have had a wider and deeper acceptance than what has been indicated in books in India.

1. Folklore in India encapsulated a peasant attitude towards politics, society and morality, which is highly realistic.
2. This approach which is realistic with regard to politics will not meet the requirements of a participatory liberal democratic society. But what has happened in our land is that the present day contemporary leadership, both in the Centre and the States, increasingly is moulded on peasant attitudes (Ram Vilas Paswan and Laloo Prasad Yadav), in contrast to the earlier scenario when the actors had partially imbibed an open, responsible political order to be the overarching value of politics.
3. People in positions of power in the local institutions had always shared the folklore view of politics but were kept under some control in colonial times.
4. The folkish view of politics needs to be modified with a new social and political philosophy which would place an emphasis on Trust, Rectitude and participatory politics. Such a philosophy already is in the Constitution. The need of the hour is not only to reiterate it but spread the message continually. The great hope is that the new panchayati institutions operating in an open climate of egalitarianism and transparency would correct the narrower perspective of the folkish view of politics.

There are bristling mythological difficulties which if we begin examining might compel us to almost give up the exercise. For one thing, we might get a pan-Indian view of the prevalence of corruption with striking local differences. Also, folklore might appear to give a

permanent, fixed unchanging picture of the phenomenon while we know of the gradual, slow, imperceptible change that has come over our rural society. Again, the folklorists would pay inadequate attention to changes in the governmental set-up. Yet, in spite of these reservations, it must be accepted that folklore seems to have its finger in a central pulse of Indian society.

The Panchatantra

One of the oldest surviving collection of folk-tales is the *Panchatantra*, and in it are certain attitudes towards State and Society that appear to be persistent. This is as much a book on politics as on animals and the author regards this as an easy “guide” to the principles of political science. It is concerned with the Court, Kingship, Power, and the problems of survival in an hostile social and political set-up.

Throughout the hundred-odd stories of the *Panchatantra*, what we notice is a suspicion of the government and even more of the immediate circle around the King. The total amorality of the power holder is laid bare and all social relationships are essentially exploitative. He who has power and those who have access to power will tend to use it aggressively with a total disregard for higher or nobler values. Hence, the individual should try to keep as far as possible from the centres of politics. If one is compelled to be in the vicinity of politics, one should keep one's wits about oneself, lest one should be sucked into the vortex of the stronger. And we cannot take seriously all the elaborate assurances of safety. The camel who was assured of immunity and protection came near the King, the Lion, only to be torn to shreds; the King and the courtiers made a sumptuous meal of him. Generally, the sovereign is often stupid, has only muscle power and it is the surrounding group that is dangerous – the scheming ministers and the courtiers. A thousand and five hundred years later, in the Vijayanagar Kingdom, the abiding nature of the truth of the insights of the *Panchatantra* were demonstrated in the stories of Tenali Rama Krishna, a court jester who was very close to the King but whose life every

day was in danger mainly, because of the scheming courtiers; he survives because of his ready wit, commonsense and a capacity to find ways and means of escaping from uncomfortable and perilous situations.

The other important message was that there is no such thing as social improvement brought about by the king or the State. The world is a Hobbesian theatre where the strong lord over the weak all the time. Hence, do not trust anyone and carefully count the advantages. Not only the larger community, but the State itself would exploit you, if it had the opportunity.

The Peasants' World View

Flowing from this set of attitudes is a world-view of the peasantry which has been described as the "concept of the Limited Good." This has been developed with thoroughness by Professor George M. Foster. "... Poverty is a harsh fact of peasant life. Most peasants are poor, and they must struggle desperately for their small share in the economic and other good that is available in their villages. They are economically and socially and culturally deprived peoples; certain forms of non-idyllic behavior have real survival values. Most students of peasant life have found the people to be suspicious, distrustful and envious of the others, viewing the universe around them as eventually hostile. This cognitive orientation is accompanied by behavioral forms that constitute defense mechanisms; the peasant criticizes and gossips around others, hoping to discourage them from taking undue advantage of him and he cooperates, not from a sense of village welfare, but rather informally defined ways such as work-exchange, institutions..."¹

The Concept of the Limited Good

The concept of the Limited Good makes the "peasants view their social, economic and natural Universes – their total environment – as one in which all the desired things in life as land, wealth, health, friendship and love, manliness and honour respect and status, power and influence, security and safety, exist in finite quantity and are always in short supply, as far as the peasant is concerned. Not only do these and all other "good things" exist in finite and limited quantities, but in addition there is no way directly within peasant power to increase the available quantities." Things are not sufficient to go around.²

The concept also involves the notion of the community as a "closed system". Consequently, there is a primary corollary to the Image of the Limited Good; if "Good" exists in limited amounts which cannot be expanded, and if the system is closed, it follows that an

individual or a family can improve its position only at the expense of others. Hence an apparent relative improvement in someone else's position with respect to any "Good" is viewed as a threat to the entire community ... Any significant improvement is perceived, not as a threat to an individual or a family alone but as a threat to all individuals and families."³

Economically, "one works to eat; but not to create wealth. Wealth like land, is something that is inherent in nature. It can be divided up and passed around in various ways, but within the framework of the villagers' traditional world, it does not grow."⁴

The Mentality of Mutual Distrust

According to peasant folklore, there is a threat all the time to oneself and one's family and there is a "mentality of mutual mistrust"; opposed to this is the attitude of the western enlightenment view that the world can be improved, that economic well-being and social improvement hold the key. What we notice is the continuing battle of the intelligentsia from the 1840s to posit this view and advance this against the older closed view of the peasant folklore. But the peasant folklore attitude had seeped in so deep at all levels of the society that the conflict of values continued and the peasants' value seems to have had dominance all along.

Whatever be the rigorous discipline that Kautilya might have prescribed for his prince, the folk understanding whether it be in the *Panchatantra* or the oral folk-tales has been different. We find the Kings and the princes enjoying themselves the perquisites of office in an immense manner to the point of satiation. All stories and legends dwell upon the material wellbeing and the ample indulgence in the good things that positions of power necessarily award. There is no question here, no gnawing doubt that these are all at the cost of others. The King, his group live ostentatiously and they are not expected to be abstemious, or deny themselves of privileges. Only, the rewards of a public office are the access to the good things with no moral judgement being cast upon the indulgence of these. Hence a high degree of tolerance of these activities was built into the folk attitude. The King can do no wrong, he is subject to no normal moral restraints that are visited upon others. If this is so with regard to the Kings, a similar latitude is given to the lower officials as well. Bribes will be demanded, nepotism will be indulged in, corruption will follow and the larger family and caste members will benefit. After all, they are taking advantage of not your money or mine but of a very distant *Sarkar*.

Whoever occupied these public positions, Patil or

Prince, had them due to their good fortune or luck; you too could get them and once elevated, you too could have all these good things that flow from these positions. Such an attitude does not foster the philosophy of either a responsible or a limited government.

Why Pay Taxes?

The enjoyment of the sweets of office therefore will necessarily entail resources and the resources are the taxes that people grudgingly surrender. And taxation meant the depletion of one's own hard-earned wealth – something that went against the grain of the peasant world view. In the late eighteenth century a Poligar chieftain questioned the right of the East India Company to levy taxes – ‘The Sun shines bright and the clouds pour their beneficence. We grow crops on our land thanks to the Sun, the Rain and our hard labour. The Company has not helped in sowing, weeding or reaping. They are not our relatives or members of our caste. Why in the world should we give them taxes?’

This sums up the attitude of the average peasant. The King generally was far away – most of the villages ran on smoothly oiled customs with well-defined roles for individuals and members. The village generally protected itself and why should I pay taxes except for the fact that the tax gatherer has the power. I would rather share the good things with my relatives and caste men and later with the village members.

There was also another possibility that was very real and frighteningly so. One was able to farm, reap and store one's produce because of a King ruling over the land. If there was no King and a state of *Arajya* much dreaded by the classical Hindu political philosophers were to befall, terrible things will follow.

Anarchy - A state of Arajya

In the eastern Deccan and northern Tamil country during the 1640s, recurring wars along with regional famines caused many people to run away to safer places, and about 150,000 people to be captured by invading Muslim armies, so that by 1647, the peasants and artisans of the affected regions were estimated to have decreased to a quarter of their former numbers. In the Western Deccan, too, from the middle of the seventeenth century onwards, Poona, Junnar, Udgir and AUSA regions, for instance, were frequently damaged by fighting between the Moghuls and the Marathas; in early 1662 alone some seventy to eighty villages were burned down and plundered by the Moghuls and people absconded to nearby mountains. The wars between the Adilshahs, the Moghuls and the Marathas caused a considerable decline of Rajapur by 1662, one of

the most important ports in the Western coast ...⁵

These anarchic situations were to be endemic and continued till the beginning of the nineteenth century. Let us take South India.

For centuries, five main kingdoms had fought each other over the peninsular part of India and there was no peace. For the peasant, the sight of strangers was always a matter for dread and it made little difference whether what they took was loot from an enemy or taxes from a subject ...⁶

Extortion by Changing Overlords

Munro was to write that in Cuddapah, an army which was not paid its wages turned mutinous during “the sowing season to collect their pay from the villages. They drove off and sold the cattle, extorted money by torture from every man who fell into their hands, and plundered the houses and shops of those that fled”.⁷ The Poligars who established their rule were but armed bandits who offered protection and for this one had to pay taxes.

The peasant knew that the government was interested in doing one thing and that was taxation and in paying his taxes, it was only a matter of the presence of an overlord to whom he paid his taxes. It was quite likely that he would have paid taxes to his political master; in a few weeks' time, the master would have fled, driven by the invading armies of another; the peasant would have to pay the new conqueror taxes once again, which would be collected, whatever his protests.

To the peasant the State meant paying of taxes and these were arbitrary. And if he did not pay, he was punished severely, so severely that often he had scars all his life. In this, it made no difference whether the tax collector was Maratha, Muslim or the British. Jotiba Phuley was to refer to the inhuman practices resorted to by the peshwai of Baji Rao II.

Not long ago, until the end of the regime of the last of one of the Peshwas, Baji Rao if a peasant committed a slight default in payment of land revenue, he was made to stand half-bent in the blazing sun, a big stone put up on his back, or his wife was made to sit on it, and down in front of him was lighted a fire with chillies thrown in it. The ruler treated his subjects like animals.⁸

Cheating the “Company”

If this was the procedure resorted to by the Maratha Peshwa, a hundred years later, the record of the East India Company in torture was no better. A member of Parliament,

Danby Seymore in 1855 was responsible for the publication of the Report on Torture resorted to by the East India Company in the Madras Presidency. He went to the interior parts of the Presidency and learnt of the exorbitant taxes and the instruments of torture used by the Company. He presented some of these, such as the thumb screw, to Parliament. The kinds of commonly found incidents torture were making a man stand in the sun, preventing him from attending to calls of nature or denying him food, a peculiar torture known as Kittee Amindel, i.e. tying him in a bent position, squeezing the crossed fingers, twisting his ears, striking two defaulters' heads, or tying them by the back hair; placing them in the stocks, tying their hair to a donkey's or a buffalo's tail, placing a necklace of bones or other disgusting materials round their necks. I have freely paraphrased from the account in R. C. Dutt's *India in the Victorian Age*, London 1908, pp.14-5. There are more details in the volume.

If the government could be cruel, the local representatives of the ruler could be more arbitrary, corrupt and undependable. He had enormous power locally; his word was the law. He could manipulate evidence and allow a favoured party to get off lightly, with his taxes. His associates were all suspect. In the few proverbs that one is able to trace relating to the village headman and the village accountant, one found not a single proverb that was favourable to these officers. "The murderer of a Brahmin is fit witness for a tax collector." "A house where the tax collector enters is permanently ruined." "If the Headman and the local Patil are in collusion, anything is possible." The government funds are like the river, help yourself to all of it. "Not only is the village headman powerful; even if poor, his wife is equally so. So is his horse, for none dare thrash the animal for trespass into fertile fields. The Patil may be poor but he has authority and dignity. The egg from the house of the headman can crack the grindstone of the farmer. Similarly, the village accountant along with the goldsmith and the tailor are terrible and notorious for their sharp practices. If the accountant's gaze falls on your house, you are ruined."⁹

The Patil-Kulkarni combine was regarded as invincible and difficult to expose. In the famous book *Gav Gada*, M. Kennedy is cited stating that the Patil-Kulkarni duo has had been responsible in actively helping criminal tribes in their unlawful and criminal activities.

Jamabandhi

The two together were often corrupt and rapacious. Attempts made to supervise their actions were institutionally developed. In the Madras Presidency, it was known as *Jamabandhi*. A senior revenue officer would

tour around some centres in a taluk and invite the villagers for any petitions they may have against the officers and they checked the accounts. By the second decade of this century, the general experience was that there were few complaints issuing out immediately from the surrounding areas. A few petitions were submitted but they were dismissed. These occasions themselves became opportunities for legalizing corruption by passing on some of the illegal gratifications to some of the group of visitors. This was in the context of a fairly wide open polity with a legislature and a press functioning. In fact, critics gave details of the governing rates of corruption and the *Jamabandhi* group was likened to a "flight of locusts". What would have been the tax administration half a century earlier is fairly clear.¹⁰

The nexus between the tax paying peasant and the village officials represented a type of corruption. A different form is to be examined. This was the corruption indulged by the Huzur *Shiristadar* of Guntur District (during 1880-40), the Chief in the District Administration immediately below the Collectors. Responsible for assessing and collecting revenue, the leader member Nyapati Shashagiri Rao had built up a web of connections throughout the district. The district administration bristled with his relatives, all of them Marathi-speaking Desastha Brahmins. This was not unusual. "The Naib Shiristadar in Nellore had fifty six relatives in key offices within that district administration out of 388 officers in the district."¹¹ In Bellary District, there were 235 Brahmins and many of them belonged to the dominant caste of the Desasthas. The accounts were traditionally maintained in Marathi. "By their enormously bulky and complex accounting (Bourdillon wrote that taluk and district accounts contained 1,200 columns of figures), and by their endless duplication of Marathi and English forms, they were able to smother their European superiors with 'facts to cloud' essential truths."¹²

It was clear that lakhs of rupees were siphoned off to the private pockets of the families. It was proved that Rs.572,801 had been collected from villages without any authorization, and that Rs.51,458 had been pocketed and Rs.202,902 had been illegally given to the Zamindar. "There was no accounting. The investigating team of Elliot helped by Appa Rao visited personally each village and collected evidence. Fake accounts were passed off as genuine which were detected. Accounts had been fabricated to meet emergencies." True accounts were found immersed in tanks and wells, hidden in grain pits, torn up and burnt."¹³

For the first time in the District, a thorough collection of data relating to every village was collected. Marathi was abolished as a language of official use. No two members of the same caste were kept in the same

department.

The Peasants' Perception of the State

Can we explain these dimensions of corruption in terms of wisdom gathered in folklore? Right from the *Panchatantra*, what is evident is that the people saw the State purely in terms of power with no moral dimensions at all. Those who were in political authority owed it entirely to their muscle power or their cleverness and they continued because of this. At that elevated level no moral considerations seemed to matter for the son would kill the father if he could succeed him; if there were no moral sentiments towards their own kith and kin what of the larger community? Considerations for the larger community were far from their calculations. Hence it was natural for the Peshwa or the Company Bahadur to indulge in cruelty; and there was no appeal from these. Therefore the legitimacy of a tax depended upon the capacity of the King to extract from the peasant what he regarded as his dues. And it was natural that the peasant should seek to avoid these. If the King took away my wealth, I had correspondingly less of it; that it would come back to me through social facilities was beyond the ken of the peasant. He is a foolish man who tries to pay taxes. Instead try to bribe and reduce your payments to the extent possible. The local officials can be cajoled to connive at your act; for he is no angel and tries to enrich himself, by trying to get the maximum advantage that he can. The local tax collector was a minor king in his area and therefore behaved like the monarch imitating him in trying to get what he regarded as the good things which were his due. At the same time, he shared the peasant attitude of uncertainty and therefore salted away what he could and depatched to the treasury, only a part of his collection.

Thou Shall Not be Found Out

Bribery, corruption were built into this Hobbesian Universe; the peasant attitude summed up traditional attitudes that were workable in a traditional pre-colonial setup; but what of modern times? The most remarkable development among the very top elite of Indians in administrative positions and the emergence of modern attitudes were totally contrary to the traditional primordial values prevailing till recently. Ramesh Chandra Dutt, Ranade, Agarkar, to give a few names were as modern as any western intellectual was – in their commitment to modernity, responsible political government and social development. However those in subordinate positions dispute these words that they understood imperfectly and did not want to understand many of these terms. Those at the lower levels continued in their old ways but took care to carefully foster one commandment – Thou Shall Not Be Found Out. Corruption was not wholly rooted out

but remained within manageable limits

Within three decades of Independence, the rural masses were able to throw up leaders, and they had been more exposed to peasant values than to the esoteric ideals of liberalism. And simplistic slogans of populism, the ballot box, development came convenient, not only to elevate them but to give a legitimacy for an older political order. With Pratap Singh Kairon shielded by Nehru, it was only a matter of time that Sukh Ram should rise in the horizon. The Janata and the later V. P. Singh interlude put in the penumbra the peasant world view. With Rajiv Gandhi and the Baba log there was a western veneer of respectability given to traditional peasant values. And the result is for all of us to see.

Folklore knew all along what political scientists had to be reminded of by Laswell that all politics is power in the last resort. If power is important, the abuse of power which is the essence of corruption is inevitable and we have to come to terms with it.

The distinction between the private and the public and the need for a sense of trust are not within the ken of the folklore. The Liberals in the last century knew of it. The Mahatma was able to communicate this effectively and he added the dimension of Dharma to it.

Only a Mahatma could practise this. We have discovered that transparency in dealings can reduce considerably corruption – in the village, the corruption was transparently visible for one and all. We need a new transparency – our media and our judicial institutions may be of relevance here.

DR. R. SRINIVASAN, retired Professor of Political Science, University of Mumbai and Associate Editor, *Freedom First*.

¹ George M. Foster, *Peasant Society* (ed.) Jack M. Polter, May N. Doaz and George M. Foster, Boston, 1967, p.297.

² *Ibid*, p.304

³ *Ibid*, p.305

⁴ *Ibid*, p.307

⁵ H. Fukazawa, *The Cambridge Economic History of India* (eds.), Tapas Ray Chaudhuri and Irfan Habibi Hyderabad, 1982, Vol.I, pp.476-77

⁶ P. Woodruff, *The Founders*, London, 1963, p.185.

⁷ *Ibid*,

⁸ Quoted, Laxman Shastri Joshi, *Rationalists of Maharashtra*, N. R. Phatak et al, Calcutta, 1962, p.8

⁹ H. Jensen, *Tamil Proverbs*.

¹⁰ Cited, *Gar Gada*, Triyamak Narayan Atre, Pune, 1989, (1915), pp.87-8.

¹¹ C. J. Baker, *An Indian Rural Economy*, Delhi, 1984, pp.449-50.

¹² R. E. Frykenberg, *Guntur District, 1788-1848*, Oxford, 1965, p. 235.

¹³ *Ibid*, p.234

Japan's Elderly Go on Petty Crime Spree

India's Elderly will find this of interest. Crimes committed by Japan's elderly have doubled in the past decade, and shoplifters are now more likely to be over 65 than juveniles aged 14 to 19.

According to the National Institute of Population and Social Security Research...many worked tirelessly through Japan's boom years, and when they hit 60 or 65, they realized they were no longer needed. That's what's happening in Japan,"

It's never too late to turn to a life of crime. Fumio Kageyama was 67 when he first crossed the line, making an unsuccessful attempt to rob a drunken passenger on a train in March 2008.

Given a suspended jail sentence, Kageyama was caught two months later stealing a bowl of rice and pork from a supermarket. This time he went to prison for two years.

Kageyama spent four decades as a construction worker on projects including the Takashimaya department store in Tokyo's Shinjuku district and a bicycle racing track in Maebashi, Gunma prefecture. It was hard but honest work. Now he's part of a growing number of what the Japanese call silver shoplifters. Released from detention, he was caught again in April 2011 stealing hot dog buns and fried noodles. "It wasn't great to get caught, but I just didn't give a damn," he says in an interview at a halfway house, his hair cropped short and his skin tanned from a lifetime of outdoor labor. "I never did it when I had a job because I didn't want to cause anyone trouble."

Crimes committed by Japan's elderly have doubled in the past decade, and shoplifters are now more likely to be over 65 than juveniles aged 14 to 19. With Prime Minister Shinzo Abe planning to cut welfare further in August to rein in the national debt, and some 4.5 million people joining the ranks of retirees in the next 10 years, the senior citizens crime wave offers a glimpse of the challenges Japan faces in the coming years." Crime is one of the problems regarding the elderly, along with pensions, nursing care, and the increased welfare burden," says Koichi Haji, executive research fellow at the NLI Research Institute in Tokyo, an affiliate of Nippon Life Insurance, Japan's biggest life insurer. "The government doesn't know what to do."

Abe is caught between trying to curb a gross national debt that the International Monetary Fund estimates will reach 245 percent of the economy this year and placating pensioners who will make up about a third of the population by 2035. With a dwindling number of younger people to care for them, more elderly are turning to crime, often out of hunger.

Criminal offenses by those 65 or older, reached 48,544 in 2012, with shoplifting accounting for 59 percent, according to the National Police Agency. Total crime in Japan actually declined 17 percent over the last decade. About 158 senior citizens per 1000 take to Henses in 2012, up from 103 a decade earlier.

"The current level of pensions is unsustainable; the payments have to be reduced," says Haji at NLI Research. "Elderly people are gradually digging into their savings, and the rate at which they dig into those savings will accelerate." As their assets dwindle, the incentive to steal rises. The number of elderly arrested for shoplifting rose to 28,673 in 2012, 46 percent higher than the 19,645 juvenile arrests for the same offense, according to the National Police Agency.

The real figures may be even higher because many cases of theft by senior citizens aren't reported, says Yuji Ozaki, a security officer at Zenkoku Security Guard in Tokyo. Grandpas and grandmas steal from boxes, sashimi, rice balls, sweets, beef, sake, and eel-in bags, pockets, sleeves, and socks, - Ozal says. '28,673 Japanese Seniors were Arrested for Shoplifting in 2012

Some steal even when they aren't hungry. "Senior citizens also steal because these lonely Japanese seniors are isolated," says Yusuke Ishikawa, a special assistant to the director of the supervision division at the Ministry of justice. The Traditional support system is breaking down and the elderly are cut off from society, says Ozaki, who works at Supermarkets, drugstores, and department stores. "In the old days, someone used to talk to them when they shopped downtown. But now they only have big Stores nearby, and nobody talks to them. I think they kind of

get frustrated and do it when they lose interaction with the neighborhood.”

The number of Japanese seniors living alone will rise 54 percent to 7.2 million in 2030 from 4.7 million in ...change ...according to the National Institute of Population and Social Security Research. Many worked tirelessly through Japan’s boom years, and when they hit 60 or 65, they realized they were no longer needed. That’s what’s happening in Japan,” says Koh Fukui, an executive officer at the National shoplifting Prevention Organization.

Prisons are feeling the impact of their new inmates. About 8 percent of those who went to prison in 2011 were Over 65, compared with 3.6 percent decade ago, according to the department of justice. In 2009 and 2010 the government spent 8.3 billion yen (\$831 million) to build new facilities at three prisons equipped with elevators, handrails, and ramps. “It takes huge manpower just to keep elderly inmates behind bars, and their illnesses are boosting costs and adding to strains on prison staff,” says Tatsuya Ota, a law professor who specializes in criminal justice at

Keio University.

Life outside jail has been hard for Kageyama. When he was released from prison in September, he had about 20,000 yen and nobody to rely on. Now 72, he lives in a room with a rotting floor barely large enough for a bed. He pays 200 yen to shower at a local business after working his minimum wage cleaning the streets of Shinjuku. He gets welfare, yet friends tell him the government may pay back welfare payments which cover his medical bills. “It’s tough,” Kageyama says,. “ I eat mostly outside when I am working. Less money means means I have to [eat] something cheaper and cut my visits to the public bath.”

The number of Japanese aged 65 and above who commit crime has doubled over the last decade.

By Yoshiaki Noham and Andy Sharp The bottom line: Edited by Christopher Power

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Educating Adults

The Right to Education Act (17)

This is seventeenth in a series, examining the various aspects of the Right to Education Act (RTE).

What is Education?

Suresh C. Sharma

There is a wide difference between reproducing a lesson and understanding it. They fare badly in IIT entrance examinations which are based on understanding a subject.

In its simplest form education is transfer of information from teachers to students, preferably in a school. It sounds reasonable but misses some essential elements of education which includes - sports, behaviour with fellow students, and respect for seniors, communication skills developed through debates or elocution and self reliance. Learning is acquired through these activities, often imperceptibly. Enhancement or acquisition of skills is a part of education.

Delivery of knowledge has become the main thrust of education in our schools and it is tested by examinations at the end of each term. The results indicate the success of students and teachers. The tests are a source of stress amongst students, sometimes driving them to suicide or running away from homes. This emphasis on study of books deprives the students of the ability to think clearly, examine a problem logically and build up self-confidence to achieve self-selected objectives. Syllabus is revised to introduce some topics and omit others. Serious mistakes in contents are a regular feature. The students must be having a laugh and certainly losing confidence in the contents of the books. There is a mistaken belief in the thought process of the authorities that they can change the facts of history by propagating their views. A point of concern is a biased account of battles between Hindu rulers and Muslim invaders. Yes, while we do not want to implant communal disharmony, there should be a better presentation rather than ignoring the events. The English or French schools do not teach that two World Wars did not occur. They can present them as examples of human

folly which did not benefit any one; but facts must be respected.

We used to have similar revisions of syllabus in the National Defence Academy and other military colleges by committees comprising eminent professors. Every year, there would be an increase or decrease of periods (sessions) of some topic. This came to naught when a member pointed out that the purpose of education is to develop powers of reasoning and logical analysis. The data base can vary. The point went home and was accepted by all the members. This should be the guideline for all schools.

Difference between Knowing and Understanding

Our students are generally excellent in reproducing what has been taught to them, thanks to the method of rote learning in class rooms followed by private tuitions at home, supervised by 'tiger' moms. There is a wide difference between reproducing a lesson and understanding it. They fare badly in IIT entrance examinations which are based on understanding a subject.

The difference between knowing and understanding is well brought out by Dr. Feynman, Nobel Laureate in Physics and professor at Princeton. He used to go to South America or the Indies as guest lecturer. In one of his visits there, the Minister of Education of Brazil asked for his opinion on the standard of education in Brazil. Dr. Feynman plainly said that it was not good. He further explained that every student could repeat the perfect definition of a



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“crystal” as given in the text book but only two students could understand the subject. To his surprise, the two students said that they had come to Brazil only recently and had been studying in Europe. In the USA, a student would pick up a few items in the household and experiment with different substances. This attempt to learn through enquiry continues later. He acquires knowledge that is related to everyday life.

Our professor narrated an interesting incident. He had spent time in the study of crystals and was invited by the Union Public Service Commission for interviewing candidates for appraisers in the customs department. He would ask questions on characteristics of a diamond. A jeweller from Delhi was also a member who would just throw a few pieces of diamonds and glass on the table and ask the candidate to pick up the diamonds. It was a more practical test to evaluate the capability of the candidate. The students should be encouraged to learn how they can put their education to use in their day to day life or in the industry. Enhancement of skills is an important function of education. Traditionally, children of artisans learnt the trade from their parents. Schooling deprives them of these skills as a result they usually want office jobs which are limited and difficult to get for average students. This is a serious fault in our education. There should be career counselling for students who do not fare well in academics to learn a trade of their choice. The system should be guided by the individual's goals and his aptitude.

Some State governments like Uttar Pradesh have issued free laptops to school kids. A modestly priced computer has been promoted by the HRD Minister. The students can access data and world of information at a click. This is an advantage and use must be made in the teaching process. They do not have to worry about which books to consult. The danger is in such a facility replacing the need to understand issues using logical reasoning. A multimedia presentation on the computer looks impressive but does not ensure that the student has understood it. A teacher in the UK explained that students were given

an assignment to discuss differences between the various ideologies. Most of the students were unable to complete the task. The reason stated by them was that the articles on the internet were too long and difficult to follow. While new technical tools are welcome, they must be used judiciously.

Augmenting Formal Education

We should follow Germany's dual system of classroom education combined with work experience. The system dates back to the economic crisis of 1873. Set up in the 1880s, it provides the industry with loyal and skilled workers and it has withstood wars, dictatorships and globalization. Formal schooling is combined with apprenticeship. The students work in a firm for 3 to 4 days and attend classes in the school on the remaining days for specialized courses. They get paid for the work in firms and may opt for full time employment after 3 to 4 years. About 5% of high school students go to dual training institutes of 344 trades. Industry conducts the examinations.

The system has evolved over a long period and we should not expect quick results. Coordination between education authorities and industry ensures that training matches the demands of industry. The result of this dual system of education is the high quality of German industrial products and unemployment around 8% compared to Italy and Portugal at 38% and 56% respectively. Some of the European countries have signed a memo of understanding with Germany to adopt a similar programme. The Government of India established a chain of ITIs for artisans but the training lacks practical exposure. The social structure and attitudes in India drives them to white collar jobs which are not so many. We are likely to face a problem of substantial unemployment among youths as they are unemployable.

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More than half a dozen engineers have either quit or refused promotion since April due to political pressure and the increasing trend of engineers being made scapegoats for questionable decisions taken by senior IAS officers. The BMC (Mumbai's Municipal Corporation) has about 3,500 engineers, of whom some 200 are in important departments, like building proposal, roads, removal of encroachment and storm water drainage. It is engineers from such departments who have quit the civic body.

One senior engineer said “Top officials take all the policy decisions, but we have to face the brunt if their ideas fail. If there is a problem we are suspended. We have no powers but are held responsible for everything.”

Another observed, “Whenever a building crashes, the engineers are the first to be suspended.

An extract from a report in the *Mumbai Mirror*, October 1, 2013.

A New Beginning: Nirbhaya Case*

Durba Das, Khushboo Mishra

*If dowry is punishable under Section 498A and can wrap up the whole family then
why punishment on similar lines should not be meted out for crimes
and outrage against female modesty?*

‘Woman Thy name is Chastity’ – Chaste thou shall be with the valiant disposition of such men!!

On 16 December 2012, a female medico was beaten and gang-raped in Delhi. She died on the thirteenth day despite receiving treatment in India and Singapore. Public protest took place throughout the country.

On 22nd December 2012, a judicial committee headed by J. S. Verma, a former chief justice of India was appointed to report and suggest amendments to criminal law. The report indicated that failures on the part of the government and police are the root cause for crimes against women.

The Criminal Law Bill, 2013 which was passed by the Lok Sabha on 19 March 2013, amended the Indian Penal Code Evidence Act, and Code of Criminal Procedures 1973 related to laws on sexual offences. The Bill received Presidential assent on 2nd April 2013 and came into force from 3rd February 2013.

The Lok Sabha then passed a Bill which provided for life term or even death for repeat offenders of rape and other severe punishment for various offences like stalking, vulgarism and acid attacks.

With an aim to provide a strong deterrent against rapes and gang rapes, the Bill states that an offender can be sentenced to imprisonment for a term which shall not be less than 20 years, and may extend to life, meaning imprisonment, for the remainder of that person’s natural life, with a fine.

In spite of the new law, it took nine months to bring to justice the culprits for the cold blooded crime committed against Nirbhaya. The Fast Track Court set up to investigate the case found four of the accused guilty of gang rape and murder on 10th September 2013. The fifth suspect committed suicide in Tihar jail in March. One of the accused who was an equal partner in the crime has been sent to a reformatory for three years under juvenile

law. The court delivered a verdict of death penalty for other four.

The recent incidents against a photojournalist in the ruins of Shakti Mill Complex followed by the brutal attack on a four-year old in Oshiwara, Mumbai, continue to show indifference towards respect for women and children. The law has to be strictly implemented to demonstrate to the society that such acts of crime involving sexual offence will not be tolerated.

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“The Hand that Rocks the Cradle, Rules the World”

In the world full of people,
I find myself odd one among all.
In the world full of competition,
I cannot compete them all.

In my compound I don’t feel to step out of my house
I get scared to meet any male human out.

What happened with me left me shattered
They spoiled my life and made me battle

Since then I started taking rounds of courts,
Seeking justice waiting for a punishment note.

It has been a decade,
I have been visiting there.
Waiting for justice:
Seeking satisfaction which happened somewhere else.

I know how I faced those days,
God only knows how I wept and cleaned my face.

* Continued from FF556, October 2013.

He took me out for work and took undue advantage
of me
being alone was what happened there
But I don't know why am I asked the same question
in the court now and then?
Is it wrong to go out of my house if I have to work
alone along with a boy?
If not wrong then why am I warned by every side.
If it was fault from my side, what according to you
was right.

You say "The Hand that rocks the cradle rules the world"
is all right.

Then what was your thought at that while.

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Politics of the Vote Bank

Exogenous and Endogenous Factors Parasitical to National Well-being

Jyoti Marwah

*Easy to carve out one State after another – Telangana, Gorkhaland and Rohilkhand or
Vidharbha, where does this stop in the selfish greed for votes and power?*

The *chakra* of time has many startling and complex revelations for human society which get more and more intricate to unravel. The not so rare a development of the US government shutdown of 2013 having happened seventeen times since 1976 is indicative of the democratic activism as it gridlocks the lifeblood of democracy. However, it cannot be denied that such frequent occurrences are a reflection of the growing loss of faith in honest governance and mistrust even if propositions are well intentioned. Hardliners in the opposition are unbecomingly referred to as terrorists if they question; hold government accountable and block the business of governance and those in governance are compelled to look for a way out.

If members of the Indian parliament, either in government or in the opposition, could understand the value of such intervention, India would have much to gain from such democratic processes. Unfortunately in India those in governance are aware of the weak opposition and hence shove in legislations to win the electorate with mind boggling promises and doles of a nature which puts people on crutches rather than make them self-sufficient such as the MNREGA and now the Food Security Bill. The masses are perplexed by the divergent views within the Party in power with politicians taking diametrically opposing stand such as was seen with the law for disqualifying criminals in politics.

Far back in 1889, Pherozeshah Mehta presciently

questioned: "I do not know whether we are doomed to failure or to succeed, but the blessing which rests upon all high and honest endeavours will surely rest upon a mission imposed by duty, sanctified by patriotism and guided by loyalty." Where does one look for such dedication in the current despondent state of affairs? Where is the vision of Dadabhai Naoroji "that a great cause or object can never be accomplished without great sacrifices – personal and pecuniary...we must show that we believe in the justice of our cause by our earnestness and self-sacrifice that a great cause or object can never be accomplished without great sacrifices." Where is this spirit of self-sacrifice? Is it the sacrifice of others at the altar of self-aggrandisement? For it matters not if others lose their lives for the gain of an individual or a Party for the ensuing elections in which votes matter alone and not 'my people' or 'my country.'

So true were the words of Surendranath Banerjee, "Indians your dissensions, your jealousies, your animosities have brought about your fall and have perpetuated your degradation. Learn to respect the holy principle of Union. Learn to love one another as brothers. Learn to make common cause for the redress of common grievances and the Great God of Nations, the protector of the rights of fallen peoples may yet from His high place in Heaven look down upon you with compassion, may yet in His infinite mercy ordain the dawning of a bright day for your country." This despondency in his speech seems justified when one witnesses the nation in its present

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crisis of insatiable greed, bomb blasts, caste-ridden animosity, honour killings, merciless killing of innocent clueless and unassuming people and linguistic and parochial differences. The worst being the likes of the 'Muzzaffarnagar' riots of the magnitude of the partition days.

Easy to carve out one State after another – Telangana, Gorkhaland and Rohilkhand or Vidharbha, where does this stop in the selfish greed for votes and power? Let us ask ourselves, is this regeneration of cultural affinity or regression or both? Will this regenerate the India of

the past divided into small feudal States intolerant of each other and thereby undo the gains of development and growth resulting in a fractured Republic. Let us question if there are external factors responsible for this chaos!!

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Telangana Triggers Demands for More States

Rita P. Bhambi

“The decision on one State cannot be the reason for giving other regions Statehood”.

The decision of the UPA Government. to divide Andhra Pradesh to create Telangana has sparked protests for statehood across the country. Demands for separate provinces have re-emerged, and reluctant state governments are battling new fires.

In West Bengal, the Gorkha Janmukti Morcha (GJM), fighting for a Gorkhaland state, shut down Darjeeling and additional security personnel had to be deployed. The GJM relaxed their indefinite closure (bandh) of the hills for a couple of days to enable students and tourists to leave. GJM chief Bimal Gurung resigned as chief executive of the Gorkha Territorial Administration. Chief Minister Mamata Banerjee ruled out the West Bengal's division and said: “Darjeeling is a part and parcel of West Bengal. There is no question of division.” She slammed the UPA government for “setting the country ablaze when elections were knocking at the door,” for the sake of getting a few more seats.

In Assam, violence erupted in support of a Karbi Anglong state, with attacks on the houses of a Congress MP and an MLA, a district party office, and vehicles. This led to police firing, leading the administration to impose curfew and call in the Army. The demand for Bodoland also resurfaced forcefully with the call for a rally been given by Hagrama Mohilari, chief of the Bodoland Territorial Council.

As the east flared up, the debate for dividing Uttar

Pradesh (UP) took centre stage in Delhi and Lucknow. In fact the Mayawati government had proposed splitting UP into Purvanchal, Bundelkhand, Awadh Pradesh, and Paschim Pradesh, which was ratified by the Assembly. She reiterated that the BSP was in favour of smaller states. Union Minister Ajit Singh of the Rashtriya Lok Dal revived his party's traditional demand for Harit Pradesh and asked the people of western UP to prepare for a movement. While the BJP leader, Uma Bharti, pressed for Bundelkhand, the Congress MP, Jagdambika Pal, said eastern UP deserved to be a separate state. The ruling Samajwadi Party, however, is opposed to any division.

In the west, the movement for Vidarbha got a fillip. Vilas Muttemwar, Congress leader from Nagpur, urged his party's leadership to concede the demand since its case was 'older and stronger' than that of Telangana. The BJP has reiterated its support for Vidarbha on the ground that it favoured smaller states. The Shiv Sena on the other hand opposed the demand.

Confronting the surge in demands, Congress leader Digvijay Singh said that each region has to be dealt with separately. “The decision on one State cannot be the reason for giving other regions Statehood.”

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Politics of the Vote Bank**Creation of New States****Monika Verma**

Given the diversity and plurality of India, demand for autonomy and creation of new states should not be seen as a threat to national integrity and should not be equated with secession.

Culturally plural societies have generally been prone to the emergence and growth of regionalism and sub-regionalism. The politics of development based on electoral democracy has furthered the cause of regionalism. However, in a multi-lingual, multi-ethnic and multi-cultural country like India, federalism provides a mechanism for recognising, accommodating and protecting diverse regional identities and rights. Articles 2, 3 and 4 of the Indian Constitution gives powers to the Parliament to create a new state, increase or decrease the area of any state within India.

With the achievement of freedom in 1947, demands for regional autonomy or separate statehood began to be raised vigorously in different parts of India. The Government of India appointed the States Re-organisation Commission, upon whose recommendations the States Reorganization Act was passed in 1956. Old states were dissolved and new states created on the lines of shared linguistic and ethnic demographics. The advent of 21st century saw the creation of three new states – Chhattisgarh, Uttarakhand and Jharkhand, carved out from the parent states of Madhya Pradesh, Uttar Pradesh and Bihar respectively.

The announcement of the Central Government in the Parliament in 2009, of the decision to form a separate state of Telangana (comprising 10 out of the 23 districts of Andhra Pradesh) as the 29th state of the Union of India has generated heated debates on the creation of new States. Demands for separate states such as Gorkhaland in northern West Bengal, Bodoland in Assam and Vidarbha in Maharashtra, are getting louder and more insistent. There is even a demand for the huge state of Uttar Pradesh to be broken up into four states. In the recent times smaller states are being proposed on grounds of good governance and development rather than merely on linguistic or cultural principle. There could be many reasons why states should be broken up – administrative ease, the need to respond to regions that are economically deprived, culturally or politically ignored.

Basis of Division of States

Given the diversity and plurality of India, demand for autonomy and creation of new states should not be seen as a threat to national integrity and should not be equated with secession. However, the new states must be created according to a well thought out policy as there will be frictions over the sharing of revenue, water, state infrastructure etc. The objective evaluation of developmental potential and democratic principles, not political expediency and opportunism should be considered in the making of new states. The demand for a new state should have popular support, enjoy a broad consensus, should be agreed upon by the parent state, and must aim at social and economic viability.

The demand for a separate state of Telangana has a long history. It was merged with other Telugu-speaking regions to create the state of Andhra Pradesh (the first linguistic state of independent India) in 1956 against the recommendations of the States Reorganisation Commission (SRC) and despite local opposition.

The concerns of the people of Telangana are genuine. The region feels neglected and exploited – seven out of ten districts of Telangana are considered as severely backward. But the manner in which the process of creation of new states is taking place now appears to be highly politicised. The Union Cabinet's approval (October 3, 2013) to create the state of Telangana has evoked strong and violent protests in Seemandhra (Coastal region of Andhra Pradesh and Rayalseema) which is opposing the bifurcation of the state. All political parties are hoping to reap political dividends in the next general elections. Out of 42 Lok Sabha seats and 294 Assembly seats in Andhra Pradesh, Telangana is likely to have 17 Lok Sabha seats and 119 Assembly seats. This kind of divisive politics is not healthy for our democracy.

There is a need to constitute a second States Reorganisation Commission for democratically negotiating

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the ongoing demands for smaller states in different parts of our country. The Commission can decide on a set of objectives and coherent criteria (not lopsided political considerations) that can be uniformly applied, so that new states could be created not only for political gains but for the development of the region concerned.

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Bifurcation of States in India

Rahul Sunilkumar

“The frequent creation of new states is fraught with high risks”

Sardar Vallabhbhai Patel, rightly known as the iron man of India, played a crucial role in unifying the princely States under one nation - India. His iron will made this highly unachievable task possible but today, when I look at the current scenario of our nation I would rather just not remember Sardar Vallabhbhai's efforts or contributions because it just makes it look mediocre or too easy.

India is a secular nation. At least that is what we like to think. But this secularism has disrupted the existing harmony of the society. Clash of communities over one's own beliefs is quite common. People are being divided over various issues resulting in the bifurcation of states. A separate state of Telangana was a historic inevitability.

The frequent creation of new states is fraught with high risks. It is a body blow to our national integrity, as

new states will identify themselves more and more with parochial and linguistic sentiments rather than national values. Dividing states into smaller units is not going to lead to more efficient administration. It is just done for electoral gains or to prove how strong the State is compared to the others. More states cannot be an alternative to decentralisation and devolution of powers to the grass roots and cannot prove to be the ultimate guarantor of good governance.

These are just my views. But it matters because even I am among one of the millions and billions who live in India. Hopefully the people might come back to their senses before things go out of control and lead to formation of another set of new states.

**Rahul Sunilkumar, SYBA
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Although two of the four vital factors of production and national prosperity – labour and enterprise – are intimately connected -, with human resource development there is an *idée fixe* in Indian society that land and capital (the other two vital factors of production) are the only measures of wealth...

Although the country grudgingly hosts the world's largest population of children and youth (550million citizens are below the age of 24 and 480 million below 18), from re-school to PhD, the education – in particular the public education system – is in shambles. Perhaps the greatest damage has been in the higher education, dominated and over-regulated by the Indian Central and state governments. One of the canons of Indian socialism sanctified by several convoluted judgements of the Supreme Court is that education - especially higher education – cannot be 'commercialised'. Consequently a plethora of licences, permits and quotas...

The fallout of these controls and regulation by the heavy hand of government is that none of India's universities – some of more than 150 year vintage, are ranked among the Top 200 in the annual league tables published by reputable agencies such as QS, Times Higher Education and Shanghai Jiao Tong University. Worse, according to a 2005 Nasscom-McKinsey World Institute study, 75% of engineering and 85% of arts, science and commerce graduates of India's 33,000 colleges and 659 universities are not fit for employment in multinational companies.

Excerpts from an editorial by Dilip Thakore in the *Education World* October 2013.

THE LIBERAL POSITION

*Some Publications with a Liberal Perspective
that might interest you.*

PROFESSOR AMLAN DATTA

(Author, academician, political philosopher, Vice Chancellor
Shantiniketan University)

THE PHILOSOPHY AND PRACTICE OF LIBERALISM

K. P. GEETHAKRISHNAN

(Indian Administrative Service (retd.), Secretary, Finance GOI,
Chairman Expenditure Commission)

**TRENDS IN GOVERNMENT EXPENDITURE – ENHANCING THE
QUALITY OF LIFE OF OUR PEOPLE**

P. V. INDIRESAN

(Padma Bhushan. Faculty IIT Delhi, Director IIT Madras,
Distinguished Fellow of the Institution of Electronics and
Telecommunication.)

EQUITY AND SUSTAINABLE DEVELOPMENT

MINOO MASANI

(Author, Parliamentarian, Doyen of the Post-Independence Liberal
movement Management Consultant and President of the
Swatantra Party)

1. OF FOUR REAL LEADERS

2. LIBERALISM – AN ESSAY

3. WE INDIANS

4. OUR GROWING HUMAN FAMILY

**5. MINOO MASANI 90 (Excerpts from his writings)
1940-1989**

B. K. NEHRU

(Padma Vibhushan, ICS, Ambassador to the USA, Governor of
several states, economist and author)

THE RETREAT FROM SOCIALISM

DR. H. R. PASRICHA

(Colonel in the Indian Army Medical Services. In active politics
- held senior positions in the Swatantra Party)

THE SWATANTRA PARTY – VICTORY IN DEFEAT

SOLI SORABJEE

(Padma Vibhushan, Senior Advocate Supreme Court, Attorney
General GOI, author and Lectures on Constitutional and
Administrative Law.

INCREASING INTOLERANCE AND SUPPRESSION OF DISSENT

SURESH TENDULKAR

(Professor of Economics and member Centre for Development
Economics in the Delhi School of Economics, served on the Prime
Minister's Economic Advisory Council)

**POST-REFORM TRENDS IN POVERTY AND INEQUALITY
IN INDIA**

N.VITTAL

(Indian Administrative Service, formerly Chief Vigilance
Commissioner, Chairman Commission for People's Empowerment
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