

# Property Tax: More Than a Revenue Font

No municipality should scrap this vital tax

Municipal elections do not have the cachet of state or Parliament elections. But they are no less relevant for the health of the economy than elections to higher levels of government. For, municipal politics determines the health of our cities, where the bulk of modern, organised economic activity takes place. If you kill cities or make them anaemic, there would be a disproportionately large impact on profits, jobs, new business formation and the quality of life. For these reasons, the Aam Aadmi Party's decision in the municipal polls in Delhi to promise scrapping property tax is a major concern. AAP would be well-advised to rethink the move and not start a disease in the national capital that could infect other municipalities in the neighbourhood, spread further afield and become a nationwide epidemic that drains vitality out of India's cities and hobbles economic growth.

Property taxes are a vital source of revenue: Canada collects some 4% of GDP from the tax. But even more significant is to whom the tax accrues.

Property taxes accrue, for the most part, to local governments, constituting upwards of one-third of their total tax revenue wherever the tax is reasonably well-administered. Property taxes are a vital part of the revenue base, against which municipalities issue bonds to raise resources for investing in enhancing the size and productivity of the towns they govern. Thus, property taxes are not just important earners of tax revenue but also an important enabler of decentralisation of administrative and financial power. Further, property taxes are an instrument available to municipalities to guide land use and city density. Higher tax rates on land would automatically induce higher density, which is desirable from the point of view of overall energy efficiency, avoiding commutes and improving air quality, when accompanied by sensible town planning.

The short-term gain in popularity derived from a promise to scrap property taxes comes with a huge cost in terms of future well-being and prosperity of the town. This is a form of populism best avoided.

# Vital Task of Managing Health Information

Access to trustworthy information is critical to improving healthcare access and delivery without spiralling costs. The National Health Policy 2017 recognises the importance of a health information management system, and had made it one of its key deliverables. A robust law on privacy is a pre-requisite for operationalising such a database, however.

An effective health information management system can improve patient care. Collating and storing at one place all information on the patient, medication, results of tests and procedures would make for holistic care, avoid duplicating tests and, since the patient history is ready at hand, reduce the possibilities of side effects. Such a database could spell the difference between life and death when a patient moves to a higher level of care or across geography. For individual patients, a good health information management system will result in improved care. The information management system is essential from a public health perspective as well. It will allow for determining the effectiveness of the system in detecting health problems, identifying priorities, allocating resources to improve outcomes, as also identifying treatment protocols that are more effective. A health information management system will make it possible to build an epidemiological profile of the population. More information will lead to creating a healthcare system that is responsive and focused on preventive care.

The proper collection, management and use of information is essential for identifying problems, determining efficacy of treatment and drug regimes, and crafting innovative solutions. The government needs to ensure that the integrity and the privacy of the patients are maintained. A tough privacy law and its strict enforcement would be vital.

No wonder a formerly high-flying MP's train ticket now says he's 99

# Keeping Track of Age On A High Horse

Given his recent high-flying travails, it is not surprising that a certain member of Parliament was forced to get back on track, quite literally. However, it has emerged that he stated his age — and that of his wife and companion — travelling with him as 99 years on the train ticket. It should have struck the ticket checker that these passengers did not appear to be of such a venerable age, but perhaps in his experience it is not unusual for three very youthful looking nonagenarians of exactly the same vintage to travel by train together. In that case he should also have commended them for their agelessness as well as courage to undertake such arduous journeys at their advanced years. It could also be that the railway official was mindful of the probable repercussions of querying this volatile MP on such a sensitive issue as his age.

Maybe the MP's action merely underscores the veracity of the old adage that one is only as old as one feels. It cannot be denied that the events of the past few days must have drained his indubitable energy to some extent, leading him to increase his age by a few decades on the ticket. Perhaps, he hoped some of the shine from the adage that old is gold would rub off on him, as well. Hopefully this act will not prompt Parliament to ascertain whether the age given in his official record is correct or the one on the ticket.

The success of the China-Pakistan Economic Corridor will benefit, not threaten, India

# Make 'Make in Pakistan' Work



Kai Xue

The China-Pakistan Economic Corridor (CPEC) is the game-changing package of Chinese capital and engineering worth \$54 billion in investment and lending. But the ultimate aim is to bring together China, India and Pakistan as part of a Eurasian market forged by Chinese President Xi Jinping's 'One Belt, One Road' policy.

Indians hear nefarious military overtones in this initiative's inaptly chosen name. Already, uneasy about any joint endeavour by Pakistan and China, the name gives the exclusive impression of a communication line to bridge the Indian Ocean and China from Baluchistan's Gwadar port up through the Karakoram highway into Xinjiang, the mini-continent-sized northwest province of China.

Perceiving the CPEC to be a threat and objecting to projects in Indian-claimed areas, India has stayed away from 'Belt and Road'. In his 2016 Independence Day speech, Prime Minister Narendra Modi voiced support for movements in Baluchistan, Pakistan-administered Kashmir and Gilgit-Baltistan, end-points of the headline CPEC route that would be disrupted by insurgency. Modi has pushed ahead with the Chabahar port refurbishment and railway construction in Iran, a proposal that is called an 'answer' to the CPEC.

In conceiving support for another infrastructure project like Chabahar to be a competitor, Delhi's strategic

thinking narrowly construes the CPEC, exaggerates the standing gained from geopolitical trophies, and lacks appreciation for the tangibles and breadth of an initiative that holds the power to transform Pakistan.

## Multiple Spinoffs

Far more than a transit route, \$27 billion worth of CPEC resources are, in fact, allocated to undertake 18 power projects. The other half of the total \$54 billion goes far beyond support for the Gwadar port complex and will include the engineering of four national trunk highways, overhaul or construction of three mainline railways, the start of a metro system in Lahore and a cross-country pipeline.

The ultimate vision dwarfs the inordinate attention on just the port and road. The end goal is stable electricity and logistics for an export-manufacturing economy in Pakistan.

Unbeknown to strategists in Delhi, the CPEC's real competitor is 'Make in India'. The long-term economic calculation for India and Pakistan is the same. Due to the doubling of blue-collar wages every seven years in China, factories will either move to other Asian countries or stay in China in highly automated factories.

For India, Pakistan and other Asian countries aiming for middle income status, capturing relocated manufacturing is pivotal. In textiles alone, China has a giant lead, shipping \$274 billion in exports annually compared to \$40 billion by India, the second-largest exporter. If 'Make in India' takes the lion's share of textile exports, that alone creates more direct jobs than the 3.7 million current jobs in the Indian IT and BPO industries.

However, despite continued revenue growth for IT companies, delivery centres and factories alike are adopting rapid automation, a phenomenon that will, in the next five years, shrink



Let India not be a kabab me haddi

the already small BPO and IT workforce in India by 500,000 jobs. India has 1 million people reaching working age every month and needs to see through 'Make in India', just as the CPEC is critical to Pakistan's stable future.

The CPEC is on track with the ongoing construction of early harvest projects, largely made up of 12 fast-tracked electricity-related projects slated for completion in 2018. The naysayers of the CPEC were wrong in their pessimism about the compatibility of Pakistan for a Chinese plan. The pace of Chinese infrastructure development and profitability for Chinese state-owned companies can be transplanted to another host country when backed by receptive policy and generous China-backed financing.

On the other hand, India isn't making as much progress as it has sought. While the NDA government has paved more kilometres of roads per day than its predecessor and reached coal production targets made from the outset, inadequacies are clear in the momentum of this government's infrastructure ambitions.

Due to fiscal exhaustion, a short-lived railway construction boom will likely peter out and frequent power cuts will persist even with a power production surplus unless inefficient transmission is overhauled. 'Make in India' can't go far with Modi's infrastructure predicament. But Pa-

kistani manufacturing growth will be powered by Chinese logistical performance.

## The True Competition

The Delhi strategic community doesn't see the true competition, the basis for a blunder in turning away from an opportunity. The actual daunting challenge for India is in the CPEC's commercial success enabling Pakistan to pull ahead of India as a successor in labour-intensive export manufacturing.

It's doubly off base to see Indian security threatened and consider sabotage through proxy conflict. The CPEC fosters restraint and discourages provocation by Pakistan due to the gain in national ego from greater achievement than its rival and having then something to lose in the material benefits of a climbing standard of living.

But there's something India is already losing in its posture to 'Belt and Road'. If proportionately scaled, India is missing out on \$400-500 billion in financing and investment with rail and electricity likely benefiting most. Perhaps, the inaptly named CPEC should have been called 'Make in Pakistan'. That would make clear the opportunity and challenge from China for 'Make in India'.

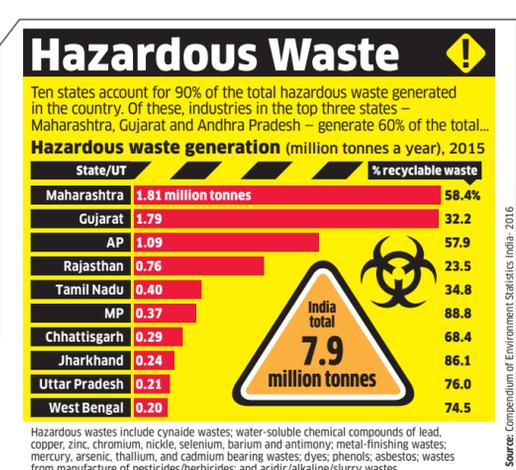
The writer is a corporate lawyer in Beijing

If proportionately scaled, India is missing out on \$400-500 billion in financing and investment with rail and electricity likely benefiting most

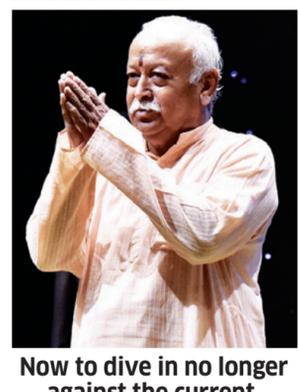
**WIT & WISDOM**

"Change cannot be given to you every time. You must bring the change."

GC Das  
Autorickshaw driver



## CAMERADERIE



Now to dive in no longer against the current.

## HEALTHCARE

# Healthy, Wealthy & Wise



David E Bloom & Alexander Khoury

The year 2017 is proving to be a busy one for India's public health professionals. In February, five states — Assam, Tripura, MP, Rajasthan and Tamil Nadu — added the rotavirus vaccine to their childhood immunisation programs. This was after four states — Haryana, Himachal, Andhra Pradesh and Odisha — included the vaccine in the Universal Immunisation Programme (UIP) in 2014.

This month, following on the heels of a central government-led campaign to immunise 35 million children against measles and rubella, five states — Goa, Karnataka, Lakshadweep, Puducherry and Tamil Nadu — will incorporate the measles-rubella (MR) vaccine into their routine immunisation programs. And over the next three years, starting with five states — HP, Bihar, UP, Rajasthan and MP — India is expected to begin delivering a potent vaccine against pneumococcal disease.

These are all prudent decisions from a health perspective. Childhood immunisations provide excellent defence against infectious diseases. Many of these immunisations are among the most cost-effective health investments available to policymakers. The rotavirus, MR and pneumococcal conjugate vaccines are safe and highly effective. Each targets a disease that heavily burdens India's children. Pneumonia, for example, is a leading cause of child mortality across the country, responsible for nearly 30% of deaths of children aged 1-59 months.

In addition to providing direct health benefits to immunised individuals, vaccines also provide some indirect

benefits. For example, by reducing infection rates among immunised children, the pneumococcal vaccine also reduces the risk of infection among non-immunised individuals — most notably other children and the elderly. Utilisation of the pneumococcal vaccine also helps reduce reliance on antibiotics. In doing so, it helps slow the progression of antimicrobial resistance. The intrinsic value vaccination creates in terms of better health and longer lives provides a compelling rationale for devoting resources to childhood immunisation. But making the argument for immunisation on health grounds alone neglects an important part of the story. The case also rests on the proposition that health creates wealth.

The history of global development provides abundant evidence that healthier populations grow their incomes and escape from poverty more quickly. At the individual level, healthier children enjoy better cognitive development and perform better in school, missing fewer days and staying enrolled longer.

As these children enter the workforce, they tend to be more productive and earn more. Furthermore, when children have better survival prospects, couples tend to have fewer kids. This allows parents to invest more in each individual child. In addition, at the aggregate level, it relieves the economic pressure potentially created by high levels of youth dependency and makes it possible for national economies to realise a sizable boost to income growth



No, immunisation is something else

in the form of a 'demographic dividend'.

There are many reasons to be optimistic about India's ongoing expansion of its childhood immunisation programmes. It is, however, important to recognise that continued progress against infectious disease will require sustained effort. Public hesitancy and misinformation about vaccines have proven major obstacles to expanding immunisation and sustaining coverage. Indeed, fictitious concerns over vaccine safety spread via WhatsApp and Facebook have slowed the uptake of MR vaccine.

Further challenges are posed by the threat of emerging infectious diseases — of which the World Health Organization (WHO) has identified eight with high epidemic potential — and by the corresponding urgent need for vaccine research and development. The list of pathogens that threatens India is expansive.

Fortunately, India appears poised to confront these challenges. As a founding member of the Coalition for Epidemic Preparedness Innovations (CEPI), India will help guide international efforts to address essential gaps in vaccine development and production. The selection of Vijay Raghavan, secretary of India's department of biotechnology, as interim chair of CEPI signals the lead role the country will play in the organisation.

India also houses a growing biotech sector, which includes one of the world's largest vaccine producers, the Serum Institute of India. This lends credence to India's status as a global pharmaceutical hub and an emerging leader in the fight against infectious disease. The current effort to expand access to rotavirus, MR and pneumococcal conjugate vaccines will greatly benefit the health of Indian society's youngest members, providing a sturdy foundation for economic growth in the years to come.

Bloom and Khoury are professor and research assistant, respectively, Harvard TH Chan School of Public Health, Harvard University, US

## Citings

# Motivate, Inspire

ANDREW CARTON

It is a well-subscribed view at this point that one of the most inexpensive and effective ways that leaders can motivate employees is by articulating a compelling depiction of where the organisation is ultimately trying to go. Yet the empirical evidence on that particular tactic is actually surprisingly mixed. On some occasions it has worked quite well. It has motivated employees, led them to transcendent achievements that they wouldn't otherwise be able to attain. But in other contexts it hasn't had that intended effect. In fact, sometimes it has backfired because employees oftentimes will hear lofty rhetoric that's used by leaders and will think to themselves that the work I'm doing right now doesn't seem to be very aligned or connected to these grand conquests that you are saying it serves. What really struck me was this paradox that as a purpose and as a mission becomes inherently more meaningful, it starts to feel more disconnected from the kind of work that I do every day as an employee in a given organisation. That's when I decided to delve into this case at NASA [in the 1960s]. It's interesting because even people who were quite far removed from the famous goal of landing a man on the moon reported feeling an incredible connection to this ultimate goal. Rather than talking about "I'm fixing electrical wiring" or "I'm stitching space suits" or "I'm mopping the floors," they would actually identify their work as, "I'm putting a man on the moon."

From: Meaningful Work: What Leaders Can Learn from NASA and the Space Race



# Raising Children

SUMIT PAUL

A man was reading a philosophy book in a mental asylum. He didn't appear to be a patient. I sat beside him and asked why he was there. When he was assured that I wasn't a doctor, he said: "My father was a famous lawyer. He wanted me to become a lawyer. My mother wanted to see in me the image of her father. Uncle wanted me to become a successful businessman like him. Sister wanted that I follow her husband's footsteps. Brother wanted that I become an athlete like him. No one bothered to look at me as an individual with a mind of his own. They all looked at me like a mirror. Frustrated, I decided to come here. I realised that this was the place where I could live with my 'true' self."

Khalil Gibran's short story is an apt commentary on the way we bring up children. We want our offspring to become whatever we think they should become. We don't want to know what they want to do. We treat our children as extensions of our dreams. When our expectations are not fulfilled, we blame our children. Can't we simply teach our children to become good human beings? Should success be determined by money, designation, a big bungalow and new car? In a society where materialistic considerations become priorities and humanity gets sidelined, corruption, immorality and wrongdoings will invariably creep in. Before trying to make our children 'big and successful' people, we should strive to make them good human beings.

## Chat Room

# Seek Help for Mental Fitness

PM Modi's request in his radio show to shed misconceptions about mental illness and encouraging those suffering to talk freely will go a long way in countering the stigma associated with mental illnesses. Fast-paced life focused on instant gratification is perhaps a key factor behind the rising incidence of depression. Advancements in medical science have made it possible to treat mental illness. Sustained awareness campaign to counter misconceptions will go a long way to ensure that people can seek help without fear or shame.

M JEYARAM  
Sholavandar, Tamil Nadu

# Be Alert to Signs of Depression

Often loneliness and inability of students to talk freely about their bottled-up feelings with someone ends up in the young taking extreme steps. Teachers, parents, friends and



even classmates need to identify warning signs like depression, lack of enthusiasm, sudden withdrawal, falling grades, low self-esteem as signals to access professional help, and most importantly they need to make time to help the young address their fears and anxieties.

TSKARTHIK  
Chennai

# Investment Policy Needed

Apropos 'Insurers' Stewardship Code: Sensible Move (Mar 27). It is a good initiative by IRDA to ask all insurers to spell out their voting policies. But do insurance companies have proper investment policies? LIC has been often forced to invest in PSUs, making it the 'investor of last resort' for government's divestment schemes. Investment by any insurance company in the securities market should be done solely with the interest of policyholders in mind; the same should be the case for exercising voting rights.

SKALYANASUNDARAM  
Via Email

Letters to the editor may be addressed to editet@timesgroup.com