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SOCIAL INTELLIGENCE

Republican health care bill boiled down to four words: you're on your own.

STEPHEN KING
@stephenking, author, 3.4 million followers

DAILY DYNAMIC PRICE REVISION

New fuel prices every new day

Since June 16, prices of petrol and diesel are being revised every day; SANDEEP SINGH explains how the new mechanism works, what it aims to achieve, and how it has affected prices so far

SIMPLY PUT

What is the new 'daily dynamic price revision' all about?

From June 16, 2017, the public-sector oil marketing companies started the system of daily price revision as against the previous system for auto fuel, where any revision would be taken fortnightly.

Is there a fixed time every day for revision of prices?

Yes, the price for any day will become effective from 6 am. Before that, oil companies will inform dealers at 8 pm about the next day's price.

Is there a way to keep track of the changes without actually going to a fuel pump?

Customers can access the daily updated prices of petrol and diesel at all cities through a mobile app created by Indian Oil Corporation, Fuel@IOC. Alternatively, customers can also check the fuel price in their city by sending an SMS — RSP<SPACE>DEALER CODE — to 9224992249. Each petrol pump will display its dealer code prominently on its premises.

How have prices moved since this system was introduced?

Industry insiders say that the price is determined not only by the movement of crude oil price (the main raw material) but also by the rupee/dollar exchange rate and demand-supply situation in the market. While a deficit of the product leads to a rise in its price, an increase in supply will lead to a decrease. Over the first one week (June 16-22), the global crude oil price for the Indian basket fell by 2.5% — from \$45.6 per barrel to \$44.45 per barrel — and the price of petrol and diesel in Delhi came down by 1.6% and 1% respectively.

Who gains — the government, oil producers, oil marketing companies, retailers, or the customer?

This move will ensure that the benefit of even the smallest of changes in international oil prices is passed down the line to dealers and the end users everyday. It ensures that no party loses out for an entire fortnight in the event of a sharp fluctuation, as it used to be earlier when the revision happened only fortnightly. In case of a decline in crude oil prices, the benefit will be passed on to the customer the next day itself. In case of a rise in crude prices, oil marketing companies will be able to immediately pass on the price hike to the customers.

What else is the economic rationale behind all this?

Insiders say the move is aimed at bringing parity with international product prices — diesel and petrol. There is also a belief that daily dynamic pricing will rein in speculative market forces. Officials at OMCs say that when changes were fortnightly, it led to speculation in the market at times that prices would go up or come down and customers



Next day's price to be notified at 8 pm, effective from 6 the following morning. File

HOW PRICES MOVED IN FIRST WEEK

	Global Crude oil price of Indian basket* (\$/barrel)	Diesel price (Rs/litre)	Petrol price (Rs/litre)
Jun 16, 2017	45.60	54.49	65.48
Jun 17, 2017	N.A	54.32	65.23
Jun 18, 2017	N.A	54.14	64.91
Jun 19, 2017	45.94	54.01	64.65
Jun 20, 2017	45.84	53.96	64.55
Jun 21, 2017	45.29	53.96	64.55
Jun 22, 2017	44.45	53.94	64.44
Fall over 1 week	2.52%	1.01%	1.59%

*Price on previous day

PRICEMOVEMENT

OF PETROL & DIESEL IN DELHI (JUNE 22)

60.87

COST AND FREIGHT PRICE (\$/BARREL)

64.42

AVERAGE EXCHANGE RATE (RS/\$)

24.89 Price paid by OMC to refineries (Rs/litre)

26.71
Price charged of dealers (Rs/litre)

21.48
Add excise duty (Rs/litre)

2.55
Add dealer commission (Rs/litre)

13.70
VAT for Delhi (Rs/litre)

64.44 RETAIL PRICE IN DELHI (Rs/litre)

companies and dealers.

Do other countries follow a system of daily fluctuations of fuel prices?

It is a practice in developed countries, including the United States and several European countries. There are some countries where prices change more than once during the day.

Now that India has switched to the new regime for auto fuel, is it possible that there will one day be daily price fluctuations also for other petro-products such as cooking gas, kerosene or motor oil?

Although the OMCs have done this change for petrol and diesel, LPG and kerosene are not yet deregulated and hence dynamic pricing cannot be implemented for them. However, for other products such as ATF, bitumen and motor oils, prices are revised on a monthly basis. When on bulk demand, prices are even negotiated with customers.

What is the big picture emerging out of the decision to allow daily fluctuations in the context of the Indian economy?

Directionally, this will take the economy towards greater transparency in fuel pricing and free pricing of petrol and diesel. If India moves towards free pricing, oil marketing companies and even dealers will be able to price their products in line with the competition in the market. While private-sector companies in certain cases offer petrol and diesel at a more competitive price, this will improve the ability of public sector OMCs, too, to offer competitive prices and even the dealers at their level can go ahead and offer lower prices to attract customers. This should finally benefit the customer.



US President Donald Trump with Mohammed bin Salman, now Saudi Arabia's Crown Prince, in Riyadh on May 20. AP/PTI

Why newly elevated Saudi Prince matters so much to Trump

MARK LANDLER & MARK MAZZETTI

PRESIDENT TRUMP named no time last week calling the newly named Crown Prince of Saudi Arabia, Mohammed bin Salman. Less than 24 hours after King Salman elevated Prince Mohammed, his 31-year-old son, Trump offered congratulations and celebrated the monarchy's cooperation in rooting out terrorist financing and other issues.

Prince Mohammed was Trump's anointed candidate — in this case, for the Byzantine struggle to control the House of Saud.

Trump views Prince Mohammed as a crucial ally in his effort to cement a Sunni Muslim alliance in the Persian Gulf. The prince, who is also the Saudi defence minister, favours a confrontational line toward Iran, which dovetails with the Trump administration's hostile stance toward Tehran. And he is spearheading Saudi Arabia's embargo of neighbouring Qatar, which Trump has praised because he, like the Saudis, accuses the Qataris of financing extremist groups.

The young prince is also a favourite of the president's son-in-law, Jared Kushner, who began cultivating Prince Mohammed soon after Trump's election. When the prince visited Washington in March, he dined with Kushner and his wife, Ivanka Trump, at their home. When the couple joined Trump on his visit to Saudi Arabia last month, the prince hosted the two for a dinner at his house.

"There's a certain compatibility there," said Jon B Alterman, director of the Middle East Program at the Centre for Strategic and International Studies in Washington. "The president and his entourage think fellow billionaires who have an itch to get things done make the world go round."

Kushner and Prince Mohammed, senior officials said, worked closely together to choreograph Trump's trip to Saudi Arabia, which yielded a renewed commitment by dozens of Arab and Muslim leaders to combat extremism in their countries and to turn off the financial spigot to extremist groups.

For Trump's aides, the trip ranks as a highlight of his foreign policy so far, and they credit the prince for what a senior official described as under-promising and over-delivering.

Prince Mohammed's elevated status was apparent in the earliest days of the Trump administration. Senior American officials said they wanted the United States to help Saudi Arabia with its campaign in Yemen against the Iranian-backed Houthi rebels, in part because the success or failure of the military campaign could affect the prince's fortunes in the kingdom's succession battle.

During the prince's first visit to the White House, in March, the president welcomed him with a meeting in the Oval Office and a formal lunch in the State Dining Room. The next day, Prince Mohammed spent four hours with Defence Secretary Jim Mattis at the Pentagon.

Kushner also hopes for the prince's backing, or at least his blessing, in a peace initiative between Israel and the Palestinians. Last week, Kushner made his first major foray into the process, meeting in Jerusalem with Prime Minister Benjamin Netanyahu of Israel and in the West Bank with Mahmoud Abbas, the president of the Palestinian Authority.

"The United States officials and Israeli leadership underscored that forging peace will take time," White House officials said in

a statement. But administration officials said the process would be helped if major Arab countries, notably Saudi Arabia, signed on to the concept of an agreement.

Middle East experts said the prince believes Saudi Arabia should have a normal relationship with Israel in the future. But several expressed doubt that the prince would want the Saudis to be an important component of an Israeli-Palestinian negotiation.

While the Trump administration clearly views the prince as a reformer, others warned that the White House could be in for a disappointment. "There are other people who are more circumspect," Alterman said. "They wonder if he has the right temperament. They wonder if he has the right political skills."

That ambivalence ran through the Obama administration, which was caught off guard by the rapid rise of King Salman's favourite son. Prince Mohammed, unlike other prominent royals, was not educated in the West and had not had a track record of government service, and he was nearly unknown in Washington when he ascended to the position of Deputy Crown Prince in 2015.

He also assumed the title of defence minister and became the public face of the kingdom's hastily launched military campaign against the Houthis in Yemen. The chaotic early months of the campaign gave him a reputation in some parts of the Obama administration as reckless and hot-headed.

There was also the problem of finding someone in Washington to develop a relationship with the young prince. Prince Mohammed's natural counterpart on the American side, Defence Secretary Ashton B Carter, had little inclination to spend time nurturing ties to the prince.

Secretary of State John Kerry assumed that mantle, inviting Prince Mohammed to his Georgetown home for an iftar dinner and meeting with the prince in May 2016 on the Serene, a luxury yacht that the prince bought from a Russian billionaire.

Still, there were issues that could never be bridged. A particular point of friction was the Obama administration's attempts at rapprochement with Iran.

At a meeting in Turkey in 2015 between President Barack Obama and King Salman, the prince leapt into what American officials said was a lecture on what he saw as the administration's failures in the Middle East.

There are no such differences with the Trump administration, however. Saudi officials have lavished praise on Trump for his bombing of Syria and his hawkish stance toward Iran.

The Trump administration also seems to have had little concern about showing favouritism in the rivalry between the prince and Prince Mohammed bin Nayef, who until Wednesday had been next in line to the Saudi throne.

Prince Mohammed bin Nayef had close ties to national security officials in the Obama administration. But the political change in the United States this year brought a reversal of fortune for Prince Mohammed bin Nayef, who lost many of his contacts.

The March visit to the White House by Prince Mohammed bin Salman so angered Prince Mohammed bin Nayef that he made his annoyance known to the American government using unofficial channels.

THE NEW YORK TIMES

MEANING INPUT TAX CREDIT

Pay tax once on the input, deduct it from the output

DEEPAK PATEL

AT THE time of paying tax on the "final product" or "output product", a registered taxpayer can deduct the tax amount that HE OR SHE has already paid while purchasing the raw material that went into that product. The tax amount so deducted is called the input tax credit, which is effective for the services sector too.

Input tax credit is among the features of the upcoming GST regime.

Consider, for example, the case of a company selling a smartphone, and that the tax

payable comes to Rs 5,000. The company had bought a small camera as raw material for the smartphone, and paid a tax of Rs 500 on the purchase.

It is this Rs 500 that is called the input tax credit, which will be deducted from the tax of Rs 5,000 on the output product, so that the tax being paid while selling the smartphone is Rs 4,500.

Just like income tax refund, the input tax will be credited automatically into the company's account.

Under the GST law, however, such a company would get the input tax credit only when four conditions are followed. One, the

AHEAD OF THE LAUNCH OF GST ON JULY 1, A GLOSSARY OF ITS MOST SIGNIFICANT TERMS, ONE EVERY DAY

company must have either a "tax invoice" or a "debit note" that was given by the supplier who sold the raw material. Two, the com-

pany must have received the raw material. Three, the supplier of the raw material must have deposited with the government the Rs 500 tax paid by the purchaser. Four, the supplier must have filed its GST returns with the government.

Input Tax Credit prevents the cascading of taxes as it will be in effect across goods and services at every stage of supply.

Cross-utilisation of input credit of one component of tax against the other is allowed except for utilisation of credit of CGST for SGST, and vice versa. For example, input tax credit of CGST is allowed only for the payment of CGST and IGST.

New drug clicks against gene flaw that causes old-age blindness

AN EXPERIMENTAL drug is showing promise against an untreatable eye disease that blinds older adults — and intriguingly, it seems to work in patients who carry a particular gene flaw that fuels the disease.

Age-related macular degeneration, or AMD, is the leading cause of vision loss among seniors, gradually eroding crucial central vision. There are different forms but more than 5 million people worldwide have an advanced type of so-called "dry" macular degeneration that has no treatment. At first patients may notice blurriness when they look straight ahead. Eventually many develop blank spots, becoming legally blind. "These are seniors who are entering their golden years and now they've lost the ability to read, watch television, see their loved ones," said Dr Rahul Khurana, a retina

specialist and spokesman for the American Academy of Ophthalmology.

The experimental drug, lampalizumab, aims to slow the destruction of light-sensing cells in the retina, creeping lesions that characterise the stage of dry AMD called "geographic atrophy". When those cells die, they can't grow back — vision loss is irreversible.

In an 18-month study of 129 patients, monthly eye injections of the drug modestly slowed worsening of the disease when compared with patients given dummy shots. What's exciting for scientists came next, when researchers from drug-maker Genentech Inc. took a closer look at exactly who was being helped.

It turns out that nearly 6 in 10 of the study's participants carry a gene variation that makes part of the immune system go



awry — a genetic flaw already known to increase the risk of getting macular degeneration in the first place.

Those are the only patients who appeared to benefit from the drug; they had 44 per cent less eye damage than the untreated patients, the Genentech team re-

ported in the journal *Science Translational Medicine*. While the study is too small to prove if lampalizumab really helps maintain vision, that's a bigger difference than the overall results suggested.

One arm of the immune system, the complement pathway, helps fight infections by attracting immune cells to attack bacteria. Normally, there's a barrier that keeps such cells away from the retina. But that barrier can break down with age, opening sensitive eye cells to harm from the spillover, explained Genentech immunologist Menno van Lookeren Campaigne.

Now for the gene connection: Previous studies have linked macular degeneration to gene variations that remove some of that pathway's natural brakes, so it can become too active.

The hypothesis: Genentech's drug, lampalizumab, offers a backup method for tamping down the immune reaction. An antibody, it works by inhibiting a particular enzyme named factor D that helps power the immune pathway. "We try to reinsert the braking ability," said study lead author Brian Yaspan, a Genentech senior scientist.

The study detected no safety concerns, clearing the way for Genentech and its parent company Roche to open two large-scale studies that aim to prove if the drug works. Results are expected later this year.

"It's a very, very exciting study," said Khurana, the ophthalmologist association's spokesman, who also wasn't part of the research. "From the basic science perspective, it makes a lot of sense."

ASSOCIATED PRESS

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WORDLY WISE

NO CITY SHOULD BE TOO LARGE FOR A MAN TO WALK
OUT OF IN A MORNING.
— CYRIL CONNOLLY

The Indian EXPRESS

FOUNDED BY
RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

Memories of another June



FALI S. NARIMAN

When a majoritarian government became dictatorial and dissenters were few

FOR ME, THE month of June is a month of memories: Of events leading up to June 26 — “Emergency Day” as I call it. The time has come to revive some memories of Emergency Day.

As for my part, I recall that on June 12, 1975, judgment was pronounced by the Allahabad High Court in the election petition filed by Raj Narain against Indira Gandhi, holding her guilty of corrupt practices and disqualifying her from holding all public offices for six years.

A few days later I was told by her lawyer, J.B. Dadachanji, that she had personally requested that I should vet the grounds of appeal against the judgment as also the stay application (to be filed in the Supreme Court) even though her own senior advocate, Nani Palkhivala, had settled them. I was flattered. I went through the papers, suggesting a few changes.

When the petition was ready, Siddhartha Shankar Ray and I were in the office of the Law Minister H.R. Gokhale (final touches to the stay application). Ray picked up the phone and spoke — as only he could — directly to the prime minister: “Look here,” he said — no ‘look here madam’, no ‘look here Indiraji’, just ‘look here’ — “this appeal has to be filed forthwith”. I could sense some reluctance at the other end of the phone; at that time astrologers were around, advising Mrs Gandhi that the appeal should be filed on a day more propitious! In deference to astrological advice, the filing of the appeal was delayed and the stay application got listed before the Vacation Judge Bench (Justice Krishna Iyer) on June 22, 1975. Palkhivala, Indira Gandhi’s personal choice of counsel, was to argue the application. He did and orders were reserved.

Next evening, my wife and I left for Mumbai by train where I read in the *Evening News* an item of interest tucked away in one of the inner pages. It said that the home secretary of the Union government had been transferred, and that a new man from Rajasthan, S.L. Khurana, had taken over. I thought to myself this was odd — a new

home secretary in the Government of India. At this particular time? But then I paid no further attention to the matter.

At the time, the sudden transfer of the home secretary conveyed nothing to me. But later, in retrospect, it was apparent that preparations were afoot (unknown to all but those closest to the PM, including son Sanjay) to make firm contingency plans in the event of an absolute stay being declined by the Supreme Court.

Krishna Iyer’s order was handed down on June 24, 1975 when I was in Mumbai. It was only a conditional stay, not an absolute one. “Operation Emergency” promptly swung into action, but not without the acquiescence of India’s highest constitutional functionary — the president.

Fakhruddin Ali Ahmed was prevailed upon by three prominent lawyers — H.R. Gokhlale, S.S. Ray and Rajni Patel (all members of the Congress) — to sign the proclamation they had brought with them at midnight June 25.

Even before the council of ministers had met on the morning of June 26 to approve it, the proclamation of Emergency had already been signed (and had come into effect) the previous night. I recall the remark of one of the most competent members of Mrs Gandhi’s cabinet at the time, Babu Jagjivan Ram. He was asked by Mrs Gandhi in the early morning cabinet meeting about what he thought of the decision to impose an Emergency. Babuji deftly evaded the question with a googly: “Madam, what can I say about a decision that you have already taken?”

As for me, it was on June 27, 1975 that I sent from Bombay my one-line letter of resignation to the law minister in Delhi. There were no heroic passages in it.

We must never forget such events. Those of you who have not lived through them nor read about them must know that dictatorial rule can only be imposed when a majoritarian government is in power; a majoritarian government was then in power with a strong energetic and popular prime minister as head of government prior to the days of the Emergency of June 1975. Alas, constitutional dignitaries and even some judges of the highest court failed us.

Dictatorial rule can only be imposed when a majoritarian government is in power; a majoritarian government was then in power with a strong energetic and popular prime minister as head of government prior to the days of the Emergency of June 1975. Alas, constitutional dignitaries and even some judges of the highest court failed us.

INCLUSIVE SPACES

Government needs to finetune the definition and objective of the smart city project

THE UNION MINISTRY of Urban Development’s list of smart cities is almost complete. Last week, the ministry released its fourth list under the Smart City Mission, taking the total number of cities picked under the Centre’s flagship project to 90 — 10 more cities will be included in the project. The ministry claims that the selected cities will develop systems that will enable them to become world class cities. A report in this paper, however, points to an important concern relating to the project: A lion’s share of the Centre’s investment in the Smart City Mission will flow to well-developed pockets that account for less than 3 per cent of the cumulative area of the cities.

One of the stated objectives of the Smart City Mission was to act as a corrective to a lopsided developmental pattern. The mission intended to “create employment and enhance incomes for all, especially the poor and disadvantaged leading to inclusive cities”. This emphasis on inclusive development has been diluted. Only 26 of the cities selected last week have plans to provide affordable housing, education and medical facilities. The city development plans should have been aligned with some of the government’s employment-generating initiatives, such as Make In India. Sensor-based public lighting and road redesign schemes seem to have caught the government’s fancy, instead. The government does have plans to promote start-ups and infrastructure projects. But these projects are concentrated in tiny pockets in the selected cities — nearly 80 per cent of the Centre’s funds are skewed towards them. For example, in Pune, from where Prime Minister Narendra Modi flagged off the Smart City projects last year, around 75 per cent of the investment will be used for the development of a 3.6 sq km area in the Aundh-Baner-Balewadi pocket, which comprises a little more than 1 per cent of the city’s total area. Smart city plans have also not found a way to deal with recurring problems. For instance, Aizawl, which found a place in the urban development ministry’s latest list, was in the grip of a severe water crisis in the third week of this month. The shortage was caused by damages to water pipelines by floods — a problem which the city has not yet addressed effectively. Guwahati, amongst the earliest to be included in the smart city list, also has no effective plan to deal with floods that ravage it every year.

As it finalises the list of cities, the Centre will do well to further finetune the definition of “smartness” and to re-think its priorities in terms of funding. It needs to remind itself of the original goal of the Smart City Mission — making cities inclusive.

STORMY WEATHER AHEAD

Saudi Arabia’s new crown prince will need to tread a finer line for the kingdom in times of economic dislocation

IN APPOINTING HIS son crown prince of Saudi Arabia at the expense of his nephew, the ageing King Salman bin Abdulaziz Al Saud has engaged in a high-stakes gamble on the future of the besieged petro-king. Prince Mohammad bin Salman, who has displaced Muhammad bin Nayef in the line of succession, is a pro-western moderniser. To the ire of the religious establishment, he has introduced film screenings, theatre and musical performance, and allowed exploration of the kingdom’s rich pre-Islamic heritage. He has also signalled his support for lifting the ban on women driving. The prince’s efforts to reform the kingdom’s rentier structure, though, have come at a price.

Saudis have seen their cradle-to-grave social security structures gutted as a consequence of the long-term decline in oil prices. There have been cuts in housing, vacation and sickness benefits, while salaries in the public sector, the country’s largest employer, have been slashed by up to a third. Reduced public spending and delays in payments have put two of the kingdom’s major companies, Binladin and Saudi Oger, on the edge. Thousands of employees have been unpaid for months. Binladin workers last year burnt a bus in Mecca in protest. Oger is reportedly bankrupt and likely to go into liquidation. The consequences, in Saudi terms, have been seismic. Protests, sparked off online by Prince Mohammad’s acquisition of a \$500 million yacht shortly after he came to office, persuaded the government to roll back some of the austerity measures and restore most of the perks enjoyed by government employees. In a worst-case scenario, the discontent could fuel support for the Islamic State and al Qaeda, both of which have not-insignificant pockets of support in the kingdom.

This dislocation might have been more easily manageable were it not for the context. In his effort to contain Iranian geopolitical influence, the crown prince — who also serves as defence minister — has mired Saudi Arabia in two wars. Saudi Arabia’s state-of-the-art military arsenal notwithstanding, victory in Yemen has proved elusive. Instead, three years of war have generated a gargantuan humanitarian crisis. There are, similarly, signs that the diplomatic and economic boycott of Qatar, initiated by Prince Mohammad and his UAE counterpart, Mohammed bin Zayed, may backfire. Qatar, a tiny state with only 3,000,000 citizens, has shown resilience in the face of the embargo, while Saudi Arabia and the UAE have so far failed to garner broad international support. Great storms lie ahead — and guiding the kingdom through them will not be an enviable task.



SHALINI NAIR

THE TOO SMART CITY

Any attempt at instant urbanism can have disastrous socio-spatial consequences

IN A phantasmagorical rendering of the future of urban space that’s increasingly being made sentient through information technology, the Architectural League of New York held an exhibition in 2009 on the ‘Too Smart City’. Through “smart” public benches that respond to the issue of homelessness by toppling those resting on them for too long and “smart” bins that can squirt out the wrong kind of trash back at the person, architects and artists showed how the Smart City is just a step away from a dystopian nightmare.

While this might be one of the worst-case scenarios, with the Indian Smart City mission’s tantalising promise to transform 100 cities, perhaps, now is a good time to consider two issues: Whether the path it has chosen to leapfrog to the level of urbanisation in the developed nations entails creation of uneven geographies. And whether Indian cities, lacking in the most basic infrastructure, are ready to be restructured by technology.

In his book ‘Smart Cities: Big Data, Civic Hackers, and the Quest for a New Utopia’, urbanist Anthony Townsend defines Smart Cities as “places where information technology is combined with infrastructure, architecture, everyday objects, and our own bodies to address social, economic, and environmental problems”. A growing cause of worry among Smart City critics in the West has been how big data is a veritable goldmine for data thieves and a surveillance tool for governments and private firms involved. For urban planners, a greater concern is an urbanisation process that accords primacy to technology — a field where the private sector

has unchallenged monopoly — over the basic needs of the city.

The most defining feature of the Smart City mission in India is this: It not only looks at application of technology but also ensures that physical infrastructure of cities, which owing to considerations of social equity, were until now serviced almost entirely by local governments, are redesigned to create space for domestic and international capital. Already the model has thrown up numbers that show that almost 80 per cent of the funds are being channelised to less than three per cent area of the 59 mission cities. These are mostly well-off enclaves that already have decent infrastructure in place and are more likely to yield a dividend for private investors.

Several Smart Cities of the West have been officially conceptualised as “living labs”, that is, incubators for developing patentable and exportable devices for private firms. The UK Trade & Investment pegs the market for Smart City products and services at more than £900 billion by 2020. India is, no doubt, poised to be one of the largest market for the products developed by technology vendors in these “living labs”.

The issue is not only the parachuting of consulting firms and vendors for local IT and infrastructure solutions, but that such private partnerships would necessitate a return on investments unconstrained by concerns of social equity or justice. The abolition of octroi, the once largest source of municipal revenue for many cities, has had a debilitating impact on the fiscal sovereignty of urban local bodies.

democratic processes by executing projects through Special Purpose Vehicles wherein private corporations can have up to 40 per cent share-holding. As a corollary, the Union government has made it clear that increased user charges on essential services is the only way forward. Unlike octroi, this hits every citizen irrespective of their income level.

The catchphrase ‘Smart Cities’ latched on to the Indian imaginary when barely a fortnight after assuming office, Prime Minister Narendra Modi spelled out his ambitious plan of creating 100 such cities where the focus shifts from “highways to i-ways”. It is all right to overlay the city’s infrastructure with technology but, for starters, adequate infrastructure must be in place at a city-wide level. Smart Cities might be an inexorable, and even necessary, step in the process of urbanisation but gentrification doesn’t have to be the default route. Official data shows that merely half of the urban households have water connections, a third have no toilets, the national average for sewage network coverage is a low 12 per cent, and on an average only about 10 per cent of the municipal solid waste is segregated. Public transportation and public schools and hospitals are woefully disproportionate to the population densities within cities.

Unless this urban entropy is addressed first, an overbearing emphasis on application of digital technology or developing smaller areas in an attempt at instant urbanism can have disastrous socio-spatial consequences.

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FREEZE FRAME

EP UNNY



JUNE 26, 1977, FORTY YEARS AGO

PHIZO SPEAKS OUT
REBEL NAGA LEADER A.N. Phizo said in London that in view of the failure of his talks with Prime Minister Morarji Desai, the Nagas were left with no choice but to continue to fight for their rights. He said he did everything humanly possible to resolve the conflict with India through talks and avert bloodshed. This has always been the policy of the Naga National Council, he added. Phizo met Desai in London on June 15. Desai told the media that the Indian government’s stand is clear. “We have said Nagaland is a part of India. It is like any other Indian state. If he accepts that position he is welcome. If he does not and continues to fight it will be dealt

with all our might,” Desai said.
BENGAL MINISTER
THE STRENGTH OF the West Bengal Left Front ministry increased to 22 with the induction of Benoy Chowdhury as the minister of land and land revenue.

CHINA CRISIS
A YEAR AFTER the purge of the leading radical Maoists and the appointment of Hua Guofeng as chairman of the Chinese Communist Party, China seems headed towards yet another power showdown. Reports from Beijing indicate that a party Congress will soon be called to settle remain-

ing issues of leadership left unresolved since last October. Hua was named successor to Mao Zedong as chairman while retaining the title of premier. His appointment came at a truncated politburo meeting and has yet to be sanctioned legally by a larger plenum. The politburo itself is decimated from the deaths of five older leaders last year and the purging of the Gang of Four by Hua and a junta including generals. A meeting in March failed to resolve the leadership questions and indications are sharp divisions of opinion exist among the junta members. The most obvious sign is the failure of former vice premier Deng Xiaoping to reappear in a post of prestige and authority.

13 THE IDEAS PAGE

Let us not forget

We must remember the Emergency so that we can safeguard and preserve our freedoms



M. VENKAIAH NAIDU

IN HIS AUTOBIOGRAPHY, *The Story of My Experiments with Truth*, M.K. Gandhi wrote, "Remember that all through history, there have been tyrants and murderers, and for a time, they seem invincible. But in the end, they always fall. Always." This quote from the Father of the Nation is perhaps most relevant while recalling how the will of the people put an end to one of the darkest periods in India's history — the Emergency imposed by Indira Gandhi.

On June 25, 1975, people of the country woke up to midnight knocks and arbitrary arrests of thousands of political activists and others as the hard-won independence from colonial rule was snuffed out and the fundamental rights and freedoms of citizens were trampled upon by the then PM with the acquiescence of the then President Fakhruddin Ali Ahmed. Civil liberties were curbed, elections suspended, judges superseded, leaders of opposition parties put behind bars. The Constitution was amended, political prisoners were tortured and the country was ruled by the diktats of one individual — the PM. The police was given unfettered powers and there was no legal remedy even if a person was shot. Freedom of movement and other freedoms were curbed. The freedoms most important for a democracy to thrive — the freedom of press and freedom of expression were curtailed. The high-handedness created such a fear psychosis that people were afraid to criticise the government even within the four walls of their homes.

Article 352 of the Constitution, which vested powers with the president to declare Emergency because of threat to the country's security due to external aggression or war or armed rebellion (internal disturbances) was misused in 1975. The Constitution mentioned "internal disturbance" as the third ground for proclaiming a National Emergency. The 44th constitutional amendment (1978) has since then substituted the words "internal disturbance" with "armed rebellion". The president can now proclaim a National Emergency only after receiving a written recommendation from the cabinet and not merely on the advice of the prime minister as had happened in 1975, when Indira Gandhi advised the president without consulting her cabinet.

Even as Mrs Gandhi was losing grip over her party and the country was witnessing a growing anti-corruption movement led by Jayaprakash Narayan (JP), the Allahabad High Court declared Mrs Gandhi's election void on grounds of electoral malpractices. Instead of stepping down, she clung to power by subverting the Constitution, stifling democracy and imprisoning most of her political opponents, trade union leaders, RSS activists, students and just about anybody who dared to find fault with the government. The infamous case of P. Rajan, an engineering student in Kerala, tortured to death by overzealous policemen under the then Kerala Home Minister K. Karunakaran makes us shudder even today. It was only one of many such instances across the country.

In 1974-75, I was a student and an activist of the Akhil Bharatiya Vidyarthi Parishad. In the wake of the Gujarat Nav Nirman agitation and the anti-corruption crusade by JP, who gave a call for a total social, economic and democratic revolution, I had invited him to address students at the Andhra University, Visakhapatnam. That was subsequently cited as the reason for imprisoning me for more than 17 months.

I was attending a youth programme in Vijayawada when we got information about the declaration of the Emergency. I remained



C.R. Sasikumar

underground for the next two months. I was entrusted with the responsibility of distributing literature against the Emergency in educational institutions in Andhra Pradesh and Tamil Nadu. We used to motivate students to protest against the Emergency. I used to go around in disguise with some colleagues to distribute pamphlets. We would go to cinemas and throw pamphlets during the interval and vanish from the spot. There were blackboards in front of Congress offices. I would scribble messages against the Emergency and disappear.

I used to secretly take shelter at friends' houses and at remote places on the Chittoor-Bangalore border. I would hold meetings with like-minded people to discuss ways to counter the Emergency. In Tamil Nadu, the Emergency was not implemented rigorously by the then CM, M. Karunanidhi and I had the opportunity to meet K. Kamaraj, the veteran politician, who was bed-ridden at that time, was a broken man. After the imposition of Emergency, he was believed to have said, "Yellam pochu, Yen thappu (Everything is lost, it's my blunder)". He was obviously referring to the key role he had played in making Indira Gandhi the PM.

There used to be widespread arrests under the DIR (Defence of India Rules), which we called the Defence of Indira Rules. Similarly, Maintenance of Internal Security Act (MISA) was invoked against all and sundry and we used to derisively describe it as the Maintenance of Indira Security Act. Newspapers faced complete censorship. Other than *The Indian Express*, owned by the fearless Ramnath Goenka and *The Statesman* with C.R. Irani at the helm, no other major newspaper stood up against the government. Nikhil Chakravarty's *Mainstream* was another bold voice which refused to toe the Emergency line. He shut down his weekly instead of submitting himself to V.C. Shukla's diktats, prophetically proclaiming, "We shall overcome."

Coming back to my own experience, I was arrested near Vijayawada while returning from Guntur. In a bid to not arouse suspicion, I used to travel by a scooter along with a woman activist on pillion. However, a circle inspector who knew me from the Jai Andhra movement days intercepted the vehicle and took me into custody. I was lodged in the Visakhapatnam jail along with veteran leader, Gouthu Latchanna, Tenneti Viswanadham, well-known Telugu litterateur, Rachakonda Viswanatha Sastry (Raavi Sastry) and writer, Chalasani Prasad. The others in the same jail included RSS activists, some Naxalites, a few outspoken senior Congress leaders, Swatantra Party members and Socialist Party (Lohia's followers) representatives. Our will was not broken and we ensured that the jail routine was not dull. We used to exchange views on a host of issues, read books, played volleyball and badminton and cooked. The discussion sessions enhanced my knowledge. My incarceration strengthened my re-

I was lodged in the Visakhapatnam jail along with veteran leader, Gouthu Latchanna, Tenneti Viswanadham, well-known Telugu litterateur, Rachakonda Viswanatha Sastry (Raavi Sastry) and writer, Chalasani Prasad. The others in the same jail included RSS activists, some Naxalites, a few outspoken senior Congress leaders, Swatantra Party members and Socialist Party (Lohia's followers) representatives. Our will was not broken and we ensured that the jail routine was not dull. We used to exchange views on a host of issues, read books, played volleyball and badminton and cooked.

solve to fight dictatorial tendencies and I decided to enter politics instead of pursuing a career in law. I filed a petition in the high court and argued my case. Later, I filed another petition in the high court challenging the censoring of newspapers by the jail authorities. The court upheld my contention. The government rejected my plea when I sought a transfer to either Hyderabad or Nellore jail.

Meanwhile, we came to know that Sanjay Gandhi would be visiting Visakhapatnam and got instructions to disturb his meeting. We feigned illness (a common practice to temporarily get out of prison) and were taken to King George Hospital where we met others and discussed our plan. Though the meeting was organised with a lot of fanfare, some youngsters reached there and created a flutter by shouting "snake, snake" after releasing water snakes carried in plastic bags. All hell broke loose, people ran helter-skelter, there was a lathi charge and the meeting ended abruptly.

The jail superintendent sent a report to the government stating that I played a part in the incident. I was, therefore, shifted to Musheerabad Jail in Hyderabad. I was taken in handcuffs during the transit. Later, I was shifted to Nellore and again taken in handcuffs. When my request to remove the handcuffs was turned down, I got off the vehicle after reaching Nellore and walked in protest to the jail so that people could see how I was being treated.

Emergency was the darkest chapter in the country's democratic history and every youngster should be made aware of the importance of "eternal vigilance" to safeguard and preserve democracy in the country.

Important leaders including JP, Morarji Desai, Atal Bihari Vajpayee, Madhu Dandavate and L. K. Advani were put behind bars in various parts of the country. In the wake of worldwide condemnation and growing protests in the country with each passing day, Mrs Gandhi finally bowed to international and domestic pressure and lifted the Emergency on March 21, 1977. Of course, it is also common knowledge that the IB report misled her into believing that the Congress would sweep elections and made her lift the Emergency.

Following the advice of JP, many parties — a breakaway faction of the Congress, Jana Sangh, Swatantra Party and Socialist Party — came together to form the Janata party and the rest is history. Mrs Gandhi lost the election miserably, the Janata party stormed to power. At the first opportunity, the angry masses taught Mrs Gandhi and her party a fitting lesson. Incidentally, I made my entry into politics in these elections: I was chosen to contest on a Janata Party ticket from Ongole in Andhra Pradesh as a student representative.

The writer is Union Minister for Information & Broadcasting, Urban Development, Housing & Urban Poverty Alleviation

WHAT THE OTHERS SAY

"Everyone knew Saudi Arabia's Mohammed bin Salman was a young man in a hurry. Every step necessary for his advancement had been made in the two years since his father assumed the kingdom's throne."

—THE GUARDIAN

For innovation's sake

Why India must take seriously US industry's concerns regarding its IP framework



PATRICK KILBRIDE

INDIAN PRIME MINISTER Narendra Modi's inaugural visit with the Trump administration is more than an opportunity to continue the US-India dialogue; it's an opportunity to improve relations and remove long-standing obstacles. Working together, the US and Indian governments have the opportunity to begin bilateral relationships afresh and move forward in the global economy together. This can only take place if both countries make concrete commitments to fostering the innovation that will propel that growth.

As one of the fastest growing economies in the world, India is an important economic partner for the US and a significant commercial partner for American companies. The World Bank estimates the Indian economy will continue to prosper, with a projected increase in GDP of 7.2 per cent in 2017-2018. With a consumer-base of 1.3 billion people, foreign companies are eager to unleash the vast potential the Indian market holds. Recognising the global interest in the Indian economy, PM Modi introduced the Invest India campaign to help attract new businesses.

Yet, in order for India to harness its full economic potential, the government must take steps to ensure that foreign companies are treated fairly in India, including through intellectual property protections. An effective intellectual property (IP) framework, working in tandem with a transparent legal and regulatory system, is one of the critical factors that businesses evaluate when considering investing in new markets. IP is the lifeblood of the innovative and creative industries, fuelling investments in new life-saving cures and the latest high-tech devices while also safeguarding consumers from dangerous illicit products. If India is to take advantage of the opportunities to engage in new dialogue with the Trump administration, the government must take seriously US industry's concerns regarding India's IP framework.

The Trump administration has built its trade policy agenda around the need for free and fair trade. The US government efforts have focused on ensuring that American companies receive the best treatment in markets abroad. This is where Indian policies have come under criticism: The economic and commercial barriers to US companies attempting to operate in India have placed them at a disadvantage. Chief among those barriers are the long-standing issues with India's IP framework.

PM Modi has acknowledged the critical link between IP and innovation. In May 2016, he released India's first National Intellectual Property Rights (IPR) policy, which included a number of positive administrative changes and called for the creation of IP education programmes. Just

weeks ago, the Department of Industrial Policy and Promotion (DIPP) announced a new "Scheme for IPR Awareness" to fulfill one of the tenants of the IPR policy. We can not underestimate the significance of this step forward; an effective IP framework begins with educated consumers at its core.

The US Chamber's International IP Index, released annually since 2012, highlights some of the IP-related barriers that innovative and creative companies continue to face in India. Many of the long-standing challenges remain the same: Online and hard goods piracy continues to plague the Indian market, undermining the economic contributions of India's thriving film industry. The biopharmaceutical industry continues to face challenges in securing and maintaining patents. Most notably, Section 3(d) of the Indian Patent Act, which mandates that products must demonstrate "enhanced efficacy" in order to be patentable, undermines the growth of biopharmaceutical innovation in India.

New IP challenges have also emerged. In 2015, the Indian government passed balanced and reasonable guidelines for computer-related inventions (CRIs), which allowed for the patentability of all forms of CRIs. In 2016, those positive guidelines were withdrawn and re-released as final with a requirement that software can only be patentable if it's tied to a novel hardware invention. In an ever-evolving digital age, patentability for all forms of software will be critical to fostering technological innovation.

Additionally, Indian officials have made numerous attempts to undermine patented treatments and, more recently, medical devices. Last February, the Indian government's National Pharmaceutical Pricing Authority (NPPA) passed mandatory price controls on medical stents, reducing the price by 85 per cent, after the Indian Health Ministry added them to the National List of Essential Medicines (NLEM). PM Modi applauded the NPPA's policy, which had a devastating effect on innovative medical companies seeking to launch or maintain the sale of their products in India. The move also creates a slippery slope, with other medical innovators wondering if the NPPA will revive talks of targeting patented medicines in similar fashion. Such policies would undermine the legal certainty upon which biopharmaceutical innovators depend and jeopardise investment in new, life-saving cures in India.

If India is to create an environment which fosters innovation, encourages international cooperation, and cultivates a business environment welcoming to investors, IP will be critical. The Chamber's Index illustrates how countries with top-notch IP frameworks are also more likely to have access to venture capital, create thriving high-tech sectors, and become true knowledge-based economies.

Now is the time for India to alter its course and pivot toward one which fosters respect for IP and unleashes the economic benefits that strong IP frameworks provide.

The writer is executive director, International Intellectual Property, at the Global Intellectual Property Center (GIPC), US Chamber of Commerce

LETTER TO THE EDITOR

PLAYING POLITICS

THIS REFERS TO the editorial, 'Playing catch-up' (IE, June 23). The Opposition should have shed its ego and supported the NDA nominee for President of India. The Congress knows that it can't muster a win for Meira Kumar so her nomination seems to be just to play at the political game. Giving this contest a colour of Dalit vs Dalit depicts the low level of political ethics currently prevalent. Our leaders should serve the people who are not concerned with the ideology of parties but with the growth and prosperity of nation. For this purpose, an occasional consensus among all parties should be exhibited. The Congress has lost that chance once again.

S.C. Vaid, Noida

THIS REFERS TO the editorial, 'Playing catch-up' (IE, June 23). With due regard to Meira Kumar and her admirable career in public life, much of what she is today is due to her being the daughter of the late Jagjivan Ram, while Ram Nath Kovind is a self-made person. The selection of Kumar as the Congress-led Opposition's presidential candidate has exposed their collective hypocrisy. Their aim is clearly to counter the NDA's candidate, Ram Nath Kovind, and to put Nitish Kumar, who has declared his support for Kovind, in a quandary. They hope to invoke "bihar ki beti" to counter him. It may be recalled that the Congress could have easily installed Kumar as president in 2007, when it was in power at the Centre, instead it brought in a little-known Pratibha Patel.

M.C. Joshi, Lucknow

LETTER OF THE WEEK AWARD

To encourage quality reader intervention, The Indian Express offers the Letter of the Week award. The letter adjudged the best for the week is published every Saturday. Letters may be e-mailed to editpage@expressindia.com or sent to The Indian Express, B-1/B, Sector 10, Noida-UP 201301. Letter writers should mention their postal address and phone number.

THE WINNER RECEIVES SELECT EXPRESS PUBLICATIONS

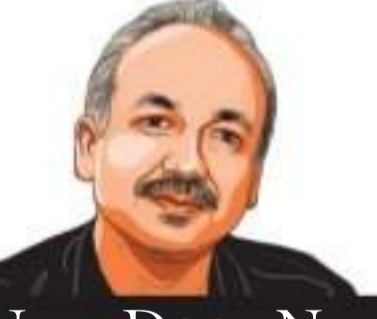
CULTURE LOST

THIS REFERS TO the report, 'IS blows up iconic Al-Nuri mosque' (IE, June 23). If there is ever "peace in the middle east", we will perhaps have an accounting of the sheer number of historical and cultural treasures that the world has lost. Buried in the series of headlines is a story of the lost diversity, memory and intellectual and artistic brilliance of a region what was once the repository of the world's knowledge.

Astha Kumar, Delhi

Turning away from militancy

Public acceptance for violent political movements has diminished in Nepal



NEXT DOOR NEPAL

BY YUBARAJ GHIMIRE

BRITAIN IS set for an all out war against terrorism following a series of attacks by suspected ISIS terrorists. France, a victim of similar attacks in the past, is likely to bring in legislation restricting individual freedom in its bid to build safeguards against terrorism. Darjeeling, next door to Nepal, is in ferment and demanding a Gorkhland state. Media reports convey the impression that Chhattisgarh and Jharkhand resemble Nepal during the Maoist insurgency: Most reports from Kathmandu were about abduction or killing of "class enemies" by Maoists or their death in encounters with security forces or Maoists gaining territory.

Against this backdrop, the unrest in parts of Nepal and the proposed boycott of the local bodies election scheduled on June 28 by a section of political parties looks a much subdued threat. The protests are unlikely to snowball into a full blown violent movement as its protagonists had earlier threatened. Now, with the Maoists joining the peace process and the coalition government, Nepal looks relatively

more secure than most other countries.

In the changed context, there is likely to be far less tolerance among the local population towards violence or militancy. India's about-turn on the Madhes issue is a clear indication of this new reality. The Rashtriya Janata Party, a recently launched political outfit consisting of various constituents that used to warn of militancy and violence if their grievances were not addressed, is now on the verge of a split over its stand on the local bodies election. While the leadership is adamant about boycotting the second phase of the polls, a large chunk of the cadres wants to get involved in the election.

The RJP leadership now feels betrayed by India, which extended support for their boycott of the constitution when it was promulgated in September 2015 and later flagged human rights violations by the Nepal state in Geneva. India claimed in Geneva that security agencies shot five dozen people during the anti-constitution protests in Nepal. India's

turnaround comes in the wake of criticism at home and abroad over its approach to protests in Kashmir and Darjeeling.

Britain too seems to be changing its stance of providing moral and material support to Madhes and other ethnic groups. During his previous stint as PM 16 years ago, Sher Bahadur Deuba had received a cold response from the British administration when he furnished details about the presence — and activities — of senior Nepali Maoist leaders in the UK. The response from the then PM Tony Blair was plain and simple. So long as Nepali Maoists did not pose any threat to the peace and safety of Britain, they were welcome to stay, Blair is reported to have told Deuba. The US response to a similar complaint was the opposite. The then US president George Bush is said to have conveyed to Kathmandu, "Find them, fix them and finish them". At home, Deuba put a price on the Maoists.

During a book release in Kathmandu recently, CPN (Maoist Centre) supremo Pushpa

Kamal Dahal admitted that the attack on the twin towers in New York and the aggressive approach many countries began to take towards militant movements thereafter, influenced the Maoists towards joining the peace process. The Maoists joined the peace process and the government in 2006, but it took another four years before the US would take them off the terrorist watch list. In contrast, India, the European Union and the United Nations started to work closely with the peace process and the Maoists immediately after the latter joined the mainstream. These parties also supported the Maoists in their pursuit of radical and ethnicity-centric politics.

The war against terrorism now forces political parties and governments to rethink their positions on militant movements. But it may not be easy for many in Nepal, who have eulogised, accepted and legitimised organised violence as an instrument of political change.

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