

Dokalam: The Status Quo Spells Victory

Quiet diplomacy trumps shrill nationalism

The peaceful resolution of the Dokalam standoff is a big diplomatic win for India. It demonstrates the level of maturity that Indian diplomacy has achieved.

After months of standoff, both India and China agreed to an expeditious disengagement of border personnel. Both countries are moving their troops out of the Dokalam plateau in Bhutan.

New Delhi gathered quiet support from diverse sources keen to forestall Chinese pursuits of its extra-territorial claims, Japan being a major one.

Sops For Smart Grids For Renewable Power

Reports say that a clutch of renewable energy projects are up for sale, following the phase-out of tax incentives from next fiscal.

Reportedly, some 3,000 MW of wind power capacity is on the block, with 40% accelerated depreciation on equipment being done away with from the next fiscal year.

In tandem, we need to shore up resource allocation for green energy corridors read grid capacity to evacuate and supply renewable power.

He hasn't reached the bronzer age, but that doesn't mean he shouldn't pretty up

Should Macron Make Up For His Expenses?

That the male grooming industry was worth close to \$50 billion last year and is slated to touch \$166 billion by 2022 shows that men care about personal appearances just as much as the next gal.

Barring a few notable exceptions, the appearance of Indian leaders has not been the subject of public conjecture, probably because the details of personal expenses of public figures hardly ever come out.

JAZZ BY THE BAY It's not just about privatising PSUs, but endorsing private competition

Let's See What You Got



Milind Deora

India has a lively history of debate around privatisation of state-owned enterprises. Even though conversations around privatisation are currently fuelled by the ongoing divestment process of Air India, the larger question is: Should GoI be in the business of doing business?

Personally, I do not endorse a position of blanket resistance against government intervention. Markets are imperfect, and a degree of intervention is essential to safeguard against market failure.

There are sectors where the private sector may have no incentive to invest, and governments must step in to ensure the delivery of essential public services.

There are certain public sector undertakings (PSUs) that function somewhat efficiently. India Post and the Container Corporation of India (Concor) are good examples.

But in strictly service-oriented businesses-to-consumer (B2C) sectors, such as airlines, telecom and hospitality, the government cannot compete with private players, and it shouldn't attempt to.

There are sectors where the private sector may have no incentive to invest, and governments must step in to ensure the delivery of essential public services

flexibility or the resources to provide the kind of quality expected in a fiercely competitive environment.

Not only does government presence in these sectors create inefficiencies in the system, but it also distorts markets and ultimately hurts India's indigenous capabilities.

Subsidies Hurting Industry

Artificially subsidising companies such as Air India and MTNL hurts industry, and also forces the taxpayer to subsidise inefficient systems and abysmal service.

The first is the complete failure of a PSU in the face of private competition resulting in disastrous losses.

The second scenario is where public enterprises manage to compete even with fierce competition from private players.



Rivalry makes the hand quicker

and optimise their processes.

LIC is a great example of how introducing competition can actually be good for a PSU. LIC has not only managed to survive and retain a large market share, but private competition has expanded the overall demand for life insurance.

Privatisation Pays

And it is only this year, since the insurance market opened up in 2000, that private general insurers have overtaken state-owned general insurers in terms of market share.

SBI Life Insurance is the best example of a successful merger between public and private entities. It also shows how a state-owned enterprise can withstand the pressure to completely privatise.

INDIA-AUSTRALIA TIES

Not Just Good, But Better Day, Mate



Steven Ciobo

When Australians look across the ocean to India, we see vibrancy and opportunity. India is the world's fastest-growing major economy and is on course to be the world's third-largest economy by 2030.

India is already a market of economic importance to Australia. It's also undertaking courageous economic reform. Australia and India are forging a partnership based on trade and investment, underpinned by strong people-to-people links and deepening strategic ties in the Indo-Pacific region.

Australia needs a better understanding of India's economic trajectory, and the opportunities that are emerging. During his visit to India in April, Prime Minister Malcolm Turnbull announced the commissioning of an India Economic Strategy

for Australia. The strategy looks out to 2035 and will identify new pathways to engage with India.

This week I am leading a delegation of more than 170 Australian businesses to India as part of Australia Business Week in India (ABWI) 2017.

ABWI 2017 will occur across six Indian cities and focus on where Australian capability can contribute to India's modernisation: agribusiness, mining, health, higher education and smart infrastructure.

India's ties with Australia have grown solidly over the past decade to about \$21 billion a year in two-way goods and services exports and \$24 billion in two-way investment.



I can see opportunities

export market, comprising nearly \$15 billion in goods and services.

Australia is an important part of India's energy and food security, with Australia's biggest merchandise exports including coal, chickpeas and copper.

Yet, there is an opportunity to develop a far more diverse mix of exports, particularly as India's enthusiastic uptake of digital commerce sets it on course to become one of the world's largest online retail markets.

India's economic growth is creating infrastructure opportunities that Australian companies are well placed to support.

RIGHT TO PRIVACY

Opportunity Knocks, Aadhaar Enters



Samir Saran

The Supreme Court's verdict affirming the fundamental right to privacy should not come as news to technology companies. The court merely codifies what should have been an article of faith for Internet platforms and businesses: the user's space is private, into which companies, governments or non-state actors must first knock to enter.

The technical architecture of Aadhaar and its associated ecosystem, too, will now be tested before a legal standard determined by the court. But GoI should see this judgment for what it is: a silver lining. The verdict bears enough hints to suggest the court sees the merits in a biometrics-driven authentication platform.

The court's words should spur GoI to create a 'privacy-compliant Aadhaar'. But this requires systematic thinking on the part of its architects.

The private sector, too, will have to put 'data integrity' and privacy at the core of their consumer offerings and engagement.

For starters, GoI must account for Aadhaar's biggest shortcomings — its centralised design and proliferating linkages. A central data base creates a single, and often irreversible, point of failure.

Second, Aadhaar must be a permission-based system with the freedom to opt-in or out, not just from the (unique identification (UID)) database but from the many services linked to it. This must be a transparent, accessible and user-friendly process.

Take Beijing's efforts, for instance. In 2015, the Chinese government

unveiled a national project to digitise its large, manufacturing-intensive economy and to create a digital society. The 'Internet-plus' initiative aimed for the complete 'informationisation' of social and economic activity, and harvest the data collected to better provide public and private services to citizens.

China has no dearth of capital or ICT infrastructure. But the 'Internet-plus' initiative has struggled to take off in any significant way. The project suffered from a fundamental flaw: Beijing believed by gathering information — from personally identifiable data to more complex patterns of user behaviour — the State would emerge as the arbiter of future economic growth, consumption patterns and, indeed, social or political agendas.

A project like Aadhaar is to succeed, its underlying philosophy must be premised on two goals: first, to increase trust and confidence in India's digital economy among its booming constituency of Internet users; and second, to ensure that innovations in digital platforms also result in increased access to economic and employment opportunities.

is also why its proposed IPO would be an enticing prospect for many.

While the State Bank of India currently owns 70.1% stake in the company, BNP Paribas Cardif holds 26%, and KKR and Temasek hold 1.95% each.

India is a goldmine for entrepreneurial activity, and we have proven our worth in the services sector. The Oberoi gives stiff competition to the Four Seasons in Mumbai, Jio and Airtel to Vodafone, and Indigo and Jet Airways to Emirates.

The third and final scenario is where no competition to the state exists — yet. The railways is a sector completely state-owned. A recent CAG audit report declared the food served on trains as 'unfit' for consumption.

Why not introduce private competition in passenger services as well? In Britain, for instance, public sector Network Rail of the Department of Transport owns all the rail infrastructure, including tracks, signals and stations while passenger transport services are provided by private operators.

I wonder if such a model could be introduced for select routes in India on an experimental basis, and whether the railways, under the leadership of my friend Suresh Prabhoo, could withstand competition from 'Indigo Rail' or 'Spice Rail'. It is certainly food for thought.

The writer is Former Minister of State, IT & Communications



Freedom From Fear

BK ASHA

Fear seems to have become the biggest stress factor. Fear lies in the subconscious and surfaces when we anticipate imminent loss of life, property, loved ones or prestige, for example. The greatest fear of all is that of death. The fear of death, it is said, is worse than death itself.

Medical science has not yet found a cure for fear. It calls for a spiritual solution. First of all, it requires an attitudinal change. Fear paralyses the mind. Take on any situation calmly and with courage.

Another change needed is in the way we look at adversity. All the tests that we face in life, regardless of whether we pass them or not, make us stronger and equip us to face better similar tests in future. Fear of death stems from a wrong identification of the eternal Self with the perishable body. It can be overcome by the realisation that we are souls and the soul is immortal, as the Gita says.

Chat Room

Babas and Believers

Apurpos 'Following Cult Followings' (Aug 28) by Debkumar Mitra. In India, the dividing line between faith and superstition is rather thin. Lack of education, uncritical acceptance of others' averment, social practices, vulnerable mindsets and the habit of looking for shortcut solutions to dupe a crisis have further blurred this distinction.

YG CHOUKSEY Pune

Shut Unlawful Empires

Apurpos 'How To Forestall State Repression' (Aug 28). The Dera episode has uncovered a disguised form of money-laundering spread in empires led by so called babas.



These babas have accumulated wealth in the name of not-for-profit trusts and unaccounted donations from India and abroad. Political patronage, state support and lack of vigilance by tax authorities are also among reasons for black money generation.

SANJAY TIWARI Hisar (Haryana)

Way To Go Sindhu, Saina

PV Sindhu missed the gold at the World Championship in Glasgow, but India's badminton player deserves kudos for playing the longest match of the tournament which was a test of her endurance, stamina and skill.

NJ RAVI CHANDER Bengaluru

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