Opinion

TUESDAY, AUGUST 22, 2017

DOKALAM SOLUTION

Union home minister Rajnath Singh

There is a deadlock going on at Dokalam between India and China. I believe there will be a solution soon. ... our security forces and defence forces possess all the might to protect our borders

Twisted tracks will take time to fix

Prabhu trying to fix Railways, but won't be easy to reverse decades of burgeoning subsidies and benign neglect

IT IS IRONIC that, at a time when the Railways is spending the most in its history on capex—including safety—it should be coming under such a cloud thanks to the derailment of the Kalinga-Utkal Express near Khatauli in Uttar Pradesh on Friday in which more than 20 people have died. Though the Railways action of suspending very senior officers and even asking the Railway Board's Member-Engineering to go on leave pending an inquiry into the accident is unprecedented, years of neglect and running down of systems has meant safety standards in the national carrier are quite poor, largely due to extreme congestion of the network. A recording of a purported conversation—*FE* has not been able to verify its authenticity independently and the Railway ministry is not sure either—between the assistant station manager (ASM) of Khatauli and the Railway Controller, reported in *FE* today, makes this clear. In the conversation, the ASM is heard telling the Controller that the maintenance team wants 20 minutes to 'change a glue joint' but the Controller says there are too many trains scheduled to use the track to allow that. While the inquiry committee will look at the authenticity of the recording and other facts, there is enough evidence to show glaring gaps in safety.

The sad history of neglect has meant that while Railway safety has improved under Suresh Prabhu, it remains far from good. Around 115 accidents per year in the last three years may be less than UPA-2's 135 or UPA-1's 207, but with 652 fatalities in the last three years, the record is decidedly poor. And while Prabhu has done well to eliminate over 4,200 unmanned level crossings—around 40% of accidents and 60% of fatalities in the past have been due to accidents on such crossings—the number of derailments has gone up as our page-1 story points out. As the report of the Lok Sabha committee on track upgradation and modernisation points out, while the Railways need to upgrade 4,000-5,000 km of track every year, less than 2,500 km was upgraded in FY17.

Shortage of funds is less of a constraint under Prabhu—safety expenditure is up from ₹34,000 crore per year during UPA-2 to ₹54,000 crore under NDA—and a ₹1 lakh crore safety fund, to be mainly funded from the general budget, has just been created for the next five years. Safety, however, is not just fixing tracks, it involves replacing/retrofitting the existing stock of 40,000 ICF coaches (that's two-thirds of all coaches), etc, and inculcating a safety culture—the parliamentary committee has come down heavily on the practice of running trains at lowered speeds on tracks that are not renewed in time; the Railways told the committee that heavy congestion compromised its ability to maintain tracks. Apart from increased safety spending, a large part of the problem will be taken care of once the two Dedicated Freight Corrridors start functioning—half will be functional by December 2018, the full length by March 2020—since this will reduce congestion on existing tracks and allow more time for planned maintenance. In this context, it is wrong to juxtapose the situation as wasting money on bullet trains vs fixing safety for ordinary trains—you can argue on whether the bullet train is viable, but it is being funded by the Japanese government and, if it is not to be built, it is not as if the money will be available to the Railways to spend on, say, safety.

Banks won't cut rates soon

Till the balance sheet stress reduces, this won't happen

DESPITE THE 25-bps cut in the policy repo rate on August 2, there has been virtually no reduction in the interest rates on loans. For their part, banks say they have passed on much of the total cut in the repo, of around 200 bps since January, 2015, in the form of a lower MCLR (Marginal Cost of Funds). That may be so, but what they don't talk about is the fact that the bulk of the loans—around 60-65%—are pegged to the base rate. And no bank is willing to touch that. Instead, they have rushed to cut the interest rate on savings accounts after market-leader SBI trimmed the rate by 50 bps to 3.5% a couple of weeks back.

If banks are unwilling to lower loan rates, it is because their margins are getting squeezed. The June quarter results reveal net interest margins for several banks have contracted, even though most loans remain tethered to the base rate. The contraction has resulted from a combination of the shift to the MCLR, the high level of non-performing assets, an abundance of funds and the subdued loan growth. Deposits are growing at a brisk 10%, but since there are few takers for loans, banks remain reluctant to cut the base rates because it would translate into an immediate fall in yields. Indeed, many lenders have made it unviable for retail borrowers to migrate to the MCLR. Until they are sure a cut in the base rate will be accompanied by a surge in loan volumes, which would compensate for the lower yield, they will not make loans much cheaper.

Transmission might have been faster if the balance sheets of lenders had been in better shape and they had not needed to make large provisions for potential loan losses. Although slippages might be reducing, these remain large in absolute terms; while these are not rising sharply, they are not slowing down. In the meanwhile, banks are content to wait for quality assets rather than take on more risk. Moreover, they are willing to pick up assets in the corporate bond market or the Commercial Paper (CP) market even if it means lower yields since these would account for a small share of the portfolio. In contrast, a cut in the base rate would mean a significant fall in the interest income and a contraction in margins. RBI has said it plans to review the MCLR mechanism, which was introduced in April 2016. However, given how banks seem determined to protect their margins, it is unlikely that even a new formula will see them lowering loan rates beyond a point.

AirSUPPLY

Nasa is planning to take microbes to Mars to make the planet's air breathable

FOR SOME TIME now, with all the talk of colonising the solar system and the surge of interest in Mars, it has more or less been clear that Earthlings will be the Martians of the future. Of course, making the Red Planet liveable will take perhaps centuries of terraforming (or making the planet more Earth-like). Now, Nasa is looking to start with the bare basic—breathable air. The Martian atmosphere is a thin one, made mostly of carbon dioxide (95.3%), with some nitrogen (2.7%), some argon (1.6%) and oxygen (0.13%) and some other gases in just trace amounts. The American space research agency intends to feed into Martian soil certain microbes that will use the carbon dioxide in the atmosphere to pump out oxygen. For some perspective on the mammoth task that the tiny organisms have on hand, consider the fact that Earth's atmosphere is 78% nitrogen and 21% oxygen.

Some Cyanobacterium (actually an algae) species like *Synechocystis* have been demonstrated to convert carbon dioxide and water into ethylene (gaseous) and oxygen. Scientists, in lab conditions, have coaxed it to photosynthetically produce oxygen as a byproduct and sequester carbon dioxide in the process. Similarly, the extremophile *Chroococcidiopsis* has also been reported to sequester atmospheric carbon dioxide and release oxygen. So, on the plane of theory, Nasa's plans make eminent sense. The problem is that the Martian surface is rich in hyperoxides that will rapidly burn any organic matter upon contact. Organisms that can withstand such hyperoxides remain yet undiscovered on Earth—bioengineering certain extremophiles could help, but we are years away from this. Nasa's intended deadline—the next Rover mission to Mars in 2020—may not be sufficient time for this. Whether a microbe-led oxygen factory materialises in the Martian regolith or not, with Nasa in the picture now, the talk of this has sure got exciting.

RCEP

SIMULATIONS BASED ON THE LIBERALISATION IN TARIFFS AMONG COUNTRIES ARE UNABLE TO ACCOMMODATE THE LARGE NON-TARIFF BARRIERS

High on symbolism, low on trade

AMITENDU PALIT

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THE 19TH ROUND of RCEP negotiations concluded in Hyderabad last month with considerable uncertainty over the prospects of the deal. India is being widely made out to be the 'spoiler' as it is still unwilling to provide as much tariff concessions as the rest of the RCEP wants. But India might have to eventually concede much greater cuts as pressure builds up to conclude talks.

The RCEP has acquired significant symbolic value given its identity as an ASEAN+ economic architecture. ASEAN is heading into the 50th year of its existence. Trade and economic integration have been hallmarks of ASEAN's regional framework. The ASEAN regional construct has moved well beyond Southeast Asia into other parts of Asia through the ASEAN+1 FTAs. These include the five FTAs that ASEAN has with other Asian countries: Australia & New Zealand, China, India, Japan and Korea. The RCEP is envisaged as the 'mother' of all ASEAN+1 FTAs as it draws into its fold ASEAN and all the six countries that are its FTA partners. Pulling off such a humongous architecture that would clearly be the largest FTA in the world as of now would be seen as a major milestone for the ASEAN in its 50th year. It would establish ASEAN as the forerunner in forging regional economic integration efforts in the world. Its ability to take forward the agenda of global trade through regional pacts would be firmly established at a time when the TPP could not go ahead. It would also signal the willingness of major Asian powers—China, India, Japan and Australia—to work with ASEAN as a stabilising force in the region.

While Asian regionalism has a lot of stake in RCEP, it is important to distinguish between strategic benefits and economic upsides from the trade agreement. The former, of course, are substantive. Apart from the political goodwill it would generate for the ASEAN framework, the RCEP has considerable virtues as an insurance policy. Trade and economic partnership agreements have for long been considered confidence-building-measures for avoiding frictions between countries. The ASEAN itself has been a strong advocate of this goal. The institutional economic binding in the region has helped in ensuring that internal political differences within Southeast Asia, or those between ASEAN and its partners, do not assume unmanageable proportions. The RCEP can extend this further, particularly to strenuous bilateral relations like India-China, or Japan-China, since all countries are members of RCEP. At this point in time, there are concerns that hostilities between India and China might affect movement on RCEP. If RCEP is concluded, then it could provide another platform where India and China can engage, as they have been at the BRICS, creating the opportunity for more constructive collaboration.

On the other hand, the economic benefits from RCEP might not be substantive. Though there are estimations on quantum of gains, these simulations, products of several strong quantitative assumptions, are unlikely to indicate the right picture. Simulations based on the liberalisation in tariffs among countries are unable to accommodate the large non-tariff barriers (NTBs) that exist in RCEP economies and which can amount to great hindrances to trade. Data on these barriers indicate the prevalence of substantive quality regulations in many RCEP countries that make it difficult for several exports to obtain access in these markets.

> **Globally, trade protectionism has increasingly shifted to creation of procedural obstacles to exports—a role that sanitary and phytosanitary regulations and technological barriers to trade (TBTs) perform particularly well**

The two most common barriers are SPS and TBTs. The former are sanitary and phytosanitary measures (SPS) that aim to regulate exports on grounds of their causing injuries to plant, animal and human health and safety. The latter are technical barriers to trade (TBT), which focus primarily on regulating damage to environment, ecology and individuals. According to WTO data, there are 570 SPS and 373 TBT measures currently maintained by the RCEP countries. Philippines (142), China (119) and New Zealand (88) have the most SPSs and account for more than 60% of these measures in the RCEP. Similarly, China (104), Korea (77) and Japan (59) account for more than 60% of the TBTs. It is important to note that these are numbers based on measures informed by imposing countries to the WTO. There could well be many other measures that are maintained by many countries but not informed to the WTO. India, incidentally, is one of the relatively low users of these measures. It has 44 SPSs and one TBT.

The point to be noted is SPS and TBTs are hard to eliminate as these are domestic regulations maintained by the imposing countries and part of national quality standards. The importance of these standards from the perspective of their role in maintaining health and safety is undisputed. But at the same time, it is equally true that standards have also been tools for national governments for denying access to exports. Globally, trade protectionism has increasingly shifted to creation of procedural obstacles to exports—a role that SPS and TBTs perform particularly well. These also increase producer costs of testing and certification that are often disincentives for exporters.

The regional consensus on RCEP appears to be on reaching a quick conclusion by agreeing on a common tariff schedule. That would produce a trade deal that is low in scope and incapable of generating as deep access for exports as it could have, had it taken on NTBs. But unfortunately, hurry to conclude and unwillingness to work on domestic standards, is unlikely to make a dent on NTBs. So, while RCEP might fetch considerably symbolism and strategic dividends, it is unlikely to produce major growth in regional trade.

Independence from political parties

The deplorable state of politics globally suggests that a structural change is in the offing—it is always darkest before dawn

JAMAL MECKLAI

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POLITICAL PARTIES ARE enshrined in our Constitution as approved, and, indeed, privileged, entities. However, over the past 70 years, the idealism of the Constitution has been tattered by the rough and tumble of real politics, and today, political parties do little to serve the people and have evolved into vessels of corruption.

It takes money to run a party organisation and while all parties get donations—tax-free, incidentally—the amounts they spend are generally dozens of times of what they report as income from donations and "other sources". The BJP, for instance, which tom-toms that it is a non-corrupt party, reported an income of ₹970 crore in 2014-15, the year of the Parliamentary election; even a deaf, dumb and blind person knows that they spent easily 20 times that on the election alone.

To forestall "but the Congress..." objections, I fully agree that the above applies to all political parties—I simply use the BJP as an example because of all the noise it makes about being non-corrupt. Clearly, all its high-noise policies to supposedly eliminate black money are hogwash.

The AAP claims that it only spends what it is able to raise and that all its donations are recorded and available on-line; while this may be true, it is impossible to know this for sure unless there is a detailed independent audit of its accounts, as there should be of all political parties.

ICAI, at the request of the Election Commission, had (in 2012) put together a "guidance note" on the audit of political parties, and political parties do submit their audited accounts to the EC, albeit usually very late. But the audits, as currently conducted, are hardly worth the paper they are printed on.

Parliament needs to mandate the EC to select auditors—probably international firms, to limit political interference—to conduct stringent audits to ensure that this huge window of corruption is closed.

But, of course, Parliament is not interested. The only issues on which all political parties come together as one are (a) bringing political parties under the RTI (NO), (ii) increasing salaries for elected representatives (YES), and (iii) having international firms audit political parties' accounts (NO).

What is, perhaps, worse than the corruption that political parties create is that they regularly subvert good policies resulting in huge costs to the nation. For example, amidst much fanfare, the government has recently succeeded in passing GST. While it has glitches and will take time to come to full value, I, for one, believe it is a great step.

However, GST should have been passed 10 years ago, when it was first mooted by the previous government, but the BJP and others, which were in opposition at the time, blocked it from coming to reality. This has set the country back significantly.

If we assume that GST (once it is working right) adds, say, 1.5% to per capita GDP growth, our GDP/capita in 2016, which was $1,709, would have been nearly 12% higher at $ 1,900. *This difference works out to nearly ₹20 lakh crore; this is three times the total NPAs in the banking system right now.*

The responsibility for this loss must rest with BJP (and other then-in-opposition) MPs, who prevented this policy from coming to fruition 10 years ago, even though, as is apparent, they actually believed it would be good for the country. Clearly, their primary allegiance was to their party's positioning rather than, as they had sworn, to the nation.

Indeed, in the *tu-tu-mein-mein* that passes for political discourse today, there are few MPs from any party that are able to come out from the rigid demands of their parties and focus on the real issues—that is the tragedy that Indian politics has become.

To be sure, this problem is not limited to India—the failure of US democracy which has resulted in Trump coming to power is largely because both major parties were each focused on ensuring that they retain or enhance their positioning. To my mind, the deplorable state of politics globally suggests that a structural change is in the offing—it is always darkest before dawn. Given that venal parties are the obvious villains, perhaps we will see a wave of independent political candidates take the field in different countries across the world, as recently happened in France.

> **Given that venal parties are the obvious villains, perhaps we will see a wave of independent political candidates take the field in different countries across the world, as recently happened in France**

The seething dissatisfaction in India today with not just the current government but also most alternatives suggests that it would be no real surprise to see hundreds, if not thousands, of independent candidates run for the Lok Sabha in 2019. Hopefully, most of these would be young, fresh and super-hip users of social media. Even if just 15 or 20 of them were to win and were to keep their constituencies engaged, it could set the stage for a real revolution towards a genuinely representative and effective Parliament.

LETTERS TO THE EDITOR

Insurance companies must change tack

This is with reference to 'Financial freedom via life insurance' (FE, August 21). An ideal insurance policy is one which generates sufficient monetary returns in the event of the unfortunate demise of the bread earner to help the family continue to enjoy their present lifestyle. But most of the insurance polices peddled do not meet this requirement. They are premium guzzlers with paltry returns. For most people, an insurance policy is presumed to have an embedded monetary value far in excess of what it can provide. Secondly, it is also looked upon as a tax saving tool. The penetration of insurance is very low in the country due to which the potential business is high. It is here that agents come to the fore peddling insurance products. Many of these agents have only half baked knowledge of the financial markets but as they might possess a bit more knowledge than the layman, it becomes easy for them to sell policies projecting grandiose future returns. Swayed by a mirage of future and not aware of better alternatives customers sign up. From a customer's point of view, a pure term insurance plan is the best policy. A term insurance plan has the lowest premium and a minuscule commission to agents. How many agents pitch a pure term plan to customers as the first option ? Very, very few. For oblivious reasons. From the policy holder's view it should be made compulsory for an insurance company to first pitch for a pure term insurance and only then for other policies. The difference in premium amount between a regular policy and a term policy can be invested by the policy buyer in alternate investment options. Signing up for an insurance policy is a very long term commitment for a policy holder. Insurance agents should be made to provide for alternatives to the plans they are pitching and leave it to the customer.

— KV Premraj, Mumbai

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CHINA AND THE WORLD

Beyond Doklam, the larger picture

The economic asymmetry between India—the proverbial 'caged tiger'—and China is fundamental and runs deep. India's rise as an economic power can change the equation

ONE OF INDIA'S leading Sinologists, Mira Sinha Bhattacharjea, passed away in December 2009. Mira (1930-2009), as those who dared call her, was a fine diplomat, an erudite scholar and a polished China-hand, who spent a lifetime knowing and understanding China, through experience and sustained scholarship. *The Hindu* paid homage, "(Mira) ... was capable of being objective even in the most trying of circumstances." Decades ago, with respect to the Sino-Indian border, she wrote the Chinese strategy begins with an 'affirmation and statement of the problem' backed by political and diplomatic drive, and ground measures. Though critical about India's approach to China, she noted that the Chinese strategy did not include taking the 'territorial interest or territorial sensitivities of the other.' That has, clearly, not changed.

Today, as India and China stand in the middle of weeks of a prolonged face-off at the borderlands, a trijunction where China, Bhutan and India meet, there are other trijunctions such as the India-Nepal-China at Kalapani in waiting. There is, thus, a need to rise above the whiplash of patriotism and take an objective view of the situation.

Part of the problem has been that India has not been able to predict and pre-empt China because India's own hands have been tied: from political myopia, pressing domestic economic issues to half-full coffers. A decade ago, China was building the railway line to Tibet and now plans to extend it to Nepal. This has been public knowledge; China's listening posts in the South Asian neighbourhood are known; China's deep interest of late, in Bhutan, is no state-secret. India's increasing physical and military infrastructure build-up in the Northeast has been the answer, but is this good enough? The economic asymmetry between India, the proverbial 'caged tiger,' and China is fundamental and runs deep. Only India's rise as an economic power can change the equation—unfortunately or fortunately, the Chinese are right about 'development (being) the fundamental principle.' But till that happens, what?

India is lately taking steps in the right direction, as it goes about adapting non-alignment, with Prime Minister Narendra Modi visiting Mongolia (the first visit by an Indian PM), inking a civilian nuclear deal with Australia and concluding the Logistics Exchange Memorandum of Agreement (LEMOA) with America in August 2016.

As India adapts, China is too adapting to its changed destiny. China, a grand 'civilisational state' with a formidable history, has economically 'risen' and so has Chinese militarily prowess, commensurate with its economic rise. In the past, China, with her own preoccupations, almost overlooked India. Unlike the challenges of North Korea and South Korea/America/Japan at the doorstep and the Russian giant in the north and the Central Asian backyard, India with its own beasts was a lesser problem. That may change—if India chooses to 'join the bandwagon' or 'balance' China with America.

While Chinese goods have made their presence felt in the alleys of Karol Bagh, hoardings of Haier appliances and Lenovo laptops greet us at airports and highways, and middle-class Indians brandish Xiaomi phones, weighty Chinese soft power initiatives and goodwill gestures have been pithy. India's Khans have fans in China—Han Chinese to Turkic Muslims—but just who are China's 'king of hearts' in India, nobody knows.

> **India has not been able to predict China because India's own hands have been tied: from political myopia, pressing domestic economic issues to half-full coffers**

While one cannot predict the outcome of a military clash between India and China, one does not have to be a rocket scientist to understand the larger regional mood in East Asia, or the global pulse on China. Chinese economy may no longer be hard-landing, China's political stability 'may last a hundred years,' but is China frittering away its hard-earned goodwill, is the question.

While the Chinese strategy is old, what is new is China's changing discourse, a departure from the previously upheld policy of China, 'biding its time.' China's foreign policy has lately been characterised by small but hefty shifts seeking a reversal of its 'hundred years of humiliation.'

What veteran diplomat Henry Kissinger called Chinese 'salami' technique in diplomatic parleys is being tested on the ground—beginning with small territorial claims, here and there. China's claims in the South China Sea alluding to a historic nine-dash line is a case in point. There are other claimants as well (Vietnam, the Philippines, Malaysia, Taiwan and Brunei). China's construction activities in the South China Sea, building airports to upgrading an island (Woody Island) to municipal status has caused much heartburn in the region. In fact, the Philippines took the unprecedented step of taking China to court (in 2016), which went in favour of the former.

Sino-Vietnam relations have been rocky, disturbing because of the visible asymmetry of power. China offering nine blocks within Vietnam's Exclusive Economic Zone (EEZ) to global bidders (in June 2012), placing Chinese oil rig Haiyang Shiyou 981 in Vietnam's EEZ in 2014 have caused an uproar—in Vietnam and in the region.

The mood in the region is such that the reticent and diplomatically suave Prime Minister of Singapore, Lee Hsien Loong, in a reply to Ian Bremmer's question "What are the consequences of no TPP?" (*Time*, 2016), said, "It has to be deeper economic and broad relationships. You do not do things which the Chinese do. The Chinese go around with lollipops in their pockets. They have aid, they have friendship deals, they build you a Prime Minister's office or President's office, or Parliament House or Foreign Ministry. For them, trade is an extension of their foreign policy."

There are ample suggestions from scholars and journalists that China is playing trade using 'carrots' and 'sticks' in an obtuse manner. The Chinese chose to bail beleaguered Malaysian state development fund 1 MDB (1 Malaysia Development Bhd), invested Sing $17.5 billion in an electrified railway linking east to west coast of Malaysia, and are building a deep-water port in Kuantan (west coast of Malaysia). Malaysia is a claimant in South China Sea.

At the ASEAN foreign ministers meet in Manila (in August), Filipino foreign secretary Alan Cayetano candidly admitted that it was the Philippines that pushed for dropping 'land reclamations' and 'militarisation' in the ASEAN joint communiqué (perceived to be against Beijing). Earlier in June, the Philippines received Chinese backing for reconstruction efforts in war-torn Marawi, including a pricey weapons shipment.

In that sense, neither the Chinese nor Indians (or others) miss the larger picture. What lies at stake is greater than ownership or construction of roads or slivers of territory, be it in the high seas or wild frontiers. Nor is it about cartography, demarcated borders, watershed lines or incursions. More than that, it is about an abstract philosophy, difficult to define, that underlies at the core of the global community.

A united ASEAN, Sino-Japanese 'hot economics' despite frigid political relations, and India-China diplomatic thaw that has put Xiaomi, Vivo and Oppo devices in the hands of millions of Indians have been decades in the making. The Chinese and the Indians would be foolish to upset the applecart.

For the average Indian living in China—be it in Beijing or Shanghai or Yiwu—life is still very safe, and still happily routine, despite what a section of the media says. Chinese business travellers are still arriving in India, despite the travel advisory—and so is the other way round.

But there are worrying signals—not just emanating from the Indian border. Ripples have rocked Singapore as recently as early August when a senior academic Huang Jing (an American citizen of Chinese ethnicity) in a reputed Singapore institution had his PR (permanent residency) revoked and was asked to leave Singapore for "trying to influence the city-state's foreign policy on behalf of an unnamed foreign government." According to *The Straits Times*, this is the "first publicly known case of its kind in nearly two decades." The ministry of home affairs statement said, "Huang used his senior position in the Lee Kuan Yew School of Public Policy to deliberately and covertly advance the agenda of a foreign country at Singapore's expense. He did this in collaboration with foreign intelligence agents." Though not named, people say they know.

In another development, which is again no accident, US President Donald Trump authorised an inquiry into China's theft of intellectual property. Perhaps it is as the Chinese themselves may explain, a case of 'killing the chicken, to scare the monkey.'

While life goes on and business is as usual, the takeaway for a 'China rising' is that the spread of discontent and backlash against China may lead to a dent if not derailment. This would not lend prestige, credence, credibility or shine to what has been an extraordinary 'China story' where people now dream the 'China dream'. The wise Chinese know to read the signals, and when to employ their legendary 'Mao's smile'.

BIT BY BIT

Lessons for living with fake news

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It's time we think about the outcomes of our actions online and act on it

JUST AS I STARTED WRITING this piece, a friend posted a video of a supposed air crash on our WhatsApp group. He had shared a video and a note as if it was something he vouched for, although even he would have realised at second glance that it had to be false. But these days we don't really care about what we share. Gone are the days when our inbox would be flooded with jokes and GIFs that would bring the server down every now and then. Now, it is all about getting likes and shares on anything you post, so the idea is to create stuff that you know will get shared. Those who have read Irving Wallace's *Almighty* will get a better idea of what I am implying.

As almost everyone with a smartphone claims to be a journalist, or a content creator, it has become a free for all when it comes to news and information. While traditional media would check and recheck facts, hold stories till a version could be attained, now all editorial judgement is limited to hitting publish or share. What most us don't realise is that, in this rat race to get more emojis on our posts, we are unwittingly helping promote certain agendas, often extending the reach of the posts, despite something, somewhere telling us that it can't really be right.

It is time we started thinking about the consequences of our actions online. That funny political meme that just came in on one of your WhatsApp groups might be unwittingly helping bring down a government or prop up an unworthy candidate. After all, over the past year or so, the impact of our virtual choices has started making themselves felt in our real lives. The risk is not confined to the episodes of *Black Mirror*, it is very much here ... in every click you make. That's why maybe you should read my dos and don'ts for internet readers in India.

- Play the editor. Don't leave yourself at the mercy of one source, read different viewpoints and voices.
- Of course, you love to read about Salman Khan, but read some boring, but good, journalism too. If you read less of the good stuff, publishers will start investing less in it. Remember, Salman won't come to your rescue when the world you are used to starts to crumble, but good journalism might.

> **Traditional media would check and recheck facts, hold stories till a version could be attained, but now editorial judgement is limited to hitting publish or share**

- Even if you are pretty sure of the source, don't trust it blindly. Validate/verify it with another source that you believe. Yes, times are such.
- Don't become a slave of the algorithm, make it your slave. If you keep reading the same stuff, the algorithm will keep pushing more of it. So, make sure you follow and read sources that you might not really like. Doing so will ensure your timeline is not skewed in favour of a person, an ideology or party. The balance that newsrooms used to strive for is something you the reader will now have to take charge of.
- Anybody can post on WhatsApp and anything can go viral, so don't give it more credibility than you would a wall poster on a dusty street. Use good sources to verify that outlandish claim you just read on a messaging platform. Forward only if you are convinced about its veracity.
- Don't trust the videos either. Anything that can be faked, will be. People just have so much time or are paid to fake it. From CCTV to archival footage, everything has the potential to go viral with a little bit of tweaking. You have the power to discern, don't surrender it.
- Do your own research if you are in doubt. But do go deeper than Wikipedia or wiki anything, those can be changed—and often are—to suit a certain agenda or narrative.
- Internet is all about search and find, but don't fall for content that is made to be found. Ask yourself, is this the best I can get? It often won't be.
- Trolls don't matter. The best way to put them down is by not responding to their 140-character grammar-challenged vitriol. Nothing frustrates them more than a target who refuses to engage. That said, do indulge yourself by slaying a troll or two once in awhile.
- Trust no one, no single source. Remember, the reader is no longer the king, the traffic is. So more of what you are reading will be created instead of what you should be reading. The internet will only be as good as you are.

FROM INDUSTRIAL TO INTERNET ERA

Workforce for the age of automation

A new model of learning is vital to building PM's New India vision

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THE PRIME MINISTER of India, during his Independence Day address, laid out his vision of a New India where the youth of our nation become key stakeholders in building the India of the 21st century. He underscored the fact that we are a nation of young people; the children born at the dawn of this century will come of age in 2018.

Thus, it is clear that for New India to be a developed nation, it has to be powered by its most valuable resource: the bright, educated youth who are highly skilled and are capable of being job-creators.

But a country that dreams of bullet trains in New India will find it hard to do so with an education model that teaches our youth to build steam engines for Old India.

In our current system of education, a young student does schooling until the age of 18, gets a Bachelor's degree by 22, works in the industry for about three years to get basic understanding. After another five years of working, at around the age of 30, he/she becomes really productive and then spends the next 30-odd years working until retirement at the age of 60.

Designed in the image of 20th century industrial era, with schools and colleges arranged like batch production in a factory, this model assumes that every student learns at the same pace.

It was designed to create "workers" needed to operate factories (engineers in electrical, mechanical, civil, industrial, etc), and people to manage these workers or handle sales and money (MBAs in HR, marketing, finance). This system has worked and will continue to work well for the Old India of the industrial era.

However, the Prime Minister's vision of a New India build in the image of the internet age needs a different model.

With the use of internet-based learning, we can make our young people productive by the age of 20 and to be able to work for perhaps 40 years. Imagine what the productivity gain of 10 years for 100 million youth can do for India—it will give us enough manpower to catapult straight ahead into the league of developed nations.

So, how can we create this change?

The key lies in understanding the structure of an educational degree designed for the industrial era—a degree is the academic proof that a student can do useful work.

An engineering course of today, for example, is completed through structured accumulation of credits (180 credits for a degree), with each credit earned by attending 15 hours of theory class or 30 hours of lab work. However, with factories getting automated, this degree that mirrors the industrial age skills is no longer useful for getting any productive work done in the internet age. Changing this entire system overnight would be painful and creating change at scale involving 10,000-plus colleges would just be too slow and hard.

The new generation, on the other hand, is getting smarter at a younger age—with early access to information through the internet. Just like how bullet trains require new fast rail tracks to be laid, to fast-track New India, two new education tracks are vital.

One, we need to introduce an internet-based learning system along with a fast-track degree, where students are permitted by the certification granting institutions to take any exam online for school, undergraduate, graduate or postgraduate degrees at any time, irrespective of their age.

Students can enrol for courses online through the Swayam portal of the ministry of human resource development or other resources online and learn at their own speed and move as fast as they can, leading to an engineering degree by, say, 18 years of age.

Two, we can operationalise "industry outcome based degrees" under the Cabinet-approved National Skills Qualifications Framework, where the industry-approved work requirements can be actually demonstrated by students as proof of ability to work, instead of exam-based academic credentials.

Students can work in the industry through internships or apprenticeships or build their own start-ups to gain industry knowledge and skills, after which they can appear for exams approved by the National Skill Development Corporation (NSDC).

The industrial-era model of getting a degree first and then getting a work experience, therefore, gets flipped.

The Prime Minister envisions the New India of the 21st century to be a digital and internet based economy.

For any nation to create a developed economy, it needs new enterprises; to build new companies we need new start-ups; and to build new start-ups we need new youth with an entrepreneurial mindset. This mindset transformation among the young people build on foundation of a fast-track education system holds the key to the vision and dreams of New India becoming a developed nation a reality.