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WORDLY WISE

THERE'S NOTHING IN THE WORLD SO DEMORALISING AS MONEY.

— SOPHOCLES

The Indian EXPRESS

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

THE RECKONING

Was the demonetisation disruption worth it? It's a question for the government to answer

IN THE PERIOD immediately after demonetisation, there was expectation that it would bring a windfall for the Centre. To the extent that the scrapped Rs 500 and Rs 1,000 denomination notes were not deposited or exchanged at banks — especially by those who had hoarded their ill-gotten wealth significantly in cash — the resultant reduction in the Reserve Bank of India's (RBI) currency liabilities would generate a "profit", which it could then distribute as dividend to the government. But this did not happen. As the RBI's latest annual report has confirmed, Rs 15.28 lakh crore or 99 per cent of the Rs 15.44 lakh crore worth of the notes withdrawn overnight on November 8 was turned in. Far from realising a revenue bonanza — the original estimates put it at Rs 4-5 lakh crore — the RBI's surplus payable to the Centre out of its earnings for 2016-17 fell to Rs 30,659 crore, from Rs 65,876 crore the year before. As the central bank had to incur extra costs on printing of new notes, paying interest on the excess cash it was forced to absorb from banks, and making an unexplained additional provision of Rs 13,140 crore towards a so-called contingency fund, there was simply less surplus to distribute.

But fiscal cost is only one part. No less has been the damage to institutional credibility. The RBI is yet to convincingly demonstrate that the demonetisation decision was not forced on it. At any rate, it was ill-prepared to deal with the aftermath, in terms of making available adequate quantity of replacement notes in the right denominations. Proof of it was the serpentine queues in banks and at ATMs for well over two months. That remonetised notes are mostly of the illiquid Rs 2,000 denomination — constituting over 50 per cent of the total value of currency in circulation even as late as March 31 — didn't help matters. The economic costs that ensued — whether manifested in a crash in farm produce prices or a wide swathe of cash-dependent informal enterprises going bust, not to mention the sheer time wasted waiting in lines — are incalculable.

Were these disruptions worth it, especially when the Indian economy wasn't doing too badly before November 8? There is no doubt that demonetisation has created an environment where doing business in cash and avoiding taxes is less acceptable. Along with the goods and services tax (GST) — a seemingly better planned and well-thought-out exercise — it has the promise of heralding the transition to a less-cash economy. But these are gains that may accrue only in the medium- to long-term. While Uttar Pradesh's voters showed willingness to endure the immediate disruptions from demonetisation, whether such tolerance or even enthusiasm would hold if these — and also the effects of GST — last too long is a moot point.

WELL BEGUN

First steps to restructure army are welcome. Follow them up with reordering of higher defence management

THE APPROVAL OF the Union cabinet for the first phase of reforms in the armed forces is a welcome step. It will set into motion a plan to restructure the army which will redeploy 57,000 soldiers and civilians into fighting roles, thereby improving its operational efficiency. The idea is to improve the army's "teeth to tail" ratio, that is, increase the number of soldiers actually doing the fighting against those needed to support them to fight. This phase of reforms, which concern only the army, will be completed by end-2019. These reforms emanate from the recommendations of an expert committee headed by Lt General D.B. Shekatkar (retd), which was tasked to recommend measures for enhancing combat capability and rebalancing defence expenditure.

The committee submitted its report in December last year, and its 188 recommendations have been studied and debated by the ministry and the defence services. The defence ministry has chosen 99 recommendations which pertain to the army, navy and air force — 65 of them, which are internal to the army, have been approved for implementation in this phase. It is believed that the other 34, which are internal to the air force and the navy, will also be implemented soon. But there are bigger questions about the rest of the recommendations of the committee, which deal with higher defence management, defence ministry and other organisations, such as the DRDO, ordnance factories and DGQA. The ministry has been silent about these steps which would have far-reaching effects towards reforming and modernising the decision-making structure for national security.

Proposals, like the one that establishes the need for a Chief of Defence Staff or for ensuring 2.5-3 per cent of GDP as defence expenditure, need political and bureaucratic consensus beyond the scope of the defence ministry but have not been debated so far. There is a genuine fear in the defence services that by choosing to act on proposals internal to personnel management of the army, it has only picked the low-hanging fruit. These fears are based on the experience with implementation of reports of earlier committees. The toughest recommendations of both the Arun Singh Committee, following the Kargil Review Commission, and of the Naresh Chandra Committee, formed by UPA 2 government, were initially deferred and then never saw the light of day. With a live threat from both China and Pakistan, defence reforms are an urgent need of the hour. The first steps with restructuring the army are important but they must be quickly followed by implementation of other recommendations, particularly those of higher defence management. Anything less will be another opportunity lost.

CAT FIGHTS

Gujarat's refusal to part with Gir lions is churlish. MP's decision to introduce zoo-bred lions into forests is unwise

MADHYA PRADESH HAS waited for nearly two decades for lions to roar at the Kuno-Palpur National Park. In the 1990s, wildlife experts felt that confining the Asiatic Lion to the Gir National Park in Gujarat was not a good idea. The Wildlife Institute of India, Dehradun, carried out surveys to find a second home for the beast and recommended shifting some of the felines to Kuno. But the Gujarat government has termed the big cat as the "pride" of the state, and refused to share them with MP. An exasperated MP government has now decided to breed lion cubs in zoos and shift them to Kuno.

Till the late 19th century, the Asiatic lion roamed large parts of North India, as far east as what is today Bihar, with the Narmada river marking the southern limit of its range. But indiscriminate hunting and large-scale conversion of forests into farms and human-settlements proved to be the animal's doom. By the early 20th century, the deciduous forests of Gir were the Asiatic lion's only home. In 1913, the chief forest officer of Junagadh reported that there were only 20 of the majestic animals left in Gir. Since then, conservation efforts have not only saved the animal from extinction but resulted in a significant increase in their population. At the last census in 2015, the lions in Gir numbered 523.

Wildlife experts, however, believe that a disease outbreak or a natural disaster like a forest fire in the animal's only home could undo the conservation achievements of the past 100 years. However, Gujarat does not want to part with its lions. Conservation has taken a further backseat with the MP government's proposal to the Centre to allow Kuno to source cubs from zoos. The lion cubs will have to compete with other predators hardened with the ways of the forest. It is anybody's guess how they will fare.

Maximum pain

Objectives of demonetisation could have been served better by doing a cost benefit analysis

ILA PATNAIK

THE RBI ANNUAL Report reveals that almost all demonetised notes have been returned to the central bank. This number does not include the old notes with District Central Cooperative Banks for the short window when they were allowed to accept deposits. It also does not include the notes within Nepal. The shortfall of Rs 16,050 crore between the notes in circulation when the notes were demonetised and those that were returned, could therefore also be made up once these notes are returned to the RBI.

It should come as no surprise that almost all the notes have been returned, including the stock of black money held as cash. To the extent that it was possible to exchange money legally, individuals did so. When cash limits for withdrawal made it difficult, friends and families participated. The inconvenience of long queues was overcome by household staff. A private company offered booking of "chhotus", who would stand in long queues for people for Rs 90 an hour until their turn came. Bank employees were averse to being unhelpful to regular customers and found ways to serve them. Innumerable ways were found to work around the changing rules of exchange, cash limits, indelible ink and specified uses of old notes.

Those who could not exchange money legally found money changers. Innumerable anecdotes, media reports and arrests of bank staff tell stories about how this was done all over the country. When the government announced that old notes could no longer be exchanged, but only deposited, new ways of changing the stock of unaccounted cash emerged. Individuals with bank accounts, including Jan Dhan accounts, and companies showing cash accrual from sales came into business. Large amounts could be laundered through this route as it did not involve immediate cash payouts by banks, since cash shortages still persisted with the RBI and banks scrambling to remonetise the economy.

It was to be expected that even if people have to pay tax on their hoarded cash, and a change fee, they would prefer to do that rather than lose the whole amount. Data from Prowess, a database of companies in India, shows that in the quarter of demonetisation, when purchasing power had fallen sharply, net sales by companies rose significantly. At the same time, the number of tax payers and tax collections rose. The tax department is said to have found thousands of shell companies which were possibly engaging in the activity of depositing money in their accounts during the demonetisation period, claiming that it was cash from sales. This provided a means for laundering money.

> International evidence suggests that few countries address the problem of black money by demonetising their currencies. If the problem is large-scale crime, corruption, bureaucrat-politician nexus, tax evasion etc. the answer lies in reforming the criminal justice system, law and order, administrative reforms, bringing transparency in the functioning of the state and rationalisation and simplification of the tax system. In this context, the GST will be a far more effective mechanism to bring down tax evasion in indirect taxes considering the greater incentive for compliance that its design holds.

The total currency in circulation, according to the RBI's annual report, is about Rs 2 lakh crore short of the pre-demonetisation period. This is partly due to the increase in focus on printing of lower denomination currency notes. Initially, the RBI had focused on printing the Rs 2,000 notes to rapidly remonetise the economy. In addition, there could be some reluctance to hold cash. The replacement of cash transactions by digital transactions, the slowdown in small-scale industry, in the rural economy, construction and other informal segments of the economy could also lead to somewhat lower demand for cash. However, it is less probable that the cash of black money holders has not been withdrawn because they are unlikely to leave that in the bank accounts of the money launderers for long. It might have partly been settled for bitcoins, gold, or similar assets that are difficult to trace.

There is no doubt that those with holdings of unaccounted cash lost some of their wealth in the process of laundering it. To some extent, taxes were paid on it in the process of legitimising it. But in addition to that, illicit wealth was redistributed from black money holders to money launderers. Whether the money launderer was a company owner, a bank employee or a Jan Dhan account holder, there was now a need breed of criminals with wealth obtained from illegal means. The total reduction in black money was therefore much smaller than what might have been envisaged.

International evidence suggests that few countries address the problem of black money by demonetising their currencies. If the problem is large-scale crime, corruption, bribery, bureaucrat-politician nexus, rent seeking, tax evasion etc. the answer lies in reforming the criminal justice system, law and order, administrative reforms, bringing transparency in the functioning of the state and rationalisation and simplification of the tax system. In this context, the GST will be a far more effective mechanism to bring down tax evasion in indirect taxes considering the greater incentive for compliance that its design holds.

The real rationale for new notes by the RBI is a rather innocuous paragraph hidden away in its Annual Report. It says: "As a standard international practice, the design and security features of banknotes are reviewed periodically. In line with this practice, a new series (Mahatma Gandhi New Series) of banknotes in new design, dimensions and denominations, highlighting the cultural heritage and scientific achievements of the country, was introduced during the year. As part of this process, banknotes in the denominations of 500 and 2000 were introduced on November 8, 2016. New design notes in other denominations are due for phased introduction." (Section VIII.15, RBI Annual Report 2016-17).

The best way of achieving this objective would have been to slowly replace old notes with new ones, giving the public adequate time to exchange and deposit old notes, as is also "standard international practice". The outcome would have been the same. The pain would have been much lower.

This episode in India's policy-making highlights an essential tenet of policy-making — the need for a cost benefit analysis. For any objective that is to be achieved, we need to examine various policy options and analyse their costs and efficacy. For an economy on the path of reform, with many more reforms still to come, long-term sustainable impact can be achieved only when we strengthen the policy-making process as well.

The writer is professor, National Institute of Public Finance and Policy

THE BIG LIES

US conservatives made Trump denounce hate. RSS can learn from them

JAVED ANAND

GIVEN THE AUDACITY with which our history is being rewritten and re-imagined, we should not be surprised to learn in the not-too-distant future that the "chatur baniya", Mohandas Karamchand Gandhi, was actually a devout pracharak of the Rashtriya Swayamsevak Sangh who was killed by a fanatic Muslim.

Soon after Narendra Modi became prime minister, Gandhi was given charge of the Swachh Bharat Abhiyan. Virtually reduced to the status of a Super Sanitary Inspector, the Mahatma's job was to ensure clean streets; never mind the muck in the minds. We must thank the BJP general secretary, Ram Madhav, for putting Gandhi back on a pedestal. From Madhav's learned treatise ('Coming full circle at 70', IE, August 15) we learn that unlike Jawaharlal Nehru whose mind was infected with the "coloniser's view", Gandhi was infused with "the genius of our country which is rooted in its religio-social structures like state, family, caste, guru, festival".

According to this version of modern Indian history, Nehru and his Congress took India down the wrong road for decades but fortunately, happy days are here again. India has a president, vice president and PM all of whom are from "the same ideological fraternity", all in tune with India's "native wisdom", all from the "Conservative Right". Gandhi, we are told, belongs to the same fraternity. How? Because: "Gandhi always spoke in his discourses and dissertations about Ram Rajya".

Hitler's master propagandist Joseph Goebbels said: "If you tell a lie big enough and keep repeating it, people will eventually come to believe it". Perhaps we will all one day buy the Big Lie that Gandhi was an RSS man. But for now, could Madhav and the Sangh Parivar kindly take a few questions: Gandhi repeatedly said: "Let no one commit the mistake of thinking that Ram Rajya means a rule of Hindus. My Ram is another name for Khuda or God. I want Khuda Raj which is the same thing as the Kingdom of God on Earth." Is Gandhi's "Ram Rajya" the same as the "Hindu Rashtra" ideal of the Sangh Parivar?

> Why did Nathuram Godse, an RSS-Hindu Mahasabha creation, assassinate Gandhi? And why did the RSS, according to the then Home Minister Vallabhbhai Patel, distribute sweets to celebrate the murder? Had he been around today how would Gandhi have responded to Hindutva's lynch mobs repeatedly targeting Muslims and Dalits in the name of the holy cow? What might the Mahatma have said about the lip service, at best, of the PM in response to this?

If yes, why did Nathuram Godse, an RSS-Hindu Mahasabha creation, assassinate Gandhi? And why did the RSS, according to the then Home Minister Vallabhbhai Patel, distribute sweets to celebrate the murder? Had he been around today, how would Gandhi have responded to Hindutva's lynch mobs repeatedly targeting Muslims and Dalits in the name of the holy cow? And what might the Mahatma have said about the lip service, at best, of the PM in response to this continuing majoritarian onslaught?

Even as the Sangh Parivar is doing all it can to claim Gandhi, its hostility to Nehru remains undiminished. This is so, Madhav tells us, because Nehru was a "liberal" while the "genius of India", like America, tilts towards the "Conservative Right". The RSS ideologue approvingly quotes a book which describes America as "essentially a nation with a conservative ethos", a nation where even the Democrats are "liberals in name only".

India and America: Same, same?

The US is not my idea of heaven on earth and Donald Trump is certainly not my hero. But there's a strong message that conservative America recently sent out to the world, a message India's "Conservative Right" can learn from.

When neo-Nazis and white supremacists turned violent against peaceful counter-protesters in Charlottesville, Virginia, last month, Trump initially blamed "many sides". But "conservative" Americans were so outraged by the misdeeds of the extremists that speaking in one voice, politicians — including top Republicans — corporate big guns, the media and ordinary citizens slammed their president, shamed him into changing his tune within 48 hours.

This is what US conservatives pushed the right-wing, Republican Trump into saying: "Racism is evil and those who cause violence in its name are criminals and thugs, including the KKK, neo-Nazis and white supremacists and other hate groups... We will spare no resource in fighting so that every American child can grow up free from violence and fear".

Sounds good: Freedom from violence and fear. In an India plagued by lynch mobs and acute Islamophobia, when did we hear the Sangh Parivar, its incumbent president, vice-president, prime minister, speak such language? Should India's "Conservative Right" not be ashamed at its own silence, if not complicity, over the recurring ugly spectacles and yet claim fraternity with Gandhi and affinity with America's "conservative ethos"?

The writer is convener, Indian Muslims for Secular Democracy and co-editor, Sabrang India

SEPTEMBER 1, 1977, FORTY YEARS AGO

BHUTTO ARREST

THE FORMER PRIME minister of Pakistan, Z.A. Bhutto, may be arrested and tried before a specially constituted court for political murders and treason. One of the main charges against him is he was responsible for the creation of Bangladesh as an independent and sovereign state. Diplomats say General Zia-ul-Haque is weighing the pros and cons and only after he is satisfied that Bhutto's arrest would not lead to further complications would he take the fateful step. Bhutto has warned that if he is arrested, the consequences for the country may be unpredictable. If he arrests Bhutto, the general will also have to postpone the elections he had promised to hold on October 18.

PRESIDENT'S RESIDENCE

PRESIDENT SANJIVA REDDY is likely to shift his residence from his present North Court suite in Rashtrapati Bhavan to a bungalow on the President's Estate. The choice is likely to fall on No 1, President's Estate, a bungalow with its entrance on Sardar Patel Marg. The late Fakhruddin Ali Ahmed used to live there when he was minister for agriculture. This was the house the builder of New Delhi, Edward Lutyens, had built for himself. He lived there for 15 years as he went about the task of constructing the rest of what was then called the Government House and the secretariat complex.

PATEL FOR RBI

I.G. PATEL IS taking over as governor of the Reserve Bank in December. Patel, now holding a UNDP assignment, paid a visit to the RBI headquarters. According to reliable sources, the purpose of his visit was to familiarise himself with the working of the RBI and with its officials. At the time of the exit of the former RBI governor, K.R. Puri, Patel was tipped as the successor but his contractual obligations with the UNDP held him from accepting the post immediately. Patel's term with the UNDP is ending in November.

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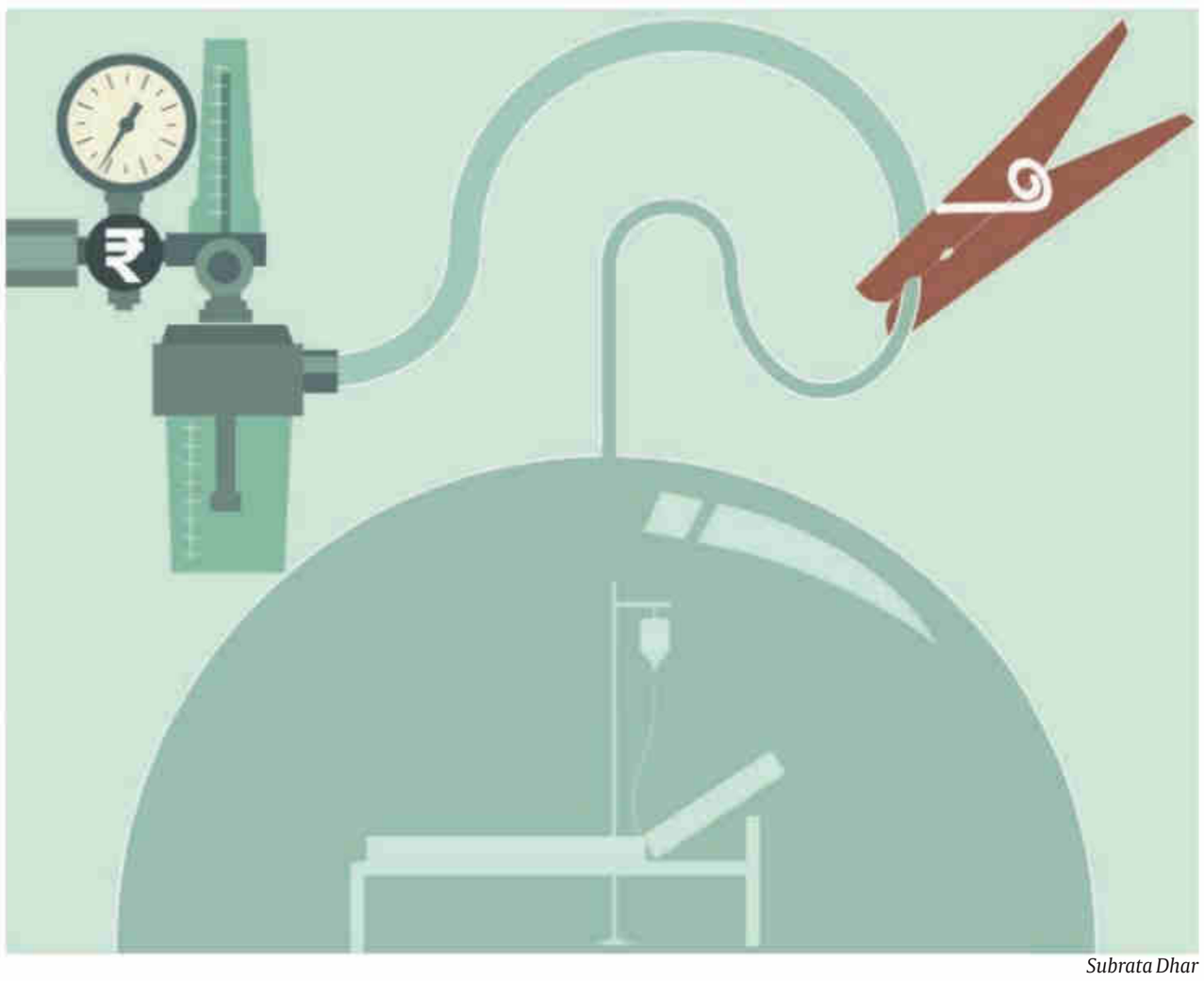
WHAT THE OTHERS SAY

"This (privacy verdict) decision reaffirms the fundamental freedoms that make all democracies strong."
—THE NEW YORK TIMES

How Gorakhpur was choked

The death of children in BRD Hospital was not just due to inadequate oxygen supply. It is also because of a system collapsing under severe financial strain

ABHAY SHUKLA, RAVI DUGGAL AND RICHA CHINTAN



Subrata Dhar

DISCUSSION ON THE recent tragic deaths of children in the BRD Medical College Hospital at Gorakhpur has, so far, been focussed on the apparent immediate cause — the interruption of oxygen supply to the hospital, linked with continued default in payments to the oxygen supplier. While the death count in BRD continues to rise alarmingly, reaching nearly 300 in the last month, the state and Central governments have failed to even express an intention of addressing the real oxygen supply of the system — adequate and timely budgetary inflows to the hospital, which are essential for enabling the hospital to deal with the continued influx of critically ill children. The shortfall of payments to the oxygen supplier needs to be understood as the final link in a cascading chain of severe budget cuts, which has choked the flow of critical resources to the hospital, and the programme for treating children with encephalitis, leading to catastrophic outcomes.

The Gorakhpur hospital tragedy was not just due to a local aberration, though local factors did play a role. If we ignore this deeper chain of causation and fail to seek systemic solutions, there is a risk of remaining confined to knee-jerk answers, which may be at the cost of many more innocent lives.

No hospital or health system can function without adequate financial resources, which translate into sufficient doctors and staff, medicines and supplies, infrastructure and other essential inputs. Adequate budgets are essential to keep health services properly functioning. And the converse is obvious — if the system is chronically and severely deprived of such resources, it might manage to cope for some time, but then a breaking point is bound to be reached. The interruption of oxygen supply following major, continued default of payments to the oxygen supplier for the Gorakhpur hospital represent such a breaking point in a system which was already under tremendous strain, due to severe and long-standing constriction of finances at all levels.

The first link in this chain of choked budgets becomes clear when we examine the allocations for Acute Encephalitis Syndrome (AES) and Japanese Encephalitis (JE) for UP over the last few years. This is the main government programme which supports facilities and services for children suffering from these illnesses, for which Gorakhpur is the epicentre. The number of children dying from these illnesses over the last few years remains persistently high — 661 deaths in 2014, 521 in 2015 and 694 in 2016. The deaths increased in 2016 by a massive 33 per cent over the previous year.

In this situation, we would expect a substantial hike in resources for the current year, to take care of expected patients, as well as preventive efforts. The reality is exactly opposite — proposed funds, as well as actual allocations provided by the Union health ministry to the state government under the National Health Mission, have been significantly reduced. The budget demand by UP for AES/JE for 2016-17 was Rs 30.40 crore, of which only Rs 10.19 crore was approved by the Centre. However, in the current year (2017-18), the budget demand was reduced to Rs 20.01 crore, while the amount approved by the Centre was further slashed to just Rs 5.78 crore — barely 29 per cent of the proposed amount.

The further link in the chain is equally worrisome. After grossly inadequate allocations from the national level, at the state level, there is a further holding back of fund disbursement. Out of the amount committed for the AE/JE programme in UP for 2016-17, the actual expenditure of funds over the entire year was only 33 per cent. Parallel to this choking of funds for the encephalitis programme, the funds available for running the 808-bed Nehru hospital associated with the BRD medical college, have also been inadequate. A teaching hospital of comparable size — Nair Hospital in Mumbai — spends Rs 30 lakh per bed annually, while Nehru hospital spends a mere Rs 11.5 lakh. Similarly, UP's overall health budget is one of the lowest in the country at Rs 790 per capita, in sharp contrast to the national average of Rs 1,538 per capita. With over 16 per cent of the country's population, UP accounts for only 9 per cent of India's public health spending, which gets reflected in the most adverse health outcomes. Some other states like neighbouring Bihar have recently significantly stepped up their health sector funding, by using flexibilities allowed by the 14th Finance Commission's recommendations. However, the UP government seems to be unwilling to use a larger part of the additional revenues now available to it for increasing its abysmally low health spending which should at least be brought to levels of the national average per capita spending.

Given the context of a constricted flow of resources from various levels, it is not surprising that within the hospital, allocations and fund flow for important supplies like oxygen have been woefully inadequate. The total budget for medicines, materials and supplies (which would include medical oxygen) for the BRD medical college associated hospital in 2015-16 was Rs 8.85 crore. Despite an increase in the number of patients and an increase in prices, this has been reduced to Rs. 7.92 crore in the current year. Further, the flow of funds from the state to hospital level is reported to have been chronically erratic and delayed. The doctors in the encephalitis ward (who are engaged on a contractual basis) reportedly had not been paid for over four months, when the tragedy struck. The non-functioning of ventilators and baby warmers in the wards due to a lack of funds for maintenance has also reportedly been common.

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In this larger setting, it is not surprising that since November 2016, payments were not being released to the company supplying liquid oxygen, and by March 2017 the unpaid amount owed to the company had reached Rs 72 lakh. It should be no surprise that the company stopped supplying oxygen to the institution — not an isolated incident, but rather likely to have been the final link in a lethal chain of budgetary blockages, the last straw which broke the proverbial camel's back.

The Centre and state government seem to be busy blaming the deaths on encephalitis, pneumonia, infections etc., thus deflecting attention from the underlying man-made cause — major strangulation of the "oxygen supply" of the public health system, namely budgetary provisions for healthcare. Grossly inadequate, downsized health budgets are by no means unique to UP; public health facilities across the country are today finding it increasingly difficult to breathe. This is not just about Gorakhpur, but about Lucknow, Jamshedpur, Ranchi etc.

The loss of innocent lives must not be brushed aside with facile excuses, or by making scapegoats of a few low-level officials; the real responsibility lies higher up in the system, where governance is led, and budgetary allocations are decided. These unfortunate deaths of scores of children, who breathed their last before they could have their chance at life, should serve as a resounding wake-up call. The message is clear — there is urgent need to massively increase financing of public health services, along with making major improvements in governance, including systems for social accountability. Otherwise, many more Gorakhpurs will happen.

The writers are with Jan Swasthya Abhiyan

An article of faith

Article 35A protects the unique identity of Dogras. Its repeal will test the relationship between J&K and the rest of the country

DEVENDER SINGH RANA

JAMMU IS at a crossroads of history. The land known for the heroic sagas scripted by Mian Dido, Raja Ranpat, Bawa Jitoo, Jambu Lochan and other valiant heroes, is struggling to retain its glorious ethos and identity. A place that had been a shining example of cultural assimilation and co-existence finds itself pushed to the wall: Its cultural identity and very existence is at peril now.

Why does the state of Jammu and Kashmir in general, and Jammu in particular, feel compelled to fight for the rights bestowed by the Indian Constitution, 70 years after Independence? Why should Jammu worry about preserving its race, language, history, legends and tradition in the multi-religious, multi-lingual and multi-racial canvas of India? What has gone wrong that the peaceful, compassionate and tolerant Dogras, ingrained with secular ethos, feel challenged by the overt and covert attempts to remove Article 35A of the Constitution?

Article 35A of the Constitution is more relevant for the Duggar region of Jammu than Kashmir and Ladakh for a variety of reasons. There is a strong apprehension that its repeal will lead to the economic deprivation and erosion of cultural identity of the Dogras. In fact, this was the motivation for the last Dogra ruler of Jammu and Kashmir, Maharaja Hari Singh, to bring laws in 1927. On the plea of the Dogra Pratinidhi Sabha and Kashmiri Pandit Sabha, the Maharaja sanctioned laws to safeguard the interests of his subjects, especially the Dogras of Jammu, and to shield them from domination by elite and affluent non-state subjects, mostly from neighbouring Punjab. The enactment of the State Subject Laws had not been sought either by the people of Kashmir or Ladakh, but by the Dogras of Jammu, who had legitimate apprehensions that wealthy businessmen from Punjab will take over Jammu's economy and dominate social life in ways that the region will cease to be a Dogra homeland. The laws have withstood the test of time for the past 90 years and hugely helped in preserving the identity and interests of the Dogras.

Article 35A derives its strength from the State Subject Laws of 1927. Being a legacy of the Maharaja, it is sacrosanct for us. Tampering with it will, therefore, mean not only destroying the Duggar ethos and pride but also subjugating Dogras to outside economic dominance. There is an urgent need to resist these sinister machinations.

Those at the forefront of wanting to trample the unique identity of the Duggar land are spreading the canard that repealing Article 35A will give a boost to development in Jammu and Kashmir, particularly Jammu. They deliberately ignore economic data, which indicates that the geographical location of the state, a limited market, manufacturing costs and the volatile law and order situation are the real impediments to the growth of industry in the region. It is not that industrialisation hasn't taken place. Industry does exist in Jammu, Samba and Kathua, though the region could never emerge as an industrial hub. It is also factually incorrect that industrialists from across the country cannot set up businesses in J&K; they can lease land (for 99 years) in the state. Why should the scrapping of 35A, therefore, be wrongly linked to the lack of industrial growth in Jammu and Kashmir?

A false narrative has been created that removing Article 35A will lead to the integration of Jammu and Kashmir with the rest of India. This is irrational and far-fetched. We are a part of India and our relationship with the nation was inked on October 26, 1947 through the Instrument of Accession signed by Maharaja Hari Singh, then ruler of Jammu and Kashmir, and Lord Mountbatten, the Viceroy of India. The contours of this agreement were incorporated into the Indian Constitution as Article 370. Article 35A was brought in through a presidential order by virtue of the powers vested in the president, as enshrined in the Constitution under Article 370. This was done to safeguard the rights and guarantee the distinct identity of the people of Jammu and Kashmir. Scrapping Article 35A, hence, will shake the very foundation of this relationship.

Some people claim that Jammu has been discriminated against in the past and the removal of Article 35A will lead to its political empowerment. Indeed, each region of the state — Jammu, Kashmir and Ladakh — must get its due share and no region should encroach upon the share of the other regions. But it is important to understand that the repeal of this proviso will not address anomalies, if any, against Jammu.

On the contrary, removing Article 35A could lead to a squeeze in opportunities for the Dogra youth. They will have to compete with youth from other states for jobs. Professional academic courses will become more competitive and difficult. The local youth will be deprived of the concessions in recruitment in the security forces and denied scholarships and other financial assistance. The marginal and medium-level traders will face increased competition. The influx of "non-subjects", in the absence of the repeal of Article 35A, will put immense pressure on landholdings. Farm activity will reduce and farmers will be rendered jobless. Work opportunities for the local skilled and unskilled labour will shrink. Besides, the large migrant labour is likely to acquire land and build houses if residency restrictions under Article 35A go. The unique social identity of Dogras, I fear, will be in jeopardy.

The government must carry out a verification of state subjects and identify those who have managed to become permanent residents through dubious means. Once identified, such people should be prosecuted as per the law and deported from the state. The fight to protect Article 35 A is the fight to protect Dogra Dugar land.

The writer is MLA, Nagrota constituency, and the Jammu provincial president of National Conference

TELESCOPE

BY SHAILAJA BAJPAI

One Baba, extra large

Gurmeet Ram Rahim Singh overshadowed the resolution at Doklam

IF IT'S Thursday, it must be the fight for No 1. Times Now claims boldly that it is "Always No 1" because "The Republic watches Times Now". Republic replies haughtily, it has been "16 weeks non-stop No 1". Times Now says, "Fake viewership claim defeated"; Republic says, "Complete destruction of Times Now. you can't force feed a bad channel". Ouch.

This weekly slugfest between the two English language news channels is more hard-hitting than anything Mayweather and McGregor handed out in Sunday's fight. It's also unseemly and very childish — TV news could learn a thing or two about "dignity" from the Supreme Court judgment on privacy. More importantly, it is a complete exaggeration since neither the "nation" nor the "republic" watch English TV news, just a few million people.

But then everything about news TV belongs to the extra-large category. Consider the coverage of the rain/floods in Mumbai on Tuesday and the Ram Rahim rape case. The "Balaatkaar Baba" as he was so crudely called by most Hindi news channels, was the subject of television's most prurient curiosity and intense scrutiny for six long days. Late night Hindi news channels left nothing to the imagination regarding his private life (please refer to the SC privacy ruling again), his health, wealth and Honeypreet. Even English channels discussed the Love Charger each night, with an eye on boosting their viewership ratings.

Last Friday, the "Mighty Godman" (Times Now) was laid low by the court's guilty verdict "first" on India TV, no "first" on Times Now, no, no "first" on Aaj Tak and India Today but in Panchkula's ensuing violence, it was ABP's Jagwinder Patial who showed them how to report. Yes, you read that correctly: How to report — something increasingly rare on TV news these days.

This intrepid reporter and his cameraman, at the right places at the right time — others' OB vans were toppled or set aflame — captured the scenes of the crime so well that the channels the nation watches and even those no one watches (Yo TV?), followed them rather than their own reporters.

Patial was engulfed by a ring of fire: From the sky black with smoke to the Jeevan Jyoti building in flames, motorcycles, cars burned orange, streets ablaze: "*Yeh dekhiye*, the Dera bhakts have attacked ambulances, fire brigades," he gasped, "Panchkula is on fire" — and so were his exclusive reports.

There are daily, hourly rapes in India, ignored by the media. Gurmeet Ram Rahim is a celebrity rapist and as "the most multifaceted character ever seen" according to CNN News (ever?), he has been completely demonised and damned: "Don't spare Ram Rahim", cried out Republic on "Dera D-Day" (CNN news 18), echoing TV's unforgiving and unrelenting pursuit of him.

So entranced was TV news by "Nautanki" Baba (ABP) that the combined efforts of India and China to end their two-month long standoff didn't stand a chance in the news ring on Monday — what is a *dhokla* or a Doklam or two when a "self styled godman" (India Today) with over 60 million followers weeps in court? Who cares about boring borders in Bhutan or the 38 who died in the Dera violence?

It finally took the deluge in Mumbai to drown him out in excessive coverage of a city under water. In his stead, we saw countless reporters setting new records for standing in the rain with a mike in hand, measuring the water levels. Did you see the NDTV reporter, who stood in the downpour for what looked like 24 hours? And asked silly questions of Mumbaikars about how they were coping with the rain?

Editor in Chief Arnab G — what was he doing out there in the rain of Mumbai, dressed in tie and blazer? Soaking in the atmosphere? "Heavy rainfall," he (under)stated, standing in Lower Parel, "Have a good ride back," he wished commuters like they had been on a picnic. Rains and floods have devastated many parts of the country not just maximum city, but TV reporters and their editors are not stationed there for 24x7 coverage. Inundated plains, villages. Yawn.

Meanwhile, Baba Ramdev, in his customary saffron dhoti, has struck a new pose, this time on a lotus-like leather throne. He's on song, singing a devotional ditty (*Om Shanti Om*, Star Bharat HD). And India has a new mystic minstrel.

shailaja.bajpai@expressindia

LETTER TO THE EDITOR

INCORRECT PHRASE

THIS REFERS TO the article, 'Importance of Rishang Keishing — to Manipur and Northeast' (IE, August 29). The author uses the phrase "domiciled Muslims" while referring to Pangals in Manipur. The phrase is inappropriate. "Permanent resident" is the correct phrase.

Md Chingiz Khan, *Delhi*

CHINESE STRATEGY

THIS REFERS TO the report, 'India, China standoff over but Bhutan's talks run into a wall' (IE, August 30), There is reason to believe that the withdrawal of troops from Doklam was a strategic move by China to avoid the possibility of Prime Minister Narendra Modi staying away from BRICS summit. That would have been a huge international embarrassment for Beijing.

M.C. Joshi, *Lucknow*

THANK BHUTAN

THIS REFERS TO the article, 'Giving Bhutan its due' (IE, August 31).The Doklam stand-off which had caught the world's attention for nearly a month is finally resolved. The Doklam plateau is strategically more important to India than Bhutan. India must thank Bhutan for standing shoulder to shoulder with it when many countries tried to avoid to speaking against the Chinese.

Mahadev Gore, *Solapur*

MANAGE FLOODS

THIS REFERS TO the editorial, 'When it pours' (IE, August 31). The monsoon will always be sporadic. Leave alone big cities like Bengaluru and Mumbai, Assam, which faces flood almost on a yearly basis, has not found a mechanism to manage the floods and reduce the loss, both of human lives and public property. Mumbai experienced faced 315 mm rainfall on Tuesday. It does not have the infrastructure to deal with 50 mm of rain.

Bal Govind, *Nodia*

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.

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SOCIAL INTELLIGENCE

Everyone thinks the Brexiteers big lie was £350m a week to NHS. But bigger still was the lie that this would be easy.

NICK COHEN
Author and columnist, 78,000 followers

On payday after demonetisation, not enough ATMs, nor enough cash. This queue was in South Mumbai. *Pradip Das/File*

What note ban was supposed to do, what really happened on the ground

After 99% of banned cash comes back, a fact check on government's stated objectives of demonetisation

IN FACT
BY SHAJI VIKRAMAN
EXPRESS EDITORS INTERPRET

WITH NEARLY 99% of banned Rs 1,000 and Rs 500 notes back with the RBI, questions are now being raised about the economic rationale and success of demonetisation, and whether it could hurt the economy not just in the near term but also in the medium term. How do the ground realities compare with some of the stated aims of demonetisation?

Black money

By withdrawing high-value currency notes, the government had reckoned that those holding unaccounted cash or black money would not deposit it in the banking system, thereby hitting this hoard. The Prime Minister had said it was important to isolate the dishonest. The expectation was that notes worth over Rs 4 lakh crore wouldn't return to the central bank. Now, with 98.96% of Rs 500 and Rs 1,000 notes back, the bottom has been knocked out of that argument. What it indicates is that unaccounted funds could be in forms other than cash, such as realty and gold.

Digital transactions

Although this was not explicitly mentioned as a major policy objective when demonetisation was announced on November 8, 2016, the government subsequently said that one of the aims was to bring about a shift from a cash-based economy towards more digital or electronic forms of transaction. In the first flush after the withdrawal of high-value notes, with most people short of cash because of restrictions, there was a spurt in electronic transactions — through prepaid wallets, debit and credit cards, NEFT (National Electronic Fund Transfer). From 671.49 million transactions in November last year, it rose to 957.50 million in December at the end of the government's deadline on cash withdrawal. Subsequently, however, electronic transactions headed southwards as the lack of infrastructure started showing, including a shortage of PoS (point of sale) machines, with manufacturers unable to supply a high number of machines in short time as the demand for these soared. July data shows that the number of transactions was 862.38 million, lower than in December. Finance Minister Arun Jaitley has said that though it climaxed during the demonetisation period, the government was trying to sustain the momentum. Yet the fact remains that there is little or no evidence of expansion of digitisation in any major economy through demonetisation.

Cash in circulation

Jaitley has said one of the principal objectives was also that the quantum of cash operating in the system must gradually come down. Going by RBI data, notes issued decreased by 11.79% to Rs.15.06 lakh crore in June 2017, from Rs 17.07 lakh crore in June 2016. If this turns out to be a more durable change, it could be mark a paradigm shift in the economy. For, as digitisation increases and the amount of cash circulating in the system declines, the cost of printing currency for both the RBI and the government will come down too. The RBI spent Rs 7,965 crore to print new currency notes from July 2016 to June 2016 — more than twice the Rs 3,421 crore in the same period the previous year. But if currency in circulation does decline consistently, it could offset this huge one-time expenditure and other related expenses.

Anonymity of cash owners

One of the government's arguments has been that the anonymity about ownership of cash operating in the system has ended, with more people putting it in the banking system. The government has said that it now has details of all those who had deposited cash during the demonetisation period. Through its Operation Clean Money project launched in January, the income-tax department has tracked 13.33 lakh accounts with cash deposits of around Rs 2.89 lakh crore, and received over 9 lakh responses so far. If the department is able to prove that a good proportion of this was not legitimate money, the outcome could meet this objective.

Tax base

The government has often said it wants to increase the tax base, one of the stated aims of demonetisation. The move has started yielding results, it has said, citing how personal income-tax returns have increased by over 25 % as those dealing in cash were compelled to deposit it in banks. It is not that there hasn't been a significant rise in those filing returns in the past either. For instance, going by the summary of e-filed ITR forms in FY 2011-12, the number of individuals who e-filed forms was up 81.5% over the previous year. In 2012-13, it was up 30.75%. The real measure of success would be not just increasing the number of those filing, but how it translates into higher revenues. More people may be added to the returns-filing list but if many of them have incomes below the taxable limit, the gain will be limited. It will have to be seen how much of this expansion will lead to higher revenues down the line.

Mutual funds, etc

The government has said savings in the form of investment in equity mutual funds, life insurance premiums and other products have risen after demonetisation, with assets under management of mutual funds up 54% by June-end 2017 from March 2016. The growth in mutual funds, however, has been a story over the past few years. Assets under management of the Indian mutual funds industry have risen sixfold over the last decade, with the Systematic Investment Plan gaining popularity in the last couple of years in some smaller towns, rising incomes, and several policy measures in the last few years. Another reason is that in a low-inflation scenario, investors used to higher returns on safer bank deposits have shifted to mutual funds and other instruments, with deposit rates sliding.

RBI payout

The RBI transferred a surplus of only Rs 30,659 crore this year to the government, compared to Rs 65,876 crore last year. Over the last few years, such transfers have given a huge boost to the government as these non-tax revenue receipts help bridge its fiscal deficit. This time, huge printing and other costs have been blamed for eating into the central bank's earnings — with the government being a net loser. But the lower payout was also because the RBI transferred Rs 13,140 crore towards its Contingency Fund this time, unlike in the last three years when there was hardly any bolstering of this reserve. Where the government would have been impacted this time is in the fact that the RBI had to incur a cost on carrying out reverse repo auctions in the post-demonetisation period to absorb excess liquidity when banks were flooded with cash deposits. The central bank had to pay banks, which in turn hit its interest income, besides appreciation of the rupee which would have impacted the value of its assets.

shaji.vikraman@expressindia.com

As ISRO launch fails, glitch in space waits for fix

JOHNSON TA explains what went wrong with the launch of IRNSS-1H, and what it was meant to do

SIMPLY PUT

What went wrong in the launch of the IRNSS-1H satellite by ISRO Thursday?

ISRO declared the IRNSS-1H launch a failure after a heat shield failed to separate, preventing the satellite from being deployed in space by PSLV-C39, the launch vehicle. The performance of PSLV-C39 went to plan up to the point when the satellite had to be inserted in orbit. "During the operation the heat shield has not separated. Further analysis will be carried out subsequently," said ISRO's range operation director at the Satish Dhawan Space Centre in Sriharikota.

What is a heat shield?

The heat shield is a protective cover provided around the satellite to help it withstand the adverse temperatures felt when a rocket is launched into space. Separation of the heat shield occurs mid-flight when the rocket leaves Earth's atmosphere.

What was IRNSS-1H supposed to do?

IRNSS-1H was the eighth in a series of IRNSS (Indian Regional Navigation Satellite Systems) satellites launched by ISRO since July 2013. This was to create a constellation to provide satellite-based navigation services over the Indian subcontinent on the lines of the global positioning system (GPS) created by the United States. The Indian navigation satellite constellation, called NavIC, essentially comprises seven satellites. IRNSS-1H was intended to replace IRNSS-1A, which developed problems last year. IRNSS-1H would have augmented "the existing seven satellites of NavIC constellation". It was supposed to sit in a sub-Geosynchronous Transfer Orbit (sub-GTO).

What kind of problems made a replacement necessary?

ISRO stated last January that three Rubidium Atomic Frequency Standard (RAFS) clocks on IRNSS-1A, the first satellite launched on July 1, 2013, had developed problems, rendering the satellite ineffective for navigation services. "Three atomic clocks of IRNSS-1A have stopped working. But the rest of satellite components are functioning perfectly. In fact, we are using this satellite for messaging activity. The stopping of these atomic clocks has not affected the overall performance of our navigation system. We are planning to launch a replacement satellite," ISRO chairman A S Kiran Kumar had said.

After the failed launch, what can ISRO do?

IRNSS-1H was among nine satellites (seven for the navigation service, two backup) indented at Rs 1,420 crore for IRNSS. ISRO has one more satellite in its kitty. A new satellite could be launched in the next few months to make up for the loss. ISRO chairman Kumar has also hinted in recent times that the constellation could go up to 11 satellites. In that case, more satellites could be built and launched.

How do these satellites work?

IRNSS is intended to provide two services — Standard Positioning Service for general users and a Restricted Service, which is an encrypted service only for authorised users like the defence forces. NavIC is designed to provide accurate position information services to users in India as well as the region, up to 1,500 km from the boundary. For NavIC to become ubiquitous in the subcontinent, ISRO will sell its capabilities to general positioning service providers like mobile phone manufacturers, vehicle manufacturers etc.

Couldn't existing satellite systems have provided such services?

One of the primary reasons for the development of the indigenous Indian system despite the existence of global systems — the American GPS, the Russian GLONASS, the European Galileo, the Chinese BeiDou — is the reliability that it offers when used for defence purposes. ISRO started work on the IRNSS programme in 1999 after the Kargil War, where Indian defence forces could not use American GPS in the conflict zone to locate its soldiers.

What is the payload on IRNSS-1H?

Like the previous satellites in the series, IRNSS-1H had a navigation payload and a ranging payload. The ranging payload of IRNSS satellites has a C-band transponder to determine the range of the satellite. The navigation payload is meant to transmit navigation service signals to users on earth while operating in the L5-band and S-band. Part of the navigation payload is high-accuracy RAFS clocks.

Why are these clocks important?

Atomic clocks are a key component in a navigation system. The ISRO satellites are equipped with three clocks each — one clock being the primary timekeeper and two acting as backup. On IRNSS-1A, all three clocks had failed. Accurate timekeeping lies at the heart of navigation systems since the determination of a person's position on earth is subject to the accurate calculation of delays in signal transmission from the satellite to earth. "The critical point of a satellite navigation system are the clocks on board. Because they are so important there is more than one clock on board. They are necessary because if you don't have the right clocks and even if you don't consider the relativity theory of Einstein the error would be more than 500 metres in one hour," states the European Space Agency on its website.

What went wrong with the clocks?

The problems were similar to those reported last January by the European Space Agency. Three RAFS clocks supplied by an European manufacturer, Spectratime, which were used by the ESA for its Galileo satellite navigation system, developed problems. No satellite in the 18-satellite Galileo system, however, was lost by the ESA since backup clocks remained operational. "These failures seem to have a consistent signature, linked to probable short circuits, and possibly a particular test procedure performed on the ground," ESA stated in January this year.

How has ISRO addressed the problems with the IRNSS clocks?

The atomic clocks in new satellites are modified versions of the original clocks provided by Spectratime under a 4-million-euro deal signed in 2008. ISRO has been carrying out modifications of clocks procured from Spectratime to overcome technical issues.

Who built IRNSS-1H?

A consortium led by Alpha Design Technologies, a defence equipment supplier from Bengaluru, built it over eight months. The Rs 400-crore company was tasked with making two satellites. The second is expected to be complete by April 2018. Alpha Designs was assisted by a team of 70 ISRO scientists.

Amid Rohingya problem, all eyes on PM's Myanmar stopover

BEYOND THE NEWS
BY NIRUPAMA SUBRAMANIAN
EXPRESS EDITORS INTERPRET

WHEN PRIME Minister Narendra Modi makes a two-day stopover in Myanmar on his way back from the BRICS summit in China next week, he will be watched across the region on two counts: how he seeks to widen India's relations with a country that China is assiduously wooing with its money; and very much linked to that, if he will say anything new on the burning Rohingya issue that has spilled into several countries, including India.

The stage, though, has already been set. From the time of the UPA government, when the Myanmar junta was cooperating with India on flushing out safe havens for Northeast militants, New Delhi has always felt it "unwise" to make any statements that would be perceived in Myanmar as "pro-Rohingya".

Over the last year, the Rohingya problem has shown every sign of worsening. In mid-August, after an attack attributed to the Arakan Rohingya Salvation Army killed 10 policemen, the Myanmar Army has launched a new crackdown in Rakhine. Thousands of Rohingya are fleeing to Bangladesh.

New Delhi has already made it clear whose side it is on. In a statement on August 26, India said it was "seriously concerned by reports of renewed violence and attacks by terrorists in the northern Rakhine state of Myanmar. We are deeply saddened at the loss of lives among members of the Myanmar security forces..."

Aside from Naypitaw and Yangon, Modi will travel to the ancient city of Bagan, where he will visit its famous temples, some of which date back to the 11th century, and announce Indian financial assistance for their conservation. Unable to compete with China's money power, India will use cultural diplomacy to win hearts and minds in Myanmar.

But India has not been able to wall itself off entirely from the effects of the Rohingya crisis. There are 16,500 Rohingya spread across several cities in India. Rohingya are all Muslims, and their presence has started melding into the country's communal fault-line. Unsurprisingly, the BJP in Jammu was the first to raise demands that they be sent back.

Since then, the Ministry of Home Affairs has asked all state governments and Union territory administrations to "sensitise law enforcement and intelligence agencies" to begin the process of "detection and deportation of such illegal immigrants from Rakhine state, also known as Rohingyas", and to do this "expeditiously".

Quite apart from where it is going to deport them — neither Myanmar nor Bangladesh wants them — India seems to have forgotten about "non-refoulement", the principle of not sending back refugees to a place where they face danger, something that is considered part of customary international law and therefore binding on all states whether they have signed the Refugee Convention or not.

In an official response, UNHCR told *The Indian Express* that though it had seen media reports on the planned deportation, it has "not received any official communication from the Government in this regard and there are no reported instances of deportations of UNHCR registered Rohingya from India... UNHCR is trying to understand better the situation and the Government's position in relation to these reports." UNHCR also said it was encouraged by India committing itself to the principle of non-refoulement at all international fora.

■ ■ ■

Modi's visit will come days after the 'Advisory Commission on Rakhine State', headed by former UN secretary-general Kofi Annan, and formed at the request of State Counsellor Aung San Suu Kyi, submitted its report.

On a request from Suu Kyi, the report has not used the word Rohingya, nor the Myanmar government's official description of Rohingya as 'Bengali'. Instead it describes them as Muslim. But the report itself is candid on what the problems are and what the solutions should be.

It points to the underdevelopment of the province where the other ethnic group, the Rakhine Buddhists, also feels discriminated against by the majority Burman Buddhists; the "statelessness" of the Rohingyas; their segregation, lack of voting rights, restrictions on their movement, and denial of economic opportunities to them. It also points to radicalisation on both sides of the ethnic divide, and the emergence of the armed militant group Arakan Rohingya Salvation Army, which wants an independent Rohingya state, as well as the Rakhine Arakkan Army (AA).

The report says:"While Myanmar has every right to defend its own territory, a highly militarised response is unlikely to bring peace to the area. What is needed is a calibrated approach — one that combines political, developmental, security and human rights responses to ensure that violence does not escalate... If the legitimate grievances of local populations are ignored, they will become more vulnerable to recruitment by extremists."

The commission has recommended that the government clean up its 1982 citizenship laws that exclude the 1 million Rohingya population, and meanwhile, not discriminate against non-citizens; invest more in the socio-economic and education development of Rakhine state; allow Rohingya interned in camps to go back to their villages; and give them freedom of movement so they can access economic opportunities.

Both the main political party in Rakhine and the Myanmar military opposed the commission. Suu Kyi has accepted the report but its implementation is up in the air.

Independent of this, a UN Human Rights Council fact-finding committee to investigate human rights violations by security forces against Rohingya (which was not in the mandate of the Kofi Annan Commission) will present an oral update in the Council's session in mid-September, and then again in March 2018. Myanmar opposes the committee, led by the Indian lawyer Indira Jaising, and has not given it permission to enter the country yet. Suu Kyi said earlier this week that international workers were linked to "Bengali" terrorists in Rakhine.

■ ■ ■

India's few thousand Rohingya pale in comparison to the 400,000 in Bangladesh, which is protesting about the continuing waves of refugees entering from Myanmar. Some 20,000 have crossed the border from Rakhine in the last week alone. Thousands more are believed to be stranded between the two countries as Bangladesh says it cannot take any more.

"Why should the world push us to accept more Rohingyas, we are an over-populated poor country ourselves, we are surprised why the UN and other Big Powers are not pushing Myanmar to create conditions so that no Rohingya is forced to take shelter in Bangladesh or elsewhere," Bangladesh foreign minister Dipu Moni said recently.

India has Big Power aspirations but also a big China problem, and cannot be as candid about what Myanmar ought to do. But if New Delhi is genuinely concerned about the influx of Rohingya refugees, it may not be able to ignore Myanmar's role in pushing them out for too long.

India should also be concerned about the unrest for another reason, though experts dismiss this as a minor worry. The second leg of its big-ticket Kaladan multi-nodal transport project, which aims to connect Kolkata to the Northeast through Myanmar, will start in Sittwe, the Rakhine capital.

nirupama.subramanian@expressindia.com