

RGICS POLICY WATCH

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Disclaimer: The articles are summaries of the original article and the headlines have been changed in certain cases. For the original articles please click on the link given below the article.

Jobs drive development

Some have greater development payoffs

They should not be an afterthought of growth

It is not just the number of jobs

Jobs are created by the private sector

Many jobs in developing countries are in farms and very small firms

Public action sets the stage

Informal is normal

Some work is unacceptable

One size does not fit all

Rights should not be overlooked

Jobs challenges vary across countries

Get the policy fundamentals right

The main constraints to job creation may lie elsewhere

They have a bearing regardless of the jobs challenge

Labor policies matter less than assumed

Set priorities for public action

Focus on the jobs with greater development payoffs

Data and cooperation on cross-border investments and migration lag

A global agenda for jobs is needed

WEEKLY ROUND UP OF NEWS ON POLICY

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Cover Story

Bridging the Skill Gap: Role of Education and On-the-Job Training

This is Part III of the World Development Report 2013. The two other parts were published in Issue 1 and 2. With this, the series comes to an end.



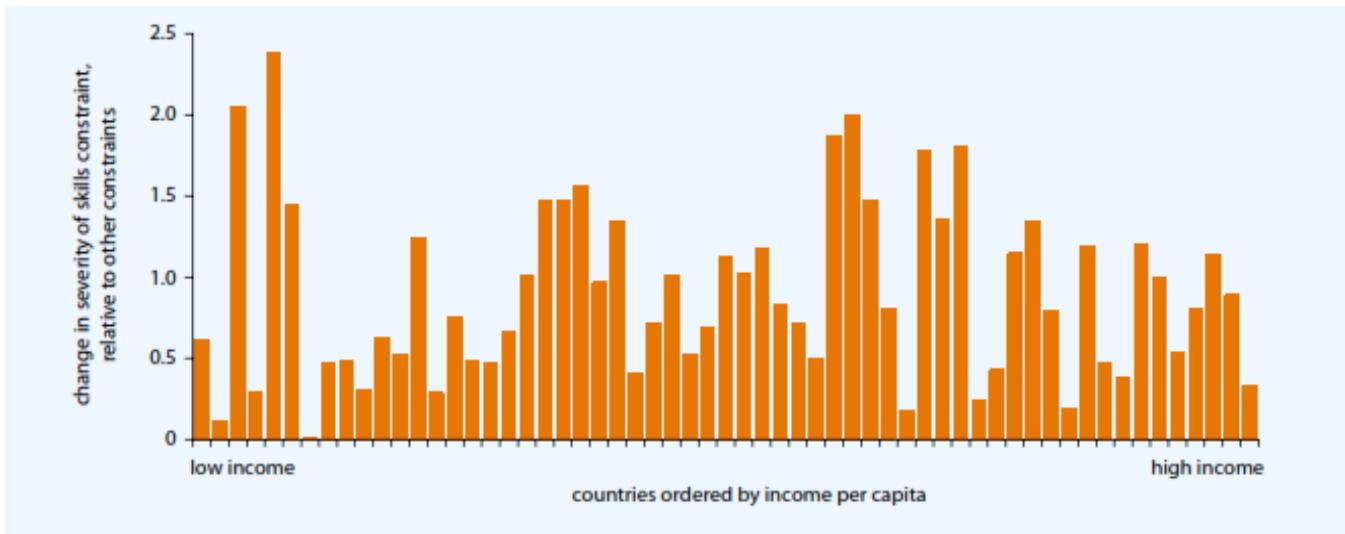
One of the most significant questions facing both developed and developing nations alike today is whether “*greater investments in education and training are a prerequisite for employability, or can skills be built through jobs?*”

This question has become quite pertinent in the context of the current unrest in the global job market where available skills are not fitting in well with the demands of the economy. The possible approaches to tackle this challenge are explored in the **World Development Report, 2013 by the World Bank**.

Skill mismatches are arguably growing rather than shrinking. For example, one-third of the employed in countries as diverse as Brazil, Costa Rica, Pakistan, Sri Lanka, and Tanzania are either under- or over-qualified for the work they do.

The graph given below indicates that in countries at all development levels, workforce skills obstacles in the production process are being judged to be more acute now than in the first half of the 2000s. Larger as well as younger and growing firms tend to identify skills as a constraint more than medium-sized and smaller firms.

Relative to other obstacles, skills have become a more severe constraint to business



Source: World Development Report 2013 team based on enterprise surveys.

Note: The figure shows the changes in the relative importance of skills obstacles between beginning and end of the 2000s. The relative skill obstacle is defined as the ratio between (a) the share of firm managers saying that lack of skills is a major or severe obstacle and (b) the share of firm managers rating other constraints as major or severe. A positive score indicates that the skills constraint became more severe relative to others.

Some skills are necessary for productive employment to emerge in the first place and they cannot be acquired on the job. Without numeracy and literacy skills, the prospects of improving employment opportunities and earnings, whether in agriculture or in urban settings, are thin. **Today, more than one-tenth of 15-to-24-year-olds worldwide are functionally illiterate, and that does not bode well for their future.**



Incentives for Skill Building

Employment opportunities are seen to increase the demand for education, which systems then have to meet. Often privilege in access to jobs distorts the signals. It hurts and discourages, rather than encourages, the building of skills. Thus policy interventions in this

sector should focus on ensuring that signals are adequately transmitted and incentives are provided to continue skill accumulation by the young and those of working age alike.

In the Dominican Republic, providing students with information about the actual returns to secondary school education led to substantially higher school attendance. In India, according to the World Development Report, 2013, **informing rural women about job opportunities led to increased schooling for girls and delayed marriage and childbearing for women.**

Constraints on Skill Building

The report points out that though the straightforward response to skill mismatches would be for private firms or individuals to upgrade skills through further education or training—but several factors act as constraints.

- **Market Failures**

According to the report “**the root cause of skill shortages or mismatches might not lie with the education and training system. Shortages and mismatches may instead result from wrong signals generated by market distortions and institutional failures elsewhere in the economy.** For example lack of information about employment opportunities, transportation costs, or housing market failures may be the real reasons why workers do not take available jobs.”

Firms and farms—especially smaller ones—and workers seldom have the necessary funds or the borrowing capacity for the purpose of training and education. Firms are also reluctant to invest in training employees for fear that workers will leave after being trained. And both firms and workers may lack the information needed to identify skill gaps.

- **Institutional Failures**

Because of such market failures, policy makers often turn to education and training systems to deal with high unemployment or stifled productivity growth. Many countries are currently making a big push to hone the skills of the current and soon-to-be workforce through increased emphasis on on-the-job training and on pre-employment (vocational) education. **One good example of this is the National Skills Mission launched in India with a stated goal of training 500 million people by 2022.**

But even such measures reap limited benefits as **institutional failures often end up replacing market failures.** Accountability and governance arrangements remain the weak link of skills-building initiatives.

But many countries are trying to create oversight entities, such as the Pakistan Sindh Technical and Vocational Training Authority, to separate quality control and management of providers from financing. In India, the National Skills Development Strategy is based on the principle that the institutions in charge of training, certification, and accreditation should be strictly separated.

On the negative side, scattered responsibilities across many ministries, distance from the private sector and slow response to rapidly changing skill needs are some of the problems which continue to plague such systems.

- **Subject Matter of Training and Education**

The structural inadequacies are not alone responsible for the skill crisis. What is being taught matters as well. Social skills are often the ones missing, but they can rarely be acquired in schools or training centres. In India, employers of engineers stress reliability, willingness to learn, and entrepreneurship as more important than specific technical skills, or the command over Mathematics, Science, or English.

Learning through Jobs

The report emphasises that just as skills are important for jobs, the reverse is true as well. Many technical and social skills can be built through experience in the workplace—shaping skills on the job carries sizable returns. In five African countries, managers identified work experience as more important for hiring decisions than technical skills and education.

Apprenticeship programs, fostering the integration of education and learning through jobs, exist in various shapes around the world. They range from the informal model of Sub-Saharan Africa to the dual model of Central Europe. The report suggests that informal apprenticeship can be strengthened through its gradual integration into national training systems.

The dual model, deeply rooted in Germany, combines classroom-based schooling—geared to build general and transferable skills—with learning on the job in the training company.

In France, Germany, and the Netherlands, the dual system is credited with fast and structured employment integration. “But the dual system requires more than the right economic incentives—it is based on a social contract between employers (to offer places and invest in the future career of apprentice as a common good), trade unions (to accept below minimum wage payment for trainees), and government (to fund vocational schools and provide quality control).” **Private sector commitment, including financing of training and continuation even in times of economic downturns, is fundamental.**

Pre-employment and on-the-job training show varying success in the developing world. On-the-job training is consistently found to go hand-in-hand with higher labour earnings and productivity increases, even more so in developing than in industrial countries. But only

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a fraction of workers have access to it; those with less education and those working in smaller and informal enterprises seldom have the opportunity to benefit from training.

As far as Technical and vocational education (TVE) is concerned, it has had a mixed record; “compared with general education, TVE led to higher earnings in Rwanda, Sri Lanka, and Thailand, more or less equal earnings in Indonesia and India, and lower earnings in Pakistan.” Poor quality and inequitable access are key constraints in many countries and the reach of TVE in rural areas is often very limited.

Despite such drawbacks, learning on the job can yield various unexpected benefits. Jobs often support the transmission of knowledge through interactions with other people and it is these ‘**knowledge spillovers**’ which underlie the agglomeration effects observed in cities and in production clusters.

Knowledge spillovers from jobs can also occur in rural areas, as was witnessed during the Green Revolution in India, where farmers with experienced neighbours made larger profits than those with inexperienced ones.

Jobs can also ignite skills building by putting people in contact with the outside world. Working in foreign-owned companies, or in firms integrated in international value chains, allows the acquisition of new technical and managerial skills.

Countries undergoing rapid urbanization often have sizable knowledge spillovers to reap but may fail to move up the value-added ladder and remain caught in traps of low productivity and low skills. Such situations arise when skills are insufficient to spur innovation and the demand for skills is too low to encourage their acquisition. In those cases, more relevant schooling and skill building at the secondary, technical, and likely higher levels are needed as a prerequisite for the creation of good jobs for development.

The fruits borne out of such knowledge spillovers can be seen in rapidly emerging states like Singapore, where India’s Tata group was the first international company to partner with the Economic Development Board. In 1972, it established a company-owned training centre for precision engineers. This partnership model was successfully replicated in subsequent years with other foreign companies, eventually leading to the consolidation of various institutions in 1993 to form Singapore’s Nanyang Polytechnic. Today, the polytechnic has become a source of international expertise on industry-led training.

The rapid pace of globalization increasingly requires the private sector to be a driving force in skills development.

The Korea University of Technology and Education (KUT) established the **Bridge Model**, a three-way partnership involving a single major enterprise and clusters of small and medium enterprises (SMEs) that serve as its main subcontractors. The major enterprise contributes technical knowledge, the SMEs bring in the employees to be trained, and the University supplies the teaching facilities and content. Samsung was the first “bridge” in 2006 and five other major companies have become bridges since then.

Conclusion

Today the focus is gradually shifting from merely ensuring an adequate supply of skills to delivering demand-responsive, quality-skills development programs. In countries like Republic of Korea, industrial projections of manpower supply have taken a backseat to the country’s new initiatives emphasizing quality and relevance of education and skills development. There are important lessons to be learnt from such models, especially from those of East Asia which show how skills-development systems need to grow organically from below while being coordinated and fostered from above.

Green Signal to Women Bank

(*Business Standard Reporter, New Delhi, 9 August, 2013*)

The Cabinet has cleared a proposal presented by Bharatiya Mahila Bank (BMB) to set up a bank targeted to benefit women and women self-help groups (SHGs) with dedicated financial services with an initial corpus of Rs. 1000 crore. The bank will start operating from November this year. The government is planning to seek Parliament's nod for funds for the bank through supplementary budget grant in the ongoing session.

"It is proposed to solicit the approval of the Cabinet to include the allocation of Rs 1000 crore to the women's bank in the first supplementary to be approved in the current monsoon session of Parliament," said Minister of State for Finance, Namo Narian Meena in the upper house on the day before the day of clearance of the proposal.

Public sector banks have agreed to provide officers on deputation to the women's bank, to be headed by Usha Ananthasubramanian, Executive Director of Delhi-based Punjab National Bank in response to the Finance Ministry's request to provide 125 officers on deputation. The corporate office, including the treasury department of the bank, will be based out of Delhi.

http://www.business-standard.com/article/economy-policy/green-signal-to-women-bank-113080801242_1.html

Date accessed: 12.08.2013
(Shruti Issar)

Amnesty Scheme for Service Tax Defaulters Made Liberal

(*Vrishti Beniwal, Business Standard, New Delhi, 9 August, 2013*)

The finance ministry initiated a move towards promoting self declaration of tax dues by liberalizing the Service Tax Voluntary Compliance Encouragement Scheme (VCES). The scheme was launched to bridge the gap between the large amount of the service tax being collected (since service sector contributes about 65% of Gross Domestic Product (GDP)) and the small number of service tax payers and allow defaulting persons and companies to disclose their tax liabilities and file service tax returns.

The ministry has clarified the fact in writing that disclosures made by taxpayers will not be rejected by the tax authorities if they meet the eligibility criteria. If the declaration is made by a person against whom an audit had been initiated (date when auditors visit the taxpayers is taken as date of initiation of audit) and was pending (if initiated before March 1, 2013, but not culminated by that date) could be rejected, as per the scheme. Additionally, if the audit has happened, but an issue was not picked up by the authorities, the taxpayer would be eligible for the scheme.

Under this scheme, service tax defaulters can pay half of their dues by December 2013 and the rest by June 2014 to avoid interest, penalty and prosecution. Finance Minister, P. Chidambaram expressed hope that the scheme would result in substantial disclosure by non-filers and exhorted the service tax assesses to make use of this "golden opportunity" and also revealed that over 1 million defaulters have been identified and 1400 had filed declarations amounting to Rs. 650 crore.

<http://www.business-standard.com/article/economy-policy/amnesty-scheme-for-service->

tax-defaulters-made-more-liberal-113080800409_1.html

Date accessed : 12.08.2013
(Shruti Issar)

Pak-India Trade Faces Hurdles due to Lack of Awareness Amongst Investors

(*Jawwad Rizwi, The News, 14 August, 2013*)

The Indian Council for Research on International Economic Relations (ICRIER) has issued a report highlighting that lack of awareness about lucrative sectors and policies is one of the major non-regulatory impediments to investment flows between India and Pakistan. "According to the report, information regarding potentially lucrative investment in Pakistan is not disseminated properly to Indian investors." It is therefore a major hurdle to foreign direct investment (FDI) from India to Pakistan where the major sectors identified for FDI include energy, agriculture, mining, heavy machinery, entertainment and IT. Further, there exist other barriers to Indo-Pak trade such as lack of banking facilities, work visas as well as dispute settlement resolution, to cross-border investment.

"The foreign investment regime between the two countries has only recently been liberalised. In September 2012, the Reserve Bank of India (RBI) removed the restriction on Indians from investing in Pakistan and for Pakistanis to invest in India. While policy changes have been instituted, complementary policies required to introduce liberal foreign investment are still missing. Investors and bankers have been exploring opportunities for investment across the border."

In this regard, a round table conference between ICRIER, Lahore Chamber of Commerce and Industry (LCCI) and the Lahore University of Management Sciences (LUMS) has

recommended that Board of Investment of Pakistan and the chambers of commerce of both the countries – Lahore and Bombay Chambers of Commerce – should assist businessmen in organising road shows focusing on key sectors for investment. “For FDI flows to take place, banks should be opened in each other’s territory at the earliest.”

<http://www.thenews.com.pk/Todays-News-3-195722-Pak-India-trade:-challenges-and-opportunities>

Date Accessed: 14.08.2013
(Karishma Mutreja)

Virtualisation: A Way Forward by Indian Companies

(DNA, 14 August, 2013)

With the advancement in technology big and small businesses across India are predicted to save as much as \$3.89 billion by 2020, by adopting platforms like virtualisation says a study conducted by market intelligence provider IDC and tech firm VMware.

By adopting platforms like virtualisation, companies in both public, private and the government sectors are able to save costs associated with power and cooling, maintenance, manpower, floor space and server spending. Earlier, a server would host one application and every additional application would need an additional server to function properly. With virtualisation, numerous applications can be run on a server. Thus, lesser numbers of servers are needed which reduces the costs.

T Srinivasan, managing director, VMware India and SAARC, says on an average, about 25-30% of servers in Indian firms are virtualised, compared with more than 60% in the US and Australia. Both private sectors as well as the public sector firms, including banks and oil companies are gradually adopting virtualisation. Even the small firms, including jewellery firms, dairy farms, co-operative banks are becoming open

towards deploying server virtualisation.

<http://www.dnaindia.com/bangalore/1874409/report-a-virtual-boost-to-indian-companies>

Date Accessed: 14.2.2013
(Neha Singh)

Govt. Bans Gold Coins, Medallions Imports to Curb Deficit

(PTI, 14 August, 2013)

Seeking to reduce the import of gold, the Reserve Bank of India has prohibited inward shipment of gold coins, medallions and dores without license.

The measure is part of the series of steps taken to curb gold import, the single biggest contributor to the widening Current Account Deficit (CAD). Gold coins and bars constituted about 36% of total demand in 2012. Total gold imports rose to 47.6 tonnes in July from around 31 tonnes in June.

The notification prohibits import of gold in the form of coins and medallions and subjects import of gold in any form or purity to a licence issued by DGFT prescribing 20-80 scheme. "The gold which is extracted by refining gold dore, only 80 per cent of that would be provided for domestic use, 20 per cent has to be exported and similarly proof of export has to be shown before the next consignment is imported.

Further, it shall be incumbent on all nominated banks, agencies and other entities to ensure that at least one-fifth, or 20 per cent, of every lot of import of gold is exclusively made available for the purpose of exports and the balance for domestic use. It also stipulates that nominate banks, agencies and other entities shall make available gold for domestic use only to the entities engaged in jewellery business, bullion dealers and banks

authorised to administer the gold deposit scheme against whole upfront payment.

<http://economictimes.indiatimes.com/news/economy/policy/govt-bans-gold-coins-medallions-imports-to-curb-deficit/articleshow/21827246.cms>

Date Accessed: 14.08.2013
(Deepti Somani)

Govt. Eases Land Norms for SEZs

(Live Mint, 13 August, 2013)

The government has notified relaxations in the minimum area requirements for special economic zones (SEZs) and eased the exit clause for developers in a bid to make them more attractive to investors. The notification comes amid a slew of other measures to reduce imports and attract capital flows. Some of these relaxations had been announced in April but they have been notified only now.

As per the notification, "the minimum land requirement for multi-product SEZs has been cut from 1,000 hectares to 500 hectares and for sector-specific SEZs this has been halved to 50 ha. There will be no minimum area requirement for setting up of SEZs by information technology firms. They will, however, have to adhere to minimum built-up area requirements 25,000 sq m -100,000 Sq m, depending on the location of the SEZ. The ministry has also made it easier for entities to exit from SEZs. The amendments will enable the units to transfer assets to another entity, subject to certain conditions. The new rules also allow an area with existing structures to be included in an SEZ."

In order to narrow the trade deficit, the commerce ministry had recently announced Rs.2, 000 crore to revive India's exports, including an additional 1% interest subsidy to exporters and an export development fund.

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<http://www.livemint.com/Politics/tXdKdFi9ad0TxwrD1GoJcN/Govt-eases-land-requirement-norms-for-SEZ.html>

Date accessed: 14.08.2013

(Deepti Soman)

POLITICS AND GOVERNANCE

Mid-Day Meal Scheme : A Good Scheme in a Flawed Schooling System

(Anil Sadgopal, *Frontline*, 23 August, 2013)

The death of 23 children in Bihar after consuming a mid-day meal which was laced with a deadly insecticide shook the country and exposed the failure of the ambitious scheme. Cases of food poisoning in schools of Delhi, Chhattisgarh, Goa, Haryana, Madhya Pradesh, Maharashtra, Odisha and Tamil Nadu were also reported. A plethora of suggestions followed the tragedy- some experts suggested that the task of preparing and distributing the meal be outsourced to NGOs and women self help groups, while others vouched for public-private partnerships (PPP) for the same. The record of most states reveal that the much valued community involvement in the scheme has not been successful and that the fundamental loophole is the flawed and multi layered school system.

Tamil Nadu Model: In 1958, the state, led by the then Chief Minister K. Kamaraj, became the first State to initiate a noon-meal program. At the backdrop of a State-funded school system, designed to eliminate class and caste-based segregation, the scheme was proposed. But the responsibility rested entirely with the teachers, thereby adversely affecting teaching. In response to the agitations of overburdened school teachers, M.G. Ramachandran, in 1980's, sanctioned a cook and an assistant for each school under direct government control. The quality of teaching improved and the model proved successful. On July 24 this year, the Allahabad Court declared that "the duty of teachers and principals of schools is to teach the students and not to supervise the cooking of meals". The Uttar Pradesh

government is expected to do what the Tamil Nadu government did three decades ago.

An efficient, participatory and decentralized school system is a precondition, though not a sufficient condition, for success of such a grand initiative.

<http://www.frontline.in/social-issues/schools-for-scandal/article4995324.ece>

Date accessed: 11.08.2013
(Mahima Malik)

DEVELOPMENT

New Index For Measuring Backwardness of States Soon

(Jitendra, *Down To Earth*, 13 August 2013)

The six-member expert committee, appointed by the ministry of finance to evolve a Composite Development Index (CDI) to measure backwardness of states, has finalized 10 new criteria under the index. The new development index criteria would consist of monthly per capita income, education, female literacy rate, health, housing amenities, poverty rate, percentage of Scheduled Caste and Scheduled Tribes, urbanization rate, financial inclusion and connectivity.

The committee was formed after demands by various states since the present criteria for determining backwardness do not consider human development indices. "These criteria are: region should have hilly and difficult terrain; low population density or sizeable tribal population; strategic location along border with neighboring countries; economical and infrastructural backwardness; and non-viable nature of state finances."

Bihar and Odisha had organized massive rallies to raise the demand for special category status for their respective states. The committee is chaired by Raghuram G Rajan, chief

economic adviser to the ministry of finance.

<http://www.downtoearth.org.in/content/new-index-measuring-backwardness-states-soon>

Date Accessed: 14.8.2013
(Simi Sunny)

CONNECTIVITY Leveson's Lessons for Indian Press

(Sashi Kumar, *Frontline*, 23 August, 2013)

In 2012, Lord Brian Leveson unveiled a report following an inquiry into the nature, culture and ethics of the British press following the News International's phone hacking scandal which made the Ministry of Information and Broadcasting question its undemocratic practices. Indian press too finds itself in a fix with TRAI pointing out to corporate monopolies, claiming that there exists a nefarious link between corporate ownership and editorial management as well as cross media holding where print, television and radio business share the same ownership, which have ruined the quality of media and reporting in the country.

Leveson's Report specified important pointers that could be of help to India. The Press Council of India must be clear and fair in its objective and must not indulge in over reading its powers to create a case for a statutory body with over -riding powers, a proposal supported by its Chairman Justice Markandey Katju . The report calls for the replacement of the currently inefficient Press Complaints Commission (PCC) by an independent body for better regulation. The methodology stated in the Leveson's report may prove to be instrumental in this transition – he calls to seek opinion from a cross section of public on the proposed body and one of its duties must be self regulation, holding the belief that the press must not be regulated by the Parliament.

http://www.frontline.in/columns/Sashi_Kumar/levesons-lessons/article4992048.ece
Date accessed: 14.08.2013
(Mahima Malik)

EDUCATION

Engineering Excellence in Tamil Nadu

(Okkal)

Higher education especially in engineering stream in Tamil Nadu which has the second highest number of engineering colleges in the country began to settle down after the state government in 2012 brought all the engineering colleges under the single entity of Anna University. The advantages of monolithic university controlling all the engineering colleges are a uniform syllabus and curriculum, centralized policy as well as a distributed control through regional centers. "It is because of this trend setting step of the government that the supply has outstripped the demand so much that there may not be any takers for about 60,000 seats in the 533 self-financing engineering in the state this academic year. In the colleges of various categories, while there are 1.96 seats, only about 1.37 lakh students are expected to join this year."

And in a developing country like India, where education is critical for economic growth, poverty alleviation, increasing the productivity, imparting higher education in this manner will enable people to participate more actively in the economic and national development and certainly will pave the way of the country in becoming a superpower.

<http://www.okkal.com/show/okkal-content-education-in-tamil-nadu-engineering-excellence-522-nc>

Date Accessed: 13.2.2013
(Neha Singh)

HEALTH

A Costly Lapse: Stock Out of Anti TB Drugs Disrupts Treatment

(Frontline, 23 August, 2013)

"India accounts for more than 30 lakh TB cases and only 5 percent of the total diagnosed cases have access to proper medication and treatment." Following such appalling deprivation, India, on the recommendation of the World Health Organization, adopted Directly Observed Treatment Strategy (DOTS) under which the diagnosis and treatment of TB would be provided for free to all patients. But the existing stocks of isoniazid and rifampicin maintained by the Centre are expected to stock out by July end which will adversely affect the treatment in government hospitals. The stock of pediatric supplies against TB has already run out and the affected children are forced to either interrupt their treatment or continue with anti TB adult medicines.

The government blames the Rites Ltd., the procurement agent of anti TB medicines, for the delay. The actual shortcoming is on the government's part as the Ministry of Health and Family Welfare did not renew its contract with Rites Ltd., hence the drug deficit. The agitators claim that there is no transparency and suggest that the ministry should be made accountable for dereliction of duty as the contract of the ministry with the agent is short term, not realizing the need for long term contracts in case of anti TB medication.

<http://www.frontline.in/social-issues/costly-lapse/article4991636.ece>

Date accessed: 12.08.2013
(Mahima Malik)

'Link Worker Scheme' for People Living with HIV

(UNDP in India)

The 'Link Worker Scheme' is a unique government scheme supported by UNDP that engages district level functionaries to link those vulnerable to HIV in rural areas with local health services, encourages behavioural change, and advocates for policy change is strengthening social protection of people living with HIV(PLHIV) in a country where an estimated 2.4 million are living with HIV. It has been instrumental in expanding social protection to people living with HIV (PLHIV) in rural Chhattisgarh

The scheme identifies people at risk in rural areas and links them to local support services. As a result of regular testing introduced in 2003 as part of the scheme, the state has witnessed a ten-fold increase in those that tested positive. UNDP's support to the inclusion of PLHIVs in the Antyodaya Anna Yojana scheme in the state has helped PLHIV households access food at subsidized prices. Nearly 300 paralegal workers in the state have received sensitization training as part of the scheme.

http://www.in.undp.org/content/india/en/home/ourwork/hiv_aids/successstories/linking_the_vulnerable/

Date accessed: 14.08.2013
(Neha Singh)

Access to Medicines Policies Failing Vulnerable Indian Citizens

(EP News Bureau, The Financial Express, 13 August, 2013)

According to the report titled 'Health and Healthcare in India: National Opportunities and Global Impacts' released by the UCL School of Pharmacy, India despite being world's

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largest exporter of generic medicines still lacks assured free access to good quality generic medicines and the support needed to use them to best effect for large section of its population. The shortage is especially high for non-communicable diseases like heart problems, strokes, diabetes etc. Hundreds of millions of vulnerable Indian citizens lack free access to essential generic medicines while policies risk undermining new medicines research funding.

David Taylor, the co-author of the report, explains ‘India currently spends only a little over one percent of its Gross Domestic Product (GDP) on publicly funded healthcare and only about 0.1 percent of GDP on publicly funded medicine. These are very low figures even by the standards of the world’s least developed countries.’

The analysis in addition argues that well-off individuals and groups living in every part of the world should contribute to the global costs of high risk bio-medical research. “The UCL School of Pharmacy report concludes that, without enhanced universal access to essential medicines and other forms of cost effective care, health improvement and social transition in poorer parts of India may stall. Given the size and importance of the Indian population this could in future have harmful global impacts.”

<http://www.financialexpress.com/news/access-to-medicines-policies-failing-vulnerable-indian-citizens-claims-report/1154952>

Date Accessed: 14.8.2013
(Simi Sunny)

Not Quite Polio-Free Enough

(Kalpish Ratna, Open, 10 August, 2013)

Contrary to India’s move towards attaining the polio eradication certificate from World Health Organisation (WHO) for completing two polio-free years, the article argues

that the country cannot be declared polio free and analyses the flaw in India’s polio eradication strategy because it ignores Vaccine Associated Paralytic Poliomyelitis (VAPP)

Statistically only 1 one in 1.4 million vaccinations suffer paralysis. However data shows that VAPP cases are on the rise.

The first vaccine to be introduced was the Inactivated Poliovirus Vaccine (IPV) in 1954, since its introduction, it has been implemented in Europe which is now a polio free continent. IPV, being injectable, was thought unfeasible for use in mass immunisation in developing countries. It was also thought that IPV was poor protection in endemic areas.

In 1978, when India was around 500 cases per day, it chose the Oral Polio Vaccine (OPV), administered as oral drops, for mass immunisation. OPV, developed in 1961 by Albert Sabin, contains weakened live poliovirus of all three wild strains. The body responds by developing antibodies against all three strains to protect against infection.

Patients of Polio, throughout the course of the disease, shed poliovirus in the stool. It spreads from person to person through faecal-oral transmission. The authors note that OPV has one advantage over IPV: it induces ‘mucosal immunity’ in the intestine, preventing wild strains from replicating in the intestine. This means that a child immunised with OPV will not spread wild poliovirus by shedding large amounts of it in the stool, rather the child will shed a lot of ‘vaccine poliovirus’ in the stool.

The authors allege that, “It was hoped by a lazy government that India’s lack of sanitation might actually prove useful in conferring ‘herd immunity’ as the ‘vaccine poliovirus’ would spread through faecal-oral contamination.”

OPV is a live vaccine, given the nature of the virus, its fight for survival in the host would make it mutate into a more virulent form. In 2004, health professionals presented a

memorandum to the WHO, The Global Polio Eradication Initiative and the Government of India pointing out that the present strategy was not working.

VAPP cases, 1998-2002					
Year	1998	1999	2000	2001	2002
Cases	124	206	151	120	203

This table is from the National Polio Surveillance Programme [cited 23 July 2005].

IPV cannot cause paralysis as the virus is inactive and so it cannot mutate. Its only drawback is that it does not cause ‘mucosal immunity’ in the intestine. This means that ‘herd immunity’ in areas with poor sanitation is not possible through IPV

<http://www.openthemagazine.com/article/nation/not-quite-polio-free-enough>

Date Accessed: 13.08.2013
(Ashwin Varghese)

Reducing Risk from Health Care Waste in India

(UNDP in India)

The Global Healthcare Waste Management project, implemented by UNDP in partnership with the Ministry of Environment and Forests is helping promote best practices in healthcare waste management and mercury waste management at King George’s Medical University in Lucknow.

“Before project interventions began in 2010, 2,500 kg of waste generated at the hospital every day was simply disposed of in the open. Due to this project the hospital has been able to reduce the amount of infectious waste generated by 80 percent due to proper segregation, transportation and treatment of bio-medical waste. It has also helped in reducing health and environment risks. The hospital also earns INR 18,00,000 annually through recycling the hospital waste.”

It is a result of the hospital’s participation in the Global Healthcare Waste Management project, an initiative underway in eight countries

to demonstrate and promote best practices aimed at reducing the health and environmental risks of waste generated in hospitals. In March 2013, the Bio-Medical Waste Management Committee of the hospital received a Special Recognition Award from the global project team. Further, initiatives have been taken to handle general waste. A general waste collection area and a programme to compost organic waste are being initiated. In addition, KGMU is shifting to non-mercury thermometers, sphygmomanometers, and other medical instruments, and is developing programmes to collect and manage its e-waste and liquid waste.

<http://www.in.undp.org/content/india/en/home/ourwork/environmentandenergy/successstories/health-without-harm/>

Date Accessed: 13.08.2013
(Neha Singh)

URBAN

Rental Housing Policy

(Press Information Bureau, 14 August, 2013)

The National Urban Housing and Habitat Policy, 2007 (NUHHP) taking note of the difference between demand and supply for housing, endeavours to assist the poorest of poor who cannot afford to pay the entire price of a house by providing them access to reasonably good housing on rental and ownership basis with suitable subsidization. In pursuance of the policy envisaged under NUHHP, this Ministry has circulated a 'Draft Model Residential Tenancy Act' to States for their comments.

Dr. (Ms.) Girija Vyas, Union Minister of Housing & Urban Poverty Alleviation (HUPA), stated that the Ministry has appointed a "Task Force on Rental Housing" to look at the means of increasing the stock of quality rental houses and to enable private sector to take up rental housing

on a mass scale. The Task Force is yet to submit its report, the Minister added.

<http://pib.nic.in/newsite/erelase.aspx?relid=98231>

Date Accessed: 14.08.2013
(Ashwin Varghese)

RURAL

NRLM to Get Independent Evaluation Mechanism Soon

(iGovernment, 08 August, 2013)

The government will set up an independent evaluation mechanism to assess the impact of the National Rural Livelihoods Mission (NRLM) programmes launched to alleviate poverty in villages. The Union Minister for Rural Development Jairam Ramesh informed that the Cabinet has recently approved the setting up an 'autonomous, adequately staffed, professionally managed and empowered agency at the national level to implement the NRLM, called the National Rural Livelihoods Promotion Society (NRLPS), under the Societies Registration Act.

Almost 50 professionals from different fields will be recruited to measure the impact of each of the five components of the NRLM. The first and foremost component is the formation, federation and financing of women self help groups. The Minister said that the whole rationale for the NRLM is to give the Women Self Help Groups (SHGs) a role in different areas that are essential for their empowerment and that any programme not implemented through the SHGs has no business being part of the NRLM.

The second component is "Mahila Sashaktikaran Yojana:" that is livelihood for rural women farmers and agricultural labourers, while the

third one is the value addition on non-timber forest produce in states like Jharkhand, Chhattisgarh, Odisha and Madhya Pradesh". The fourth is gender rights issue and the fifth is Aajeevika Skill Development programmes.

Mr. Ramesh said that "the setting up of such a Society is essential to implement the programme in a mission mode, as livelihoods programmes require a wide range of specialisation and experience". The Society's chief objective is to continuously build capacities of the State rural livelihoods missions in planning, implementing and monitoring the programme. It will "provide an opportunity for formally involving State Governments in decision-making, by nominating them to the Executive Committee of the Society".

<http://www.igovernment.in/site/nrlm-get-independent-evaluation-mechanism-soon>

Date Accessed: 10.08.2013
(Amrutha Jose Pampackal)

ENERGY

Shale gas: Negotiating New Energy, Export Finance and Environmental Equations

(Karan Pradhan, Gateway House, 31 July 2013)

India has welcomed the advances made in the process of extraction of shale gas in recent years. However further study on benefits and analysis are needed.

India's shale resources are limited and its extraction is a water intensive process. India lacks an adequate water supply to meet these requirements. Until technological innovation makes

water supply a non-factor in the shale extraction process, the country will continue to be dependent on crude oil. The U.S. is likely to aggressively push its advanced shale technology which will allow the exploitation of presently inaccessible deposits, making shale gas exploration in India a real possibility in the near future. But it will also set back efforts at developing indigenous renewable energy technology.

Further, the environmental damage caused by slickwater fracking — the process employed to extract shale gas — can deplete fresh water, and contaminate groundwater and air quality. Sixty per cent of the world's oil wells employ this process.

It is imperative that Indian companies pursue the long-term goal of expanding green energy technologies and programmes. A focus on developing, improving and sustaining India's own affordable renewable energy technology will set the country on the path to sustainability.

Despite U.S. filed WTO complaints against India citing "protectionism", it is advisable to stick to the current 75% domestic content requirement in renewable energy to promote local manufacturers of solar equipment to ensure that Indian companies are not sidelined by imports

If India does wish to import shale and new renewable energy products and technology, the country should use the competition between the U.S. and China to secure better export credit terms from the U.S.

<http://www.gatewayhouse.in/shale-gas-negotiating-new-energy-export-finance-and-environmental-equations/>

Date accessed: 14.08.2013
(Gayatri Verma)

National Offshore Wind Energy Authority (NOWA) To Be Constituted Shortly

(Press Information Bureau, 14 August, 2013)

Ratan P. Watal, Secretary, Ministry of New and Renewable Energy(MNRE), while speaking at the "National Consultation of Stakeholders regarding Development of Offshore Wind Energy in India" has stated that a National Offshore Wind Energy Authority (NOWA) will be constituted which will act as the nodal agency for Offshore Wind Projects in the country.

It will carry out resource assessment and surveys in the Exclusive Economic Zones (EEZ) of the country and simultaneously enter into contract with project developers for development of offshore wind energy project in the territorial water (12 nm). NOWA will also be the single window agency and will coordinate with concerned Ministries/Departments for necessary clearances however; it will only act as a facilitator for getting clearance.

India's onshore wind energy deployment has crossed 19600 MW attracting USD 16.5 billion of investment in 2012 and it is estimated that by 2030 installed capacity could reach 191 GW. In order to facilitate the flow of renewable energy into the national grid, the Government plans to roll out a Rs 43,000-crore 'green energy corridor' project, which will be implemented with the assistance of Germany which has promised to provide developmental and technical assistance of one billion euro as soft credit.

Joint Secretary, MNRE. Alok Srivastava added that Europe (4995 MW) is the global leader in terms of offshore wind energy installation followed by China (390 MW) and Japan (25 MW) while India is

estimated to have 350 GW of offshore capacity.

<http://pib.nic.in/newsite/erelase.aspx?relid=98283>

Date Accessed: 14.08.2013
(Ashwin Varghese)

Ministry of Power and Ministry of Water Resources to Work Jointly on Speedy Technical Clearances of Power Projects

(Press Information Bureau, 14 August, 2013)

Ministry of Power and Ministry of Water Resources have drawn up a framework for speedy technical clearances to power projects by Central Electricity Authority (CEA) and Central Water Commission (CWC), in a high level meeting held between Minister of State for Power Mr Jyotiraditya M. Scindia and Minister of Water Resources, Mr Harish Rawat in New Delhi.

"It was decided that issues pertaining to 24 items like hydrology, dam design, inter state, gates etc should be cleared immediately through close coordination between CEA and CWC.

It was also decided to hold joint monthly reviews with the developers of the projects to resolve their pending issues in the implementation of the power projects. Timelines for clearances to various components are to be decided at the next joint meeting between CEA,CWC and the developers.

The progress report of the clearances should be submitted to the ministries concerned.

Periodic meetings will be held with all the stakeholders in order to have a proactive approach to clearances.

Also, the process of consultations will be continuous to ensure timely technical clearances to the projects.”

<http://pib.nic.in/newsite/erelease.aspx?relid=98285>

Date Accessed: 14.08.2013
(Ashwin Varghese)

TECHNOLOGY

Think Beyond Aeroplanes with Elon Musk's Hyperloop Project

(*The Hindu*, 14 August 2013)

Billionaire entrepreneur Elon Musk has unveiled a transportation concept that could whisk passengers nearly 643 km between Los Angeles and San Francisco at a speed of 1,126 kmph in 30 minutes, half the time it takes an airplane to cover the same distance.

The capsule would start with a force of acceleration like an airplane but then will become turbulence free. Capsules would catapult through a large, nearly air free tube which would be pulled down the line by magnetic attraction. Each capsule would float on a cushion of air. To minimise friction, a powerful fan at the front would suck what air is in the tube to the rear.

Capsules could depart every 30 seconds, carrying 28 people, with a projected cost of about \$20 each way, according to Mr. Musk's plan. If all went right, it could take seven to 10 years for the first passengers to make the journey says Mr. Musk.

<http://www.thehindu.com/todays-paper/tp-international/hyperloop-concept-unveiled/article5020562.ece>

Date Accessed: 14.08.2013
(Neha Singh)

AGRICULTURE

Nip This in the Bud

(Aruna Rodrigues, *The Hindu*, 12 August, 2013)

The Technical Expert Committee's (TEC) Final Report (June-July 2013) on field trials of the genetically modified crops is the fourth official report which “exposes the lack of integrity, independence and scientific expertise in assessing GMO(Genetically Modified Organisms) risk. The three other reports being the ‘Jairam Ramesh Report’ (February 2010), the Sopory Committee Report (August 2012) and the Parliamentary Standing Committee (PSC) Report on GM crops (August 2012).

The TEC recommends an indefinite stoppage to all open field trials of GM crops and also calls for a ban on the environmental release of any GMO where India is the centre of origin or diversity. It further says that Herbicide Tolerant (HT) crops should not be open field-tested as they are “likely to exert a highly adverse impact over time on sustainable agriculture, rural livelihoods, and environment.”

The assessment notes that GMOs produce “unintended effects” that are not immediately apparent and may take years to detect. 20 years after the first GM crop was commercialised in the U.S, crop statistics reveal that GM yields are significantly lower than non GM crops and pesticide use has increased exponentially. Further, the author notes that “it takes roughly \$150 million to produce a GMO against \$1 million through conventional breeding techniques.”

The World Bank funded International Assessment of Agricultural Knowledge and Science for Development Report (IAASTD), which India signed in 2008, reports that we must look to small-holder, traditional farming to deliver food security in third world countries

through agri-ecological systems which are sustainable.

The author observes that “an entire nation...will quite literally have to eat the outcome of a GM policy that delivers up our agriculture to it: if a GMO is unsafe, it will remain irreversibly unsafe. And it will remain in the environment and that is another dimension of impact.”

<http://www.thehindu.com/opinion/lead/nip-this-in-the-bud/article5012989.ece>

Date Accessed: 13.08.2013
(Ashwin Varghese)

LAW AND JUSTICE

Govt. to soon regulate Playschool, Day-care Centres

(IANS, 12 August, 2013)

Hitherto unregulated, Day care Centres and Playschools mushrooming across India would now be regulated under the draft ‘Early Childhood Care and Education (ECCE) Policy’, finalised by the Women and Child Development Ministry.

Although the Right of Children to Free and Compulsory Education Act (RTE) addresses early childhood care, it is for the first time that the government would be addressing the educational and nurturing needs of children up to the age of six. As per the 2011 Census, India has 158.7 million children in this category.

The Policy makes mandatory the registration and accreditation of such centres and for the first time spells out the kind of curriculum and learning tools children are to be provided with so as to promote play-based, experiential and child-friendly provision for early education and all-round development.

SECTION 2: GOVERNANCE AND DEVELOPMENT

The draft Policy seeks to “universalise the provision of ECCE for all children mainly through the Integrated Child Development Scheme in the public sector and through other services across sectors and providers, regulated by quality standards.”

The Policy shall cover Anganwadi centres and special plans will be developed to reach children belonging to the most marginalised groups.

http://www.business-standard.com/article/news-ians/play-schools-day-care-centres-to-be-regulated-113081200284_1.html

Date Accessed: 13.08.2013

(Deepti Soman)

SC Pulls Up Madhya Pradesh Government for Disclosing Names of Rape Victims

(Murali Krishnan, *Bar and Bench*, 7 August, 2013)

In a trendsetting judgment, the Supreme Court has come down heavily on the Madhya Pradesh (MP) government for disclosing names of rape victims in an affidavit filed by the government.

Taking a strict view of the fact that names of rape victims were disclosed in an affidavit submitted by a senior Police official, the Court has issued a show cause notice against him under S. 228A of the Indian Penal Code.

The issue of identity disclosure of rape victims has been a matter of grave concern and the ambiguity in S. 228A coupled with negligence of the courts has often defeated the object of the provision.

Section 228A prohibits the disclosure of identity of victims of certain offences including rape. However, the important issue of whether Judges can make such disclosure in their orders or judgment has been left unaddressed by Section 228A with the result that

judges, including those in the Apex Court, often end up disclosing the names of the victims in their judgments. A noted academician adds, “As far as the victims are concerned, whether the disclosure was at the hands of the media or by the Judge, the result is the same.”

<http://www.barandbench.com/content/supreme-court-directs-payment-rs-10-lakh-compensation-rape-victims-pulls-madhya-pradesh#>

Date Accessed: 08.08.2013

(Deepti Soman)

Fast Track Court in Tripura to check Crime against Women

(Syed Sajjad Ali, *The Hindu*, 8 August, 2013)

In an attempt to cope with growing incidents of crime against women in Tripura, the state government plans to set up all Women Police Stations in every district, open fast track courts and take up an awareness campaign to curb atrocities against women and foster people-public interaction. The state govt. has sought cooperation from the Tripura High Court to institute district wise first track court to try cases of atrocities on women.

The National Crime Records Bureau Report (2012) suggests that there has been a steady increase in the incidents of crime against women in the state specially that of dowry deaths, rape, molestations and abductions. Further, incidents of gang rape and rape were reported mainly from tribal areas.

“Opposition parties, Human Rights organisations and Women groups have blamed low conviction rate and reluctance of police to prosecute the accused persons for the growth in crime against women.”

Govt. officials have stated that an action plan is ready and shall be implemented soon.

<http://www.thehindu.com/news/national/other-states/fast-track-court-in->

[tripura-to-check-crime-against-women/article5003832.ece?ref=slider_News](#)

Date accessed: 10.08.2013
(Deepti Soman)

DEFENCE

What the INS Vikrant launch means for India

(Sameer Patil, *Gateway House*, 12 August 2013)

On August 12, India launched the INS Vikrant , its first indigenously built aircraft and on August 9 the nuclear reactor onboard India's first indigenous nuclear submarine the INS Arihant went critical. However both projects have had long gestation periods and are yet to be truly tested.

It will be 5 years before INS Vikrant can be commissioned as key parts of the ship are yet to be constructed and weapons systems are yet to be installed. INS Arihant has yet to pass a series of tests that determine the effectiveness of its reactor's performance and functioning of all onboard systems.

India needs a minimum of three aircraft carriers and a fleet of four-five nuclear submarines to maintain round-the-clock operational readiness in the Indian Ocean, protect energy security interests in the Persian Gulf and monitor China.

Every lag in full commissioning puts us at a further disadvantage to China who is expanding its naval presence to address its ‘Malacca dilemma’ and protect its Sea Lines of Communication. Chinese surveillance posts on Myanmar’s coast enables them to keep a tab on Indian military activities, while building a port at Kyaukpyu in Western Myanmar

These projects must therefore be free of bureaucratic, technological and financial constraints. An induction of private shipyards in naval expansion

SECTION 2: GOVERNANCE AND DEVELOPMENT

could help develop India's own expertise, and reduce its reliance on Russia.

<http://www.gatewayhouse.in/what-ins-vikrant-launch-means-for-india/>

Date accessed: 14.08.2013

(Gayatri Verma)

DEMOGRAPHY

Revising Package for Handloom Sector

(Press Information Bureau, 14 August, 2013)

The State Government of Andhra Pradesh has requested to relax the existing norms under Revival, Reform and Restructuring (RRR) package for handloom sector and extend the scheme to all the functional societies in the State so as to give benefit to the large number of weavers in the State.

"On the requests from various State Governments including Andhra Pradesh, the Ministry of Textiles is seeking approval of the Government for relaxation in the eligibility norms for assessing the viable & potentially viable apex and primary weavers cooperatives societies, providing loan to handloom sector at 6% interest, as announced by Finance Minister in the budget of 2013-14, margin money assistance @ Rs.10,000/- per weaver besides extending the implementation of RRR package upto 31.12.2013. This would enable to provide benefit to large number of eligible primary weavers cooperative societies, apex under relaxed norms, which were left out of the ambit of RRR package."

[http://pib.nic.in/newsite/erelase.aspx?
relid=98228](http://pib.nic.in/newsite/erelase.aspx?relid=98228)

Date Accessed: 14.08.2013
(Ashwin Varghese)

Rural areas continue to be ignored by Banks: RBI

(Joel Rebello, *LiveMint*, 13 August, 2013)

Highlighting a disturbing trend, Reserve Bank of India (RBI) deputy

Governor Mr. K C Chakrabarty pointed out that despite the growth in bank branches and improved efficiency, urban and metropolitan areas continue to account for most bank credit and deposits.

He further stated, "Rural branches have declined to 37% of total branches from 54% in 1994. Rural deposits constitute just 9.1% of bank deposits, down from 15.1%. All these things indicate that allocation efficiency has not happened despite banks being operationally efficient." He opined that Banks should endeavour to diversify into rural areas and improve on both allocation of resources and operational efficiency.

Rural credit has increased by a mere 1.4% between 1994 and 2013 compared with 14% in metropolitan areas. Further, the number of credit accounts has fallen to 44 million currently from 55.5 million in 1994. The Deputy Governor acknowledged that lack of competition among banks was one reason why there was "not enough allocation of credit".

[http://www.livemint.com/Industry/ZX
asKQDiNw7aHazLjVKvcJ/Rural-
areas-continue-to-be-ignored-by-
banks-RBI.html](http://www.livemint.com/Industry/ZXasKQDiNw7aHazLjVKvcJ/Rural-areas-continue-to-be-ignored-by-banks-RBI.html)

Date accessed: 14.08.2013
(Deepti Somani)

REGIONALISM

Gogoi Open to Formation of State Reorganisation Commission

(The Shillong Times, 13 August, 2013)

In response to the ongoing agitation for separate statehood in Assam, the Chief Minister of state Tarun Gogoi, has said that he is "open to the appointment of a second state reorganisation commission (SRC) but did not favour formation of Bodoland.

While responding to the demands of separate statehood by leaders from tribal districts, the Chief Minister said that "We want to live together. We want to live as a joint family. But still whatever their genuine demands are, we want to sort them out."

While agreeing to the fact that the announcement of Telegana further intensified and triggered the agitation. He strongly emphasised that the coming together of Gorkhaland and Bodoland to intensify their agitations for separate statehood, is a very serious issue and should be dealt with "in a different manner" as both the movements demanding separate statehood has been going on for a long time and are separate from each other therefore requiring varying considerations.

"Meanwhile, as a Bodoland state demand movement is being built in Assam, a non-Bodo organization has demanded the exclusion of villages with over 51 per cent non-Bodo population from BTC areas and has also approached the court with their plea. While not directly opposing or supporting the Bodoland demand, the body has been also been demanding protection of rights and safety of non-Bodo people in BTC areas."

[http://www.theshillongtimes.com/201
3/08/13/gogoi-open-to-formation-of-
state-reorganisation-panel/](http://www.theshillongtimes.com/2013/08/13/gogoi-open-to-formation-of-state-reorganisation-panel/)

(Date Accessed 14.08.2013)
Junty Sharma Pathak

INDIA IN THE WORLD

U.S. Tightens Approval Procedures for Indian Drugs

(*Business Standard*, 5 August, 2013)

Indian companies aiming to launch their medicines in the U.S. will now have to get three samples of medicines approved as against the present practice of just one, the U.S. Food and Drug Administration has decided. The procedural change applies to drug makers in other countries as well. However, according to Indian drug makers, the policy change is pushed by patent holding big Pharma companies who want to discredit Indian drugs and medicines. The move will increase the cost of doing business in the U.S. apart from increasing time of getting approvals.

India's record concerning transparent and efficient regulation has been poor. A 2010 report by the International Policy Network found that seven per cent of drugs bought from wholesale traders were substandard and major deficiencies in the drugs were noted. The parliamentary standing committee on health and family welfare found that expert opinions necessary for drug approvals were absent and documentation of such approvals was inadequate. Audits of factories and their processes seldom took place. Thus, notwithstanding the defensive claim of Indian companies, the policy change by the U.S. must be looked upon as an opportunity to strengthen regulation by the Drug Controller General of India (DCGI). It is also suggested that India must join the Pharmaceutical Inspection Convention, an association of drug regulators who agree to stick to internationally specified and accepted standards. Such a move shall reform the regulatory framework and good

performance shall give credibility to Indian drug makers globally.

http://www.business-standard.com/article/opinion/taking-the-medicine-113080400768_1.html

Date accessed: 12.08.2013
(Mahima Malik)

Border Markets to Boost Local Trade along Indo-Bangla Border

(*The Shillong Times*, 14 August, 2013)

In order to boost local trade and people-to-people contact the Government of India and Bangladesh has decided to set up two more "border haats" (markets) during the current year along its border. Trade in these markets would be conducted twice a week for four hours (1 p.m. to 5 p.m.) and the "Haats" will be set up within five km on either side of the international border. "A spending cap of \$50 will be imposed per head." Besides, "no local tax would be imposed on the trading and both Indian as well as Bangladeshi currencies will be accepted." "The border haats would be allowed to sell local agricultural & horticultural products, spices, minor forest products, and fresh & dry fish, dairy and poultry products, cottage industry items, and wooden furniture, handloom & handicraft items."

The Minister for Industry and Commerce, Tripura stated that "if the existing border infrastructure is upgraded, the volume of trade and business between Bangladesh and the north-eastern states of India would increase by five to six times of the current level." He further reported that "the necessary agreements have been signed between officials of the two countries" and "two border haats will be operational this year at Kasba in western Tripura and Sabroom in southern Tripura. Two more border haats would be set up at Dharmanagar and Kamalpur in northern Tripura

subsequently." The Minister also said that the Government of Tripura had earlier requested for seven border haats along its border and during its first phase, four such markets are being agreed upon by the two neighbouring nations.

Previously two border haats were set up along the Meghalaya border in 2011 on a pilot basis and are now operational. Moreover the Foreign Secretary of Bangladesh has recently stated that both the Governments are keen to setting up eight more markets along the India-Bangladesh border in the north-eastern states.

<http://www.theshillongtimes.com/2013/08/14/two-more-markets-on-indo-bangla-border/>

(Date Accessed 14.08.2013)
Junty Sharma Pathak

SOUTH ASIA

The Heat Trap!

(*Frontline*, 23 August, 2013)

"Turn down the Heat: Climate Extremes, Regional Impacts, and the Case for Resilience", a report funded by the World Bank to assess the impact of global warming concludes that the unmitigated and ambitious colonial expansion by the European capitalists put the colonized countries in a severely disadvantaged position. The report describes the risks to agriculture and livelihood in Asia, South Asia and Africa following years of plunder of natural resources and making them the most vulnerable regions of the world today. It predicts that the "Global South" shall be worst hit by climate changes. Along with major disturbances in sea level, heat waves, droughts and floods, acute food crisis will cover the regions in poverty.

Food shortage and migration to be the first effects of such a crisis, the report warns that South Asia (including India) will face droughts, water scarcity, heat waves and extremely irregular monsoon. Loss of snowmelt from the Himalayas will reduce the

SECTION 4: INDIA AND THE WORLD

flow of water into the Indus, Ganga and Brahmaputra basins and will leave people without enough water, food, or access to reliable energy. Bangladesh and the Indian cities of Kolkata and Mumbai will be confronted with increased flooding, intense cyclones, sea level rises, and higher temperatures. Frequent crop failures and lack of government support structures will worsen conditions and imperil the growth of the nation.

<http://www.frontline.in/other/data-card/the-heat-trap/article4995151.ece>

Date accessed: 13.08.2013

(Mahima Malik)

OPINIONS

What India can Learn from Fukushima?

(Pallava Bagla, *The Hindu*, 30 July, 2013)

Metallurgist, Siegfried Hecker, one of the most sought after nuclear scientists in the world, considers the “Indian atomic energy scientists to be better than those in the U.S.” According to him, the technical hand at the Bhabha Atomic Centre is first rate and that the U.S should take a cue from India’s cooperative and productive research on nuclear power.

According to him, the major challenge that India faces today is mostly “internal”. The democratic nature of policy making in India implies that the general people ought to be convinced by a proposed policy and its implications. The Nuclear Liability Act is a highly debated and controversial Act which aims to provide a civil liability for nuclear damage and prompt compensation to the victims of a nuclear incident. Hecker feels that the Indian government could learn from other countries as to how to address and overcome the concerns of the public. Drawing concern on safety issues, the 2011 Fukushima nuclear disaster reminds the world about the need for safety standards. India must now concentrate on creating a higher safety structure in nuclear environment.

A very critical factor in the aftermath of the nuclear meltdowns at Fukushima is stress and corrosion on metal parts of the reactors. There is a shortage of specialized Corrosion Management knowledge pool in our country. We need to assemble inland and overseas knowledge resources for finding answers to safety issues.

<http://www.thehindu.com/opinion/interview/what-india-can-learn-from-fukushima/article4967338.ece>

Date accessed: 12.08.2013
(Mahima Malik)

Attempt Towards Democratising Lobbying in India

(Kaushiki Sanyal and Harsimran Kalra, *Oxford india society*, 28 May 2013)

At present, a few countries have laws to regulate lobbying. These include Australia, Canada, US, Germany, Other countries such as France, Spain, Portugal, India and Japan do not have any such law. Although India currently does not regulate lobbying, it is likely to move toward that direction. Lobbying in India is unregulated but not illegal. Many interest groups actively lobby with the government for change in laws and policy decisions. This type of regulation would bring in much-needed transparency in the process.

In 2013, Kalikesh Narayan Singh Deo, a Lok Sabha MP from Orissa introduced a Private Members Bill to regulate lobbying activities. The Bill required lobbyists to register themselves and defined lobbying as “communication with and payment to a public servant with the aim of influencing” a legislation or securing an award of a contract. Such a definition blurs the distinction between lobbying and bribery. It may even have the unintended consequence of legitimising bribery prohibited under the Prevention of Corruption Act, 1988. While lobbying without the use of extortive and corrupt means furthers democratic ideals of participation and should be legitimised, bribery is illegal because it prioritises personal gains over public interest.

The focus of the law should be to ensure that competing groups have reasonably equal access to policy makers by incentivising groups to register. Such an approach would allow citizens from across the spectrum to participate in the policymaking process thereby strengthening the democratic roots and ensuring transparency in the decision-making process.

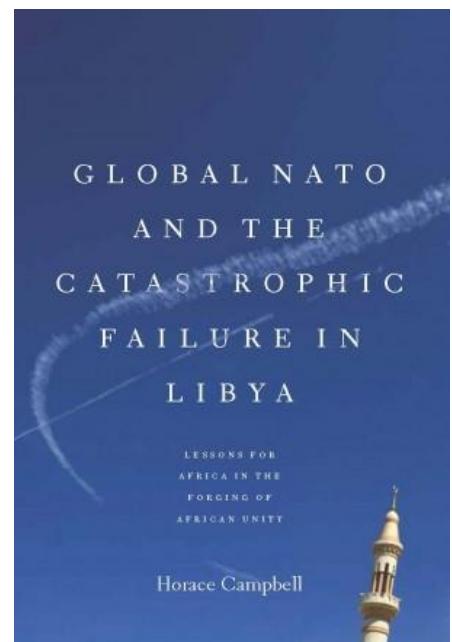
<http://policyblog.oxfordindiasociety.org.uk/2013/05/28/a-case-for-democratising-lobbying-in-india/>

Date Accessed: 13.08.2013
(Neha Singh)

BOOKS

Global NATO and the Catastrophic Failure in Libya

Lessons for Africa in the Forging of African Unity
by Horace Campbell



In this incisive account, scholar Horace Campbell investigates the political and economic crises of the early twenty-first century in light of NATO’s intervention in Libya. “He traces the origins of the conflict, situates it in the broader context of the Arab Spring uprisings, and explains the expanded role of a post-Cold War NATO.” He argues that, it is through the NATO that the capitalist class of North America and Europe have tried to impose its political will on the rest of the world. The intervention in Libya—characterized by bombing campaigns, military information operations, third party countries, and private contractors—is an example of

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this new model adopted by the western capitalist class.

Campbell also points out that while political elites in the West were quick to celebrate the intervention in Libya as a success, the NATO campaign caused many civilian deaths and destroyed the nation's infrastructure. The instability which ensued has unleashed different forms of militias and terrorist groups which have only begun to be reckoned with, "as the United States learned when its embassy was attacked and personnel, including the ambassador, were killed. Campbell's lucid study is essential reading for anyone seeking to understand this complex and weighty course of events."

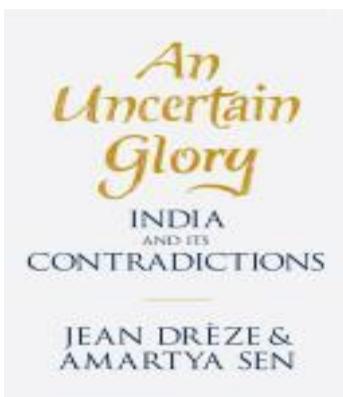
<http://monthlyreview.org/press/books/pb4123/>

Date Accessed: 14.08.2013

(Karishma Mutreja)

An Uncertain Glory: India and its Contradictions

(Reviewed by: Ashutosh Varshney,
The Indian Express, 27 July, 2013)



Jean Dreze and Amartya Sen, in their recent book, depart substantially from mainstream economic wisdom, and present "a remarkable combination of philosophical depth, economic reasoning, empirical thoroughness and policy relevance". They underline "the need for impatience" and seek to agitate minds, provoke deliberation and inspire action, while not

compromising the seriousness of their arguments.

Economically, say the authors, the first three decades since Indian independence were lost decades, when the economic growth was sluggish and "there was virtually no reduction of poverty". Despite the economic reforms of 1991, India still ranks near the bottom of the world tables on literacy and public health. In 2010, 43 per cent of children below five years of age were underweight and 48 per cent were stunted.

On social indicators, a comparison with Bangladesh is more revealing than one with Brazil, Russia and China, part of the BRICs, with whom India's economy is often compared. Since 1990, while India has grown much faster than Bangladesh, the latter performs better than India in life expectancy at birth and immunisation of babies. Only 8 per cent of Bangladesh households practised open defecation, as opposed to half of India's population. India is "falling behind every other South Asian country (with the exception of Pakistan) in terms of many social indicators".

Dreze and Sen argue that the overemphasis on economic growth is a mistake. They stress on the "centrality of education" and investment in mass literacy which is common to all countries that have sustained high growth rates for long periods — Japan, South Korea, Taiwan, Singapore and China. They extend the argument to health and assert that capabilities of people have to be improved for them to use markets well or quickly. Expecting markets to uplift everyone might take a long time.

The reviewer feels that the argument that connects capabilities, markets and growth deserves the greatest attention. The authors cite the example of Ubuntu At Work, a non-profit organisation that produces paper bags and helps poor women escape poverty by linking them to markets, to show how enhancement of capabilities of the poor through education, skills and health, can be joined with markets to

generate a more sustainable economic future for communities and nations.

The book then discusses methods to enhance capability and heavily favours government intervention to achieve the goal. "But that leads to questions about whether beyond Kerala, Tamil Nadu and Himachal Pradesh, state governments have the capacity to deliver education and health, or whether such capacities can be created." While Dreze and Sen offer their reasoning for why government intervention is desirable, further debate on the most effective methods to provide education, health and skills is necessary.

The author argues that "the project of capability enhancement is ... a necessity for long-term growth". Without viewing citizens as rights-bearing fellow human beings, it is impossible to build cohesive societies, as modern societies are not only built by markets, but also by citizenship.

<http://www.indianexpress.com/news/the-need-for-impatience/1147332/0>

Date Accessed: 12.08.2013

(Amrutha Jose Pampackal)