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OPINION

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COVER STORY

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withdraws Rs 500 and Rs 1000 notes**



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Demonetisation move to cleanse black economy

In one of the most radical financial moves, the Government of India has announced the demonetisation of all Rs 500 and Rs 1,000 banknotes. The government claimed that the action would curtail the



shadow economy and crack down on the use of illicit and counterfeit cash to fund illegal activity and terrorism. The sudden nature of the announcement—and the prolonged cash shortages in the weeks that followed—created significant disruption throughout the economy, threatening economic output. Prime Minister of India Narendra Modi announced the demonetisation in an unscheduled live televised address at 20:00 Indian Standard Time (IST) on 8 November.

In the announcement, Modi declared that use of all Rs 500 and Rs 1000 banknotes would be invalid past midnight, and announced the issuance of new Rs 500 and Rs 2000 banknotes in exchange for the old banknotes. The BSE SENSEX and NIFTY 50 stock indices fell over 6 percent on the day after the announcement. In the days following the demonetisation, the country faced severe cash shortages with severe detrimental effects across the economy. People seeking to exchange their bank notes had to stand in lengthy queues, and several deaths were linked due to the rush to exchange cash.

Yes, that is true. It is also true that the small industrial units, which predominantly operate in cash economy, have suffered and some jobs have been lost and economic growth is being affected. But do all these mean that the demonetisation has been a futile exercise? Should we regret this? As a common man and someone who has been closely tracking the people at the so-called bottom of the pyramid first by virtue of heading a large microfinance institution and now a bank which serves this segment ..

Yes, it has not confiscated hordes of black money. However, the banks have reported lakhs of suspicious transactions where people have deposited large amount of cash with banks which their financial background does not justify. In due course, the investigative agencies will get into action and track down these people. We also need to take into consideration the rise in cashless transactions.

Demonetisation has also improved transmission in the banking system and led to the greater financialisation of savings. Look at the way the banks have pared their loan rates in past nine months because they are flush with money. Won't that bring down the cost of investment when the borrowers decide to lift the bank money? I am also confident that from now on, people will shift their focus from real estate to financial assets such as mutual funds, insurance, among others, as an investment avenue.

Prashant Tewari, Editor-in-Chief



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DIVISION OF UP - ARE SMALL STATES BETTER OFF?

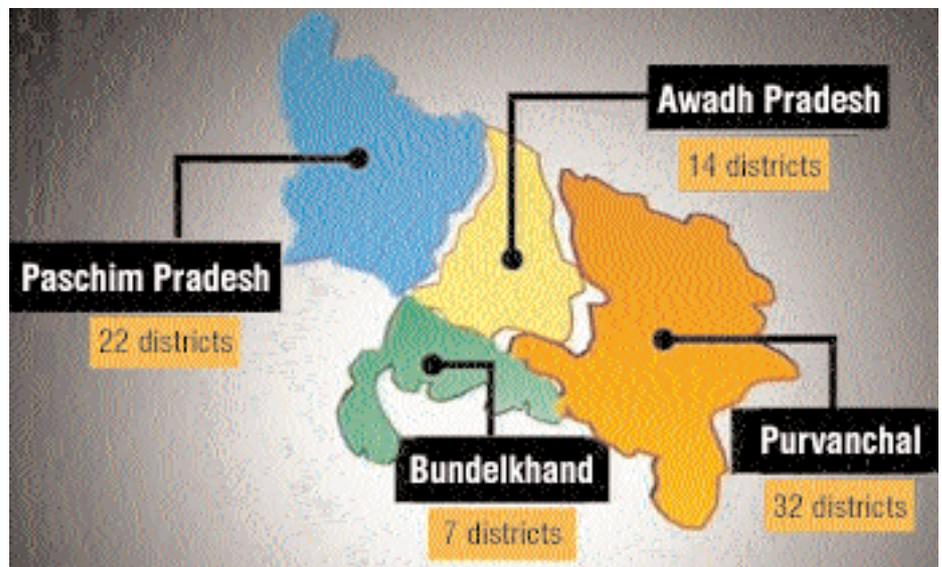
Mayawati, the most authentic leader of the Dalits of Uttar Pradesh, has thrown a political bombshell by asking for splitting the state. This announcement has set the cat among the pigeons and all her political opponents are confused, even politically paralysed, because they are not sure about the direction of public opinion on the issue of a four-fold division of Uttar Pradesh.

The real difficulty is faced by all-India parties like the Congress and the BJP because every specific demand for the creation of a new state like Telangana cannot be treated as an 'isolated' demand since regionalists and sub-regionalist political formations in every state can also launch movements for such division of states to satisfy political ambitions of powerful local groups.

The Congress cannot open this Pandora's box because it will find it impossible to handle the conflicting demands of various segments demanding a state for themselves. But the point is that reorganisation of states is an integral part of the ongoing democratic process of India, even though regionalists and sub-regionalists are fighting for their 'little empires' and only the Hindutva forces are ideologically committed to completely redrawing India's map, with the RSS' idea of 'Hindu, Hindi, Hindustan', and reduce cultural and language-based diverse states to the level of mere 'administrative units'.

There is a need for close scrutiny of the functioning of 'new small states' like Punjab, Haryana and Himachal Pradesh out of the reorganisation of united Punjab or states like Jharkhand, Chhattisgarh and Uttarakhand or the small states of Goa or Nagaland, Mizoram, Meghalaya, Manipur, Arunachal Pradesh and Tripura in north-east India. The 'new small states' present a very mixed picture on the basis of their performance and actual governance.

The six small states of north-east India are dependent on the central government for funding their developmental programmes due to their limited availability of resources. The central government has been continuously involved in resolving inter-state and intra-state disputes and social conflicts that have



plagued these states.

The smaller size and minuscule political representation in the Lok Sabha makes these states develop a feeling of neglect and alienation from the mainstream. The idea of small states is, in practice, full of problems as revealed by these six states of the north-east. Further, within the state assemblies of these states, floor-crossing and defections are quite common. Thus, 'limited representation' of small states in the Lok Sabha acts as a handicap for them at the centre of power, and within the state assembly, with a smaller number of MLAs, governments can be destabilised easily.

The BJP, on its part, has to answer about the actual functioning of three new states created in 2008 because the mining mafia in Jharkhand has been patronised by leaders of new states like Shibu Soren or the Mundas. The small states have not at all been models of good governance and their performance is comparable to the 'mother states' from which they were separated.

The new states have been created in regions where a strong cultural or linguistic bond did not exist among the majority of inhabitants of that state. Dravidian cultural ties are a unifying factor among Tamilians or Kannadigas; cultural affinity among the people of Karnataka or the Malayali cultural reference point for Kerala keeps them united and the demand for separation has not been raised by any powerful section in these three states.

The Punjabi language and culture is a cementing factor in keeping Punjab united but Hindi has lost its cultural vigour and people of the Hindi states do not consider language-based culture a unifying factor. Hence, strong cultural and linguistic affinity acts as a brake against separatist demands.

It is appropriate to conclude with a reference to the seminal work of Robert Dahl, *Democracy and Size*, in which he conclusively proves that development, democracy and good governance are 'size neutral', and big or small hardly make a difference. This important argument is valid for all societies. A functional system of governance in every country should reflect the specific social realities.

Therefore, India's requirements can be met only if a political system is able to harmonise and accommodate the needs and aspirations of multiple diverse cultural communities.

The unifying democratic, secular and federal central government is needed to keep such a diverse society united, and a balance or an equilibrium can be achieved by creating federal units not because 'small parties have demanded small states', but by evolving a political mechanism of arriving at a consensus on the need for a new small state. Leaders of small parties like Nitish Kumar or Ajit Singh have welcomed Mayawati's announcement, but such demands are reflective of the desire of small party leaders to hold on to power in their areas of influence.

WILL MANMOHAN SINGH BE FORCED TO QUIT?

BRAND MANMOHAN HEADING FOR A DISASTER..

= M D Nalapat

Since the 1960s for over three decades, probably the most influential non-official individual resident in India was Ottavio Quatrocchi, an Italian who had the blunt demeanour of an Australian rather than the charm that the people of that ancient civilisation are justly known for. Nearly 70 key projects were sanctioned during this long period to companies that "Mr Q" was considered to favour, especially Snam-Progetti. Those officials who dared to sanction contracts to companies other than the few favoured by Quatrocchi found their careers in India ended, including Cabinet Secretary P K Kaul, who was shunted off to Washington before completing his term in office, after a contract was won by another company instead of Snam. The then Petroleum Secretary, A S Gill, who was in line to be Cabinet Secretary found his career at an end after this decision was taken, and the minister concerned was swiftly removed from his post, as were others who dared take decisions other than those believed to have the backing of "Mr Q". What the source of the power of this Italian fixer is remains obscure.

However, none of his political allies could save his career in India once his name was outed in the scandal involving the purchase of Bofors guns in 1986. A year later, Swedish radio claimed that

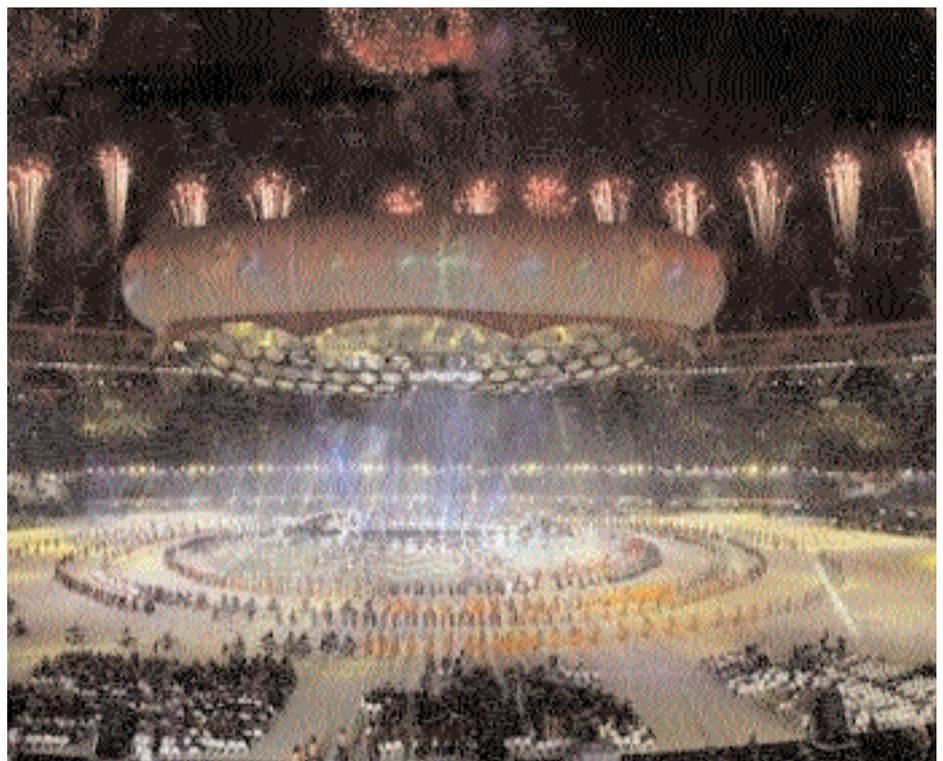




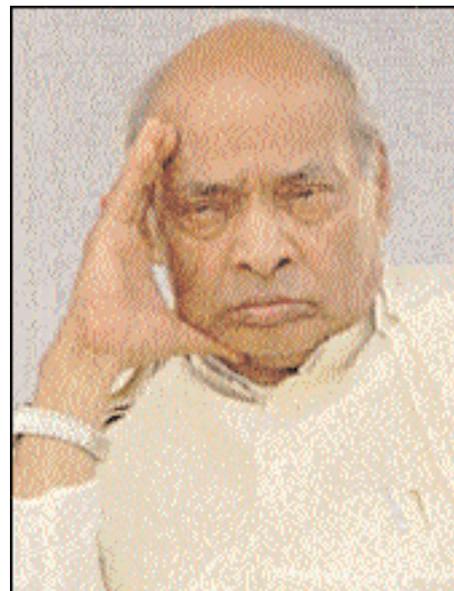
about \$65 million had been paid as bribes to get the contract (peanuts in this day and age), and the Swiss authorities established that "Mr Q" was one of the beneficiaries. The Central Bureau of Investigation asked that his passport be impounded. Instead, on the recommendation of the minister looking after the CBI, Quatrocchi was allowed to fly out of India on 29 July 1993 to the safety of Kuala Lumpur. Since then, he has depended on his family members to ensure that contact be retained with influential individuals in India, a task that they have done so well that even today, he is among the few who can "get almost anything done" through the Government of India, including ensuring the return of the money that the investigating authorities say was a bribe paid to secure the Bofors contract. While other governments seek to confiscate the money stashed illegally away by the powerful, the Manmohan Singh government returned it to "Mr Q" a few years ago.

Ottavio Quatrocchi was never questioned - much less prosecuted - by the Indian authorities about his shenanigans. He escaped from the country in 1993 because of a morally questionable decision taken by then Prime Minister P V Narasimha Rao, who thought he would buy peace with "Mr Q"'s friends in the Congress Party by enabling his escape.

The Commonwealth Games scandal is Manmohan Singh's Quatrocchi moment. Will he follow the example of his old boss Rao and allow the VIPs responsible for a scam that has been estimated to cost the taxpayer more than \$4 billion in bribes to escape? If he does so, then Manmohan Singh will be finished as a credible Prime Minister.



By 1994, Rao was under daily fire for the perception of corruption, with all kinds of suspicious characters coming out of obscurity to make allegations against him. After he was forced to resign as Prime Minister because of an election defeat caused by a rebellion led by followers of influential politicians known to be close to "Mr Q", Narasimha Rao was in perpetual risk of going to jail, getting freed of this Damocles Sword (in the shape of criminal cases against him) only in the final year of his life.



Instead, within brief months after that fateful decision, Rao began to be subjected to a barrage of attacks from Quatrocci's friends in the Congress Party, acting through senior leaders in the government. Narasimha Rao never recovered from that stain, for from then onwards, despite the fact that he liberalised the economy, brought some stability to Kashmir by fending off Bill Clinton's repeated efforts to get India to relax its hold on the state, and established an economics-centred diplomacy in place of the Nehru construct that was based on pious platitudes. By 1994, Rao was under daily fire for the perception of corruption, with all kinds of suspicious characters coming out of obscurity to make allegations against him. After he was forced to resign as Prime Minister because of an election defeat caused by a rebellion led by followers of influential politicians known to be close to "Mr Q", Narasimha Rao was in perpetual risk of going to jail, getting freed of this Damocles Sword (in the shape of criminal cases against him) only in the final year of his life. Those who knew him well saw for themselves the fear in his eyes at the prospect of jail, a fear that paralysed him in the final decade of his life.

The Commonwealth Games scandal is Manmohan Singh's Quatrocci moment. Will he follow the example of his old boss Rao and allow the VIPs responsible for a scam that has been estimated to cost the taxpayer more than \$4 billion in bribes to escape? If he does so, then Manmohan Singh will be finished as a credible Prime Minister. From the time that he allows the guilty of the Commonwealth Games to escape - should he do so - he will become the butt of ridicule and scandal the way Narasimha Rao was. After such public bludgeoning and umiliation, it is very



likely that Congress President Sonia Gandhi will request the PM to resign, and replace him with someone known to be honest, such as Defense Minister A K Antony. Although Sonia's first choice is Home Minister P Chidambaram - because of his total loyalty to her wishes - yet in an atmosphere where the Congress Party gets pushed back to the 1987-89 period when it was clouded in corruption charges, she may have no choice but to appoint the man known as "Saint Antony" for his financial integrity. Perhaps this would be followed by appointing Finance Minister Pranab Mukherjee as President of India, after the present incumbent's term concludes in two years time.

Should the PM-directed enquiry into the scams carried out during the Commonwealth Games preparation period fail to bring those actually guilty to justice, the reputation of Manmohan Singh for integrity would be affected. After such a lapse, even should he somehow manage to hang on to the Office of the Prime Minister, each month would bring personal attacks on him. After his

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eventual retirement, there is no doubt that he would follow Narasimha Rao in also having multiple criminal charges filed against him, which he would have to fight all his life to stay clear of arrest and imprisonment. All this while the VVIPs actually responsible for siphoning off huge amounts of money get away. The officers close to him would also face criminal charges for being accessories or being negligent in safeguarding the public interest. It all looks like going the Narasimha Rao way of scandal and disgrace for a team that in fact is honest and sincere.

There is no doubt that the huge expenditure (of around \$ 9 billion)

spent on the Games has been a platinum opportunity for many. An example is a pedestrian overbridge that was built at a cost of \$2 million, which collapsed. The Indian army was asked by the PM to build a substitute, which it did at a cost of just \$175,000. A list of the prices for items bought or hired by the organizers of the Games shows that in several instances, there was a 4000% markup over the prices charged to other customers by the companies involved. A week ago, a friend mentioned that to his knowledge, six container loads of currency had been smuggled across the Indian border so as to be sent onwards to Switzerland, and that this is just a



"small" part of what a particular ruling party leader made from the Games.

These days, Delhi is filled with stories about how "Manmohan Singh is conducting an eyewash" in promising to investigate the scandal. Many are angry that the PM did nothing while this flood of public money was being spent, moving into action only after the media could ignore the rot no longer. Once reports began to appear in the foreign press about the many deficiencies in the organizing of the Commonwealth Games, Indian media outlets that are known to be nervous about annoying VVIPs began to focus attention on a few organizers, notably Suresh Kalmadi, the Congress Party bigwig who is the Indian Olympic Committee chief. Kalmadi is known to follow the military discipline of his youth in always checking his decisions with higher authority, but if the media are to be believed, he acted on his own in the spending of the Games cash.

This is about as believable as saying that Dr A Q Khan ran his entire network without the participation of any state player, or what General Pervez

Musharraf wanted the world to believe when he placed the hero of the Pakistan nuclear bomb under house arrest.

Thus far, no criminal cases have been filed against those responsible for the many tainted decisions taken during the runup to the Games. And because none of the records was taken into safekeeping for two months after the scandal first broke in the international and then national media, those in the know say that records have been erased, while others have been replaced with different versions. Computer disks have been cleaned up and the mainframes destroyed.

All in all, the stately pace of Manmohan Singh's investigation - carried out by a well-meaning but seemingly clueless Kashmiri septuagenarian - may mean that the guilty escape, which means that the full tumult of public opinion will fall on the head of the Prime Minister, who allowed the loot to go on for six years before waking up to its ramifications. Exactly as 1992-96 Prime Minister Narasimha Rao became damaged goods after allowing Ottavio Quatrocchi to escape from India on July

29,1993, so will Manmohan Singh be crippled after his enquiry turns out to be a farce. The way several VVIPs want it to be. On the other hand, if the guilty get punished, Manmohan Singh will enter the history books for fighting the corruption that has been a facet of life in India since the impecunious Robert Clive made a fortune from Bengal in two centuries and a half ago.

As things stand, the betting in Delhi is that the PM will be ineffective in conducting a probe, and will therefore be made to quit after becoming the butt of criminal charges. Should an honest man like Manmohan Singh pay such a high price - the loss of his reputation and his career - it would be a sad day for justice. Those eager for probity hope that the PM will ensure that the guilty get punished, if only just this once in a country where corruption is costing the economy more than 5% extra growth each year.

-The writer is Vice-Chair, Manipal Advanced Research Group, UNESCO Peace Chair & Professor of Geopolitics, Manipal University, Haryana State, India.



RAHUL GANDHI A KNOWN FACE WITH UNKNOWN AGENDA?

= **Prakhar Prakash Mishra**

Rahul Gandhi is a known face of Indian politics. He is virtually heading India's largest political outfit now. We are regularly debating Rahul effect in Indian polity on national and regional media. But he has never opened up his mind to people at large. Rahul's politics has been stuck in this gear for a long time. He chose for himself the job of the Congress' big picture man shortly after his electoral debut in 2004, working on long-term strategic goals for the party, even as his mother, Congress president Sonia Gandhi, looked after its day-to-day affairs. The imminent change at the helm of the Congress promises the beginning of a cultural transformation in the Grand Old Party. Away from the public glare, Rahul Gandhi has set in motion a silent revolution in the Indian Youth Congress (IYC) and National Students Union of India (NSUI) by holding free and fair elections - a first for any political party.

A few months ago, he surprised his party colleagues by suggesting elections to the Congress Working Committee (CWC). But entrenched interests and party chief Sonia Gandhi's desire to make the CWC inclusive to balance regional, religious and caste demands stymied the proposal. The party's youth and student wings, which had acquired the tag of notoriety during Sanjay Gandhi's stewardship (a legacy they hadn't been able to shake off), are being shaped into a decent and sensitive cadre. Youth Congress members, in fact, are said to be so disciplined now



Rahul is rewriting the political lexicon of the Congress in his own way. In a revolutionary decision, he engaged the Foundation for Advanced Management of Elections (FAME), led by former election commissioners J. M. Lyngdoh and K. J. Rao, to conduct the polls in the youth and student wings. "Rahul has ensured criminals do not enter politics," says Rao.

shown the willingness to make the transition from the Congress' political strategy consultant to its full-time leader. Will Rahul be able to swap his much vaunted grassroots level rejuvenation vision for a bit of medium term political pragmatism and the ability to manage crises on an almost daily basis?

Rahul has an experience of professional training in strategy consulting combined with a cautious, hesitant, and risk-averse temperament meant that he shunned short to medium-term challenges, such as a stint in the Union government, for long term projects such as rejuvenation of the Congress' youth and student wings, reviving the party in Uttar Pradesh where the Congress has been reduced to a fringe player, and brand-

that they are scared even of talking to the media to tommorow their achievements.

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Rahul has proved himself as the practitioner of a new brand of politics - not foulmouthing opponents, ignoring jibes and barbs, and choosing a civilised engagement with detractors as well as his seniors in politics.

But on a broader platform, he is unwillingness to put himself in the line of fire. With the Congress confirming his ascent to a role of greater importance, Rahul's approach to politics requires a serious change of course, and very quickly.

After the election rally in Phulpur, where he launched the Congress' 2012 Uttar Pradesh poll campaign, Rahul has





building aimed at projecting himself as a mascot of the poor. This orientation in his thinking showed up as a refusal to get into burning issues.

For instance, when he was asked whether he would personally intervene to resolve the Kashmir agitation of 2010 that witnessed unprecedented stone-throwing protests in the valley, he responded, "My focus is on bringing youngsters into politics and I think that's a very important thing for the future of this country. I genuinely don't like to, sort of, move from one problem to another. I like to settle down, understand a problem in detail and then work on that problem. Solving Kashmir is not a part-time problem. It is a full-time problem."

Rahul's standard response to tricky questions whether it has been about inflation or political alliances had always been that his job is limited to being the Congress general secretary for the Indian Youth Congress and National Students' Union of India.

He then had the luxury of picking and choosing his canvas. It is a completely

Rahul's standard response to tricky questions whether it has been about inflation or political alliances had always been that his job is limited to being the Congress general secretary for the Indian Youth Congress and National Students' Union of India.



In fact, it made him sound completely off-key and unable to connect with the rising sentiment against corruption in urban India.

He managed to bungle his Bhatta-Parsaul initiative in Uttar Pradesh by insinuating murder of villagers in the backdrop of clashes between the state police and farmers over land acquisition -- a charge that could not be proved conclusively.

different picture now, to put it mildly. Other than electioneering in Uttar Pradesh and taking the Congress to a respectable tally in the upcoming assembly elections there, he has to pull the Congress and the United Progressive Alliance government, which it heads at the Centre, out a series of crises.

To begin with, he has to find ways to arrest the sense of drift that seems to have become the UPA government's leitmotif and salvage the remaining two-and-a-half years of its term. He has to develop a working relationship with the Congress' allies from the veteran M Karunanidhi to the tempestuous Mamata Banerjee.



Then he has to battle the perception of the government having completely been overtaken by corruption scandals with neither the 2G scam nor Anna Hazare and his cohorts likely to fade from the scene quickly.

Then there are pressing issues such as the demand for a separate Telangana, which has been on the boil for far too long and is now waiting to explode.

On the economic front, he has to find a way to put the reform process back on track if India has to make it through the

looming global economic crisis. Whether it is in foreign direct investment in key sectors such as retail, disinvestment, or labour reforms, the government is waiting for the political go-ahead.

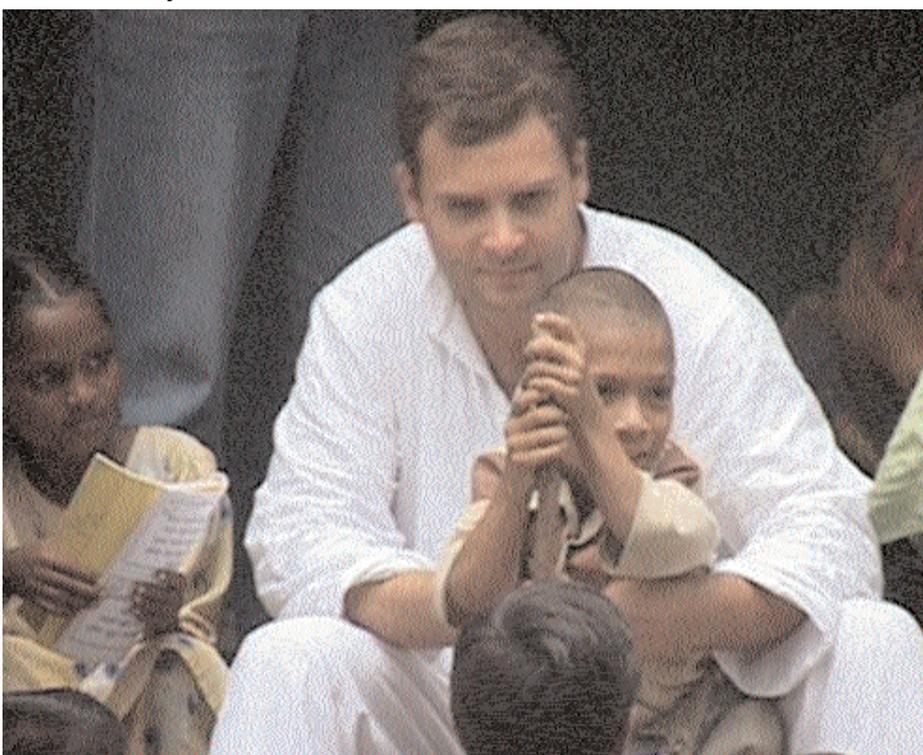
Then there is the Opposition, which will be ever on the lookout for any slip-up on his part to bolster their charge about him being naive and callow.

In the few instances that he has grappled with real-time problems in the past, rather than being sequestered in the comfort zone of long-term thinking, he has stumbled.

His performance during the Anna Hazare agitation proved that he had a long way to go as far as reacting instinctively to tricky situations goes. His speech in Parliament, in which he propounded what he described as the "game-changing" idea of making the Lokpal a constitutional body, did not help in diffusing the crisis at hand.

In fact, it made him sound completely off-key and unable to connect with the rising sentiment against corruption in urban India. He managed to bungle his Bhatta-Parsaul initiative in Uttar Pradesh by insinuating murder of villagers in the backdrop of clashes between the state police and farmers over land acquisition -- a charge that could not be proved conclusively.

One big difference between his earlier position and the one he finds himself now in is his own willingness to play a larger role in the Congress' affairs. Maybe he has no choice, given the reports about his mother's failing





health.

He is taking on much wider responsibilities as far as electioneering for the coming round of polls in Uttarakhand and Punjab go. He has taken on full responsibility of the Congress' 2012 UP bid, which saw him launch the party's campaign from his great-grandfather Jawaharlal Nehru's old constituency, leaving little doubt of the kind of role the Congress has in mind for him.

Rahul requires experienced hands to guide him through the sharp bends that lie ahead. However, until now, his relationship with Congress elders has been indifferent at best and confrontational at worst.

He has not hidden his wider discomfort with the nature of politics in the Congress that revolves around entitlement and dynasty, despite his own acceptance of the dynastic mantle as the next Nehru-Gandhi heir. Now, he may have no choice but to put his pet ideas of professionalizing and modernizing the Congress on the back-burner and turn to his mother's advisors.

While his own team of non-political advisors such as Kanishka Singh and Sachin Rao are as untested as he is, there are some senior leaders such as Jairam Ramesh and Digvijay Singh who have worked with him on issues such as land acquisition and UP respectively.

In his speeches he has hinted that the Congress can fight the negative fallout of corruption and inflation in middle-class India with UPA government's welfare schemes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme, the proposed food security bill, and the Unique Identification number scheme which he sees as a key empowering contribution of the government towards improving the efficiency of the public delivery system.

They may play a bigger part in the days to come. The most precious advice will, however, come from his mother and his sister Priyanka Gandhi Vadra.

Rahul looks set to continue with the left-of-centre economic position that has become his mother's calling card, at

least in the short term.

In his speeches he has hinted that the Congress can fight the negative fallout of corruption and inflation in middle-class India with UPA government's welfare schemes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme, the proposed food security bill, and the Unique Identification number scheme which he sees as a key empowering contribution of the government towards improving the efficiency of the public delivery system.

The Rahul Gandhi era in the Congress promises to forge continuity with the present rather than usher in a new era in politics that his father's initial years in power held promise of but never delivered. Ironically, Rahul has always maintained that one of the key factors that led him into politics was the urge to pick up from where his father left off. But the key question is that Congress is riding on the brand Manmohan right wing ideology with a great electorate success and Rahul is endorsing his policy on all major issues that contradicts his family Nehruvian policy. Similarly, his views on foreign policy, internal security, defense policy are ambiguous. Rahul Gandhi needs to clarify stand to the nation, earlier the better.

The writer is political editor

As a brand, Rahul Gandhi hasn't taken off'

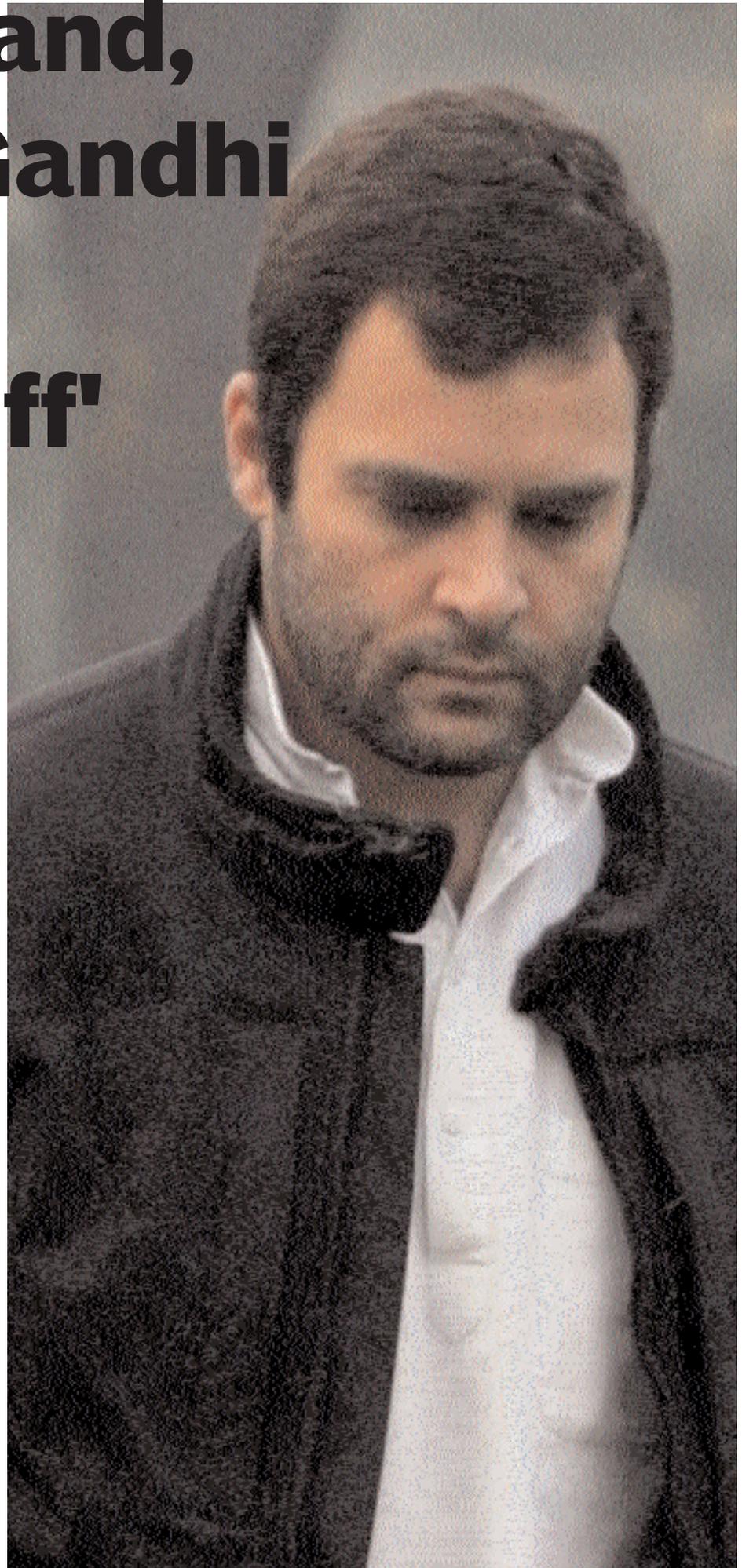
Good brands are all about clarity consistency and credibility. How does Rahul Gandhi score on these fronts as he wades into his biggest test yet? The verdict is not very flattering, despite his recent speech in Phulpur that surprised many for its stridency.

Those in the business of brand-making say the Congress heir-apparent has miles to go before he can be considered a solid brand in the business of Indian politics. "Rahul is a product which people are trying to make into a brand," says Mithileshwar Jha, professor of marketing, IIM-Bangalore. "A brand should have a clear franchise. We don't know enough about Rahul. Who is his audience? Is he a socialist or a marketfriendly person?"

Does he want to take India into the 22nd century? His guerilla tactics of hitting out at opponents and then occupying some other space won't work in politics," he says.

Moreover, a brand should be consistent, which some say Rahul isn't. His 'empathy' for the Kalavatis of India doesn't seem genuine as he hasn't done anything really substantial for them, says Jha. "His angry young man image in Phulpur isn't consistent with his personality which is not that of a street fighter."

Rahul also needs to get a pan-Indian identity, stresses Prathap Suthan, chief creative officer of iYogi, a global consumer services brand. His "localized attempts" at attacking Mayawati over "mafia raj" and land acquisition aren't enough, says Suthan. "He could easily have taken the thunder out of Anna Hazare's crusade by sitting on a fast along with him. He would have gained public sympathy and been seen as seri-





ous about fighting corruption."

A brand is built over time and requires assiduous planning. In that sense, Rahul still has time on his side. Ad film director Prahlad Kakkar says, "You don't have to be macho or good-looking for that. It's about decency, sensitivity and the capacity to push an agenda." Rajiv Gandhi, he adds, was seen as a leader taking India into the 21st century; Nitish Kumar is perceived to be "modern", Oommen Chandy transparent and Narendra Modi investment-friendly .

What of Rahul Gandhi? So far it's mainly the name, says Suthan. "Just like a strong brand such as Nike stands for a shoe and not soap, the Gandhi name connotes statesmanship and power. Rahul has to capitalize on that." If he hasn't been able to do that yet, it's partly because he is encumbered by the numerous scams that have tumbled out of the Congress closet. It's also because of his "lack of voice" , as Priti Nair, director of Curry Nation, an ad

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agency, puts it.

"We hardly hear him talk. Even a spoof can't be done on him as he has no inimitable style," she says. On the positive side, he's young, good-looking , educated and untainted - in short, refreshingly different."His credibility , unlike arrogant leaders such as Kapil Sibal and P Chidambaram, hasn't hit a low. He seems to have the same value systems as us,"says Kakkar.

Whether those "value systems" will

fetch votes in the dustbowls of UP remains to be seen. For Prasoon Joshi, chairman and CEO of McCann Worldgroup India, Rahul is a brand waiting to be launched. "Sometime he'll have to bite the bullet and UP could be the testing ground." Both his friends and detractors are waiting for the verdict - from the people.

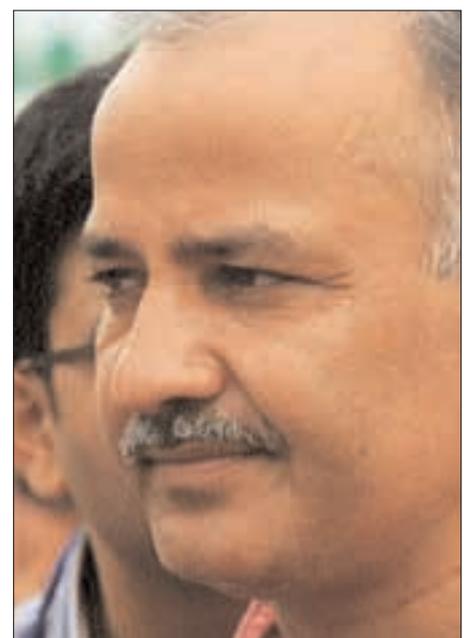
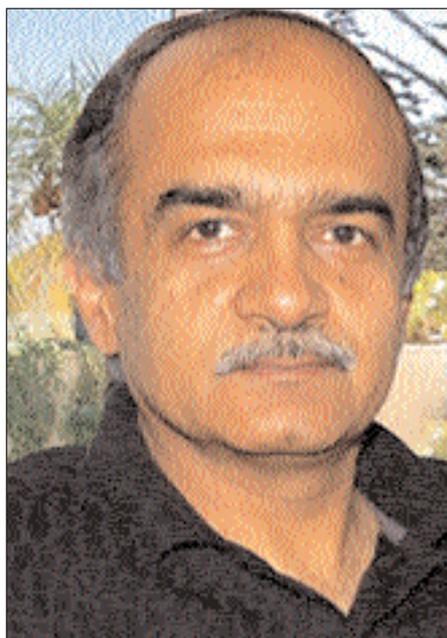
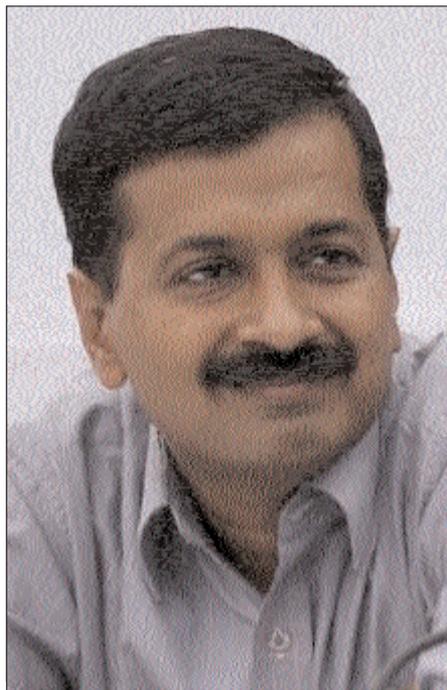
Inputs - TOI article of Mithileshwar Jha, professor of marketing, IIM-Bangalore

GANG OF FOUR, DEMI-GOD AND FOREIGN INTERFERENCE...?

Once again, Anna and Lokpal bill - V.S. Sardesai

Since Anna Hazare's current movement on corruption started from April 2011 to be precise, I was always baffled, confused and puzzled on two issues viz. Anna himself and Lokpal and I had expressed my doubts on every occasion I had written on the above subjects ; in the article 'The Myth of Lokpal', I have said that if one studies coolly the sequence of the events, one will find that the movement is nothing but a very well and carefully planned strategy to divert the attention of the people from the main issues that they are facing today and which the top icons want to avoid at any cost if possible because of the personal losses they would be suffering otherwise and that Anna even though may be the main actor in the drama may not be responsible in formulating the strategy though he may be a willing partner to the same; I had however decided to close the subject so far as I am concerned as the matter was discussed many times; but the recent disclosures on the subject made me change my decision.

Till he started the movement sometimes in April 2011, Anna was known mostly in Maharashtra as an honest and sincere social worker and leader and his field of work was mostly confined within Maharashtra. In his career until then, he has never entered into the national scene leave aside international. But as soon he started this movement against corruption by undertaking fast unto death he became not only a national leader but also got international fame. He was not only hailed as second or modern Gandhi by the media but also American government asked our government not to take any action against him. The media started giving him extraordinary exposure and publicity all 24x7 hours a day. In fact he had also started a new venture in 1991 called 'Bhastachar Virodhi Jan Andolan' -



BVJN- (Public Movement against Corruption) and had undertaken fasts also; but at that time no such publicity was given to him. This was one thing

which puzzled me. Why should a foreign government take so much interest in the internal matter and take cognizance of such events? In fact undertaking fasts



is not a new thing for India and for Anna; and why should the media give so much extraordinary exposure and publicity to him only this time calling him second Gandhi? Is it an impartial reporting by the media or there is some purpose or design behind it and if so who is behind all this? If we consider the sequence of events, it will be found that virtually within one day he jumped from a regional social worker to national leader and got international fame; I don't think there is anyone else who metamorphosed so fast from regional to national scene getting international fame. What is the secret?

Second thing which puzzled me is that even though Anna had started the new venture against corruption(BVJN) in 1991 and the Lokpal Bill is pending in the Parliament since 1968 that is much earlier than the starting of his venture he never even for once has taken up the matter of Lokpal bill during the last twenty years even though he had undertaken fasts earlier against corruption and now only all of a sudden he not only has taken up the matter of Lokpal but agitated to get it passed immediately and goes on fast. If it was so urgent why did

Anna had started the new venture against corruption (BVJN) in 1991 and the Lokpal Bill is pending in the Parliament since 1968 that is much earlier than the starting of his venture he never even for once has taken up the matter of Lokpal bill during the last twenty years even though he had undertaken fasts earlier against corruption and now only all of a sudden he not only has taken up the matter of Lokpal but agitated to get it passed immediately and goes on fast.

he not agitate to get it passed for all the twenty years since he started the new venture against corruption? And that is why I had always expressed my reserva-

tions and was skeptic about the real intentions and purposes of the Team Anna's this movement and agitation against corruption. The very fact that he did not agitate for passing of the Lokpal Bill earlier for the last twenty years or so, even though he had started his movement against the corruption in 1991 i.e. after more than twenty years since the Lokpal Bill was first introduced in the Parliament, clearly shows that he never knew anything about lokpal or about the Lokpal Bill as a means to remove corruption till someone briefed him about it. The question therefore is when did he first come to know about Lokpal and how? Surely at that time there was no Team Anna. The question is why such an issue which was side-tracked for more than forty years became so important and urgent all of a sudden just like Anna Hazare becoming a national leader with international fame from a regional social worker virtually within a day? Is there any relation or connection between the two? I had given my interpretation in my earlier articles especially in "The Myth of Lokpal", "The Anna Phenomenon" etc, purely based on the sequence of events and logic.



However the recent disclosures made by Raju Parulekar, ex-blogger of Hazare and Shambhu Dutt, the 94 years Gandhian proved my fears to be correct.

Raju Parulekar has accused the Anna team calling them 'the gang of four' of using Hazare as demi-God to further their interest and holding the government to ransom; so also he says that this gang of four has misguided the people to believe that Jan Lokpal Bill if passed will remove the corruption. I think they have misguided not only the people but also Anna in believing that Jan Lokpal Bill is the answer to corruption. In fact Parulekar's clarifications have solved many of my doubts. Firstly it explains the mystery of the extraordinary publicity and exposure given to Anna by the media day and night making him second mahatma and a national leader within a day giving international fame or making him a demi-God in Parulekar's words. Secondly how they chose Lokpal Bill as an issue for the agitation was solved by Shanbhu Dutt who was fasting for implementation of Lokpal Bill and who broke his fast at the request of Team Anna promising him to take up the matter themselves. Many questions however have remained unan-

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swered. Firstly when did Anna came to know about Lokpal Bill and how or who briefed Anna about the Lokpal Bill and why? Secondly when did the team meet Anna for the first time and why? Why should the team take so much interest in removal of corruption only now? I hope we will get the answers to these questions also in the due course. In the mean time we can only guess.

I feel the answers lie and the mystery will be solved if we study the past events. The key lies in the Baba Ramdevji's relentless efforts and movement of bringing back the illegal and black moneys deposited by some shameless Indians in foreign banks

especially in Swiss banks and declaring it as national wealth and exposing the names of such traitors and the Swiss government's declaration to disclose the names of such depositors if requested by the concerned government; I think this made such depositors panicky and they started thinking of finding a way out to scuffle the movement and divert the attention of the people from the main issues; and Anna's fast and the Jan Lokpal Bill appears to be its result. How it happened, we can only guess. Either these depositors some of whom are very influential and holding topmost positions in the government and the ruling parties approached the team mem-

bers who are NGO's directly or through their foreign donors to implement a strategy formulated by them or requested them to formulate such strategy to find a way out. In either case it resulted in formulating a strategy to hijack the movement of Ramdevji and divert the attention of the masses from its main issues of bringing back the moneys from the foreign banks and disclosing the names of such depositors. For this, the team required two things; one, a person commanding respect and faith of the people and who can convince the people and whom the people will follow blindly and secondly an equally or more attractive and important issue as that is being preached by Ramdevji. They found the person in Anna Hazare; the difficulty however was that Anna was only a regional social worker; they got over the difficulty by giving him extraordinary publicity through media day and night making him a second Gandhi that Anna became a household name within a day. The difficulty of issue was also solved by adopting the other issue of Ramdevji viz. corruption which was preferable to disclosing the names of the foreign banks account holders; but the question

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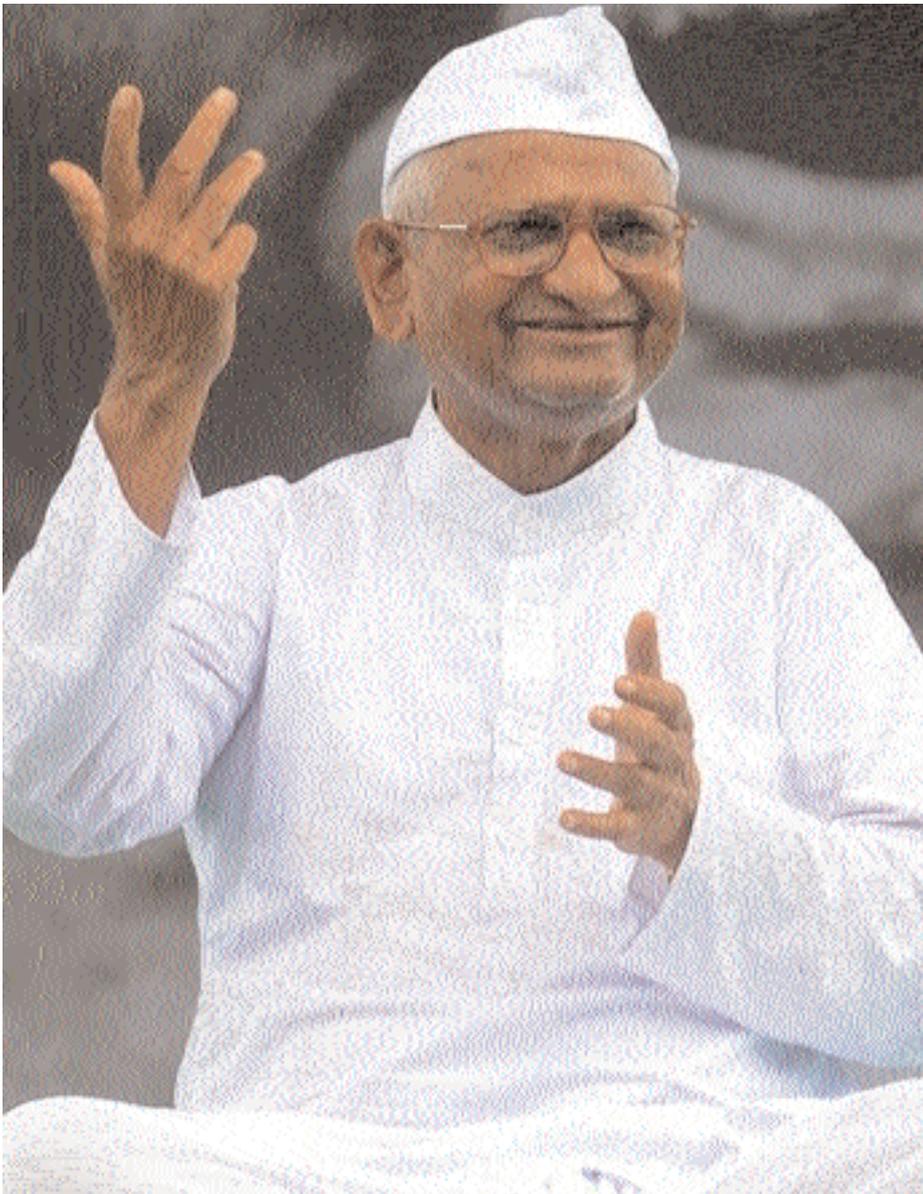
was that corruption being an abstract issue ultimately would not stand against the concrete issue of bringing back the moneys from foreign banks. They wanted something to show that concrete steps are being immediately taken to end the corruption; they chose Lokpal Bill which was pending in Parliament for more than forty years. They amended it to fool the people that they are making it strong calling it as Jan Lokpal Bill. But to their dismay they found that one

Shambhu Dutt, an old Gandhian of 94 years has already started a fast for its passing and implementation even though there was no publicity for him in the media. Not to be discouraged they approach Dutt requesting him to withdraw his fast, promising to get the bill passed and this is how the whole melodrama on corruption started.

They must have approached Hazare with their plan of agitating against corruption by getting the new Lokpal Bill as drafted by them which they called as Jan Lokpal Bill passed in Parliament and which, they must have told him, will remove corruption, may be without disclosing their real intention or purpose. They must have also exploited his weakness for fame and Hazare must have agreed believing them and what they have said as corruption was also an issue which was dear to him without going through the bill as drafted by them or trying to find out whether what they say is true or not. He must also felt very happy as he would become a national leader from regional social worker and for being called second Gandhi.

But the difficulty is that every human being has got certain limitations and





becomes successful only if he works within his limits and knowing his limitation; if he crosses his limits for any reason whatsoever he gets exposed; the same thing happened with Hazare; it seems that he is carried away by the propaganda made by his team making him in the words of Parulekar a demi-God and started thinking high of himself without understanding his limitation with the result that he is slowly getting exposed. It now appears that Dutt is regretting for having handing over the baton to Anna team may be because he might be feeling lack of sincerity of purpose.

The way they made Anna a national leader and a Mahatma and giving publicity to him every day, in the same way they made the of Lokpal Bill which was pending in the Parliament for more than forty years and which was drafted on the basis of recommendation Santhanam Committee for administrative reforms for removing maladministration and mismanagement in the government, as if it

was drafted for ending corruption in the society or at least reducing corruption to more than sixty per cent. They further dramatized the situation by drafting another bill, calling it as Jan Lokpal Bill in place of the one drafted by the government by giving the Lokpal draconian powers saying that the Lokpal as drafted by the government was toothless lion forgetting the fact that in India giving more powers can be a source of further corruption and in spite of making provisions, it will be difficult to remove a person once appointed especially to a high post. They ignored or rather overlooked the fact that the creation of Lokpal was recommended especially to prevent corruption by Legislators and ministers as it was difficult to prosecute them if they indulged in corruption and that Lokpal is only a prosecutor to prosecute a corrupt government servant or official specially when the act does not make any changes in the anti-corruption laws under which such officials are ultimately to be prosecuted in a court of law and

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still they misguide the people saying that if Jan Lokpal Bill is passed , it will remove at least 60% of the corruption from the society as if corruption is there in the society only because there is no such Jan Lokpal Act passed.

Many a time people ask me when I ridicule the Jan Lokpal Bill, to suggest other ways if passing of Lokpal Bill is not the answer to Corruption. The fact is that corruption is a social problem and like other social problems such as farmers' suicides or communal riots it cannot be solved only by making laws such as for example Prevention of Suicide Act or Communal Violence Act.

It should be solved by studying the problem in depth, finding out the cause and the appropriate remedy. In case of corruption people would not like to pay bribe for the fun of it. They would like to get their work in time and not waste their time unnecessarily. And when it is not done they pay the bribe to get the work done in time. This can be avoided by fixing responsibility and accountability for not doing the work within a certain time. Of course there is Right of Information Act to find out discrimination. If this is done most of the complaints will be solved. I don't think that any social worker will be so naïve as not to know this unless he is motivated by some other consideration. I think Anna has failed miserably to see the real intentions of his team or this gang of four and blindly following their advice, happy to see his name and photo everyday in the news papers and media; I only feel sorry for him.

AN ACCURATE DIAGNOSIS OF THE CAUSE OF INDIAN CORRUPTION

FOOD FOR THOUGHT?

= Prashant Tewari

In India, one cannot talk about public service without raising the issues of corruption, lack of transparency and accountability. Without raising esoteric issues on ethics, I would like to focus attention on practical measures to combat corruption and increase transparency and accountability in all facets of public services.

Mark Twain once said, "Everyone talks about the weather, but no one does anything about it". Corruption has become one such topic of conversation, with few in the establishment or outside really doing something to curb it. The fight against corruption is too important to be left to a few formal institutions or politicians. The people at large have enormous stakes in clean public life and corruption-free services. Experience all over the world showed that determined initiatives with public support can and will succeed in curbing corruption and cleansing the system effectively.

As many scholars like Robert Wade have pointed out, most corruption at the citizens' level is extortionary, and people have often no choice when faced with the dilemma of having to lose much more in the form of lost money, time and opportunity, not to speak of anxiety, harassment and humiliation if they did not comply with demands for bribes. The only silver lining is, everyone, including those in positions of influence is a victim and no one seems to be exempt from these extortionary demands. We seem to have achieved the ideal of socialism through equal treatment of all



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citizens in terms of extortionary corruption! With the advent of economic liberalization and delicensing of most industry, the nature of corruption is now undergoing a major transformation. The one-time grand corruption on large private projects - notably in power and other infrastructure sectors - has now become quite common. An even more

alarming trend is the shift of corruption from licensing and permits to more dangerous and pernicious areas of sovereign functions of state like policing. The increasing nexus between hardened criminals, rogue policemen and corrupt politicians is one such example. It is clear that the state's gradual withdrawal from economic activity does not auto-



matically eliminate corruption. Many more practical and institutional initiatives are needed to successfully curb corruption.

It is in this context that civil society's role is critical. Enlightened public opinion and informed and collective citizen assertion are the very basis of any successful fight against corruption.

In my opinion, there are three broad areas of action to combat corruption involving the state and the civil society. The first is active citizen assertion to curb corruption as illustrated by the examples cited above.

There are several rules and procedures whose only impact on the public is extortionary corruption. There is need for a comprehensive review of the regulatory functions and procedures in every department and agency, with three objectives:

- a) Identify unnecessary regulations and repeal them
- b) Improve, simplify and make transparent procedures in respect of those regulations and services still relevant
- c) Specify levels of responsibility for each official in the hierarchy, so that accountability becomes real and meaningful.

For example, widespread petty corruption was eliminated by repeal of the

Hackney Carriages Act in mid 70's when cyclists were exempted from obtaining licenses. Similar steps could be taken in respect of all private motor vehicles now. A body of experts from government and civil society should be set up to undertake this complex but vital exercise of deregulation and simplification of rules and procedures. The government would be inclined to take it up as it is politically popular. What is required is the momentum to break the inertia which funding agencies can provide.

Apart from these and other deregulation efforts, citizens need effective tools for collective action. Right to information on all matters of governance with very few specific, limited exceptions in the interest of national security etc., should be enshrined in law. Article 19 of the Constitution and several Supreme Court judgments recognize right to information as a fundamental right. We need to codify this right by law, and evolve fair and objective procedures for its enforcement. The recent draft legislation of Government of India leaves much to be desired. There are too many vague exemptions; no penalties are provided for non-compliance, and there is no independent appeal mechanism. A sensible, citizen-friendly law needs to be

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quickly enacted and strictly enforced.

For some years now, Citizen's Charters are being released by various departments. A true Citizen's Charter should fix responsibility on individual public servants, specify performance standards, and provide compensation to citizens for delays. No Citizen's Charter conforms to these standards. As a result, these charters are full of shibbo-



leths and pious intentions without any impact on corruption or quality of services. Under pressure, Govt of Andhra Pradesh has recently released a Citizen's Charter in respect of certain municipal services, and probably for the first time in India a compensation of Rs 50 a day for delay in services is provided for, and this amount is to be recovered from the public servants responsible for delay. Another such citizen's charter for panchayats covering twenty services, and providing for a compensation of Rs 10 per day's delay is on the anvil. We need such effective charters for all public services with compensation and clear penalties for non-performance.

Under pressure, Govt of Andhra Pradesh has recently released a Citizen's Charter in respect of certain municipal services, and probably for the first time in India a compensation of Rs 50 a day for delay in services is provided for, and this amount is to be recovered from the public servants responsible for delay.

Similarly Wards Committees need to be constituted in accordance with the letter and spirit of Article 243-S of the Constitution, and these Committees serving small areas of about 25000-50000 population should be empowered to collect municipal taxes and provide basic services. Such local accountability will reduce corruption. Wherever stake-holders of public services can be clearly identified, they should be legally empowered to take responsibility for those services. These and many other simple, practical steps will promote transparency and accountability and give citizens the required tools for effective action against corruption.

The second broad area of action is in respect of tightening the anti-corruption laws and creating independent and effective agencies to curb corruption. The 161st report of the Law Commission made valuable recommendations in respect of the Vigilance Commission and CBI. The Supreme Court in Jain Hawala Case gave specific directives and suggestions. Sadly, the Union government is still to act. And we understand that the 'Single Directive', by which prior permission of the government is required to investigate charges against officials of the rank of Joint Secretary and above are sought to be restored by law. We need independent, honest and fearless agencies to fight corruption. The Law Commission recommendations should be accepted and a law should be enacted. The CVC and Vigilance Commissions in States, which have been created by executive orders





in 1964 in the wake of Santanam Committee report should be given statutory status and given freedom to act. Lok Pal Bill has now been pending for over three decades, and even where Lok Ayuktas exist in States, they have no effective role. We need to create strong anti-corruption agencies modelled after Hong Kong's successful Independent Anti-Corruption Commission until 1997. Penalties for corruption should be made far more stringent as proposed by the Law Commission in its 166th report. Anti-corruption and crime investigation must be insulated from partisan political control. Without such fair, impartial, independent and strong agencies, there will be no real success in increasing the risks of corruption and minimising the rewards.

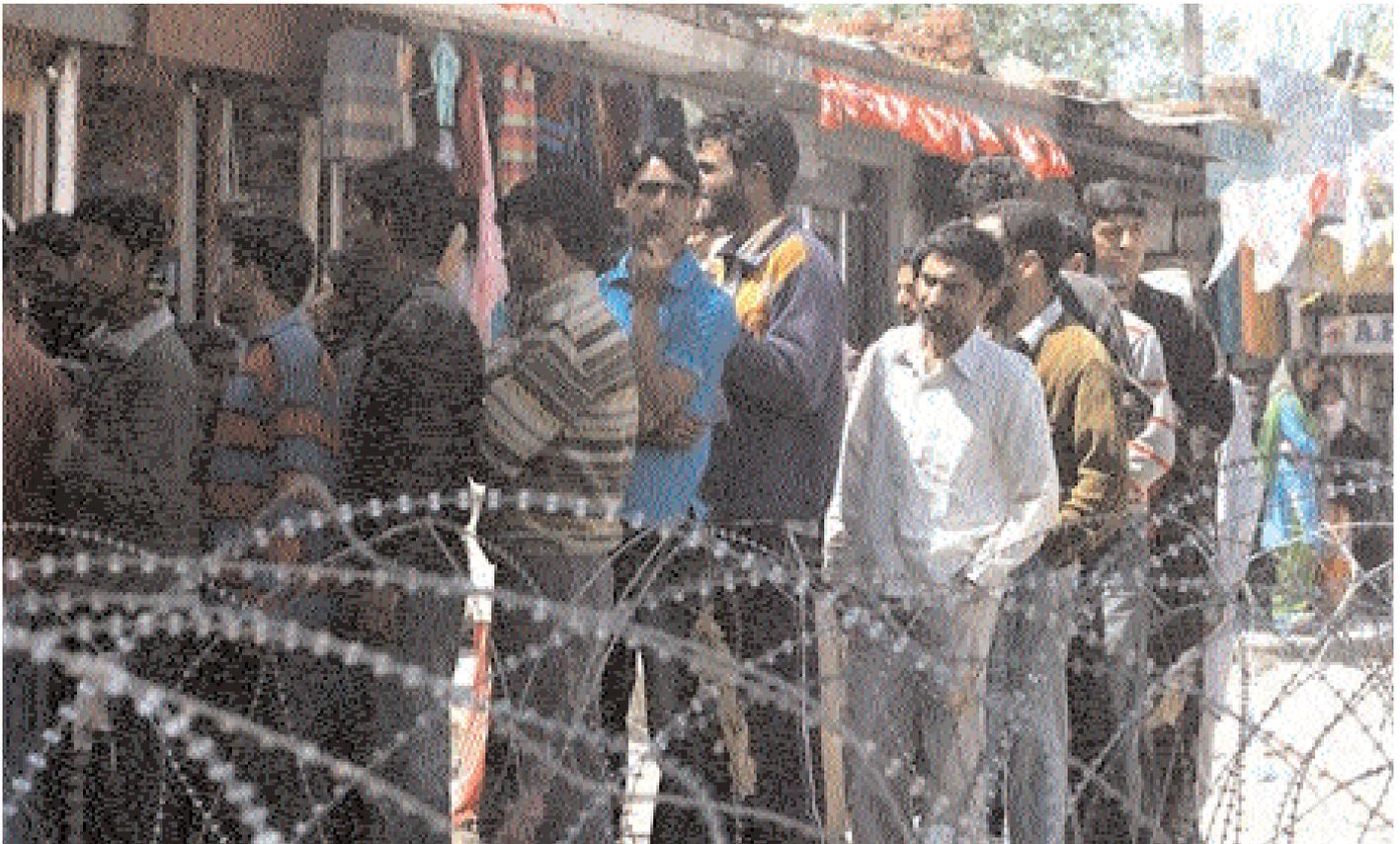
Finally, we should all recognize that the roots of corruption lie in the exorbitantly high, illegitimate and illegal election expenditure. Our estimate is that about Rs 7000 crores is spent in a block of five years for the Parliament and State Assembly elections. In most constituencies, the actual election expenditure is several times the ceiling prescribed by law. Much of this expenditure is not only illegal, but is also illegitimate, and is incurred to buy votes, bribe officials and hire hoodlums. This unaccounted expenditure necessitates a ten fold return to the political class, which in turn results in a hundred fold

The citizens pay a much heavier price on account of anxiety and uncertainty. If we wish to curb corruption, we should together launch a movement for electoral and political funding reform. We are now building alliances across the country for a people's movement for democratic reforms. Electoral funding reform should be the centre-piece of our strategy to fight corruption.

extortion by the bureaucracy, leading to Rs 700,000 crore corruption in five years. The citizens pay a much heavier price on account of anxiety and uncertainty. If we wish to curb corruption, we should together launch a movement for electoral and political funding reform. We are now building alliances across the country for a people's movement for democratic reforms. Electoral funding reform should be the centre-piece of our strategy to fight corruption.

In recent times, the political and gov-

ernance system has shown signs of sensitivity responding to this challenge. Five major initiatives have been taken in the past one year. The Election Commission responded to years of informed advocacy on improvements in voter registration, and has decided in principle that post offices will be the nodal agencies for voter registration. This will make the voter registration process citizen-friendly and accessible, making it easy to curb polling irregularities, and along with voter identity cards will make it difficult to indulge in bogus voting. The disclosure norm put in place, forcing candidates for elective office to file affidavits revealing their criminal antecedents, if any, and the financial record of family members, is a step in the direction of promoting transparency and better candidate choice. The amendments to the RP Act, 1951, incorporated in September, 2003 are by far the most far-reaching legislative provisions reforming our political campaign finance. All contributions for political activity, individual or corporate, will not get 100% income tax exemption. All contributions of Rs 20,000 and above will be disclosed to the public. The infamous Explanation 1 under Section 77 of the RP Act, 1951, which made nonsense of the election expenditure ceilings has been repealed. Most important, free time can now be allotted in private electronic media, including cable networks,



recognized parties and candidates for political campaigning. This will drastically cut down campaign costs, and alter the very nature of elections in future.

The fourth reform enacted is the amendment to the Tenth Schedule of the Constitution, thus altering the anti-defection provisions. Through this amendment, no split in a legislature party is recognized, and all members violating a whip will be disqualified. Finally, through the 97th amendment of the Constitution, the size of the Council of Ministers has been pegged at 15% of the membership of the lower house, thus reducing distribution of minister-ships, and meeting the longstanding demand for reform.

All these reforms will certainly help improve the political process, and make it easy for honest persons to raise resources for legitimate campaigning purposes. However, in India, much of the election expenditure is both unaccounted and illegitimate, leading to a vicious spiral of corruption.

In a well-functioning democracy, the political process ought to find answers to such governance problems. It is through the process of elections that a democratic choice is exercised on solutions to be adopted for various governance problems. Every election holds a promise for peaceful change. People in India have been voting for change time and again. But the political process is locked into a vicious cycle, and has

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become a part of the problem. There are six factors complicating the political process, perpetuating status quo. First, election expenditures are large, unaccounted and mostly illegitimate. For instance, expenditure limit for assembly elections in most major states was Rs 600,000 until recently, when it was revised to Rs 1 million. In reality average expenditure in most states is several multiples of it, sometimes exceeding Rs 10 million. Most of this expenditure is incurred to buy votes, bribe officials and hire musclemen. Such large, unaccounted expenditure can be sustained only if the system is abused to enable multiple

returns on investment. Rent seeking behaviour is therefore endemic to the system.

Most of this corruption is in the form of control of transfers and postings, which in turn sustains a system of retail corruption for a variety of routine services, regulatory functions and direct transfer of resources through government programmes. Large leakages in public expenditure, and collusion in contracts and procurement are extremely common. The economic decision-making power of the state is on the wane as part of the reform process. But as the demand for illegitimate political funds does not decrease, corruption shifts to the core areas of state functioning, like crime investigation. Robert Wade studied this phenomenon of corruption, and described the dangerously stable equilibrium that operates in Indian governance. This vicious chain of corruption has created a class of political and bureaucratic 'entrepreneurs' who treat public office as big business.

Second, as the vicious cycle of money power, polling irregularities, and corruption has taken hold of the system, electoral verdicts cease to make a difference to people. Repeated disappointments made people come to the conclusion that no matter who wins the election, they always end up losing. As incentive for discerning behaviour in voting has disappeared, people started maximizing their short-term returns. As



a result, money and liquor are accepted habitually by many voters. This pattern of behaviour is responsible for converting politics and elections into big business. As illegitimate electoral expenditure skyrocketed, the vicious cycle of corruption got further strengthened. With public good de-linked from voting, honesty and survival in public office are further separated.

Third, this situation bred a class of political 'entrepreneurs' who established fiefdoms. In most constituencies, money power, caste clout, bureaucratic links, and political contacts came together perpetuating politics of fiefdoms. Entry into electoral politics is restricted literally, as people who cannot muster these forces have little chance of getting elected. While there is competition for political power, it is often restricted between two or three families over a long period of time; parties are compelled to choose one of these individuals or families to enhance their chances of electoral success. Parties thus are helpless, and political process is stymied. Absence of internal democratic norms in parties and the consequent oligarchic control has denied a possibility of rejuvenation of political process through establishment of a vicious cycle.

Fourth, in a centralized governance system, even if people wisely use the vote, public good cannot be promoted. As the citizen is distanced from the decision-making process, the administrative machinery has no capacity to deliver public services that are cost-effective and of high quality. A climate that cannot ensure better services or

good governance breeds competitive populism to gain electoral advantage. Such populist politics have led to serious fiscal imbalances.

Fifth, fiscal health can be restored only by higher taxes, or reduced subsidies or wages. The total tax revenues of the union and states are of the order of only 15 percent of GDP. Higher taxation is resisted in the face of ubiquitous corruption and poor quality services. Desubsidization is always painful for the poor who do not see alternative benefits accruing from the money saved by withdrawal of subsidies. A vast bureaucracy under centralized control can neither be held to account, nor is wage reduction a

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realistic option.

Sixth, elected governments are helpless in changing this perilous situation. As the survival of the government depends on the support of legislators, their demands have to be met. The legislator has thus become the disguised, unaccountable executive controlling all facets of government functioning. The local legislator and the bureaucrats have a vested interest in denying local governments any say in real decision making. The vicious cycle of corruption and centralized, unaccountable governance is thus perpetuated.

This vicious cycle can be addressed by three fundamental systemic reforms:

a) Political party reform: Political recruitment has suffered a great deal, and bright young people are no longer attracted to politics. Centralized functioning of parties is imposing enormous burden on leadership to manage the



party bureaucracy, leaving little time for evolving sensible policies or governance. Party leaders are helpless in candidate selection, and the choice is often between Tweedledum and Tweedledee. An important reform to improve the quality of politics and restore credibility would be a law to regulate political parties' functioning, without in any way restricting leadership choice and policy options. A law needs to be enacted to regulate political parties in four key aspects.

Membership and disciplinary action would be a crucial focus area ensuring internal party checks. Leadership choice by regular, secret, democratic ballot is the second key feature. This will be accompanied with formal processes to challenge the party leadership without fear of retribution. The third suggested reform would be transparency and public auditing of party funds and expenditure. Finally, choice of candidates for elective office to be decided by members or their elected delegates through secret ballot. The provisions can be similar to Article 21 of German basic law and federal law to regulate parties.

b) Proportional representation: The first-past-the-post (FPTP) system that India has adopted led to several distortions, given the passage of time and ingenuity of legislators. Politics of fiefdom at constituency level has forced the parties to rely on local strongmen. As a result, the political parties and independent candidates have astronomical election expenditure for vote buying and other illegitimate purposes. This has led to a significant weakening of the party platform and ideology, reducing elections to private power games. In many states, national parties have been marginalized where their voting percentage falls below a threshold. Following from this, regional parties have occupied center stage in several pockets, holding larger interests at ransom.

All these failings find expression in bigger and long-term predicaments. The inability of all political parties to attract and nurture best talent is the primary issue. Difficulties of minority representation leading to ghetto mentality, backlash, and communal tension form another facet of the problem. Lastly, leadership is undermined by permanent reservation of constituencies (or regular rotation) in order to provide fair representation to SCs. The solution to this flawed system is adoption of mixed system of election combining FPTP system with proportional representation. This



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will be broadly based on the German model. The key features of the suggested system are as follows:

=The overall representation of parties in legislature will be based on the proportion of valid vote obtained by them.

=A party will be entitled to such a quota based on vote share only when it crosses a threshold, say 10% of vote in a major state, and more in minor states.

=50% of legislators will be elected from territorial constituencies based on FPTP system. This will ensure the link between the legislator and the constituents

=The balance 50% will be allotted to parties to make up for their shortfall based on proportion of votes.

eg 1): If the party is entitled to 50 seats in legislature based on vote

share, but had 30 members elected in FPTP system, 20 more will be elected based on the party list.

eg 2): If the party is entitled to 50 seats based on vote share, but had only 10 members elected in FPTP system, it will have 40 members elected from the list

=The party lists will be selected democratically at the State or multi-party constituency level, by the members of the party or their elected delegates through secret ballot.

=There will be two votes cast by voters - one for a candidate for FPTP election, and the other for a party to determine the vote share of the parties.

It needs to be remembered that PR system can be effective only after internal functioning of political parties is regulated by law. Otherwise, PR system will give extraordinary power to party leaders and may prove counterproductive. However, the PR system has one more advantage, which needs to be reiterated. PR system, more than FPTP system, ensures better representation of women in legislatures.

c) Direct election of Head of government in States and Local Governments: The other systemic reform that is needed to isolate the executive from unwanted influences, as has been pointed out, is to ensure direct election of Head of Government in States and Local Governments.

As election costs have skyrocketed, candidates spend money in anticipation



of rewards and opportunities for private gain after election. Legislators perceive themselves as disguised executive, and chief ministers are hard pressed to meet their constant demands. Postings, transfers, contracts, tenders, tollgates, parole, developmental schemes, and crime investigation - all these become sources of patronage and rent seeking. No government functioning honestly can survive under such circumstances. While the legislators never allow objective and balanced decision-making by the executive in the actual functioning of legislation, their role has become nominal and largely inconsequential. This blurring of the lines of demarcation between the executive and legislature is one of the cardinal features of the crisis of our governance system.

Therefore, separation of powers, and direct election are necessary in States and local governments. At the national level, such a direct election is fraught with serious dangers. Our linguistic diversity demands a parliamentary executive. Any individual seen as the symbol of all authority can easily become despotic, given our political culture. But

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in states, separation of powers poses no such dangers. The Union government, Supreme Court, constitutional functionaries like the Election Commission, UPSC, and CAG, and the enormous powers and prestige of the Union will easily control authoritarianism in any state. This necessitates adoption of a system of direct election of the head of government in states and local governments. The fundamental changes suggested find mention as under:

The legislature will be elected separately and directly while the ministers will be drawn from outside the legislature. The legislature will have a fixed term, and cannot be dissolved prematurely except in exceptional circum-

stances (sedition, secession etc) by the Union government. The head of government will have a fixed term, and cannot be voted out of office by the legislature. Any vacancy of office will be filled by a due process of succession. The elected head of government will have no more than two terms of office. Even though these changes may not be panacea to all evils in the present structure of legislature and executive, it will certainly encourage more healthy and vibrant democracy and democratic processes. Further, clear delineation of functions between Union and States, and among various tiers of local governments is also a necessary condition for a vibrant democracy. It is only a true federal



structure that can ensure unity in this multi ethnic and multi religious society.

To sum up, four broad strategies are required to curb corruption. First, we need comprehensive electoral reforms to make funding transparent and accountable, to curb criminalization and polling irregularities, to eliminate political fiefdoms and transform politics from big business to public service, and to ensure that honesty and survival in public office are compatible.

Second, we need to empower local governments and stakeholders in a way that there are clear links between citizens' vote and public good, taxes and services, and authority and accountability. Third, we need instruments of accountability in the form of right to information, citizen's charters, independent crime investigation and independent anti-corruption agencies. Fourth, we must increase the risks of corrupt behaviour to an unacceptable level by ensuring speedy justice, exemplary punishment and confiscation of assets.

This is clearly a vast agenda for action. But it is both necessary and possible. The recent economic reforms have certainly helped promote competition and reduce corruption through license-permit-quota raj. But the incentive structure in our governance structure is still perverse. Our political system has inexhaustible appetite for ille-

gitimate funds. The supply of such ill-gotten money in economic sphere is dwindling on account of economic reforms. But the demand continues unabated in the face of unchanging political rules of the game, thus forcing open newer, and more dangerous avenues of corruption.

The telgi stamp scam, the organized leaks of CAT and other examination papers, the brutal murder of Satyendra Kumar Dubey, and the sting operation exposing the corruption of a judge in Gujarat are all not accidents. Corruption is now shifting into more dangerous areas from where the state cannot withdraw, and criminalization of our politics, economy and society is on the rise. Organized crime and systematic abuse of office are flourishing. These require serious institutional responses.

The time for action is now. The national mood is ripe. People are disgusted with endless corruption and are restive. The business class, which was earlier happily paying bribes to get favours in return for monopoly and assured profits is now realizing that corruption in a competitive world kills industry. The unprecedented agitation (2001) of small industrial entrepreneurs in Andhra Pradesh against the extortion of Central Excise officials is a sign of increasing resistance to corruption.

Politicians are increasingly recognizing that the present chain of corruption

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is unsustainable. Many nations went through phases of high corruption. They eliminated corruption through systematic, effective, practical steps. The proactive steps of the High Court of Bombay to remove 150 corrupt judges, followed by similar steps in Rajasthan and West Bengal show what can be accomplished with determination and good sense. We Indians are no more venal and corrupt than the rest of the world. We only created conditions in which honesty is not adequately rewarded, and is in fact discouraged.

Corruption is not only left unpunished, but is rewarded consistently and extravagantly. We need to alter this state of dangerous equilibrium feeding the cycle of corruption. The people are ready for fundamental changes. What we need are practical steps to empower citizens and make public servants accountable. People are ready to act. What we need are tools for informed citizen assertion. I am confident all of us here and elsewhere have the vision, will and courage to take those practical and enduring steps required to launch an all-out struggle against corruption.

There is no room for cynicism or despair. The task is big, but achievable. As Margaret Mead said "Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever did". In this war we will surely succeed. But what we need is fewer words and more tangible action.

The Anna Hazare phenomena that recently shook the nation is a growing reflection of the popular mood of the nation. India is at a cross road wherein some structural adjustments in the governance can lead to tremendous growth of the nation.

The writer is Editor-in-Chief

A DUMMY'S GUIDE TO TAX HAVENS AND BLACK MONEY

Recently the Union government sought a review of the Supreme Court's order constituting a Special Investigative Team (SIT) to probe the issue of black money stashed abroad. The government believes this is judicial over-reach, but it forgets that the courts stepped in because of executive "under-reach." It is one thing to object to a Supreme Court-appointed SIT, quite another to be SITting on your hands doing nothing.

But stashing money abroad is not just about the government not earning its share of tax revenues.

It is actually a vote of no-confidence in the country and its people. Hence, it is financial skullduggery. Here's the second part of our Dummy's Guide to Tax Havens and Black Money in which we explain how black money is generated and spirited away. The first part was published by First post on 3 June.

What is black money and how is it generated?

It's not the colour of the currency, for sure. Income generated by illegal means and on which no tax is paid is called black money. Corruption is one of the major causes. All corrupt acts generate black money since the receiver does not want to show it as income to the tax authorities. This is why the finance ministry's chief economic advisor, Kaushik Basu, even suggested legalizing small-time bribes since it can at least be taxed.

Domestic corruption can be retail or wholesale. The retail one is what hurts most of us. The policeman who collects a bribe when you jump a red signal, the electricity board engineer who wants





money to fix your meter, or the RTO official who wants a payment to issue a driving licence - such situations can be multiplied a million times.

We can also call this womb-to-tomb bribery, from birth certificate to death certificate. This retail corruption is what we are up against on a day-to-day basis. And this generates huge amounts of black money, mostly in the hands of thousands of government employees. This is what is not felt in developed countries. In the US or Europe, retail corruption that affects the common man is rare.

Corruption generates black money but black money is generated even without corruption. For instance, if you do not collect the bill for your next petrol purchase you have generated black money.

Then there is wholesale corruption, which is generated through the award of road/project contracts (as in Commonwealth Games) or the issue of licences or allotment of scarce resources like spectrum (as in 2G scam). Wholesale corruption also happens in government purchases - whether it is medicine in hospitals or books in schools or aircraft for Air India or Bofors guns or coffins for defense. Corruption

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happens even in the private sector, but since the losses are borne by promoters and shareholders, we should not bother about that now.

Why should I bother about wholesale corruption?

Wholesale corruption does not affect us directly, but it does impact us indirectly. When A Raja allegedly made money by under pricing spectrum and allotting it to specific parties, telecom companies had to recoup the costs from somewhere - it could be through higher mobile bills or poorer quality service, or both. Also, the government loses revenue, which means less money to spend on more worthwhile projects like subsidizing the poor.

It is important to note that corruption generates black money but black money is generated even without corruption. For instance, if you do not collect the bill for your next petrol purchase you have generated black money. If you visit your doctor and pay him his fees without a bill, the doctor may not pay his taxes.

So the equation is corruption generates or implies black money but black money does not imply corruption.

Where is this black money kept?

Unlike what is shown in Bollywood films, black money is not kept in cupboards or suitcases - though some if it





may well be kept there. Black money is usually kept in circulation by using it to finance informal trade and commerce - usually at a higher interest rate than what banks charge.

For instance, we estimate that only 30 percent of retail trade financing is done by banking institutions. The remaining money comes from moneylenders - a good portion of it from black money. Actually, domestic black money is a hidden reserve and it may also be beneficial in some ways as it finances economic activities. Also, black money circulates faster than white money, which slows down as it passes through the banking and taxation loop.

But black money distorts resource allocation since people with huge amounts of it will use it to build spas at home or buy Italian marble for the verandah or gold-plated bathroom fittings. The economy thus tries to cater to this profitable demand instead of what the bulk of the people need.

Moreover, black money is also stored in real estate, which is one reason why we are finding everything unaffordable in the property market.

The non-veg money is accumulated for terror financing or gun running or drug money or flesh trade. (Disclosure: I am a vegetarian and so I am categorizing these purposes in this fashion.) The former is illegal but less harmful compared to the latter. The government needs to approach the issue in different ways in tackling these two segments of black money.

If black money is useful here, how did it land up in tax havens abroad?

There are several reasons for keeping wealth abroad clandestinely. They can be broadly categorized as vegetarian and non-vegetarian reasons/purposes. The illegal wealth itself can be classified

as veg or non-veg. The veg reasons for keeping wealth abroad include tax evasion, and keeping some dollars abroad for meeting expenses when you travel abroad or for your child's education or daughter's honeymoon.

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Why did so much black money get generated?

In the sixties and seventies, tax rates used to be very high in India. At the margin it was more than 90 percent in many years. This meant that for every Rs 100 earned in the upper income brackets, more than Rs 90 would go as taxes. Hence rich persons began to accumulate wealth abroad to avoid such "usurious" taxes.



The high levels of taxes were the result of "Nehruvian socialism" which felt that the rich should be soaked to improve the lot of the poor. The latter did not happen, but such policies "improved" the ability of tax officials to extract money as bribes from the rich and encouraged the latter to look out for secretive jurisdictions to store their wealth.

Foreign exchange controls were also so stringent that businessmen found they could not afford to stay in decent hotels when travelling abroad for business. They could not send their sons

and daughters to get an Ivy League education. Hence the need to maintain dollars abroad - often in tax havens.

But it is the second broad category - namely the non-veg - that is insidious and dangerous. It is not only about lost taxes, but also about what kind of nefarious activities it may be financing, including possibly terrorism and gangsterism.

India's restrictions on gold holdings and high customs duties created an entire class of smugglers who brought in gold illegally from Dubai. There were smugglers not only in gold, but any luxu-

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ry item that was banned or too expensive to import (including electronic gadgets at one time). This is how Nehruvian economics created crime syndicates which, over time, metamorphosed into financiers of terror, a la Dawood Ibrahim.

How does the money go out of the country?

One of the important mechanisms is called "trade mispricing". When an exporter underinvoices (underprices) his goods, the difference is paid by the importer abroad in a Swiss account, or any tax haven. One can also overinvoice imports. Let's say a US exporter sells us a piece of machinery worth Rs 100 crore for Rs 110 crore. In this case, a higher amount is remitted from India, enabling the exporter to pay us the excess back in a tax haven.

Black money is also generated in defence deals. In the Bofors case, a commission was paid for the deal when the Indian policy was that no commissions could be paid? Who got the money?

Then there are hawala transactions. At the criminal level, you can merely hand over a sackful of rupees, and the courier will deliver dollars somewhere abroad - obviously at an exchange rate that is significantly higher than the official one.

But hawala transactions can also be done by the ordinary well-to-do. Let's say you want to finance your father's operation abroad. You can ask your friend in Dubai to bear the cost, in return for paying the equivalent amount in rupees to his sister in Hyderabad. This does not look like a criminal thing to do, but legally it is no different from the illegal hawala deal.

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Breaking India by means of proxy war by **Pakistan**

= RSN Singh



The insurgencies that impacted the Indian landscape till early this decade were generally in isolation. Though, they like all insurgencies had external links, the internal linkages between them were at best tenuous.

The Khalistan insurgency could be extinguished because of its uni-dimensional nature. It was confined to a specific geographic area and was supported by a specific group of people, easy to identify. Their cadre base was low.

The Kashmir militancy had not fully reared its head. The ISI patronage and support was well-known. The pioneering ideologues of the movement were based abroad and did not belong to the segment of the community, which provided the foot-soldiers.

The objective of the insurgency was to carve out another theocratic state.

The same can be said about insurgencies in the Northeast (NE). They too were supported by China, but in a manner that the deniability factor could be maintained. A separate country was their objective and not the destruction of the Indian state. The acts of terrorism in these insurgencies were to intimidate the local populace and preempt any support to the security forces.

Over the years, there is fusion of insurgency and terrorism. It first took the shape of proxy war with territorial objectives. Therefore, when the Indian Security establishment was faced with the Kargil misadventure, it initially appeared bewildered because it could not appreciate that a low intensity conflict could assume the shape of a conflict, which was constricted in limit and scope due to internal and external considerations and pressures.





The overall military superiority that India enjoyed vis-a-vis Pakistan could not deter the latter.

Convergence of Terror

The proxy war waged by Pakistan and China are now converging on Delhi. This proxy war has various terrorist groups as its main tool. The main instruments of this war are none other but some Indians who are allured by ideology or money or both.

They have been convinced that India in its present form is a demonic state and needs to be destroyed.

The Maoists, Pakistan based terrorist groups, and terrorist groups in Northeast, Punjab and J&K are now in collaboration. They have forged a nexus for training, procurement of arms, establishing external linkages and providing safe-havens to each other. They are leveraging on one another's strength and reach.

Their common objective is to destroy the Indian State.

When the Army Chief talks about a two-front situation, he must realize that India is already facing a multi-front situation in terms of proxy war being waged by China, Pakistan and other inimical

powers. This multi-front proxy war is rendering the country hollow from within. The inimical elements within the country are debilitating both our military resolve and our conventional capability.

The security of a country is the harmony between internal security and external security. Pakistan is collapsing because it always viewed internal security from the prism of external security. India on the other hand has been notorious in ignoring the external dimensions of internal security problems and treating them as that of law and order.

If the Maoists, who are trampling the heart of India, and the Pak sponsored jihadis of Kashmir as well as terrorists groups in Punjab, and the China backed insurgent groups of Northeast, who have been trying to sever the head and limbs respectively, are now acting in concert, the internal security situation is grim.

A Super Power like the Soviet Union with its massive military capability, collapsed because it could not harmonize internal security with external security. India must not repeat the mistake. The Indian Army must revisit its threat perception and the very definition of

'enemy'.

Joint terrorist training camps

The arrest of two Peoples' Liberation Army (PLA) leaders of Manipur Arun Kumar Singh and Dalip Singh in October 2011 exposed the emerging links between the militant organizations in the NE, Kashmir, LeT, and the Maoists. They revealed the ongoing effort on part of these groups to form a 'Strategic United Front' since they had the common objective to overthrow the Indian government.

They reckon that it is only collectively that they would be able to take on the might of the Indian State. They also revealed the plans of setting up a 'Joint Training Camp' in Myanmar. The Times of India on 08 October 2011 quoted official sources "ISI and PLA are in-touch and supply Maoists with arms. They are supposedly using China as the alternative route."

The official sources also claim to have photographic evidence of Maoist cadres from six Indian states being trained by the PLA of Manipur, in Orissa and Jharkhand.

This author has learnt through top intelligence sources that the Chinese



have supplied a weapon manufacturing facility to the Kachin Insurgents in Myanmar. This facility is manufacturing replicas of AK-47, which is being supplied to all terrorist groups in India including the Maoists.

The latest recovery of explosives from a car on 12 October 2011 has also exposed the links between ISI, Lashkar-e-Toiba and Babbar Khalsa. Their objective was to target Delhi.

Taking into consideration, the seizures made by the security forces in the last few years, two important facts emerge - first, that Babbar Khalsa, the militant outfit, which carried out the killing of the Punjab Chief Minister Beant Singh has been under the revival mode, under the patronage of ISI, and second, that the organization has no dearth of sophisticated arms and explosives supplied by the ISI.

The revival of Babbar Khalsa and Khalistan insurgency received impetus after the creation of the Pakistan Gurudwara Prabhandhak Committee under the Chairmanship of Lt Gen Javed Nassir, former ISI chief. He is instrumental in forging the link between LeT and the Babbar Khalsa.

In October 2010, the Indian government had alleged that the Maoists of Nepal (PLA) had been imparting training

to Indian Maoists on Nepal's soil. Further, the Maoists were receiving training from LeT instructors in these camps. There was information of 234 Maoists training in Nepal under the supervision of Naxalite leaders like Vinod Gurung, Prakash Mehto and LeT members like Razak Khan and Latif Khan, who hail from Karachi.

In August 2010, Karnataka and Andhra Police, following four arrests in Hyderabad and two in Bangalore that the ISI through the 'D-company' had managed to establish links with the Maoists terrorists in the country. There were plans to invite Maoist leaders to Dubai to coordinate terrorist activities in India.

The spearheads of the modern terror network are people, who enjoy or have been conferred respectability by way of international awards or membership of NGOs ostensibly engaged in public cause. Some of these ideologues are active in forging links between various military groups. A noted Human Right activist, based on telephonic intercepts, has come under the scanner of intelligence agencies for trying to bring together various terrorist groups at the behest of Pakistan.

Even in the national capital the ideologues of the Maoists, Kashmiri and NE

separatists have come together on a common platform on many occasions. Their agenda is common, i.e. to weaken the resolve of the Indian State to fight terrorism. It is in this backdrop that their diatribes against the state, the security forces, and the Armed Forces Special Power Act should be viewed. This Act, they feel is the most robust tool in preserving the unity of India.

The Maoist agenda

It is pertinent to note that when Anna's agitation was at its peak, the eternal fast of Sharmila Irom of Manipur, was consistently highlighted. The focus was not she, but the removal of Armed Forces Special Power Act from Manipur.

One of the active members during the agitation is known for his ULFA links. During the same period, the so-called Lawyer civil activist and core member of the Team Anna, in one of the television channels, had categorically stated that the days of elected representatives are over, thereby implying that the India must jettison multiparty democracy.

He was only articulating the Maoist agenda. He also had then spoken that it is the Kashmiris who should decide whether they want to be part of India or not. Such was the hysteria during that period that these statements were lost in the din and did not receive adequate



attention. The same gentleman has now advocated plebiscite in Kashmir and repealing of the Armed Forces Special Power Act.

One of the members of the Team of interlocutors on Kashmir has enjoyed the hospitality of Fai Foundation, headed by Syed Ghulam Nabi Fai the face of the Kashmir separatist cause in the United States. The Fai Foundation is funded by the ISI. It was a foregone conclusion that the team of interlocutors would recommend more autonomy for Kashmir. The timing of the submission of the report and utterances of the lawyer is not a mere coincidence.

The most formidable spearheads for convergence of terror in India are there in the media and amongst people who fancy to be called as intellectuals. The 'terrorism economy' is also formidable and has the ability to sustain some big media houses and other public platforms. They decry the Indian State, but 'Misuse the Freedom of Speech'.

The entire region in the surround of India is in unprecedented geopolitical flux. The US-Pakistan strategic partnership, which ensured the survivability of the latter since its inception is now under tremendous strain, arguably on the verge of collapse.

The internal problems of Pakistan seem to be intractable. The specter of the country's split is haunting. Pakistan's strategic maneuver space is getting increasingly constricted. The conventional tools available in the hands of Pakistan in leadership to alter the dangerous geopolitical discourse are in disarray or blunted.

It is not India, but Pakistan's machinations in Kashmir and Afghanistan,

which has brought the country to this juncture. The emerging strategic partnership between India and the US, and India and Afghanistan has unnerved a tottering Pakistan. The only recourse available to Pakistan is to destabilize India by leveraging on all terrorist groups, i.e. the Maoists, who are active in one-third of India, and the terrorist groups in Kashmir, Punjab, Northeast, and Pak based terrorist groups and crime syndicate of the Dawood Ibrahim.

In this there is a congruency of interests between Pakistan and China. China too is not comfortable with the Indo-US strategic partnership and consequently the direction of the geopolitical discourse in the region. It has very high strategic stakes in Pakistan as well as in the Indian Ocean, particularly in the Bay of Bengal, where it is seeking presence by way of ports on Myanmar's western coast for convenient supply of oil from Gulf for its energy needs.

It is for this reason that China is engaged in thwarting India's 'Look East' outreach by increasingly brazen support to Northeast terrorist groups and the Maoists.

Economic consequences

The convergence of Pakistan and China backed terror and spearheaded by the ideologues has dangerous portends for India. While the aim of this terror is to paralyze India, its main focus is shifting to its heart, i.e. the National Capital. In all probability terrorist attacks in India are likely to become more vicious, more deadly, more widespread and more frequent.

This proxy war has disastrous economic consequences. There is a thriving

Corporate houses are paying ransom to the Maoists because the State cannot enforce its writ in large chunks of the hinterland. The Maoists menace is making thermal power plants starve for coal. India is becoming a dangerous place on this earth. Investors are being deterred. The Indian state machinery has become inured to the insecurity of the people.

parallel terrorist economy. The Maoists are disrupting train services at will. Bandhs orchestrated by Maoists are having crippling effect on the economy and the livelihood of the people.

Corporate houses are paying ransom to the Maoists because the State cannot enforce its writ in large chunks of the hinterland. The Maoists menace is making thermal power plants starve for coal. India is becoming a dangerous place on this earth. Investors are being deterred. The Indian state machinery has become inured to the insecurity of the people. It probably feels that time itself will resolve the problem. The internal war against terror is being fought in a disjointed and half-hearted manner. The resolve mechanism and instruments to fight this convergence of terror is in disarray.

If this war is not won, India despite its conventional war making capability, will collapse. We are fighting the war with wrong tools, wrong mindset, and misplaced ideas of war, oscillating between law and order approach and internal security approach. While there is convergence of various terrorist groups, the Indian authorities have a compartmentalized approach on the specious argument of federalism. It's a war and given its import and spread, the internal enemies can only be defeated, if the Indian Army is in the forefront.

The writer is a former military intelligence officer who later served in the Research and Analysis Wing, or R&AW. The author of two books: Asian Strategic and Military Perspective and Military Factor in Pakistan, he is also Associate Editor, Indian Defence Review.

Power struggles in China; India on China

Army confirms Chinese buildup along India border

LADAKH: The Indian army has long voiced concern over the depth and pace of China's military modernisation, especially in its infrastructure bordering India. On the Line of Actual Control at Demchok in South-East Ladakh, signs of that modernisation on the China side were visible.

Lt General Ravi Dastane, Army Commander, Leh said, "We are watching it closely, it's a capability they are building, it also has a military implication." Colonel SK Sheoran said, "Before 2008 they were 35km behind Demchok, now a platoon strong is deployed in the Zorawar Hill."

In contrast, infrastructure in Ladakh is non-existent. All military and civil vehicles move along dirt trails similar to the mule tracks of the 1962 war. Commander, Fuk-Che Anil Chaudhary said, "Whatever roads are there, gravel surface or natural surface are adequate for moving of military vehicles however better developed roads would add impetus to our own preparation."

Add to that the constant surveillance from Chinese observation posts. New roads are now being laid behind hills that block China's view but progress is slow. In many cases environmental clearances have delayed road building. Air support is hampered by the lack of airfields. The army admits that advanced landing grounds in Fuk-Che and further north in Chushul are too close to the Line of Actual Control to be of use in a conflict. The Air force is trying to get the NYOMA airfield operational but it will take time.

The army does not expect conflict with China in the near term. But power struggles in Beijing within a leadership in transition could have echoes in distant Demchok.

China and India at War: Study Contemplates Conflict Between Asian Giants

There are plenty of reasons why China and India won't go to war. The two Asian giants hope to reach \$100 billion in annual bilateral trade by 2015. Peace



In many cases environmental clearances have delayed road building. Air support is hampered by the lack of airfields. The army admits that advanced landing grounds in Fuk-Che and further north in Chushul are too close to the Line of Actual Control to be of use in a conflict. The Air force is trying to get the NYOMA airfield operational but it will take time.



and stability are watchwords for both nations' rise on the world stage. Yet tensions between the neighbors seem inescapable: they face each other across a heavily militarized nearly 4,000km-long border and are increasingly competing against each other in a scramble for natural resources around the world. Indian fears over Chinese projects along the Indian Ocean rim were matched recently by Beijing's ire over growing Indian interests in the South China Sea, a body of water China controversially claims as its exclusive territorial sphere of influence. Despite the sense of optimism and ambition that drives these two states, which comprise between them nearly a third of humanity, the legacy of the brief 1962 Sino-Indian war (a humiliating blow for India) still smolders nearly five decades later.

And it's alive on the pages of a new policy report issued by the Institute for Defence Studies and Analyses in New Delhi, an independent think tank that is affiliated with India's Ministry of Defense. "A Consideration of Sino-Indian Conflict" is hardly a hawkish tract - it advocates "war avoidance" - but, by spelling out a few concrete scenarios of how conflict may look between the two countries, it reveals the palpable lack of trust on the part of strategists both in New Delhi and Beijing. The report applauds long-term Indian efforts underway to beef up defenses along the Chinese border, but warns that Beijing may still take action:

In future, India could be subject to

China's hegemonic attention. Since India would be better prepared by then, China may instead wish to set India back now by a preventive war. This means current day preparedness is as essential as preparation for the future. A [defeat] now will have as severe political costs, internally and externally, as it had back in 1962; for, as then, India is yet again contemplating a global role.

While a lot of recent media attention has focused on the likelihood of Sino-Indian clashes at sea, the IDSA report keeps its scope trained along the traditional, glacial Himalayan land boundary, referred to in wonkish parlance as the LAC, the Line of Actual Control. Since

the 1962 war, China and India have yet to formally resolve longstanding disputes over vast stretches of territory along this line. Those disputes have resurfaced noticeably in recent years, with China making unprecedented noises, much to the alarm of New Delhi, over its historical claims to the entirety of the northeastern Indian state of Arunachal Pradesh - what the Chinese deem "Southern Tibet." The Chinese even rebuked Indian Prime Minister Manmohan Singh for having the audacity of visiting the Indian state during local elections in 2009.

Not surprisingly, it's in this remote corner of the world that many suspect a





war could kick off, particularly around the historic Tibetan monastery town of Tawang. India has reinforced its position in Arunachal with more boots on the ground, new missile defenses and some of the Indian air force's best strike craft, new Russian-made Su-30 fighters. After decades of focusing its army west against perennial threat Pakistan, India is tacitly realigning its military east to face the long-term challenge of China.

The report speculates that China could make a targeted territorial grab, "for example, a bid to take Tawang." Further west along the LAC, another flashpoint lies in Kashmir. China controls a piece of largely uninhabited territory known as Aksai Chin that it captured during the 1962 war.

Indian press frequently publish alarmist stories about Chinese incursions from Aksai Chin and elsewhere, playing up the scale of Chinese investment in strategic infrastructure on its side of the border in stark contrast to the seeming lethargy of Indian planners.

Part of what fuels the anxiety in New Delhi, as the report notes, is the threat of coordinated action between China

and Pakistan - an alliance built largely out of years of mutual antipathy toward India. In one mooted scenario, Pakistan, either with its own forces or terrorist, insurgent proxies, would "make diversionary moves" across the blood-stained Siachen glacier or Kargil, site of the last Indo-Pakistani war in 1999, while a Chinese offensive strikes further east along the border.

Of course, such table-top board game maneuvers have little purchase in present geo-politics. Direct, provocative action suits no player in the region, particularly when there's the specter of American power - a curious absence in the IDSA report - hovering on the sidelines.

Intriguingly, the report seems to dismiss the notion that China and India would clash in what others would consider obvious hotspots for rivalry; it says the landlocked Himalayan kingdom of Bhutan would likely be treated as a neutral "Switzerland", while Nepal, a country of 40 million that entertains both Beijing and New Delhi's patronage, is more or less assured that neither of its big neighbors would risk violating its sovereignty in the event of war.

Moreover, the IDSA seems to rule out either side encouraging or deploying proxies in more clandestine struggles against the other.

The restive border regions on both sides of the LAC are home to resentful minority populations and more than a few insurgent factions. India and China - unlike Pakistan - have little precedent in abetting militant groups and strategists on both sides would be wary of fanning flames of rebellion that no one can put out.

Yet what seems to stoke Sino-Indian military tensions - and grim prophecies of conflict - are precisely these feelings of vulnerability. The uncertainties posed by both countries' astonishing economic growth, the lack of clear communication and trust between Beijing and New Delhi and the strong nationalism underlying both Indian and Chinese public opinion could unsettle the uneasy status quo that now exists.

Managing all this is a task for wooly-heads in New Delhi and Beijing. But don't be surprised if more reports like this one come out, drawing lines on the battlefield.

Courtesy Ishaan Tharoor via TIME

US naval move in Australia may help India take on China

BEIJING: The US move to create a naval base in northern Australia close to the South China Sea can actually mean more dollars in the Indian kitty, and put more strategic and business opportunities in New Delhi's way, sources said. The first piece of evidence has come by way of Australia's decision to sell uranium to India.

The US move will provide a sense of protection to East Asian countries including Japan, who have serious conflicts with China but buy vast amounts of Chinese goods. The new found protection will encourage East Asia to reduce its dependence on China for goods and enhance economic ties with India, sources said.

"Japan, Vietnam and Indonesia will feel more secure. India and Indonesia can get together to control the Malacca Straits, which is the route through which 90% of Chinese goods to East Asia passes," Subramanian Swamy, Janata Party president and a widely regarded China expert, told TNN.

There are signs that China is jittery about the US move to station 2,500 US marines in the Northern Territory of Australia within five years. Beijing on Thursday warned Australia it might get "caught in the crossfire" if it allows the US to exercise its naval might in the waters around it. Washington's move has put the US navy within easy sailing reach of Vietnam, which is involved in a serious territorial dispute over oil-rich islands in the South China Sea.

The move will also bring some relief to the ONGC, which is one of the foreign companies involved in exploring oil along with Vietnamese oil firms in the South China Sea. China has bitterly criticized India on the move and asked ONGC to withdraw.

When it comes to exporting to East Asia, India cannot replace China, which has a wide range of goods to offer, Uday Bhaskar, director of the National Maritime Foundation, said.

"But there is a strategic review of the bilateral relation with India by the US, EU and Japan, wherein Indian markets are being recognized as an important driver of trade in the region," Bhaskar added.



US President Barack Obama greets Australian troops and US Marines with Australian Prime Minister Julia Gillard (R) at RAAF Base Darwin in Darwin on November 17, 2011.



India will need to retool its export basket if it seriously wishes to compete with China as a provider of goods in East Asia, he said.

The US move can also mean massive savings in investments being made by the Indian defence agencies on the India-China border, Abhijit Iyer-Mitra, research officer at the Institute of Conflict Studies in New Delhi, said.

"This is God sent. The more US ramps up its military presence in South China Sea, the more it will divert Beijing's

attention from India," he said.

"It can actually mean a big saving on investments being made on the China border. But I doubt if our defence establishment would make the best of the opportunity. They are too attached to big budget," he said.

FORCES HALTING OUR N-SURGE

= S Gurumurthy

The agitation against the Koodankulam Nuclear Power Plant has been running as a TV reality show for weeks now. The news-starved visual media has reduced the Koodankulam nuclear plant - a national investment of Rs 13,000 crore and just about to start - to a day-matinee-night show. The Koodankulam theatre is plagiarised on the Anna Fast model for media to hype it. The media too obliged and packaged it as hapless villagers fighting for their right to live. For long, it had winked at the scriptwriters, directors and actors behind the show. But does the media know - or not - that Koodankulam is no isolated event? And that the goals and mission that drive it link it to the stir that is on for almost two decades in the distant and remote West Khasi Hills in Meghalaya against uranium mining? The scriptwriters, directors and actors behind both have a common mission. The Koodankulam stir blocks the building of a nuclear plant for India. The West Khasi Hills agitation prevents the building of nuclear arsenal for India. Who are the directors and actors and what is their mission?

See what nuclear technology means to India. India needs nuclear power and nuclear weapons. There are, in the world, 22,000 nuclear bombs, 8,000 actively targeted at one another's perceived enemy. China has some 240 bombs targeted mostly at India. Pakistan has some 80 bombs targeted only at India. India has 100, less than a third of both. No one deeply concerned for India can even remotely undermine nuclear technology for power or weapons. On the other side, our energy security, heavily import-dependent, is at risk. We, a sixth of humanity, remain a burden on the world. Shamefully. We import oil, coal and gas. Our energy imports is \$100 billion a year. Of which, coal imports, now 100 billion tons, alone cost \$5 billion; it will reach \$45 billion in 2020, \$250 billion by 2050.



The nuclear reactor site at Koodankulam Nuclear Power Plant

We today produce 1,50,000MW of electricity. We need to raise it, by over six times, to 9,50,000MW, by 2030. This is not doable through imported fuel. It needs no seer to tell us that, in the long run, we need indigenously fuelled power. For which a prime candidate is nuclear power.

Now, compare the environmental and human risk in thermal and nuclear power. The risk in one is the merit of the other. Experts say that a 1,000MW coal power plant causes annually 400 deaths by air pollution and climatic change. Nuclear energy does risk accidents - but once in decades - just four accidents in 60 years, involving 66 direct and 4,000 related deaths. It is far less risky compared thermal power. Air accidents kill some 1,000 persons in the world annually. Traffic accidents killed 1.14 lakh people in 2007 in India alone. Yet to think of banning coal, nor air or automobile travel will be laughable. The balance

sheet of nuclear energy is thus superior, less risky, and more clean. Why do some brand nuclear power as evil? Now see how do we produce nuclear power and also weaponise India.

Now uranium drives our nuclear programme. Our minimal uranium reserves are mainly located in Khasi Hills in Meghalaya, Jaduguda in Jharkhand and Tummalappalle in Andhra Pradesh. Global uranium trade is political, controlled by the Nuclear Suppliers Group (NSG). The NSG sells uranium only to an approved country and its nuclear reactors are subject to NSG supervision. India signed a loaded nuclear treaty with the US only to win the NSG approval to access imported uranium. As on now, fourteen of our twenty two nuclear reactors are subject to global supervision. Only the unsupervised eight are usable for producing nuclear weapons. India can import uranium from the NSG for its nuclear power reactors, but import is



only a short term answer, and costly for a country of our size. To fuel large nuclear power plants and for energy security, we cannot rely on imported uranium for long. Ultimately it has to be indigenous fuel. Fortunately, we have the world's largest deposit of thorium, an alternative to uranium and the nuclear fuel of future. We are perfecting the technology to use thorium for producing power. But, till that happens, we need to mine indigenous uranium, first, to reduce the dependence on imports for our nuclear power programme and, next, for operating the eight reactors to produce nuclear weaponry. The two facts are self evident. And now lift the veil and see the common faces behind the two decade-old Khasi Hills agitation against uranium mining and the agitation against the Koodankulam nuclear power plant - that is against nuclear India itself.

That the Koodankulam stir is the show of the Catholic Church has become out, but a bit late. Neutral media reports now

confirm that S P Udaykumar, who leads the agitation, stays with the parish priest Father Jaikumar at Idinthakarai village; Fr Jaikumar openly supports the stir; Fr Thadyuse, the priest of the church in Koodankulam, too is forthright in his support; Fr S Peter, priest at the popular St Antony's Church in the coastal village Ovary, sends his flock to partake in the relay fast at Idinthakarai; local Christians priests confirm that the Bishop at Tirunelveli supports the stir. The church hierarchy is therefore fully at it. According to reports, transport, cash and biriyani are provided to mobilise protesters and they are motivated to throw stones at the maintenance officials of the plant to force its closure. Remove the church, the agitation will stop.

Now see the face behind the agitation in the Christian-majority Meghalaya, which has a sixth of India's uranium reserves. Not a kilogramme of uranium has been mined out of Meghalaya since 1990, thanks to 20-year long agitation by Khasi Hills students against mining

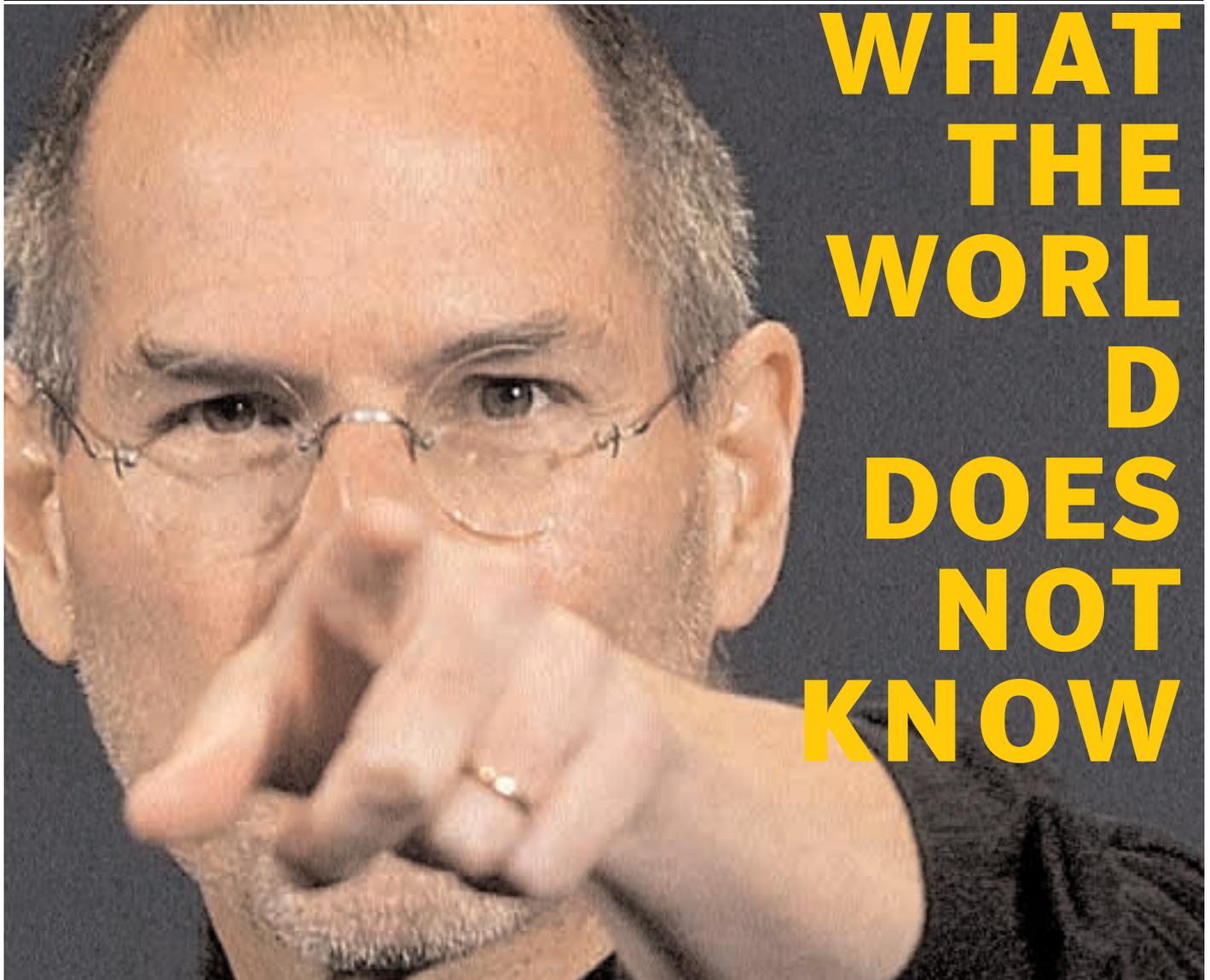
it. The church in Meghalaya is backing, actually organising, the students. Violent incidents, blockade, picketing, huge rallies, setting fire to government offices and paralysing government marked the agitation And who talks for the agitators? The archbishop of Shillong, Dominic Jala. Take the church out, there will be no stir. Even the uranium reserve in Jharkhand is at risk. A huge tribal campaign, with NGOs patronised by the church backing it, is thwarting uranium mining in Jharkhand.

QED: The campaign against mining uranium in Meghalaya and against the Koodankulam nuclear plant is by the same directors and actors with global links and money. Their target is nuclear India. They are driven by a geopolitical agenda to de-nuke India. But they actually nuke India.

(Views expressed are those of the author only)

The writer is a well-known commentator on political and economic issues.

STEVE JOBS



WHAT
THE
WORLD
DOES
NOT
KNOW

K P Prabhakaran Nair

I am not a soft engineer and so cannot speak with authority on the global significance of late Steve Jobs' contributions to information technology. But, I do use the computer for a lot of my research activities, as also for writing the first electronic book on agriculture in the world on important tree crops of the developing world, followed by another on the world's two most important spices - black pepper and cardamom - and the most recent planned one on medicinal spice plants.

And I am working with the most advanced Microsoft system, and I know how tiresome, mentally and physically, it can get at times, sitting in front of the

monitor for something like 15-16 hours a day, with just half an hour break for lunch or dinner, compiling such a vast body of scientific information onto the electronic pages.

What I wish to write about in this article is the frenzy one sees in the world today about Steve Jobs, and his unfortunate, though anticipated by himself, death in October. Some of his global admirers almost want "sainthood" bestowed on him! As he said, he considered every day of his life, after he was diagnosed for a malignant and incurable tumour in his pancreas, as the last day of his life and so worked with devilish frenzy.

Take these examples. A young boy in China sold one of his kidneys in order to afford to buy an I-pod, one of Jobs' sup-

posedly "miraculous" products. His biography by Walter Isaacson is selling like hot cakes in China. At close to Rs 800 a piece, here in India, almost every "IT techie" or "IT coolie" (as someone very respected and knowledgeable here in India referred to our IT engineers working in the US - please note, the term is not mine) would grab a copy of the book.

I have often reflected about life and what it does to people. Sometimes "greatness" gets thrust upon oneself, birth being the common route - "born with a silver or golden spoon", as the case may be. Sometimes "greatness" is achieved, and only those who achieve it know what it takes to "achieve". In a number of cases, however much one tries to achieve greatness, one is swept

down by the winds of hostile history. A common factor in all these cases, more often than not, is that the public at large sees only what it is told to believe. Here in India today, the media plays a pivotal role in the "making" or "breaking" of someone, depending on whether it "likes" or "dislikes" the individual involved.

Only when the person is no more, real skeletons fall out of the cupboard! It might interest the reader here to note that, when Walter Isaacson set about writing the biography of Steve Jobs, the latter was quite indifferent at first. But a point came when Jobs insisted on knowing every bit of detail in the planned book, so posterity would know what Jobs had done. Six months before he passed away, Jobs said at one of his public meetings "Remember, there is only one Steve Jobs". What a gigantic ego! So, let us take a look at what Jobs had done. Here I go.

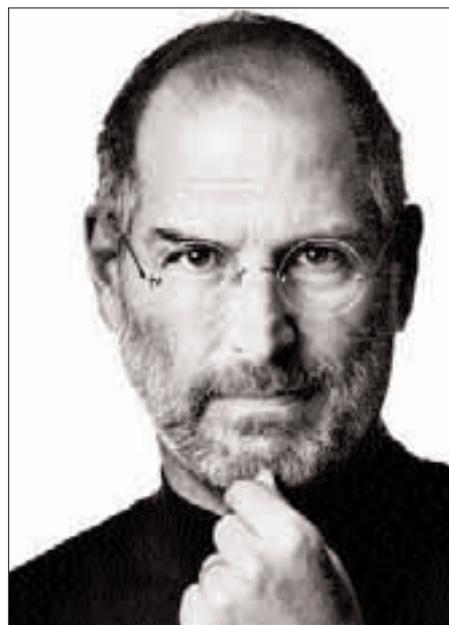
Jobs' most important contribution was to adapt technology to human needs, make it abundantly simple, rather than the normally path of technology companies trying to educate people to use their products via a two inch thick tome - the "user manual". Take the case of the desktop computer. Without spending so many hours to educate myself, I could not have started using the most advanced Microsoft system to enable me to write the electronic book I am now writing. If one critically examines all the desktop computers available in the market today, all are basically the same in technical construction, not adding any significant or unique pride in their ownership, because there is nothing new or very unique about the new model.

But in the field of IT technology, Jobs brought a unique "individual touch" to the product he designed. He did this through Jony Ive, head of the design section of Apple. Jony Ive was almost ready to quit Apple in the mid-1980s when Steve Jobs persuaded him not to quit. Jony Ive was inspired by a German designer who had worked for the famous German electronics company Braun, whose driving principle in design was "Less but Better". This is what Jony Ive and Steve Jobs tried to accomplish together. Would Jobs have been able to replicate the same individuality in, say, an industry like automobiles or fashion designing? No. He would have ended up being "one" among the very best, but, never the "only one".

To go further in critically looking at Jobs' contributions to IT, one has to understand what was happening in mid-

1990s when internet simply did not exist. In 1993, John Sculley, a top employee of Apple (the company Steve Jobs and his high school friend Steve Wozniack founded in the 1970s in a car garage) brought out the "Newton", which formed the core idea for the development of the subsequent I-phone and I-pad, the I-series, which is now is the craze of the world.

Unfortunately, today no one remembers John Sculley, and all credit goes only to Steve Jobs. Talking about "Newton", John Sculley had said in the 1990s when it was just launched, that "people need to communicate quickly in highly informal network-based organizations". That Newton did not live to fulfill its promise was because there was no



technology to support it - mainly because, internet was not invented at that time. Were it so, it would have been John Sculley who would have ruled the world of IT innovation, and not Steve Jobs.

It is a great pity that neither Steve Jobs nor anyone in Apple has acknowledged the revolutionary role Newton played in the production of I-pads and I-phones ("I" devices) that we have now come to accept as simply Steve Jobs creations! That is the irony of life, of great inventions and discoveries.

Today in the world of science, quite often the reward of a Nobel Prize may not reach the simple technician working in a team from whose brain the best idea might have originated. The prize always goes to the team "Leader". Steve Jobs was that kind of a "Leader", driven by a maniac desire to rule and win - no matter how much he trampled on the minds of people around him.

The clearest proof of this is seen in the outburst of John Sculley's wife, who said in 1993 when Steve Jobs was pushed out of Apple as its Chief Executive Officer (CEO), "When I look into the eyes of most people, I see a soul. When I look into your eyes, I see a bottomless pit, an empty hole, a dead zone".

What insightful words coming from a lady whose husband created the unique Newton, but who failed to live up to the glory of inventing such a unique piece of technology!! That was Steve Jobs. Working in the 1980s as a Professor in the world-renowned Justus von Liebig University in Giessen, Germany, where the chemistry department had more than 25 Nobel Prize winners over the years, I used to be wonderstruck by the brilliance of some technicians. But, the "Leader" always usurped the idea of the lowly technician!

The material success of Steve Jobs was a ruthless combination of the "burning desire to be number one in the world". Many have wondered how, behind a company that makes products which mean so much to people around the world, there was someone as mean as Steve Jobs.

Even his family members wondered whether he simply lacked the filter that restrains people from venting their wounding thoughts on others, or willfully bypassed them. I have often thought that sometimes you need to be brutally honest to get where you want to be. And Steve Jobs was honest to the core, in that sense. He wanted to make the best product in the world, wanted to be the number one in the world in his chosen field, and wanted the world to remember even after he left it.

And, of course, wanted all the money that poured out of it. If not, why would he take the production unit to the suburb of Shanghai in China, where dawn-to-dusk, lowly paid Chinese workers whose individual dignity was trampled down, sweated it out to make all the I-devices? He didn't want the production unit to be located in the USA.

Perhaps it is because of that burning passion for an "afterlife" (he was never sure whether God existed or not - it was always 50:50 for him!) that he never wanted an "On-Off" switch in his products. The urge to live on, at least in his consciousness, after the body is gone... Seems closest to what Krishna told Arjuna in the eighteenth chapter of the Bhagavad Gita!

The author is an international agricultural scientist.

SuperHeavy: An Introduction

Mick Jagger - Damian 'Jr Gong' Marley -
A.R. Rahman - Dave Stewart - Joss Stone



Mick Jagger has teamed up with Eurythmics founder Dave Stewart, soul singer Joss Stone, Slumdog Millionaire soundtrack composer A.R.Rahman and reggae star Damian Marley to form a band cooperative project called SuperHeavy. This diverse and eclectic line up who share eleven Grammy Awards between them, have been recording together in various studios around the world, with the majority of the tracks on the project laid down over three weeks in Los Angeles earlier this year. The album will be unveiled in September and tracks include the first single 'Miracle Worker', plus 'One Day One Night', 'Energy', 'Unbelievable,' 'SuperHeavy,' 'I Can't Take It No More,' 'You're Never Gonna Change' and 'I Don't Mind.'

A promo video for 'Miracle Worker' will be shot later this month and will feature Jagger, Stewart, Marley, Stone and Rahman.

It's little wonder that Stewart refers to SuperHeavy as, "A mad alchemist type experiment". Fusing the talents of one of the greatest front-men of all time, a two time Academy award winning Indian composer, a soul vocal prodigy, a three time Grammy winning reggae star, and one of the most sought after producers in the world, you would expect the explosive results to defy categorisation.

SuperHeavy came together after Jagger and Stewart considered what a band comprising of musicians from different genres would sound like. Jagger explains, "Dave really wanted to make a record with a different group of musicians, in other words, with different backgrounds of music. Instead of everyone being a rock musician, or basically a blues musician, or some other genre, he wanted to get as many genres together that would fit. I said it sounds like a good idea, I never thought it would actually happen."

Yet soon enough Jagger found himself

back in the studio with Stewart and Joss Stone, having previously worked together on the 2004 Alfie movie soundtrack.

Jagger explains, "Dave really wanted to make a record with a different group of musicians, in other words, with different backgrounds of music. Instead of everyone being a rock musician, or basically a blues musician, or some other genre, he wanted to get as many genres together that would fit. I said it sounds like a good idea, I never thought it would actually happen."

Stewart says Stone was, "an obvious choice for us. She's such an incredible singer and spirit." Stewart and Jagger's dream team took further shape when they were inspired to bring Damian Marley into the mix, says Stewart, "We'd always wanted a Jamaican musician because Mick and I are crazy about Jamaica and Jamaican music. Stewart has worked with legend Jimmy Cliff while Mick has duetted with Peter Tosh from the Wailers on the Temptations tune "Don't Look Back" in 1978.

We were listening to loads of stuff and suddenly a light bulb went off and we thought about Damian Marley." Jagger had long been a fan of Marley's, fresh from another cross-genre collaboration with American rapper Nas, citing his strength as a lyricist and toaster along with his penchant for experimentation and collaborative spirit. Marley brought on board his rhythm section, bassist and composer Shiah Coore and drummer Courtney Dierick, while Stewart introduced the band to his long-term collaborator Ann Marie Calhoun, a rock violinist who had previously worked with the Foo Fighters.

Recording in LA meant the band's path crossed with legendary Indian composer A.R. Rahman, in the City of Angels fresh from his Slumdog Millionaire Oscar glory. Jagger explains, "We didn't know what kind of music we'd make, we didn't know if it would be any good, but we hoped we'd have fun." They were thrilled to have Rahman on board.

Stewart says, "He brings so much musical knowledge, amazing musicianship, melody and singing power from a different culture."

Despite their disparate backgrounds, they instantly connected and hit the ground running, writing twenty-two songs in the first six days. Stone was thrilled with the results, "That's what you need, all these opinionated people who have been brilliant in their own field, shove them together and see what comes out. It's really unexpected, it's mind blowing" she enthuses. Similarly enthused was Rahman, "The first day I was in a daze thinking, 'What am I doing? What's my role?' and then slowly we started writing with each other, and it was great. It took me way back to my high school days when I was playing in a rock band, but this one was a real one!" Jagger says of the writing process, "We ran the gamut of all our different styles mixed up, so we got Joss singing, Damian doing toasting, and me singing different styles."

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However, despite the free flow of creative juices and the easy rapport they established, getting the band together in one place became very difficult, as Stewart explains, "It's the most complicated record ever made. Imagine, some of it's recorded in LA, some of it's recorded in the South of France, some of it's recorded off the coast of Cyprus, some of it's recorded in Turkey, some of it's recorded in Miami, some of it's recorded in the Caribbean, and some of it's recorded in Chennai, in India."

The project needed a name. Marley had been riffing the term "SuperHeavy", inspired by Muhammad Ali being the super heavy weight champion of the world and the phrase became the band's catchphrase, "It was Mick who said, 'Why don't we call it SuperHeavy?', recalls Stewart, "We all thought about it for ages and then it sort of stuck."

SuperHeavy is a new and spontaneous way of working for all the collaborators as Jagger explains, "I said to Dave, normally [with the Stones] we'd always have written songs before we go into the studio, but the jam sessions resulted in some great work believes Stone, "It felt better when we were just jamming, that way we made it up as we went along and it was easy."

The band found a harmonious way of working together, "With five of you everyone has to give and take quite a lot. We tried to understand everyone wouldn't be too egotistical, start throwing things around the studio, we wouldn't have fights!" says Jagger. However they weren't averse to telling each other to be better either, Jagger continues, "We were writing a lot of stuff and throwing it away. I would say, 'That's rubbish, another cliché Joss', and she'd say,

'Well you come up with something then!'" The experience was refreshing and exciting for the band, "We're four vocalists, we've never worked like that before. It's great because the whole burdens not on you, and that made it fun." Jagger enthuses.

Back to that alchemical experiment, Jagger, Stewart, Marley, Rahman and Stone appear to have created a new genre. It's a new kind of music, it's a new genre, one that cannot be placed" says Stone. Yet, Jagger is keen to point out the music is accessible, "It's very approachable. If you're a Rolling Stones fan there's definitely stuff you can relate to. Other stuff that you can't relate to so much, maybe if you listen you'll enjoy it."

A first for Mick Jagger is singing in Urdu, on a song composed by Rahman, entitled "Satyameva Jayate", meaning, "the truth alone triumphs", Rahman wrote the song after some gentle teasing from the others. Rahman explains, "In the daytime I was playing with them, in the night time and evenings I was gigging" "Then", says Jagger, "He didn't come into the studio one day, so I said, 'Where's A.R.?' and he came in really late at night, really pleased saying, 'I've got my song!' I manage one line in Urdu, only one!"

Marley's way of working was different to the rest of the band. Stone reveals, "Damian is kind of quiet but he has some brilliant ideas. He works on stuff at night. Sometimes he'll just go away and sit with the lyrics and bring something to it. His rhythm section brings so much. He has his own thing going in the next room so I pop in and out." Marley would work on toasting over the record by himself and re-join the band when he was happy with it.

As far as the future of SuperHeavy goes, "We haven't planned to do a tour or anything, but if people really like it maybe we will. We'd love to get out and play some of it live," says Jagger humbly. "As soon as we started playing together in the studio it gelled, and all these different styles didn't seem to be a problem to make them fit together... I hope people will like it..."

Main Credits on the 'SuperHeavy' album are - Mick Jagger (vocals, guitar and harmonica), Dave Stewart (guitar), Joss Stone (vocals), Damian Marley (vocals) and A. R. Rahman (vocals plus a variety of keyboards).

The SuperHeavy album is co-produced by Jagger & Stewart.

Universal Music will release the album worldwide on their A& M label imprint.

Modeling is an expressive art : Emma Singh

Emma Singh is a professional model with some great modeling experience. As well as modeling, Emma completes volunteer work in the community and has recently graduated with a first class Bachelor of Science degree, winning awards for best student and best dissertation.

Through volunteer work she has gained an insight into the experiences of vulnerable people and as a result seizes every opportunity to make a positive impact in her own life as well as in others.

Emma has always been passionate about following something she enjoys, and entered the Asian fashion industry after being discovered by Asiana Magazine. Her popularity has grown quickly and Emma continues to model in Asiana Magazine frequently, also having the recent opportunity to appear in Bollywood film Ra.One.

2011 has seen Emma win the title 'Miss London' entering her into the finals of one of the most prestigious beauty pageants- Miss Great Britain, and Emma is now a fashion and beauty contributor for Pardon My Blog.

Being from a mixed race background Emma feels fortunate enough to have been exposed to different cultures, people and perspectives. This has enabled Emma to adapt well to diverse environments and situations whilst allowing her to develop a sense of self and become open to new challenges and experiences.

PIO community is extremely proud of her recent achievements.

Q. What inspired you to join the fashion and entertainment industry ?

Fashion is a deep passion of mine, but making the fashion never interested me- I wanted to be the fashion. To be a model, it takes more than just pretty face. I think modeling is an expressive art form and tells a story without words. You can show movement in a still picture, and I think that is incredible to be able to have that skill. For me, I always wanted to be a role model and when I see or read about successful people who have come from nothing, it really inspires me to achieve great success from the grass roots. When my passion



for the fashion and entertainment industry met my desire for success, I almost had no choice but to go with it! I'm living out my passion and loving it; whilst hopefully inspiring others to do the same along the way.

Q. In terms of quality, how do you rate the Indian model and fashion industry vs global fashion industry?

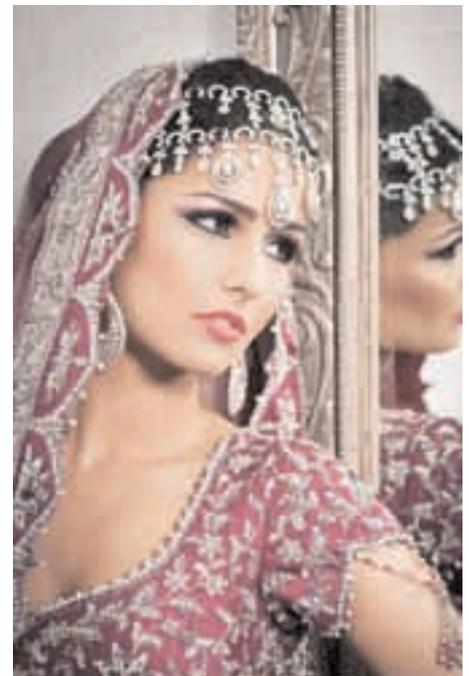
India's fashion industry is growing in prominence, however the two will always be very different. They're marketed at completely different audiences, I would never rate or compare the Indian and Global industries as, to me, it wouldn't make sense to do so.

Q. Business is about passion or hard core business for you?

Passion, absolutely! Passion is the critical ingredient that must be part of the mix if you are serious about any worthwhile pursuit. The key to success in any business, besides the soundness of the foundation and product itself, is passion. When you are doing something that you love, and really helping and inspiring people, that is the true reward and is greater than any financial payment. That's the simple truth of things.

Q. Apart from the conventional overseas market like US & UK, which are the other popular markets for Asian ORIGIN models aspiring to be an international celebrity?

India, of course. Bollywood is huge



and one of largest centres of film production in the world. I myself aspire to work in India at some stage in my career.

Q. India and China are booming, do you have any synergy with active North America or Chinese companies in the related sector to promote and co-brand yourself?

Not right now, but I am always open for new and upcoming opportunities. Life's for the taking. I will never shut an opportunity out of my life. It's by taking chances that we learn to be brave.

Q. Who is your national and international role model?

My parents. I have always grown up believing that it is the environment that defines a person's qualities and characteristics. My parents are huge contributors in my environment and they have a large role in raising me to be the person I am today. They taught me that I can achieve anything. My parents have both faced hardship, and still struggle to this day, yet they always put a smile on their faces for me- even during the hardest times of their lives. I strive for success so I can give them a comfortable life and say thank you for all they have done for me. They are my favourite people in the world.

Inputs from Kapil Dudakia, UK Bureau - Opinion Express.



Strategic Location

- Located in the Rogul Creek on the West Coast of India
- Advantageously positioned along International Shipping Routes
- 42 Nautical miles South of Mumbai
- 160 kms from Mumbai by road
- 42 kms off NH 17 and the Rail Network
- Identified node on DMIC & DFC

Immediate Hinterland

Roha, Khopoli, Mahad, Patalganga, Nagohane, Navi Mumbai, Mumbai, Thane-Solapur, Nashik, Pune

Secondary Hinterland

Goa, Madhya Pradesh, Gujarat and the land locked States of North India

Connectivity

By Road

Northern Shore SH 08, SH 93 and SH 90
Southern Shore SH 97 and SH 58

By Rail

Connectivity - Northern and Southern bank
Proposed Alignment: Agardanda - Indapur - Mangesh

Development Potential & Planned Facility

Phase I - 5 Berths :

- 1 Multipurpose Berths, 1 Ro Ro Terminal
- Capacity to handle 30 million tonnes
- Dedicated Approach Channel with a depth of 14.5 m chart datum
- Extensive land bank for development
- Waterfront encompassing Northern and Southern Banks

SEZ & FTWZ

Port based multi-product SEZ inclusive of FTWZ

Dedicated world-class infrastructure for warehousing & logistics
State of the art cargo handling equipment transportation & support infrastructure facilities

Cargo Potential

- Containers
- Steel
- Automobiles / Automobile Components
- LNG
- PCL
- Minerals
- Coal
- Chemicals
- Fertilizers
- Cement
- Iron Ore
- Edible Oil, etc.

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An International Infrastructure Development Partner

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TRUST**
Trustee: Port Trust Limited

Gateway To Maharashtra

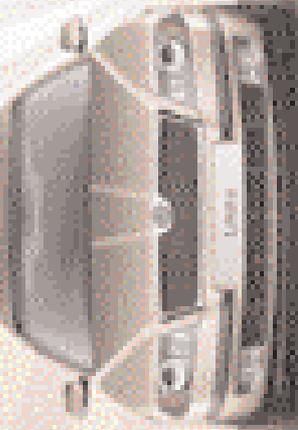


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