

**You can learn a lot from a dose of obedience, loyalty, and the importance of turning around three times before turning down.**

**Robert Benchley**

## Targeting NGOs

The Centre has, in one fell swoop, revoked the permission to 20,000 NGOs to receive foreign contribution by cancelling their licences under the Foreign Contribution Regulation Act (FCRA). One report says that there are 33,000 NGOs working in the country in different fields. But the number is rather confusing because last year the CBI came out with a report that the number of NGOs operating in the States and Union Territories was 31 lakh. The NGOs started getting targeted during the UPA regime which alleged that some of the foreign-funded NGOs were working against 'national interest' by opposing development programmes like setting up nuclear power plants.

'Development' has no universally accepted definition. For example, the Gandhian paradigm of development is diametrically opposite to the development followed by all the governments in post-independence India. As far as the opposition to building nuclear power plants is concerned, it is not confined to India alone. There are many countries which have consciously veered away from nuclear power generation. Some countries have not set up a single nuclear power plant for several decades now. The disposal of the radioactive nuclear waste (spent fuel) from the reactors is a big problem for this waste remains highly radioactive for thousands of years. Those who are against nuclear power plants have solid scientific evidence about the dangers ingrained in nuclear power generation. There may be other 'development' programmes like building big dams which also may be opposed on cogent grounds. Medha Patkar's 'Narmada Bachao Andolan' is such a movement. Bodies which oppose development schemes that they perceive to be destructive of ecology and environment are banded together in the National Alliance for People's Movements (NAPM). Evicting activists from their ancestral lands for extraction of minerals lying buried in their land may be considered very necessary for development by some. Others may be totally opposed to such a concept of development. That does not necessarily make them anti-national. In a democratic country there should be a free and open public debate at all levels about the type of development suited for our country.

'National interest' - except in the case of national defence against foreign aggression - has no universal definition. National interest is what the ruling party at the Centre at a given point of time thinks it is. If any NGO is found to be engaged in activities that are criminal, it can be proceeded against under the Indian Penal Code or other relevant laws. The wholesale targeting of NGOs is uncalled for because the majority of them are rendering service to the people in different ways.

# Note ban induced economic woes

## REFLEX ACTION

G. Srinivasan

As 2016 goes out to be mere memories in a few days, the Indian economy is at the crossroads, with the Modi Government handling of the economy by injecting investment and promoting entrepreneurial élan and enterprise being a mixed bag. No doubt with its salutary majority in the lower

house of Parliament, it got several pieces of crucial economic legislations passed including the Taxation Laws (Second Amendment) Bill 2016 sans debate. In its two and a half years of being on the seat of governance, its track record in Parliament is not much to gloat over even as it may choose to blame the scattered Opposition parties that were made defunct after the 2014 General Election. But if not for anything else, the multiplicity of Opposition parties got their scattered wits together and stonewalled proceedings save a few sessions in both the Houses of Parliament throughout the second coming of the National Democratic Alliance (NDA) led by the principal Bharatiya Janata Party (BJP) under the leadership of the Prime Minister Narendra Modi.

That the government of the day had to face two years of successive droughts both in 2014-15 and in 2015-16 with farm sector growth tepidly inching from a poor base this year was quite well known. But despite this natural mishap, the Modi government did not show much flair for the farm sector's genuine revival when it was most needed in the initial years. However, it subsequently saw the writing on the wall in the widespread rural distress and tried to mend matters by some cosmetic inducements here and there. But the simple most important anti-farmer measure it took was to liberalize import regime for commodities and grains by slashing import duties indiscriminately and across-the-board with growers and farmers being subject to work under unfair competition from cheap and subsidized farm goods from the developed world. At a time when advanced economies like the US and the UK opted for a

virulently protectionist leaders lest employment to natives should not be in jeopardy, it is a reflection of the Modi government that it did not find it fit to safeguard the swathes of its own poor farmers who toil on the soil, despite all the harsh conditions, both man-made and natural.

The Indian peasantry is no doubt in silent resentment against what the British Prime Minister Theresa May eloquently exoriated against "the privileged few" with the Government at the Centre not budging from its obdurate posture of not encouraging the agricultural sector hook, line and sinker in an economy where a majority of people eke out their existence on cultivating a small holding, either on their own or on behalf of the privileged landowners. This situation is fraught with risks if the authorities do not bring to bear some relief measures to the agrarian economy so that its invertebrate ire is not translated into making India a permanent importer of even essential agricultural goods it needs for its rising populace.

The clampdown on black economy by declaring high value currencies of Rs 500 and Rs 1000 no longer legal tender from the mid-night of November 8 was a bolt from the blue as it hit more than most the ordinary people and effecting a deflationary spin to the economy. It would take a few quarters for the economy to effect a rebound in demand, particularly in a cash-driven society where the worst hit are the street vendors, small retail store operators and merchants who find the deficiency of demand engineered by the demonetisation. It is a paradox that the high secret action of the government was not

accompanied by proper preparatory works and that frequent modifications and changes to rules and regulations of dealing with the aftermath of the action left many puzzled and worried over the safety of their nest-eggs savings in their bank accounts.

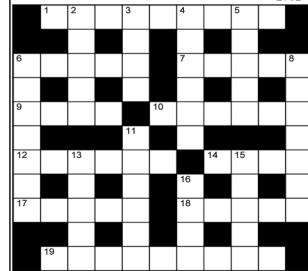
The comport of the bank officials is far from satisfactory as nationalised banks, far from being affable to the poor customers, showed up their seamy side by being partisan to their rich and corporate clientele and restricting the amount normal account holders can draw drastically to the official limit of Rs 24,000 per week. When discretionary powers get devolved on financial institutions particularly in banks where many people have their money in safe custody, the resultant harassment to the public is inevitable as power goes to their head. Some time they also get worked up because of constant interference from higher-ups to do this or that for the privileged few!

As the year draws to a close, the situation does not appear to be easing for the harrowing public as the restrictions for withdrawing one's own money might persist till the process of re-monetizing the economy is complete. While nobody grudges draconian actions against errant elements in the economy who profit by their nefarious activities, the ramifications and repercussions need to be duly reckoned lest the public at large do not feel short-changed or subject to undue inconvenience. Many doubt whether the blizzard of demonetisation would do subsides soon to enable people to resume their normal life. Even assuming that its deleterious effects would be lived down by the forgiving public if only it purges the economy of all odious and obnoxious dregs, the picking up process would be a long drawn out exercise with many normal people finding the existence enervating enough. So as the New Year is all set to dawn, hope springs eternal that the hardships of the recent weeks would be behind and that better days would herald India's tryst with destiny for a sustainable development. (IPA)



A person looks at New Year greetings cards and calendars being sold at a roadside stall today —Arijit Ganguly/EOI

## QUICK CROSSWORD 2702



- Across**
- Extra (9)
  - Tree anchors (5)
  - Water lily (5)
  - Heal (4)
  - Artist's workshop (6)
  - Fleet of warships (6)
  - Tangle (4)
  - Purplish colour (5)
  - Expand (5)
  - Translate (9)
- Down**
- Singing group (5)
  - Alleviate (4)
  - Divides (6)
  - Assessed (5)
  - Take back (7)
  - Abridge (7)
  - Stick to (6)
  - Grive over (5)
  - Elbow (5)
  - Exchange (4)

**Previous solution**  
**Across:** 1. Quarry, 7. Nave, 8. Crane, 9. Unkind, 10. Char, 12. Iota, 14. Counts, 17. Troll, 18. Inane, 19. Shambles.  
**Down:** 1. Quirk, 2. Ageing, 3. Dock, 4. Reach, 5. Infuriate, 6. Defrosted, 11. Jovial, 13. Troth, 15. Nears, 16. Glum.

## SUDOKU: 2430

		5	1					
7			2	3				5
1			5		7	6	9	
4			7				8	
						3		4
2	9	3			1			6
5				9	7			3
					5	9		

## Yesterday's Solution 2429

1	2	7	6	5	4	9	3	8
6	3	5	9	1	8	2	7	4
9	4	8	3	2	7	5	1	6
8	5	9	7	6	2	1	4	3
2	7	4	1	9	3	6	8	5
3	1	6	8	4	5	7	9	2
4	9	2	5	8	1	3	6	7
7	8	1	2	3	6	4	5	9
5	6	3	4	7	9	8	2	1

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# BBIN corridor proposal

## FOCUS

Ashis Biswas

Even as the \$46 billion China-sponsored CPEC (China Pakistan Economic Corridor) project is about to go functional, with Russia and Iran expressing their interest to participate, India faces a minor setback in developing its regional transport network. Bhutan has expressed its reservations about the India-backed BBIN (Bangladesh Bhutan India Nepal) Motor Vehicle Agreement initiative in South Asia. The contrast could not be more embarrassing for the Government of India.

The CPEC forms part of Beijing's ambitious OBOR (one belt one road) global initiative in connectivity. It seeks to connect China with 65 countries, with a combined population of 4.4 billion people and accounts for 40 per cent of the world's GDP. In South Asia, China had proposed a similar economic corridor BCIM before India, Bangladesh, Nepal and Bhutan came together to set up the BBIN. The economic scope and ambit of the BCIM whose members are China, Bangladesh, Myanmar and India, are far more ambitious than that of the BBIN.

The BCIM economic corridor, one of the six such projects within the OBOR, brings together 40 per cent of the world's population, and accounts for 10 per cent of the world's GDP. Trade and business among BBIN countries is around \$28-29 billion annually, while that among BCIM members it should be much more, simply

because of the China factor. However, BBIN members also account for informal trade and business to the tune of \$25 billion or so, according to analysts. India is the clear leader in the group, accounting for 75 per cent of the cumulative GDP.

Similarly India's exports to its fellow BBIN members accounts for 6 per cent of its aggregate, while its imports from them accounts to only 0.65 per cent of its total requirements. Naturally Nepal, Bhutan and Bangladesh have been pointing to the large gap in their bilateral trade with India, pressing for tariff reduction and other concessions to ensure a more equitable arrangement. India has withdrawn or reduced tariff levels imposed on a variety of items for Bangladesh and Nepal in recent years.

Bangladesh authorities are hopeful about the BBIN because it brings it in touch with the biggest market and economy in the region, India. For the expanding Indian economy too, the 160 million strong Bangladesh market is an attractive proposition. Before 1970-71, regional political and other compulsions had kept all contact between East Pakistan and East Indian States to a minimum. Bangladesh authorities now expect, with most artificial barriers gone, a rapidly increasing economic turnover and more business generated from larger contact with India, the exchange/

sharing of technologies, goods and products, as trade time and formalities are reduced to a bare minimum. No wonder, the relative size of their economies being larger than those of the two landlocked, Himalayan countries, Nepal and Bhutan, brings some built-in advantages for India and Bangladesh. However, this has not dampened Nepal's hopes about the BBIN initiative. Nepalese authorities point out that the BBIN mostly is about implementing transport linkages and infrastructure upgradation schemes that were already part of the SAARC charter.

Most schemes had been finalised after long discussion and consultations, incorporating the elements of mutual benefits and accommodation among member countries. With Bangladesh already sending certain products by road to Nepal via North Bengal and exploring possibilities of securing hydropower from the Himalayas and Nepal being able to access the Chittagong and Mongla ports in addition to the facilities it enjoys in Kolkata port, all three countries view the BBIN as a win-win option. The Asian Development Bank too had been examining the economic possibilities of South Asia for

some time. The Bank agreed to finance 10 road networks to link the countries in this region so as to facilitate more regional trade and business. BBIN members have included seven of these projects for implementation. But Bhutan's reservations and its go-slow on the BBIN projects for reasons that are difficult to ignore, make it clear that the initial regional target - the implementation of infrastructure improvement by upgrading/executing 30 specific projects over the next five years, with an investment of \$8 billion - will not be met.

The fears expressed by Bhutan, with its smallest population of barely 1 million people in South Asia, and a very small production base, are genuine. There are apprehensions that the Shangri-la of the East, which attaches far more importance to its top position in the world in terms of the human happiness/contentment index, may well lose its distinct identity unless the BBIN initiative clearly spells out certain measures in concrete terms, ensuring a protection for Bhutan from any eventual economic or population invasion from its more populous neighbours, particularly India. Even as certain measures are under

discussion, no solution has been found to Bhutan's worries. Transport operators in Bhutan are upset because they fear the country's difficult hill roads will be damaged by the movement of heavy weight cargo, or put to strain by the movement of too many passenger/tourist vehicles. This would cause severe jams, endanger the environment and the ecology Bhutan has been able to preserve for itself through the ages.

Understandably, Bhutanese authorities are sceptical about the possibilities of economic development and progress. A section of its politicians are worried about the outcome of the BBIN projects, particularly in the country's upper house. While the Bhutanese Chamber of Commerce has welcomed the BBIN proposals cautiously, policymakers wonder how Bhutan would gain in trade through improved connectivity. Bhutan can export its hydropower, its fruits and food products and earn good revenues from its regulated tourism trade, which is not as freely conducted as freely it is in Nepal, chiefly to maintain its enduring idyllic charms. But what other items it can send or sell to, its neighbours? Now with Iran and Russia showing their interest in the CPEC and expressing their keenness to join the project, China has clear sent a clear message to the world that it means business when it talks of economic growth in its immediate neighbourhood. (IPA)