



# INDIA

# Digest

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## Politics

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### US report on religious freedom lists protests on CAA

SHUBHAJIT ROY, The Indian Express, 12 June 2020

NEW DELHI: In its 'International Religious Freedom Report' for 2019, the United States administration has given a detailed account of the protests and criticism against the Indian government's decisions on the Citizenship Amendment Act (CAA) and Article 370 of the Constitution of India giving special status to Jammu and Kashmir. The report also talks about "religiously inspired mob violence, lynching and communal violence", and says that "some officials of Hindu-majority parties, including from the Bharatiya Janata Party (BJP), made inflammatory public remarks or social media posts against minority communities".



Calling it an "internal report" of the US government, the Indian government said Washington has "no locus standi" to comment on the issue. Responding to questions on the report, the Ministry of External Affairs' official spokesperson Anurag Srivastava said, "The report is published annually by the US State Department as part of the legal requirement to the US Congress. It is an internal document of the US government. India's vibrant democratic traditions and practices are evident to the world. The people and the Government of India are proud of our country's democratic traditions. We have a robust public discourse. And we have constitutionally mandated institutions that guarantee protection of religious freedom and rule of law. Therefore, our principal position remains that we see no local standi for a foreign entity to pronounce on the state of our citizens' constitutionally protected rights."

The annual report, submitted by the US Department of State to the US Congress on International Religious Freedom, talks about the status of religious freedom in every country. "In December, (Indian) Parliament passed the Citizenship Amendment Act (CAA), which accelerates citizenship for Hindu, Sikh, Buddhist, Jain, Parsi, and Christian migrants from Afghanistan, Bangladesh and Pakistan who entered the country on or before December 31, 2014, but not for similarly-situated migrants who are Muslims, Jews, atheists, or members of other faiths," says the 27-page report. "The law generated widespread media and religious minority criticism, including legal challenges in the Supreme Court. Protests and violent clashes between protesters and security forces in Uttar Pradesh and Assam following the passage of the law resulted in 25 civilian deaths and hundreds of injuries," it says.

On Article 370, it says: "In August, the federal government revoked the semi-autonomous status of the Muslim-majority state of Jammu and Kashmir and split it into two union territories: Jammu and Kashmir, and Ladakh... The revocation sparked protests, criticism from Muslim leaders, and challenges filed in the Supreme Court from Opposition politicians, human rights activists, and others. The government sent thousands of additional security forces to the region, shut down many Internet and phone lines, and had not restored full service by year's end. The government also closed most mosques in the area until mid-December. Seventeen civilians and three security personnel were killed during the protests."

"Issues of religiously inspired mob violence, lynching and communal violence were sometimes denied or ignored by lawmakers, according to a number of non-governmental organizations (NGOs) and media outlets. There were reports by NGOs that the government sometimes failed to act to prevent or stop mob attacks on religious minorities, marginalized communities and critics of the government," it says. "Mob attacks by violent Hindu groups against minority communities, including Muslims, continued

throughout the year amid rumors that victims had traded or killed cows for beef. Authorities often failed to prosecute perpetrators of such 'cow vigilantism', which included killings, mob violence, and intimidation. According to some NGOs, authorities often protected perpetrators from prosecution and filed charges against victims," says the report.

The report mentions the Supreme Court's decision on the Babri Masjid case too. "Leading national Muslim organizations and some Muslim litigants petitioned the court to review the decision and permit the mosque, which was destroyed by members of Hindu nationalist organizations in 1992, to be rebuilt on its original site. In December, the Supreme Court dismissed these petitions and maintained its ruling," it said. While the US embassies are learnt to prepare the initial drafts of country-specific chapters, the Office of International Religious Freedom, based in Washington, collaborates in collecting and analyzing additional information for the report. Earlier, External Affairs Minister S Jaishankar said the government had denied visas to teams of the United States Commission on International Religious Freedom (USCIRF), a non-governmental advisory body to the US Congress, after its denouncement of the state of religious freedom in India.

## Nepal's new map is stirring old rivalries for India and China

ANBARASAN ETHIRAJAN, BBC News, 10 June 2020

NEW DELHI: The redrawing of the map covers a relatively small region high in the Himalayas, but it has stirred simmering tensions between two of the world's biggest powers that is India and China. In Nepal, which is sandwiched between the two, people have protested and accused India of disregarding the country's sovereignty. Media and some officials in India have accused China of instigating the changes to Nepal's map, a charge to which China has not responded. Nepal and India share an open border of about 1,880 km (1,168 miles). The two countries have finalized maps covering 98% of the boundary, but the Lipulekh pass, Kalapani and Limpiyadhura in western Nepal are among the areas that remain contested. Together, the three areas cover about 370 sq km (140 square miles), Nepalese officials say. The strategic Lipulekh pass connects the Indian state of Uttarakhand with the Tibet region of China.



Nepal and China have been angered by India's recent moves. Delhi's published its new map of the border region in November, after it divided Indian-administered Kashmir into Jammu and Kashmir and Ladakh. The map incorporated some of the territories disputed with Nepal inside India's borders. In retaliation, Nepal published its revised map last month showing the disputed areas within Nepal, infuriating India in return. The amendment to replace the map is expected to be passed in Nepal's parliament this week. Nepal surrendered a part of its western territory in 1816 after its forces were defeated by the British East India company. The subsequent Sugauli treaty defined the origin of the Kali river as Nepal's border point with India. But the two countries differ on the source of the Kali river. India argues that the exact co-ordinates of the river were not mentioned in the treaty and claims that improved survey techniques have redrawn the map in the years since.

In recent weeks, the so-called "cartographic war" has triggered nationalist sentiment on both sides of the border, and Nepal has called for India to withdraw its soldiers from the Kalapani region. In reality, all the three contested areas have been firmly under India's control for the past 60 years or so and the

people living in those areas are now Indian citizens, pay taxes in India and vote in the Indian elections. Nepali politicians argue that as the country was going through decades of political crisis followed by a Maoist-led insurgency, they were not in a position to raise the border dispute with India. As a landlocked nation, Nepal depended for many years on Indian imports, and India played an active role in Nepal's affairs. But in recent years Nepal has drifted away from India's influence, and China has gradually filled the space with investments, aid, and loans. China considers Nepal a key partner in its Belt and Road Initiative (BRI) and wants to invest in Nepal's infrastructure as part of its grand plans to boost global trade. Xi Jinping last year became the first Chinese leader to visit Nepal since Jiang Zemin in 1996. During his visit, the two countries decided to upgrade their ties to a "strategic partnership".

For India, the Lipulekh pass has security implications. After the 1962 border war with China, it was concerned about a possible Chinese intrusion through the pass and has been keen to hold on to the strategic Himalayan route to guard against any future incursions. The pass has proved a point of contention since. In May this year, the Indian defense minister inaugurated an 80km upgraded road on the pass. The improvements will help to reduce travel time for the Hindu pilgrims that use it, but it was this move that triggered the diplomatic spat with Nepal. Scores of Nepalese held a protest in front of the Indian embassy in the Nepalese capital, Kathmandu last month demanding India withdraw its soldiers from the pass. Others expressed their anger on social media with hashtags like "#Backoffindia". Even before the territorial dispute, there were anti-India sentiments in Nepal. Violent protests erupted in 2015 when the ethnic Madhesi community revolted, demanding more rights, and goods traffic from India was blocked. Though India denied it was behind the economic blockade, very few people in Nepal believed the denial. The five-month blockade crippled life in Nepal and many were furious that it badly affected reconstruction work after the 2015 earthquake disaster.

In the current territorial dispute, the Nepalese government has accused Indian foreign ministry officials of not seeking to resolve what is at issue. The suspicion in Delhi is Kathmandu's new-found confidence is because of Chinese backing. For its part, China has been keeping quiet, apart from its foreign ministry saying it hoped India and Nepal would "refrain from taking any unilateral action that may complicate the situation". There is consensus on both sides that dialogue is the way forward, but it is clear that India has been disturbed by the turn of events in what used to be its closest ally. When Nepal's parliament formally approves the map, India will find it hard to ignore the issue any longer. Many former diplomats on both sides have been urging Delhi to begin talks. While it will be difficult for India to give up a strategic territory bordering China, Nepali leaders will struggle to sell any deal to its people without getting anything substantial in return. Both sides are in for a long haul. If Delhi hardens its stance and attempts to compete for more influence in Nepal, it is likely to trigger more anti-India feeling. Nepal stands to benefit immensely if it can steer the India-China rivalry to its advantage, but it also risks getting caught in the middle of the great Asian power game.

## **Telemedicine must be covered in health policies**

**SWATI RATHOR, Times of India, 12 June 2020**

HYDERABAD: In a double bonanza for health insurance policy holders, the Insurance Regulatory and Development Authority of India (IRDAI) announced on Thursday guidelines that will help people save on out-of-pocket healthcare expenditure. While the insurance regulator said health insurers can no longer bracket costs associated with pharmacy and consumables, implants and medical devices as well as diagnostics under "associated medical expenses" as part of their health policies, it has also directed

insurers to start including telemedicine as part of medical consultation cover in health policies after the Medical Council of India (MCI) issued "Tele Medicine Practice Guidelines" to enable registered medical practitioners to provide healthcare via telemedicine.

As per the modified guidelines on product filing in the health insurance business, IRDAI said insurers shall not recover any expenses other than the defined "associate medical expenses" while processing claims. It also said that insurers are not permitted to apply proportionate deduction for "ICU charges" as different categories of ICU are not there. IRDAI has said the provisions of these modified guidelines are applicable to new health insurance products filed on or after October 1, 2020, and all policy contracts of existing health insurance products not in compliance with these guidelines shall be modified as and when they are due for renewal from April 1, 2021 onwards.

The head of health claims from Bajaj Allianz General Insurance said the move will reduce out-of-pocket expenses of customers and insurers will have to negotiate with their hospital networks. The CEO of Edelweiss General Insurance said that IRDAI has advised insurers to specify the details of the medical costs' insurers are entailed to. Pharmacy, diagnostic, consumables, and other implants would not be included under any circumstances. There will also be no deduction for ICU admission as it is a single category. For insurers, this translates to a higher claim size. The new guidelines require and allow all insurers to cover telemedicine costs if their policy covers medical consultation. Telemedicine as emerged as a credible additional health services deliver mechanism during the Covid-19 pandemic.

## **US protests trigger calls by India's Dalits to end discrimination**

**Al Jazeera, 11 June 2020**

MUMBAI: Spurred on by the anti-racism protests in the United States, Dalits (a marginalized community once referred to as "untouchables") have called on India to acknowledge centuries of oppression they have endured. Dalits find themselves outside the Hindu caste hierarchy - a membership determined at birth - and have historically faced violence, segregation and been barred from even having their shadows touch those of people from more privileged castes.

Dalit campaigners said they supported the Black Lives Matter protests in response to the death of George Floyd after a white police officer knelt on his neck for nearly nine minutes and hoped it would ignite a similar conversation in India. India banned discrimination based on caste - a system which divided Hindus into groups based on occupations - in 1955. But ancient biases against Dalits and members of the less privileged Hindu caste groups persist, making it harder for them to access education and jobs and buy homes.

Dalits, who were sometimes forced to perform "unclean" tasks like disposing of corpses, and scheduled tribes - Indigenous peoples who are often isolated or disadvantaged - make up about a quarter of India's population of 1.3 billion. Dalits were among the worst-hit by India's strict lockdown, often having to wait longer for their turn to receive food or financial aid at local distribution points, and even being turned away. About 300 people have signed a Change.org petition emphasizing that the "lives of Dalits and minorities matter too" and urging Indian Prime Minister Narendra Modi to "admit ... that caste discrimination is included in racial discrimination".





## India criticises Pakistan on cash transfer programme

The Tribune, 11 June 2020



NEW DELHI: In a sharp retort to Pakistan Prime Minister Imran Khan's (*picture left*) offer to share experience of his government's cash transfer scheme, India on Thursday reminded him that the size of its economic stimulus package to deal with the coronavirus pandemic is as large as Pakistan's GDP. The response by the Ministry of External Affairs (MEA) came hours after Khan, in a series of tweets, offered to share with India Pakistan's experience of implementing its "successful" cash transfer program following reports of how poor people in India are battling poverty in view of the coronavirus lockdown.

"Pakistan is better known for making cash transfers to bank accounts outside the country rather than giving to its own people. Clearly, Imran Khan needs a new set of advisers and better information," MEA Spokesperson Anurag Srivastava said during an online media briefing. "We all know about their debt problem (almost 90 per cent of GDP) and how much they have pressed for debt restructuring. It would also be better for them to remember that India has a stimulus package, which is as large as Pakistan's annual GDP," he said.

In his tweets, Khan said his government has successfully transferred US\$1.58 billion in nine weeks to over 10 million families in a "transparent manner" to deal with the fallout of COVID-19 on the poor. "I am ready to offer help and share our successful cash transfer program, lauded internationally for its reach and transparency, with India," the Pakistan prime minister added. Last month, Prime Minister Narendra Modi announced a US\$263 billion economic stimulus package for various key sectors to deal with the adverse impact of the pandemic.

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## Business

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### Pandemic shows need to shift India's focus to poor

DEBJIT CHAKRABORTY, Bloomberg, 11 June 2020

NEW DELHI: The vulnerability of the Indian economy exposed by Covid-19 emphasizes the need for an economic model that brings people at the bottom of the pyramid to the fore. India needs to reorient its economic structure to make it much more people-centric and inclusive, think tanks the Council on Energy, Environment and Water, and the National Institute of Public Finance and Policy said in a report titled "Jobs, Growth and Sustainability: A New Social Contract for India's Recovery." It recommended that India should build models where its economy is more resilient to climatic, health and humanitarian risks that "can have catastrophic consequences and choke the economy, imposing far greater costs than the investment needed to increase resilience."

The pandemic and the blow from a virtual shutdown of a nation of 1.3 billion people has pushed Asia's third-largest economy toward its first full-year contraction in more than four decades -- some say of as much as 5%. The lockdown has left businesses broken and millions jobless. Migrant workers were left stranded without income, while millions more fled to their villages, reluctant to return to the cities. The government has unveiled a support package worth \$277 billion to help cushion the blow, including easing access to credit for small businesses and offering cheap loans to workers and farmers.

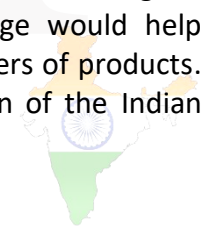


The report, unveiled Thursday, has sought protective measures for small businesses from predatory practices by some trading partners. This can prevent a collapse of domestic industries, especially those in ferrous and non-ferrous metals, textiles, pharmaceuticals, solar cells and modules, and heavy machinery. Small businesses, referred to as micro, small and medium enterprises, represent 90% of India's industrial units and employ 40% of its workforce. It also recommended starting state-supported canteens for 30 million urban migrant workers. This would cost 265 billion rupees (\$3.5 billion) but can create 1.2 million jobs and drive demand for diversification of food production. India needs to launch an environment and health de-risking mission to focus on the threat posed by climate change, air pollution, chemicals, and antimicrobial resistance. "The biggest threats are no longer states, nor non-state terrorist groups," the report said. "The gravest concerns are about tail-end risks, which have low probability but can be catastrophic."

### Modi stresses need for bold reforms to lower import reliance

Financial Express, 12 June 2020

NEW DELHI: Prime Minister Narendra Modi on Thursday said current crisis times while being challenging afforded an opportunity to adopt bold economic reforms, rather than sticking to conservatism. He said the reforms integrated with the Atmanirbhar Bharat package would help minimize India's reliance on imports and assist the industry's efforts to become exporters of products. "Now, it is the time to get vocal about local", he said addressing the plenary session of the Indian Chamber of Commerce.



Highlighting that India is facing multiple challenges at the same time — Covid-19, locusts, fire in gas well in Assam, two cyclones and earthquakes of smaller scales, Modi said: “We have to convert this crisis into opportunity. This will be a major turning point through a self-reliant India. The aspiration of a self-reliant India is turning into a reality. In the last 5-6 years, our policy was focused into making India self-reliant.” He said the country has to be self-reliant in medical equipment, defense manufacturing, coal and minerals, edible oil, fertilizers, electronic manufacturing, solar panels and batteries and aviation sector, among others.

Referring to the reforms under the Atmanirbhar Bharat package, including in commercial coal mining and the micro-small-and-medium-enterprises (MSME) sector, the prime minister called upon the industry to come forward to increase competition in coal and mining and reap benefits of the integration of industry and agriculture. “Now, Indian farmers can sell their products anywhere in the country. By reforming the Agricultural Produce Marketing Committee (APMC) Act and the Essential Commodities Act, we are making sure a better integration of farmers and industries. This will help farmers in becoming a strong market force”, he said. Local industrial clusters will be formed and strengthened. There will be clusters for jute, forest products and organic farming. Eastern and north-eastern India can gain from such efforts, said Modi. Kolkata, he said, could become the hub of such businesses. “We have to revive the manufacturing sector in West Bengal. This is the time for bold reforms, not conservative decisions — time to shift the economy from command and control to plug and play mode. The Department of Biotechnology (DBT) and JAM Yojana trinity (an Indian government initiative to link Jan Dhan accounts, mobile numbers, and Aadhar cards) have helped millions of beneficiaries. The use of RuPay card should rise for Atmanirbhar Bharat. Through government e-marketplace (GeM), the scope of profit-making has increased for MSMEs and larger traders as well. Now, everyone can sell their products to the government,” he said.

## GST crisis in the country

The Statesman, 11 June 2020



NEW DELHI: The 40th meeting of the GST Council between Finance Minister Nirmala Sitharaman (*picture left*) and her state counterparts scheduled to be held via video conferencing on Friday will be of great significance in view of the circumstances under which it is taking place. The council will have to take difficult decisions to keep the economy running. While funds are necessary as the government’s coffers are empty with almost no collections in recent months, the demand for goods and services has hit rock bottom following the lockdown leaving no room to raise GST rates.

The Finance Ministry has already indicated that it is not in favor of increasing GST rates on even non-essential items despite poor revenue collections due to the nationwide lockdown to contain the spread of Covid-19. It had proposed rationalization of taxes on many items at the Council’s last meeting on 14 March. With the extended deadline for filing returns and dismal collections because of the lockdowns, the government has already refrained from releasing monthly GST collection figures for April and May. However, states will have to be paid their compensations for the revenue loss due to GST implementation.





The federal government had guaranteed to compensate states for any loss of revenue for five years after GST implementation from 1 July 2017, and this commitment will have to be met, especially now when states face distress because their revenues are squeezed. Raising funds from the market may be the only way to resolve the current crisis. The Finance Minister had already mentioned this at the council's previous meeting. She had said that the federal government would look into the legality of the GST Council resorting to market borrowings to take care of the states' compensation requirements.

It is expected that the legal issues have by now been sorted out and that a decision will be taken at the meeting on Friday. West Bengal has already demanded that the federal government should transfer the state's pending dues immediately. The state has claimed it has received only an insignificant amount so far. Some other opposition-ruled states have gone as far as to claim an extension of the GST compensation for two years beyond 2022 to overcome the financial crisis they have faced following the Covid-19 outbreak. Several states Finance Ministers through a video conference have already discussed the post-Covid-19 economic situation and underlined the need for some form of aid especially for the MSME (micro, small and medium enterprises) sector which was hit hard by the pandemic and the subsequent lockdowns. Relief for the services sector was also sought. Thus, the only option seems to be to resort to market borrowing to raise funds for paying the states' dues.

## RBI alert on NBFC health

**The Telegraph, 12 June 2020**

MUMBAI: The Reserve Bank of India (RBI) has cautioned that India's non-banking finance companies (NBFCs) could face elevated liquidity pressures and difficulties in meeting their funding requirements through market borrowings. Though the RBI has taken several steps to alleviate problems faced by the non-bank lenders, the July bulletin said that stress is still visible in certain areas of the market. India's NBFC sector saw tough market financing conditions after the Infrastructure Leasing & Financial Services (IL&FS) episode. Though conditions improved since then, the Covid-19 outbreak has once again put the sector in a difficult terrain amid apprehensions that credit profiles of these lenders could deteriorate.



RBI governor Shaktikanta Das sought credit rating agencies' assessment of the macroeconomic situation and their outlook on various industries, including the financial sector. He met managing directors and chief executives of credit rating agencies through a video conference also attended by RBI deputy governors and other senior officials. Other issues discussed included perspectives on the overall financial health of the entities and major factors that affect credit ratings in the current context. The RBI also sought feedback to strengthen the rating processes and engagement with key stakeholders.

There is a need for ensuring flow of credit or liquidity to NBFCs with concrete credit backstop' measures to address the risk aversion in the system, bridge the trust deficit and restore confidence. In the medium term, there is also a need to deepen the corporate bond markets, apart from diversification of the investor base and increased participation from long term investors. In the first round of the targeted long-term repo operations (TLTRO), it had a salutary impact on the market. Apart from a significant uptick in the corporate bond market and a moderation in the liquidity pressures faced by various entities the weighted average rate of issuances in the 2-3 years bucket was also lower by around 150 basis points in April. With regard to NBFCs, the weighted average rate of issuances in the bucket softened by 85 basis points.

## Focus

### India's migrant exodus foreshadows an economic crisis

MEGHA BAHREE, Nikkei Asian Review, 10 June 2020

NEW DELHI: Jogi's income vanished overnight when Modi on March 25 imposed a nationwide lockdown to rein in the spread of the novel coronavirus. With no money and no way to make it back to his village, Jogi and his wife have lived on next to nothing: rice bought with a \$20 advance from his employer, a one-off donation from a nonprofit organization and the occasional generosity of neighbors. The state promised to supply poor workers with food during the lockdown, but Jogi was not able to access the

#### Displaced and desperate

There are  
**2.5 times**  
more internal migrants  
– those moving within a country's borders –  
than international migrants in the world

India has an estimated  
**40 million** of them

On lockdown,  
up to **60,000** were  
forced to return  
from urban centers to their rural  
hometowns in just a few days

Overseas, Indian workers have seen  
incomes crushed –  
this year, remittances could drop by  
**23%**

Source: World Bank

rations. Migrant workers and other marginalized groups have borne the brunt of India's lockdown, which has destroyed their already fragile livelihoods. Millions of daily wage laborers have been stranded in the cities they moved to for work. Many others, with no food or help in sight, have chosen to make their way back to their families in their native villages -- a mass exodus by road, rail, and foot. Thousands of people walked for days in India's searing temperatures, relying on the charity of strangers for food. Some died of exhaustion and hunger, others in train and traffic accidents. The crisis caused by the lockdown, and the lack of preparation, are a stark reminder that the poorest in India are often missing from the national debate. It has also revealed just how dependent India has become on an underappreciated and underserved population.

The lockdown, and a global downturn caused by the coronavirus pandemic, are likely to erode the economic gains of the past three decades of which India has been proud. Opening the economy and embracing global markets has helped to pull millions of people out of poverty. But over the same period, inequality has widened "beyond imagination." The economy was stuttering ahead of the pandemic and was forecast to grow at its slowest pace in more than five years before the lockdown brought almost all business activity to a screeching halt. The lockdown has already lasted more than two months, and there is still no clarity on when activity will resume at full scale. Predictions on the country's economic growth are dire. According to rating agency Crisil, India's economy will contract 5% in the current financial year ending March -- the fourth recession since India's independence in 1947. Around 10% of gross domestic product in real terms could be permanently lost. New Delhi has attempted to patch up the battered economy with a \$265 billion stimulus package. However, economists said it contains little in terms of measures that will help to boost demand. Although the government said the package amounts to 10% of India's GDP, analysts pointed out that the actual money spent is expected to be just 1% of total output.

Among the measures included in the package are the suspension of insolvency proceedings for a year to protect businesses hit by the pandemic and increasing the borrowing level of states -- conditional on them implementing economic reforms. The largest part of the allocation is toward an offer of government-guaranteed, collateral-free loans for small and medium-sized enterprises. However, economists warn that since this measure is indirect, its effectiveness will depend on how banks implement it. The government has also used this moment to push forward its economic reforms, including opening up predominantly government-run industries like mining and defense to the private sector. These structural changes may pay off in the medium term, but the government does not have

the firepower to stop the short-term pain. The government has allocated about \$22.6 billion to provide food rations to around 800 million people over three months of the lockdown, as well as direct cash transfers and free cooking-gas cylinders to some. But most of the measures have been "very poorly targeted and have had a very low absorption." The stimulus packages failed to address falling demand, unlike measures in other countries which have offered direct support to consumers. In some places, workers' rights are under threat. At least 12 state governments, 10 of them ruled by Modi's Bharatiya Janata Party, have loosened labor laws in an effort to encourage companies to start work and help kick-start the economy. Labor experts warn that these are regressive and likely to harm poorer workers.

Rather than taking measures that are likely to make formal employment more fragile and informal, the government should be trying to make work more secure. India is a founding member of the International Labor Organization. At least 10 Indian trade unions have written to the ILO appealing for it to ask New Delhi to uphold the country's commitments. Growing poverty and hunger, reflected in public anger against the state, could make this a dangerous moment for Modi's government. The BJP has presided over a rise in civil violence, including widespread protests in December following the imposition of a new citizenship law that many see as discriminatory against Muslims. The BJP's overtly Hindu nationalist agenda has increased the sense of alienation among India's Muslim population. The coronavirus epidemic has only heightened tensions. Analysts have warned that as the lockdown lifts, anti-government protests are likely to resume. Several cities, including Surat in Gujarat and Mumbai, have already experienced a spate of riots, as daily wage laborers took to the streets to demand that the government help them return home. With no clear end to the lockdown in sight, and with government assistance inconsistent or inaccessible, many of India's poor have had to rely on the kindness of strangers or on civil society organizations.

## India's bureaucrats are fighting Covid-19 with red tape

**The Economist, 12 June 2020**

NEW DELHI: In mid-May, seeking to reflate his political buoyancy after weeks of covid-19 lockdown, Narendra Modi announced a new ideology. Henceforth, said India's prime minister, the nation would strive for *atmanirbharta*, or self-reliance. It may be that North Korea's unlamented Great Leader, Kim Il Sung, got there first with his slogan of *juche*, which means much the same thing. Yet the clunky Hindi word does seem to have caught on, albeit less with the Indian public than with their bureaucratic overlords. Perhaps this is because Indian officialdom, ensconced in government housing and enjoying lifetime jobs with perks such as office peons and drivers, access to top schools and hospitals, and memberships of the best clubs, has a long tradition of insouciant independence from the mundane world of tradesmen, farmers, parents or other voters. Yet the current crisis has cast this divine detachment in even starker light than usual.

India's bureaucrats issued well over 4,000 different rules during the two long months that they kept India's 1.3bn other citizens shut indoors. Most of this torrent of instruction was well meant. Yet many of the rules caused as much trouble as they resolved. This is most obvious regarding tens of millions of migrant workers who were left without subsistence when Modi imposed an instant and total nationwide lockdown on March 25th. As their desperation grew, many attempted to walk back to their villages, braving not just heat, hunger, and exhaustion, but beatings from the police. By mid-May the bureaucrats changed tack and scrambled to arrange transport for stranded migrants, many of whom

then carried covid-19 to the remotest corners of the country. With the lockdown lifted and the economy restarting, the migration has already reversed, with workers trickling back to jobs in cities. Yet India's Supreme Court has only just taken notice of their earlier plight. Enhancing a reputation as perhaps the most otherworldly of all the country's institutions, on June 9th it issued a *suo moto* ruling (meaning one taken on its own initiative, in the spirit of *atmanirbharta*) ordering India's states to transport migrants home within 15 days.

Some of the government's lofty contradictions concern petty matters. Upon reopening parks, for instance, India's capital decreed that citizens should be allowed in only from 7am to 10am and 3.30pm to 6.30pm, ensuring more crowding and less social distance. The rules can prove deadly as well as irritating. Perhaps hoping to prevent crowding, Delhi's government has banned some hospitals from testing for covid-19. Doctors say this is mad. It means they cannot tell if a baby born to a mother with covid-19 needs to be kept isolated from other newborns, or if a patient being treated for another disease might have covid-19. Medical associations, including one of epidemiologists, have repeatedly condemned the government for hiding information and failing to consult experts, to no avail.

The authorities' *atmanirbharta* can also have sinister implications. The Supreme Court earlier this month blithely delayed yet another attempt to secure the release of a former government minister who has been held without charge under house arrest for ten months. He is 82 years old but has the misfortune to come from the restive Kashmir valley. Lower courts, for their part, have repeatedly denied bail to Varavara Rao, an 81-year-old poet awaiting trial in Mumbai with ten other elderly activists for supposedly inciting those at the bottom of the caste ladder to riot two years ago. Even Amit Shah, the home minister, who as Modi's campaign wizard is reputed for sensing the national pulse, seems to be infected with *atmanirbharta*. Showing unusual detachment in a recent online election rally, he admitted that the government may have fallen short in its handling of covid-19. Then he added a question that rang particularly tuneless after six years in power with a crushing parliamentary majority: "But I want to ask the opposition, what did you do?"

## A mixture of approaches in India's China policy

**DHRUVA JAISHANKAR, Hindustan Times, 12 June 2020**

NEW DELHI: Many countries are reconsidering their relationship with China — the United States and the European Union, Australia and Canada, Indonesia and Japan, Brazil, and Russia. Their policies have generally involved a combination of three approaches. The first is internal balancing, strengthening



themselves and developing capabilities in response to China's growing power. The second is engagement, working with China to reach understandings, although this requires some give and take by both sides. The third is external balancing, cooperating with others to gain more leverage and security vis-à-vis Beijing. Every country's debate about its China policy has essentially involved how much emphasis it can and should place on each approach.

India's skepticism about China runs farther and deeper than many others. Despite a return to full diplomatic ties in the late 1970s, normalization began with Rajiv Gandhi's 1988 visit to China and the agreements of 1993. Commercial normalization was only evident after about 2003. But the skepticism never truly disappeared. The India-China relationship can be considered to have four main components. The boundary dispute and bilateral security competition is one. But regional security competition in

India's neighborhood was always a second factor. The Belt and Road Initiative (BRI) today leverages China's resources, but there were antecedents; Nepal settling its border with China in the 1960s, China's sharing of nuclear technology with Pakistan in the 1970s, Bangladesh importing Chinese military hardware in the 1980s, and Chinese backing for the military junta in Myanmar in the 1990s.

Two other elements were previously considered dampeners of India-China competition. Economic relations grew after 2003 but Indian enthusiasm waned as Chinese market access proved limited and the trade deficit widened. The fourth aspect was global governance cooperation. While China and India found common cause at BRICS, the Asian Infrastructure Investment Bank (AIIB), and the Shanghai Cooperation Organization, Beijing's emphasis on international coalition-building was eventually surpassed by its own superpower ambitions. India consequently began balancing even as it normalized ties with Beijing. China was a major driver of the India-US civil nuclear agreement, which enabled defense and technological relationships with the US and its allies. China's overt opposition to India's waiver at the Nuclear Suppliers Group in 2008 indicated its unease with that development.

First, efforts at internal balancing required a robust Indian economy, appropriate budgetary allocations for national security, and political will to deploy these tools. However, the Indian economy did not perform as dynamically as many had hoped after 2011. Nonetheless, India activated once-dormant airfields, raised army mountain divisions, reallocated air force assets eastwards, and began to improve border infrastructure. Other tools came into play. Indian aid and concessional loans to the neighbors (especially Bangladesh, Sri Lanka, Nepal, and the Maldives) increased and naval deployments in the Indian and western Pacific Oceans picked up by late 2017, although capital budgetary allocations did not keep pace. India's willingness to intervene to support Bhutan against Chinese roadbuilding in Doklam was an important statement of intent. While these developments have been positive, it is debatable whether they have been sufficient given the widening resource gap with China.

India also attempted engagement with Beijing. The period between the global financial crisis of 2008 and the Chumar stand-off during Xi Jinping's India visit in 2014 witnessed the most sustained engagement in recent years. This was motivated by several factors — an accelerated global economic rebalance, US attempts at engaging China under Barack Obama, and political dynamics within India. While this period also witnessed a hardening of India's military position on the border, efforts at external balancing slowed down. The latest period of engagement, which began in 2017, revealed that neither China nor India were able or willing to make major compromises. India continued to reject both the BRI and the Regional Comprehensive Economic Partnership (RCEP). The boundary question remained unanswered. Even on economic relations, China made only minor concessions on agricultural and pharmaceutical imports. Even in the absence of real changes, the rhetoric of engagement made sense in the aftermath of the Doklam crisis only because it bought both countries time.

Finally, external balancing involved a series of arrangements with partners that shared India's concerns about China, with the intention of improving interoperability, facilitating intelligence and assessments, and boosting each other's economic and defense capabilities. In the past few years, India has made progress in facilitating logistics support, increasing maritime awareness, upgrading military exercises, and regularizing strategic dialogues with the US, Japan, Australia, Russia, France, South Korea, Southeast Asia, and others. This month's India-Australia "virtual summit" is but the latest step in a larger progression. India is not alone in having a domestic debate about managing China's rise. A combination of approaches will remain in the policy mix of every country. But if one believes that India's internal balancing has been inadequate and engagement requires some genuine compromises by Beijing, New Delhi must logically accelerate its efforts at external balancing to deal with a more powerful China.