

**Analysis of  
THE HINDU  
Dated 3<sup>rd</sup> April 2017**

*However many holy words you may read, however  
many you may speak, What good will they do you,  
If you do not Act upon them?*

# Editorials

8 EDITORIAL

NEW DELHI, 10 JULY 2017



## Coping with summer

Heatwaves may threaten water supply and other plans can help prepare for the summer. By **ANIL K. SHARMA**

The summer months are here and with them the heatwaves. The government has issued advisories to the states to take necessary steps to ensure that the water supply is not affected. The states are also advised to take steps to ensure that the power supply is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## Wine and whimper

The Supreme Court order banning sale of liquor along highways is a welcome move. By **ANIL K. SHARMA**

The Supreme Court has issued a landmark judgment banning the sale of liquor along highways. This is a welcome move as it will help to reduce the number of accidents caused by drunk drivers. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## Sharpen the focus on growth

If there has to be investment resurgence, it is necessary to create the climate which promotes this faith



There is a need to sharpen the focus on growth. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.



There is a need to sharpen the focus on growth. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

There is a need to sharpen the focus on growth. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## Digital push must be disability-inclusive

As India catapults towards a digital economy, making ICT accessible to the disabled is a must



As India catapults towards a digital economy, making ICT accessible to the disabled is a must. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.



As India catapults towards a digital economy, making ICT accessible to the disabled is a must. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

As India catapults towards a digital economy, making ICT accessible to the disabled is a must. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## LETTERS TO THE EDITOR

There is a need to sharpen the focus on growth. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

NEW DELHI, 10 JULY 2017

OPED 9

## India must reaffirm its Paris pledge

This will make a difference to global climate outcomes in the context of US, nuclear stance under Trump



India must reaffirm its Paris pledge. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.



India must reaffirm its Paris pledge. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

India must reaffirm its Paris pledge. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## Second principles do not negate the first principle

Responding to the criticism about the editorial, page



Second principles do not negate the first principle. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

Second principles do not negate the first principle. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## The age of digital cinema

Continues to wait to be out of the shadows of a film industry and digital cinema



The age of digital cinema. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.



The age of digital cinema. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## FROM THE EDITOR'S DESK

FROM THE EDITOR'S DESK. The government has issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected. The government has also issued advisories to the states to take necessary steps to ensure that the health of the people is not affected. The states are also advised to take steps to ensure that the health of the people is not affected.

## DATA POINT

A high toll

Year	2014	2015	2016	2017
High toll	100	100	100	100

## Editorials Page 8: **Sharpen the Focus on Growth**

### **Rate of growth of GDP**

#### **Growth rate is determined by two factors —**

- (i) the investment rate and
- (ii) the efficiency in the use of capital.

**Harrod Domar Model**: The model suggests that the economy's rate of growth depends on:

- The level of national savings (A little change in India!)
- The productivity of capital investment (this is known as the capital-output ratio)

## Focus on Growth 2

### **Generalization:-**

- (i) If the capital-output ratio is low, an economy can produce a lot of output from a little capital.**
- (ii) If the capital-output ratio is high then it needs a lot of capital for production, and it will not get as much value of output for the same amount of capital.**

Indian performance in the last 5 years, 2 things:

1. One is a decline in the investment rate and
2. The second is a rise in ICOR;

## Growth 3

### **What does ICOR tell us in other way-**

⇒ All those factors that make up for Ease of Doing Business.

### **Economic Survey 2015-16 Data:**

There were still 404 stalled projects, 162 in public sector and 242 in the private sector with a total value of ₹5.5 lakh crore.

## Growth 4

- In the short run, the biggest gain in terms of growth will be by getting “stalled projects” moving.

**Question:** But how to get them moving:-

**Accountability:** A periodic reporting by the government on the progress of stalled projects- (Administration will be vigilant)

## Growth 5

### Falling Investment Rate:

→2007-08 at 38.0% of GDP.

→If ICOR is 4, naturally, a high growth rate of  
around 9.4%.

$$\text{ICOR} = \frac{4000 [\text{Investment}]}{1000 [\text{Output}]}.$$

**But, 2016-17, Investment Rate came down to 27%**

**The Major is : Why???**

## Growth 5

In 2011-2012: It was called “**Policy Paralysis**”!

└───┐  
      └───> inability of Govt to take bold decisions.

- Once the growth rate starts to decline, it sets in motion a vicious cycle of **decline in investment** and **lower growth**.
- 

➤ **What is the Solution: Keynesian Theory!**

❑ **Whenever Pvt Investment is low, Govt should increase the Public Expenditure**



## Growth 6

❑ **Present scenario:** Govt's **Capital expenditures** is only 1.8% of GDP.

Private Sector investment is also down.

Three things need attention:-

(I) First, reforms to simplify procedures (EoDB)

(II) Second, all viable “stalled” projects.

(III) Third, Financial bottlenecks- “**Haircuts**”

→ **Twin Balance Sheet problem.**

- It's a new opportunity to include Disabled in the mainstream---Old concrete physical infra is exclusive
- The recently passed **Rights of Persons with Disabilities Act, 2016** mandates adherence.
- Act also needs incorporation of Universal Design principles while designing new infrastructure.
- Most importantly, the Act sets timelines to ensure implementation.
- Accessible India Campaign---Features???

## Disability slide 2

- HRIDAY, AMRUT, PM Awas Yojana- No mention of Disability.
- Adherence to the latest Web Content Accessibility Guidelines should be made mandatory while developing websites and mobile applications.

**Problem:** Once the physical infra is created, it is very difficult to retrofit it to cater to Disabled. So, we should, in the first place itself, create disabled friendly infra.

**Pin-point** Articles in the DPSPs dealing with- Disabled welfare.

**( India 2017-Chapter Welfare-Page 771)**

## Paris Pledge Page- 9

- Trump ordered a Review of U.S. Clean Power Plan (aims at reducing greenhouse gas emissions from the American electricity sector.)
- Under the Paris Agreement:-
  - Each country is required to submit a national 'pledge' to limit emissions growth- which is to be reviewed internationally, & updated and enhanced every five years.
- The intent is to generate a virtuous cycle

**What should India do:-**

- **India's interests are best served by upholding the Paris Agreement;**  
→ **because it is very vulnerable to climate impacts-  
El-Nino and La-Nina, 65% of population (Agri).**
- **India emerging as a Swing-player in World politics**
- **China is projecting itself as a Climate Champion**

1. Terrorism vs Tourism
2. Fake notes- Security features not changed since 2005-06
  - More reward for same crime!



❖ **Maintenance & Welfare of Parents and Senior Citizens Act.**

→ If amended, **Needs of Parents plus Economic condition of Children.**

→ **At present, max. limit Rs. 10,000 pm.**

→ **Rating mechanism for Organisations.**

- ❖ FCRA amendments: allows donations by Foreign companies to Political parties out of CSR funding.
- ❖ Tamper-proof EVMs- M3-type EVMs

## FCRA amendments

These changes, Mr. Jaitley said, need to be seen in conjunction with the amendments to the Foreign Contribution (Regulation) Act) made last year to change rules that labelled an Indian company as a foreign source of funds if it had some NRI or foreign shareholders.

"Now when sectoral caps have been lifted in almost every sector to 74% and 100%, you won't find ten donors in India who won't get covered by that definition. So, for instance, a telecom or tobacco company doing business in India – Indian company doing 100% business in India, but within the meaning of FCRA would be debarred," he pointed out to explain the need to widen the definition and increase the constituency of donors.

"Similarly, in the Companies Act, a new company can't give, a company with so much profit can't give, so each of these changes were narrowing the constituency of donors and pragmatically, if you narrow the constituency of donors, you won't have five donors left. This doesn't mean that donations won't come, it only means that donations will come in cash," the Minister said.



## + Will Mamata meet Hasina? It's a suspense

President has invited her to dinner he is hosting

SUVOJIT BAGCHI  
KOLEATA

Till Sunday evening, Trinamool Congress leaders were in the dark about the travel plans of party chairperson and Chief Minister Mamata Banerjee to Delhi later this week. President Pranab Mukherjee has invited her for a dinner hosted by him for Bangladesh Prime Minister Sheikh Hasina.

An aide of Ms. Banerjee said that on April 7, the Chief Minister would inaugurate the new district of Asansol, carved out of Bardhaman district. "Her schedule is relatively less tight from April 8, but I am not aware of her plans," the aide said. Official talks between the Prime Ministers will be held on April 8.

Many feel that the Bengal Chief Minister's meeting



Mamata Banerjee

with Ms. Hasina could be a step ahead in addressing one of the most contentious issues between Bangladesh and India, the sharing of Teesta river water.

So far, Ms. Banerjee has not indicated that she is in favour of sharing the water, even while reiterating in a television interview that the Teesta agreement "will be signed on May 25" with or

without her consent. She has not elaborated on how she came to know about the date. "Teesta hardly has any water in the lean season [November-March] and thus it is very difficult to share water with Bangladesh," the aide said on condition of anonymity.

### Panchayat polls

The other factor is panchayat elections in Bengal in 2018. Ms. Banerjee may not want to annoy thousands of farmers dependent on Teesta water for irrigation in Jalpaiguri, South Dinajpur and Darjeeling.

The Left Front's successive Irrigation Ministers had also said they did not want to displease farmers on the banks of Teesta, in many meetings with the Water Resources Ministry of Bangladesh.

## ❖ Mamata- Hasina:-

### → Importance of Cooperative Federalism.

- **Articles 249, 250, 251 & 253.**
- **Why Union Govt. cannot apply Article 249? – “National Interest Clause”**

## ❖ Myitsone Dam in Myanmar

### Issue: (I) Irrawaddy River-

- Cradle of Civilisation;
- 90% of electricity could go to China!
- If Myanmar cancels the project- \$ 800 million.
- Contract Granted by Military Junta in 2011

Govt. panel to give recommendations on the \$3.6 billion Myitsone Dam

MIKE IVES  
AUNG MYIN THIA

A government-appointed commission is to soon make a recommendation on the fate of the \$3.6 billion, China-financed Myitsone Dam in Myanmar. The decision is a daunting test for Aung San Suu Kyi, who risks angering China, the region's economic powerhouse, if she cancels the project, or the public if she lets it go forward.

#### Key test for Suu Kyi

Analysts say the commission's report would provide her the political cover to kill an unpopular white elephant that she inherited from Myanmar's former military government. But getting out of the deal would be difficult. If her govern-

ment cancels the project outright, it could have to repay some \$800 million that the state-owned Chinese developer says it has already spent on the project.

If Myanmar offers China other dam projects in return, a compromise her government has floated, they are likely to impinge on disputed ethnic areas where they could threaten the peace talks she has championed since her political party came to power last year.

The Myitsone Dam is among the largest of many Chinese-financed energy and mining projects approved by the military junta that ruled Myanmar until 2011. It is especially contentious because it would be the first dam to cross the Ir-



Don't dam it: People involved in road work along Irrawaddy River; (above) a protest sign. <w>

rawaddy River, the mythic cradle of civilisation for Myanmar's ethnic Burman majority.

While officials said the dam would provide Myanmar much-needed cash and electricity, critics said it would cause irreparable harm to the river, destroy fish stocks downstream and displace thousands of villa-

gers. But perhaps the most incendiary objection was that under the deal struck by the ruling generals, 90% of the dam's electricity could go to China.

As protests spread to Myanmar's cities, Ms. Suu Kyi had spoken out against the dam.

In 2011, the military-backed transitional govern-

ment yielded to public pressure and suspended the project, the decision coming as a shock to Chinese officials and businessmen.

The Myitsone was meant to be the first and largest of seven dams planned by the Chinese developer. It would generate more power than the entire country produces now, according to some es-

timates, but would still not cure the country's chronic energy shortages.

One reason for that, experts say, is that there is no grid connecting the dam to Myanmar's major towns and cities.

#### To repay or to shift?

The dam's developer, State Power Investment Corp., has already spent \$600 million on feasibility and technical studies, bridges, electrical grid updates and other supporting infrastructure, a person familiar with the dam contract said. The money was borrowed from commercial banks, he said, so the cost keeps growing as the loans accrue interest.

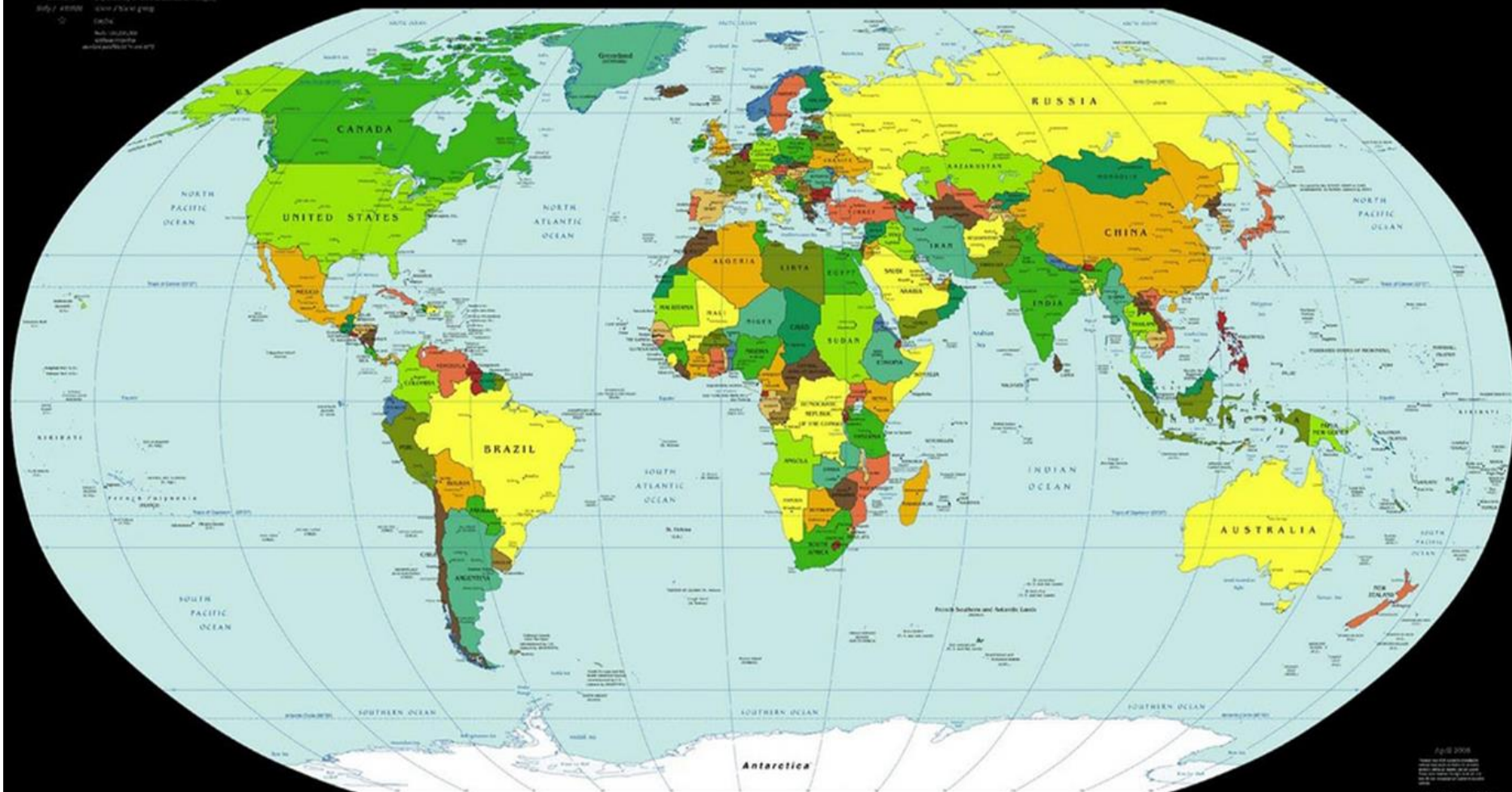
Officials close to Ms. Suu Kyi have said that negotiations were under way for Myanmar to pay China, or apply the money to other projects, if the dam is not built. <w>

# Irrawaddy River

**Irrawaddy River:** Originating from the confluence of the **N'mai** and **Mali rivers**, it flows relatively straight North-South before emptying through the Irrawaddy Delta into the **Andaman Sea**.

-3,600 MW Myitsone Dam is at the confluence of both rivers.





These two data sources indicate that the authors' findings are robust across different data sources. The authors conclude that the findings are robust across different data sources.



# Colombia Landslide

## Middle America



- **US Trade Representative Report Findings:**

- (i) India allows for 100% foreign direct investment in business-to-business **(B2B) electronic commerce**,
- (ii) But largely prohibits foreign investment in business-to-consumer **(B2C) electronic commerce** transactions.
- (iii) Foreign direct investment is allowed in a market-based electronic retailing model, but not in the inventory based model.

Contd... business FDI U.S.

(iv) The only exception that was granted was to single-brand retailers. (Adidas, Nike)

(v) **Single-brand retailers** who meet certain conditions including the operation of physical stores in India may undertake to trade through electronic commerce.

(vi) **Equalisation levy** is an additional 6% withholding tax on foreign online advertising platforms to create a level playing field.
