



# THE HINDU

## ANALYSIS

हिंदी में

THE FRIDAY - FEBRUARY 17, 2017 HINDU

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Douglas Horton





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**A matter of relief**

**India Inc has reason to be disappointed**

**Faking danger**

**Darling Buds of May**

**Reform WHO**

## ➤ Atmanirbhar Bharat Abhiyan

- ✓ Strong supply-side push by boosting availability of capital on easy terms
- ✓ Keep income and wage support schemes to the minimum
- ✓ Empower: farmers and workers to businesses
- ✓ Keep the damage to the fisc as low as possible

➤ The **pillar** on which the package rests is **liquidity support** so that businesses can crank up again and set the economic cycle back in motion.

➤ The option of a **demand-side stimulus** through a resort to deficit financing seems to be **reserved for a future** date if the infection does not subside or a **second wave** begins prompting another lockdown.

- A **fiscal stimulus** could have been fitted into the overall package.
- The government has done well in increasing the budget for **MGNREGA** by two-thirds, adding another **₹40,000 crore**.
- The **demand of States** for **higher borrowings limit** has been granted but with clear reform milestones that they have to meet.
- The government has also used the opportunity to unleash some **much-needed reforms**.

# India Inc has reason to be **disappointed**

- The government's **much-awaited** economic package appears to have let India Inc. down.
- It was **billed** as an exercise that would offer relief worth **₹20 trillion**, and an **outer count of the money** that **may potentially be available over time** does add up to that sum, or more.
- But the Centre's actual fiscal bill would go up by only about a tenth of that figure.
- **No direct compensation** was offered to **companies** forced to **suspend operations**, not even those **hardest hit** by the corona disruption.



- Nor did it place enough cash in people's hands to **stimulate demand** for products and services in the short-run, which is crucial to pull the economy out of a recession.
- Kiran Mazumdar-Shaw: **lost opportunity to create demand.**
- Tourism and hospitality sector: expressed shock, by the package's lack of **direction** and **fiscal support** to the industry.
- An **association of retailers** stated that it did not address their current challenges of **working capital, wage sustainability** and **debt**.



- **Loan funding** was expected to bear the **main burden** of hauling India's economy out of its deepest ever slump on record.
- **Banks** and a **few state-owned institutions** were drafted to **push money** into the economy.
- Some of this will surely happen. However, given the **weak balance sheets of lenders**, the usual **paperwork delays** and **widespread risk aversion**, with or without backstops, its impact on economic outcomes is likely to be **muted—and slow**.
- A set of **structural reforms** were announced, too.
- These could draw investment and turn various markets more efficient, but **may takes years to show results**.



- Under the circumstances, a good way to relieve the economy would have been to **provide instant cash** to those who saw their flows snapped off by the country's lockdown.
- With **demand and supply** both gasping to recover, such an approach could yet have a **dramatic effect**.
- The reality of shrunken markets would probably **deter companies from investing** any further money.
- **Companies** would **explore ways to downsize operations** and **seek to reduce the debt on their books**

- Crunched demand for **loans** could render our liquidity measures far less effective than hoped.
- Worse, we would be at risk of a vicious cycle setting in, with **reduced commercial activity** resulting in even **lower earnings**, **compounding the crisis**.
- As of now, India's gross domestic product looks headed for a **sharp contraction** this year.
- In a bad-case scenario, it might shrink by **5%**, as some estimates say.





# Faking danger

- The frequency with which **journalists** have been **arrested** since the outbreak of the **COVID-19 pandemic** is quite disturbing.
- The arrest of **Dhaval Patel**, editor of a news portal in Gujarat, on the **serious charge of sedition**.
- The case concerned an article speculating that State **Chief Minister Vijay Rupani** may be replaced by the **BJP** for his alleged inept handling of efforts to combat the pandemic. The report had even named a possible successor.
- **Mr. Patel** has also been charged under **Section 54** of the **Disaster Management Act** for allegedly spreading panic through a false alarm concerning a disaster.



- In **Coimbatore**, police arrested a **news portal founder** following a report on **alleged corruption in food distribution** as part of the local administration's efforts to handle the fallout of the pandemic.
- In **Delhi**, a reporter was summoned in response to a report that claimed that an **audio clip** purportedly containing a speech by the head of the **Tablighi Jamaat** was doctored.
- While asking a **journalist** to join the investigation may not by itself be illegal, the **police should not use the power of summons to intimidate reporters or extract details of the source.**

# Darling Buds of May

- **May** in America is **Commencement** month.
- It is the time millions of **students** graduate.
- The education system churns out nearly **20 million students each year**.
- Million foreign students includes **2 lakh** from India.
- Although some students return home to India after graduating, for the majority, the U.S academic journey is premised on continuing pursuit of the “**American dream**”



- Their **f-1** student visa allows a **one-year** (three years in case of **STEM students**) paid **Optional Practical Training** (OPT) that usually results in a **full-time job**, typically on a H1B visa.
- Separately, tens of thousands of skilled **Indian white-collar professionals minted** in India also come to the U.S on **H1B visa** for **short- and long-term** projects that often turn into **life-long employment** and stay in the U.S.
- Over decades, these two streams have combined to form the **core of a thriving Indian-American community** of more than **4 million people** that is **America's best-educated and highest-earning ethnic group**.



- Their misery is compounded by rising **nativist, xenophobic, anti-immigrant sentiment** from a **Trump** base that sees foreign students and guest workers “**stealing**” **American jobs** at a time the pandemic.
- The **U.S.** by itself **does not produce** enough qualified graduates, particularly in **STEM fields**, to meet the needs of its industries and corporations.
- American giants **need global** talent.
- A **composite internationalist** work force also gives US companies a **foothold into new markets**.

- According to the **National Academies of Sciences**, Engineering and Medicine, while **16 percent** of the U.S. workforce is foreign born, immigrants account for nearly **25 percent** of physicians and dentists, 20 percent of engineers and **23.5 percent** of computer specialists and almost **30 per cent** of scientists.
- The skills that **H-1B workers** bring with them can be critical in responding to **national emergencies**, argues the American immigration Council, pointing out that over the past decade eight companies currently trying to develop a coronavirus vaccine—Gilead Sciences, Moderna Therapeutics, GlaxoSmithKline, Inovio, Johnson and Johnson Pharmaceuticals, Regeneron, Vir Therapeutics, and Sanofi—received **approvals for 3310** biochemists, biophysicists, chemists, and other scientists through the **H-1B program**.

# Reform WHO

- With the **73rd World Health Assembly** - the **decision-making** body of **WHO** - underway via teleconference.
- The international response to the **Covid-19** pandemic is taking centre stage.
- **WHA** is taking up a motion backed by more than 120 countries, **including India**, that calls for a “***stepwise process of impartial, independent and comprehensive evaluation***” of WHO coordinated international response to Covid-19.
- It also calls for the identification of the **zoonotic** source of the **coronavirus** and its transmission to human populations.

- True, the motion refrains from mentioning **China or Wuhan**.
- But its implementation will necessarily have to include **investigation into China's** handling of the outbreak in the initial days.
- A probe into the origin of the coronavirus is important to understand **how it mutated** and **spread so quickly**.
- But China has been objecting to **such a probe** and **even threatened Australia** with trade repercussions for trying to drum up international support for an investigation.





- But with the **WHA motion** getting the backing of a majority of nations, **China may not have a choice but to go along with it.**
- That said, the **fundamental issue** here is **WHO's limited ability** to tackle a **pandemic like Covid-19.**
- The global health body can **only issue advisories** and **has no enforcement powers.**
- **This has to change** and WHO should be reformed to play a more **active role** in preventing global health threats.
- With **India** taking over the chair of the **WHO executive board**, it should push for new crisis management protocols and give the global health body some teeth.

**U.S.** **14,86,742**
**89,**

# In the grip of virus

As the COVID-19 pandemic is spreading across the world devastating economies and disrupting social lives, UN chief Antonio Guterres has said the outbreak should be serve as a "wake-up call" to the world which must be more united in responding to the crisis

The SARS-CoV-2 virus has killed at least **315,620** people since the outbreak first emerged in China last December

**Total number of infections\***
**47,37,300**

**Britain** **2,44,995** **34,716**
**Italy** **2,25,435** **31,908**
**France** **1,79,693** **28,111**
**Spain** **2,30,698** **27,563**
**Deaths**  
**3,15,620**

## Around the world

■ Australia's Foreign Minister welcomed international support for an independent coronavirus pandemic investigation, which has been condemned by China

■ The EU has drafted a resolution, co-sponsored by dozens of countries, including Australia, which calls for an evaluation of the origin of the pandemic and responses to the virus



■ A week after a third of French schoolchildren went back to school in an easing of the lockdown, there's been a worrying flare-up of about 70 infections linked to schools

■ Russia, which has recorded the world's largest number of infections after the U.S., has stopped the growth of new coronavirus cases, claimed its Prime Minister

■ The virus brought Belgium its deadliest April since Second World War with 14,790 deaths

■ Japan dived into its first recession since 2015, according to official data, with the world's third-largest economy shrinking

by 0.9% in the first quarter

■ Hundreds of thousands of New Zealand children returned to school after two months of home education as part of the lockdown

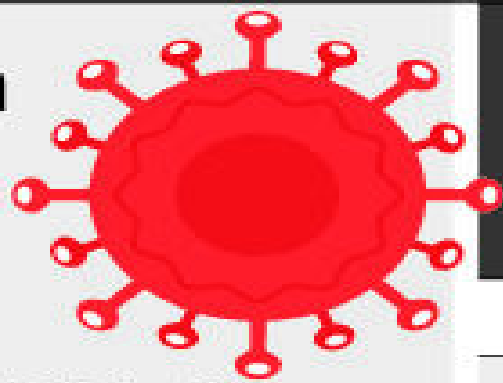
■ U.S. biotech firm Moderna reported "positive interim" results in the first clinical tests of its vaccine against the new coronavirus performed on a small number of volunteers



- **Odisha, West Bengal brace for Amphan**
- **Oxford vaccine fails to shield monkeys from virus**
  - A high-profile potential vaccine for COVID-19 being tested by researchers at Oxford University failed to protect vaccinated monkeys from being infected by the virus. However, the test animals appeared to be protected from pneumonia.
- **83 LCA-MK1A deal high priority: IAF chief**
  - The Indian Air Force (IAF) will set up the second squadron of indigenous Light Combat Aircraft (LCA) Tejas by month-end, said Air Chief Marshal (ACM) R.K.S. Bhadauria on Monday, while the “high priority” deal for 83 LCA-MK1A jets was expected to be signed in three months.
- **Stimulus fails to cheer equity markets**



# Where India stands now



Between May 11 and 17, India recorded 4,077 COVID-19 cases on an average, the fourth highest among all countries. Table lists nations with more than 1,000 average cases a day in this period. Cases doubled in India every 13.5 days as of May 17 (in the last week), among the fastest in the list. Table also shows that India has conducted 23 tests for each confirmed case in mid-May. This is two

tests fewer per case compared to what was being recorded in mid-April. The cases data was sourced from Johns Hopkins University and testing data from [ourworldindata.org](https://ourworldindata.org)



Country	Average new cases	Doubling time	Tests per positive case in mid-May	Change since mid-April
U.S.	22,500	41.3	8	2.4
Brazil	11,197	11.1	15	NA
Russia	10,295	17.3	25	-36.1
<b>India</b>	<b>4,077</b>	<b>13.5</b>	<b>23</b>	<b>-2.0</b>
Peru	3,567	13.9	7	-3.5
U.K.	3,507	47.2	11	7.2
S. Arabia	2,243	14.5	11	NA
Chile	2,131	10.8	9	-2.9
Mexico	2,028	13.5	3	-4.8
Iran	1,799	42.9	6	1.6
Turkey	1,540	61.7	11	3.3
Qatar	1,441	13.1	5	-9.0
Pakistan	1,402	19.2	9	-3.9
Canada	1,177	43.7	17	0.2
Bangladesh	1,087	11.9	8	-3.9



- **Punjab rules out inter-State buses till May 31**
- **Haryana eases curbs, buses to ply from today**
- **Rajasthan to reopen shops**
- **New technique for lung treatment of newborns launched in Jaipur**
  - **The LISA procedure has yielded encouraging results**
  - A recent medical technique, known as less invasive surfactant administration (LISA), has been started at J.K. Lon Government Children's Hospital here for treatment of lung disease or respiratory distress syndrome among premature babies.
  - The procedure, started initially for newborn children with the birth weight of less than 1,500 grams, has yielded encouraging results.

- **Public transport back in Karnataka today**
- **Telangana relaxes restrictions**
- **J&K notifies rules for domicile certificates**
  - **Eligible non-locals can also now apply**
  - The J&K administration on Monday notified the J&K Grant of Domicile Certificate Procedure Rules, 2020 and set a fast-track process in motion to issue the certificates within a stipulated time of 15 days.
  - “These rules provide a simple time-bound and transparent procedure for issuance of domicile certificates in such a manner that no category of person is put to any inconvenience. There is a timeline of 15 days for issuance of certificates,” government spokesman and J&K’s Principal Secretary (Power) Rohit Kansal said.
  - “Domicile certificates have now been made a basic eligibility condition for appointment to any post under the Union Territory of J&K following the amendments in the previous Act,” Mr. Kansal said.

- **‘Moving into summer months, India could get hit very hard’**
  - **U.S. virologist expresses concern about India’s crowded urban areas in low-income neighbourhoods where people are forced to live in proximity**
- **USAID to fund 200 ventilators for India**
  - **The devices will arrive in May and June, but the final delivery schedule will be notified next week**
  - **The ventilators, which will be paid for by the United States Agency for International Development (USAID), will arrive in May and June and the final delivery schedule notified next week, the sources said.**

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Nalanda = Na+alam+Daa, meaning “*no stopping of the gift of knowledge*”

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