



TheHitavada

*They are slaves who dare not be  
In the right with two or three*

Lowell

Nakshatra Purvashadha 15H 18M  
Moon Dhanu upto 22H 04M (Rajandekar Panchang)  
Paksha Nij Jyeshtha Krishna Tithi Pratipada 12H 44M  
Muslim Shawwal 14th Hijree 1439

## THE TRUTH

THE RE could be a few raised eyebrows as to why the Bharatiya Janata Party (BJP) restocked the issue of Emergency to describe it as a dark period at an odd time of 43rd anniversary of imposition of the condition by the then Prime Minister Mrs. Indira Gandhi on June 26, 1975. But the point which Prime Minister Mr. Narendra Modi has raised as regards Emergency cannot be overlooked. He has stated unequivocally that some Opposition parties, Congress in particular, have been accusing his regime of having imposed an undeclared Emergency on the country. He has stressed that nothing akin to any State of Emergency is in evidence in India at this hour. There are no senseless arrests. There are no restrictions on freedom of expression. There also is no abrogation of fundamental rights of any section of the society on any ground. In such a situation, how can anybody accuse the regime of having imposed an undeclared Emergency? -- the Prime Minister has asked. This is a very pertinent question which the people must think about in all seriousness.

Since he assumed office of Prime Minister, Mr. Modi has found himself in the line of fire by Opposition parties for no obvious and legitimate reasons. Whatever he does, including ordering of the surgical strikes on Pakistan to achieve a specific purpose as regards national security, the Opposition parties try to find fault with him. The Prime Minister's successful forays into diplomatic arena, his very capable presentation of India and its philosophy at international fora like the United Nations or the World Economic Forum at Davos in Switzerland, or at the BRICS summit, his informal summits with Chinese President Mr. Xi Jinping or Russian President Mr. Vladimir Putin also came in for senseless criticism. The Opposition did not spare Mr. Modi even after a great consolidation of the economy and its recognition by international rating agencies plus the World Bank.

And the latest refrain of the Opposition, mainly the Congress and the Left parties, is that there is an undeclared Emergency in the country. The Prime Minister responded to such criticism by recalling what happened during the State of Emergency of 1975 when countless thousands of political workers as well as innocent civilians were sent to jail and fundamental rights including freedom of expression were abrogated. Editors were put behind bars and journalists were not allowed to write the truth as there was a strict pre-censorship of content in the media. Is anything like that happening in the country at this moment? -- is the Prime Minister's question.

In fact, there is a growing public opinion that freedom of expression is being abused by some sections of the political community as well as social media. There are people who directly support Pakistan and become advocates of terrorism and separatism in Kashmir. There also are people who fan communal riots and plan actions that lead to divisions in the society on the lines of caste and creed and religion. The general public feels strongly that all such attempts need to be blocked at once.

When the Government is allowing such a free play to democratic thought and action -- even at the cost of truth on many occasions -- there should not have been the accusation that there is an undeclared Emergency in the country. But because such accusation was being made repeatedly, the BJP decided to hit back with truth. We have often felt that no political statement must go overboard. We have often insisted that a deep sense of responsibility must prevail in public discourse. It is out of that concern, we now insist that a continuous and politically-driven accusation of an undeclared Emergency by the Congress party is not acceptable. The Prime Minister has made a very pertinent point in this regard, which we must ponder over seriously.

## Inspiration

THERE was a business executive who was deep in debt and could see no way out. He sat on the park bench, wondering if anything could save him from bankruptcy. Suddenly an old man appeared. "I can see that something is troubling you," he said.

After listening to his woes, the old man said, "I believe I can help you." He asked the man his name, wrote out a cheque, and pushed it into his hand saying, "Take this money. Meet me here exactly one year from today, and you can pay me back at that time." Then he turned and disappeared as quickly as he had come. The cheque was for \$500,000, signed by John D. Rockefeller, one of the richest men in the world!

"I can erase my money worries in an instant!" he realised.

But instead, he decided to put it in his safe. Knowing it was there might give him the strength to work out a way. With renewed optimism, he negotiated better deals and extended terms of payment. He closed several big sales. Within a few months, he was out of debt and making money once again. Exactly one year later, he returned to the park with the uncashed cheque. The old man too came. But just as the executive was about to hand back the cheque and share his story, a nurse came running up and grabbed the old man. "I hope he hasn't been bothering you. He's always escaping from the rest home telling people he's John D. Rockefeller," saying this, she led the old man away.

All year the man had been trading convinced he had half a million dollars with him. He realised that it wasn't the money that turned his life around. It was his new-found self-confidence that gave him power to achieve all he went after.

# LOOMING ECONOMIC CRISIS

By  
NILANJAN BANIK  
AND  
PIERTO PAGANINI

WE ARE passing through an interesting time. There is a likelihood that trade war between two of the world's biggest economies - China and USA - may blow out of proportion. The consequence may be another economic downturn in the offing. During an economic crisis, consumers spend less, and investors do not invest (or postpone their investment decisions). There is a general sense of pessimism about future earning prospects, leading to higher unemployment and lower productivity growth.

The previous economic crisis of 2008 did not persist that long (in comparison to the Great Depression of 1929) thanks to the co-ordinated efforts of the central bankers in Europe and in the US. Quantitative easing helped stave off consumer pessimism. China also played a constructive role by controlling its foreign exchange reserve. During 2015-16, rather than spending foreign exchange reserves on other economies, China made sure that the precious dollar is spent in its home. Taxes on consumer durables such as cars were slashed. All these revived Chinese demand and its manufacturing grew. Back in Europe, major economies were able to contain public debt (as part of austerity measure), and all these efforts were instrumental in reviving the economies around the world.

At the time of recession when businesses are not forthcoming, or when people find it hard to get a job, it is quite natural that tax collection will be inadequate. Therefore, the Government will meet its welfare objective (that is, to pay for dole and pensions) by printing money or by borrowing. Both are perfect recipes for increasing the budget deficit and public debt.

But, maybe, no more. Countries around the world are increasingly resorting to protectionist measures, something not good for future economic growth. In order to understand what factors lead to a crisis, we have to step a little back into history. Soon after the Second World War, when Europe was devastated, policy-makers in the region wanted to re-build Europe on the premise of socialist capitalism. The underlying idea is that when the market is at a nascent stage, the State will ensure that a labour market comes into play and jobs become available. For the elderly, and those without jobs, the State will take care through a benevolent social security system - paying unemployment benefit and pensions.

The objective is noble, but to make the system efficient the Government has to ensure that it collects funds through taxation to pay dole for the unemployed and pension for the retired. Dole and pension are expenditures for the Government, and to pay for it, the Government has to collect taxes.

The principal source of tax is corporate income tax (contributing to nearly 80 per cent of the total tax collection), indirect tax (such as excise and service tax) and direct income tax (that is, taxing the working class).

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A higher budget deficit can be sustained, provided the economy is growing. With countries around the world, including those in Europe going for ultra-right jingoistic path, the probability of economics wining over politics is increasingly becoming less. This new wave of country first with total disregard to trade/economic specialisation may delay institutional reforms. In a socialist capitalist structure, wages are protected by trade unions. This is irrespective of labour productivity and firms' ability to earn profit. A natural suggestion would be to reform the labour and pension laws (dubbed as austerity measures), and slacken the immigration laws. But, if the recent poll results are any indication, it seems voters would rather punish the parties in favour of austerity measures.

Take the case of Italy. Just a few days ago a new Government was installed that openly defines itself as populist. The two political parties that make up the Yellow-Green coalition maintain they have really understood the people's problems, which is something the traditional political forces have not been capable of doing.

The Italian electorate which, through their protest vote, have cho-

sen to ignore a return to economic growth, after years of depression (1.5% GDP in 2017), a fall in unemployment (11.2%) - above all among young people (18-25), a better control of public debt, and more substantial foreign investments. The jobs market is excessively fragmented and deregulated. Salaries remain stagnant, whereas the gap between the so-called 1% of the population, the elites indeed, and the so-called forgotten has widened. It is a problem that is common to many European Union (EU) countries.

A closer look at European democracies suggests it is run by the insiders made up of pensioners, trade union leaders, public sector workers and big farmers. The outsiders consisting of small numbers of immigrants, the youth and small private entrepreneurs have little say. It is a classic case of a socialist democracy in which the insiders are myopic, care too much about present benefits, and are deliberately voting parties to power that support their cause. On the contrary, the outsiders are quite powerless.

Even issues such as changes in labour immigration laws are stalled. A flexible labour immigration clause is expected to resolve issues related to the dearth of a young skilled labour force. The brain drain from developing countries such as India and China has helped fuel economic growth in the US, but not in Europe.

Besides, dissimilar macro-economic conditions (reflected in the debt-GDP ratio) may even threaten the existence of the European Union (EU). This is because it renders a common macro-economic policy - expansionary monetary/fiscal policy during a recession and contractionary monetary/fiscal policy during an expansion - ineffective. But Europe is diverse, and when Greece is facing recession and Germany is doing well, then following an expansionary monetary policy may help Greece but will heat up the German economy.

It will be to Europe's benefit if the nations prepare themselves for austerity measures and institutional reforms. Otherwise, like Argentina during the 80s and Japan during the 90s, a lost decade will be a reality for Europe and rest of the world. (IPA)

## Slate made fate

“MAMMA, I want my school books today. It is high time and you still are delaying purchasing of my books”, said the grade IV kid to her mom. “Beta, I have already told you that your papa has not received his salary. So wait till he gets his salary”, said the mother.

This conversation between a mother and a grade IV school going girl made me go down my memory lane. In those days slate was the main window to our romantic world. The beginning of overwriting words would start on a slate. The satchels and the hassles were small and the slate was the main asset in it.

The umbilical cord of the primary education and the first day of the school were linked with this slate. Teachers would hand over the slates to the learners and make them write 'Shri Ganesha' on it. The preparation of going to school was only to carry a stone pencil and a piece of cloth to clean the slate. Some children from middle class families would bring a piece of sponge.

Although there were course books of History, Maths and Marathi all the class work was done on this slate. The class work was shown to the teacher. He would give a right tick on it. I still

miss that healthy competition to flaunt this right tick in the class. Slates with homework done on it would be properly carried to school with utmost care.

All this has been changed now. This slate, once, dear to all, has been left out. Now the bag is heavily loaded with at least a dozen of text and note books, two for each subject. The teacher considers it to be a tsunami if the child fails to bring his subject notebook even for a

## MIDDLE SPACE

By SHEKHAR KHOMNE

day. And just look at the student. With a tie, a belt, and an ID, hanging around the neck, trimmed shoes and a twelve kilo bag on the back, he looks like Bahubali 2 trotting to fight his academic war. Amidst the fancy, costly educational material the old gold slate is lost. I believe, once the entire burden of primary education would be carried by the slate but today our education system cannot carry its weight.

The slate saw changes in different decades. Stone slate ruled the bags and the classrooms for about three decades. Then came tin and fibre slates. Then the generation saw slates with white

wooden frames. Then this slate studded itself with beads and occupied its place in the bag. Students having these beaded slates would be looked at as elite in the class. These slates would be treated by the kids with kid gloves. Presently, magic slates are preferred for drawing.

As a matter of fact, the slate helped the learners in many ways. It was useful in improving handwriting. It was used to practise maths also. In the 70s many shops used slates to display the rates. Its main contribution was that it never allowed the bag to increase its weight. Besides, it had a cultural value also. On the occasion of Dussera, the slate occupied a special room at the inner shrine where people would perform puja. Again on Naag Panchami, a picture of a snake would be drawn on the slate to worship.

One cannot deny the fact that many scholars, overwriting initial letters have escalated to new horizons leaving an indelible impression on the world. The point can be easily proved by mentioning the names of Dr. A P J Abdul Kalam, Dhirubai Ambani, Vasantdada Patil, Sushilkumar Shinde, Vijay Bhatkar and Karmavir Bhaurao Patil. The black slate brightened their careers. Granted, their slates were broken, but these people were the architects of thousands of lives. Can today's highly ambitious techno savvy generation realise this?

## Every Man in his Humour

Letters to the Editor

### Protecting the public space

Sir,  
Every public place should be audited to maintain its internal security against threats of terrorism, insurgency and communal violence.

The Government should introduce mandatory audit laws for every public building that has a reasonable footfall, such as malls, schools, temples and cinema halls. Even a gathering of more than 100 people should go through the police scrutiny.

However, the Government should ensure that no rights of citizens are challenged by such a law.

Prof. Madhukar Chute, Nagpur

### High NPAs in banks

Sir,  
The 11 top nationalised banks while submitting their presentations to the parliamentary panel were hopeful of overcoming the NPA crisis by 2020. It is really painful to know that all PSBs together are having NPA accounted for as high as Rs.7.77 lakhs crores. A matter of serious concern for all.

Banks are doing their basic business of granting loans to borrowers and expect that same will be recovered. However, in the recent past the tendency of the borrowers has changed and they don't bother to return the loans. The reason, banks have legal and procedural limitations to recover these loans. The wilful defaulters are like robbers and their number is increasing. In such circumstances the banks cannot be held 100% responsible for rise in NPA. But the blame still goes to many corrupt top bosses of banks who grant huge loans without taking precautions or deliberately cheat their own banks. Quick punishment alone can solve this problem.

B. L. Hedao

#### ATTENTION

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