Be Happy & Help Each Other
Getting the basics wrong

The Editors

The Editors are preparing for the July 14 national elections in several sub-Saharan African countries. In the ministerial reshuffle in South Africa, where there have been some changes. The new minister of trade and industry has been appointed to replace the outgoing minister. The new minister has been tasked with implementing policies that will promote economic growth and job creation. The Editors believe that this is an important step towards achieving the country's development goals. They urge the government to continue to focus on issues that will benefit the people, such as education, health, and infrastructure development.

Gauging the breeze in Manipur

The Editors

The Editors have been following the political developments in Manipur, a state in India's northeastern region. The recent elections have resulted in a coalition government, with the United Democratic Manipur People's Front (UDMF) and the National People's Party (NPP) forming the government. The Editors believe that this is a positive development, as it will lead to greater stability and progress in the state. They urge the government to continue to focus on issues that will benefit the people, such as education, health, and infrastructure development.

Be Happy & Help Each Other
Recent discussions between Indian and Chinese officials on the way forward in Afghanistan are a welcome sign that both countries are attempting to put a very bad year in bilateral ties behind them, and seek common ground where possible.

Potential for investment and share concerns over the rise of radicalism and terrorism, there are many avenues for cooperation.

Fact that Beijing initiated the special talks by inviting Indian officials- proposed a “joint development project”.

On the issues that dominated the India China narrative in 2016,

1) India’s bid for Nuclear Suppliers Group membership
2) and to have Masood Azhar designated a global terrorist at the UN, -But a new conversation has started, and could yield results by the mid-year deadline
New Delhi must prepare for the larger challenge this year that will inevitably come from China’s Belt and Road Initiative (B&RI, or One Belt, One Road).

Through the mega infrastructure and trade project, China has plans in place to reach out to each one of India’s land and maritime neighbours, most of whom have signed up for it.

In May, a conference hosted by President Xi Jinping will bring all of India’s neighbourhood to Beijing, with the exception of India.

India has decided to not join the B&RI and will not attend even as an observer as the $51-billion China Pakistan Economic Corridor, now an integral part of the B&RI initiative, runs through areas of Pakistan-occupied Kashmir.
Conclusion-

- New Delhi needs to find ways to make China more sensitive to its concerns.
- Both must build on their discussion on the global scenario, which included the need to ‘play down their differences’ in order to manage the global instability created by President Donald Trump’s
- Possible revision of ties with Europe, Russia, and of alliances in the Pacific.
- His threat of abandoning the “One China” policy, and backing down on it after talks with Mr. Xi, should indicate the dangers of depending on a consistent U.S. policy on other issues in the region for India as well.
NEW SILK ROAD ECONOMIC BELT

NEW MARITIME SILK ROAD

VENICE ITALY
ISTANBUL TURKEY
MOSCOW RUSSIA
URUMQI CHINA
BEIJING CHINA
XI’AN CHINA
FUZHOU CHINA
NAIROBI KENYA
KUALA LUMPUR MALAYSIA

Be Happy & Help Each Other
Game of tones- Merger of mobile services

- Current wave of mergers and acquisitions, which started in November 2015 with Reliance Communications’ agreement to acquire Sistema’s Indian wireless business.
- Jio’s “predatory” approach to pricing, the industry - sharp decline in earnings + High cost of servicing
- Vodafone India- Idea Cellular - create the country’s largest telecom company by subscriber base.
- Bharti Airtel-Telenor deal
- BSNL and MTNL
- WHY-? The spectrum gain > The 4G edge > Subscriber base > Beating the rivals
- Telecom Regulatory Authority of India to ensure orderly growth in the sector [Q-Head+HQ-?] 
- That in turn risks further eroding the revenue the Centre earns from licence fees and spectrum usage charges
Q-Discuss the pros and cons, and challenges of implementing universal basic income (UBI) in India
Getting the basics wrong-UBI

- Economic Survey 2016-17 - universal basic income in India, and has devoted an entire chapter to this new idea.
- A universal and unconditional income transfer to all citizens in order to address - The twin problems of poverty and unemployment is undoubtedly a proposal that merits serious consideration.

The experiment in Europe
- Philosopher Philippe Van Parijs - his book, Real Freedom for All, - argues that the basis for universal basic income is the “fair distribution of real freedom to pursue the realization of one’s conception of the good life”.
- The main features of UBI are that it is provided by the state to all citizens on an individual basis, without a means test and without a work requirement.
- Example - Finnish proposal to provide unemployed citizens between the ages of 25 and 58 a monthly income of €560
UBI as proposed and discussed in Europe
Existing guaranteed incomes schemes are usually targeted or means-tested, that is, dependent on level of income and only available to those below a threshold level of income.
The most commonly discussed alternative to universal basic income is a negative income tax.
This is a scheme in which, for individuals below a certain income threshold, not only is the income of a household not taxed.
But the household receives a tax credit that is the difference between the basic income and tax liability.
Scholars suggest that UBI may be cheaper to operate than a negative income tax.
The negative income tax, of course, assumes a country where all citizens file tax returns.
Distortions in Indian proposal

- The first wrong committed by the *Economic Survey* is that its proposal constitutes an attack on welfare schemes.
- *Economic Survey* wants UBI not to supplement, but to replace, all existing anti-poverty and social welfare programmes.
- Mr. Parijs notes, “it supplements, rather than substitutes, existing in-kind transfers such as free education or basic health insurance. (Europe- supplements & India- substitutes).

1) It is thus technically and ethically wrong to compare the costs and benefits of UBI with subsidies relating to food and nutrition (public distribution, school meals, Integrated Child Development Services), education, and sanitation, as is done in the *Economic Survey*.

2) Wrong is thus the argument that the UBI should replace all current in-kind and cash transfers.

3) Third wrong, goes against the core philosophy of UBI, is the *Economic Survey*’s assertion that “UBI is not framed as a transfer payment from the rich to the poor.”

- A basic income needs resources- As Mr. Parijs shows- rich have to pay for this universal provision.
- The philosophy behind UBI is clearly one of redistribution.
No resource road map

- The Economic Survey, however, does not propose any new resource mobilisation or taxation to meet the goal of UBI.
- On the contrary, it talks of universal basic income replacing other schemes at various places.
- In short, existing programmes will have to be cut to fund the UBI. There is no intention of making the rich pay for the basic income.
- To sum up, the main features of universal basic income are that
  1) It should be universal and not targeted,
  2) It should be unconditional and not tied to work or employment,
  3) It should be in cash.
- Providing all persons (the poor, in particular) with an income to lead a dignified life, after basic needs such as education, health, and basic food consumption are taken care of.
- The UBI proposed in the Economic Survey is hostile to each of these objectives.
Conclusion

- Resource mobilisation has to increase ten-fold for India to afford the universal basic income without cutting back on other social welfare programmes.
- India has one of the lowest tax-to-GDP ratios in the world.
- Unless the government seriously increases tax resources
- The current proposal needs to be rejected in toto (as a whole).
Gauging the breeze in Manipur

On March 4 and 8, to elect the 60 members of the Legislative Assembly - 2015 Frame work Agreement on Naga issue Vs Election in Manipur

Factors that matter

Three major factors that are critical to Manipur’s electoral politics.

1) First and perhaps most important factor is the territorial integrity of the State - The majority of Manipur’s population, especially those in the valley, are worried about the contents of the Framework Agreement signed between the BJP government at the Centre and the NSCN-(IM) in August 2015.

2) Second factor is money power - Since many voters, especially in the hill or rural areas, are in need of financial assistance for their daily necessities, such as food, clothing and educational expenses, these issues will influence how votes are cast.

3) Third factor is the role of armed groups.

Territorial integrity, money power and armed groups — will be key in deciding the outcome of the Assembly election.
The Telecom Regulatory Authority of India (TRAI) is the regulator of the telecommunications sector in India. TRAI was established on 20 February 1997 by an Act of Parliament to regulate telecom services and tariffs in India. Earlier regulation of telecom services and tariffs was overseen by the Central Government. TRAI's mission is to create and nurture conditions for growth of telecommunications in India to enable the country to have a leading role in the emerging global information society. One of its main objectives is to provide a fair and transparent environment that promotes a level playing field and facilitates fair competition in the market. TRAI regularly issues orders and directions on various subjects such as tariffs, interconnections, quality of service, Direct To Home (DTH) services and mobile number portability.

In January 2016, TRAI introduced an important change in telecommunication that would benefit all consumers. Effective from 1 January 2016, consumers will be compensated for call drops. However, there is a catch, per the rule, mobile users will get a compensation of Re 1 for every dropped call but it will be limited to a maximum three dropped calls in a day. This regulation has been quashed by Supreme Court on the ground of being "unreasonable, arbitrary and unconstitutional."