

**ALL WAR REPRESENTS  
A FAILURE OF DIPLOMACY.**

**- Tony Benn**

## Reading new climate report

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III → April 2022

- The Assessment Reports, the first of which had come out in 1990, are the most comprehensive evaluations of the state of the earth's climate. Hundreds of experts go through every available piece of relevant, published scientific information to prepare a common understanding of the changing climate.
- These reports also form the basis for international climate change negotiations that decide on the responses at the global level. It is these negotiations that have produced the Paris Agreement, and previously the Kyoto Protocol. The Paris Agreement, negotiated on the basis of the Fifth Assessment Report, seeks to keep the rise in global temperatures "well below" 2°C from pre-industrial times, while "pursuing efforts" to limit it to 1.5°C. The Sixth Assessment Report, however, has presented lots of evidence to suggest that pursuing a 2°C target could be disastrous, and more ambitious actions need to be taken to keep the temperature rise within 1.5°C.
- The latest report has, for the first time, made an assessment of regional and sectoral impacts of climate change. It has included risks to, and vulnerabilities of, mega-cities around the world. For example, it has said Mumbai is at high risk of sea-level rise and flooding, while Ahmedabad faces serious danger of heat-waves.
- Lucknow and Patna, according to one of several studies cited in the IPCC report, are among the cities predicted to reach wet-bulb temperature (a metric of humidity) of 35°C if emissions continued to rise.
- Also for the first time, the IPCC report has looked at the health impacts of climate change. It has found that climate change is increasing vector-borne and water-borne diseases such as malaria or dengue, particularly in sub-tropical regions of Asia. It has also said deaths related to circulatory, respiratory, diabetic and infectious diseases, as well as infant mortality, are likely to increase with a rise in temperature.
- According to the IPCC report, global sea levels will likely rise 44-76 cm this century if governments meet their current emission-cutting pledges.
- droughts and heatwaves will trigger biodiversity loss, as well as human migration.

EXPLAINER

# Land protests over Deocha Pachami coal block

Why are local villagers upset despite a revised relief and rehabilitation package?

SUDIPTA DATTA

**The story so far:** The West Bengal government's ambitious Deocha Pachami coal block mining project at Mohammad Bazar in Birbhum district has run into hurdles over land acquisition and other issues. On February 20, nine people, including economist-activist Prasenjit Bose, were arrested at a rally to protest against the proposed project, being undertaken by the West Bengal Power Development Corporation. Bail has been rejected, and Bose and others have been sent to judicial custody till March 1 when they will be produced in court again. On Monday, February 21, Chief Minister Mamata Banerjee announced a sweetened relief and rehabilitation package, and said there will be no forcible acquisition of land for the project, which was awarded to the State by the Centre in 2018.

**What is the project?**

The State government is planning to start mining at the Deocha Pachami coal block, considered to be the largest coal block in the country with reserves of around 1,198 million tonnes of coal and 1,400 million cubic metres of basalt, spread over an area of 12.31 sq. km, which is around 3,400 acres. There are around 12 villages in the project area with a population of over 21,000, comprising Scheduled Castes and Scheduled Tribes.

However, the \$35,000 crore Bengal government project is facing protests over land acquisition. The government owns 1,000 acres, of which 300 acres is forest

land, but needs to acquire the rest to begin coal mining.

**Why are locals upset?**

Villagers represented by the Birbhum Jomi Jeeban Jeevika O Prakriti Bachao Mahasabha (Birbhum Save Land and Environment Protection Organisation) have been organising protests and rallies against the project, with activists claiming that there is a "misleading propaganda" that locals are willing to "give land voluntarily". Locals, mostly Santhal tribals, have close affinity with the land, with forests and waterways, and rely on it for their needs. Activists said that instead of engaging with the people on their grievances about the coal mining project, they, together with the tribals, were being harassed and had been arrested under false and serious charges. Various other organisations have lent their voice to the protests and spoken out against alleged police atrocities, including the Samyukt Kisan Morcha (which had led the year-long farmers' stir on the borders of Delhi), the Jawaharlal Nehru University Students' Union, Bangla Sanskriti Mancha and the Teachers Against the Climate Crisis. Experts, environmentalists and activists have raised a host of issues concerning the project and the pitfalls of going ahead with plans for open cast mining of coal at a time when there are calls to cut back on fossil fuel to tackle global warming. Also, the project details have not yet been made public; and the environment clearance is awaited.

**What is the compensation package?**

Chief Minister Mamata Banerjee insists that

the State needs the mining project, saying it will create about one lakh jobs. The State government revised the relief and rehabilitation project, which will cost the exchequer \$10,000 crore, to give land losers a better deal. The Chief Minister claimed that of 4,300 families who will be affected by the project, about 1,600 families have decided to hand over their land willingly.

Under the revised relief & rehabilitation (R&R) package for Deocha Pachami coal block, a person having land in the area will get double the market value along with 100% solatium as land cost (i.e. around \$13 lakh per bigha). "Built-up area of the individual houses to be provided to all families (along with separate houses for all adult members of the family) has been increased from 600 sq ft to 700 sq ft. Compensation in lieu of built-up houses (for those who will opt for money) has been increased from \$5 lakh per family to \$7 lakh," according to the government. While the original R&R package provided for one job for one member of every family at the junior police constable level, in the revised package, those with higher qualifications will be provided with a higher grade posting in the police or an equivalent posting in other departments. A total of 5,100 people will get jobs, the government said.

Along with this, long-term residents of the area who are not landowners will be provided with land patta and a compensation package, the Chief Minister announced. "The government will develop this project and no land will be given to private players. There are some mine owners who are trying to spread misinformation



among people. Despite this, if anyone does not want to give land we will not force and will develop the project excluding that portion," Ms. Banerjee said.

**Are the protests similar to Singur and Nandigram?**

When Ms. Banerjee was in the Opposition, she spearheaded a massive protest at Singur against forced land acquisition that led the Tatas to exit the State with the Nano small car project. In 2007, land acquisition for a proposed chemical hub during Left rule also turned violent. The protests at Deocha Pachami comes at a time when the Trinamool Congress government, in its third term, has been trying to shed its anti-industry image and bring back jobs to the State and stop large-scale migration of youngsters to other States.

## THE GIST

■ The West Bengal government's ambitious Deocha Pachami coal block mining project despite the announcement of a relief and rehabilitation package, saw widespread protests which resulted in the arrests of nine people including economist-activist Prasenjit Bose.

■ Considered the largest coal block in the country, Deocha Pachami has reserves of around 1,198 million tonnes of coal. Chief Minister Mamata Banerjee stated that the mining project will create about one lakh jobs.

■ Experts, environmentalists and activists have raised a host of issues concerning the pitfalls of going ahead with plans for open cast mining of coal at a time when there are calls to cut back on fossil fuels to tackle global warming.



● **Locals, mostly Santhal tribals, have close affinity with the land, with forests and waterways, and rely on it for their needs.**

● **Experts, environmentalists and activists have raised a host of issues concerning the project and the pitfalls of going ahead with plans for open cast mining of coal at a time when there are calls to cut back on fossil fuel to tackle global warming. Also, the project details have not yet been made public; and the environment clearance is awaited.**

EXPLAINER

## The controversy around the \$500 million MCC grant to Nepal

What is the MCC? Why are domestic parties opposing economic assistance from the U.S.?

DEEPA MUNDAL

**The story so far:** On February 27, the Nepal parliament approved the Millennium Challenge Corporation Nepal Compact – a \$500-million grant from the United States for electricity transmission and road development projects, after five years of keeping it on hold. The grant was ratified with an imperative declaration attached to it.

The declaration states that the U.S. grant is not part of the Indo-Pacific strategy and Nepal's Constitution would be above the provisions of the grant agreement. It also mentions that the grant will solely be perceived as an economic assistance. Political parties and civil society have been divided on the U.S. grant for various reasons.

The grant agreement, which was tabled in the Parliament in Kathmandu on February 20, faced demonstrations against it, which turned violent, with riot police firing tear gas shells and using water cannons to disperse the protesters outside the parliament. Protesters also hurled stones at the police and several people reported injuries on both sides.

**What is the Millennium Challenge Corporation?** The Millennium Challenge Corporation (MCC) is an independent U.S. foreign aid agency, which was established in 2004 by the country's Congress to offer "time-limited grants promoting economic growth, reducing poverty, and strengthening institutions" to low and lower-middle income countries through a selection process.

While this is the current official definition of the aid body, MCC was proposed by the George Bush administration post the 9/11 terrorist attack, as a tool to counter global poverty



City abounds: Protests against the MCC grant in Kathmandu on February 27. ©Reuters

and international terrorism, citing the rationale that poverty and terrorism are linked.

MCC selects countries to award grants through a selection process, which involves evaluating the country's performance on 20 policy indicators ranging from control on corruption to government effectiveness.

The MCC offers assistance in three forms. In the form of compacts, meaning large, five-year grants; concurrent compacts or "grants that promote cross-border economic integration", and threshold programs, which are smaller grants aimed at policy reform. The aid being offered to Nepal is in the form of a compact: the MCC has so far approved about 27 compacts for 26 countries, worth a total of over \$13 billion.

**What is the MCC Nepal Compact?** In 2014, after meeting 16 of the 20 policy indicators on which MCC selects countries, Nepal had qualified for a compact, the agreement for which it later signed in 2017.

Under the compact, the U.S. government, through MCC, would provide a grant of \$500 million to Nepal for energy transmission and road development projects, with the latter also chipping in \$100 million from its exchequer. The power project proposed in the compact is a 300-400 km long energy transmission line with a capacity of 400 kilowatt, along a power corridor starting from the northeast of Kathmandu and ending near Nepal's border with India. The project also involves building three power substations along the line. Besides, the grant money is also intended for a "road maintenance project" which will upgrade roads on the east-west highway, spread across 300 kms.

While the compact says the energy project is meant to augment power generation and economic growth for Nepal, it also states that it will facilitate cross-border electricity trade with India.

Before the work on the projects can begin however, the bill has to be formally accepted or ratified in the country's parliament. Both the U.S. and Nepal governments have said that it is a "no strings attached" grant, which would not have any conditions, or require repayment and interest payment.

However, section 71 of the agreement says it will "prevail" over the domestic laws of Nepal and section 6.8 grants immunity to MCC staff in "all courts and tribunals of Nepal." The U.S. Embassy in Nepal described the compact this month as a "gift" from the American people and a "partnership" between the two countries that will "bring jobs and infrastructure to Nepal and improve the lives of Nepalis."

**What is the dispute around the MCC grant?** As per the initial agreement, the compact

should have come into effect by 2016, but skepticism, politics and slow progress, made its course rocky.

The U.S. had been increasing its pressure on Nepal to ratify the agreement, with the Biden administration's Assistant Secretary of State for South and Central Asia, Donald Lu, calling the Nepal Prime Minister Sher Bahadur Deuba on February 10, giving a deadline to ratify the MCC compact in parliament by February 28, or the U.S. would have to "review its ties with Nepal." There have been instances in the past where the U.S. has terminated such compacts with countries for different reasons.

Nepali political parties have been divided on the MCC agreement over fears it would undermine Nepal's sovereignty by pulling it into the US's Indo-Pacific Strategy (IPS), which focuses on countering China – a country Nepal has close ties with. The compact is also seen by some observers as America's answer to China's Belt and Road initiative, a road development program that the Nepal government signed in 2016.

In May 2019, U.S. State Department's Assistant Secretary for South Asia, David J. Raney, on his visit to Nepal had said that MCC was an important part of the IPS. Besides, the US's November 2019 report clearly states that assistance under the MCC compact is a part of IPS. This further strengthened the skepticism of some of Nepal's parties, that the compact would go against its constitution, which binds the country to a strong principle of non-alignment.

After Nepal received the call from the White House about the deadline, China said it opposes "coercive diplomacy and actions that pursue selfish agendas at the expense of Nepal's sovereignty and interests." The people of Nepal are also

afraid that the MCC would make profits from the power project by exporting energy to India. Besides, the call that Donald Lu made to Nepal about meeting the ratification deadline, was made when he was in Australia to attend the Quad meeting. This has led to skepticism that the MCC agreement, involving cross-border energy trade with India, would also benefit the Quad, which has often spoken about making infrastructure partnerships in India's neighbourhood, including Nepal, Maldives and Sri Lanka.

**How has the pact played out in Nepal politics?** Nepal has been witnessing bouts of political instability after the 2017 national election, when the leader of the Communist Party of Nepal (CPN), K.P. Oli and Pushpa Kumar Dahal (Prachanda) of Communist Party of Nepal (Maoist) formed a coalition government, with Mr. Oli as the Prime Minister. This Government had a power sharing agreement under which Mr. Oli and Mr. Prachanda would assume the post of Prime Minister for two equal periods of time. This agreement did not work out and as a result, the country's parliament was dissolved twice – first, in December 2020 and then in May 2022, with fresh elections scheduled for November 2022.

In July 2021, however, the Supreme Court of Nepal, ordered that the parliament be reinstated with Mr. Oli's rival Sher Bahadur Deuba of the Nepali Congress as the Prime Minister. In this political backdrop, the MCC compact became politicized by parties as a device to strengthen their positions in the upcoming elections. While the two communist parties in the leading coalition, including Mr. Prachanda's party have been against the MCC compact, the PM's party is endorsing it.

## THE GIST

■ On February 27, the Nepal parliament approved the MCC Nepal Compact – a \$500-million grant from the U.S. for electricity transmission and road development projects. The declaration attached to it states that the U.S. grant is not part of the Indo-Pacific strategy and Nepal's Constitution would be above the provisions of the grant agreement.

■ Under the compact, the U.S. government would provide a grant of \$500 million to Nepal, for energy transmission and road development projects. The power project proposed in the compact is a 300-400 km long energy transmission line with a capacity of 400 kilowatt. The project also involves building three power substations along the line.

■ Nepal political parties have been divided on the MCC agreement over fears it would undermine Nepal's sovereignty by pulling it into the US's Indo-Pacific Strategy (IPS), which focuses on countering China – a country Nepal has close ties with. It would also go against the country's policy of non-alignment.

● **Nepal parliament approved the Millennium Challenge Corporation Nepal Compact a \$500-million grant from the United States for electricity transmission and road development projects, after five years of keeping it on hold. The grant was ratified with an imperative declaration attached to it. The declaration states that the U.S. grant is not part of the Indo-Pacific strategy and Nepal's Constitution would be above the provisions of the grant agreement. It also mentions that the grant will solely be perceived as an economic assistance.**

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● **Nepali political parties have been divided on the MCC agreement over fears it would undermine Nepal's sovereignty by pulling it into the US's Indo-Pacific Strategy (IPS), which focuses on countering China a country Nepal has close ties with. The compact is also seen by some observers as America's answer to China's Belt and Road initiative, a road development program that the Nepal government signed in 2016.**

● **There is skepticism of some of Nepal's parties, that the compact would go against its constitution, which binds the country to a strong principle of non-alignment.**



This picture taken on September 24, 1961, in Helsinki shows Urho Kekkonen (L), then President of Finland, helping then Soviet leader Leonid Brezhnev (R) pin a carnation onto his suit, during Brezhnev's visit to Finland.

KEYWORD

## Finlandisation

Understanding the foreign policy concept coined from the nature of the relationship between Finland and the erstwhile Soviet Union

### THE GIST

■ Finlandisation means that a smaller power bows down in front of a larger power to safeguard its titular independence. But one needs to be careful when applying the same principle to other countries.

■ The origin of Finlandisation can be traced back to the Cold War. Finland did not join NATO and there was no interference from Moscow due to the Finno-Soviet Treaty of 1948.

■ However, the relations between the two nations turned sour during the infamous Night Frost Crisis of 1958 when Moscow refused to accept Karl-August Fagerholm, a social democrat, as the Prime Minister of Finland.

Soon after Russia's revanchist assault on Ukrainian sovereignty precipitated by the threat of Ukraine joining NATO, its foreign affairs spokesperson, Maria Zakharova, came out with the following statement: "Finland and Sweden should not have their security on damaging the security of other countries and their accession to NATO can have detrimental consequences and face some military and political consequences". Sweden and Finland responded to Moscow's veiled threats with the Finnish government branding down Moscow's claims saying that they have heard such words before and that they don't see this as Moscow threatening them while the Swedish Prime Minister said, "It is Sweden that itself independently decides on our security policy". There seems to be a stark contrast in how both these nations have decided to respond to Moscow.

The origin of Finlandisation within this dynamic can be broadly traced back to the Cold War when Finland did not join NATO and enjoyed years of a relatively non-interfering stance from Moscow as a result of the Finno-Soviet Treaty of 1948. Moscow was, of course, deeply concerned with developments in Finland and did not want them to stray towards Moscow's ideological adversaries. While a claim can be made that Moscow did influence Finland's domestic and foreign policy, it nonetheless 'allowed' them to maintain their sovereignty and didn't actively interfere in their affairs. Relations turned sour during the infamous Night Frost Crisis of 1958 when Moscow refused to accept a social democrat, Karl-August Fagerholm, as the Prime Minister of Finland.

It was only in 1959, three years after Urho Kekkonen, leading the Agrarian government, became the President, did relations between the two nations begin to thaw. His presidency is largely seen to signal the beginning of full-scale Finlandisation in a bid to appease the Soviets.

Before Kekkonen, President Juhani Ruuska followed a more flexible approach to neutrality. This 'neutrality' of course meant that they would not take steps that wouldn't be in the best interest of the Soviets and work as a more democratic form of a satellite state.

The trouble, however, did not stop there. The Social Democrats felt that Kekkonen did not support the government during the Night Frost crisis and thus, alongside the Conservatives, fielded a candidate against him. This was viewed by Moscow as potential German interference—part of a larger international ploy at work aimed

at strengthening German influence in the region. For reasons which can only be debated without much proof, the candidate stepped back, and Kekkonen went on to win the next election, and then a few more, eventually ending his 26-year long presidency in 1982.

While the term 'Finlandisation' can largely be seen to mean that a smaller power bows down in front of a larger power to safeguard its titular independence, we need to be careful when applying the same principle to other countries. In the current context, the Finlandisation of Ukraine (from any side of the power axis) makes little sense.

For one, Moscow has already started an assault on the sovereignty of Ukraine, and from what seems to be a fairly recent, would be looking to balkanise the region in the event of peace talks failing and then successfully crushing Ukrainian defenses. Secondly, the current geopolitical reality is starkly different. We see a debarring Russia, an ascending China, and a U.S. which, while still being militarily strong, is not the

ultimate hegemon that it once was. We also don't see any similar invasive tendencies from a European country.

At best, the situation with Moscow could be described as maintenance of status quo which of course includes the West not trying to actively obscure their way in. From the American standpoint, an all-out Finlandisation of Ukraine through Washington would have resulted in exactly what we see unfolding right now.

The post-Cold War geopolitical climate has not just been one of maintenance of the status quo of America's hegemony (only recently challenged by China) but also proxy wars being fought around the world. China's ascension has shifted the dynamics and bent the game to its favour. Looking at Taiwan, we see how ardently a Finlandisation of it from an American perspective is going to work. If the Americans are not coming to help the Ukrainians by lending them military support and are only trying to help through the imposition of economic sanctions on Moscow, what hope can the Taiwanese have that, if China decides to get a little more adventurous, the Americans will show up to help them.

Nuclear weapons change everything. Washington isn't militarily intervening in Ukraine because it would mean two nuclear powers coming at each other and one does not have to think too hard to imagine how that would play out.

Changing centres of power, coupled with seemingly reactionary international political leaders at the helm of affairs, nations either considering developing their own nuclear weapons programme or vying to enter security alliances, and actors with revanchist tendencies only make the international security climate more tumultuous and more prone to such acts of brute force assault on one nation's sovereignty by another.

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## Ready to give Aadhaar card to sex workers, UIDAI tells SC

KRISHNADAS RAJAGOPAL  
NEW DELHI

The Unique Identification Authority of India (UIDAI) on Monday informed the Supreme Court that it was willing to issue Aadhaar card to sex workers without insisting on proof of residence/identity, provided they got a certificate from a gazetted officer of the health departments of the States or from an official with the National AIDS Control Organisation (NACO).

The suggestion came in a petition before a Bench of Justices L. Nageswara Rao and B.R. Gavai on the lack of food security for lakhs of sex workers across the country, especially during the years of pandemic.

The court has been hearing arguments about how authorities and community-based organisations could reach out to sex workers and provide them with ration card, voter card and Aadhaar card without disclosing their identities. Sex workers still battle social stigma even at the cost of food security.

### **‘Secure personal info’**

Advocate Zoheb Hossain, for the UIDAI, submitted that it was an obligation to ensure that sections of society did not lack access to their basic rights like food because they did not have an Aadhaar card. Justice Rao said personal information, including their identities, would have to remain confidential. The court further directed that State governments should take steps to issue voter cards to sex workers identified by NACO and community-based organisations after verification of their lists.

The court asked the State governments to submit fresh status reports in three weeks and scheduled the next hearing after a month.

Supreme Court observed that fundamental rights are guaranteed to every citizen irrespective of vocation and directed the central government to start the process of issuing voter ID, Aadhaar and ration cards to sex workers.

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## Counting the costs

Talks to end the war are a must as sanctions on Russia will hurt the wider world

Saturday's announcement by the U.S., the U.K. and European allies, including France and Germany, of a raft of 'further restrictive economic measures' to increase the costs on Russia for its invasion of Ukraine has just raised the risks of a more widespread economic fallout from this war. With a view to further isolating Russia from the international financial system, the western allies decided to block 'selected' Russian banks from the SWIFT messaging system used to validate and complete international payment transactions. They also resolved to impose restrictions on the Russian central bank's ability to access and deploy the country's 'war chest' of an estimated \$630 billion in foreign exchange reserves. The immediate impact of these moves on Russia's economy and financial markets have manifested in a sharp depreciation in the value of the rouble – the currency tumbled almost 30% intraday to a record low against the dollar in Asian trading on Monday and has weakened about 26% so far in 2022. They also forced the country's central bank to more than double its benchmark interest rate to 20%, the highest in almost two decades, and impose controls on capital flows. Russia's largest lender Sberbank found its European arm facing a run on its deposits, which the European Central Bank warned could lead to the unit's 'failure'. With Russians waiting in long queues outside ATMs on fears of likely cash shortages, the country's citizens face the real prospect of runaway inflation.

But the economic costs of Vladimir Putin's unilateral decision to embark on what he called a 'special military operation' to describe Russia's all-out invasion of its western neighbour last week are already being felt worldwide. European banks and companies with significant business exposure to Russia have taken a beating on the bourses given the extent to which the sharp escalation in the sanctions is certain to hurt their operations and revenues. And though the western allies have carefully avoided any mention so far on closing the tap on Russia's massive exports of oil and gas that contribute substantially to the country's current-account surplus, concerns about possible disruptions to shipments from the world's second-largest producer of oil have pushed the price of Brent crude futures well above \$100 a barrel. With most large European economies majorly reliant on energy supplies from Russia, the spectre of rising energy costs fanning a bruising acceleration in inflation in Europe and worldwide is very real. At a time when a durable recovery from the shock of the COVID-19 pandemic is yet to take hold, the war initiated by Russia, and the consequent sanctions on it, especially if widened to cover countries that seek to bypass the sanctions regime, pose a challenge to the global economy that Rabobank's economists projected could be 'so bad' as to be unquantifiable. Expedient negotiations to end the conflict are the only way forward.

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# The SilverLine is not a vanity project

It is part of a long-term effort to modernise the economy and create new jobs in Kerala



JAVAN JOSE THOMAS

The debate around the SilverLine, the proposed semi high-speed railway in Kerala, has reached a blind alley. If the project, funded partly by the State government, comes through, the 530-kilometre distance between Kerala's capital Thiruvananthapuram and its northernmost district Kasaragod could be covered in less than four hours. This journey takes at least 12 hours now. But many critics of the new railway question the very idea of high-speed travel in Kerala, arguing that there would not be enough riders. The State government, for its part, is yet to convince the people that the railway line can be a catalyst for a progressive transformation of Kerala's economy.

It may be useful for Kerala to go over the experience of Japan in building the world's first ever high-speed rail line, called the Shinkansen. In the 1950s, there were serious doubts about its viability, in a country that had been devastated by the Second World War. However, ever since its inauguration in 1954, Shinkansen has been a powerful agent and a symbol of Japan's economic resurgence.

**Modernising the economy**

By the 1990s, Kerala had achieved most of the preconditions required for an economic take-off: its record in public health and education then as they continue to be now; was not only the best in the country but comparable to that of the East Asian tiger economies. However, the economic opportunity slipped away for Kerala, which received a relatively low share of public sector investments in infrastructure, and research and academic institutions. Over the decades, Kerala has been a large exporter of skills. Estimates suggest that between one and one-and-a-half million people from Kerala are employed in high-skilled jobs — as nurses, engineers, teachers, media professionals, and so on — outside the State, most of them outside the country.

There is now a growing realisation that new economic activities have to



"The concerns regarding environmental impacts and compensation to those who lose their land for the project must be looked into." A survey stone of the proposed SilverLine project being removed from a paddy field in Punalakudera panchayat, Ernakulam. <img alt="A small, dark, rectangular image, possibly a survey stone or a similar object."/>

be nurtured within Kerala, drawing on the talents of its educated job seekers. In colleges and universities across the State, 1,66,000 enrol for tertiary education every year, which include 60,000 who join engineering courses. The Kerala State Planning Board has outlined the possibilities for knowledge-led economic growth. In addition to tourism and information technology, the sectors in which Kerala sees potential include healthcare, life sciences, biotechnology, media and animation, space and aeronautical technologies, and artificial intelligence.

In the post-pandemic world, as companies seek greener and less congested spaces, Kerala offers a unique advantage. Modern economic activities can thrive across the length and breadth of the State, given its dispersed nature of spatial development. There are numerous towns and villages which provide hygienic living conditions, safe public spaces, excellent health and education facilities, good internet connectivity, and all other modern amenities.

**Dispersing economic growth**

Building an effective public transport system is central to realising Kerala's economic ambitions. The proposed semi high-speed railway, which will cover 11 of Kerala's 14 districts, assumes importance in this context. The SilverLine could serve the function of a fast-paced suburban rail system for the whole of Kerala, with each of its stops becoming nodes for future economic growth. This could be similar to the way the local trains have uplifted the economy of the

Greater Mumbai region or to the long-run impacts made by the London Underground railway. The northern districts of Kerala will benefit in particular.

In fact, the need to have frequent stops (at an interval of roughly 50 km) partly explains why Kerala has opted for a semi high-speed, and not a high-speed, railway line. The maximum speed that can be attained on the semi high-speed line being planned in Kerala will be 200 km per hour, while trains can run at a speed of 250 kmph on a high-speed line.

**The debate must continue**

The State government has to drive home the point that the SilverLine is not a vanity project, but part of a long-term effort to modernise the economy and create new jobs in Kerala. Many of the criticisms against the rail network will simply wither away when the project is viewed as a part of tomorrow's, and not today's, Kerala, catering to the needs of a much bigger economy. There are concerns that the rail project may damage the environment in the short run, especially during the construction stage. But in the long run, there are no doubts that a public transport system such as the SilverLine, run on renewable energy and capable of carrying more than a million passengers a day, will help reduce pollution and carbon emissions.

It is also clear that a land-scarce Kerala cannot afford to depend on the road network for its future transport needs. The number of motor vehicles on the State's roads has doubled over the last decade. There were

14.4 million vehicles in Kerala in 2020, which included 3.2 million cars and jeeps, all for a population of 35 million. The number of accidents involving motor vehicles has been rising steeply. Compared to a six-lane national highway, the proposed semi high-speed railway will require only half the amount of land but can carry three times the traffic (according to a note circulated by the Kerala Rail Development Corporation).

The rail project, which will take five years to complete, is expected to cost \$5,500 crore, or roughly 7.5% of Kerala's annual income. But the argument that the railway construction will push Kerala into a debt burden is not correct. It arises from an assumption that the economy will remain where it is today. As Kerala's economy enlarges with the stimulus given by the new rail line, the debt will be within manageable limits. The fears that the construction of the semi high-speed rail will cause natural calamities may be unfounded. Even as it circumvents an earthquake-prone terrain, the Japanese high-speed rail network has seen no fatal accidents in over the last six decades.

The public debate covering the financial and technical aspects of the SilverLine project must continue. It must address questions such as whether the new railway should run on standard gauge or broad gauge, and whether the modernisation of the existing railway network will turn out to be a more cost-effective option than the building of a new rail line. The concerns regarding environmental impacts and compensation to those who lose their land for the project must be looked into. The planning for the railway should not be done in isolation, but go hand in hand with the measures to revitalize the industrial, technology and tourism sectors in the State.

All of these must be done in a far-sighted-looking and time-bound manner. Needless to say, the discussions should be well informed, based not on hearsay but on scientific and technical inputs. At the same time, the voices that reject outright the plans for a modern rail network in Kerala must realise that they are doing a grave injustice to the State's future.

— Javan Jose Thomas, Co-Professor of Economics at the Indian Institute of Technology Delhi

## The SilverLine is not a vanity project

- Article explains about the SilverLine project, how the railway line can be a catalyst for a progressive transformation of Kerala's economy.

## What is the SilverLine project?

The project entails building a semi high-speed railway corridor through the state linking its southern end and state capital Thiruvananthapuram with its northern end of Kasaragod.

- The government claims the SilverLine project can take a significant load of traffic off the existing stretch and make travel faster for commuters, which in turn will reduce congestion on roads and help reduce accidents.
- The government claims the line will also reduce greenhouse gas emissions, help in expansion of Roll-on/roll-off (RORO) services, produce employment opportunities, integrate airports and IT corridors, and enable faster development of cities it passes through.



## Assessment

- Over the decades, Kerala has been a large exporter of skills. Estimates suggest that between one and one-and-a-half-million people from Kerala are employed in high-skilled jobs — as nurses, engineers, teachers, media professionals, and so on — outside the State, most of them outside the country. There is now a growing realisation that new economic activities have to be nurtured within Kerala, drawing on the talents of its educated job seekers.
- Building an effective public transport system is central to realising Kerala's economic ambitions. The SilverLine could serve the function of a fast-paced suburban rail system for the whole of Kerala, with each of its stops becoming nodes for future economic growth.
- The project is part of a long-term effort to modernise the economy and create new jobs in Kerala. Many of the criticisms against the rail network will simply wither away when the project is viewed as a part of tomorrow's, and not today's, Kerala, catering to the needs of a much bigger economy.
- There are concerns that the rail project may damage the environment in the short run, especially during the construction stage. But in the long run, there are no doubts that a public transport system such as the SilverLine, run on renewable energy and capable of carrying more than a million passengers a day, will help reduce pollution and carbon emissions.
- The concerns regarding environmental impacts and compensation to those who lose their land for the project must be looked into. The planning for the railway should not be done in isolation, but go hand in hand with the measures to reinvigorate the industrial, technology and tourism sectors in the State.

## Reporting cyber attacks

If there is incentive for firms not to disclose security attacks, it affects cyber security and data protection



V. SRIDHAR

The Ministry of Electronics and Information Technology is likely to come out with new cyber security regulations, as indicated by Minister of State Rajeev Chandrasekhar at a recent cyber security event. The essence of this regulation will be to put the onus on organisations to report any cyber crime that may have happened against them, including data leaks. Clause 25 in the Data Protection Bill 2021 says that data fiduciaries should report any personal and non-personal data breach incident within 72 hours of becoming aware of a breach. Even the golden standard for data protection, namely the European Union General Data Protection Regulation (EU GDPR), has a clause for reporting data breach incidents within a stringent timeline.

### Security breaches

While this, in principle, is likely to improve cyber security and reduce attacks and breaches, why are there continuing breach incidents every minute? According to Cyber-crime Magazine, if it were measured as a country, then cyber crime – which is predicted to inflict damages totalling \$6 trillion globally in 2021 – would be the world's third-largest economy after the U.S. and China.

Apart from private firms, government services, especially critical utilities, are prone to cyber attacks and breach incidents. The ransomware attack against the nationwide gas pipeline in 2021 in the U.S. virtually brought down the transportation of about 45% of all petrol and diesel consumed on the east coast. Hence it is important that even cyber attacks on government and state-owned enterprises be reported so that corrective actions can be taken on the security of critical infrastructure of the nation.

What is the logic behind incidence reporting? If incidences are reported, the Indian Computer Emergency Response Team and others can alert organisations about the associated security vulnerabilities. Firms not yet affected can also take precautionary measures such as deploying security patches and improving their cyber security infrastructure.

But firms are reluctant to notify the breach incidents to the regulators. This is because any security or privacy breach has a negative impact on the reputation of the associated firms. An empirical study by Com-

paritech indicates that the share prices for firms generally fall around 3.5% on average over three months following the breach. In the long term, breached companies underperformed in the market. After one year, share price of breached firms fell 8.6% on average, resulting in a poor performance in the stock market. So, firms weigh the penalties they face for not disclosing the incidents versus the potential reputational harm due to disclosure, and decide accordingly.

The other important aspect is enforcement of the regulation and associated rules. How will the regulator come to know when a firm does not disclose a security breach? It can be done only through periodic cyber security audits. These audits should be comprehensive enough to identify such incidents that might not have been reported by the firm. Unfortunately, the regulators in most countries including India do not have such capacity to conduct security audits frequently and completely. If either the probability of such audits is low or the probability of finding breach incidents during such audits is low, there is incentive for the firms not to disclose security attacks.

### Possible solutions

Given the above complex nature of disclosure, what could be the possible solutions apart from enacting rules? The first is that the government empanel third party cyber security auditors for the conduct of periodical cyber security impact assessments, primarily amongst all the government departments, both at the national and State level, so that security threats and incidents can be detected proactively and incidents averted. The government can also mandate that periodic security audit reports be published by private firms and arrange to conduct surprise security audits towards enforcements.

The Ministry, as part of cyber security assurance initiatives of the Government of India, to evaluate and certify IT security products and protection profiles, has set up Common Criteria Testing Laboratories and certification bodies across the country. These schemes can be extended towards cyber security audits and assessments as well. Much like IBM, which set up a large cyber security command centre in Bengaluru, other large firms can also be encouraged to set up such centres for protection of their firms' assets. Such measures will also pass the muster of the EU GDPR, thereby moving India closer to the set of countries that have the same level of cyber security and data protection as that of EU, for seamless cross-border data flow.

V. Sridhar is Professor, IIT Bangalore

## Reporting cyber attacks

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