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# Weekly Editorial Analysis (WEA)

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## 1. A walk-back

- Biden shows intent on reworking immigration rules by not extending H-1B visa ban
- In allowing the ban on H-1B visa issuance to expire, Mr. Biden has walked a fine line between restoring the inflow of skilled workers into the U.S., a source of productivity increases for its labour force
- Biden's action will have a significant and favourable impact for Indian nationals seeking employment with U.S. tech firms, given that they were the largest demographic to benefit from this visa annually; they garnered approximately 70% of the 65,000 H-1B visas annually made available to private sector applicants other than students
- By some estimates, H-1B visa applications of up to 219,000 workers were likely blocked as a result of Mr. Trump's proclamation last June, halting the processing and issuance of non-immigrant work visas of several types

### Impact of Visa ban

- Decrease in highly talented skill worker in USA labour force
- Many companies utilise H-1B workers to create training programmes which trains American workers. Now loss to America's economy.
- As per US Chamber of Commerce H1B1 visa holders have enriched the US Tech industry and this move means that entire job opportunities and investments are going to Canada.
- Lack of local talented workers

### Impact of Visa ban

#### India

- Opportunities in other countries
- Decrease brain drain
- Nurture R&D in india

### Type of Visa

- Immigrant visas
  - ✓ issued to foreign nationals who intend to live permanently in the United States.
- Nonimmigrant visas
  - ✓ For foreign nationals wishing to enter the United States on a temporary basis - for tourism, medical treatment, business, temporary work, study, or other similar reasons

### H1B Visa (Annually 85000)

- Issued for 3 to 6 years period.
- Most popular among Indian IT companies.

- To work in a specialty occupation (Need higher education)
- H4 Visa is issued to the immediate family members/dependents of H1B visa holders

### Dual intent (H1B)

- Foreign national work temporarily while also intending to immigrate to the United States at some point in time in the future.
- Can apply for permanent residency by applying for a green card.

### H1B1

- Holder have to demonstrate that they do not intend to immigrate to the United States at all

### H2 B Visa

- Allowed for one year, with renewal for two years
- It permits employers to hire foreign workers to come temporarily to the United States and perform temporary nonagricultural services or labor on a one-time, seasonal, peak load or intermittent basis.

### L visa (Initially 3 yrs, extend upto 7 yrs)

- The L1 nonimmigrant visa category is for intracompany transferees.
- To transfer an employee from overseas to a parent, branch, subsidiary, or affiliate in the United States.
- There are two categories for beneficiaries
- L1A visas are for persons who will work in a managerial or executive capacity

### L visa

- L1B visas are for those who will work in a capacity that involves “specialized” knowledge.

### L2 Visas

- Relatives of L1 visa beneficiaries may be eligible for derivative L2 visas

## 2. Plough to plate, hand held by the Indian state

### Issue of Agriculture in India

- Limiting factors, like uncertainties of the weather to soil fertility and water availability, increasing returns to scale are very difficult to achieve in farming.
- Nine crore rural families who draw their main income from unskilled manual labour, four crore are small and marginal farmers.

### Price inelastic demand

- All farmers harvest their crop at the very same time; 86% of India's farmers are 'small and marginal', too poor to afford warehousing facilities and are, therefore, compelled to bring their harvest to the market at around the same time.
- Since demand for food crops is typically price inelastic, during a bumper crop, while prices fall, the resulting rise in demand is not enough to salvage farmer incomes.

- For poor consumers, unregulated markets for food-grains mean that during a drought they either starve or get pauperised, being forced to buy very expensive commodities, conveniently hoarded up by traders.

## Green Revolution

- More than 300,000 farmers have committed suicide in the last 30 years, a phenomenon completely unprecedented in Indian history.
- Steady decline in water tables and water quality.
- The yield response to application of increasingly expensive chemical inputs is falling, which has meant higher costs of cultivation, without a corresponding rise in output.
- Around 90% of India's water is consumed in farming, and of this, 80% is used up by rice, wheat and sugarcane.
- Need
  - ✓ Right kind of public investment in agriculture.
- Need of State intervention
- Exploitation by Money lender
  - ✓ In the credit market, high interest rates (often as high as 60%-120% per annum) create a debt trap from which it is virtually impossible to escape.
  - ✓ The moneylender combines the roles of input supplier, crop buyer, labour employer and land lessor. This interlocked grid works in tandem with the oppressive caste system, with the poorer, 'lower' caste farmers, facing a cumulative and cascading spiral of expropriation.
- The Food Corporation of India and the Agricultural Prices Commission (Commission for Agricultural Costs and Prices, or CACP since 1985) were set up in 1965.
  - ✓ The idea was that as farm output rises with the Green Revolution, farmers are assured that their surplus would be bought by the government at a price high enough to leave them a margin.
  - ✓ The crops procured were then made available to consumers at subsidised rates through the Public Distribution System (PDS).
  - ✓ Thus, government intervention protected farmers during bumper crops and dipped into the buffer stock to protect consumers during droughts.

## Need diversification

- we need to greatly expand the basket of public procurement to include more crops, more regions and more farmers
- Huge volumes of water could be saved if cropping patterns are diversified to include a variety of millets (rightly called 'nutri-cereals' now), pulses and oilseeds.

## Ensuring a steady market

- To incentivise farmers to make this change, governments must include them in procurement operations.

- A useful benchmark could be 25% of the actual production of the commodity for that particular season (to be expanded up to 40%, if the commodity is part of the PDS), as proposed under the 2018 Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA) scheme.
- The locally procured crops should then be incorporated into anganwadi supplementary nutrition and school mid-day meal programmes to tackling India's twin syndemic of malnutrition and diabetes, since these crops have a much lower glycemic index, while providing higher content of dietary fibre, vitamins, minerals, protein and antioxidants.
- Public investment in specific infrastructure required for millets and pulses, especially those grown through natural farming, would also help expand their cultivation.
- Pradhan Mantri Annadata Aay Sanrakshan Abhiyan
- Umbrella Scheme to guarantee MSP to the farmers
- Three component
  - ✓ Price Support Scheme (PSS)
  - ✓ Price Deficiency Payment Scheme (PDPS)
  - ✓ Pilot of Private Procurement & Stockist Scheme (PPPS)

### **Price Support Scheme (PSS)**

- Central Agencies will procure pulses, oilseeds and copra with proactive role of state governments.
- The government will procure 25% of the marketable surplus of farmers for eligible crops.
- Implemented by The Food corporation of India (FCI) and the National Agricultural Cooperative Marketing Federation of India (NAFED).
- The procurement expenditure and losses due to procurement will be borne by Central Government as per norms

### **Price Deficiency Payment Scheme (PDPS)**

- Cover all oil seeds
- State will provide the difference between the prices prevailing in mandis and the MSP .so, no physical procurement.
- Modelled on the Bhawantar Bhugtan Yojana that has been implemented by the Madhya Pradesh state government and Bhavantar Bharpai Yojana of Haryana Government.

### **Pilot of Private Procurement & Stockist Scheme (PPPS)**

- Tried out in certain pilot districts.
- Whenever the prices in the market fall below the notified MSP or whenever authorized by the state/ UT government, Private agencies will procure oilseeds in coordination with the government.

### 3. Explaining Pakistan's flip-flop on trade with India

- On March 31, Pakistan's new Finance Minister Hammad Azhar, announced Pakistan's Economic Coordination Committee (ECC)'s decision to import cotton, yarn, and 500,000 metric tons of sugar from India.
- The media dubbed it as a political breakthrough but the ECC's decision was not on bilateral trade; it was about importing only three items – cotton, yarn and sugar.
- A day later, Pakistan's cabinet overruled the decision;
- However, Pakistan's textile industry has not taken the cabinet's decision kindly; for them, importing cotton yarn from India is an immediate need; else, it would impact their export potential.

#### Three takeaways

##### Practical and economic

- For the textile and sugar industries in Pakistan, importing from India is imperative, practical and is the most economic. According to the latest Pakistan Economic Survey, 2019-20
- Though the agriculture sector witnessed a growth of 2.67% (with an increase in rice and maize production), cotton and sugarcane production declined by 6.9% and 0.4%, respectively.
- Yarn, cotton cloth, knitwear, bedwear and readymade garments form the core of Pakistan's textile basket in the export sector.
- State Bank of Pakistan's latest quarterly report the decline in cotton production is also due to fewer areas (the lowest since 1982) of cotton cultivation.
- Besides the decline in the area of cotton cultivation, there was also a decline in yield per acre
- Pakistan is the fifth-largest exporter of cotton globally, and the cotton-related products (raw and value-added) earn close to half of the country's foreign exchange.

##### Sugar industry

- The sugar industry in Pakistan is also in crisis.
- The sugar industry has prioritised exports over local distribution. Increased government subsidy and a few related administrative decisions resulted in the sugar industry attempting to make a considerable profit by exporting it.
- By early 2019, the sugar prices started increasing, and in 2020, there was a crisis due to shortage and cost.
- As a result, importing sugar from India would be cheaper for the consumer market in Pakistan.

#### The second takeaway

##### Supremacy of politics over trade and economy

- Even if the latter is beneficial to the importing country. For the cabinet, the interests of its own business community and its export potential have become secondary.
- However, Pakistan need not be singled out; this is a curse in South Asia, where politics play supreme over trade and economy.

- The meagre percentage of intra-South Asian Association for Regional Cooperation (SAARC) trade and the success (or the failure) of SAARC engaging in bilateral or regional trade would underline the above. Trade is unlikely to triumph over politics in South Asia; especially in India-Pakistan relations.

### The third takeaway

- Emphasis on Jammu and Kashmir by Pakistan to make any meaningful start in bilateral relations.
- There were also reports that Pakistan agreeing to re-establish the ceasefire along the Line of Control (LoC) was a part of this new strategy.
- What are the main road routes used for trading between India and Pakistan?
  - ✓ The major operational trading road route is through Attari/Wagah.
  - ✓ India has notified several road routes which are not operational.
  - ✓ These routes were notified by the Government of India under Section 7 of the Customs Act

### Major Issues

#### Terrorism

- Mumbai terror attacks 2008
- Indian Army had conducted surgical strike at various terrorist launch pads across the Line of Control, as an answer to the attack at the army camp in Uri, Jammu and Kashmir
- India had again hit back over the cross border terror attack on the convey of Indian security forces in Pulwama by carrying out a successful air strike at a training camp of JeM in Balakot, Pakistan

#### Trade

- In 2019, after the Pulwama terror attack, India hiked customs duty on exports from Pakistan to 200% and subsequently, Pakistan suspended bilateral trade with India on August 7, 2019.
- There are two major routes via which trade is commenced between the two countries:
  - ✓ Sea Route – Mumbai to Karachi
  - ✓ Land Route – via Wagah Border through trucks

#### India-Pakistan trade

- In calendar year 2020, India's exports to Pakistan dipped 76.3% to \$283 million while imports plummeted 96.2% to just \$2.5 million.

#### 2019

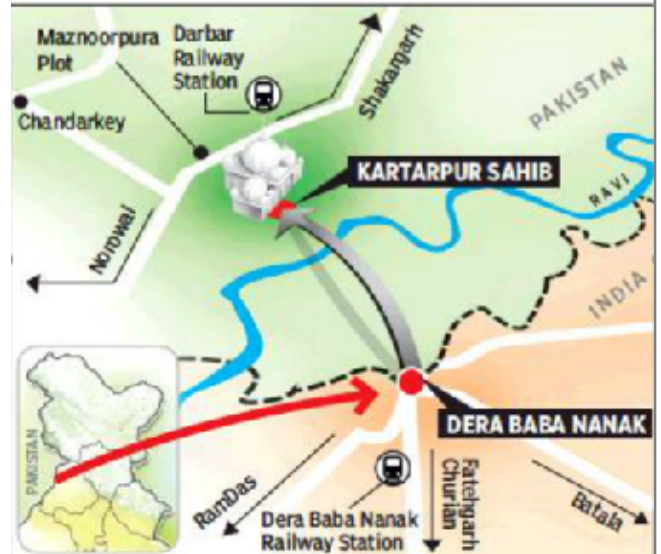
- Pakistan exports , cement (\$78.3 million), fertilisers (\$34.9 million), fruits (\$112.8 million per year), chemicals (\$60.4 million) and leather and allied products to India
- The main items India imports are fresh fruits, cement, petroleum products, bulk minerals and ores and finished leather.
- The major exports to Pakistan include raw cotton, cotton yarn, chemicals, plastics, manmade yarn and dye



## Indus Waters Treaty (Covered in previous lectures)

### Kartarpur Corridor

- An agreement between India and Pakistan for the facilitation of pilgrims to visit Gurdwara Darbar Sahib Kartarpur, Pakistan, was signed on 24 October 2019 in order to fulfil the long-standing demand of the pilgrims to have easy and smooth access to the holy Gurudwara
- Provides for visa-free travel of Indian pilgrims as well as Overseas Citizen of India (OCI) cardholders, from India to the holy Gurudwara in Pakistan on a daily basis, throughout the year.



### Kashmir Issue

- Article 370 gave Jammu and Kashmir a special right to have its own constitution, a separate flag and have their own rules, but in August 2019, the Article was scrapped off and J&K now abides by the Indian Constitution common for all.
- It was given the status of a Union Territory

### The Cease-fire Line 1948

- Negotiated by the United Nations (UN) after the Kashmir War.
- Later designated as the LoC in 1972, following the Shimla Agreement between the two countries
- Demarcated upto the Siachen Glacier (Point NJ9842)- the world's highest battlefield.
- LoC is delineated on a map signed by the Director General of Military Operations (DGMO) of both armies and has the international sanctity of a legal agreement.

### Issue

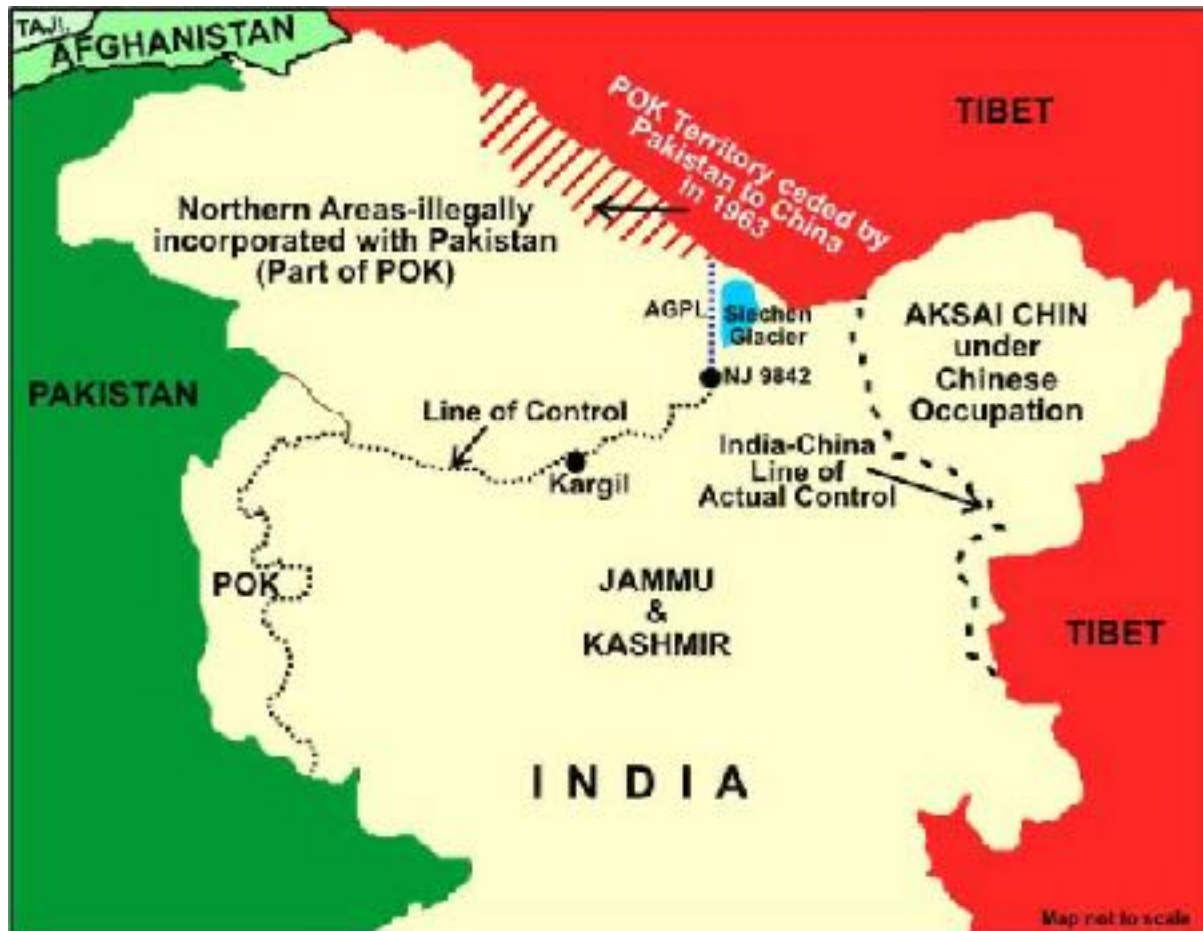
- In the Shimla Agreement of 1972, the Siachen area was termed as barren and useless.
- Further this agreement did not determine the boundary between India and Pakistan.

### Operation Meghdoot

- India got intelligence in 1984 that Pakistan has ordered to prepare some "hot suit" to a European company to capture the area of Siachen Glacier.
- India deployed its troops on "Bilafond La Pass".
- India launched Operation Meghdoot (named after the divine cloud messenger in a Sanskrit play of Kalidasa) on 13 April 1984 when the "Kumaon Regiment" of the Indian Army and the "Indian Air Force" went into the Glacier.
- On June 25, 1987, Pakistan achieved success in creating a post called "Quaid Post" at an altitude of 21 thousand feet, because the Indian army had finished all its ammunition.

## Operation Rajiv

- Was the codename for an Indian Army operation that aimed to capture a high point along the Actual Ground Position Line (Quaid post) on the Siachen Glacier in June 1987.



## 4. Reworking net-zero for climate justice

- In 2015, at the UN General Assembly when the Sustainable Development Agenda 2030 was adopted and at the Paris Conference, Prime Minister Narendra Modi stressed a reframing of climate change to climate justice, arguing that just when countries such as India were becoming major industrial and middle class nations, they should not pay the price for the pollution caused by the West.
- Annual emissions make India the fourth largest emitter, even though climate is impacted by cumulative emissions, with India contributing a mere 3% compared with 26% for the United States and 13% for China.
- According to the United Nations, while the richest 1% of the global population emits more than two times the emissions of the bottom 50%
- Second, the diplomatic history of climate negotiations shows that longer term goals without the strategy to achieve them, as in the case of finance and technology transfer, solve a political problem and not the problem itself.
- The focus on physical quantities, emissions of carbon dioxide and increase in global temperature, measures impacts on nature whereas solutions require an analysis of drivers, trends and patterns of resource use.

- Third, models on which global policy recommendations for developing countries are based consider achieving 'reasonable' not 'comparable' levels
- The different means to achieve the goals are not on the agenda because the rising prosperity of the world's poor does not endanger the planet and the challenge is to change wasteful behaviour in the West.

### **Role of infrastructure**

- First, infrastructure has a defining role in human well-being both because of the services it provides outside the market and the way it shapes demand distinct from manufacturing (production) and lifestyles (consumption).
- Second, the global trend is that in an urbanised world, two thirds of emissions arise from the demand of the middle class for infrastructure, mobility, buildings and diet.
- There is no substitute to cement, steel and construction material.
- Third, because of its young population and late development, much of the future emissions in India will come from infrastructure, buildings and industry, and we cannot shift the trajectory much to reach comparable levels of well-being with major economies. For example, China's emissions increased three times in the period 2000-2015, driven largely by infrastructure.

### **Need**

- A global goal-shaping national strategy requires a new understanding.
- India must highlight unique national circumstances with respect to the food, energy and transportation systems that have to change. For example, consumption of meat contributes to a third of global emissions. Indians eat just 4 kg a year compared with around 68 kg per person for the European Union and twice that in the U.S. where a third of the food is wasted by households.
- Transport emissions account for a quarter of global emissions, are the fastest growing emissions worldwide and have surpassed emissions from generation of electricity in the U.S., but are not on the global agenda

### **Coal use**

- Coal accounts for a quarter of global energy use, powered colonialism, and rising Asia uses three-quarters of it as coal drives industry and supports the renewable energy push into cities.
- India with abundant reserves and per-capita electricity use that is a tenth that of the U.S. is under pressure to stop using coal, even though the U.S. currently uses more coal.
- India wants to eliminate the use of oil instead with renewable energy and hydrogen as a fuel for electrification, whose acceleration requires international cooperation around technology development and transfer

### **Need**

- The first is a reframing of the global concern in terms of sustainable development for countries with per capita emissions below the global average, in line with the Paris Agreement.
- Second, the verifiable measure should be well-being within ecological limits.

- Third, international cooperation should centre on sharing technology of electric vehicles and hydrogen as a fuel, as they are the most effective response to climate change

## 5. Beyond zero sum

- Rich countries must commit technology and funds to move to net zero carbon emission
- Ironically, to many smaller countries, including island nations hit by intense storms, lost farm productivity, droughts and heat waves linked to a changing climate
- India contributes to the problem with its total annual emissions.
- India should focus to join many other big economies and commit itself to net zero emissions: to balance carbon emissions with their removal from the atmosphere, by a specific date.
- If climate change is the biggest crisis today, the solutions require the U.S, the U.K., Europe and others who occupied the bulk of the world's carbon budget to give up further emissions in favour of the developing world and fund the transition.
- India extended the deadline for coal plants to adopt strict pollution control, and proposed gross dilution of norms to assess environmental impact of projects
- Fuel prices, at historic highs due to taxation, pay no specific environmental dividend, and the poorest are worst hit by its inflationary effects.
- What India should be doing in the run-up to the UN Convention on Climate Change in Glasgow, scheduled later this year, is to come up with a domestic climate plan that explains to the citizen how it will bring green development in this decade, specifying a target by sector for each year.

## 6. Stamp out the canker thwarting democracy

- The 21st century is host to multitudinous crises impacting different sectors
- The COVID-19 pandemic provided the backdrop for dire predictions of this kind. Its impact has been far reaching, which has included an economic tsunami, upheavals and dislocation affecting every sphere of human activity, an accompanying health crisis which has not spared any nation, and the fostering of a crisis mentality.

### Disinformation

- Disinformation and distortions caused by an overload of fake information are creating an impression that the world is facing a systemic and multidimensional crisis, the consequences of which are unpredictable

### Political crisis

- The combination of circumstances is exposing the fragility of today's party-based democracies, leading to questions about their ability to deal with newer problems. As crisis upon crisis plagues nations and countries, anger is becoming a dominant aspect. The situation demands a great deal of introspection followed by conscious action.

## Fair polls under threat

- Recent trends within this country tend to buttress such concerns. For instance, elections have of late become a kind of a no-holds-barred battle for power, irrespective of whether it is being held in a large State, a medium-sized State or even an Union Territory.
- Money power is all too evident, and violence is the leitmotif in many segments. The most threatened aspect is the concept of fair and free elections.

## Holding a mirror

- Since the so-called discovery of gelatine sticks in an abandoned vehicle just across the residence of India's richest businessman, which is located in one of the city's most protected areas.
- To this day, the police force has made no honest effort to determine why anyone should plant explosives in one of the most protected neighbourhoods in India, and believe that it would not be discovered (as so happened in this case), or what purpose was served by putting gelatine sticks without a triggering mechanism inside the vehicle.
- The Mumbai incident should be seen as merely the tip of the iceberg of what is the current reality, which is not confined to Mumbai city, but extends well beyond Maharashtra to other States in the country

## Need

### Focus on right policies

- It may, hence, be time to embark on a new phase. It is no longer enough to merely define good policing or what kind of a relationship the community should have with the police.
- The reality is that it takes more than a courageous police leadership to stand up for the right policies, including not protecting officers who have clearly done something wrong. The situation has advanced far beyond this stage

### Curb corruption

- widespread corruption that casts a larger-than-life shadow over not only police functioning but every facet of public life. It should, hence, be obvious to the meanest intelligence that no amount of recommendations or the constitution of Supreme Court-monitored investigations of police excesses can bring about any real change
- What is, perhaps, needed, or needs to be attempted, is an informal alliance of people and institutions, irrespective of ideology or interests which should come together to coalesce into a mighty stream of public-spirited action and activity.

## 7. The pillars of an equitable post-COVID India

- Inequalities in India have been high even in the pre-COVID-19 period.
- The economic shock due to the pandemic has been much more severe for the country for two reasons.
  - ✓ First, pre-COVID-19, the economy was already slowing down, compounding existing problems of unemployment, low incomes, rural distress, malnutrition, and widespread inequality

✓ Second, India's large informal sector is particularly vulnerable. Inequalities were increasing earlier also but the pandemic has widened them further. For example, the share of wages declined as compared to that of profits

✓ informal sector and workers have suffered a lot with loss of incomes and employment in the last one year. In other words, the recovery is more k-shaped with rising inequalities.

- The economy recovered in the third quarter of FY21 with a positive GDP growth of 0.4% as compared to minus 24.4% in the first quarter and minus 7.3% in the second quarter.
- GDP growth is likely to increase by 10%-11% in FY22. But the levels of GDP show that it will grow only around 1.1% in FY22 as compared to FY20 levels.
- According to the Centre For Monitoring Indian Economy, the employment rate is still 2.5 percentage points lower now as compared to the level before the lockdown last year.
- Women lost more jobs and many are out of the workforce. Inequalities have increased in health care and education.

### Challenges in employment

- Creating productive jobs for seven to eight million per year
- Correcting the mismatch between demand and supply of labour (only 2.3% of India's workforce has formal skill training as compared to 96% in South Korea, 80% in Japan, and 52% in the United States)
- Structural change challenge -manufacturing should be the engine of growth. Here, labour-intensive exports are important
- Focusing on micro, small & medium enterprises and informal sectors including rights of migrants
- Getting ready for automation and technology revolution

### Challenges in employment

- Social security and decent working conditions for all
- Raising real wages of rural and urban workers and guaranteeing minimum wages.

### Solution

- Focus on employment and wages
  - ✓ First, creation of quality or productive employment is central to the inclusive growth approach.
  - ✓ At the macro level, the investment rate which declined from 39% in 2011-12 to 31.7% in 2018-19 has to be improved.
  - ✓ Investment in infrastructure including construction can create employment.
- The second approach is in creating equality of opportunity by improving human development.
- Education and health achievements are essential for reducing inequality of opportunities

### Health

- Increasing public expenditure on health and education is another form of redistributive measure.

- Public expenditure on health is only 1.5% of GDP.
- we need to move towards universal health care and spend 2%-3% of GDP on health.

## Education

- In education, there are islands of excellence that can compete internationally even as a vast majority of masses of children are churned out with poor learning achievement.
- We also have the experience of a digital gap in education during the pandemic.
- One has to fix this dichotomy in health and education

## Universal basic income

- Providing a quasi-universal basic income and other safety nets. C. Rangarajan proposals on minimum income for the poor and the vulnerable in the post-pandemic period.
  - ✓ Cash transfers to all women above the age of 20 years
  - ✓ Expanding the number of days provided under the Mahatma Gandhi National Rural Employment Guarantee Act and a national employment guarantee scheme for urban areas.
  - ✓ In all these proposals, there is no problem of identification. A combination of cash transfers and an expanded guarantee scheme would provide income support to the needy.

## Others

- Apart from the ideas above, increasing farmers' income especially for small and marginal farmers is needed to reduce inequalities and create demand.
- Enhancing The tax/GDP ratio
- Similarly, the inequalities between the Centre and States in finances should be reduced.
- Apart from economic factors, non-economic factors such as deepening democracy and decentralisation can help in reducing inequalities. Unequal distribution of development is rooted in the inequalities of political, social and economic power.

## What is a K-shaped economic recovery

- A K-shaped recovery happens when different sections of an economy recover at starkly different rates.
- Households at the top of the pyramid are likely to have seen their incomes largely protected, and savings rates forced up during the lockdown, increasing 'fuel in the tank' to drive future consumption.
- Meanwhile, households at the bottom are likely to have witnessed permanent hits to jobs and incomes,

## Implication

- With the top 10 per cent of India's households responsible for 25-30 per cent of total consumption
- Upper-income households have benefitted from higher savings for two quarters. What we are currently witnessing is a sugar rush from those savings being spent

- To the extent that households at the bottom have experienced a permanent loss of income in the forms of jobs and wage cuts, this will be a recurring drag on demand, if the labour market does not heal faster
- Second, to the extent that COVID has triggered an effective income transfer from the poor to the rich, this will be demand-impeding because the poor have a higher marginal propensity to consume (ie they tend to spend (instead of saving) a much higher proportion of their income)
- Third, if COVID-19 reduces competition or increases the inequality of incomes and opportunities, it could impinge on trend growth in developing economies by hurting productivity and tightening political economy constraints.

## 8. Mayhem in Myanmar

- The violence of March 27, Myanmar's Armed Forces' Day, in which over 100 protesters were killed, has sent shockwaves. India, which initially expressed its "deep concern" and called for the "rule of law" and "the democratic process" to be upheld, had stopped short of directly condemning the junta's violence.
- India, which has cultivated deep ties with Myanmar's civilian and military leaderships, condemned "any use of violence" and called for "restoration of democracy".
- The banking system is on the brink of collapse with most staff on strike. Cash is scarce and prices of essential goods are rocketing.
- Industrial workers are also on strike, bringing the pandemic-battered economy to its knees

### Implications for India

- Proximity to Myanmar, its geopolitical role, and its interests, will inevitably be drawn into the train of events.
- Myanmar's other neighbours, and especially ASEAN countries, are also unlikely to intervene.
- China factor
- it is not clear where India stands on this

### Factors India need to consider in its Myanmar policy

- Geopolitical factors
  - ✓ Major power like Russia, China now seeing Myanmar in terms of geopolitical terms, the stakes for India are going to be high.
  - ✓ Myanmar's economic importance to India.
  - ✓ So under such circumstances, it is necessary for India to deeply engage with the military.

### Protests in Myanmar

- The protests for democracy involve young people, and are driven by a genuine opposition to military rule.
- Northeastern states of India



- ✓ Northeastern states like Manipur and Mizoram helping refugees are calling for a more generous policy.
- ✓ Illegal migration

### Humanitarian concern

- Welfare of people is a strategic asset because relying only on military engagement is risky. It can further create long term problem

### Mekong Ganga Cooperation (MGC)

- launched in 2000 at Laos
- sub-regional cooperation organisation comprising India and five ASEAN countries, namely, Cambodia, Laos, Myanmar, Thailand and Vietnam
- Takes its name from the Ganga and the Mekong, the two civilisational rivers in Southeast Asia.
- Aims at facilitating closer contacts among the people inhabiting these two major river basins and enhancing cooperation in tourism, culture, education, transport and communications.



### Mekong river

- Rise from the Tibetan Plateau the river runs through China, Myanmar, Laos, Thailand, Cambodia, and Vietnam.

### Kaladan project

- jointly initiated by India and Myanmar to create a multi-modal platform for cargo shipments from the eastern ports to Myanmar and to the North-eastern parts of the country through Myanmar
- connect with Kolkata port and help in moving goods to the landlocked northeastern states via Kaladan river.

