



Unlawful dissolution

The J&K Governor's action controverts what has been laid down by the Supreme Court

In dissolving the Jammu and Kashmir Assembly without giving any claimant an opportunity to form the government, Governor Satya Pal Malik has violated constitutional law and convention. Mr. Malik's stated reasons for his action – "extensive horse trading" and the possibility that a government formed by parties with "opposing political ideologies" would not be stable – are extraneous. The Governor ought to have known that the Supreme Court has deprecated such a line of reasoning. In *Rameshwar Prasad* (2006), the then Bihar Governor Buta Singh's recommendation for dissolving the Assembly the previous year was held to be illegal and mala fide. In both instances, the dissolution came just as parties opposed to the ruling dispensation at the Centre were close to staking a claim to form the government. In Bihar, the Assembly was then in suspended animation as no party or combination had the requisite majority; in J&K, the State has been under Governor's rule since June, when the BJP withdrew from the coalition and Chief Minister Mehbooba Mufti, of the Peoples Democratic Party, resigned. It is true that the PDP and the National Conference had not initiated any move to form a popular government for months and favoured fresh elections. But that cannot be the reason for the Governor to dissolve the 87-member House just when they were about to come together to form a likely 56-member bloc with the help of the Congress.

With the BJP backing Peoples Conference leader Sajjad Lone, the PDP may have sensed a danger to the unity of its 29-member legislature party and agreed to an unusual alliance with its political adversaries. Describing such an alliance as opportunistic is fine as far as it is political opinion; however, it cannot be the basis for constitutional action. As indicated in *Rameshwar Prasad*, a Governor cannot shut out post-poll alliances altogether as one of the ways in which a popular government may be formed. The court had also said unsubstantiated claims of horse-trading or corruption in efforts at government formation cannot be cited as reasons to dissolve the Assembly. Further, it said it was the Governor's duty to explore the possibility of forming a popular government, and that he could not dissolve the House solely to prevent a combination from staking its claim. Mr. Malik's remarks that the PDP and the NC did not show proof of majority or parade MLAs show shocking disregard for the primacy accorded to a floor test. J&K's relationship with the Centre is rooted in constitutional safeguards as well as in the participation of its major parties in electoral politics and parliamentary democracy. Anyone interested in political stability in the sensitive State should ensure that democratic processes are strengthened. The potential for political instability in the future should not be cited as a reason to scuttle emerging alliances.

Cricket's final frontier

It is India's best chance to win a Test series in Australia. But can it?

Cricketing reputations are sometimes made or shattered based on how a player performs against Australia. That's been something of a trend ever since the West Indies began its free fall after losing to Australia in the mid-1990s. And Australia, in its own backyard, is considered the ultimate opposition. Sachin Tendulkar has scored 100 international centuries, but even today his splendid 114 at Perth during the 1992 tour of Australia is regarded as one of his finest. For Virat Kohli's men, who have just set foot in Australia and narrowly lost their first Twenty20 encounter, the long tour presents an opportunity for India to reiterate its credentials. The International Cricket Council has ranked India as number one in Tests and placed it at the second spot in both ODIs and Twenty20 Internationals. Incidentally, in all three lists, Kohli's men are ranked above Australia. The hosts remain a powerful force at home, but having been weakened by the ban-induced absence of Steve Smith and David Warner following the ball-tampering incident earlier this year in South Africa, they are shorn of their usual domineering aura. Australia is placed fifth, sixth and fourth in Tests, ODIs and Twenty20s, respectively. The dip in performance has been matched by intense self-analysis about the manner in which Australia plays its sport. The 'result-justifies-the-unsavory-methods' philosophy has been put through a wringer ever since Cameron Bancroft was caught rubbing a sandpaper on the ball.

It is in this theatre of tumult that the Indian team has landed. But the sobering truth is that Kohli's men, like many of their predecessors, have been poor travellers beyond the subcontinent. There has been the odd upset but largely it has been a tale of debilitating defeats. In the previous tour of England, India lost the Tests 1-4 while honours were shared between the ODIs and Twenty20s. Cut to the present, the three Twenty20s are a prelude to four Tests and three ODIs. Batman Kohli reigns supreme but his captaincy has come under scrutiny. The constant shuffling of the playing XI has triggered churn and the Indian skipper has to work on getting his nucleus right. There are some fine batsmen, a bunch of incisive fast bowlers and spinners with guile. The ingredients are there and there is some confidence in dealing with what may be viewed as a somewhat enfeebled Australia. But a potent pace attack led by Mitchell Starc offers a clear and present danger, especially in Tests. India has to exorcise the ghosts of the past, having never won a Test series in Australia. The circumstances are promising for it to correct that record.

Aligning the triad

INS Arihant's inaugural sea patrol must spark a debate on the state of India's nuclear deterrence



HAPPYMON JACOB

The INS Arihant, India's first nuclear ballistic missile submarine that completed its sea patrol earlier this month, will contribute significantly to making India's deterrence capability more robust. Submarine-based nuclear capability is the most survivable leg of a nuclear triad, and its benefit must be seen especially in the light of the growing naval capabilities of India's potential adversaries. In this light, certain questions need to be addressed on the third leg of India's nuclear triad, as well as major challenges for strategic stability in the southern Asian region.

Arihant's missing links

While it is true that India's deterrence capability is a work in progress, there is nevertheless a need to carry out an objective assessment of what INS Arihant can and cannot do, and the implications thereof. To begin with, there is no clarity on whether the first deterrence patrol of INS Arihant had nuclear-tipped missiles on board. If not, the deterrence patrol would have been intended for political purposes devoid of any real deterrent utility. Without nuclear-tipped ballistic missiles on board an SSBN (ship submersible ballistic nuclear) such as INS Arihant, it might not be any more useful than an ordinary nuclear-powered attack submarine (SSN).

Second, even if INS Arihant had nuclear-tipped ballistic missiles on board, it is not clear what ranges they would cover. Reports suggest

that it had the 750 km range K-15 missiles on board, which is insufficient to reach key targets in, say, China or Pakistan unless it gets close to their waters, which would then make the Indian SSBN a target. While the K-4 missile (3,500 km range) currently under development would give the country's sea deterrent the necessary range vis-à-vis its adversaries, INS Arihant would not be able to carry them on board. The Navy would require bigger SSBNs (S-4 and S-5) to carry the K-4 ballistic missiles. In other words, deterring India's adversaries using the naval leg of its nuclear forces is a work in progress at this point of time.

Third, if indeed the objective of India's nuclear planners is to achieve seamless and continuous sea deterrence, one SSBN with limited range is far from sufficient. Given the adversaries' capabilities in tracking, monitoring and surveilling India's SSBNs, it would need to invest in at least four more. Maintaining a huge nuclear force and its ancillary systems, in particular the naval leg, would eventually prove to be extremely expensive. One way to address the costs would be to reduce the reliance on the air and land legs of the nuclear triad. Given that India does not have 'first strike' or 'launch on warning' policies, it can adopt a relatively relaxed nuclear readiness posture. New Delhi could, in the long run, invest in a survivable fleet of nuclear submarines armed with nuclear-tipped missiles of various ranges, and decide to reduce its investment in the land and air legs of its nuclear deterrent, thereby reducing costs. While this might bring down costs without sacrificing the country's deterrence requirements, inter-service claims might frustrate such plans.

Finally, the naval leg of the nu-



REUTERS

clear triad also poses significant command and control challenges. As a matter of fact, communicating with SSBNs without being intercepted by the adversaries' tracking systems while the submarines navigate deep and far-flung waters is among the most difficult challenges in maintaining an SSBN fleet. Until such sophisticated communication systems are eventually put in place, India will have to do with shallower waters or focus on bastion control, which in some ways reduces the deterrence effect of SSBNs, as bastions would be closer to the ports..

Impact on strategic stability

INS Arihant's induction will also have implications for regional stability. For one, it is bound to make the maritime competition in the Indian Ocean region sharper, even though the lead in this direction was taken by the People's Liberation Army Navy (PLAN) a long time ago. Hence, the dominant driver of India's SSBN plans appears to be China's expanding inventory of nuclear submarines. The PLAN's Jin class submarine with the JL-2 missiles with a range of 7,400 km began its deterrent patrol several years ago. Chinese nuclear-powered submarines (reportedly without nuclear weapons on board) have been frequenting the Indian Ocean on anti-piracy missions, creating unease in New Delhi. INS Arihant in that sense is a

Get the model right

For state-sponsored insurance, governments should avoid insurance companies



'AMERICA! V. NARAYANAN & KAVYA NARAYANAN

World Bank data, in 2015, showed that nearly 65% of health-care expenditure in India is "Out of Pocket" (OoP). A report by the World Health Organisation has shown that around 3.2% of Indians would fall below the poverty line because of high OoP health expenditure. Thus, a national health insurance scheme like the Ayushman Bharat is welcome.

While the principle of insuring a vulnerable population is widely accepted, what is contentious is the model that the government has adopted – that of using insurance companies. High premiums are paid for these schemes. Ayushman Bharat, for instance, has enhanced the Rashtriya Swasthya Bima Yojana (RSBY) of the United Progressive Alliance government, to cover around 11 crore families with a yearly coverage of ₹5 lakh. Experts estimate this will require ₹25,000 crore per year, when fully implemented. Similarly, the Central and State governments jointly paid ₹17,796 crore for crop insurance (2017-18) under the Pradhan

Mantri Fasal Bima Yojana (PMFBY).

The flawed model

Insurance works on the principle of pooling the risk of policy holders. But another common sense idea must guide insurance decisions. If an individual, corporation or a government can bear a certain quantum of risk by themselves, it is not financially sensible to insure with an insurance company. This is because administrative overheads and profit margins of insurance companies are included in insurance premium costs.

At least if the companies involved in the process are restricted to the public sector, government funds would only be going from one pocket to another. But at a phase when India is trying to promote more foreign direct investment and private sector participation in insurance, it is only fair to provide a level-playing field to public and private sector insurance companies.

However, recently in Jammu and Kashmir, when a compulsory health insurance scheme for employees was rolled out by the Central government tied to a private insurer, it raised eyebrows and was subsequently rolled back. Similarly, last year, insurance companies made a bumper profit of 85% to the tune of ₹15,029 crore on crop insurance premium under



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the PMFBY.

Another pertinent issue is finding reinsurers for government insurance schemes, a problem that is being encountered by companies on the Pradhan Mantri Jeevan Jyoti Bima Yojana because of high claims.

Costs of insurance companies

Typical insurance company costs include designing insurance products to suit customer needs; actuarial input to assess and manage risk; advertising and marketing; empanelment (of approved service providers such as hospitals); administrative expenses to provide prior approval of claims; and processing, which includes functions such as fraud detection.

However, of these, the first three are not applicable to programmes such as Ayushman Bharat which will be fully funded by the government as a blanket scheme. The government is also funding more than 80% of crop insurance. The last three functions, i.e. empanelling service providers, pre-approving hospitalisation of

response to the Chinese naval build-up. Pakistan's reaction to India's response to China would be to speed up its submarine-building spree, with assistance from Beijing. Add to this mix China's mega infrastructure project, the Belt and Road Initiative, with its ambitious maritime objectives; and the revival of the Quadrilateral Security Dialogue, or Quad, with India, U.S., Japan, and Australia.

This sharpening of the maritime competition further engenders several regional 'security dilemmas' wherein what a state does to secure itself could end up making it more insecure. The net result of this would be heightened instability for the foreseeable future. However, once the three key players in this trilemma – China, India and Pakistan – manage to put in place the essential conditions for credible minimum deterrence, the effect of the instability could potentially decrease. But it's a long road to such an outcome.

What would further complicate the relations among the three key players in the region is the absence of nuclear confidence-building measures (CBMs) among them. While India and Pakistan have only rudimentary nuclear CBMs between them, India and China have none at all. In the maritime sphere, neither pairs have any CBMs. Given the feverish maritime developments that are underway, the absence of CBMs could lead to miscalculations and accidents. This becomes even more pertinent in the case of Pakistan, which uses dual-use platforms for maritime nuclear power projection. In case of a bilateral naval standoff, the absence of dedicated conventional or nuclear platforms could potentially lead to misunderstandings and accidents. It is therefore important for India and Pakistan (as also India and China) to have

an 'incidents at sea' agreement like the one between the U.S. and USSR in 1972, so as to avoid incidents at sea and avoid their escalation if they took place.

Command and control

India's sea deterrent also throws up several key questions about the country's nuclear command and control systems. To begin with, unlike in the case of the air or land legs of the triad where civilian organisations have the custody of nuclear warheads, the naval leg will be essentially under military custody and control given that there would be no civilian presence on board an SSBN. Not only would the SSBN have no warhead control by civilians (i.e., BARC scientists), its captain would be under the Strategic Forces Command, an organisation manned by military officers. Also, given that the warhead would be pre-mated with the canisterised missiles in the SSBN, what would be the finer details of the launch authority invested in the SSBN captain? The SSBN captain would have the authority to launch nuclear missiles on orders from the political authority. However, is there a fool-proof Permissive Action Links system in place to ensure that an unauthorised use does not take place? There needs to be more clarity on such issues.

In sum, while INS Arihant makes India's nuclear deterrence more robust, it also changes deterrence stability in the southern Asian region as we know it. More so, it is important to remember that the country's sea deterrent is still in its infancy, and its path hereon is riddled with challenges.

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patients and subsequently settling the claim, are commonly outsourced to third-party administrators (TPAs) even by insurance companies.

Trust mode and cost cutting

No insurance company has the kind of financial resources the Centre and the States have. Hence, governments must consider bearing the risk by themselves – known as the "trust mode" – instead of using insurance companies as risk-bearers and intermediaries. However, in India, governments continue to pay hefty sums in premium to insurance companies.

This phenomenon was researched in 2015 by Srikanth Nagulapalli and Sudarsana Rao Rokkam of the Andhra Pradesh University. Studying the Aarogya Sri scheme introduced in undivided Andhra Pradesh by the late Congress Chief Minister, Y.S. Rajasekhara Reddy (the forerunner of the RSBY), they showed that the bid by insurance companies on such health schemes included a 20% margin for administrative expense and profit. By avoiding insurance companies and using TPAs instead, governments can save about 15%, or up to ₹6,000 crore per year. These savings will continue to rise due to rising premiums. Additionally, since premiums paid to insurance companies are transferred at the beginning of the year, there is an

opportunity cost, which at current interest rates could amount to around ₹2,000 crore a year. The study also found the claim-to-premium ratio and customer satisfaction to be better in the trust mode than the insurance mode. It would also prevent exorbitant profits accruing to insurance companies in good cropping seasons as in 2017-18.

Those who recommend the use of insurance companies allude that the government lacks the expertise to manage insurance. While the "government has no business being in business" is the neoliberal mantra, insurance companies are a redundant layer in the government's social security structure. The government has already proclaimed that it wishes to cut the intermediary through the JAM trinity (Jan Dhan-Aadhaar-Mobile) and direct benefit transfers. It has also indicated that it wants to optimise fund utilisation through the recently introduced Public Finance Management System. Shifting to the trust mode will be the next natural step in this path, not only saving taxpayer money but also benefiting farmers and the underprivileged instead of insurance companies.

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LETTERS TO THE EDITOR

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

Dissolving House

The Governor's decision is politically motivated ("Amid contrasting claims, J&K Governor dissolves Assembly", Nov. 22). The role of the Governor was discussed at length during Karnataka's political turmoil. This is yet another instance of the Governor's office being abused by the party in power. It's unfortunate that Governors, who are required to be the guardians of democracy, fail to discharge their duties.

VIDHYA B. RAGUNATH,
Thanjavur

That the PDP and the NC want to form an alliance shows that anything is

possible in politics. No party can be trusted. It is obviously a difficult time for the BJP in the State as it clearly has few friends there right now.

F.T. MULLA,
Secunderabad

Instead of exploring all the possibilities of government formation, the Governor has taken the easy way out by dissolving the Assembly. His apprehension that the NC-PDP-Congress coalition would lead to an unstable government should have been put to test on the floor of the House. It appears as if no government can be formed without the BJP's participation. The Governor's decision will now surely be challenged in

a court of law.

D.B.N. MURTHY,
Bengaluru

The Governor was right in dissolving the Assembly. Though the Governor is bound to call the largest party in the House to form a government, it was not clear if the PDP and the PC's claims were convincing. His decision has prevented horse-trading.

K.R. SRINIVASAN,
Secunderabad

Justice finally

The conviction of two persons for their role in the anti-Sikh riots of 1984 will bring solace to the families of the affected (Justice: 34 years on", Nov. 22). We

have seen how those responsible for war crimes and genocide, whether in Germany or Cambodia, were punished after decades of trials. The law always catches up with criminals, even if it takes its own time to.

A. MOHAN,
Chennai

Killed in the Andamans

It is unfortunate that U.S. citizen John Allen Chau was killed while trying to enter North Sentinel Island ("U.S. citizen killed by Andaman tribals", Nov. 22). That he broke the law and tried to enter shows his arrogance. All those who aided him in entering the island should be held responsible for his death. The government

should ensure that both the tribals and outsiders are equally protected.

D. SETHURAMAN,
Chennai

The Hindu's report did not mention that Chau was a missionary. It is important to mention this as it tells us why Chau went there. It wasn't because he was a merely curious traveller.

RAMDAS NAIK,
Chennai

CORRECTIONS & CLARIFICATIONS: >>Kummanam Rajasekharan is erroneously referred to as *Meghalaya* Governor in the report headlined "From 'hate speeches' to limelight" (Nov. 20, 2018). He is actually the Governor of Mizoram.

It is the policy of *The Hindu* to correct significant errors as soon as possible. Please specify the edition (place of publication), date and page. The Readers' Editor's office can be contacted by Telephone: +91-44-28418297/28576300 (11 a.m. to 5 p.m., Monday to Friday); Fax: +91-44-28552963; E-mail: readerseditor@thehindu.co.in; Mail: Readers' Editor, The Hindu, Kasturji Buildings, 859 & 860 Anna Salai, Chennai 600 002, India. All communication must carry the full postal address and telephone number. No personal visits. The Terms of Reference for the Readers' Editor are on www.thehindu.com