



Going electric

The budgetary measures can speed up India's plans to switch to electric vehicles

The Union Budget has announced a bold move to make a transition to electric vehicles, and offered a tax incentive for the early adopters. Its stated vision to leapfrog into an era of electric mobility and domestic vehicle manufacturing, led by public transport and commercial vehicles, is forward-looking. It is also inevitable because poor air quality and noise pollution have sharply affected the quality of life, and pose a serious public health challenge. As the NITI Aayog has stated, the goal of shifting to electric vehicles cannot make progress without deadlines, and a market-driven approach sought by some sections of the automotive industry will leave India's capabilities and infrastructure for e-mobility trailing others, notably China. With 2030 as the outer limit, the imperative is to fix a realistic time-frame by which scooters, motorcycles, three-wheel carriages and, later, all new vehicles will be battery powered. An additional income tax deduction of ₹1.5 lakh is now offered on interest paid on loans to purchase electric vehicles, and the GST Council has been moved to cut the tax on e-vehicles to 5% from 12%. Both demands were made by the industry earlier. There is a significant outlay under the second iteration of the Faster Adoption and Manufacturing (of Hybrid and) Electric Vehicles (FAME) plan of ₹10,000 crore, to give a fillip to commercial vehicles and to set up charging stations.

The budgetary measures will have an immediate impact on the pricing of electric vehicles and bring in more models, but it will take a sustained effort by the Centre, in partnership with State governments, to enable a fast rollout of charging infrastructure. The Ministry of Power issued guidelines and standards for this in December last year, setting technical parameters for public charging stations that can enable normal and fast charging. With price competition, a speedy spread of electric two-wheelers can be expected, given that over 80% of conventional vehicles sold in India come under that category. Affordable charging will make these vehicles and commercial three-wheelers attractive because operating costs are a fraction of petrol and diesel equivalents. Yet, longer range travel will require more than a charge-at-home facility, and this would have to be in the form of fast charging at parking lots, retrofitted fuel outlets, new public charging stations, hotels, offices and so on. Swapping the battery at convenient locations with one that is pre-charged, especially for commercial vehicles that run longer and need a quick turnaround, is worth considering. A longer-term policy priority has to be the setting up of lithium battery production and solar charging infrastructure of a scale that matches the ambition. The Centre has accepted some of the demands of the auto industry to popularise EVs.

Losing steam

Markets react negatively to the Budget's populism and inability to force reforms

Many investors who were hoping for business-friendly reforms were not too impressed by the maiden Budget of the second Narendra Modi government. After a moderate negative reaction when the Budget was presented in Parliament on Friday, both the Sensex and the Nifty witnessed their biggest fall in over two years on Monday. The Sensex incurred a huge loss of 792.82 points while the Nifty shed about 250 points. Sectors such as banking, automobiles and power were the worst-hit, each witnessing a loss of over 3%. Investors were spooked by a variety of proposals made by Finance Minister Nirmala Sitharaman that are expected to increase the tax burden on them. These include the proposal to increase long term capital gains tax on foreign portfolio investors and to tax the buy-back of shares by companies at 20%. The negative signal sent by the increased surcharge on people earning over ₹2 crore a year also weighed on markets. This tax on the "super-rich" is unlikely to make much of a difference to the government's fiscal position. However, it does damage the image of the present government as a pro-business one and can affect fund flow into the country if the wealthy prefer to move to other countries. The proposal to raise minimum public shareholding in listed companies from 25% to 35% is also seen as an unnecessary intervention in markets. Global factors like strong jobs data coming from the United States which lowers the chances of an interest rate cut by the Federal Reserve, and the potential systemic risk posed by the troubles faced by Deutsche Bank may have also weighed on the markets. However, the losses experienced by western markets on Monday were nowhere as heavy as the losses faced by the Indian markets.

All these aside, the larger issue bothering the Indian investor may be the Budget's supposed tilt towards populism as the government expands the size of its welfare projects instead of taking steps to revive private investment in the slowing economy. Apart from a few words from the Finance Minister on simplifying labour laws and relieving start-up investors from the regressive "angel tax", the Budget was largely bereft of any major structural reforms that could instil confidence among investors. The trajectory of markets in the coming months will depend on the kind of reforms the government manages to push through, and on the actions of central banks across the globe. While the Reserve Bank of India looks to be easing its policy, any global liquidity tightening can affect foreign fund inflows. Despite lacklustre company earnings and other fundamental issues, markets in the past have been pushed up aggressively by the ample liquidity provided by central banks. But without enough reforms to strengthen the fundamentals that can back lofty valuations, it may be only a matter of time before markets begin to lose steam.

The growing power of the lumpen

The national bar against hate crime has been lowered, but resolute corrective action is possible



RADHA KUMAR

Once again, the first weeks of the Narendra Modi administration have been marked by hate crimes – two Muslim men beaten by mobs in Jharkhand and Mumbai, demanding they shout 'Jai Shri Ram', one so mercilessly that he died. Another man, a tribal, lynched in Tripura on suspicion of being a cattle thief. Most recently, 24 men accused of being cattle smugglers, beaten and made to shout 'Gau Mata ki Jai', in Rajasthan.

This time, however, there is a rising tide of concern, both domestically and internationally. Domestically, there have been a number of editorials, OpEds and talk shows calling for action; internationally, India has begun to feature prominently on a growing list of countries marked by hate crime, including hate speech in electoral campaigns.

A rising graph

Studies of hate crimes in India show that they have steadily risen over the past five years. Amnesty International India documented 721 such incidents between 2015 and 2018. Last year alone, it tracked 218 hate crimes, 142 of which were against Dalits, 50 against Muslims, 40 against women, and eight each against Christians, Adivasis, and transgenders. The more common hate crimes, they found, were honour killings – that have sadly occurred for decades – and 'cow-related violence', that was rare earlier but has become more frequent over

the past five years.

According to Hate Crime Watch, crimes based on religious identity were in single digits until 2014, when they surged from nine in 2013 to 92 in 2018. Of the 291 incidents mentioned by the website, 152 occurred in Bharatiya Janata Party (BJP)-ruled States, 40 in Congress-ruled States and the rest in States ruled by regional parties or coalitions. Rarely, if ever, did bystanders attempt to stop the violence or police arrive on time to do so. In both studies, Uttar Pradesh topped the list of States with the largest number of hate crimes for the third year, followed by Gujarat, Rajasthan, Tamil Nadu and Bihar.

These facts are striking enough to concern any government. The Prime Minister expressed pain at the sickening murder of Tabrez Ansari in Jharkhand, but clearly far more is required. The Rajasthan administration is introducing a Bill prohibiting cow vigilantism, but that deals with only one hate crime. An omnibus act against all hate crimes, including hate speech, is required across India and should be a priority of the 17th Lok Sabha. Germany, for example, amended Section 46 of its Criminal Procedure Code, dealing with sentencing in violent crime, to say the sentence must be based on consideration of 'the motives and aims of the offender, particularly where they are of a racist or xenophobic nature or where they show contempt for human dignity'.

We have a number of sections in the Indian Penal Code that can be used to punish or even prevent hate crime, but they are disparate and few policemen are aware of them. Those that are, fear to use them in areas whose political leaders mobilise through hate speech. Though some Indian analysts debate whether there is a correlation between hate speech and hate



GETTY IMAGES/ISTOCKPHOTO

crime, worldwide data show that hate speech encourages or legitimises acts of violence and a climate of impunity. France has a draft Bill to prohibit hate speech, and Germany has already enacted one.

According to a study by NDTV there are at least 45 politicians in our newly elected union legislature who have indulged in hate speech over the past five years; 35 of them belong to the BJP. No action has been taken as yet by the party, though it is in such a position of strength electorally that it would lose little by acting against them.

Court directives

In 2018, the Supreme Court directed Central and State governments to make it widely known that lynching and mob violence would 'invite serious consequence under the law' (*Tehseen S. Poonawalla v. Union of India & Ors*). Then Home Minister Rajnath Singh told Parliament that the government had formed a panel to suggest measures to tackle mob violence, and would enact a law if necessary. The panel's recommendations are not in the public domain, and acts of hate crime do not appear to have diminished in the year since Mr. Singh's promise.

In a May 2019 report, Human Rights Watch India pointed out

More appeasement than justice

Maratha reservation borders on class legislation rather than signifying reasonable classification



FAIZAN MUSTAFA

Under Prime Minister Narendra Modi, the Bharatiya Janata Party (BJP), once considered to be just a party of upper caste Hindus, is beginning to expand its social base. And a party that has consistently criticised the Indian National Congress for its so-called appeasement policies including sub-quotas for minorities within Other Backward Classes (OBC) and reservation for OBC Muslims is no longer hesitant in extending reservation to newer castes.

In keeping with this line, one has seen it introduce reservation for politically dominant castes such as the Gujjars in Rajasthan, Patidars in Gujarat and the Marathas in Maharashtra. The BJP government in Uttar Pradesh has included 17 OBC castes in the Scheduled Castes list. Even the judiciary that has so far been quite concerned about the 'merit', 'efficiency in administration' and interests of 'general candidates', has sent out mixed signals on invoking the strict scrutiny test in examining the constitutionality of a reser-

vation policy. The Supreme Court has refused to stay the Central government's decision to grant 10% quota in jobs and education to the economically-weaker sections and the Bombay High Court has now upheld reservation for the Maratha community.

Influential reach

Anyone familiar with Maharashtra will know that the Maratha community is an influential and politically dominant caste which has not faced any systematic social discrimination or exclusion. Most of the State's Chief Ministers have been Marathas. While the Mandal Commission identified Marathas to be a 'forward' community, two State Backward Class Commissions, namely the Khatri Commission (1995) and Bapat Commission (2008), recommended not to include them within the OBC category. After the High Court had stayed the 16% reservation made on the basis of the recommendations of non-statutory Narayan Rane Commission (2015), the matter was referred to the M.G. Gaikwad Commission in 2017, which submitted its report in 2018. The Bill was passed and brought into force in less than two weeks.

The Mandal Commission had 11 yardsticks to determine backwardness. On certain parameters, the Gaikwad Commission did go beyond Mandal; some of the yard-



FILE PHOTO/CHOWDHURY

sticks it adopted were controversial. For example, the Commission noted that of the total farmer suicides of 13,368) 2,152 Maratha farmers had ended their lives. It ignored the fact that these were not due to backwardness but because of agrarian crises. The Commission also attached great importance to its finding that while 69% Maratha families sought medical treatment for jaundice, 9.65% sought treatment from tantriks while 0.54% left it 'to the mercy of god'; superstition, and 'blind vows' were factored in as proof of backwardness though such irrational practices or beliefs are prevalent even among the higher castes as well. The Commission also found that a large number of Marathas in Mumbai are engaged in the business of dabbawallas. Acceptance of food from them shows that people do not consider them low caste. The finding of 71% Marathas owning land of less than 2.5 acres was considered a sign of backwardness but such small holdings are due to fragmentation

that only some States had complied with the Supreme Court's orders to designate a senior police officer in every district to prevent incidents of mob violence and ensure that the police take prompt action, including safety for witnesses; set up fast-track courts in such cases; and take action against policemen or officials who failed to comply. Those State governments that did comply, the report commented, did so only partially. In several instances, the police actually obstructed investigations, even filing charges against the victims.

Whether it is political hate speech or police bias on the ground, there is little doubt that the national bar against hate crime has been lowered. On television, we see replays of hate speech and videos of lynching. Though the accompanying commentary is critical, repeated iterations normalise the hateful. Indeed, anchors themselves resort to invective far more often than before – note how Kashmiris are routinely heckled and abused on talk shows. The print media too is failing. Several newspapers now publish triumphalist opinion articles, including comments to articles that are hate speech by any definition. Criticism of blatantly communal government actions such as extension of refugee and citizenship on religious identity has grown increasingly muted.

Key steps needed

One of the policy issues that is high on the Modi administration's list is dealing with incitement to violence through social media. But the focus is on hate in relation to terrorism, and it is unclear whether government policy will extend to cover hate crime. Important as it is to do so, the digital media is not the only offender. In fact,

there are several obvious steps which would be easier to take and yield more immediate results than regulation of the digital media. Parliament could enact an omnibus act against hate crime, and the Home Minister could set benchmarks for policemen and administrators to deal with hate crime. The legislature and political parties could suspend or dismiss members who are implicated in hate crimes or practise hate speech. The electronic and print media could stop showing or publishing hateful comments and threats. Priests could preach the values of tolerance and respect that are common to all religions and schools could revitalise courses on the directive principles of our Constitution.

For Mr. Modi, there is an additional challenge. He has twice spoken out against hate crime, but his words of pain have not been backed by action, either by his party or by BJP-led administrations. Does he have so little influence over his own? We have to hope not.

For a demographically diverse country such as India, hate crimes – including crimes of contempt – are a disaster. Each of our religious and caste communities number in the millions, and crimes that are directed against any of these groups could result in a magnitude of disaffection that impels violence, even terrorism. Far less diverse countries than India are already suffering the result of hate 'moving into the mainstream', as UN Secretary General António Guterres recently highlighted. We can still contain its spread if we act resolutely. Or else our political leaders might find the lumpen tail wagging their dog.

Radha Kumar is a writer and policy analyst

Gurvinder Singh (2016) though along with Gujjars, four other castes were also given the benefit. Jat reservation, in *Ram Singh* (2015), was declared unconstitutional because only one caste was favoured. Maratha reservation thus borders on class legislation rather than reasonable classification. Article 14 prohibits class legislation.

Since the National Commission for Backward Classes was not consulted, the constitutionality of Maratha reservation is suspect but the High Court observed that the NBCC had in no way taken away the powers of the State commission. Similarly, the Uttar Pradesh government has ignored the National Commission for Scheduled Castes in according SC status to 17 castes.

The weakest part of the judgment is ignoring the 50% upper limit of reservation by relying on the small window of exception permitted in *Indra Sawhney*, i.e. the factor of remote or far flung areas and an absence from national main stream. None is available to the Marathas.

Let the BJP not deviate from its stated policy on appeasement and do justice to all including Marathas and Muslims.

Faizan Mustafa is Vice-Chancellor, NALSAR University of Law, Hyderabad. The views expressed are personal

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.

Karnataka crisis

The political charade in Karnataka has come to such a pass that the Bharatiya Janata Party that had unsuccessfully formed the first government after the election is at government formation again by trial and error and subverting the will of the people of Karnataka (Editorial, "The visible hand", July 9). Both the party and its State party president and former Karnataka Chief Minister, B.S. Yeddyurappa, have a yen to wrest power even if they lose elections.

Consequently, the party with a difference has metamorphosed into a party of defectors and the MLAs who are raring to cross over have betrayed the trust of the people. If the JD(S) and the Congress give rebel MLAs ministerial berths, it will be a surefire way for others to rebel. This is a vicious circle. Even if the BJP manages to form a

government with floating MLAs, its longevity will be suspect again. This will give rise to a piquant situation. One can safely conclude that democracy in Karnataka is at the mercy of power-hungry politicians.

ABDUL ASSIS P.A.,
Kandassankkadavu, Thrissur, Kerala

■ Even if the BJP forms the government through the back door, it would not be the government of, for and by the people, but of, for and by defectors. The party leadership in Delhi may claim that it has nothing to do with the crisis but the acts of their State leaders make it crystal clear that these cannot be without clearance from Delhi. Perhaps the time has come to dissolve the House and let voters decide who they want.

N. NAGARAJAN,
Secunderabad

■ If the party leadership somehow succeeds in

appeasing the disgruntled MLAs they can never be trusted. Amidst political uncertainty the administration will be in a state of inertia. Parties must think about dealing with horse trading and shifting allegiance in a serious manner. Existing anti-defection laws are ineffective and law-makers find out ample loopholes to escape disqualification. Those who vitiate democratic credibility must be debarred from accessing all benefits as elected representatives.

DR. GEORGE VAREEKAL,
Burhanpur, Madhya Pradesh

Quota and caste

The assertion in the article, "Reinforcing caste hierarchies" (Editorial page, July 9) is that "reservation is not the real answer" though in the context of its latest avatar, the Maratha quota, is a good enough reason to revisit the time when it was first introduced. At that time,

this short-term special measure was intended to bring the 'backward' sections to a level that was on a par with others. That it continues and expands is an indication of the failure of the scheme. Instead of there being a scientific assessment, the issue has been treated politically. To perpetuate the short-term plan and to expand it in all directions are the hallmarks of vote-bank politics. How it reduces the 'merit' element in education, the bureaucracy, legislature and other sections is a governance issue. This is the reason why caste hierarchies continue and are reinforced. Only proper Constitutional amendments to delete discriminatory provisions can help progress.

P.R.V. RAJA,
Pandalam, Kerala

■ The objective of reservation was to uplift the 'downtrodden' and not to encourage indiscriminate

profiteering at the expense of deserving candidates. The system today not only strengthens the caste divide but also creates resentment in communities unable to reap the benefits of reservation. It may not be an exaggeration to say that 'brain drain' is a consequence of the reservation system. Capable students prefer to move abroad where their work and capabilities are rewarded.

KSHITIJ MANI TRIPATHI,
Lucknow, Uttar Pradesh

Road safety

Though the human factor is often cited in fatal road accidents, one cannot

CORRECTIONS & CLARIFICATIONS:

The report headlined "Shutdown in Valley on Wani's death anniversary" (July 9, 2019) referred to Burhan Wani's killing on June 8, 2016. It should have been July 8, 2016. Also, it talked about slowing down of internet speeds on Tuesday. It should have been Monday.

An Editorial page article titled "A shot at economic logic" (July 9, 2019) talked about the creation of an African common market with a GDP of \$3.4 billion. It should have been \$3.4 trillion.

The Readers' Editor's office can be contacted by Telephone: +91-44-28418297/28576300; E-mail: readerseditor@thehindu.co.in