



## Moderate expectations

There are limits to what RBI can do with rates; the government needs to prod investment

After the unconventional 35 basis points cut in interest rates in August, the Reserve Bank of India (RBI) returned to a normal 25 basis points cut on Friday. While a rate cut was a foregone conclusion, the speculation was over whether it would be 25 or 40 basis points, going by the August experience. With this, the central bank has pruned rates by 135 basis points in just seven months since the rate cut cycle started in February. Of this, until August, banks had passed on 29 basis points to borrowers. But with the shift to an external benchmark by major banks recently – mostly linked to the repo rate – the transmission could be quicker from here onwards. The RBI has also sharply marked down the GDP growth projections for the current fiscal to 6.1% from the 6.9% that it had projected in the August policy. This was inevitable after the shocking 5% growth reported in the first quarter but it could be argued though that even the revised estimate is a trifle optimistic. If the projection of 6.1% for 2019-20 is to be met, the economy has to grow by about 7% in the second half which does not look very likely. If the high frequency data of the last couple of months are any indication, the second quarter may well end up mirroring the first in terms of GDP growth. The basis for RBI's optimism, therefore, appears unclear at this moment.

The central bank has done the heavy lifting in the last few months and monetary policy may well be nearing its limits in so far as its ability to influence growth prospects is concerned. Inflation is well within the target giving space to the RBI to focus on growth. Crude oil prices are back in the comfort zone, retreating from the spike in mid-September, and food prices are projected to remain soft on the back of a good monsoon. The monetary policy statement is unambiguous that the RBI will continue with its accommodative stance "as long as it is necessary to revive growth". While this statement is credible, the problem is that the central bank can only facilitate lower rates and push banks to lend. It cannot force borrowers to borrow and this is evident from the soft trends in credit offtake in the last few months. As per latest available data, bank credit is growing at just 10.3%. The onus, therefore, is on fiscal policy which alone can prod borrowing and investment. To be fair, the government has been engaging the levers, and the corporate tax cut last month is a major move to get private investment going. However, the ₹1.45 lakh crore give-away has set off fears in the market of a fiscal slippage and higher borrowings by the government. These concerns also explain the unenthusiastic response of the stock and bond markets to Friday's rate cut. The ongoing festival season consumption holds the key to revival of the economy this fiscal.

## Web of deception

The government must monitor the NEET admission process to guard against fraud

What the embittered relationship between Tamil Nadu and the National Eligibility-cum-Entrance Test (NEET) required was a salve, but instead things just got more complicated and murkier. The recent expose of what has come to be known as the NEET examination scam has placed further stress on the State's experience with the exam in more ways than one. A couple of mails sent to the administrators of the Theni Government Medical College in south Tamil Nadu blew the lid off a scam with far-reaching consequences. A student of the college had gained his seat through subterfuge – by having someone impersonate him at the NEET. This turned out to be only the tip of the iceberg, and as investigators began unravelling the spool, more skeletons tumbled out. A number of students and their parents were investigated for possible impersonation fraud in the NEET, for operating with the help of middlemen to hire a medical student to write the test for them, for a hefty consideration. This, no doubt, required spinning a careful web of deception, right from submitting photos of the impersonator in the NEET application forms, to actually appearing for the examinations and single-window counselling for admissions, to submitting the application with the original student's photo at the allotted college. Further probe cast a shadow on the admission of more students, including in private medical colleges. With the CB-CID tasked with investigating the case, bits and pieces of the puzzle are falling in place, revealing a multi-State operation. While the larger picture, with all its many nuances, is not yet clear, it is evident that fraud has been committed, and serious lapses in procedures and processes were exploited by students eager to score a medical seat by hook or by crook. They might have got away with it, but for an anonymous tip-off.

Given that NEET was intended to standardise testing for admission into medical colleges and ensure a certain minimum quality, such lapses erode the very core of its raison d'être. The Ministry of Health and Family Welfare and the National Testing Agency, which conducts the examination, must exhibit zero tolerance to such attempts to frustrate the integrity of the test. Both these agencies must immediately set their energies to identifying lacunae in the existing system and ensure that a foolproof testing methodology is in place. Using biometrics to identify students taking NEET has been suggested, and its value in adding a further layer of checks and balances is indisputable. Parents and students too would do well to temper their vaulting ambition for an MBBS seat with a measure of rationality. There are only a limited number of MBBS seats available, and while that number is slowly growing, it will never equal the demand.

# In search of the Wuhan spirit

At the Mamallapuram summit, India must ensure that it does not provoke China, leading it to indulge in 'adventurism'



M.K. NARAYANAN

The second informal summit between leaders of India and China is scheduled to take place in the second week of October in the coastal town of Mamallapuram, south of Chennai. Among the decisions taken at the Wuhan Summit held in April last year was to hold more such summits, aimed at ensuring "higher levels of strategic communications." The Mamallapuram meet adheres to the Wuhan Summit in letter but one wonders whether in the past 18 months the two leaders did succeed in enhancing strategic communications.

When China agreed to an informal summit in 2018, there was considerable scepticism as to what would be on offer from the Chinese side while agreeing to such a move. China was riding the crest of a wave of achievements, and did not think it needed to make concessions to anyone, least of all India. Since then, however, China has met with certain setbacks – geo-politically and economically – while India, though beset by a host of economic woes, seems better positioned today than in the spring of 2018. It, however, remains to be seen whether it will ensure that this summit is more productive.

### Symbolic choice of venue

The choice of Mamallapuram was, perhaps, not as arbitrary as it might seem. If Wuhan was picked by President Xi Jinping as the venue last year to demonstrate China's economic resilience and might, Mamallapuram is symbolic of India's 'soft power'. Mamallapuram, an important town of the erstwhile Pallava dynasty that ruled this part of south India from

275 CE to 897 CE, is renowned for its architecture, widely admired across the world.

Mamallapuram and the Pallava dynasty are also historically relevant, for the earliest recorded security pact between China and India (in the early 8th century) involved a Pallava king (Rajasimhan, or Narasimha Varma II), from whom the Chinese sought help to counter Tibet, which had by then emerged as a strong power posing a threat to China. The Chinese side is unlikely to miss this subtle hint, concerning the changing fortunes of nations and the importance of sustaining relationships.

Informal summits have their use as trust-building exercises. It has to be acknowledged, however, that since the Wuhan Summit, little has changed as far as India-China relations are concerned. Doklam and the disputed border between the two countries remains an issue of concern. Hopes raised at the Wuhan Summit that the two countries would jointly work together on an economic project in Afghanistan have proved to be evanescent. Instead, even as the political situation in Afghanistan deteriorates, China, along with countries like Pakistan, remains more intent than ever on ensuring that India has no role to play there.

### Contradictory outlook

Meanwhile, China and India continue to compete and have a contradictory outlook on many strategic and civilisational issues. These include the nature of Asian security, regional stability and the role of the U.S. in the region. The China-Pakistan axis has, if anything, been further cemented – the UN designating Jaish-e-Mohammad chief Masood Azhar as a global terrorist a mere blip in the wider scheme of China-Pakistan relations.

After the Wuhan Summit, many things have changed, altering the circumstances surrounding India-



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China relations. For instance, relations between China and the U.S. have sharply deteriorated. Apart from the U.S., a vast majority of nations in the West have cooled off towards China. While in 2018, the China-Russia axis appeared to be carving out an exclusive zone of influence in East Asia, by mid-2019, new alignments, including a further strengthening of India-Russia ties, as also a new triangular relationship of Russia, India and Japan, appear to be altering equations in the East Asian region. China's Belt and Road Initiative (BRI) has also come under increasing attack, even from countries which previously viewed China as a munificent nation.

China's domestic scene is again marked by heightened anxiety today. The economy is far more fragile than in early 2018, as exemplified by the jitters emanating from China's equity and currency markets, and the decline in growth rates. Internal security concerns such as unrest in Tibet, inroads made by radical extremist groups in Xinjiang and the latest turn of events in Hong Kong are also reinforcing fears about the leadership's ability to control the situation. The relentless attack by the U.S. and President Trump on China's economic practices has only aggravated this mood of pessimism.

### China's concerns

India, on the other hand, has reasons to be more optimistic than a year ago. India's relations with the U.S. have attained a new high. Relations with Russia have acquired a

fresh dimension, incorporating economics alongside a longstanding military relationship. India's line of credit to develop Russia's Far East has fundamentally changed the nature of India-Russia relations. India's relations with Japan have greatly strengthened. The Quadrilateral (the U.S., India, Japan and Australia) has gained a new lease of life.

All this is certain to make China pause and rethink issues. Additionally, certain recent actions by India are likely to arouse China's suspicions about India's intentions, which could impact the summit outcome. While India's efforts to 'dumb down' the Dalai Lama will have appeased China to an extent, other events in Ladakh and Arunachal Pradesh, where it takes a keen interest, will be seen as a provocation at this juncture. For example, the recent announcement by India of an "all arms integrated" exercise 'codenamed Changthang Prahar (assault)' in a "super high altitude" area near Chushul in eastern Ladakh, featuring tanks, artillery guns, drones, helicopters and troops, as well as para-drops, is almost certain to be read suspiciously by China. Simultaneously, the reopening of the Advance Landing Ground at Vijaynagar in Arunachal Pradesh for the use of military aircraft and a proposed major combat exercise, also in Arunachal Pradesh, in which the new Integrated Battle Groups will be seen in operation will add to, and aggravate, China's concerns.

Anyone familiar with the way the Chinese mind works will recognise that the concatenation of circumstances spelt out here is almost certain to make China even more intransigent as far as its negotiating stance is concerned. India, hence, needs to proceed with utmost caution, lest China reacts in a manner that would undermine the 'Wuhan spirit'. India must ensure that it does not provoke China to the point where it

would be inclined to indulge in 'adventurism'.

### Treading with caution

As part of the preparations for the summit, Mr. Modi's advisers would be well advised to try and arrive at a multi-faceted understanding of China and the Sino-phone world in 2019. Achieving a more holistic understanding of China's sense of itself is even more important today than in 2018.

Blowing his 'conch' well ahead of the 70th anniversary of the republic, President Xi has already begun talking of the "great struggle" needed to build a new China. He is obliquely seeking a reversion to the Maoist period of "struggle to achieve victory." For India-based China experts, it may be worthwhile to decipher how this translates in terms of international relations. In the meantime, it would be best to adhere to the dictum, the medium is the message.

India can try and seek answers on how to deal with today's China, from the "wisdom of the orient." Reading up on treatises such as Sun Tzu's 'Art of War' would help. "Subduing the enemy without fighting" has been a recurrent theme in Chinese thinking, and while informal summits have their uses, it is imperative not to overlook this aspect. China's efforts are more than likely to be directed towards 'disruption', primarily concentrating on disrupting the strategic alliances that India has forged, or strengthened, recently.

If India does not proceed with care and caution, the Mamallapuram summit could well prove to be a step back from Wuhan. With preparations and proper handling, the forthcoming meet could, on the other hand, provide India's leaders with a realistic estimate as to where India-China relations are headed.

M.K. Narayanan is former National Security Adviser and former Governor of West Bengal

# Rethinking college recruitment

Underlying problems need to be addressed before the tenure track system is introduced in the IITs



R. PRASAD

In a marked departure in the way assistant professors, who are on the lowest rung of the academic ladder, are hired and confirmed at all the 23 Indian Institutes of Technology, the IIT Council recently introduced the tenure track system.

### New hiring process

Under this system, an assistant professor may be hired without the mandatory post-PhD experience requirement and her performance reviewed internally after three years. Based on an evaluation by an external committee at the end of 5.5 years, he or she may either be granted tenure (made permanent) and promoted to the next higher level of associate professor or asked to leave. In certain cases, based on the recommendation of the external committee, an extension of two years may be granted to the candidate before being assessed again.

At present, a fresh faculty member is placed on probation for a year before confirmation without being subjected to any kind of a

critical evaluation. According to the Council, this leads to a situation wherein "a large number of faculty, despite having very good credentials, do not put in enough effort on research and teaching". Over the years, the number of faculty whose performance is below par has risen to such an extent that "more than half" underperform. The tenure track system is being seen as a silver bullet to prevent further deterioration and to remove non-performers. "The tenure track combines academic freedom with responsibility and accountability," Higher Education Secretary R. Subrahmanyam told the media.

### No guarantees

If we look at the tenure track system in other countries, it is clear that the process doesn't guarantee excellence or improve accountability at the institutional level. While the principal purpose of tenure in the U.S. is to provide permanency and safeguard academic freedom, using the same system to promote research and teaching excellence reflects a lack of application of mind. Flogging a small subset of young faculty to improve the metrics using the threat of tenure track while leaving the large majority of senior faculty unmonitored will do little to achieve the prime objective.

Keeping the young faculty on a



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tight leash can prove to be counterproductive. To begin with, the power asymmetry that already exists between new recruits and the older faculty will worsen. But tenure's biggest disservice may be in the field of research. With the sword of Damocles hanging over their heads, young faculty may end up being more risk-averse and refrain from working in uncharted, cutting-edge research areas. The temptation to settle for safer, short-term, sure-shot solvable research problems or just extending their PhD or post-doc research is likely to become overpowering.

If the Ministry of Human Resource Development (MHRD) feels compelled to ape the West, it should be willing to go the whole hog and match the U.S. and other countries that have this system in terms of research facilities. Unlike in most U.S. universities that have a tenure track system, it is extremely difficult for new appointees to hit the ground running as even basic infrastructure to carry out research is not in place at many of

the newer IITs. There have been innumerable cases in the older IITs where even securing lab space can take as long as a year or more.

While those working in theoretical areas might find it relatively easier to publish papers, experimentalists will be at a greater disadvantage as setting up labs will take longer. While even established IITs face difficulty finding good computer science faculty, finding computer science students willing to pursue the PhD programme will be even more challenging among the new recruits.

### Funding issues

While the older IITs provide seed funding of about ₹20 lakh, the new IITs provide just a couple of lakhs of rupees. Researchers will necessarily have to turn to funding agencies for grants. With a significant reduction in the number of research proposals getting funded, new faculty will be forced to compete with well-established researchers for a piece of the pie. The delay in disbursement of funds by agencies is another problem.

The biggest area of concern is the upper age limit of 35 years for an assistant professor's post, which is not the case in the U.S. Since assistant professors are in the early 30s when they secure a position, anyone who fails to secure tenure at the end of 5.5 years is almost out of the reckoning at

any other academic institution.

With the MHRD planning to extend this system to Central universities and the draft National Education Policy recommending its introduction in all institutions by 2030, chances of securing a position at an alternative institution will be almost nil. Unlike in the U.S., industry jobs are not in plenty in India for those who fail to get tenured. The 5.5-year period to secure tenure is particularly disadvantageous to women researchers.

Will the introduction of the tenure track system at IITs make the task of securing fresh talent even more difficult? Professor V. Ramgopal Rao, Director of IIT Delhi, had said sometime ago that the institute had not been able to find "suitable candidates" to fill 300 faculty positions that have been lying vacant for the last 10 years. The introduction of the tenure track system without addressing the underlying problems researchers face is likely to make it even more challenging to find good talent. It is also unclear if the new IITs, which are just being built, will find themselves at a disadvantage in attracting talent. At this stage, one can only hope that the IIT Council has deliberated on these critical issues and not acted in haste or under duress.

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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.

### The NRC demand

Even as the fate of the 1.9 million left out of the final list of the National Register of Citizens in Assam hangs in the balance, a demand by Ministers for a similar exercise in some other States lacks wisdom ("Karnataka considering NRC: Minister", October 4). While security concerns merit segregation of anti-social elements, this cannot be an excuse to carry out a witch-hunt on a communal basis. It is important to first see how the Assam NRC pans out before implementing the exercise in other States.

YOGESH AGGARWAL, Jalandhar

### Friendly ties

Bangladesh Prime Minister Sheikh Hasina has struck a positive note by stressing that there are no problems in bilateral ties ("Hasina to focus on economic agenda", October 4). In the light of the ever-growing presence of China in the neighbourhood under its 'String of Pearls' policy, and with many countries joining the Belt and Road Initiative, India must put in extra effort in improving its bilateral relations with all its neighbours. Efforts should be made to finalise the Teesta water-sharing agreement with the cooperation of West Bengal. The development projects

in Bangladesh that are being financed by India should be expedited.

Bangladesh should be assured that it has a reliable friendly neighbour in India.

KOSARAJU CHANDRAMOULI, Hyderabad

### Problem of recusals

The judges who have recused themselves from the Gautam Navlakha case must give reasons for their decision ("Five SC judges recuse from Navlakha case", October 4). Judges must be true to the oath they take, which means that they should discharge their duties to the best of their abilities. Avoiding hearing sensitive cases

cannot be taken lightly, especially at the Supreme Court level. That these judges have not given any reason seems to hint that they are afraid of a backlash.

V. LAKSHMANAN, Tirupur

### Banners for Xi

It is most unfortunate that only a few weeks after the death of Subasri due to the banner culture, the Madras High Court has allowed the government to put up welcome banners in honour of Prime Minister Narendra Modi and Chinese President Xi Jinping ("Banners for summit must follow rules", October 5).

The Modi government has been doing away with many time-tested conventions in the last five years. Mr. Modi himself has said that the VIP culture should be shunned. Surely the bilateral talks won't fail if this convention is given up? If our courts don't protect our right to safety and security, people will slowly lose faith in the judiciary.

N. NAGARAJAN, Secunderabad

### Right to ask questions

It is true that there is mob violence and intolerance in this country. So, what is wrong in the letter written by eminent persons like Ramachandra Guha, Mani

Ratnam, Aparna Sen and Adoor Gopalakrishnan to the Prime Minister? ("Adoor questions sedition charge against him for writing open letter to PM Modi", October 4).

They have every right to, given that India is a democracy. All of us have a right to express concern and ask our elected representatives questions if the nation is seen as taking a wrong turn. The response of the government should be to address their concerns, not press charges of sedition.

UNNIKRISHNAN MANGALASSERI, Malappuram

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