



GST's complicated

The new compliance system and a proposal for cession on sugar send the wrong signals

With collections from the goods and services tax peaking at over ₹1 lakh crore in April, industry hoped the GST Council would make life simpler for an increasingly compliant tax-payer base. Indeed, at its meeting last week the Council decided to introduce a new compliance system under which a single monthly GST return will have to be submitted by firms, barring a few exceptions. However, this will only be done in a phased manner – with the first of three transition stages to begin six months from now. Discussions over simplifying GST returns have been under way for months and considered by the Council, a committee of officers and a Group of Ministers. Nandan Nilekani, chairman of Infosys Technologies, the firm in charge of the GST Network's IT system, has been consulted. Yet, the solution offered has gaps. For instance, in the second stage of the transition to simpler returns, buyers will get provisional input credit even if the seller doesn't upload the invoices. While this could lead to disputes, in the third stage input credits will only be granted after sellers upload invoices. If a seller defaults on depositing GST dues collected from a buyer and remains evasive, the authorities can reverse the credit availed by the buyer for such outstanding taxes.

In any case, the timelines for the transition are long and bring fresh uncertainty for businesses still recovering from the initial jitters and confusion around the tax regime. Firms will again have to cope with significant changes in accounting software in the middle of the financial year. The Council, credited with swift and significant course correction in GST processes in its initial months, could have done more. The most troubling is the Centre's push for the imposition of a cess on sugar over and above the 5% GST levied on it. A cess at the rate of ₹3 a kg is proposed to alleviate 'deep distress' among sugarcane farmers. Not surprisingly, this faces opposition from several States. It has been rightly argued that this will burden consumers while favouring larger sugarcane-growing States like U.P. and Maharashtra. In addition, a special sugar cess will signal a looming breakdown of the basic tenet of GST: the abolition of such cesses and surcharges, barring the compensation cess for funding States' revenue losses for five years. Along with a proposal to reward digital GST payments, this has been referred to new ministerial groups, which are to revert in a fortnight. Lastly, the decision to make the GSTN a 100% government-owned firm, instead of the present structure with 51% private ownership, explains neither how this will address data security concerns nor the impact on the Network's functional efficiency, which was the original stated intent for giving private players an upper hand in operations.

Mahathir's challenge

Will the corruption scandal be the undoing of Malaysian Prime Minister Najib Razak?

Malaysian Prime Minister Najib Razak has many things going for him in the May 9 general election, but whether they will suffice in the face of a corruption scandal is an open question. With the economy growing at 6%, helped along by lavish infrastructure spending, Malaysia's overall outlook could not appear more robust. But Mr. Razak's opponent and erstwhile mentor, the 92-year-old former Prime Minister Mahathir Mohamad, is hoping to exploit the incumbent's links to a billion-dollar corruption scandal in a state investment fund. The battle lines have been sharply drawn, but there possibly exists an advantage for the ruling Barisan Nasional (National Front), led by the United Malays National Organisation, insofar as it has had a long record in office. Also, almost 70% of the population are *bumiputras*, mainly Malays and other indigenous groups, that have traditionally voted for the UMNO. This group has benefited significantly over the years from Malaysia's policy of according preferential treatment to it in terms of access to education and government jobs. Parliament's recent approval of the redrawn electoral constituencies has reinforced allegations of gerrymandering and unequal sizing of electoral districts to benefit the National Front. The conduct of polling on a week day has led to allegations that this has been done to deter a large number of citizens working in neighbouring Singapore from casting their votes – it is believed that a lower turnout will work in favour of Mr. Razak's party.

The election campaign has seen an estrangement between one-time allies and a coming together of former foes. Mr. Mohamad, who has returned to frontline politics as the incumbent's principal challenger, was instrumental in the installation of Mr. Razak. He was also once the arch-rival of the man he is standing in for, Anwar Ibrahim, the imprisoned leader of the opposition Pakatan Harapan (Alliance of Hope). Uncomfortably for the Prime Minister, news that some \$4.5 billion had gone missing from a government fund coincided with the appearance of about \$600-odd million in his personal account. Not many have bought his explanation of the sum as a gift from a well-wisher. Mr. Mohamad says the scandal forced him to stage a political comeback and lead a punishing campaign. The veteran politician has sought to channel public anger against the recent imposition of a goods and services tax, portraying the levy as a penalty to recover the losses on account of the missing funds. The National Front is therefore anxious to avert a repeat of its performance in the 2013 polls, when it was returned merely by virtue of the parliamentary seats it won, while losing the popular vote. The party is acutely aware that it needs to regain some lost popularity if it is going to make the best of this election.

Defying the logic of democracy

Simultaneous polls will prevent citizens from keeping their elected representatives on permanent notice



NEERA CHANDHOKE

Intent on creating a unified India through the adoption of one language, one dominant religion, one culture, one nation, one tax, and now one poll, the Bharatiya Janata Party seeks nothing less than the renegotiation of the basic terms of the political contract that inaugurated democracy in the country.

Inherent problems

A great deal has been written and said on the advantages and disadvantages of simultaneous elections ever since Prime Minister Narendra Modi began to speak of this practice as a good thing. Commentators charge the government with institutionalising managed democracy and with double-speak. Instead of scheduling simultaneous elections to the Himachal Pradesh and Gujarat Assemblies in late 2017, the Election Commission held the Gujarat polls a month later in December, for obvious reasons. The argument that simultaneous elections will prevent corruption, and improve administrative efficiency has been dismissed as flimsy.

There is another objection to the proposal that should be, perhaps, taken seriously. The implications of holding simultaneous elections to the Parliament and State Assemblies run contrary to the spirit of democracy, as well as that of federalism. Admittedly, Mr. Modi does not want to touch the relationship between the Central and State governments. What he wants is clear and undisturbed five years of rule between elections, so that his projects of governance can

be consolidated.

In other countries we have seen the rhetoric of governance replace the logic of democracy. We have arrived at the same juncture. In fact, we are already there since the time this government took over in 2014. Arguments that juxtapose governance and democracy simply overlook the fact that governance is about administration, democracy is about popular sovereignty. We expect governments to give us good governance, but not at the cost of democracy. In contemporary history, populist leaders have rallied people around the banner of good governance, but forgotten the D of democracy. We might need to remember the basics of the system.

Democratic concepts

Democracy is a protean concept, justified for many reasons, and some of these reasons are purely instrumental. Democracy, for instance, enables a peaceful transfer of power from one political elite to another. It is, relatively speaking, more economical than authoritarian governments, which spend an inordinate amount of money in suppressing dissent. And above all, democracy provides legitimacy and enables accumulation of power in the name of 'the people'. The idea that democracy is valuable because it secures a designated good, however, poses a dilemma. If tomorrow a benevolent despot provides these goods, is democracy dispensable?

Democrats will have to find reasons why democracy is a good in itself and not because it leads to desired outcomes. Arguably, democracy is a good because it initiates, fosters and sustains a conversation between the rulers and the ruled. Elections constitute definitive moments in this conversation. They (a) enable the selection of candidates who will speak for and to the citizens; and (b) allow

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citizens to hold representatives responsible. That is, elections ensure a necessary correlation between the interests of the citizens and the accountability of the ruling class.

In between elections, citizens can hold the rulers responsible for all acts of omission and commission through participation in movements, campaigns and other modes of representation in civil society. Citizens and their representatives thus engage in permanent conversations. Elections facilitate and develop the conversation between citizens and representatives. Elections are not equivalent to democracy; they are a definitive component of the democracy project.

Unlike direct democracy, modern democracies are based upon the principle of representation. All elected representatives 'stand in' for their constituents in legislatures, but the responsibility of the ruling party is much more. It has to represent the interests of even those citizens who did not vote for it. If it fails to do so, and if the Opposition can muster the numbers in the legislature, it can vote the government out and provide an alternative government. Alternatively, the country can go to the polls to elect a new government. Under the proposed scheme, if the government fails to heed the mandate given by citizens, but the Opposition cannot offer an alternative government, and elections cannot be held before the

stipulated time, the government will continue to rule, but illegitimately. This is the conundrum of simultaneous elections.

Accessible governments

Representative democracies are based upon two crucial preconditions. One of these preconditions is that citizens must be well-informed on affairs of the state, the region, the local, and the global, before they make choices that are reasonably intelligent. In large and unwieldy societies like India, citizens should be able to distinguish between national issues, for example foreign policy and defence, and local issues that affect their quotidian lives, lack of education and health, the pathetic state of roads and water bodies, provision of infrastructure, and ease of living one's life in relative autonomy from political intervention. The case for a federal form of government is constructed precisely on the need for decentralised power, decentralised finances, and accessible governments. Across the world the trend is towards regional autonomy. In India where this demand has acquired serious proportions in many parts of the country, any push towards the standardisation of elections will exacerbate the problem.

Two, citizenship lies at the heart of electoral democracy. Citizens are stake-holders in the political system – therefore, they have the right to participate in processes of decision-making that affect them individually and collectively. Participation in national and State elections expands the spaces of citizenship. Imagine the dismal political scenario if the timing of all elections is controlled. No periodic elections, no sound, no fury, no old and tired political agendas we attack, no new faces in politics, no stand-offs, no colour, no band, *baaja* and *baraat*. Indians will be deprived of the very things they

love about elections: intense political theatre. When the curtain drops we the, otherwise, disempowered decide the fate of those very politicians who disregard us most of the time. This is the time to choose who we want to enter into a conversation with.

If citizens have a right to exercise control on the representative, or the political party of which she is a part, they should be given an opportunity to do so through frequent elections. There is nothing like the electoral arena to expose politicians and party agendas to popular judgment. This keeps the conversation on democracy going. It keeps up the pressure on the representative to deliver on promises. A fixed system of elections provides representative with a god-given chance to ignore the constituency for five years and come back only during the silly season.

Polls a good force

Finally, many and repeated elections are good for democracy for another reason. Democracy is not based upon faith in representatives, it is based on suspicion. That is why we feel the need to stalk and monitor our representatives. Suspicion, as Demosthenes, the Athenian statesman and orator (384-322 BCE) wrote, is the best protection against despots. We should have the opportunity of dismissing the very candidate we voted for in the previous election. We should be provided with the chance of vesting our confidence, provisionally, in another set of candidates. Political sociologists call this phenomenon the circulation of elites. We don't trust our representatives. We subject them to reasoned scepticism. This is the best protection against managed democracy.

Neera Chandhoke is a former Professor of Political Science at Delhi University

Military history on the campaign trail

The political class must keep the armed forces out of electoral rhetoric



C. UDAY BHASKAR

Indian military history came into focus in a rather embarrassing manner recently. Last week, while on the campaign trail in Karnataka, Prime Minister Narendra Modi criticised the Congress party for insulting two illustrious generals of the Indian Army. Both these military icons, Field Marshal K.M. Cariappa and General K.S. Thimmaya, are from the local Coorgi (now Kodava) community. And this case of "disrespect" goes back many decades, to the 1947-48 war (Pakistan) and the 1962 war (China).

Import and subtext

A translation of what the Prime Minister, who spoke in Hindi, is: "In 1948 we won the war against Pakistan under General Thimmaya's leadership. But after such gallantry, the saviour of Kashmir, General Thimmaya, was repeatedly insulted by then Prime Minister Jawaharlal Nehru and Defence Minister V.K. Krishna Menon. And for this reason, General Thimmaya, to retain the sanctity of his position, had to resign from his post."

The Prime Minister then made a

sweeping reference to the war with China and referred to Field Marshal Cariappa by saying, "What did they do to the Field Marshal?" – insinuating that the Congress government of the day had behaved in a less than appropriate manner with the distinguished general.

The electoral subtext was clear – to show the Congress in a bad light in relation to national security and exploit the widely held perception that Nehru and Krishna Menon, were disdainful of the two generals.

The factual errors in the Prime Minister's statements were glaring. The Indian Army had a British chief during the 1947-48 war for Kashmir; Thimmaya was a two-star general in the Kashmir operations under the command of Lt. General Cariappa, who was the Army Commander. Sardar Baldev Singh was the Defence Minister in 1948 and Thimmaya did not resign at that time. Similarly, the reference to Cariappa was way off the mark, for he had retired in 1953 and was in no way involved with the 1962 war.

The Congress did not cover itself with glory either in its bid to counterattack the Prime Minister for his factual errors, in turn making its own gaffes on social media but later correcting them.

It is true that Krishna Menon sought to politicise the top brass of the Army and that Nehru chided



Thimmaya in Parliament, but the relevance of Army history to a State election is tenuous. What is pertinent and merits deep reflection for its corrosive implications is the manner in which the Indian military and its historical track record are being invoked for short-term electoral gain.

A polarisation

Indian electioneering and the rhetoric on the campaign trail have acquired a very sharp and polarising sectarian contour since 2014 and the Prime Minister has demonstrated that veiled aspersions can be cast even against a former Prime Minister and Vice-President, if these can lead to electoral advantage.

Should all this be allowed to be extended to the Indian military? Those in the political establishment (in this case the elders in the

national political parties) and those who advise the people who matter on issues of campaign strategy for 2019 would be well advised to consider the long-term consequences of denigrating and demonising the political 'other' on matters of national security through their imagined and burnished history.

It is a fact that there have been many national security omissions and policy blunders by successive Indian governments since 1948, but these are better deliberated in Parliament for redress and consensual correction.

Apolitical institution

Indian democracy has been enabled in no small measure by the apolitical nature of the Indian military going back to the period when General Cariappa was appointed as the first Indian Commander-in-Chief of the Indian Army in January 1949. In the decades that have followed, the Army has retained its institutional fidelity to the Constitution and internalised the principle of the supremacy of the elected civilian government.

This objective apolitical commitment was tested during the Emergency imposed by Prime Minister Indira Gandhi in 1975. To his credit, the then Army Chief, General T.N. Raina, refused to be drawn into that unsavoury national experience. Various overtures and suggestions were made to him

through the then Defence Minister, Bansi Lal, but these were resisted, and as hindsight has proved, rightly so.

Over the decades since the 1971 Bangladesh war, the Indian military as an institution has been treated in a shabby manner by Delhi's politico-bureaucratic dispensation. Alas, there has been no Ambedkar equivalent to champion the legitimate rights of an important part of the state and the armed forces have scored their own self goals. Lowering the profile of the military *vis-à-vis* the civil servant through the non-functional upgrade (NFU) scheme by the United Progressive Alliance government and its tacit endorsement by the legislature has been another setback.

The democratic ecosystem is best nurtured by institutions that are fire-walled from corrosive slander and disparaging remarks that can have long-term negative implications. Yes, the national discourse about the military ought to be critical in a constructive manner. But the form and content of this discourse must be in keeping with a constitutional, democratic ethos and acknowledge that the abiding national security interest transcends the electoral fortunes of political parties.

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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.

A NEET mess

There has been a complete lack of sensitivity by the Central Board of Secondary Education, the judiciary and the political class in the issue of allocation of examination centres for students from Tamil Nadu who have since appeared for the National Eligibility cum Entrance Test (NEET). This is an extremely important examination that will decide the course of their lives. The last minute and arduous journeys that were forced upon the students to faraway and new places are sure to have raised their already high anxiety levels. It is unfair to students to place them in a disadvantageous position due to the poor organisational skills of those who matter in the CBSE. It is unfortunate that

the judiciary did not come to the rescue of the students. The CBSE appears to be getting embroiled in one controversy after another, putting the student community under tremendous stress. Something is rotten in Delhi and a high-level committee needs to be appointed to go into the workings of the examination board.

N. RAMAKRISHNAN,
Chennai

It has been a series of blows against the student community if one looks at the way NEET has been conducted so far. After the confusion in 2017, about its scope, the problem of this year, over allocation of centres, is nothing but a case of abject mismanagement by the CBSE. Students already have their plate full after the

examination paper leaks and re-examinations. The reason of not having enough centres in Tamil Nadu, for instance, is unacceptable. There are hundreds of private academic institutions whose premises could have been used to conduct the test.

TILAK SUBRAMANIAN V.,
Kunjibettu, Udipi, Karnataka

While there is already resentment in Tamil Nadu on the necessity of NEET, the allotment of centres to applicants from Tamil Nadu to far-flung States such as Rajasthan and even Sikkim has only added fuel to the fire. Did no one, and this includes the judiciary, think of the travails of the students travelling at the eleventh hour, over such long distances? They were already stressed preparing for an

all-India examination. It might be a fact that the allotments were made using software, but how is it that no State other than Tamil Nadu was affected? The Board should have opened examination centres commensurate with the number of applicants. The only silver lining is that the Tamil Nadu government, many non-governmental organisations and countless kind-hearted individuals tried to help the hapless students.

SURYANARAYANAN S.,
Chennai

This is perhaps the gloomiest situation I have come across in my career as an academic, now 77, and with teaching experience spanning nearly five decades. It is unheard of in the annals of academic

history across the world to exhibit this kind of abject indifference and despicable callousness towards young students. It is cruelty of the worst form to ask them to travel to faraway examination centres for no fault of theirs. The CBSE's administration has touched a nadir of incompetency. I pray for good sense to dawn on the board's administrators.

M. VATHAPURESWARAN,
Madurai

Still relevant

Karl Marx, without doubt, has left an indelible imprint on the world. His ideology may be considered to be abaisic in this age of globalisation, but the fact is that his words are still those that represent our dreams for complete freedom. They still command respect for the

ideals they represent (Editorial page – "Karl Marx, 200 years later", May 5).

B. VEERAKUMARAN THAMPI,
Thiruvananthapuram

Football nursery

While youth in most parts of India are cricket-crazy, it is refreshing to know that in a corner of India, there are some who are looking to football ('Ground Zero' page – "Kicking above their weight", May 5). The love for the game and determination to excel is writ large on the faces of the young boys, as can be seen in one of the accompanying photographs. More interest by India Inc., and encouragement by the government are sure to kick the game to greater heights.

A. JAINULABDEEN,
Chennai

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