

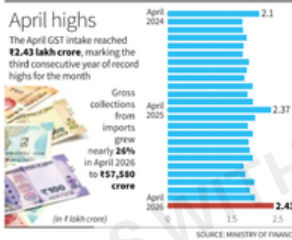
DAILY NEWSP APER ANALYSIS

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GST collections rise to a record of ₹2.43 lakh crore in April



T.C.A. Sharad Raghavan
NEW DELHI

The government's Goods and Services Tax (GST) revenue in April 2026 surged to an all-time high of ₹2.43 lakh crore, up 8.7% over April last year. Growth was once again driven by collections on imports, with revenue from domestic sales growing slower.

Tax experts, however, note that collections in April, which represent activity in March, typically come in higher as both industry and the tax administration make a final push to achieve the financial year-end targets.

Data show that there has been a record collection every April ever since the GST was rolled out in 2017, except for April 2020, which was impacted by the COVID-19 pandemic.

"April 2026 GST collections cap off a resilient FY26 for the GST regime, with gross revenues rising 8.7% year-on-year to about ₹2.43 lakh crore compared to April 2025, despite continued global uncertainty and West Asia-related geopolitical headwinds," Mahesh Jaising, partner & indirect tax leader at Deloitte India, said.

The data show that net collections, once refunds are accounted for, stood at ₹2.11 lakh crore in April 2026, up 7.3% over April last year.

Notably, the data also show that the growth in collections was once again driven by imports. Gross

collections from imports grew nearly 26% in April 2026 to ₹57,580 crore. Collections from domestic sales grew at 4.3% to ₹1.85 lakh crore in the period.

Import-led revenues

"Post GST 2.0, a steady 7-8% monthly growth seems to be emerging as the norm which is broadly in line with budget estimates," Pratik Jain, partner, Price Waterhouse & Co., said. "Notably, growth in import-led revenues continues to outpace domestic transactions, which could indicate some softness in consumption – possibly reflecting a moderation in discretionary spending amid geopolitical uncertainties."

Manoj Mishra, partner and tax controversy management leader at Grant Thornton Bharat, said that the growth in tax revenue from imports also "points to resilient external demand linkages and supply chain normalisation".

Mr. Jaising, on the other hand, pointed out that the growth in revenues from domestic sales has remained steady, which reflects the nature of consumption activity in the economy.

"Equally important is the steady performance of domestic GST revenues, which suggests that GST 2.0-led rate rationalisation and simplification measures are starting to support consumption and demand without eroding the tax base," he said.

Static Linkages

- GST → 101st Constitutional Amendment Act, 2016
- Article 246A → Special power for GST legislation
- Article 279A → GST Council
- GST is a destination-based indirect tax
- Concept of Input Tax Credit (ITC)
- Tax buoyancy → Revenue responsiveness to GDP growth
- GST promotes formalisation + digital compliance (e-way bill, e-invoicing)
- Fiscal federalism → Centre-State revenue sharing

Critical Analysis

Positives:

- Reflects robust tax compliance and formalisation
- Supports fiscal consolidation and revenue stability
- Indicates trade recovery and supply chain stabilisation
- GST reforms improving efficiency and predictability

Concerns:

- Import-led growth → signals weak domestic consumption
- Vulnerability to global shocks (oil, geopolitics)
- Uneven sectoral recovery (discretionary demand weak)
- Structural issues in GST complexity & compliance burden

Way Forward

- Boost domestic demand (consumption-led growth)
- Further rate rationalisation (fewer slabs)
- Strengthen compliance via AI/data analytics
- Improve GST dispute resolution system
- Enhance cooperative federalism in GST Council
- Reduce dependence on import-driven revenues

KEY HIGHLIGHTS

Context of the News

- GST collections touched a record ₹2.43 lakh crore in April 2026 (↑ 8.7% YoY).
- April data reflects March-end economic activity (year-end compliance surge).
- Consistent April peak trend since GST rollout (except April 2020 – COVID disruption).
- Growth sustained despite global uncertainties and geopolitical tensions.
- Import-led revenue growth continues to dominate over domestic consumption.

Key Points

- Gross GST: ₹2.43 lakh crore
- Net GST (after refunds): ₹2.11 lakh crore
- Import GST growth: ~26% (₹57,580 crore)
- Domestic GST growth: 4.3% (₹1.85 lakh crore)
- Trend: Stable 7–8% monthly GST growth trajectory
 - Inference: Import growth > Domestic growth → Possible consumption slowdown
 - Indicates external demand linkages + supply chain normalisation

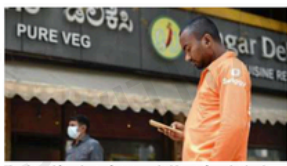
In a first, Karnataka govt. unveils digital grievance portal for gig workers

They can lodge complaints on pay, working conditions and other disputes on the portal; these grievances will be automatically routed to aggregators for settlement; govt. to monitor the process

Shilpa Elizabeth
BENGALURU

In a move to secure the rights of the growing platform-based labour force, the Government of Karnataka has officially operationalised a specialised grievance redressal mechanism for platform-based gig workers. The mechanism, a first of its kind in India, has been developed by the Karnataka Platform-based Gig Workers' Board in collaboration with the Department of e-Governance.

Transparency
With the new initiative coming into force, gig workers can now officially lodge grievances, including regarding pay, working conditions, and platform-specific disputes, through the Integrated Public Grievance Redressal System (IPGRS) portal. This creates a formal bridge between the lakhs of gig workers in Karnataka and the technology aggregators they serve. This is expected to bring transparency and legal recourse for a



The gig workforce has so far operated without a formal or legal dispute resolution framework. FILE PHOTO

workforce that has so far operated without a formal dispute resolution framework.

Under the Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act and Rules, every aggregator platform must constitute an Internal Dispute Resolution Committee (IDRC). Grievances filed on the IPGRS will be automatically routed to the respective platform's IDRC to be addressed and settled within a strictly defined time-frame. The government will act as a central facilitator, monitoring the process to ensure a smooth and transparent flow of communication

between workers and platforms.

'Every voice is heard'
Labour Minister Santosh Lad said that Karnataka, technology capital of the country, is leveraging this potential for worker welfare as well. "By launching this system, we are ensuring that the gig economy is no longer an informal space, but a structured one where every worker's voice is heard," he said.

So far, details of 12 lakh active gig workers have been shared by platforms, according to G. Manjunath, Additional Labour Commis-

sioner and CEO of the Board.

Schemes for gig workers, depending on the platform they are working for, are also being worked out and will be placed for deliberation in the next board meeting.

"The schemes will vary based on the type of platforms. For example, cab rides are mostly undertaken by men whereas urban domestic activity is undertaken mostly by women. It may also be based on the contribution made, and the quantum of gig work done by a gig worker. Some gig workers work for more than eight hours, while some may work on a few gigs. So, workload, nature of work, and time period of work could vary," Mr. Manjunath explained.

"It has to be scientifically structured based on their effort and labour. We are working with experts, including academicians from Briston University, King's College, and IISc, and other stakeholders, including board members," he said.

- Objective:
 - Formalisation of gig economy
 - Institutional dispute resolution
 - Strengthening worker protection

Static Linkages

- Article 38 – Social order for welfare
- Article 39(a) – Adequate means of livelihood
- Article 41 – Right to work and assistance
- Article 14 – Equality before law
- Article 21 – Right to livelihood (judicial interpretation)
- Code on Social Security, 2020 – Recognition of gig & platform workers
- Labour under Concurrent List (Seventh Schedule)
- Unorganised Workers' Social Security Act, 2008
- NITI Aayog (2022) – India's Gig Economy report
- Economic Survey – Emerging gig workforce

Critical Analysis

Positives

- Formal recognition of gig workers within governance framework
- Time-bound grievance redressal improves accountability of platforms
- Digital integration enhances transparency and accessibility
- Moves towards inclusive labour welfare in emerging economy

Challenges

- Lack of clarity on legal status (employee vs independent contractor)
- Enforcement limitations on private digital platforms
- Risk of increased compliance cost affecting business models
- Digital divide may restrict access for some workers
- Absence of uniform national framework

Way Forward

- Establish a national policy framework for gig workers
- Ensure portable and universal social security benefits
- Define clear legal classification of gig workers
- Strengthen enforcement through regulatory oversight
- Improve digital literacy and accessibility for workers
- Promote tripartite institutional mechanisms

KEY HIGHLIGHTS

Context of the News

- Karnataka has operationalised a dedicated grievance redressal mechanism for platform-based gig workers.
- Developed by the Karnataka Platform-based Gig Workers' Board with the Department of e-Governance.
- Integrated with the Integrated Public Grievance Redressal System (IPGRS) portal.
- Enabled under the Karnataka Platform-Based Gig Workers (Social Security and Welfare) Act & Rules.
- First structured institutional grievance system for gig workers in India.

Key Points

- Gig workers can file complaints regarding:
 - Payment issues
 - Working conditions
 - Platform-related disputes
- Mandatory provision:
 - Every aggregator must establish an Internal Dispute Resolution Committee (IDRC).
- Process:
 - Complaint → IPGRS → Auto-routed to concerned IDRC → Time-bound resolution.
- Government role:
 - Central facilitator and monitoring authority ensuring transparency.
- Coverage:
 - Around 12 lakh registered gig workers in Karnataka.
- Welfare schemes under development:
 - Based on type of work, working hours, gender, and contribution levels.

India's global right linkage, costs and consequences

Philosopher John Locke tellingly argued that "things of this world are in so constant a flux, that nothing remains long in the same state". Seemingly localised events such as the French Revolution, the two world wars, the collapse of the Soviet Union, the September 11 attacks and Lehman Brothers' crash all kickstarted profound global disruptions. The 2008 financial crisis unleashed socio-economic pressures that heralded a tsunami of populist autocrats leading right-wing parties (henceforth the Right). As evidenced by contemporary global upheavals (the conflict in West Asia being just the tip of the iceberg), this tsunami is the single biggest threat to the liberal world order.

Most analyses focus on the "what" of this phenomenon, namely that the Right is fashioning a neo-conservative world order – where nations have spheres of influence and might is right; are culturally pure (code for xenophobia and racism); and where the liberal world order's norms are vilified as impediments to a mythical golden period. Other analyses outline the similarities in the Right's domestic politics or how it embeds democratic and autocratic norms in the new world order they are forging. What is understudied is how the Right's treatment of life into its shared goals and why it acts like it does. In deciphering the how, the Right has colluded to establish an "international ideological axis" over decades. Networks such as the International Democracy Union, the Movement, the National Conservatism Conference, the Conservative Political Action Conference, the Heritage Foundation (whose Project 2025 United States President Donald Trump is scrupulously unrelenting globally) either train parties on manufacturing consent, create networking opportunities for right-wing politicians, frame coordinated responses on global issues, and weaponise their respective diaspora to support populist autocrats. Through these, the Right has unleashed democratic upsurges against progressive values and parties, as well as the liberal world order. It is no coincidence that 91 countries representing 72% of the world's population are classified as autocratic by the Varieties of Democracy Institute.

A global right alignment
The Bharatiya Janata Party (BJP)'s role in this counter-hegemonic project is illustrative. Having effected a *gleitschaltung* on the Indian state, the BJP has redeployed the nation's foreign policy systems to help redraw the global map ideologically. As outlined in a recent book, *India's Trust with the World*, Indian missions are bypassed as the BJP's ideological outposts (the Hindu Swamyevak Sangh or HSS, the Overseas Friends of BJP and other Sangh Parivar affiliates) map and harass liberal academics working on India, obfuscate the targeting of foreign citizens (highlighted in a 2024 Canadian Security Intelligence Service report) and support the Right as part of an ideological internationalism. Evidence of boots-on-the-ground collaboration can be found in the Operation Bharat-Vote campaign in the 2019 British general election, which saw the Overseas Friends of BJP campaigning for Conservative Party candidates in



Salman Khurshid
Former Minister for External Affairs



Pushpangada Deshpande
Director, Samudra Bharat Foundation

48 constituencies. Similarly, the 'Howdy Modi' and 'Namaste Trump' rallies stamped for Mr. Trump, as did Prime Minister Narendra Modi's pro-Operation Roaring Lion visit, which politically endorsed Prime Minister Benjamin Netanyahu ahead of Israel's national elections. Likewise, exorbitant funds are channelled for extremist causes (a 2022 report by Jaso Macher found that just seven Sangh Parivar affiliates in the United States spent over \$15.9 million on right-wing causes). Some of this has yielded results, as democratic regressions in France, Germany, the Netherlands, the United Kingdom, and the U.S. testify.

Although this evokes a perverse epicurism among some in India, the BJP's James-voice lies have abroad. Believing efforts to project Mr. Modi as a Gandhian *vikas-purush*, the BJP's role in this international axis has sparked deep unease. First, transparency groups have alleged that the Prime Minister's personalised diplomacy transcends collusion with populist autocrats, and furthers the interests of crony-capitalists (who support the BJP's politico-ideological objectives). Second, progressive parties increasingly perceive the BJP's ideological internationalism as arming the Right in their respective nations. For example, as a Daily Mail report alleged, the BJP's involvement in fomenting tensions in Leicester vitiated politics and tried to strengthen the Right. Likewise, BJP delegations actively courting far-right parties across Europe has sparked deep unease among global progressives.

Third, the BJP's ideological adventurism has triggered diplomatic reprisals (including the expulsion of Indian intelligence officials from various nations – a historic first). Fourth, hate speech and racist attacks on Indian students abroad has mushroomed, while restrictions to visas for skilled Indian immigrants have escalated. Both suggest that the BJP-enslaved diaspora's efforts to ingratiate themselves with the Right yield no returns.

Finally, the BJP's adventurism has also compromised India's national interests. For example, by condoning kidnappings and assassinations of heads of state, willfully ignoring the conversion of India's strategic backyard into a conflict theatre, circumscribing India's historical support for a two-state solution and peace (because of an iron-alliance with Mr. Netanyahu's Likud party) and tacitly sanctioning coercive unilateralism in West Asia and South America, the BJP has undermined India's case on Pakistan Occupied Kashmir while imposing massive geo-economic and geo-political costs on India (as the adverse impacts of the war in West Asia prove).

The response to India's reticence
The world reads India's reticence under the BJP government as an abdication of India's moral leadership of the Global South, and not responsible statecraft. Contrary to Jawaharlal Nehru's principled internationalism (which successive Indian governments continued), in doing nothing to mitigate conflicts between NATO/Caucasus, or America/Israel-Iran, or on the Palestine issue, the BJP government is tacitly conceding that nations can violently forge hemispheric hegemonies, which is why few

nations condemned China's aggression in Ladakh and Arunachal Pradesh, or Pakistan after Operation Sindoor (2025).

This brings us to why the Right is dismantling the liberal world order. Focusing on the domestic to illustrate the point, even though the BJP blithely continues India's long-standing efforts to forge a multipolar world, it is primarily striving to inscribe itself into a global conservative cartography (partly because of its ideological proclivities, and partly because it mistakenly buys into its self-propagated synonymy with the nation-state). The reason why the BJP's covert support for the dismantling of the rules-based world order (evocatively wrapped in decolonisation rhetoric) has traction is because of the injustices of the neoliberal world order – dealt with in the article in this daily, "Navigating the global economic transformation", October 16, 2025. After all, the Global North's economic colonialism (including structural adjustments, capital accumulation, cheap labour, environmental colonisation and trickle-down economics), and ruthless pursuit of national interests (including through sanctions and tariffs) predate the Right.

Similarly, the Global North's liberal internationalism on overhauling international institutions (*a sine qua non* for India and the Global South) and inertia (despite conflicts afflicting five continents, there has not been a substantive United Nations Peacekeeping operation since 2014) has made the attack on transnational institutions seem kosher. Likewise, the Global North's promotion of cloud capitalism has not only exacerbated socio-cultural fault-lines, but inevitably rewarded populist autocrats.

Ironically then, it is the "progressive" establishment's standpatism that has paved the way for the Right. If progressives are to reclaim the centre, they must cut the self-created Gordian knot and shed familiar comforts. This means restoring confidence in shared futures, accommodating rising powers, honouring historical grievances, rewriting the geo-economic norms underpinning the world order, and reimagining multilateral institutions.

What the fightback must entail
Given the polycrisis engulfing us, progressives must shed their Macbeth-like fog of nostalgia, bureaucratic hesitation and technocratic chimeras. Eschewing liberal echo-chambers, progressives should mould new value-aligned partnerships with each other (especially between the Global North and Global South parties) and non-political stakeholders. This necessitates new institutional arrangements (like what Spain's Global Progressive Mobilisation and India's Bharat Summit promise) that allow structured dialogues between evangelical accelerators from all nations (which the Non-Alignment Movement once was). This means exerting unprecedented political will, and recalibrating operational methodologies (such as the recent Hungary, Poland and New York campaigns) to sway the silent majority more effectively than the Right. Only then can we weave multiple national visions into a global symphony, and put democracy back on track.

- Role of Diaspora:
 - Used as a tool of political mobilisation and influence abroad
- India's Position:
 - Traditionally based on strategic autonomy
 - Now perceived through evolving geopolitical and ideological alignments

Static Linkages

- Realism vs Liberalism in International Relations
- Balance of Power concept
- Non-Aligned Movement and Panchsheel principles
- Globalisation and inequality (NCERT + Economic Survey)
- United Nations structure and reforms
- Soft power and diaspora diplomacy

Critical Analysis

Positives

- Strengthens national sovereignty and identity
- Challenges inequities of globalisation
- Encourages multipolar world order

Negatives

- Democratic backsliding and institutional weakening
- Rise of xenophobia and exclusionary politics
- Weakening of global cooperation and multilateralism
- Increased geopolitical tensions and conflicts

Challenges

- Balancing nationalism with global cooperation
- Reforming global governance institutions
- Maintaining India's strategic autonomy amid polarization

Way Forward

- Accelerate reforms in global institutions (UNSC, WTO)
- Promote inclusive and equitable globalisation
- Strengthen multilateral cooperation mechanisms
- Maintain independent and balanced foreign policy
- Encourage dialogue-based conflict resolution
- Enhance democratic resilience and institutional accountability

KEY HIGHLIGHTS

Context of the News

- The post-2008 Financial Crisis period witnessed rising inequality, unemployment and social discontent, creating fertile ground for populist politics.
- Recent geopolitical conflicts and weakening of multilateral institutions indicate a shift away from the liberal rules-based international order.
- Increasing number of countries are experiencing democratic backsliding and rise of authoritarian tendencies.
- Emergence of transnational ideological linkages among right-wing groups is reshaping global politics.

Key Points

- Rise of Populism: Growth of nationalist, anti-globalisation and protectionist politics across regions.
- Ideological Networks: Cross-border collaboration among political groups, think tanks and diaspora.
- Shift in World Order:
 - From liberal multilateralism → ideological and power-based alignments
 - Increasing relevance of "sphere of influence" politics
- Weakening Multilateralism:
 - Slow reforms in institutions like UN, WTO
 - Declining trust of Global South countries

Abu Dhabi exits OPEC for an ascent of 'peak oil'

Although in recent years the United Arab Emirates (UAE) has frequently threatened to leave the Organization of the Petroleum Exporting Countries (OPEC), its actual announcement, on April 28, took observers by surprise. It was also conspicuous in its context. It provided only three days' notice for exit from OPEC and OPEC+ on May 1, just five days before the next OPEC meeting. The decision was also counterintuitive to the ongoing double blockade of the Strait of Hormuz, staunching oil exports of the UAE and other Gulf states.

A subsequent Emirati official statement was elaborate but elliptical. It sought to both rationalise the decision aimed at pursuing national interest and reassure the stakeholders of its continued intention "to contribute to stability (of the oil market) in a measured and responsible manner", promising "to bring additional production to market in a gradual and measured manner".

These anodyne references prompt the analysts to look deeper to fathom the real reasons for the Emirati step and assess its impact on the global market.

The UAE's grouse

The UAE's oil and gas reserves, estimated at 113 billion barrels, are the world's sixth largest. These are almost exclusively in the Abu Dhabi emirate. The UAE has a \$150 billion investment plan (2023-27) to raise its oil production capacity to five million barrels per day (mbpd). However, its OPEC production quota is limited to 3.45 mbpd, leaving it with nearly 1.5 mbpd unutilised spare capacity. This has been a source of the UAE's grouse against OPEC, which is perceived to operate under Saudi hegemony. Riyadh, as OPEC's 'swing producer', often trims its oil



Mahesh Sachdev
Retired Indian
Ambassador with an
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and oil matters

The UAE's exit
marks a
potential turning
point for global
oil governance

production to absorb the global oil glut; it resists Abu Dhabi's pressure for a larger OPEC quota. The UAE's ambitious plans for a post-oil advanced technologies-based economy require mega-investments in Artificial Intelligence, and data centres, ironically, requiring higher oil revenues.

War's impact

Over the long run, Emirati strategists believe that global oil demand is approaching a "Peak Oil" moment after which crude requirement and unit value would begin their decline. Consequently, they wish to sell as much oil as possible before the "Peak Oil". They contend that the Iran war brings "Peak Oil" even closer by causing an unsustainable surge in oil prices, destroying the demand and accelerating the shift towards alternative fuels. In the short run, the UAE wishes to take advantage of the current higher oil prices. With the 1.5 mbpd Abu Dhabi (Habshan)-Fujairah oil pipeline already operational outside the Strait of Hormuz, the UAE is well placed to do so. By quitting OPEC, Abu Dhabi has unfettered itself from any quota restrictions in anticipation of a scramble among the Gulf exporters for greater market share once the two blockades on the Strait of Hormuz are lifted.

The Emirati statement conspicuously omits the Gulf geopolitics, the 640-pound gorilla in the room. Iran hurled over 2,200 drones and missiles at the UAE during the war as retribution for its strategic ties with Israel. Separately, during the past decade, the barely concealed political and economic rivalry between Saudi Arabia and the UAE has reached a crescendo. It is hardly coincidental that the UAE's OPEC exit announcement was timed with the Gulf Cooperation Council (GCC) Consultative Summit,

in Jeddah, on the Iran war, where the UAE was under-represented by its Foreign Minister. The move was widely interpreted as Abu Dhabi flaunting its regional autonomy of action to the GCC states and Iran. By ditching OPEC, the UAE, apparently, aims to steal a march over Iran and Saudi Arabia, both OPEC members, for Asia's very large and thirsty crude markets. The move may also favour U.S. President Donald Trump, who desperately needs lower oil prices before the mid-term Congressional elections. At a wider ambit, this may be the opening overture of the UAE openly pursuing a more nationalistic foreign policy. Most observers believe that the exit of the UAE, OPEC's third-largest producer, would not derail the cartel, although its grip on the global market would slip further below that of independent producers, such as the U.S., Canada, Brazil, and Norway. For some, the departure of the UAE, the fifth member to leave OPEC since 2016 and the biggest producer so far, may even mark the beginning of the end for OPEC.

An opportunity for India

While the Emiratis have their reasons for quitting OPEC, consumers in India, the world's third-largest and fastest-growing crude importer, would see it with tentative hope for lower pump prices. India enjoys strategic ties with the UAE, its third-largest trading partner and fourth-largest crude supplier. To anchor the hydrocarbon relationship with the "OPEC-free" UAE, India may propose strategic joint investments in Indian downstream projects.

For the past half a century, the OPEC dictates often made Indians shudder and issue a "May Day!" call. Thanks to the UAE quitting the producer cartel, this May could have a different ring.

KEY HIGHLIGHTS

Context of the News

- United Arab Emirates announced withdrawal from Organization of the Petroleum Exporting Countries (OPEC) and OPEC+ effective May 1, 2026.
- Decision taken just before the scheduled OPEC meeting, indicating strategic urgency.
- UAE aims to pursue national interest by increasing oil production independently.
- Occurs amid geopolitical tensions in West Asia, including disruptions in the Strait of Hormuz.

Key Points

- UAE holds ~113 billion barrels of reserves (6th largest globally).
- OPEC quota: 3.45 mbpd vs UAE capacity target: 5 mbpd → unused capacity issue.
- Exit allows production autonomy and revenue maximization.
- Reflects intra-cartel tensions, especially with Saudi Arabia.
- Driven by expectation of "Peak Oil" and long-term demand decline.
- UAE has alternate export route (Habshan-Fujairah pipeline bypassing Hormuz).
- Impact: Weakening of cartel control; increased role of non-OPEC producers (e.g., United States).
- India (3rd largest importer) may benefit via lower prices and stable supply.

Static Linkages

- Cartel behaviour in oligopoly markets → price control via supply restriction.
- Oil price volatility affects inflation, fiscal deficit, and current account deficit.
- Strategic Petroleum Reserves (India: Visakhapatnam, Mangaluru, Padur).

- Energy transition: shift towards renewables due to climate commitments (Paris Agreement).
- Geopolitics of West Asia → choke points like Strait of Hormuz.

Critical Analysis

Positives

- Increased supply → potential reduction in crude prices.
- Benefits import-dependent economies like India.
- Promotes competitive global oil markets.

Negatives

- Weakening of coordinated supply management → price volatility.
- Possible oil price wars among Gulf producers.
- Increased geopolitical competition in West Asia.

Challenges

- Managing energy transition vs fossil fuel dependence.
- Ensuring stable supply amid geopolitical tensions.
- Balancing economic gains with climate commitments.

Way Forward

- Diversify import sources and strengthen India-UAE energy ties.
- Expand Strategic Petroleum Reserves.
- Accelerate renewable energy targets (solar, green hydrogen).
- Promote long-term contracts for price stability.
- Strengthen global energy governance mechanisms.

Work in progress

India must strengthen public sector hospital capacity

The 80th, and latest, round of the household social consumption (health) survey conducted by the National Statistical Office is the first comprehensive survey of its kind in both the post-pandemic era and the period in which the Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (PMJAY) scheme attained maturity. The previous two surveys of the same kind revealed that most Indians did not have any form of health insurance. Since PMJAY's launch in 2018, the 80th round shows that insurance coverage has expanded around threefold, accounting for an increasing share of health-care financing in hospitals. However, the hospitalisation rate has not recovered to the 2014 level, meaning that having an insurance card still does not guarantee access to a bed, and hidden costs continue to limit access. The reimbursement rates under PMJAY and State-funded insurance schemes are often below market rates, so private hospitals compensate by billing patients separately for diagnostics and ancillary services. In other words, while state-funded health insurance is subsidising private health-care providers' access to low-income markets without also enforcing regulated prices, the combined system provides a safety net where insurance covers hospitalisation and the public network has improved financial protection for households seeking primary care. Second, the Proportion of Population Reported Ailing has doubled, while infectious diseases have declined and non-communicable diseases have increased. Economists have interpreted this as a sign of more people seeking care, thus becoming 'visible' to the health-care sector.

Previous surveys singled out out-of-pocket expenses (OOPE) on health care as a leading cause of poverty. In the 80th round, while the mean OOPE has roughly doubled, the median OOPE has dropped, to ₹11,285 per hospitalisation and at nearly nothing for public outpatient care. Health-care expenses in India are a mix of many low-cost consultations and a few significant and expensive interactions, such as surgeries and chronic care. The two trends thus mean that while health care is becoming more affordable, thanks to the public sector absorbing the cost of primary and secondary care, health care's ability to inflict financial deprivation in a few cases remains high. Part of the problem is the AAM network, which provides free medicines and diagnostics, of Ayushman Bharat still being significantly underfunded relative to the needs of managing chronic diseases, and where the private sector dominates. Thus, overall, the poor have nominal coverage but are often excluded from the benefits of coverage in practice while the more insured middle class faces rising catastrophic costs. The next phase of health-care reform, after shielding care-seekers from poverty and achieving near-universal institutional delivery, will need to strengthen public sector hospital capacity to compete with the private sector for tertiary care.

KEY HIGHLIGHTS

Context of the News

- The 80th Round of Household Social Consumption: Health Survey by the National Statistical Office is the first comprehensive post-pandemic health survey.
- It assesses the outcomes of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana (launched in 2018), which has now matured.
- Earlier survey rounds (71st, 75th) indicated low health insurance coverage; the latest round shows significant expansion but persistent structural issues.

Key Points

- Expansion of Insurance Coverage
 - Health insurance coverage has increased nearly threefold since 2018.
 - Publicly funded insurance (PMJAY + State schemes) now forms a major part of hospital financing.
- Coverage vs Access Gap
 - Hospitalisation rate remains below 2014 levels, indicating barriers to access.
 - Insurance coverage does not ensure availability of beds or services.

- Persistent Out-of-Pocket Expenditure (OOPE)
 - PMJAY reimbursement rates are often below market rates.
 - Private hospitals compensate through extra billing (diagnostics, medicines, services).
 - Hidden costs reduce the effectiveness of financial protection.
- Changing Disease Profile
 - Proportion of population reported ailing has doubled.
 - Transition from infectious diseases to non-communicable diseases (NCDs).
 - Reflects epidemiological transition and improved health-seeking behaviour.
- OOPE Trends
 - Mean OOPE has increased (due to high-cost treatments).
 - Median OOPE has declined to around ₹11,285 per hospitalisation.
 - Public outpatient care is nearly free.
- Role of Public vs Private Sector
 - Public sector provides financial protection in primary and secondary care.
 - Private sector dominates tertiary care, leading to higher costs.
- Equity Concerns
 - Poor: nominal insurance coverage but limited actual benefits.
 - Middle class: increased risk of catastrophic health expenditure.

Static Linkages

- Article 47 – State's duty to improve public health.
- Public health is in the State List (Seventh Schedule).
- National Health Policy 2017: target to reduce OOPE to 30%.
- Epidemiological transition: shift from communicable to non-communicable diseases.
- Catastrophic health expenditure as a major cause of poverty (Economic Survey).
- Universal Health Coverage (WHO framework).

Critical Analysis

Strengths

- Significant increase in health insurance coverage.
- Reduction in median OOPE indicates improved affordability for many households.
- Public healthcare expansion improving access to basic services.

Weaknesses

- Insurance coverage does not translate into actual access to healthcare.
- High hidden costs undermine financial protection.
- Weak public tertiary healthcare system.
- Rising burden of NCDs increases long-term financial risks.

Key Challenges

- Inadequate regulation of private healthcare providers.
- Low reimbursement rates under public insurance schemes.
- Underfunded public health infrastructure, especially for chronic care.

Way Forward

- Strengthen public tertiary healthcare infrastructure to reduce dependence on private sector.
- Revise PMJAY reimbursement rates to align with realistic costs.
- Implement price regulation mechanisms for private healthcare services.
- Increase public health expenditure to 2.5% of GDP as per National Health Policy.
- Focus on preventive and promotive healthcare, especially for NCDs.
- Improve monitoring and accountability in insurance implementation.

Pakistan has often betrayed the West. But the US cannot abandon it

PAKISTAN AND Iran exchanged missiles between January 16 and 18, 2024, killing 11 people. Pakistan has repeatedly betrayed the US since entering its security orbit in the 1950s with the Manila Pact and the Baghdad Pact. Yet Pakistan is the interlocutor of choice between Iran and the US. The question is, why? On that "why" hangs a tale of collusion, perfidy and chicanery as also convergences and shared interests.

On August 19, 1953, the CIA and MIA in a joint operation overthrew Mohammad Mossadegh, the democratically elected nationalist Prime Minister of Iran, to protect and preserve their hydrocarbon interests. This was the Anglo-American response to the nationalisation of Iran's oil industry by Mossadegh. The coup d'état paved the way for Shah Mohammad Reza Pahlavi to take an executive role.

In 1957, as part of the Atoms for Peace programme, President Dwight D Eisenhower greenlit the supply of US nuclear technology to Iran under the aegis of a civil nuclear agreement. In 1967, a five-megawatt research reactor granted by the US to Iran went critical, fuelled by highly enriched — at 93 per cent, weapons grade — uranium. But the Shah had more ambitious objectives, and by the 1970s, plans were underway for a massive expansion of the nuclear power programme. The Shah was toppled in the 1979 Islamic Revolution and Saddam Hussein, the dictator of Iraq, invaded Iran the following year. Over the next eight years, a generation of Iranian strategic thinkers internalised an important doctrinal lesson as the West supplied weapons to Iraq and global organisations like

the UN looked away when Hussein used chemical weapons on Iranian troops and civilians. The lesson was that as long as Iran lacked nuclear weapons, any dictator in the neighbourhood could infringe its sovereignty. Thus began a clandestine nuclear weapons programme to acquire that strategic autonomy. Ukraine is learning this the hard way after forsaking nuclear weapons under the 1994 Budapest Memorandum.

This is where the Pakistan connection comes in. A QJ Khan, who operated the "Walmart of Nuclear Proliferation", had reportedly visited the Iranian nuclear reactor at Bushehr in February 1986 and again in January 1987. Between 1989 and 1995, Khan is believed to have shipped over 2,000 components and sub-assemblies for centrifuges to Iran. Khan believed in breaking the monopoly of established powers on nuclear weapons. He famously stated, "I want to question the 'bigger is better' holier-than-thou attitude of the Americans and the British. Are these 'bigger is better' God-appointed guardians of the world?" when asked to justify his international network aimed at providing clandestine nuclear technology to Iran, Libya and North Korea.

Iran approached Pakistan's military dictator, General Zia-ul-Haq, for nuclear cooperation — a fact publicly confirmed by former Iranian president Akbar Hashemi Rafsanjani in 2015. The Pakistani military kept successive civilian governments in the dark about Khan's clandestine activities. Prime Minister Benazir Bhutto stumbled upon this by sheer accident when



MANISH TEWARI

Rafsanjani asked her to confirm the agreement between the two countries on "special defence matters" while she was on a visit to Tehran in 1989. By that time, reportedly, Iranian scientists had already been trained in Pakistan, at the Centre for Nuclear Studies/Nuclear Studies Institute.

This is the institutional connection between the Pakistani military and the Islamic Revolutionary Guard Corps (IRGC), the Praetorian Guard of Iran's nuclear programme. Hence the comfort level with field Marshal Asim Munir as the broker of choice.

Turning now to the US-Pakistan axis, Pakistan has been a Western strategic project since its inception. In early November 1940, as the Battle of Britain drew to a close, Prime Minister Winston Churchill started ideating with his War Cabinet the division of India on its western periphery, as the second iteration of the Great Game had commenced in earnest in Central and West Asia. Churchill thought the Indian National Congress, which in his mind represented the interests of the demographic majority, would be an unreliable ally. This was long before Choudhry Rehmat Ali's theory of a Muslim nation on the western extremity of India, or the Lahore resolution of March 1940, had gained any serious traction.

The USSR and Germany were on the same side in November 1940, with Operation Barbarossa, the Nazi invasion of the Soviet Union, still seven months away. Churchill was worried that the Soviet Union's push into Asia would impel it towards the warm waters

of the Arabian Sea. And given the internal ferment in India, a British outpost strategically positioned with respect to both West and Central Asia became an imperative.

Once the Cold War began, this became a priority. It is not a coincidence that the Partition of India in the west in 1947 was carried out in the manner Churchill had proposed to his cabinet colleagues seven years earlier. It was in fact Churchill, as Leader of the Opposition in Britain, who persuaded Muhammad Ali Jinnah to accept a "moth-eaten Pakistan". Since then, the West has never abandoned this strategic piece of geography, just as it never forsook another faith-based state, Israel, created a year after Pakistan. It was Pakistan that in 1971 provided the US access to China as Henry Kissinger sought to leverage the widening Sino-Soviet split.

Pakistan has let down its Western masters *ad nauseam*. It misappropriated weaponry, funds and other logistics during the Afghan Jihad from 1980 to 1989. It propped up the Taliban in 1996 after the US lost interest in Afghanistan. It sheltered Osama Bin Laden and Taliban regime figures in its own territory during the alleged War on Terror. All was forgiven, however, for in the Western strategic conception, Pakistan is a vital piece of real estate that should not be abandoned, and if it is ruled by a ruthless military debos the raggedness of democracies, all the better. Hence, who better than the "favourite field marshal" to become the instrument of outreach — a tool that can always be discarded at will if things go south.

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Static Linkages

- Concept of nuclear deterrence and mutually assured destruction (MAD)
- Nuclear Non-Proliferation Treaty (NPT) – structure and limitations
- Role and mandate of International Atomic Energy Agency (IAEA)
- Export control regimes: NSG, MTCR, Australia Group
- Cold War geopolitics and proxy wars
- Strategic autonomy in foreign policy

Critical Analysis

Positives

- Pakistan's mediation role may facilitate diplomatic engagement.
- Reflects importance of geography in international relations.

Negatives

- Nuclear proliferation networks weaken global non-proliferation regime.
- Weak civilian oversight over military in Pakistan.
- Selective approach by major powers undermines credibility of global norms.

Stakeholder Concerns

- Iran: Security and deterrence against regional threats.
- Pakistan: Strategic leverage and geopolitical relevance.
- US: Balancing containment with engagement.
- Global Community: Risk of proliferation and nuclear insecurity.

Challenges

- Lack of enforcement power with global institutions like IAEA
- Persistence of informal proliferation networks
- Regional instability and trust deficit

Way Forward

- Strengthen international non-proliferation frameworks and compliance mechanisms
- Enhance transparency via stricter IAEA safeguards
- Promote diplomatic engagement and conflict resolution in West Asia
- Strengthen export control regimes and intelligence cooperation
- India to continue advocating responsible nuclear stewardship and global disarmament

KEY HIGHLIGHTS

Context of the News

- Pakistan has re-emerged as a key intermediary in managing tensions between Iran and the United States.
- Historical evidence highlights Pakistan's indirect role in Iran's nuclear development via clandestine proliferation networks.
- The issue gains relevance amid rising instability in West Asia and concerns over weakening global non-proliferation norms.

Key Points

- 1953 Coup in Iran: US-UK backed overthrow of PM Mohammad Mossadegh to safeguard oil interests.
- Atoms for Peace Programme (1957): US enabled Iran's civilian nuclear programme; supplied highly enriched uranium reactor (1967).
- 1979 Islamic Revolution: Shift towards strategic autonomy and suspicion of Western powers.
- Iran-Iraq War (1980-88): Use of chemical weapons against Iran reinforced need for deterrence capability.
- A.Q. Khan Proliferation Network:
 - Supplied centrifuge technology and components to Iran (1989-95).
 - Extended to Libya and North Korea.
- Pakistan's Strategic Utility:
 - Cold War alliances: SEATO, CENTO.
 - Facilitator of US-China rapprochement (1971).
 - Continues to be geopolitically relevant despite credibility issues.

Learning outcomes and child health are linked



Soumya Swaminathan and Drishti Sharma

AS INDIA observed POSHAN Pakhwada last month, attention was focused on improving nutrition outcomes for women and children. This year's emphasis on early brain development is especially timely. Global evidence suggests that investments in early-childhood development can generate significant economic returns — through higher future earnings, better learning outcomes, and reduced social costs — often exceeding returns from those made later in life. Advances in neuroscience show that early childhood represents a once-in-a-lifetime window, when nutrition, health, stimulation, and responsive caregiving together shape the developing brain.

Over the past two decades, India has laid a solid foundation. The National Food Security Act, POSHAN Abhiyaan, ICDS, maternity benefits, and school meals reflect sustained policy commitment. The National Education Policy, 2020 recognises Early Childhood Care and Education as a crucial "foundational stage", with the goal of universal, quality pre-primary education by 2030. At the same time, national surveys continue to report high levels of stunting, wasting, and anaemia, as well as learning gaps.

In early childhood, nutrition and development outcomes depend critically on the quality of care children receive. Delivering its full spectrum requires convergence across the sectors responsible for health, nutrition, childcare, and early learning.

The anganwadi network has been a cornerstone of service delivery, providing nutrition, health, and early learning support at scale. In practice, however, different systems prioritise different objectives. Anganwadis largely focus on food supplementation; health systems emphasise survival and disease control; and childcare and early learning receive comparatively less attention until children reach school age, particularly for those under three. These gaps are most visible for working families in agriculture, construction, domestic work, and other informal occupations. When childcare is hard to access, families are forced into difficult choices, affecting both children's development and women's ability to work.

All this underscores the need for stronger structural support. Several initiatives point the way forward. Karnataka's Koonsina Mane demonstrates how community-based childcare, supported through converged funding and panchayat leadership, can benefit both children and working

mothers. Mobile Crèches has shown the feasibility of providing childcare near workplaces in urban informal settings. The Centre's Palna initiative, which strengthens anganwadi-cum-crèches for children of working parents, reflects growing recognition of the need to integrate childcare within existing service platforms.

Building on these experiences, India can strengthen early brain-development outcomes through three practical administrative priorities. First, make care a defined function of existing frontline platforms. Anganwadi centres and primary health services already reach families during pregnancy and early childhood. Clear instructions can enable these platforms to integrate counselling on responsive caregiving and maternal well-being alongside nutrition services. Structured caregiving messages can be incorporated into routine antenatal visits, immunisation days, and home-based care schedules. Where feasible, anganwadi activities can be adjusted to better serve younger children and working caregivers.

Second, link childcare provision more deliberately with livelihoods and social protection programmes, with an enabling role for the private sector. This requires clearer guidance allowing local governments to use converged funds for community-based childcare, particularly in high-migration and informal-work settings. Simple measures — such as locating childcare centres near work-sites, markets, or villages with high female labour participation — can significantly reduce care-work trade-offs.

Third, strengthen programme reviews by tracking child development outcomes alongside service delivery. While nutrition programmes are closely monitored, reviews often focus on inputs such as rations distributed or beneficiaries reached. Routine reviews should also consider a small set of child development indicators, service-quality measures, and equity markers. Better use of existing data systems across sectors can support local planning and accountability without adding undue reporting burdens.

The timing is right. As India invests in human capital and advances towards the vision of *Viksit Bharat 2047*, ensuring that children not only survive but thrive is central to inclusive growth.

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In early childhood, nutrition and development outcomes depend critically on the quality of care children receive

KEY HIGHLIGHTS

Context of the News

- India's POSHAN-related initiatives have recently emphasized early childhood brain development (0–6 years).
- Scientific evidence (UNICEF, World Bank) highlights high returns on early childhood investments.
- Policy backing includes:
 - National Food Security Act, 2013
 - POSHAN Abhiyaan (2018)
 - ICDS Scheme
 - NEP, 2020 (ECCE as foundational stage)
- Despite interventions, NFHS-5 indicators remain concerning:
 - Stunting (~35.5%), Wasting (~19.3%), Anaemia high
- Core issue: lack of convergence between nutrition, health, and early learning systems

Key Points

- Early childhood = critical period for cognitive, emotional, and physical development
- Determinants:
 - Nutrition + Health + Early stimulation + Responsive caregiving
- Existing gaps:
 - Anganwadi → nutrition-centric

- Health system → survival-focused
- ECCE (especially 0–3 years) → neglected
- Economic dimension:
 - Early investment → higher productivity, reduced inequality (Human Capital Theory)
- Gender dimension:
 - Lack of childcare → low Female Labour Force Participation (FLFP)
- Key initiatives:
 - Palna Scheme – childcare support
 - Community models (e.g., worksite crèches)
- Governance issue: input-based monitoring vs outcome-based evaluation

Static Linkages

- Article 39(f) – child development
- Article 45 – ECCE (0–6 years)
- Human Capital Formation
- Demographic Dividend
- First 1000 Days concept
- UNICEF Malnutrition Framework
- ICDS (1975) – supplementary nutrition + pre-school education

Critical Analysis

Strengths

- Strong policy ecosystem (POSHAN + ICDS + NEP synergy)
- Shift toward holistic child development
- Increasing recognition of childcare as economic enabler

Weaknesses

- Poor inter-departmental convergence
- Overburdened Anganwadi workforce
- Neglect of 0–3 age group
- Monitoring focused on outputs, not outcomes

Opportunities

- Panchayat-led childcare models
- Data-driven governance (POSHAN Tracker)
- Public-private participation

Threats

- Persistent malnutrition
- Gender inequality in care work
- Informal workforce constraints

Way Forward

- Integrate nutrition + stimulation + caregiving in frontline services
- Strengthen anganwadi-cum-crèche infrastructure
- Promote converged funding at local level
- Focus on early years (0–3)
- Outcome-based monitoring (child development indicators)
- Capacity building of frontline workers
- Support working women via accessible childcare ecosystems

A pact for deeper integration into Indo-Pacific value chains



SNEHA BHAGAT

THE INDIA-New Zealand FTA signed this week is part of a defensive architecture against a fragmenting global order. As Commerce Minister Piyush Goyal officially noted, the treaty "marks a defining milestone in India's engagement with the developed world". It marks a definitive evolution in New Delhi's economic statecraft. Anchored by a binding \$20-billion FDI commitment over the next 15 years, this capital mandate indicates that India is fundamentally rewriting its terms of global integration. It is abandoning the traditional liberal trade consensus, which prioritised the reciprocal reduction of tariffs for marginal export gains, in favour of a highly calculated, defensive economic posture.

India is using its primary geopolitical asset: its massive demographic scale and domestic demand. Rather than yielding market access merely to consume imported goods, New Delhi is treating this access as a sovereign premium. The explicit demand for long-term capital infusion demonstrates a strategy aimed not just at participating in global value chains, but at forcing the relocation of capital, technology, and industrial capacity to Indian territory.

This insistence on capital localisation clarifies India's broader geopolitical trajectory over the past several years. When New Delhi formally withdrew from the Regional Comprehensive Economic Partnership (RCEP), the decision was widely, and incorrectly, categorised by Western analysts as a retreat into protectionism. The withdrawal from RCEP was a deliberate rejection of an architecture that carried the threat of asymmetric industrial dumping from state-subsidised manufacturing hubs. Sprawling, multilateral mega-blocs often enforce a hierarchical dependency on a single regional hegemon. India, however, is systematically constructing a network of bilateral agreements across the Indo-Pacific, designed to bypass adversarial industrial overcapacity while locking in resilient partnerships with trusted nodes.

Historically reliant on Beijing to absorb the vast majority of its agricultural and forestry exports, New Zealand faces extreme export overexposure to a single dominant market. This vulnerability necessitates an urgent diversification of its economic dependencies. India, conversely, requires deep integration into Indo-Pacific value chains to fuel its industrial transition. But it must do so without succumbing to the asymmetric technological or economic dominance dictated by either Washington or Beijing.

Rather than relying on vertical relationships with superpowers, middle and rising powers are altering their trade geometries. They are linking their economies to create alternative pathways for capital and goods. These bilateral pacts function as strategic shock absorbers. They provide insulation against the volatility of great power competition while securing the specific technological and financial inputs required for domestic growth.

Further, India's success in securing this massive FDI commitment while simultaneously shielding its highly sensitive agricultural and dairy sectors reflects a mature foreign policy. The rules of trade today are dictated by leverage rather than multilateral goodwill. India is utilising the geopolitical anxieties of the Global North and the necessity of supply chain diversification to dictate terms that protect its domestic political economy while funding its industrial base. Sovereignty in the 21st century requires shaping the topology of the global economy, rather than merely reacting to it.

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Bilateral pacts like the India-New Zealand FTA signed this week function as strategic shock absorbers

KEY HIGHLIGHTS

Context

- India and New Zealand signed a Free Trade Agreement (FTA) with a ~\$20 billion FDI commitment over 15 years.
- Reflects India's shift from tariff-based liberalisation to investment-led trade strategy.
- Comes after India's exit from Regional Comprehensive Economic Partnership, signalling preference for bilateral agreements.
- Aims to reduce supply chain dependence and strengthen Indo-Pacific economic partnerships.

Key Points

- FDI-Linked Trade Model
 - Market access tied to long-term capital infusion.
 - Promotes technology transfer + domestic manufacturing.
 - Strategic Use of Market Size India leverages its large domestic demand as bargaining power.
- Sectoral Safeguards
 - Protection of agriculture and dairy sectors.
- Supply Chain Diversification
 - Reduces reliance on dominant economies like China.
- Bilateralism over Multilateralism
 - Focus on flexible, interest-based trade partnerships.

- Geopolitical Dimension
 - Strengthens ties with middle powers; avoids overdependence on major powers.

Static Linkages

- FDI: Defined under FEMA; regulated by DPIIT.
- Balance of Payments: Capital account inflows via FDI.
- Trade Theory: Comparative advantage vs strategic trade policy.
- Global Value Chains (GVCs): Integration for manufacturing growth.
- WTO limitations in addressing modern trade asymmetries.
- Economic Survey: Role of FDI in growth and employment.

Critical Analysis

Advantages

- Ensures stable capital inflow and industrial growth.
- Enhances strategic autonomy in trade policy.
- Protects sensitive domestic sectors.
- Strengthens resilient supply chains.

Challenges

- Risk of FDI commitments not materialising fully.
- Limited access to large multilateral markets.
- Possible hidden protectionism → lower competitiveness.
- Implementation and regulatory bottlenecks.

Way Forward

- Strengthen ease of doing business for FDI absorption.
- Align FTAs with PLI and Make in India initiatives.
- Improve logistics and infrastructure.
- Ensure balanced trade liberalisation with safeguards.
- Expand FTAs with trusted strategic partners.

Language policing is bad politics, bad economics

DAYS AFTER announcing its ill-conceived decision to make basic Marathi-language proficiency mandatory for all auto and taxi drivers from May 1, the Maharashtra government extended the deadline to August 15. The move is a minor concession, coming after auto and taxi unions objected to the arbitrariness of the announcement. It does little to undo the irrationality and constitutionally tenuous grounds of the original decision, which, if implemented, would see the licences of a large number of non-compliant drivers cancelled. At a time when public transport is plagued by more pressing issues such as affordability and accessibility, the easy resort to narrow linguistic politics is troubling.

In conditioning livelihoods on Marathi-language proficiency, the Maharashtra government's decision erects an informal barrier against internal migrants — the very people who sustain urban economies like Mumbai's. Such measures weaken the idea of the nation as a shared civic space and undermine the constitutional promise of freedom of mobility, which gives citizens the right to reside and settle in any part of India and practise any profession or occupation there. It is also bad economics, subverting the spirit of a unified market, where labour mobility is essential for efficiency and growth. Urban transport systems, moreover, depend on flexibility, scale, and the willingness of workers to migrate where opportunities exist. A driver from Uttar Pradesh or Bihar should not find their dignity or employability contingent on linguistic assimilation.

Maharashtra has a long history of language being weaponised for narrow political ends. Over the last year, for example, following the Devendra Fadnis administration's oscillation on the three-language policy — first making Hindi mandatory at the primary-school level, then making it optional — the Shiv Sena and the Maharashtra Navnirman Sena raised the pitch on the "imposition" of Hindi and cast themselves as the protectors of Marathi pride. The tactics used by the Raj Thackeray-led MNS — slapping bank officials for not offering services in Marathi, for instance — have underlined how easily parochialism can slip into violence. The language mandate to auto and taxi drivers may come with the state's imprimatur, but the same insular impulse drives both. Those most vulnerable to the violence of the hooligan and the capriciousness of the state are inevitably the ones with the least social and economic protections, such as migrant workers. The choice before policymakers is stark: Pursue inclusive growth anchored in constitutional freedoms, or indulge parochial impulses that subvert that purpose. Maharashtra's language mandate, in both principle and effect, leans dangerously toward the latter.

KEY HIGHLIGHTS

Context of the News

- The Maharashtra government mandated Marathi language proficiency for auto and taxi drivers, initially effective from May 1.
- Following protests by driver unions, the deadline was extended to August 15.
- The policy proposes cancellation of licences for non-compliant drivers.
- The decision has raised concerns regarding migrant workers, constitutional rights, and economic efficiency.

Key Points

- Language requirement targets public-facing service providers (auto/taxi drivers).
- Potentially impacts a large number of interstate migrant workers, especially from Uttar Pradesh and Bihar.
- Raises questions on freedom of movement and profession.
- Reflects ongoing linguistic politics in Maharashtra, involving regional parties like Shiv Sena and Maharashtra Navnirman Sena.
- Comes amid existing challenges in urban transport: affordability, accessibility, and regulation.
- Highlights tension between regional identity vs national integration.

Static Linkages

- Article 19(1)(d), 19(1)(e), 19(1)(g) – Freedom of movement, residence, and profession
- Article 14 – Equality before law
- Article 16 – Equality of opportunity in public employment
- Article 29 – Protection of linguistic and cultural rights
- Concept of Single Market Economy (Economic Survey)
- Urbanisation and Labour Mobility (NCERT Geography – Human Geography)
- Federalism and Regionalism (Indian Polity by M. Laxmikanth)

Critical Analysis

Positives

- Promotes regional language usage in public interaction
- May enhance ease of communication for local population

Negatives

- Potential violation of Fundamental Rights (Art. 19)
- Creates informal barriers to internal migration
- Adversely impacts livelihood of migrant workers
- Undermines economic efficiency and labour mobility
- Encourages linguistic regionalism and exclusionary politics
- Implementation and monitoring challenges

Way Forward

- Adopt incentive-based or voluntary language training instead of mandatory rules
- Ensure policies pass tests of reasonableness and proportionality
- Strengthen urban transport governance and service quality
- Protect migrant workers through legal safeguards
- Promote multilingual service frameworks (technology-enabled)
- Balance regional identity with constitutional values and national integration

Climate vows, now for delivery

IN THE last week of April, representatives from more than 50 countries gathered at Santa Marta in Colombia for a climate conference born of frustration with the UN-administered negotiations. The deliberations ended on Wednesday with a call for participating countries to develop national roadmaps to end the use of fossil fuels — in fact, France pledged to phase out oil and gas use between 2030 and 2050. The UNFCCC's CoPs have almost always come unstuck on the issue of fossil fuels. By operating outside the consensus-bound framework, the Colombia conference gave itself the leeway to advance faster than CoPs. However, the very feature that imparted dynamism to Colombia also limited its potency. Three of the highest GHG emitters — the US, China and India — were not represented at Santa Marta.

It would, however, be wrong to dismiss the meet as inconsequential. The participating countries represented nearly 50 per cent of the global GDP. They agreed to align their trade and finance policies with green transition plans, potentially creating momentum towards faster decarbonisation. But beyond the combined economic weight of its participants, the conference was significant in bringing countries representing different economic segments onto the same page. While UN climate meets have often been riven by discord between developed countries, emerging economies, developing countries and small island states, it was heartening that representatives of France, Germany and Spain worked together with delegates from Brazil, Nigeria, Nepal and several other countries with varying economic clout at Santa Marta. UN meetings have not avoided reconciling different climate realities. However, that has only meant postponement of difficult decisions. The Colombia meet could be the first step towards challenging the ambiguity that has allowed countries to pledge climate action while continuing fossil fuel expansion.

That said, the Santa Marta meet should not be seen as a parallel to the UN processes. Climate change is too complicated to be left to one global agency. It requires building alliances at several levels — between like-minded countries, among civil-society groups and business organisations. Climate delegates showed rare maturity in the past week. The participating countries will now need to translate roadmaps into actual policy and develop financial mechanisms to support transitions in poorer nations — that's where most UNFCCC meetings have faltered.

KEY HIGHLIGHTS

Context of the News

- A climate conference held in Santa Marta, Colombia (April-end), brought together multiple countries outside the formal UN climate framework.
- The meeting emerged from dissatisfaction with slow progress under the United Nations Framework Convention on Climate Change (UNFCCC) negotiations.
- Participating countries called for national roadmaps to phase out fossil fuels; France pledged phase-out between 2030–2050.
- Major emitters like **United States, China, and India were not part of the conference.
- Countries representing nearly 50% of global GDP participated, agreeing to align trade and finance policies with green transitions.

Key Points

- Shift from consensus-based multilateralism (UNFCCC COPs) to coalition-based climate action.
- Emphasis on fossil fuel phase-out, a contentious issue in global negotiations.
- Agreement to integrate climate goals with economic policies (trade, finance).
- Participation from diverse economies: developed (France, Germany, Spain) and developing (Brazil, Nigeria, Nepal).
- Highlights fragmentation + complementarity in global climate governance.

- Focus on implementation mechanisms, unlike many declaratory UN outcomes.

Static Linkages

- UNFCCC (1992) under Rio Earth Summit – principle of Common But Differentiated Responsibilities (CBDR-RC).
- Kyoto Protocol (1997) – binding targets for developed countries.
- Paris Agreement (2015) – Nationally Determined Contributions (NDCs).
- Fossil fuels → major source of GHG emissions (CO₂, CH₄).
- IPCC reports – need to limit warming to 1.5°C.
- Climate finance commitment: \$100 billion/year (developed → developing).
- Carbon neutrality/net-zero targets.

Critical Analysis

Pros

- Faster decision-making outside rigid UN consensus.
- Encourages like-minded coalitions → practical implementation.
- Integrates economic policy with climate action (trade-finance nexus).
- Builds bridges across developed–developing divide.

Cons

- Absence of top emitters limits global effectiveness.
- Risk of fragmentation of climate governance.
- May undermine legitimacy of UN-led processes.
- Financing commitments for poorer nations remain unclear.

Challenges

- Balancing development needs vs decarbonisation (especially for Global South).
- Ensuring climate justice and equity.
- Mobilising sufficient climate finance and technology transfer.
- Translating roadmaps into binding domestic policies.

Way Forward

- Strengthen synergy between UNFCCC COP processes and plurilateral initiatives.
- Develop credible financing mechanisms (green funds, MDB reforms).
- Ensure inclusion of major emitters in future coalitions.
- Promote technology transfer + capacity building for developing nations.
- Align trade rules (WTO framework) with climate goals.
- Focus on just transition frameworks (workers, vulnerable communities).