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'MFN not to hit India-EFTA pact'

The Switzerland government's decision to suspend the Most Favoured Nation (MFN) status will not delay ratification and implementation of the four-nation EFTA-India Trade and Economic Partnership Agreement (TEPA)

Press Trust of India
NEW DELHI

The Swiss decision to suspend the most favoured nation clause in the Double Taxation Avoidance Agreement will not delay the ratification and implementation of the already signed trade agreement between India and the EFTA bloc, Switzerland has said.

The Swiss government has suspended the Most Favoured Nation (MFN) status, which could potentially impact Swiss investments in India and lead to higher taxes on Indian companies operating in the European nation.

On track: MFN decision does not negatively hit investments from Switzerland to India, the Swiss government said. GETTY IMAGES/ISTOCK

India and the four-nation European Free Trade Association (EFTA) signed the pact, officially dubbed as TEPA (Trade and Economic Partnership Agreement), in March. Its members are Iceland, Liechtenstein, Norway, and Switzerland.

The agreement is yet to be implemented.

"No, the decision will not delay the ratification and implementation of EFTA-India TEPA," the Embassy of Switzerland in India said in a response to PTI queries on the matter.

The decision does not negatively hit investments from Switzerland to India.

"The current suspension from the Swiss side of the application of the MFN clause under the protocol to double taxation agreement between Switzerland and India does neither affect trade ties between the two countries nor Swiss investments in India," it said.

India and the four-nation European bloc signed a free trade agreement under which New Delhi received an investment commitment of $100 billion in 15 years from the grouping while allowing several products like Swiss watches, chocolates and cut and polished diamonds at lower or zero duties.

In 2023-24, India's imports from Switzerland stood at $21.24 billion against $1.52 billion exports, leading to a huge trade deficit of $19.72 billion. India got about $10.72 billion in foreign direct investments from Switzerland between April 2000 and September 2024.

CACHE

How does Google's GenCast AI, which predicts the weather, work?

Like ChatGPT can identify what the next word in an unfinished sentence could be, GenCast can guess what the future weather will be given the weather until some point

Vasudevan Mukunth

The story so far:

On December 4, Google DeepMind unveiled GenCast, an Artificial Intelligence (AI) model the company said could forecast the weather better than most existing tools as well as more days in advance. Details of the model were published in a peer-reviewed paper in the journal *Nature*.

How do we forecast weather?

"Weather predictions ... are produced by running multiple numerical simulations of the atmosphere," Vassili Kitsios, senior research scientist at the Commonwealth Scientific and Industrial Research Organisation of Australia, wrote earlier this month. "Each simulation starts from a slightly different estimate of the current weather. This is because we don't know exactly what the weather is at this instant everywhere in the world. ... By solving equations describing the fundamental physical laws of nature, the simulations predict what will happen in the atmosphere."

This process is called Numerical Weather Prediction (NWP). The best NWP forecasts require the use of powerful supercomputers as well as high-quality data about the weather at a particular location. Even then NWPs can predict the weather only a week or so in advance.

Ensemble forecasts entered the picture in the 1990s. Here, scientists use an NWP model to produce multiple forecasts at a certain location in time, with different starting conditions. This collection of forecasts is called an ensemble and indicates the range of meteorological possibilities.

How does GenCast perform?

Google's GenCast uses ensemble forecasting too but the options in the ensemble come from an AI model rather than an NWP. Engineers at Google trained this AI model on 40 years of reanalysis data, from 1979 to 2019. According to the European Centre for Medium-Range Weather Forecasts (ECMWF), "Reanalysis data provide the most complete picture currently possible of past weather and climate. They are a blend of observations with past short-range weather forecasts rerun with modern weather forecasting models."

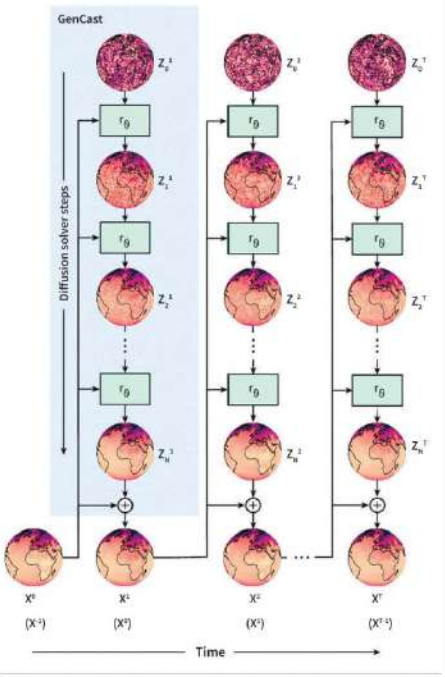
GenCast was trained in two steps: step I in 3.5 days and step II in 1.5 days, both with 32 TPU v5 instances. "TPU" is short for 'tensor processing unit', an integrated circuit Google developed to run machine-learning models, sold via Google Cloud. In December 2023, Google Cloud launched a TPU called v5p: it contains 8,960 chips interconnected with a bandwidth of 4,800 Gbps/chip, and costs $4.2 per chip-hour on demand.

Just like ChatGPT is good at identifying what the next word in an unfinished sentence could be, GenCast is good at guessing what the weather will be in the next moment given the weather until some point. According to the *Nature* paper, GenCast had "greater skill than ENS on 97.2% of 1,320 targets we evaluated and better predicts extreme weather, tropical cyclone tracks and wind power production." ENS refers to the ensemble forecasts generated by ECMWF, considered one of the best in NWP.

Google also said GenCast was more accurate than ENS on 99.8% of the 1,320 targets when asked to predict the weather more than 36 hours in advance.

The workings of an AI weather model

The AI model described in the paper in Nature had a neural network with 41,162 nodes and 2.4 lakh edges. Each node is a point in the network where some input data is accepted, manipulated, and an output is generated as the input for another node.



Schematic diagram showing how GenCast generates a forecast. PRICE, I., SANCHEZ-GONZALEZ, A., ALET, F. ET AL. PROBABILISTIC WEATHER FORECASTING WITH MACHINE LEARNING. *NATURE* (2024)

How does GenCast work?

The AI model described in the paper had a neural network with 41,162 nodes and 2.4 lakh edges. Each node is a point in the network where some input data is accepted, manipulated, and an output is generated as the input for another node. An edge is a connection between nodes.

For how this setup processes data, see the diagram above. The globes at the bottom show a weather prediction at four points of time, one after the other. Each prediction is generated by combining existing weather data with a noisy input. GenCast's challenge is to extract from the noisy input – the globes on the top – a weather prediction for the next moment in time. To do this, the model runs the combination through a refinement (green box), produces a less noisy prediction, then combines this again with the input data, runs a second refinement, then combines the new output with the input data, runs a third refinement, and so on until it finishes 30 refinements. The final de-noised output, called X1, is the final weather prediction for the next moment in time. To predict the weather for the moment after, the model begins by accepting X1 as the input and starts afresh with a noisy input. The green boxes have the neural networks.

The ability to de-noise a noisy input is a common feature of a diffusion-type AI model, which GenCast is. Other famous apps that use diffusion models include OpenAI's text-to-video model Sora and Stability AI's text-to-image model Stable Diffusion, both of which are also examples of generative AI.

GenCast produces at least 50 forecasts at a time for the ensemble, and Google has said each forecast can be produced in parallel. In all, the ensemble contains forecasts for 15 days at a time, with a spatial resolution of 0.25° x 0.25° (latitude-longitude) and temporal resolution of 12 hours. The researchers found this entire process took GenCast running on one TPU v5 unit eight minutes, much shorter than the several hours required by supercomputers for NWP.

GenCast was trained in two steps: step I in 3.5 days and step II in 1.5 days, both with 32 TPU v5 instances. 'TPU' is short for 'tensor processing unit', an integrated circuit Google developed to run machine-learning models, sold via Google Cloud. In December 2023, Google Cloud launched a TPU called v5

Will GenCast replace NWP?

GenCast's forecasts are probabilistic rather than deterministic, that is, "there will be 25% chance of rain in Chennai on December 25" rather than "there will be 5 mm of rain in Chennai on December 25". Current NWP models and their ensembles are deterministic. Experts have said probabilistic weather forecasts are better at revealing the possibility of extreme weather events.

"We should make more use of these probabilistic forecasts for extreme events instead of relying on quantitative predictions. Probabilistic forecasts provide more lead time, which can be used for better preparation," former secretary to the Indian government Madhavan Rajeevan wrote in *The Hindu* in December 2023.

This said, while GenCast's performance suggests AI weather models will soon surpass the abilities of NWP models, both NWP and GenCast are founded on more fundamental weather data still acquired using the laws of physics.

Experts have said understanding the weather using these laws remains important because the weather is changing rapidly in many parts of the world, in ways in which historical weather conditions can't prepare us for.

GenCast itself requires more reanalysis data to train itself. As Google said in a public statement: "We deeply value our partnerships with weather agencies, and will continue working with them to develop AI-based methods that enhance their forecasting.

Meanwhile, traditional models remain essential for this work. For one thing, they supply the training data and initial weather conditions required by models such as GenCast." The code to run GenCast is available on GitHub.

DeepMind has also been working on a model called GraphCast to develop "deterministic medium-range forecasts". Google Research has been developing a model called NeuralGCM that combines AI and NWP models to generate deterministic forecasts, and at least two other models to predict extreme floods and to quantify forecasting uncertainties. Elsewhere, Huawei's Pangu-Weather model can predict the weather one week at a time with accuracy comparable to NWP but much faster. Nvidia's FourCastNet model can already outperform a state-of-the-art NWP facility at ECMWF at predicting extreme rainfall, in less than two seconds.

FROM THE ARCHIVES

Know your English

K. Subrahmanian
S. Upendran

"Why is writing difficult?"

"Real language is spoken language. Almost everybody acquires his/her mother tongue and speaks it satisfactorily. We speak much of the time. But very few write. Writing is a skill you develop with more and more writing. Writing came into being after invention of the alphabet. We reduce into writing what we want to say, what we feel. So many thoughts crowd into our mind. They don't come to us one by one. Normally, when we write, we choose one thought at a time and give it a linear form. There is a spontaneity in speech, it is not there in writing. Before we write, we sit down and think of what we should write. It is a mental activity. I am not talking about inspired poets and others who say that they don't think and write but words flow through them and they write them down. We are not talking about such people. We are talking about those who want to write letters, articles, etc. When we are asked to say orally what we want to, we do it reasonably well. When we are asked to put it down in writing, we find some difficulty. We worry or must worry about clarity, simplicity and the appropriate vocabulary. We look at the ceiling, scratch our head hoping for the right word to fall from heaven! We write, rewrite, chop and change. Writing is a wrestle with words. Every sensitive writer feels what Eliot says in 'East Coker':

So here I am in the middle way, having had twenty years...

Trying to learn to use words, and every attempt

Is a wholly new start, and a different kind of failure

Because one has only learnt to get the better of words

For the thing one no longer has to say, or the way in which

One is no longer disposed to say it. And so each venture

Is a new beginning, a raid on the inarticulate

With shabby equipment always deteriorating

In the general mess of imprecision of feeling,

Undisciplined squads of emotion."

"So each venture is a new beginning, raid on the inarticulate. But this is true only of great writing, Isn't it?

"It is true of all writing. The moment you start writing, you realise how true it is. You write and rewrite because you are dissatisfied. You feel you have not conveyed adequately what is in your mind."

India's reliance on China for critical minerals

Does China have unparalleled dominance in the critical minerals sector? How was it able to do so? What are the minerals for which India is heavily dependent on China? Why has India not been able to excavate the lithium reserves found in Jammu and Kashmir?

EXPLAINER

Rakshith Shetty

The story so far:

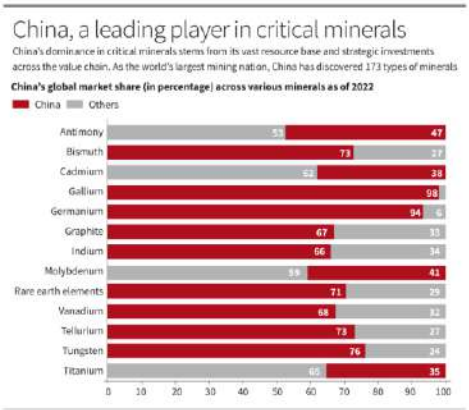
The Ministry of Mines in 2023 identified 30 critical minerals deemed essential for the nation's economic development and national security. While the report highlighted India's complete import dependency for 10 critical minerals, it did not fully address a more pressing concern – the extent and nature of dependency on China.

Is China a dominant player?

China's unparalleled dominance in critical minerals stems from its vast resource base and strategic investments across the value chain. As the world's largest mining nation, China has discovered 173 types of minerals, including 13 energy minerals, 59 metallic minerals, and 95 non-metallic minerals. Reserves of nearly 40% of these minerals, particularly copper, lead, zinc, nickel, cobalt, lithium, gallium, germanium, and crystalline graphite, increased significantly last year, supported by an exploration investment of $19.4 billion. This led to the discovery of 132 new mineral deposits, including 34 large ones. China's dominance extends beyond reserves to include processing and refining, with control over 87% of rare earth processing, 58% of lithium refining, and 68% of silicon processing. Furthermore, China has strategically invested in overseas mining projects and built unparalleled midstream refining capabilities, raising supply chain vulnerabilities for countries including India, the U.S., and EU nations.

What about China's export controls?

When it comes to China's approach to weaponising critical mineral exports, it is strategic and calculated. Beijing primarily targets minerals deemed critical by Western nations and their allies, especially those essential for semiconductors, batteries, and high-tech manufacturing. However, China carefully balances these decisions against two constraining factors: it avoids controlling minerals which heavily depend on Western raw material imports, and it refrains from actions that could disrupt its domestic industrial enterprises or export-dependent sectors. This strategic calculus was evident in China's 2010 rare earth embargo against Japan, its recent restrictions on antimony, gallium, and germanium exports, and its December 2023 ban on rare earth extraction and processing technologies.



Is India dependent on China?

An in-depth examination of import data of 30 critical minerals spanning 2019 to 2024 reveals India's acute vulnerability to Chinese supplies, particularly for six critical minerals where dependency exceeds 40%: bismuth (85.6%), lithium (82%), silicon (76%), titanium (50.6%), tellurium (48.8%), and graphite (42.4%). Bismuth, primarily used in pharmaceuticals and chemicals, has few alternative sources, with China maintaining an estimated 80% of global refinery production. Lithium, crucial for EV batteries and energy storage, faces processing bottlenecks, despite alternative raw material sources, as China controls 58% of global refining. Silicon, vital for semiconductors and solar panels, requires sophisticated processing technology that few countries possess. Titanium, essential for aerospace and defence applications, has diversified sources but involves high switching costs. Tellurium, important for solar power and thermoelectric devices, is dominated by China's 60% global production share and finally graphite, indispensable for EV batteries and steel production, faces supply constraints as China controls 67.2% of global output, including battery-grade material.

Why does India rely on imports?

Despite being endowed with significant mineral resources, India's heavy reliance on imports stem from several structural challenges in its mining and processing ecosystem. Many critical minerals are deep-seated, requiring high-risk investments in exploration and mining technologies – a factor that has deterred private sector participation in the absence of adequate incentives and policy support. The country's processing capabilities are also limited. This is particularly evident in the case of the recently discovered lithium deposits in Jammu and Kashmir, where despite the presence of 5.9 million tonnes of resources in clay deposits, India lacks the technological capability to extract lithium from such geological formations.

What is the way forward?

India has initiated a multi-pronged approach to reduce its dependency on China. The government has established KABIL, a joint venture of three State-owned companies, to secure overseas mineral assets. India has also joined strategic initiatives like the Minerals Security Partnership and the Critical Raw Materials Club to diversify its supply sources and strengthen partnerships. The country is also investing in research through institutions like the Geological Survey of India and the Council for Scientific and Industrial Research while promoting recycling and circular economy practices to reduce virgin mineral dependency. Production-linked incentives for extracting critical minerals through recycling also seem promising. However, transitioning away from China will require sustained investment and long-term commitment to these various initiatives.

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THE GIST

- China's dominance extends beyond reserves to include processing and refining, with control over 87% of rare earth processing, 58% of lithium refining, and 68% of silicon processing.
- An in-depth examination of import data of 30 critical minerals spanning 2019 to 2024 reveals India's acute vulnerability to Chinese supplies, particularly for six critical minerals where dependency exceeds 40%.
- Despite being endowed with significant mineral resources, India's heavy reliance on imports stem from several structural challenges in its mining and processing ecosystem.

Envisioning India as a global skill supplier

In an address in August, Prime Minister Narendra Modi had said that he was hopeful that India's skilled workforce will play a prominent role in the global job market.

Global mega trends, such as demographic transitions, globalisation, technological advancements, and climate change, are significantly altering the demand for, and the supply of, international migrant workers. Among the various facets of such changes, the skills of these workers are assuming centrality in public policy discourse.

Reviews of immigration policies of the traditional and major migrant destinations (the U.S., the U.K., Canada, and Gulf Cooperation Council countries) and of the new destinations (Germany, South Korea, Japan, etc.) reveal the increased prioritising of skill-selective and skill-intense immigration. Most of the destination countries recognise that their ability to respond to certain developments, such as an ageing society, digitalisation, declining fertility rates, and the need for economic diversification strategies to tackle the challenging global economic environment, can be met only by welcoming international migrant workers with the relevant skills.

Can India rise to the occasion and bridge the global skills gaps? Responding effectively to the skill needs of different destination countries is a complex task. Robust and evidence-based policy interventions are essential to facilitate skill-centred international labour migration outflows from India.

Fragmented policy structure

However, India still lacks a comprehensive policy architecture for international labour mobility. The policy interventions are fragmented and are often not based on evidence. The only data source for annual migrant labour outflows from India is the data on emigration clearances, which covers only those with an educational attainment below matriculation and low skilled workers migrating to 18 select countries. Such data inadequacy stands as a major obstacle in formulating constructive polices.

S.K. Sasikumar

Labour and migration analyst and former senior faculty, V.V. Giri National Labour Institute

India must design a comprehensive national policy on international labour migration, with skill-centred migration anchored as one of the fundamental pillars

India's efforts have mostly revolved around bilateral agreements on international labour mobility with different countries covering aspects such as social security, skills, protection, and welfare. These are primarily one-off exercises, not situated within a composite policy framework. Further, there are hardly any evaluations available on the outcomes of these pacts and the learnings from them.

India must design and operationalise a comprehensive national policy on international labour migration, with skill-centred migration anchored as one of the fundamental pillars. Such a policy should clearly set the road map for the different processes involved in transitioning India as the global skill capital.

The way forward

The critical step in this direction is to identify and anticipate the ever-changing skills in demand in select destination countries and the emergent skill gaps across their key sectors and occupations. Organisations such as the European Centre for the Development of Vocational Training are actively involved in skill forecasting for European countries using rigorous methodologies. Data and insights obtained from regional and national skill-forecasting exercises, especially for the U.S., the U.K. and Canada, that mostly cover the medium term (2-5 years), can help India respond to skill needs. This should be supplemented by big data analytics of real-time online job vacancies in destination countries for which India seeks to become the lead supplier of skills.

Once this is done, India's capacity to provide the requisite skills must be assessed. This will entail systematic mapping of the country's skill development efforts related to skill mobility and follow-up actions: introducing identified skills and competencies as a part of the curriculum in specific institutions; reorienting skill programmes of India's International Skill Centres to meet the global skill gaps; creating customised short-term skill training geared towards destination countries; and so on. The priority must be to raise the quality of skill development to international standards. This calls for the convergence of the skill qualification systems of India and the destination countries. India also needs a review of the National Skills Qualification Framework to assess its effectiveness in aligning our qualifications with those of the major destination countries.

Considering that contemporary immigration policies encourage temporisation, return migration is gaining prominence in international skilled migration flows. This is another area where India falls short: the optimum utilisation of return migrants' skills is one of the most neglected aspects of the country's migration policies. The best way to effectively reintegrate return migrants is to ensure that the skills and competencies they acquire in the destination countries are accredited by specialised skill certification institutions in those countries so that migrants can transition back effectively to the Indian labour market when they return.

Another pressing need is a skill-centred international labour migration information system, encompassing quantitative and qualitative indicators. Such a platform should regularly collate, generate, analyse, and report information and data on key indicators of skills and migration to enable evidence-based interventions. This will be pivotal in fostering skill partnerships between India and the principal destination countries, boosting skill-centred mobility, and improving migration and developmental outcomes.

Canary in the canopy

Economic growth cannot be allowed to bypass environment laws

Through history, forests for humans have been sites of shelter, food, livelihoods, protection, and strength of spirit. According to the new *India State of Forest Report 2023*, 25% of India's land is covered by forests or trees, on its face a healthy figure and a step closer to the National Forest Policy's prescriptions. But big numbers always hide problems. Post-Independence, India's forest governance has been typified by attempts to break free from European colonialists' insular view of forests as sources of timber, codified in laws the country inherited. Two significant achievements in this regard were the Forest (Conservation) Act 1980 and the Forest (Rights) Act 2006. The counteracting forces of industrial development and the pressures of climate change on the state have however troubled the implementation of both Acts and the government has, sadly, chosen the easy way out.

Courts and conservationists have demanded that the state follow the dictionary definition of forests whereas the administration has been muddying it to exclude "community" forests, among others, while including plantations and orchards. Even if the administration's impetus is murky, it is allowing India to claim it is growing its carbon sink towards its climate commitments while allowing developmental activities to continue unimpeded. Thus, the 25% figure hides forest cover loss in the biodiverse Western Ghats, the Nilgiris and the northeast, the shrinking of mangroves in the Kutch and the Andamans, and of 'moderately dense' forests and the ongoing endangerment of open natural ecosystems. The report also lacks details about whether its estimates of the carbon sequestration potential of degraded land account for the specific uses to which they are currently being subjected. Forest loss in biodiverse areas cannot be adjusted with new plantations elsewhere, the consequences of which are exacerbated by the decision to include even commercial plantations, which have lower sequestration and ecological value, and the continued use of the Compensatory Afforestation Fund Act. Indeed, the growing gap between theoretical and actual forests also extends to finances. In several northern districts, the extent of forest cover that suffered fire losses has increased by an order of magnitude in two years. Ground reports by *The Hindu* have documented a paucity of human resources, skill, and equipment to control fires. Economic growth is essential and trees will be lost, but this is precisely why the friction that laws impose on the growth impulse is essential too. Yet, the government has been weakening environmental safeguards – more recently, the Forest (Conservation) Amendment Act 2023 further contracted the 1980 Act's purview – and distorting its official inventory of forests. It is hard to imagine anyone winning in the end.

The GATT-ification of the World Trade Organization

Prabhash Ranjan

Professor and Director, Centre for International Investment and Trade Laws, Jindal Global Law School

The Geneva-based World Trade Organization (WTO), which serves as a multilateral trade referee, is set to miss yet another crucial target of revitalising "a full and well-functioning dispute settlement system" by the end of 2024. It has been five years since the Appellate Body (AB), the second tier of the WTO's two-tier dispute settlement system, has been non-operational due to the persistent blocking, by the United States, of the appointment of the Appellate Body members.

This obstruction began during Barack Obama's administration, escalated under Donald Trump's first presidency, and has continued under President Joe Biden, reflecting a bipartisan political consensus in the U.S. The U.S.'s hostile stance towards the Appellate Body will intensify further under what is anticipated to be a highly protectionist Trump 2.0 administration. While the WTO panels, the first stage of dispute settlement, continue to operate and render decisions resolving trade disputes between WTO member countries, this is of little significance because the losing country uses its legal prerogative to appeal to a non-operational AB, and thus stall the adjudicatory process. However, it is a fool's errand to put the Appellate Body back on track because the real issue is the WTO's existential crisis and its quest to be a relevant player in global trade. The larger game is not about killing the Appellate Body but, rather, making the WTO dysfunctional.

The promise

To understand the future, it is important to first reflect on the past. The establishment of the WTO in 1995 marked a milestone in international law. The rise of neoliberal ideology in the 1990s played a critical role in this development. The WTO established a comprehensive system of rules governing trade in goods, services, and intellectual property, along with a binding two-tier dispute settlement system featuring an appellate function, compulsory jurisdiction, and effective retaliation for non-compliance. The WTO's promise of international rule of law was so compelling that it could not be matched even by the International Court of Justice. Scholars in international law began to regard the WTO as a constitutionalism project that would ensure the triumph of international law over international politics.

As the international trading community witnessed the transition from the General Agreement on Tariffs and Trade (GATT) era that held sway from 1948 to 1994 to the WTO, it marked a shift from diplomacy-based trade multilateralism to a rule-based system. Celso Lafer, a former Chairman of the WTO's dispute settlement body, described the creation of the WTO as the "thickening of legality" in international trade relations. Put differently, countries were willing to accept several restrictions on their state conduct and subject themselves to the binding jurisdiction of the WTO's dispute settlement system including the Appellate Body.

The legal revolution of international trade multilateralism is being reversed

The unravelling

However, things began to unravel as the global landscape changed due to China's significant rise over the last two decades. The U.S. facilitated China's accession to the WTO in 2001, hoping this would lead Beijing to dismantle its state-led industrial policies which were detrimental to international trade, and adopt free-market principles. However, this expectation did not materialise. There is a widespread belief in the U.S. that China exploited the WTO system to its advantage. The WTO and its institutional controls hinder the U.S. from dealing decisively with China. As a result, the U.S. aims, in the words of international lawyer Daniel C.K. Chow, to "wreck" the WTO system, including the Appellate Body, which would provide it with a free hand to address the perceived Chinese threat. The U.S. can now employ trade remedial measures and develop industrial policies to counter the Chinese challenge, even if these actions violate WTO law, as there is no one to call it out. A classic example of this is the Trump administration's decision in 2018 to impose a 25% tariff on Chinese products across various sectors. Mr. Trump's promise to impose further tariffs during his second term, which could trigger another round of trade war, indicates that international politics, rather than international law, will dictate international trade.

Regime change

This has led international lawyers such as Geraldo Vidigal to argue that there is no longer a crisis in the WTO but a regime change. As against the thickening of the legality of international trade relations that we saw from a period of 1995 to 2019, we are witnessing its thinning. In other words, while there is no complete de-legalisation of international trade relations, countries are reclaiming significant control that was previously ceded to the WTO in managing their state conduct. The legal revolution of international trade multilateralism that began in 1995 has not only been paused but is being reversed, moving us back to the era of GATT diplomacy. Understanding this "GATTification" of the WTO, as Prof. Vidigal puts it, is crucial for grasping the current state of the international trading order. No amount of technical negotiations in Geneva can obscure this fact.

The views expressed are personal

India's 'steel frame' does need a check

Vinod Bhanu

the Director of the Centre for Legislative Research and Advocacy, New Delhi

India's governance challenges demand urgent reforms to modernise its bureaucracy. The country's economic story, which is marked by significant strides in growth and innovation, is juxtaposed with enduring issues of income inequality, underinvestment in critical sectors, and bureaucratic inefficiency. Central to this narrative is the Indian Administrative Service (IAS), which has for long held sway over the nation's governance. However, persistent challenges within the IAS and the wider bureaucracy have highlighted the urgent need for administrative reforms to unlock India's true economic potential.

The legacy and challenges of the IAS

The IAS, often called India's "steel frame", traces its origins to the colonial Indian Civil Service (ICS). Post-Independence, it became the backbone of India's administrative machinery, with officers occupying pivotal roles in governance. Yet, this legacy has not been without its cracks. Political interference, lack of specialisation, and outdated personnel practices have gradually eroded its effectiveness.

One of the pressing issues is the politicisation of the IAS. Frequent transfers, suspensions, and promotions influenced by political loyalty rather than merit, have undermined morale and professionalism. Officers often struggle to develop domain expertise due to frequent rotations across departments, preventing them from becoming effective policy specialists in an increasingly complex governance landscape.

Corruption and inefficiency plague the bureaucracy further. According to the World Bank's measure of government effectiveness, India ranks only moderately, reflecting the poor quality of policy implementation and administrative independence. Without reform, these systemic inefficiencies threaten to stymie India's economic growth and governance objectives.

Executive-led governance in India, characterised by centralised decision-making, has yielded mixed results. While it has facilitated rapid economic reforms and infrastructure development, it has also led to bottlenecks in policy implementation and a lack of accountability. The centralised power structure often sidelines bureaucrats' insights and expertise, reducing their ability to act as effective policy executors.

Under Prime Minister Narendra Modi's leadership, the government has attempted to address some of these shortcomings by curbing politicised transfers and introducing measures to enhance bureaucratic accountability. However, critics argue that centralising power in the Prime Minister's Office (PMO) risks undermining the autonomy of senior bureaucrats, leading to further disempowerment of the IAS.

Persistent challenges within the Indian Administrative Service and the wider bureaucracy have highlighted the urgent need for administrative reforms

The need for administrative reforms in India is not new. Since Independence, over 50 commissions and committees have been tasked with reimagining the country's administrative apparatus. The First Administrative Reforms Commission (ARC) in 1966 and subsequent commissions, have consistently emphasised the need for specialisation, accountability, and merit-based promotions within the bureaucracy.

The Second ARC, set up in 2005, laid out a blueprint for administrative reforms. It included recommendations for lowering the permissible age of entry into the civil services, introducing performance-based promotions and lateral entry, and establishing safeguards against arbitrary transfers. However, many of these recommendations remain unimplemented, stalled by bureaucratic inertia and political resistance.

Government's push for reform

Recognising the limitations of the IAS-centric administrative model, the Modi government has sought to diversify governance by introducing lateral entry into senior bureaucratic positions. This move is aimed at bringing domain experts from the private sector and other government services into key policymaking roles, infusing fresh perspectives and specialised knowledge.

Since 2018, the central government has pursued lateral recruitment to bring individuals with specialised knowledge and domain expertise into specific assignments. By 2023, this initiative saw the appointment of 57 officers, many of whom were drawn from the private sector, reflecting a deliberate effort to infuse fresh talent and perspectives into governance. The Union Public Service Commission (UPSC) recently advertised 45 posts for lateral entry, including positions for Joint Secretaries and Directors across various ministries. This shift has disrupted the IAS's traditional dominance, with only 33% of Joint Secretaries at the Centre now belonging to the IAS, compared to near-total dominance a decade ago.

However, the lateral entry initiative has faced resistance. Critics, including retired civil servants, argue that it could undermine incumbent morale and distort promotion incentives. Opposition parties have also voiced concern about the lack of reservation provisions for marginalised groups in these appointments. The Modi government's recent U-turn on lateral entry appointments, reportedly due to political pressure from political allies, underscores the contentious nature of this reform.

The U.S.'s proposed Department of Government Efficiency (DOGE), under U.S. President-elect Donald Trump, offers an intriguing model for reforming India's administrative apparatus. DOGE aims to streamline government operations, reduce inefficiency, and eliminate redundant agencies, all while leveraging the expertise of leaders such as Elon Musk and Vivek Ramaswamy.

DOGE's focus on cutting wasteful expenditures and introducing accountability mechanisms resonates with the challenges faced by the Indian bureaucracy. A similar advisory body in India could help identify inefficiencies within the civil service, promote data-driven decision-making, and develop metrics to assess bureaucratic performance. A time-bound commission, such as the DOGE's expiration date tied to the U.S. semi-quincentennial, could also ensure that reform initiatives remain focused and actionable.

Challenges to reform

Reforming India's bureaucracy is no small task. Despite its flaws, the IAS remains deeply entrenched in the country's governance structure. Proposals for lateral entry, performance-based promotions, and specialised training often face resistance from within the service, where seniority-based progression and generalist approaches are deeply institutionalised. Political interference further complicates reform efforts. Proposals such as the Civil Services Standards, Performance, and Accountability Bill (2010), which sought to protect bureaucrats from arbitrary transfers, have languished in legislative limbo. Even judicial interventions, such as the Supreme Court of India's directive to establish civil services boards in 2013, have had limited impact due to lack of enforcement.

A multifaceted approach to administrative reform is vital to address the challenges of India's bureaucracy. Recruitment must prioritise merit and domain expertise, with promotions tied to measurable performance rather than seniority. Protecting bureaucrats from politically motivated transfers and fostering specialisation in policymaking roles would enhance accountability and efficiency. Further, the government should invest in a robust data infrastructure to track bureaucratic performance, enabling informed decisions on placements, promotions, and policy implementation. Reform is essential for India's economic aspirations and ensuring governance effectively serves its people.

Centre scraps 'no-detention' policy for Classes 5, 8; lays stress on remedial measures

The Hindu Bureau
NEW DELHI

The Centre has done away with the "no-detention" policy for Classes 5 and 8, paving the way for schools to hold back students who are unable to clear year-end examinations.

The Ministry of Education has published a gazette notification dated December 16, titled "Right of Children to Free and Compulsory Education (Amendment) Rules, 2024", which states that if a child fails to fulfil promotion criteria in Classes 5 or 8 in the regular examination, they can be held back. In the Rules, the Ministry also emphasised the need for remedial measures for such students to close learning gaps.

While the Right to Education Act, 2009 had been amended to scrap the no-detention policy as early as 2019, the Rules have been notified only now. "Since the National Education Policy (NEP) was announced in 2020, we waited for the National Curriculum Framework document which was published in 2023, before coming out with the Rules," a senior Ministry official said.

Students who do not fulfil the promotion criteria can sit for a re-examination in two months

After all other options are exhausted, if there is a need to detain the student, they shall be detained. "At the same time, no student should be expelled from school until Class 8," said Union School Education Secretary Sanjay Kumar.

The Rules further state that if a child fails to fulfil the promotion criteria, as notified from time to time, they shall be given additional instruction and opportunity for re-examination within a period of two months, from the date of declaration of results. If the child fails to clear the re-exam, they should be held back.

When the child is held back, the class teacher shall guide the child as well as the parents, if necessary, and provide specialised inputs after identifying the learning gaps at various stages of assessment. Mr. Kumar further said, "We also want the learning outcomes of the students to be better."

Justice V. Ramasubramanian

Former SC judge named human rights panel chief

The Hindu Bureau
NEW DELHI

The President of India on Monday appointed former Supreme Court judge, Justice V. Ramasubramanian (retd.), as Chairperson of the National Human Rights Commission. The post of NHRC chief was lying vacant since June this year.

President Droupadi Murmu also appointed child rights advocate Priyank Kanoongo and retired Justice Bidyut Ranjan Sarangi as NHRC members. A committee led by Prime Minister Narendra Modi had met on December 18 to select the NHRC chief. Opposition leaders in Rajya Sabha and Lok Sabha, Mallikarjun Kharge and Rahul Gandhi respectively, also attended the meeting.

Key bilateral issues in focus as Jaishankar kicks off U.S. visit

The External Affairs Minister will hold talks with Antony Blinken, others in what may be the last engagement with Biden administration; along with Foreign Secretary Misri, he is also expected to meet members of the Trump transition team

Suhasini Haidar
NEW DELHI

Weeks ahead of the swearing-in of U.S. President-elect Donald Trump, External Affairs Minister S. Jaishankar is travelling to the United States to meet with officials of the outgoing Biden administration, as well as the Trump administration team. Mr. Jaishankar, who will be in the U.S. from December 24-29, will join Foreign Secretary Vikram Misri, who is already in Washington for Foreign Office Consultations.

In a statement about Mr. Jaishankar's previously unannounced visit on Monday, the Ministry of External Affairs (MEA) provided no specific details on which U.S. officials he would meet during the week.

"Mr. Jaishankar will be meeting counterparts to discuss key bilateral, regional and global issues," the MEA's statement said, adding that, during the visit, the External Affairs Minister would chair a conference of the Consul Generals of India in the United States.

Diplomatic dialogue: External Affairs Minister S. Jaishankar with U.S. Secretary of State Antony Blinken at the G-7 Foreign Ministers' Meeting held in November in Italy's Fiuggi. PTI

Sources confirmed to *The Hindu* that the Biden administration is also keen on scheduling one last meeting of the National Security Advisor (NSA)-level Initiative on Critical and Emerging Technologies (iCET) before demitting office, and are working on a possible visit by American NSA Jake Sullivan to Delhi in early January.

The two sides have also discussed cooperation in biotechnology, space cooperation, quantum technologies, Artificial Intelligence, and semiconductors, most recently when Mr. Sullivan travelled to Delhi to meet with the government just after elections in June this year.

India and the U.S. have been in close consultation over the conflicts in Gaza, Ukraine, and Syria, and the recent change in government in Bangladesh.

Mr. Jaishankar and Mr. Misri are also expected to engage with members of the Trump transition team, as well as some of the top nominees for the State Department and Department of Defence about high-level meetings soon after the Trump inauguration on January 20, as well as an early date for Mr. Trump to travel to India for the Quad Summit to be hosted by Prime Minister Narendra Modi next year.

The visit by Mr. Jaishankar mirrors a similar visit he undertook in November 2016 as the then Foreign Secretary, to meet with the Trump transition team. Mr. Modi had travelled to Washington within a few months of Mr. Trump's first tenure in 2017, and officials didn't rule out another visit by him to the U.S. in 2025 itself.

However, there was no clarity on whether Mr. Trump would invite Mr. Modi to his inaugural ceremony.

This is also Mr. Jaishankar's first visit to the U.S. since the announcement of the Department of Justice, and Securities and Exchange Commission indictments on Gautam Adani and key Adani Group officials. While both governments have brushed off the impact of the case, as well as the indictments against an Indian government official in the alleged Pannun assassination case, the ruling Bharatiya Janata Party (BJP) had alleged the U.S. State Department was orchestrating a number of "attacks" against Mr. Adani and others in order to target Mr. Modi. The U.S. Embassy had said it was "disappointed" by the BJP's statement.

Kashmiri artisans give wings to the dodo

Made by locals in the Valley's *karkhanas*, over 50,000 papier mache models of the bird, which became extinct in 1681 and was introduced to artisans by tourists two decades ago, have been shipped to markets in Europe and Mauritius this year

Peerzada Ashiq
SRINAGAR

This Christmas, papier mache artisans in Srinagar have given wings to thousands of dodos, a bird that became extinct in 1681 within 80 years of its interaction with humans and exposure to depleting forests.

Reyaz Jan, in his 70s, who was giving final touches to a papier mache model of the bird at a *karkhana* in Zadibal area of Srinagar, says, "I was introduced to the shape and size of the bird from pictures. Of late, we download images. The shape and size of the bird is endearing. I fell in love with it at first sight. It's sad that the bird is no more seen anywhere."

Fast disappearing from people's memory, the fearless and flightless bird, approximately three-feet tall, has a new home in the papier mache world of Kashmir, which otherwise was mainly influenced by Persia, its motifs and figures.

The dodos, which originally had grey or brown plumage, come in many colours in the papier mache form with floral and forest prints adorning its body.

"The floral prints symbolise how it was the depleting forest cover that resulted in the extinction of the bird," Mr. Jan says.

With a magical touch of yellow to the hooked tips and stout legs and dark green to the rear curly feathers, Mr. Jan gives life to the dodo, albeit in papier mache.

Christmas orders

Besides dangling balls, jingles, crescents, Santas, stars and boxes, this year, Kashmir has exported these dodos in large quantities.

Over 50,000 papier mache dodos have set their feet in markets of Europe and Mauritius in East Africa this year, just ahead of Christmas.

The bird is a very recent addition to the craft, which has been practised in Kashmir for over 600 years now

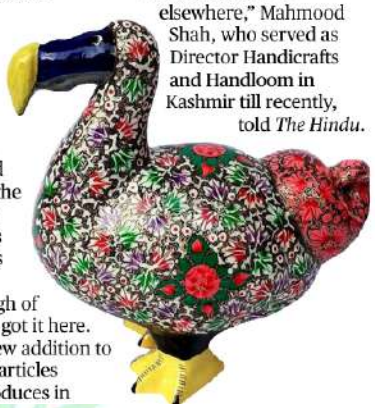
"Dodos were last seen in Mauritius. The bird is important to the place and is the national emblem there. We mostly export papier mache dodos to the country. There is a huge demand for dodo products, which come in different sizes," Faizan Mir, who runs Mir Arts, an exclusive papier mache arts showroom at Srinagar's Hawsal, says.

It takes five to 10 days to create large-sized dodos in *karkhanas* located in the Valley. "Our *karkhana* produced over 3,000 dodos this season for exports," says Mr. Mir.

Most papier mache artisans do not know much about how dodos were introduced in Kashmir's art scene.

The bird is a very recent addition to the craft, which has been practised in Kashmir for over 600 years now.

However, there are many stories about the arrival of dodos in Kashmir.



"There were tourists from Mauritius who visited Kashmir and introduced the bird around two decades ago. There is no written record though of who exactly got it here. It's a very new addition to the array of articles Kashmir produces in papier mache," Mr. Jan said.

Thanks to those unknown tourists, the dodos have got wings and the demand for them is only growing with each passing day. "Papier mache artisans of Kashmir are keeping the memory of dodos alive. A local craft space is making them in hundreds and exporting them to the place where it went extinct and elsewhere," Mahmood Shah, who served as Director Handicrafts and Handloom in Kashmir till recently, told *The Hindu*.