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Cartoon: Keshav / The Hindu

The Global

IMF – WB – WTO – Scaremongering Threats on De-Globalization and Tariffs – The Return to Sovereign Nations

As key representatives of the three chief villains of international finance and trade, the IMF, World Bank (WB) and the World Trade Organization (WTO) met on the lush resort island of Bali, Indonesia, they warned the world of dire consequences in terms of reduced international investments and decline of economic growth as a result of the ever-widening trade wars initiated and instigated by the Trump Administration. They criticized protectionism that might draw countries into decline of prosperity. The IMF cuts its global economic growth forecast for the current year and for 2019.

This is pure scaremongering based on nothing. In fact, economic growth of the past that claimed of having emanated from increased trade and investments has served a small minority and driven a widening wedge between rich and poor of both developing and industrialized countries. It's interesting, how nobody ever talks about the internal distribution of GDP growth that these handlers and instruments of empire and liars for the elite are boasting about; nobody ever seems to question the way these growth rates are calculated – or perhaps just drawn out of hot air? Take the case of Peru, a resource-rich country that boasted in the past often an economic growth of 5% to 7%. On average, the distribution of this growth was such that 80% went to 5% of the population and 20% was to be distributed among 95% of the people. This doesn't even address the fragmentation of the lower and higher tiers of the percentage breakdowns, but it surely creates more poverty, more inequality, more unemployment and more delinquency.

Or just look at the insane and totally unfounded IMF prediction of 1 million percent inflation of the Venezuelan new currency in 2018 and 2019? – What are they talking about? No substantiation whatsoever. The same with the prediction of dire consequences from reduced trade, when trade as we know it, has and is serving almost exclusively the corporate world of rich industrialized countries, leaving poorer developing countries behind with a burden of unfair deals and often a resulting debt trap.

Such manipulations of truth coming out of international financial and trade organizations, especially the IMF and the WB, are so flagrantly and scrupulously wrong that they cannot be backed with a shred of professionalism, yet they get away with it, because of their apparent unfailable reputation, scaremongering government into doing what is against their and their peoples' best interest, namely caring for their own local, sovereign economy, without any foreign interference.

Time and again it has been proven that countries that need and want to recover from economic fallouts do best by concentrating on and promoting their own internal socioeconomic

capacities, with as little as possible outside interference. One of the most prominent cases in point is China. After China emerged on 1 October 1949 from centuries of western colonization and oppression by Chairman Mao's creation of the People's Republic of China (PRC), Mao and the Chinese Communist party first had to put a devastated 'house in order', a country ruined by disease, lack of education, suffering from hopeless famine as a result of shameless exploitation by western colons. In order to do that China remained practically closed to the outside world until about the mid- 1980's. Only then, when China had overcome the rampant diseases and famine, built a countrywide education system and became a net exporter of grains and other agricultural products, China, by now totally self-sufficient, gradually opened its borders for international investments and trade. – And look where China is today. Only 30 years later, China has not only become the world's number one economy, but also a world super power that can no longer be overrun by western imperialism.

But you don't need to look that far. North Dakota saved herself from the 2008 "crisis", by using public banking addressing the ND State's economic needs – not the shareholder's greed – and planning production and service activities that guaranteed basically full employment, while the rest of the country's unemployment skyrocketed. The State's economy grew by close to 3% in 2008 and 2009 – and is still today the State with the fastest growth rate in the country and with the lowest unemployment rate. This is mostly due to a state economic development policy that concentrates on local capacities and that banks on public banking. Today, North Dakota has still the only public bank in the country; but other States, like New Jersey, New Mexico, Arizona and others, as well as the city of Los Angeles are at the brink of creating public banking. The mainstream media, however, doesn't propagate such examples, as they are not in the interest of the banking and corporate oligarchs.

Local economy with local investments for the benefit of the local population, is, of course, not what the ultra-capitalist system wants. It doesn't fit the neoliberal economic doctrine – driving globalization forward, pushing its bitter medicine of austerity down poor governments throats, so to further exploit their people, creating more poverty, milking their social systems and stealing their natural resources.

Enough! Wake up! – Whatever you may think of President Trump – and he is certainly no panacea for world peace and his abject policy of interference in foreign lands and fueling conflicts and wars in the Middle East and around the globe must be condemned – but his protectionist policies, the "tariff wars" are a welcome sword into the belly of globalization – of the very neoliberal doctrine that has for the last thirty years brought more misery to 99.99% of the planet's population than any other economic doctrine since Adam Smith. Trump may or may not know what he is doing, but certainly his handlers and advisers, hidden or overt, know the purpose of their newly professed turn of international policy.

Its intention is to cut the political cohesion created by globalization, to divide again for the empire to conquer. Yes. The intention is not to promote local economies, per se, but rather to get countries ready for unguarded bilateral negotiations and agreements between Washington

and the developing world, under which the latter have no protection, and with their mostly corrupt leaders, they buckle under facing the harsh conditions of the empire. So, the purpose is not to help, say, the Latin American US backyard to become sovereign again, to the contrary, with imposed bilateral deals – see Brazil, Argentina, Chile, Ecuador, Peru, Colombia – they are slated to become increasingly vulnerable to and dependent on the US and US-dollar hegemony.

The point is – for self-conscious and alert governments with the desire to return to their sovereign national politics – this is a crucial moment of truth to take advantage of. The ship is turning. It is the moment to jump off the globalized bandwagon, the globalized trade – the open borders for indiscriminate foreign investments; it is time to sit down and reflect – and return to autonomous local policies: local economies, for local markets, with local money and local public banking for the benefit of the local economy. Trade, of course is part of a local economy; but trade should best be kept within the realm of friendly neighbors and nations that have similar interests and similar political convictions. Trade under de-globalized circumstances should and will return equal benefits for partners, a win-win situation for all trading partners – as it should be according to the original interpretation of trade. By contrast, modern trade as we know it, has almost consistently benefitted the rich countries to the detriment of the poorer ones.

A good example for fair and equal trade may be ALBA (Alianza Bolivariana para los Pueblos de Nuestra América) – an association of 11 Latin American and Caribbean countries (Antigua and Barbuda Bolivia, Cuba, Dominica, Grenada, Nicaragua, Saint Kitts and Nevis, Saint Lucia, Saint Vincent, Surinam, the Grenadines and Venezuela), initiated and created by Venezuela and Cuba. ALBA may be an excellent illustration on how trade should work between countries or groups of countries. Most people have never heard of ALBA, for the simple reason, the international media are typically silent about it, because the neoliberal elite doesn't want a case of equality to become an example for others to follow. There exist currently other similar, even lesser known cases of fair and equal trade, throughout the world, that are equally silenced by the media.

Promoting fair and equal trade is not an agenda item of WTO, nor of the IMF or the World Bank. Their role is just the contrary, being facilitators for the west to further exploit the people of the South and to further deplete the workers' accumulated funds of their social safety-net that are still available in many western industrialized countries, especially in the western EU. It's the bedrock of social safety that can be privatized and sucked empty by the international corporate banking system, along with privatization of social infrastructure, such as water supply and sanitation, electricity, hospitals, airports, railways – and much more. All what has the air of profitability can and must be privatized under neoliberal economic doctrines.

Countries, nations and societies, beware from listening and adhering to and working with these nefarious globalizing organizations – IMF, WTO and WB. They are mere servants of western corporatism and debt enslaving financial systems driven by the US Federal Reserves (FED), as well as Wall Street and their European banking partners.

This is an appeal to all countries that are proud of regaining their political sovereignty and economic autonomy, to ignore scaremongering and fear imposing threats by the IMF, the World Bank and WTO. They are not representing the truth, but their nasty role is to belie reality in favor of manipulative invented statistics that are expected to being believed because they stem from these so-called well-reputed institutions. Again, the best example of the IMF's nonsensical statements is their repeated denigration of Venezuela, accusing the country of fostering an economy that creates a one million percent inflation in 2018 and even higher, they say, in 2019. – Can you imagine? – That says it all. Be aware – their words, whether spoken in Bali, Washington or Geneva, are nothing more than fear- and threat mongering hot air.

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(Courtesy: CounterCurrents)

Half of All Workers in Asia-Pacific will be Engaged in ‘Vulnerable’ Jobs by 2020: ILO Report

One-fourth of all workers in the region live in moderate or extreme poverty, more than two in three workers are informally employed, says new report.

NEARLY half of all workers — 49 per cent — in the Asia-Pacific region will be engaged in ‘vulnerable employment’ by 2020, says a new report by the International Labour Organisation (ILO).

Released on November 16, 2018, the report titled ‘Asia-Pacific Employment and Social Outlook 2018’, says there are 1.9 billion workers — 1.2 billion men and 700 million women — in the Asia-Pacific region, representing 60 per cent of the global workforce in 2017.

About one-fourth of all workers in the region — 446 million workers — were living in ‘moderate or extreme poverty’ in 2017. An ILO report earlier this year had estimated that Southern Asia — where more than 41 per cent of workers were living in extreme or moderate poverty in 2017 — accounted for “more than two-thirds of all working poor in Asia-Pacific.”

More than two in three workers — 68.2 per cent — in the Asia-Pacific region were informally employed in 2016, says this new report.

Not surprisingly, the rate of informal employment rate was the highest in South Asia, where nearly 88 per cent — or 87.8 per cent, to be precise — of workers were informally employed.

Almost one in two workers, or 48.6 per cent — 930 million workers — remained in a ‘vulnerable’ status of employment in 2017, the report says.

The share of persons in vulnerable employment in low-income Asian-Pacific countries was a whopping 71.1 per cent while that in high-income Asia-Pacific countries was just 12.9 per cent.

In middle-income (emerging) economies of the region, share of vulnerable employment was 50.6 per cent.

However, the ILO defines ‘vulnerable employment’ rather narrowly — as the sum of workers in own-account work (self-employed without employees) and contributing family workers (helping out without pay in a family enterprise).

It says, “Own-account workers and contributing family workers are assumed to be less secure in their jobs and more vulnerable to poverty, although it is true that persons in paid employment

and even employers (categories of non-vulnerable employment) can also lack economic security...”

But the ILO does not include all forms of informal employment that is highly ‘vulnerable to poverty’ and insecure — in terms of economic security, job security, and even life security — under the category of ‘vulnerable’.

For example, meagrely paid (below minimum wage) workers employed casually or contractually in illegally running factories in and around Delhi — which regularly see deaths of workers — where no labour laws or safety norms are followed, and who can be hired and fired without notice at any point, and often work under inhumane conditions.

These workers are obviously in employment that is extremely vulnerable, but they are not counted under this category by the ILO and the likes.

The ILO report says, “Informal employment is closely linked to vulnerable employment because contributing family workers are by definition informal, and 86.2 per cent of own-account workers were classified as informal workers in 2016.”

The informally employed share of paid employees was 49.8 per cent, it says.

“Workers in agriculture are the most at risk of informality, but in terms of numbers, workers in services represented the majority of workers in informal employment in 2016,” says the report.

But even excluding other forms of informal and insecure employment from the category of ‘vulnerable’, the vulnerable employment rate in India is extremely high — 82.2 per cent in the total employment, as per data of ‘2010 or nearest year’, says the ILO report.

In any case, the vulnerability for India’s workers is only going to get worse as the BJP-led NDA government not only looks to do away with existing labour protection regulations — in the name of ‘ease of doing business’ to attract investment in the country — but also legally fortifies practices that spell doom for workers, such as fixed-term employment. An amendment to the industrial employment rules that was passed in March, fixed-term employment gives all businesses the freedom to “hire and fire”, effectively destroying all protection to labour.

Other findings of this ILO report include the fact that workers in South Asia worked for the highest number of hours per week in the world. In 2017, the average hours of work in South Asia were 46.4 hours per week, followed by East Asia with 46.3 hours per week. The report says workers in low-paid jobs in particular work more than 48 hours per week.

The regional unemployment rate is 4.1 per cent and is projected to remain so through 2020, which is the lowest in the world and below the global rate of 5.5 per cent in 2017.

However, the report notes that there is a persistent deficit of ‘decent’ work — as evident in the fact that one in two persons is engaged in ‘vulnerable’ (according to ILO) employment and more than two in three workers were in informal employment, as mentioned above).

“High employment ratios and productivity gains in the region mask persistent and worrying decent work deficits,” said Sara Elder, lead author of the report and Head of the ILO Regional Economic and Social Analysis unit, in a press release.

“Many people, in particular in the region’s developing economies, still have no choice but to take jobs with poor working conditions that do not generate stable incomes nor safeguard them and their families against poverty in the longer term.”

The report found that between 1997 and 2007, labour productivity (defined as output per worker) in the Asia-Pacific region increased by 4 per cent annually on average, while the global average was 2.4 per cent.

In the past decade (2007–17), the growth of labour productivity, at 5 per cent per year, was even stronger in the region.

But gender inequality continues to remain a major concern in the labour markets of Asia-Pacific — the male participation rate in the region exceeded the female participation rate by 30 percentage points in 2017, a decline of only 1 percentage point since 2000.

The ILO also found that the unemployment rate in the region is highest among people with secondary education. The report says this trend seems to “confirm an increasing “hollowing out” of middle-skilled jobs in emerging economies, in part due to technological progress, with information and communications technology (ICT) lessening the demand for workers engaged in routine tasks”.

However, in eight countries, the unemployment rate was highest among tertiary graduates — “including in high-growth emerging economies, like India, Thailand and Vietnam, but also in Cambodia and Sri Lanka, where graduate employment is likely constrained by limited industrial diversification”, says the report.

The other countries where the unemployment rate is highest among tertiary graduates are Pakistan with 16.8 per cent as of 2015; Bangladesh with 10.7 per cent as of 2017; and the Republic of Korea.

In India, the ‘latest year’ data being from 2012, the unemployment rate among those who studied till secondary school was 6.3 per cent while the unemployment rate among tertiary graduates was 8.4 per cent.

The report also includes a table on ‘variables of worker satisfaction or dissatisfaction’ from the Gallup World Poll, which found that 40.6 per cent of paid employees in India in 2013 felt they were ‘not paid appropriately.’

(Peoples Democracy)

The 2008 Global Economic Crisis, Tenth Anniversary of Financial Collapse, Preparing for the Next Crash

Kevin Zeese and Margaret Flowers

Ten years ago, there was panic in Washington, DC, New York City and financial centers around the world as the United States was in the midst of an economic collapse. The crash became the focus of the presidential campaign between Barack Obama and John McCain and was followed by protests that created a popular movement, which continues to this day

Banks: Bailed Out; The People: Sold Out

On the campaign trail, in March 2008, Obama blamed mismanagement of the economy on both Democrats and Republicans for rewarding financial manipulation rather than economic productivity. He called for funds to protect homeowners from foreclosure and to stabilize local governments and urged a 21st Century regulation of the financial system. John McCain opposed federal intervention, saying the country should not bail out banks or homeowners who knowingly took financial risks.

By September 2008, McCain and Obama met with President George W. Bush and together they called for a \$700 billion bailout of the banks, not the people. Obama and McCain issued a joint statement that called the bank bailout plan “flawed,” but said, “the effort to protect the American economy must not fail.” Obama expressed “outrage” at the “crisis,” which was “a direct result of the greed and irresponsibility that has dominated Washington and Wall Street for years.”

By October 2008, the Troubled Asset Relief Program (TARP), or bank bailout, had recapitalized the banks, the Treasury had stabilized money market mutual funds and the FDIC had guaranteed the bank debts. The Federal Reserve began flowing money to banks, which would ultimately total almost twice the \$16 trillion claimed in a federal audit. Researchers at the University of Missouri found that the Federal Reserve gave over \$29 trillion to the banks.

This did not stop the loss of nine million jobs, more than four million foreclosures and the deep reduction in wealth among the poor, working and middle classes. A complete banking collapse was averted, but a deep recession for most people was not.

The New Yorker described the 2008 crash as years in the making, writing:

“...the crisis took years to emerge. It was caused by reckless lending practices, Wall Street greed, outright fraud, lax government oversight in the George W. Bush years, and deregulation of the financial sector in the Bill Clinton years. The deepest source, going back decades, was rising inequality. In good times and bad, no matter which party held power, the squeezed middle class sank ever further into debt.”

Before his inauguration, Obama proposed an economic stimulus plan, but, as Paul Krugman wrote,

“Obama’s prescription doesn’t live up to his diagnosis. The economic plan he’s offering isn’t as strong as his language about the economic threat.”

In the end, the stimulus was even smaller than what Obama proposed. Economist Dean Baker explained that it may have created 2 million jobs, but we needed 12 million. It was \$300 billion in 2009, about the same in 2010, and the remaining \$100 billion followed over several years — too small to offset the \$1.4 trillion in annual lost spending.

New York Magazine reports the stimulus was “a spending stimulus bigger, by some measures than the entire New Deal.” But unlike the New Deal, which benefited people at the bottom and built a foundation for a long-term economy, the bi-partisan post-2008 stimulus bailed out Wall Street and left Main Street behind.

Wall Street executives were not prosecuted even though the financial crisis was in large part caused by their fraud. Bankers were given fines costing dimes on the dollar without being required to admit guilt or having their cases referred for prosecution. The fines were paid by shareholders, not the perpetrators.

Still at Risk

Many of the root causes of the crisis remain today, making another economic downturn or collapse possible. The New Yorker reports that little has changed since 2008, with Wall Street banks returning to risky behavior and the inadequate regulation of Dodd-Frank being weakened. Big finance is more concentrated and dominant than it was before the crash. Inequality and debt have expanded, and despite the capital class getting wealthier in a record stock market with corporate profits soaring, real wages are stuck at pre-crisis levels.

People are economically insecure in the US and live with growing despair, as measured by reports on well-being. The Federal Reserve reported in 2017 that “two in five Americans don’t have enough savings to cover a \$400 emergency expense.” Further, “more than one in five said they weren’t able to pay the current month’s bills in full, and more than one in four said they skipped necessary medical care last year because they couldn’t afford it.”

Positive Money writes:

“Ten years on, big banks are still behaving in reckless, unfair and neglectful ways. The structural problems with our money and banking system still haven’t been fixed. And many experts fear that if we don’t change things soon, we’re going to sleepwalk into another crash.”

William Cohen, a former mergers and acquisitions banker on Wall Street, writes that the fundamentals of US economy are still flawed. The Economist describes the current situation: “The patient is in remission, not cured.”

The Response Of the Popular Movement

Larry Elliott wrote in the Guardian,

“Capitalism’s near-death experience with the banking crisis was a golden opportunity for progressives.”

But the movement in the United States was not yet in a position to take advantage of it.

There were immediate protests. Democratic Party-aligned groups such as USAction, True Majority and others organized nationwide actions. Over 1,000 people demonstrated on Wall Street and phones in Congress were ringing wildly. While there was opposition to the bailout, there was a lack of national consensus over what to do.

Protests continued to grow. In late 2009, a “Move Your Money” campaign was started that urged people to take their money out of the big banks and put it in community banks and credit unions. The most visible anti-establishment rage in response to the bailout arose later in the Tea Party and Occupy movements. Both groups shared a consensus that we live in a rigged economy created by a corrupt political establishment. It was evident that the US is an oligarchy, which serves the interests of the wealthy while ignoring the necessities of the people.

The anti-establishment consensus continues to grow and showed itself in the 2016 presidential campaigns of Senator Bernie Sanders and Donald Trump. They were two sides of the same coin of populist anger that defeated Jeb Bush and Hillary Clinton. Across the political spectrum, there is a political crisis with both mainstream, Wall Street-funded political parties being unpopular but staying in power due to a calcified political system that protects the duopoly of Democrats and Republicans.

Preparing for the Next Collapse

When the next financial crisis arrives, the movement is in a much stronger position to take advantage of the opportunity for significant changes that benefit people over Wall Street. The Occupy movement and other efforts since then have changed the national dialogue so that more people are aware of wealth inequality, the corruption of big banks and the failure of the political elites to represent the people’s interests.

There is also greater awareness of alternatives to the current economy. The Public Banking movement has grown significantly since 2008. Banks that need to be bailed out could be transformed into public banks that serve the people and are democratically controlled. And there are multiple platforms, including our People's Agenda, that outline alternative solutions.

We also know the government can afford almost \$30 trillion to bail out the banks. One sixth of this could provide a \$12,000 annual basic income, which would cost \$3.8 trillion annually, doubling Social Security payments to \$22,000 annually, which would cost \$662 billion, a \$10,000 bonus for all US public school teachers, which would cost \$11 billion, free college for all high school graduates, which would cost \$318 billion, and universal preschool, which would cost \$38 billion. National improved Medicare for all would actually save the nation trillions of dollars over a decade. We can afford to provide for the necessities of the people.

We can look to Iceland for an example of how to handle the next crisis. In 2008, they jailed the bankers, let the banks fail without taking on their debt and put controls in place to protect the economy. They recovered more quickly than other countries and with less pain.

How did they do it? In part, through protest. They held sustained and noisy protests, banging pots and pans outside their parliament building for five months. The number of people participating in the protests grew over time. They created democratized platforms for gathering public input and sharing information widely. And they created new political parties, the Pirate Party and the Best Party, which offered agendas informed by that popular input.

So, when the next crash comes. Let's put forward a People's Agenda. Let's be like Iceland and mobilize for policies that put people first. Collectively, we have the power to overcome the political elites and their donor class.

Kevin Zeese and Margaret Flowers co-direct Popular Resistance where this article was originally published.

The Local

A Well-Kept Open Secret: Washington Is Behind India's Brutal Demonetization Project

Norbert Haering

In early November 2016, without warning, the Indian government declared the two largest denomination bills invalid, abolishing over 80 percent of circulating cash by value. Amidst all the commotion and outrage this caused, nobody seems to have taken note of the decisive role that Washington played in this. That is surprising, as Washington's role has been disguised only very superficially.

US-President Barack Obama has declared the strategic partnership with India a priority of his foreign policy. China needs to be reined in. In the context of this partnership, the US government's development agency USAID has negotiated cooperation agreements with the Indian ministry of finance. One of these has the declared goal to push back the use of cash in favor of digital payments in India and globally.

On November 8, Indian prime minister Narendra Modi announced that the two largest denominations of banknotes could not be used for payments any more with almost immediate effect. Owners could only recoup their value by putting them into a bank account before the short grace period expired. The amount of cash that banks were allowed to pay out to individual customers was severely restricted. Almost half of Indians have no bank account and many do not even have a bank nearby. The economy is largely cash based. Thus, a severe shortage of cash ensued. Those who suffered the most were the poorest and most vulnerable. They had additional difficulty earning their meager living in the informal sector or paying for essential goods and services like food, medicine or hospitals. Chaos and fraud reigned well into December.

Four weeks earlier

Not even four weeks before this assault on Indians, USAID had announced the establishment of „Catalyst: Inclusive Cashless Payment Partnership“, with the goal of effecting a quantum leap in cashless payment in India. The press statement of October 14 says that Catalyst “marks the next phase of partnership between USAID and Ministry of Finance to facilitate universal financial inclusion”. The statement does not show up in the list of press statements on the website of USAID (anymore?). Not even filtering statements with the word “India” would bring it up. To find it, you seem to have to know it exists, or stumble upon it in a web search. Indeed,

this and other statements, which seemed rather boring before, have become a lot more interesting and revealing after November 8.

Reading the statements with hindsight it becomes obvious, that Catalyst and the partnership of USAID and the Indian Ministry of Finance, from which Catalyst originated, are little more than fronts which were used to be able to prepare the assault on all Indians using cash without arousing undue suspicion. Even the name Catalyst sounds a lot more ominous, once you know what happened on November 9.

Catalyst's Director of Project Incubation is Alok Gupta, who used to be Chief Operating Officer of the World Resources Institute in Washington, which has USAID as one of its main sponsors. He was also an original member of the team that developed Aadhaar, the Big-Brother-like biometric identification system.

According to a report of the Indian Economic Times, USAID has committed to finance Catalyst for three years. Amounts are kept secret.

Badal Malick was Vice President of India's most important online marketplace Snapdeal, before he was appointed as CEO of Catalyst. He commented:

Catalyst's mission is to solve multiple coordination problems that have blocked the penetration of digital payments among merchants and low-income consumers. We look forward to creating a sustainable and replicable model. (...) While there has been (...) a concerted push for digital payments by the government, there is still a last mile gap when it comes to merchant acceptance and coordination issues. We want to bring a holistic ecosystem approach to these problems.

Ten months earlier

The multiple coordination problem and the cash-ecosystem-issue that Malick mentions had been analysed in a report that USAID commissioned in 2015 and presented in January 2016, in the context of the anti-cash partnership with the Indian Ministry of Finance. The press release on this presentation is also not in USAID's list of press statements (anymore?). The title of the study was "Beyond Cash".

"Merchants, like consumers, are trapped in cash ecosystems, which inhibits their interest" in digital payment it said in the report. Since few traders accept digital payments, few consumers have an interest in it, and since few consumers use digital payments, few traders have an interest in it. Given that banks and payment providers charge fees for equipment to use or even just try out digital payment, a strong external impulse is needed to achieve a level of card penetration that would create mutual interest of both sides in digital payment options.

It turned out in November that the declared “holistic ecosystem approach” to create this impulse consisted in destroying the cash-ecosystem for a limited time and to slowly dry it up later, by limiting the availability of cash from banks for individual customers. Since the assault had to be a surprise to achieve its full catalyst-results, the published Beyond-Cash-Study and the protagonists of Catalyst could not openly describe their plans. They used a clever trick to disguise them and still be able to openly do the necessary preparations, even including expert hearings. They consistently talked of a regional field experiment that they were ostensibly planning.

“The goal is to take one city and increase the digital payments 10x in six to 12 months,” said Malick less than four weeks before most cash was abolished in the whole of India. To not be limited in their preparation on one city alone, the Beyond-Cash-report and Catalyst kept talking about a range of regions they were examining, ostensibly in order to later decide which was the best city or region for the field experiment. Only in November did it become clear that the whole of India should be the guinea-pig-region for a global drive to end the reliance on cash. Reading a statement of Ambassador Jonathan Addleton, USAID Mission Director to India, with hindsight, it becomes clear that he stealthily announced that, when he said four weeks earlier:

India is at the forefront of global efforts to digitize economies and create new economic opportunities that extend to hard-to-reach populations. Catalyst will support these efforts by focusing on the challenge of making everyday purchases cashless.

Veterans of the war on cash in action

Who are the institutions behind this decisive attack on cash? Upon the presentation of the Beyond-Cash-report, USAID declared: “Over 35 key Indian, American and international organizations have partnered with the Ministry of Finance and USAID on this initiative.” On the website catalyst.org one can see that they are mostly IT- and payment service providers who want to make money from digital payments or from the associated data generation on users. Many are veterans of, what a high-ranking official of Deutsche Bundesbank called the “war of interested financial institutions on cash” (in German). They include the Better Than Cash Alliance, the Gates Foundation (Microsoft), Omidyar Network (eBay), the Dell Foundation Mastercard, Visa, Metlife Foundation.

The Better Than Cash Alliance

The Better Than Cash Alliance, which includes USAID as a member, is mentioned first for a reason. It was founded in 2012 to push back cash on a global scale. The secretariat is housed at the United Nations Capital Development Fund (UNCDF) in New York, which might have its reason in the fact that this rather poor small UN-organization was glad to have the Gates-Foundation in one of the two preceding years and the Master-Card-Foundation in the other as its most generous donors.

The members of the Alliance are large US-Institutions which would benefit most from pushing back cash, i.e. credit card companies Mastercard and Visa, and also some US-institutions whose names come up a lot in books on the history of the United States intelligence services, namely Ford Foundation and USAID. A prominent member is also the Gates-Foundation. Omidyar Network of eBay-founder Pierre Omidyar and Citi are important contributors. Almost all of these are individually also partners in the current USAID-India-Initiative to end the reliance on cash in India and beyond. The initiative and the Catalyst-program seem little more than an extended Better Than Cash Alliance, augmented by Indian and Asian organizations with a strong business interest in a much decreased use of cash.

Reserve Bank of India's IMF-Chicago Boy

The partnership to prepare the temporary banning of most cash in India coincides roughly with the tenure of Raghuram Rajan at the helm of Reserve Bank of India from September 2013 to September 2016. Rajan (53) had been, and is now again, economics professor at the University of Chicago. From 2003 to 2006 he had been Chief Economist of the International Monetary Fund (IMF) in Washington. (This is a cv-item he shares with another important warrior against cash, Ken Rogoff.) He is a member of the Group of Thirty, a rather shady organization, where high ranking representatives of the world major commercial financial institutions share their thoughts and plans with the presidents of the most important central banks, behind closed doors and with no minutes taken. It becomes increasingly clear that the Group of Thirty is one of the major coordination centers of the worldwide war on cash. Its membership includes other key warriors like Rogoff, Larry Summers and others.

Raghuram Rajan has ample reason to expect to climb further to the highest rungs in international finance and thus had good reason to play Washington's game well. He already was a President of the American Finance Association and inaugural recipient of its Fisher-Black-Prize in financial research. He won the handsomely endowed prizes of Infosys for economic research and of Deutsche Bank for financial economics as well as the Financial Times/Goldman Sachs Prize for best economics book. He was declared Indian of the year by NASSCOM and Central Banker of the year by Euromoney and by The Banker. He is considered a possible successor of Christine Lagard at the helm of the IMF, but can certainly also expect to be considered for other top jobs in international finance.

As a Central Bank Governor, Rajan was liked and well respected by the financial sector, but very much disliked by company people from the real (producing) sector, despite his penchant for deregulation and economic reform. The main reason was the restrictive monetary policy he introduced and staunchly defended. After he was viciously criticized from the ranks of the governing party, he declared in June that he would not seek a second term in September. Later he told the New York Times that he had wanted to stay on, but not for a whole term, and that premier Modi would not have that. A former commerce and law Minister, Mr. Swamy, said on the occasion of Rajan's departure that it would make Indian industrialists happy:

I certainly wanted him out, and I made it clear to the prime minister, as clear as possible. (...) His audience was essentially Western, and his audience in India was transplanted westernized society. People used to come in delegations to my house to urge me to do something about it.

A disaster that had to happen

If Rajan was involved in the preparation of this assault to declare most of Indians' banknotes illegal – and there should be little doubt about that, given his personal and institutional links and the importance of Reserve Bank of India in the provision of cash – he had ample reason to stay in the background. After all, it cannot have surprised anyone closely involved in the matter, that this would result in chaos and extreme hardship, especially for the majority of poor and rural Indians, who were flagged as the supposed beneficiaries of the badly misnamed “financial-inclusion”-drive. USAID and partners had analysed the situation extensively and found in the Beyond-Cash-report that 97% of transactions were done in cash and that only 55% of Indians had a bank account. They also found that even of these bank accounts, “only 29% have been used in the last three months”.

All this was well known and made it a certainty that suddenly abolishing most cash would cause severe and even existential problems to many small traders and producers and to many people in remote regions without banks. When it did, it became obvious, how false the promise of financial inclusion by digitalization of payments and pushing back cash has always been. There simply is no other means of payment that can compete with cash in allowing everybody with such low hurdles to participate in the market economy.

However, for Visa, Mastercard and the other payment service providers, who were not affected by these existential problems of the huddled masses, the assault on cash will most likely turn out a big success, “scaling up” digital payments in the “trial region”. After this chaos and with all the losses that they had to suffer, all business people who can afford it, are likely to make sure they can accept digital payments in the future. And consumers, who are restricted in the amount of cash they can get from banks now, will use opportunities to pay with cards, much to the benefit of Visa, Mastercard and the other members of the extended Better Than Cash Alliance.

Why Washington is waging a global war on cash

The business interests of the US-companies that dominate the global IT business and payment systems are an important reason for the zeal of the US-government in its push to reduce cash use worldwide, but it is not the only one and might not be the most important one. Another motive is surveillance power that goes with increased use of digital payment. US-intelligence organizations and IT-companies together can survey all international payments done through banks and can monitor most of the general stream of digital data. Financial data tends to be the most important and valuable.

Even more importantly, the status of the dollar as the world's currency of reference and the dominance of US companies in international finance provide the US government with tremendous power over all participants in the formal non-cash financial system. It can make everybody conform to American law rather than to their local or international rules. German newspaper Frankfurter Allgemeine Zeitung has recently run a chilling story describing how that works (German). Employees of a German factoring firm doing completely legal business with Iran were put on a US terror list, which meant that they were shut off most of the financial system and even some logistics companies would not transport their furniture any more. A major German bank was forced to fire several employees upon US request, who had not done anything improper or unlawful.

There are many more such examples. Every internationally active bank can be blackmailed by the US government into following their orders, since revoking their license to do business in the US or in dollars basically amounts to shutting them down. Just think about Deutsche Bank, which had to negotiate with the US treasury for months whether they would have to pay a fine of 14 billion dollars and most likely go broke, or get away with seven billion and survive. If you have the power to bankrupt the largest banks even of large countries, you have power over their governments, too. This power through dominance over the financial system and the associated data is already there. The less cash there is in use, the more extensive and secure it is, as the use of cash is a major avenue for evading this power.

(Courtesy: globalresearch.ca)

The Scam

How IL&FS Used a Subsidiary for Suspicious Fund Transfers

Sucheta Dalal/Moneylife

More evidence piles up every day about how the cash-strapped Infrastructure Leasing & Financial Services (IL&FS) was misusing many of its 347 group entities, which formed an opaque and complex web, to move money around and put off the inevitable for nearly two years before the eventual default.

The Uday Kotak-led board needs to commission a forensic and compliance audit of shady entities of the IL&FS group to get a full picture of its dubious activities. Until then, we will keep finding individual examples of egregious wrongdoing. The manipulation, exploitation and eventual acquisition of Kanak Resource Management Limited (KRML) has unearthed a raft of shady lending and borrowing operations that expose how IL&FS was moving money around in group companies, to ward off a default for at least two years, before founder-chairman Ravi Parthasarathy stepped down in July 2018.

KRML was set up in 2007 as a joint venture (JV) between IL&FS Environmental Infrastructure and Services Limited (IEISL, which was formerly known as IL&FS Waste Management & Urban Services Limited) and Centre for Development Communication (CDC)—a registered trust run by Dr Vivek Agrawal for the purpose of collecting, segregating, trading and transporting municipal solid waste. IEISL controlled 94.71% of the equity and CDC held 5.29% stake.

CDC claims to run waste management projects in Nagpur, Jaipur and Gwalior. Of these, the Nagpur project has been mired in controversy since 2014. Allegations against it range from having collected Rs30 crore more than was due to it from the municipal corporation through a nexus with key municipal employees.

A fact-finding committee “found gross violation of the terms and conditions and huge misappropriation.” KRML has denied these charges and even gone to court to fight the recovery action by the municipal corporation. Its 10-year contract with the municipality is, finally, set to end in early 2019. There is very little publicly available information about its work in Nagpur or elsewhere.

KRML’s website boasts of how it was “the first and only business arrangement of its kind” of a corporate entity and trust to join hands to align “the business interest of the corporate with that of the development initiatives of the Trust.” It didn’t work that way. Although Dr Agrawal, a physician and waste management expert, was appointed managing director (MD) and chief executive officer (CEO) in 2007, they fell out in 2015. This was mainly over the misuse of funds borrowed in KRML’s name and over the manner in which KRML was billing Nagpur Municipal Corporation, says Dr Agrawal.

On the face of it, the obvious answer to the situation would be for IEISL, the 94% partner, to amicably buy out CDC that held 5.9% of the equity. But typical of the way IL&FS functioned, it preferred to harass Dr Agrawal and deny him even his consultancy fees. But this time around, David seems to have scored over Goliath.

Dr Agrawal dragged KRML to the National Company Law Tribunal (NCLT) and obtained an interim order in his favour on 25 September 2017. Once this happened, it was forced to follow a resolution process laid down by the Insolvency and Bankruptcy Code (IBC), which involved dubious manipulation to game the process. This is what has exposed how KRML was used as a conduit for moving money around within the group.

KRML's main occupation in the past few years was to borrow and to repay large sums of money to IL&FS group entities in the form of short-term loans. Page after page of related-party transactions conducted by the group were emailed to me anonymously.

This frenetic borrowing and repayment activity happened mainly in FY15-16 and FY16-17. In FY15-16, over Rs350 crore was borrowed in multiple short-term transactions and also repaid; in FY16-17, the amount was over Rs90 crore.

Curiously, while KRML was furiously borrowing and repaying money to various IL&FS group entities, it also borrowed from Tata Motors Finance Ltd, Yes Bank and Orix Leasing and Financial Services India Ltd (Orix has a 23.5% stake in the IL&FS holding company). The due diligence done by these lenders before extending loans is also questionable, as is their quick support for the machinations by the resolution professional (RP) appointed under the bankruptcy process.

Rajendra Ganatra, a former banker and now a resolution expert, helped us analyse how the IBC process was manipulated and vitiated to acquire control of KRML.

1. Through an EGM (extraordinary general body meeting) on 30 November 2015, KRML's borrowing capacity was raised from Rs50 crore to Rs250 crore. KRML's paid-up capital is only Rs12.86 crore and there is no justification in the EGM minutes for the five-fold increase in borrowing power.
2. Immediately thereafter, KRML got a loan of Rs183-crore from ILFS Financial Services (IFIN) which is 13 times its paid-up capital. And, yet, the repayment period is just 11 months (later extended by six months). Clearly, the intention was to use KRML for some shady manipulation.
3. This is just one of many such transactions. The sheer number of borrowing and lending transactions with related entities in FY15-16 merits a full and separate investigation. But the independent auditor has submitted a clean audit report for the year ended 31 March 2017. In just one year, KRML had borrowed from, or borrowed as well as repaid money from, IL&FS Transportation Networks Ltd (ITNL), IL&FS Renewable Energy Ltd (IREL), Sabarmati Capital One Ltd, IFIN, IREL, SCOL, Hill County Properties, IL&FS Environmental and IL&FS Maritime Infrastructure Co Ltd, etc.

4. Dr Agrawal was not paid his consultancy fees of Rs4.5 lakh per month after May 2016. This assumes that the company had cash flow problems since then. Dr Agrawal filed for resolution under IBC in May 2017 in which he proposed Deepak Arora as interim resolution professional (IRP) which was accepted. By November 2017, the committee of creditors (COC) wanted Mr Arora replaced and appointed Sanjeev Ahuja, this was done in November 2017.
5. The creditors stopped Mr Arora from appointing valuers and delayed valuation for 105 days (from 25 September 2017 to 8 January 2018), although bankruptcy guidelines require this to be done in 30 days. Clearly, the creditors were not really working in the best interest of KRML.
6. KRML's board was suspended on 25 September 2017. Yet, the company pushed through an illegal annual general meeting (AGM) on 27 September 2017, without notifying its minority partner CDC. In fact, KRML has held AGMs without informing CDC for three years, alleges Dr Agrawal.
7. KRML received expression of interest from three companies—Ramky Group, Health Care Energy Pvt Ltd and IEISL. The first two, who are also 'operational creditors', were not provided all the information they sought, in order to stymie their bids. They were also given just eight days to submit their bids.
8. Mr Ganatra says, "The RP has erred in allowing IEISL, which holds 94.71% in the company, to submit Resolution Plan u/s 29 of the IBC. The COC minutes do not carry any affirmative statement that IEISL meets the criteria set out u/s 29A of the IBC and Corporate Insolvency Resolution Process (CIRP) Regulations 38(3). IEISL, obviously, fails the Section 29A criteria, after the November 2017 amendment to the IBC, which bars connected persons to bid for a company.
9. Mr Ganatra points out that the resolution plan of Rs479.09 lakh comprised CIRP cost of Rs60 lakh, payment to operational creditors & related entities of Rs220.09 lakh, and acquisition of shares of corporate debtor for Rs217 lakh. The plan, he says, does not provide a clear picture of the means of finance, or how the secured debt will be serviced or money distributed to various claimants.
10. It also rejected claims by Dr Agrawal and 'his related parties' to the tune of Rs12 crore as being 'contentions/contentious'. This has been challenged by them and the matter is expected to come up for hearing on 16 November 2018.
11. The committee of creditors unanimously approved the bid of IEISL. The three creditors include Orix Leasing, which is hardly an unrelated financial creditor, given its large stake in IL&FS. All this only smacks of a manipulated resolution to benefit IL&FS.
12. These operational creditors have challenged the rejection of their claims and a hearing had been scheduled for 13 September 2018. Now that IL&FS itself has a new board, it will be interesting to see how the KRML dues are serviced.
Will SFIO (serious fraud investigation office) or the Mr Kotak-led board of directors investigate what IL&FS was doing with the money?

The Scam

IL&FS Scam: Gurgaon's Rapid Metro Was Based on Entirely Fraudulent Numbers

Sucheta Dalal/Moneylife

The spanking world-class Rapid Metro, which became operational in Gurgaon (now Gurugram) in 2013, has certainly added lustre to the modern township built by DLF. But the project is based entirely on fraudulent and fabricated ridership claims, to get government sanctions, right of way for land use and other benefits.

The metro project was conceived by DLF, the realty giant, and mid-wifed by the scandal-hit Infrastructure Leasing & Financial Services (IL&FS). They are also the two biggest beneficiaries. India's public sector banks (PSBs), as always, are stuck with the bad loans of this gold-plated project.

Here is how it unfolded. DLF originally proposed a 3.2km metro project between Sikanderpur and National Highway-8 (NH8) to the Haryana government in September 2007. It hired IL&FS to prepare the Detailed Project Report (DPR) as a consultant. This was submitted by DLF to the Haryana government's town and country planning department.

Metros, even elevated ones, are expensive showpiece projects and ought to be considered by smaller cities only when other modes of public transport are inadequate to meet growing transportation demand. But when you have a powerful corporate, captive government and pliant bureaucrats, all good sense is thrown to the wind.

The media has extensively documented DLF's clout with the Central and state governments. It was at the peak of its power in 2007-08. Gurgaon had been transformed into 'Millennium City' and DLF had got itself re-listed on the stock exchanges and was being touted as one of the most valuable companies in India. Its shares were trading at a high of Rs1,200 in January 2008 (as against Rs177 on 22 November 2018); but things took a dramatic downturn soon after.

The Haryana Urban Development Authority (HUDA) invited expressions of interest to construct the metro line on build-operate-transfer (BOT) basis with a 99-year lease in 2008 based on DLF's persuasion. A fresh tender was called in July 2008 because DLF wanted the metro to connect it to its Cyber City as well.

By then, the world was already hit by the global financial crisis. DLF's stock was down to Rs400 and the company itself pulled out of the project. But, instead of being alert to the global financial crisis and its implications for realty and infrastructure development, the Haryana government ploughed on with the project.

Someone connected with the early plans says, DLF originally pitched the metro as a Rs325-crore project, but the cost soared to over Rs1,000 crore after it was tendered and IL&FS Transportation Network Ltd (ITNL) became the sole owner. The very rationale and viability were based on completely fraudulent claims about potential riders.

The DPR (detailed project report) projected passenger traffic at a huge 100,000 passengers per day in the first year itself. (See table)

Daily Metro Ridership - Base Case

Year	Northbound	Southbound	Total
2015	109890	112560	222450
2020	132000	134630	266630
2025	159620	163520	323140
2030	176240	180540	356780
2035	194580	199340	393920
2040	214830	220090	434920

The truth turned out to be vastly different. The actual riders, in phase-1, were barely 30,000 per day. Five years later, after completion of the phase-2, the riders are less than 50,000 a day. (See table for the latest numbers).

Total Metro Ridership

Sr No	Month	Ridership RMGL	Ridership RMGSL	Total Ridership	Ridership in Rs lakh
1	Nov-17	705315	486933	1192248	11.92
2	Dec-17	661132	482775	1143907	11.44
3	Jan-18	701394	517109	1218503	12.19
4	Feb-18	649981	507132	1157113	11.57
5	Mar-18	668451	536855	1205306	12.05
6	Apr-18	661021	538674	1199695	12
7	May-18	712878	573700	1286578	12.87
8	Jun-18	722159	563805	1285964	12.86
9	Jul-18	810865	651886	1462751	14.63
10	Aug-18	807267	674835	1482102	14.82
11	Sep-18	740815	640197	1381012	13.81
12	Oct-18	759899	683402	1443301	14.43
	Total	8601177	6857303	15458480	154.58

But every decision with regard to the rapid metro was based on the big fraud of inflated riders. The Haryana government granted right of way as well as land for the project and the metro stations, based on the traffic projections, for only a revenue share in non-fare revenues (such as advertisement income) and connectivity charges, based on these projections. Banks were also persuaded to fund the project based on these false claims. This raises several questions that beg a full-fledged investigation.

- First, who was the biggest beneficiary of the project? Clearly DFL. It got a free ride on the project, as is clear from the rapid metro's website. The metro "provides a transport solution for areas in and around Cyber City, DLF phase-2, DLF phase-3, NH8 & Golf Course Road up to Sector 55-56 Gurugram and provides connectivity to Delhi Metro from Sikanderpur Station," it says. A Haryana government source says that DLF's ongoing projects saw a minimum cost appreciation of 15% due to the metro, in very difficult times for the realty industry, globally.
- IL&FS was the next big winner. While the project itself was based on spurious projections and doomed to fail, ITNL, the promoter, and the group as a whole, earned plenty in fees, since the Haryana government allowed a generous increase in project cost to the Rapid Metro Rail Gurgaon Ltd (RMGL), a special purpose vehicle (SPV) which built the project.
- The civil construction contract went to IL&FS Engineering and Construction Company Limited, also at a fat fee. A forensic audit would reveal how much IL&FS, as a group, has earned from the project in various types of fees, costs and expenses.
- The poor riders' data of phase-1 was a wake-up call. Instead, the second phase of the project was built and cleared. And the combined project has yet to achieve half the riders projected for phase-1. The southward extension for phase-2 was a 6.6km long double-track extending from Sikanderpur to Sector 55 and 56 in Gurgaon and was estimated to cost Rs2,423 crore then.

In February last year, the Comptroller and Auditor General (CAG) rapped HUDA for failing to enforce the terms of concession contract, resulting in undue benefit to the concessionaire of the Rapid Metro in Gurgaon at the cost of public.

The report said: "HUDA had entered into a concession contract assuming 80 per cent of liabilities of concessionaire in the event of termination of the contract and default of the concessionaire as to the costing of the project and extent of potential liabilities." But CAG also did not go into the fact that the entire project was based on false projections.

In February 2016, IL&FS, the failed group holding company, partially bailed out ITNL which promoted RMGL by acquiring a 49% stake at Rs509.9 crore (Rs17 a share for a hugely loss-making project). This was, obviously, to airbrush the performance of ITNL which was a listed company and attracted close scrutiny by stock market analysts and funds.

Interestingly, just around the time that the IL&FS board was sacked by the government in August 2018, the Rapid Metro had issued a notice to the Haryana government alleging “breach of the concession contract” and making a claim of Rs1,484 crore.

One of its allegations is that the Haryana government had “promised that other modes of transport like shared autos would not be permitted on the metro route once it became operational.” Whether such an outrageous promise, to block the most easily accessible public transport, had actually been made is also worth investigation. It would indicate the extent to which the bureaucracy was compromised.

Unfortunately, bankers and bureaucrats appear to have ganged up to protect their own. There is no attempt to go into the dubious deals of the IL&FS’s management cabal.

The Reserve Bank of India (RBI), which is fighting the government to preserve its independence, also failed badly where IL&FS is concerned. Umesh Baveja, founder of RAHI Aviation, who was put behind bars by IL&FS on what looks like trumped up charges, had sent detailed account about the scandalous Rapid Metro in his 2 October 2015 letter to Dr Raghuram Rajan, then governor, RBI.

RBI raised a red flag about IL&FS being over-leveraged. But it was kept a secret. Had it made its conclusions public, bankers, rating agencies, pension funds and mutual funds would have been alerted at least two years earlier.

(Courtesy: Moneylife)

The Struggle

Authoritarian populism and popular struggles in Modi's India

ALF GUNVALD NILSEN

During the summer months of 2018, the term “urban Naxals” began circulating in the Indian public sphere. Coined by third-rate film-maker and Hindu nationalist hater Vivek Agnihotri in his extraordinarily cringeworthy book *Urban Naxals: The Making of Buddha in a Traffic Jam*, the neologism is intended to designate city-based supporters of the Maoist rebels that have been waging a stubborn guerilla war against the Indian state since the late 1960s. The story that goes along with the term is that India's big cities are infested with leftist and left-liberal intellectuals and activists who provide the Maoist insurgents in the so-called Red Corridor with a treasonous infrastructure of ideological and practical support. As such, they are enemies of the state, and should be rooted out in the name of the security and prosperity of the Indian nation. “Urban Naxals stay in cities and have luxurious lives, their children are well-educated,” Prime Minister Narendra Modi claimed in a speech recently, “but they remote control the lives of Adivasi (tribal) children and destroy their lives.”

“Urban Naxals stay in cities and have luxurious lives, their children are well-educated,” Prime Minister Narendra Modi claimed in a speech recently, “but they remote control the lives of Adivasi (tribal) children and destroy their lives.”

It is easy enough to pick apart the term and the story that goes along with it – indeed, its substantive content is based on little more than a wafer-thin combination of fanciful delusions and malign conjecture. However, the fact that a term like this circulates widely in India's public sphere and is used and thereby authorized by the premier of the republic is ripe with consequence.

This became amply clear in late August this year, when, in a nationwide sweep, the Pune Police raided the homes of several human rights activists and arrested five of them – Arun Ferreira, Sudha Bharadwaj, Varavara Rao, Gautam Navlakha and Vernon Gonsalves. All were accused of nurturing links to Maoist rebels, and the president of the ruling Bharatiya Janata Party (BJP) claimed that they were involved in gunrunning, aiding the insurgents, and plotting to kill the Prime Minister.

Crucially, these arrests and the way which they were justified by the powers that be fits into a more pronounced pattern of authoritarianism in Indian politics since Narendra Modi and the Hindu nationalist BJP came to power in 2014, in which social movements, activists, and dissidents find themselves at the receiving end of increasingly brazen forms of repression. To understand how this perilous conjuncture has come about, we have to consider the wider logic of Modi's political project.

Authoritarian populism and the enemy within

Writing in 1980s Britain, cultural theorist Stuart Hall coined the term 'authoritarian populism' to refer to a particular kind of conservative politics. Authoritarian populism, he argued, was characterised by the construction of a contradiction between the common people and elites, which is then used to justify the imposition of repressive measures by the state.

According to Hall, such a contradiction was constructed in part by depicting specific groups as an ominous enemy within – that is, as a threat to and an enemy of the interests of the putative people. This enemy – typically political dissidents and minority groups – is in turn made the target of repression and punitive discipline, all in the name of a supposed common national interest. In this process, conservative forces tighten their grip on society and the body politic, to the detriment, obviously, of democratic life.

As I have argued elsewhere, 1980s Britain and contemporary India are of course very different contexts, but Hall's insights are nevertheless useful in terms of understanding the BJP's current agenda and the toll it is taking on Indian democracy. Modi and the BJP are part of a Hindu nationalist movement with roots stretching back to the 1920s. This movement consists of a wide spectrum of organizations that operates with the goal of making India a Hindu nation. Until recently, its support base was comprised largely of India's upper castes and middle classes, who sought to defend their interests against political assertion by Dalits and lower caste groups. However, these groups are not numerically significant enough in Indian society to underpin dominance in the electoral arena. This is why Modi and the BJP opted for unseating the Congress-led United Progressive Alliance (UPA) in the 2014 general elections on the basis of a national cross-class and cross-caste consensus.

This consensus was constructed on the back of a campaign that portrayed Modi as a man of action who would bring development to the common people. In peddling this message, Modi and the BJP were tapping into the frustrated ambitions of many ordinary Indians who had failed to reap the benefits of economic growth under the UPA regime. It was also a message suffused with a specific kind of anti-elitism: as someone who had risen from humble beginnings, Modi was depicted as being quintessentially different from the scions of the Nehru-Gandhi family and the Congress dynasty – he knew the realities on the ground, and could therefore bring achhe din (good days) to the average Indian man and woman.

Modi was pictured as being quintessentially different from the scions of the Nehru-Gandhi family and the Congress dynasty – he knew the realities on the ground, and could therefore bring achhe din (good days) to the average Indian man and woman.

The Modi narrative, however, was never only about achhe din aane waale hain (good days are coming) – it was also about drawing a line between true Indians and their enemies, and rallying popular support for a crackdown on those enemies. It is here, in particular, that the BJP regime creates the enemy within that it needs in order for the current incarnation of Hindutva to thrive. That enemy, of course, is the political dissident – the activist, the public intellectual, the student, the lawyer and the journalist who dares to question and challenge a government that is acting in the interest of the people. The enemy within is accused of being "anti-national" and subjected to harassment, silencing and – as evidenced most recently by the attempt on student activist Umar Khalid's life, and before that by the killings of scholar-activists M.M. Kalburgi, Govind Pansare, Narendra Dabholkar and journalist Gauri Lankesh – murderous violence.

It is also crucial to acknowledge that this coercive dynamic does not only take the form of repression against social movements, activists and dissidents. As has become increasingly clear after the 2014 elections, it also takes aim at vulnerable groups and minorities, such as Muslims and Dalits, through the majoritarian cultural politics that has crystallized around issues such as cow-protection, inter-religious love and religious reconversion. As with the policing of activism and dissent, the making of a cultural and religious Other is a profoundly violent affair: in fact, more than 96% of all vigilante attacks on Muslims and Dalits over the past eight years have taken place since Modi came to power. In other words, political coercion and cultural nationalism are joined at the hip in BJP's authoritarian populism.

Counterhegemony and counternarratives

In the spring of 2019 – most likely in late April or early May – India will go to the polls again, and there is a real chance that Modi and the BJP will secure a second term in office. Such an outcome would no doubt provide the party with an opportunity to continue the slow-motion suffocation of the world's largest democracy that it set in train in 2014. It is therefore imperative that progressive oppositional forces challenge the narrative that Modi and his followers have been touting, in which movements, activists, and dissidents are stigmatized as anti-national enemies within. Counterhegemony, in short, needs a counternarrative about the forms of activism that are currently in the crosshairs of the Modi regime.

Such a counternarrative, I believe, should be grounded in the adamant insistence that there is nothing anti-national about dissent, activism, and popular struggle. On the contrary, the counterhegemonic narrative should run, oppositional collective action has always been at the heart of the making and remaking of the modern Indian nation, and to the extent that Indian democracy has substantive meaning and real implications for poor and oppressed groups, this is directly related to activism which has challenged ruling elites – both past and present. This dynamic has played itself out both at the level of the national polity as a whole, and at the level of local communities. India, of course, won its freedom through popular struggle, and crucially, that struggle was not animated by a singular and uniform idea of what the postcolonial state should look like. On the contrary, the three decades from 1920 to the late 1940s witnessed fierce struggles between the interests and visions of Indian elites and the claims and aspirations of exploited and excluded groups, such as landless workers and the urban poor.

In other words, dissent and opposition played an integral part in making the democracy which is currently under siege by the authoritarian populism of the BJP. And to the extent that the compass of this democracy has been widened during the seven decades that have passed since independence, this is similarly a result of the collective action of movements from below – for example, Dalit struggles and the women's movement.

In short, counterhegemony must, first and foremost, assert the legitimacy of contention against the attempt by authoritarian forces to legitimize coercion.

At the local level, my own research has revealed how Indian democracy is often made real precisely because of social movements and despite the workings of the state. For example, in

my recent book *Adivasis and the State*, I show how poor Adivasi (tribal/indigenous) groups in rural western India have been brutally oppressed by local state personnel, who would use the powers vested in them in relation to law enforcement and their role in dispensing crucial public services, to impose illicit demands for bribes. This everyday tyranny has been enforced with violence, threats and coercion and prevented the collective articulation of rights-based claims and demands on the state. As I detail in my book, it was organizing and mobilizing from below by local social movements that changed these equations. These movements aggregated Adivasi grievances into rights-based claims and demands. In pursuing these claims they carved out a space in which democratic transactions could take place, and fostered the emergence of insurgent forms of citizenship.

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Deepening democracy beyond 2019

But counterhegemony must be about more than just counternarratives in defense of constitutional democracy. The refusal to align with majoritarian coercion has to be coupled with an agenda that can drive further processes of democratic deepening. And such an agenda must work to widen the cracks and fissures that have begun to appear in Modi's attempt to construct a Hindu nationalist hegemony.

These cracks and fissures are evident in a series of setbacks in the electoral arena – for example, in the Karnataka State elections and in several important by-elections, in Uttar Pradesh and Bihar. Moreover, multiple challenges have arisen outside the parliamentary sphere, in the form of new popular movements that contest Modi's legitimacy. Key among these are the new forms of Dalit radicalism that have erupted in Gujarat and other parts of the Hindi heartland, as well as the recent agitations by small and marginal farmers, landless labourers and Adivasis in response to the deepening of the crisis in India's countryside. In the face of such fragilities, the need of the hour is to consolidate scattered forms of resistance and multiple social forces around radical claims for redistribution and recognition.

In the face of such fragilities, the need of the hour is to consolidate scattered forms of resistance and multiple social forces around radical claims for redistribution and recognition. It is precisely through such claims that opposition to Modi and the BJP becomes more than a defensive rallying around civil and political rights – it is through such claims that a genuinely counterhegemonic offensive, capable of deepening democracy, can be moulded.

(Courtesy: OpenDemocracy)

The Social

Is Facebook in India Truly Independent of Political Influence? Not Really -- It Has Backed Modi and BJP.

Cyril Sam, Paranjoy Guha Thakurta

Facebook, the biggest online social media group in the world, is under unprecedented attack following the publication on 14 November of a 5,000-word investigation by the New York Times alleging a host of questionable practices by the digital conglomerate, that includes WhatsApp and Instagram. The company's share prices have come down and particular investors have called for the resignation of Mark Zuckerberg, the 34-year-old founder and chief executive officer of Facebook and his 49-year-old deputy, chief operating officer Sheryl Sandberg. While the two have sought to refute certain specific allegations levelled against them, their leadership abilities and integrity are being questioned like never before. This is arguably the biggest crisis faced by Facebook which has 2.27 billion users across the world, including over 220 million in India – the largest in any country.

Even as allegations against the digital monopoly for allowing its platforms to be misused have intensified globally and calls have been made to break it up, we present an investigation into Facebook's activities in India. This series of five long reports is based on interviews (quite a few of them off-the-record) with nearly 50 individuals that were conducted over a period of five months starting June 2018 as well as information that is available in the public domain.

While the international digital giant claims it provides an agnostic platform for all to use, there is evidence – some of it circumstantial – to indicate that senior employees of Facebook in India have in the past worked, and continue to work, very closely with the country's ruling Bharatiya Janata Party and Narendra Modi since 2011. Their uncomfortably-close proximity to the powers-that-be in the country raises a big question: Will Facebook act in a neutral manner in the run-up to the general elections scheduled for April-May 2019? This is the first in a series of five reports — that critically examines whether Facebook and its companion platform WhatsApp have been complicit in promoting the interests of India's ruling regime and its right-wing, Hindu nationalist agenda.

In the first article, we examine allegations relating to the complicity of Facebook and WhatsApp in spreading disinformation and hate speech that have led to mob lynching in different parts of the country. We also point out how critics of the Modi regime have felt marginalised by the social media platform and its associates. In the second article, we report how Facebook arrived at the dominant position it currently is in India with more than a little help from friends and

supporters of Prime Minister Modi. In the third report in the series, we outline the role played by key individuals with close links with the BJP and Modi and how the social media was used in propagating his party's agenda. In the fourth article, we look at the Congress party's relations with Facebook, the questionable activities of Cambridge Analytica in India and, among other things, an allegation of possible conflict of interest pertaining to a senior employee of Facebook in India. In the fifth and final article, we outline the crisis confronting one of the world's biggest internet conglomerates set up just over a decade ago. We also reproduce a detailed questionnaire that we sent Facebook and the social media platform's predictable and somewhat fuzzy responses to 64 pointed questions we raised.

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On 22 September, speaking at a public rally for social media volunteers of the Bharatiya Janata Party in Kota, Rajasthan, party president Amit Shah remarked: "We are capable of delivering any message we want to the public, whether sweet or sour, true or fake."

To place his remarks in context, Shah first said that before assembly elections were held in Uttar Pradesh in February-March 2017, BJP supporters had put together two huge groups of its supporters on WhatsApp together comprising a stupendous 3.2 million users. Every day at 8 am, messages would be sent to group members for them to "know the truth" about "false" information that had been published about the BJP in various publications and websites. One "smart" volunteer had put out a fabricated post claiming that Akhilesh Yadav, the then Chief Minister of Uttar Pradesh (belonging to the Samajwadi Party which is opposed to the BJP) had slapped his father Mulayam Singh Yadav. The message went viral and reached Shah.

The BJP president then said that this should not have been done. Nevertheless, a maul or an environment was created. As members in the audience smirked, Shah almost-lovingly chided them: "This is something worth doing but don't do it! Do you understand what I am saying?"

He added: "We can do this because we have 32 lakh people in our WhatsApp groups. That is how we were able to make this go viral."

The exact text of Shah's speech in Hindi is available on many media websites. The numbers he cited are truly staggering. During a recent visit to India, the global head of WhatsApp Chris Daniels claimed in an interview with the Economic Times that while the "end-to-end encrypted" platform "enables" over 200 million individuals in the country: "People sometimes find it surprising that over 90% of the messages sent on WhatsApp are between two people and the majority of groups have less than ten people."

Amit Shah and the BJP's supporters, sympathisers and volunteers have evidently been far more successful than most others across the globe in using this social media platform, if Daniels'

figures are to be believed. There is no doubt that the BJP has been running the world's biggest – and arguably most influential – online political campaign. At a time when Facebook, the largest social media platform and digital monopoly of its kind on the planet (which also owns WhatsApp and Instagram) has come under growing global scrutiny and strident criticism over its claims of neutrality and the misuse of its data by Cambridge Analytica and others, its operations in India are being increasingly questioned, and rightly so.

While there have been allegations that supporters of Narendra Modi have frequently spread disinformation on online platforms, sometimes with the help of content marketing companies, legitimate news media organisations and journalists critical of the ruling regime are complaining that they have been deliberately marginalised and, at times, even “censored” by Facebook. Here are a few instances.

On 10 August, Caravan was not allowed to boost an article on Facebook which was critical of the BJP president. The magazine had claimed that Shah had “misrepresented” his assets and liabilities in his affidavit filed before the Election Commission of India. The publication wanted to boost this particular article on its website on Facebook. However, approval came eleven days later by which time the story had lost quite a bit of potential for traction as the news cycle had surged ahead.

This is what Vinod K Jose, Caravan's executive editor stated in an email communication to the writers of this article: “It was very strange for us at the Caravan to see Facebook not boosting our exclusive report of August 10 on Amit Shah hiding his loan liabilities from his electoral affidavit, as Caravan has a verified account with Facebook and both organisations have partnered each other in the past in hosting public events.”

Jose added that his publication's digital marketing team waited for days after initiating the review process, but got no reply from Facebook. “This made us more suspicious and we assigned a reporter to look into what was going on ... (He) contacted the India head for communications at Facebook via email and although there was no reply, the block to the boost was removed eleven days after the story was published, which in the case of a hard-hitting news story makes no sense.”

Caravan received a reply from Facebook on August 21 which read: “We've reviewed your ad(vertisement) again and have determined (that) it complies with our policies. Your ad is now approved. Your ad is now active and will start delivering soon. You can track your results in Facebook Ads Manager.”

Jose wonders that if Facebook found nothing wrong on August 21, why did it block the boost for eleven days. Caravan reporter Tushar Dhara even escalated his communication to Facebook's headquarters in the United States. His questions went unanswered for ten days.

“Facebook has to decide how it wants to go down in Indian history,” Jose remarked sarcastically. “As a channel (that believes in) free flow of information and (a) supporter of democracy or as a gatekeeper of information and blocker of democracy. In the US, Facebook has assigned 20 people just to monitor content around (America’s) mid-term elections, and in a democracy five times bigger, will Facebook India care to assign a team of 100 people in the coming crucial months of (the) Indian elections? Companies should not have two different standards for two different democracies.”

Within days of the Caravan article not being boosted by Facebook, there were complaints from other journalists that they were being “locked out” of their Facebook accounts for inexplicable reasons. The common factor among all these journalists was that they were writing against the ruling party and the Modi government. They included Rifat Jawaid of Janata Ka Reporter, Prema Negi and Ajay Prakash of Janjwar and several journalists with Caravan Daily (as distinct from Caravan) and Bolta Hindustan.

Jawaid, a former journalist with the British Broadcasting Corporation, was shut out on 27 September. He told the Kolkata-based Telegraph that the Facebook page of Janata Ka Reporter had been blocked in 2017 after the website broke news about the controversy relating to the Rafale fighter aircraft deal. The page was restored after he complained on the social media. On 27 September, “...minutes after I posted something on the Ayodhya verdict (by the Supreme Court), my account was disabled,” Jawaid told Pheroze L Vincent of the Telegraph, adding: “It was restored in a day after I wrote to the nodal officer.”

Portals like Caravan Daily and Janjwar that get most of their readers on Facebook were also impacted. On October 1, five reports published in Caravan Daily, including one on activist Gautam Navlakha being released on orders of the Delhi High Court was marked as “spam” by Facebook. “When we woke up on October 4, we found both our personal accounts blocked,” Negi and Prakash said, adding that they were asked for proof of their identification more than once to access their disabled accounts.

Five employees of Bolta Hindustan too found their Facebook accounts blocked. Vincent asked Facebook India’s communications head Amrit Ahuja to respond. Forty-eight hours were sought but no response came, the Telegraph journalist wrote in his article published on 8 October.

A source in NDTV India (speaking to one of the writers of this article on condition of anonymity) said he and his colleagues found it rather puzzling why the traction on Facebook that was received by Ravish Kumar’s popular television show, Prime Time, would inexplicably drop on particular nights when a programme that was especially critical of the government would be broadcast. One such programme on the rising prices of petroleum products had contrasted the government’s response with what Modi had said when he was Chief Minister of Gujarat. Said this source: “We were surprised when the numbers of views and shares on our Facebook page,

after going up in an expected manner, suddenly stagnated. We are not sure if this was done deliberately but it was certainly out of the ordinary. We had an internal debate as to whether we should lodge a formal complaint with Facebook. We eventually decided against it because we were not sure we would be able to establish any hanky-panky.”

Facebook likes to claim that it is a politically agnostic website, but it talks little about its association with particular political parties. In an emailed statement to us on its work with political parties in India, the organisation’s spokesperson stated: “Facebook’s policy team is focused on helping a variety of people – educators, our community, NGOs (non-government organisations) and governments – understand our policies, programmes and products to help create positive and meaningful experiences for the people who use our services. We are globally invested in critical areas of internet governance and policy development– safety, small business growth, Internet access, and giving people a voice. This team works with all political parties, and we work with all of them who reach out to us for training.”

Between 2012 and 2018, supporters of the BJP have spread innumerable pieces of highly-problematic content on Facebook-owned platforms to promote Modi as a “saviour” or “messiah” of India’s Hindus and to suppress any criticism of him. Such content has created communal tension between Hindus and Muslims and led to incidents of mob lynching in different parts of India. Over the twelve-month period till October 2018, at least 30 individuals have been lynched by mobs – quite a few of these incidents took place after messages were spread on WhatsApp accusing them of killing cows, stealing cattle, kidnapping children or for having a relationship with a person subscribing to a different religious faith. An analysis of government data by the IndiaSpend website suggested a 28 per cent rise in incidents of communal violence in the country between 2014 and 2017. More than half these incidents took place in states where the BJP is in power, Uttar Pradesh, Bihar and Jharkhand.

Much of this problem is related to the way the laws of the land are administered, or not. But can this be completely delinked from the facilities that social media platforms like Facebook and WhatsApp provide in the ease of disseminating of information, including disinformation or fake news? These are some of the questions we seek to address in this series of articles.

* * *

In recent months, Facebook’s chief executive officer Mark Zuckerberg has been asked by representatives of five government committees, from Argentina, Australia, Canada, Ireland and the United Kingdom, to personally appear and depose before an “international grand committee” on disinformation and fake news. In a number of countries of Europe, the US, the UK and Singapore, Facebook’s representatives have been subject to intense scrutiny and sharp criticism by lawmakers. They have been directed to become more responsible, accountable and act stringently against those misusing or abusing their platforms.

The government of India has time and again criticised Facebook for spreading disinformation. However, the government's representatives have, by and large, demanded that Facebook fix the problems on its own and largely through "technological solutions."

Union Minister for Electronics and Information Technology Ravi Shankar Prasad (who also holds the Law portfolio in the Council of Ministers) first demanded that Facebook check the spread of fake news in September 2016. Since then he has repeated this demand many times over.

He said: "There is a need for bringing in traceability and accountability when a provocative/inflammatory message is detected and a request is made by law enforcement agencies. When rumours and fake news get propagated by mischief mongers, the medium used for such propagation cannot evade responsibility and accountability. If they remain mute spectators they are liable to be treated as abettors and thereafter face consequent legal action."

That month, for the first time, the Indian government demanded "traceability" of senders of messages from WhatsApp. Two notices were sent by the IT Ministry to the organisation in quick succession. Between May and July 2016, there had been at least three gruesome killings after fake messages were circulated on WhatsApp. A 26-year-old labourer from Rajasthan who was working in Bengaluru, the country's "IT capital," was lynched apparently after a fake video had been doing the rounds claiming that persons from outside Karnataka were "stealing" children. In Maharashtra's Dhule district, five persons were lynched after fake videos were shared on WhatsApp groups claiming that a gang was "harvesting organs" of dead children – one video from 2013 depicted children who had died after a nerve-gas attack in Syria. Then, a 32-year-old Muslim software engineer was brutally lynched by a mob in Bidar, Karnataka, after fake videos about children being kidnapped had been distributed.

In June 2017, 55-year-old meat trader Alimuddin Ansari was lynched by a mob of vigilantes for allegedly transporting beef illegally in Ramgarh, Jharkhand. His helpless wife and son learnt about his killing almost in real time on WhatsApp. A year later, Harvard-educated Union Civil Aviation Minister Jayant Sinha garlanded some of those who had been accused of being part of the lynch mob and who were out of prison on bail at his home in Hazaribagh – he is member of the Lok Sabha from the same constituency – for which he later expressed regret.

In July 2018, IT Minister Ravi Shankar Prasad said that while the government of India does not want to read everyone's messages on WhatsApp it was not rocket science for Facebook to use technology, artificial intelligence and machine learning to curb the mass circulation of false information. Prasad added that while social media platforms like WhatsApp can be commercially successful, it must at the same time be accountable, responsible and vigilant. He

said the measures taken by WhatsApp on tackling circulation of fake news did not meet the government's expectations on "traceability."

A spokesperson of WhatsApp promptly responded and said the platform "cares deeply about people's safety," that it was working with Indian researchers to address the problem of proliferation of fake news and would run public safety campaigns. Soon thereafter, WhatsApp placed a forwarded tag to indicate that a message had been forwarded and restricted the number of individual users or groups to which a message could be forwarded at one go to five.

After WhatsApp's global head Daniels met Prasad on 30 October – his second visit to India in as many months – a spokesperson of the organization stated: "We appreciate the opportunity to meet with government leaders, including Minister Prasad who confirmed his support for encryption and the privacy of our users. WhatsApp is deeply committed to serving the people of India and working closely with civil society and government leaders to help address abuse on our platform."

An aside: Daniels is reportedly very upset with the government of India but for reasons that have nothing to do with fake news and hate speech on WhatsApp. A person who met him said on condition of anonymity: "He was livid that WhatsApp had not been granted permission to start its payments gateway although he claimed that his organisation had fulfilled all the conditions that PayTM and Google Pay had."

In this context, he told the Economic Times that it was "critical that Indian leaders ensure a level playing-field."

On issues of encryption and traceability, Daniels was categorical that WhatsApp should remain the way it was built as "a place for private conversations" – and that it could not provide information about the originator of content unless its systems were redesigned and its privacy standards revised to enable it to "indiscriminately track user data." Daniels added that while "relying on law enforcement is not enough," there was need for "broad education to explain how to stay safe" which, in turn, was the job of every stakeholder, technology companies, civil society and the government.

An independent observer like Mishi Chaudhary, legal director of the Software Freedom Law Centre and a digital rights activist who divides her time between New Delhi and New York, is of the view that Facebook can do much more to ensure that users are not made part of groups without their prior consent. Says she: "Like all technology companies, Facebook believes that every problem can be solved by more technology but things are not always that simple."

Chaudhary says messages not only impact the conscious mind but the unconscious as well, especially in view of the highly-addictive nature of social media platforms like Facebook and

Twitter. “You keep spamming a falsehood and after a while, people start believing the untruth – it’s a classic ‘Goebellian’ technique,” she said in a reference to Paul Joseph Goebbels, a close associate of Adolf Hitler and propaganda minister in Nazi Germany between 1933 and 1945.

Facebook’s critics say it only pays lip-service to tacking the spread of fake information. Its entire business model is predicated on posts becoming viral. The more a user interacts with the platform and gets hooked on to it, the better for Facebook. “The company is treating fake news as a public relations problem in India,” says a fact-checker who works with Facebook and who spoke off-the-record, adding: “There are many ways to deal with disinformation but that is not a priority for the bosses at Facebook. For them, it is at best a tick-box exercise response.”

It has been well documented by fact-checking websites like AltNews and Boomlive that supporters of Modi and the BJP have been serial offenders as far as propagating disinformation is concerned. One such right-wing website is Postcard News that has been co-founded by Mahesh Hegde. He was arrested by the Bengaluru police on 30 March for alleging that a Jain monk had been assaulted by a Muslim man whereas the monk had suffered minor injuries in an accident. Union Minister Anantkumar Hegde (no relation to Mahesh Hegde) called for his release and described his arrest as “politically motivated.” The website of Postcard News has in the past been accused of spreading disinformation about, among others, journalist Barkha Dutt and West Bengal Chief Minister Mamata Banerjee. It is replete with pro-BJP propaganda.

Whereas Mahesh Hedge’s arrest was a rare instance of police action against a peddler of problematic information, what has caused considerable consternation is how large numbers of users of social media platforms like Facebook and WhatsApp who have been accused of spreading disinformation continue to be “followed” by Prime Minister and other ministers in the Union government.

When questioned by one of the writers of this report as to why Modi was not “unfollowing” or “unfriending” regular disseminators of disinformation at a conference in Jaipur on 11 October, Suresh Kochattil, adviser, Information Technology Cell of the BJP in Telangana, said it was not realistic to expect a person like the Prime Minister of India, who has millions of followers on the social media, to keep track about who is spreading fake news and who should not be followed or befriended. At the same conference, he had concluded his presentation on “political wars on social media” by remarking that “things are going to get worse” before the forthcoming general elections “before they get better.”

A Facebook page titled Jay Modiraj (or “hail Modi’s rule”) with 1.4 million followers and which has been running an advertising campaign to garner more “likes,” has been very active circulating manipulated images of the Prime Minister, trashing his political opponents and encouraging Islamophobia. One set of two pictures depicted Modi with yellow and red marks

on his forehead next to Congress President Rahul Gandhi wearing a Muslim skullcap. The captions in Hindi read: “One fights for truth, the other advocates terrorism.”

The same website also circulated reports from a disinformation website called “BBCNewsHub” that stated that the Congress was the world’s fourth most corrupt party and that Sonia Gandhi was the world’s fourth richest woman. This Facebook page also posted manipulated pictures of Modi with world leaders, false quotes of Indian Army chief Bipin Rawat and Congress MP Shashi Tharoor calling Modi a scorpion and incorrect information about World Bank loans to India. On the Facebook page of Jay Modiraj, there is a picture from Thailand that was sought to be passed off as a military drill being conducted in India. It also circulated a manipulated image of Modi standing next to former Prime Minister Atal Behari Vajpayee’s body.

The fact-checking website Alt News investigated the individuals associated with the page – Sachin Patel, Rajesh Soni, Bhavin Patel, Manoj Gilani and Neha Patel – and found that most of them had “display pictures” or DPs of themselves with Prime Minister Modi and some had attended a meeting organised for the Prime Minister to interact with his party’s social media volunteers. One among the persons named (Bhavin Patel) described himself on Facebook as a member of the IT Cell of the BJP and the RSS.

The fact is that some trolls who claim to be supporters of the ruling party have become akin to Dr Frankenstein’s Monster and have ended up embarrassing the Modi government. In July, External Affairs Minister Sushma Swaraj was viciously trolled and abused on social media platforms in connection with the issuance of passports to an inter-faith couple in Lucknow. The filthy language used against her elicited an anguished response from her husband Swaraj Kaushal.

WhatsApp was reportedly “misused” for a different kind of “lynching” of a financial nature. The share prices of a publicly-listed company, Infibeam, collapsed by as much as 71 per cent on a single day (28 September 2018) following a WhatsApp message that had raised concerns about the e-commerce company’s allegedly dodgy accounting practices. The incident made headlines in the financial media.

Over the last five months, from June 2018 onwards, we spoke to nearly fifty persons, including current and former employees of Facebook India, before writing this series of articles. Many of them did not want to be quoted fearing repercussions. It became evident to us that key individuals involved with the organisation share an uncomfortably close relationship with the BJP and at least one of them was associated with Modi’s pre-election campaign in 2013 and 2014 and was associated with a website that spread pro-BJP news on Facebook. We also looked into what appeared to be an instance of “conflict of interest” involving a senior functionary of Facebook India. There’s much more to come in the following articles.

The Social

Part 2: Did Facebook in India Help BJP and Modi?

Cyril Sam, Paranjoy Guha Thakurta

Is Facebook truly an agnostic platform for all to use? After interviewing nearly 50 people over the last five months, we collated evidence (some of it circumstantial) to indicate that senior employees of Facebook India have worked, and continue to work, very closely with the country's ruling Right-wing, Hindu nationalist Bharatiya Janata Party. Its close links with the BJP existed well before Narendra Modi became Prime Minister in May 2014 and got strengthened thereafter. Given past experience, the question is whether Facebook will be neutral before the April-May 2019 general elections. In the first in a series of long reports, we looked at how Facebook's companion platform WhatsApp had been complicit in spreading fake news, incendiary information and acted against those critical of India's ruling regime. In this, the second article, we report on how Facebook India and its platforms arrived at the dominant position it is in at present.

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In September 2017, the President of the United States of America, Donald Trump, accused Facebook of bias against him. The chief executive officer of the world's biggest social media platform Mark Zuckerberg stated:

Also Read: [Part 1: Is Facebook in India Truly Independent of Political Influence? Not Really -- It Has Backed Modi and BJP.](#)

"I want to respond to President Trump's Tweet ... claiming Facebook has always been against him. Every day I work to bring people together and build a community for everyone. We hope to give all people a voice and create a platform for all ideas. Trump says Facebook is against him. Liberals say we helped Trump. Both sides are upset about ideas and content they don't like. That's what running a platform for all ideas looks like... This was the first US election where the internet was a primary way candidates communicated. Every candidate had a Facebook page to communicate directly with tens of millions of followers every day. Campaigns spent hundreds of millions advertising online to get their messages out even further. That's 1,000x more than any problematic ad(vertisement)s we've found...

"After the election, I made a comment that I thought the idea misinformation on Facebook changed the outcome of the election was a crazy idea. Calling that crazy was dismissive and I

regret it. This is too important an issue to be dismissive. But the data we have has always shown that our broader impact – from giving people a voice to enabling candidates to communicate directly to helping millions of people vote – played a far bigger role in this election... We will do our part to defend against nation-states attempting to spread misinformation and subvert elections. We'll keep working to ensure the integrity of free and fair elections around the world, and to ensure our community is a platform for all ideas and (a) force for good in democracy.”

How sincere is Zuckerberg? Or was he merely mouthing platitudes in reaction to growing criticism of Facebook and its failure to check abuse and manipulation of its ostensibly-agnostic social media platform by interest groups? A few months later, in December 2017, Bloomberg published a report authored by Laurence Etter, Vernon Silver and Sarah Frier titled “How Facebook’s Political Unit Enables the Dark Art of Digital Propaganda.” The article categorically asserted that the company and its employees work “... actively with political parties and leaders who use Facebook to stifle opposition – sometimes with the aid of ‘troll armies’ that spread misinformation and extremist ideologies.”

The report added that members of the team led by Katie Harbath, global politics and government outreach director of Facebook, who had earlier worked as a digital strategist with the Republican Party and with former New York Mayor Rudy Giuliani, had worked as “de facto campaign managers” for politicians in India, Brazil, Germany, the United Kingdom, Argentina, Poland, the Philippines. They reportedly supported “patriotic trolling” or used government-backed propaganda to harass dissidents and consolidate power. The Bloomberg article quoted Mark Crispin Miller, media and cultural studies professor at New York University saying: “They’re (meaning Facebook’s employees are) too cosy with power.”

Facebook helped Narendra Modi before and after he became Prime Minister of India develop his online presence to ensure that he has more “followers” on the social media platform than any other political leader on the planet. According to a study called “World Leaders on Facebook” by Burson Cohn and Wolfe, in May 2018, Modi had as many as 43.2 million “followers” on the platform with Trump coming a poor second with 23.1 million followers.

From the day elections were announced in 2014 till the day the polling ended, 29 million people in India made 227 million interactions (posts, comments, shares and likes) regarding the Indian elections on Facebook. This number was approximately two-thirds the number of daily active Facebook users in India and worked out to an average of ten interactions per person. In addition, 13 million people made 75 million interactions specifically regarding Modi.

With the People’s Republic of China shutting Facebook out of the world’s most-populous country, India has been – and will continue to remain – the digital monopoly’s biggest market in terms of number of users. Its platforms, including WhatsApp and Instagram, comprise an

unparalleled and unprecedented backbone of an internet-based communications infrastructure. India, with over 1.3 billion people – with a median age of 27 and half the population below the age of 26 – has the largest number of WhatsApp users in the world at present, approximately 200 million. For some years now, the largest number of users of Facebook are also in India.

From an estimated 100 million in 2014, the number of users of Facebook went up to 136 million the following year. By April 2018, the total number of users of Facebook and WhatsApp had exceeded 200 million and rose further to over 220 million till September. Some would place these estimates as conservative. One “guess-estimate” places the number of current users at 270 million. The number of Facebook users in India is projected to go up to somewhere in the region of 300 million by 2022. The current number of Instagram users in India at 64 million is the fourth highest in the world.

India has also emerged as the biggest disinformation factory on the planet in recent years. The digital footprint of Indian online content marketing companies, many close to the ruling regime, have been reported in at least five countries, including the US and Mexico, that have witnessed elections over the last two years. There is good reason to believe that the social media will be sought to be utilised in a major way in the coming general elections scheduled for April-May 2019 and the assembly elections in five states in November-December.

In April 2013, a study by IRIS Knowledge Foundation and the Internet and Mobile Association of India claimed that the social media, notably Facebook, could influence the outcome of as many 160 “high impact” Lok Sabha constituencies out of the 543 in the country. At that time, many scoffed at this claim. However, there is no denying the fact that over the last five and half years, the use of the social media, especially WhatsApp, has expanded manifold and political leaders cutting across party affiliation believe that what is going to be put out over the social media in the coming months could have a significant influence in shaping voting preferences across India, not just in urban areas but even in small towns and in remote villages.

While there are multiple views on the efficacy of social media and psychographic targeting, it is well-established that in constituencies where there are close contests, social media can play a role in determining electoral outcomes. Praveen Chakravarty, economist and former investment banker who was appointed as head of data analytics in the Indian National Congress in February, has described the outcome of the 2014 general elections as a “black swan” moment as the BJP won 282 out of 543 seats in the Lok Sabha with 31.4% of the popular vote. As much as 90% of all the votes obtained by the party was concentrated in roughly 60% of the parliamentary constituencies (to be precise, 299 Lok Sabha constituencies) with the remaining 10% spread over the remaining 40% or 254 constituencies. With the forthcoming 17th general elections expected to be more keenly contested than the one in 2014, the imperative to

“weaponise” the social media has evidently become more important than ever before for India’s political parties.

Facebook opened its first office in India in 2011. At that time, the platform had 15 million users in the country and was still three years away from buying WhatsApp. Its office in Hyderabad was staffed mostly by sales personnel. A year later, Facebook appointed Ankhi Das as its policy director for India. Before joining Facebook, she had worked as communications head at Microsoft India and had excellent relations with politicians, government bureaucrats and policy-makers. She was considered “perfect for the job.”

India was then in the midst of social turmoil and political uncertainty. A nationwide anti-corruption movement had started in 2011 and the gang-rape of a young woman in the heart of the country’s capital in 2012 had stirred middle-class Indians to come out on the streets. The country was witnessing protests by ordinary citizens on a scale not seen for decades. The BJP, which was then the principal opposition party, was disrupting proceedings in Parliament. The media was relentlessly focussing on stories of big-ticket corruption involving important functionaries in the Congress-led United Progressive Alliance coalition government. To many political observers, the Manmohan Singh government appeared to be on its last legs after ruling the country since 2004.

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Two years after opening its office, Facebook had fast turned into a platform of choice for political conversations online and for mobilising people, especially young adults, to support a variety of causes, notably political issues. The company nearly doubled its users in India from 15 million in 2011 to 28 million the following year. Much of this growth came from users between the ages of 17 and 35.

In October 2014, Facebook founder Mark Zuckerberg arrived in Chandrauli village in Haryana in an orange helicopter to see first-hand how the internet and the use of social media could change the lives of ordinary Indians. On that trip, he met Prime Minister Modi in New Delhi and exulted about his “Digital India” initiative. A few months later, in March 2015, Facebook enthusiastically rolled out its internet.org plan to provide “free” access to some three-dozen selected websites. Reliance Mobile, which provided the service, put out advertisements that read: “The sun is free. The air is free. Then why shouldn’t the internet be free?”

Facebook did not anticipate then that the scheme would be rejected by the citizens of the country as a “gift they did not need.” The regulatory body, the Telecom Regulatory Authority of India (TRAI) asked for public comments on Facebook’s offer which was re-christened “Free Basics” – using the same acronym as the parent organisation. Opposition had started building up to the “gift” that was being offered. One instance was the popularity of the video of a show

by the satirical group All India Bakchod ridiculing the “FB” scheme which got over 3.5 million views. Still, Facebook persisted. Thousands of billboards were put up across the country. Front pages in leading newspapers advertised Free Basics. The publicity campaign is supposed to have cost the company over ₹250 crore.

In September 2015, after Modi hugged Zuckerberg to much applause at a townhall meeting at Facebook’s headquarters in Menlo Park in California’s Silicon Valley, Facebook’s promoter put out a post that read: “In recent campaigns around the world – from India and Indonesia across Europe to the United States – we’ve seen the candidate with the largest following on Facebook usually wins.”

In barely a month, Zuckerberg was back in India addressing entrepreneurs using the internet at the prestigious Indian Institute of Technology, Delhi. Media reports suggest that many were sceptical of what Facebook was offering while others were downright hostile to the scheme which would “discriminate” among websites that could be accessed “free” thus violating the tenets of net neutrality – it was akin to telling users of a library that books in only certain sections would be available for reading without payment. Two days before a TRAI deadline for public responses to questions on net neutrality, Zuckerberg published an editorial page article plugging Free Basics in the Times of India, India’s – and the world’s – most widely circulated English daily. Sixteen million users of Facebook were apparently prompted to send messages to TRAI supporting Free Basics.

Apar Gupta, executive director, Internet Freedom Foundation and a lawyer who has been advocating free speech issues, recalls how he had serious differences – and heated exchanges – with Facebook’s representatives, including Das, about the organisation’s lobbying methods. “Me and others told them (representatives of Facebook) that this was not the way to put their views across to the government, but they went ahead,” he said.

All the efforts put in by Facebook were, however, in vain. The Free Basics programme, which had apparently been “welcomed” in countries like Colombia, Ghana, Kenya, Nigeria, Mexico, Pakistan and the Philippines, was summarily rejected by India’s telecom regulator TRAI – a move that was welcomed by digital activists in the country. On 8 February 2016, Facebook stopped the Free Basics scheme in India.

Soon there was to be a change of guard in Facebook India. Umang Bedi joined as vice president and managing director in June 2016. He did not last long. Fifteen months later, in October 2017, he quit and was replaced by Sandeep Bhushan.

Earlier, in May that year, Facebook launched its Express WiFi initiative in partnership with telecommunications group Bharti Airtel to set up 20,000 wifi hotspots across India.

We reached out to Bedi for his comments, but he declined to speak citing a confidentiality agreement with his former employer. (He is now based out of Bengaluru and heads Daily Hunt which is engaged in promoting news feeds in Indian languages other than English.)

During the period Facebook was actively lobbying for Free Basics, Zuckerberg, his second-in-command Sheryl Sandberg and other top executives were actively assisted by Ankhi Das who was heading policy and government relations in India for the organisation. Writing in the UK-based Guardian in May 2016, journalist Rahul Bhatia quoted an unnamed Facebook executive saying: “We use to joke that she (Das) was like Modi’s grand-daughter.”

* * *

The big storm was to come subsequently. The past two years have been pretty hellish for Facebook. The organisation has faced increased international scrutiny and strident criticism. It has come to epitomise all things that have gone wrong with the technology industry. Its platforms have been accused of helping manipulate public opinion to influence elections, trigger violence, censoring news and covertly assisting regimes to consolidate more power. Facebook’s executives have been censured for allegedly misleading sovereign governments on its business practices and user policies. There have been calls for the resignation of Zuckerberg and his deputy Sheryl Sandberg. It has been argued that the time has come for the digital giant to be broken up in the manner in which the Bell Group or AT&T – once known as the American Telephone and Telegraph Company founded in 1879 by Alexander Graham Bell who invented the telephone – was fragmented into competing entities in the early-1980s.

In September 2018, a United Nations organisation recommended an independent investigation into the company’s complicity in the genocide of Rohingyas in Myanmar. The company acknowledged that it should have acted much before it did.

Unlike in other countries, criticism of Facebook’s activities has been relatively muted in India. Its close association with the ruling party and the incumbent regime has been of great help in this regard. As we shall subsequently detail, a key official of Facebook India in an earlier avatar had a close association with Modi’s pre-election campaign in 2013. An organisation helmed by this person’s wife has been supported by Facebook in what has been alleged as an instance of “conflict of interest,” a contention that was denied by a spokesperson of the organisation. But more about these issues in a subsequent article.

Little is publicly known about Facebook India’s relationships with political parties, unlike what has been disclosed about the role the organisation supposedly played in supporting the campaign that saw Trump becoming President of the US in November 2016 and the alleged Russian collaboration in the campaign to elect him. Four years earlier, in 2012, Barack Obama’s

use of the social media had been much commented on. He was affectionately described as the world's first "Facebook President."

In India, the role that Facebook and WhatsApp would play in influencing political opinion was not realised till much later. In late-2002, the western Indian state of Gujarat was headed for an election for its legislative assembly. The state was a stronghold of Modi and the BJP. After the anti-Muslim riots in the state earlier that year, Modi was very keen on projecting his "pro-industry" and "pro-technology" image. He was himself beginning to realise the potential of digital media in garnering political support.

At a private meeting in April 2010, Rajesh Jain, an internet millionaire from Mumbai made a power-point presentation to the then Chief Minister of Gujarat titled "Prime Minister Narendra Modi, 2014." Four months later, Jain had been appointed director of Gujarat Informatics Limited, a state government-owned information technology company. Over the next three years, with a clutch of other entrepreneurs, bankers, journalists and members of the BJP's IT cell, Jain helped executed what can be described as one of the most elaborate political marketing exercises of its kind in modern Indian politics, an exercise that the BJP's critics describe as developing "myths" surrounding Modi's persona.

Jain had plans of his own. He had studied electrical and communications engineering at the Indian Institute of Technology in Mumbai and at Columbia University, New York.

In 1993, Jain made headlines while analysing photographic evidence that contradicted the Indian government's defence of former Prime Minister P V Narasimha Rao's alleged involvement in a bribery case. It had been claimed that Rao had received a bribe of ₹1 crore from Mumbai-based stockbroker Harshad Mehta who was at the epicentre of a major financial scandal. The Prime Minister's Office predictably denied the claim. And to rubbish Mehta, the PMO put out a photograph of Narasimha Rao with the then External Affairs Minister of Pakistan and claimed that the Prime Minister was meeting the Pakistani minister at precisely the time the broker had alleged that he had paid the bribe to him.

Jain analysed an image published in India Today magazine and conclusively proved that the PMO was lying. The company mentioned in the report was Ravi Database Consultants Pvt Ltd, which was a company that was then headed by Jain.

After a second trip to the US in late-1994 where he experienced first-hand the huge potential of the internet, in March 1995, he started India World which was supposed to be the country's "first" digital media company, or so he contended. Rajesh Jain hit the proverbial jackpot less than five years later in December 1999 when Satyam Infoway brought IndiaWorld Communications for ₹499 crore in cash, then equivalent to US\$115 million. By then, India World had evolved from operating a single website to an internet services providing company

that hosted websites, mail servers and search engines. It ran a family of nine websites across news, sports, entertainment, personal finance, history and food. India World, at that time, had recorded an impressive 13 million page-views. Its clientele was mostly NRIs.

After the sale, Jain worked with Satyam Infoway for the next two years. In 2001, he took control over Netcore Solutions, the firm that oversaw the software and enterprise solutions business of India World that did not go under the hammer. Today, Netcore claims it is the biggest digital marketing and campaign management solution provider of its kind in the country, and arguably among the biggest in the world. During this period, Jain reportedly had his second and most impactful brush with politics in India.

The BJP was looking for an SMS (short-messaging service) vendor in January 2009. That brought him in touch with Piyush Goyal, the current Union Minister for Railways. His company bagged the contract and days later, Jain (who belongs to a family that has supported the BJP for generations) teamed up with a bunch of people, including former banker Amit Malviya (who now heads the BJP's IT cell), lawyer Hitesh Jain and others, to start a group of called "Friends of BJP." This group was started in January 2009 to engage middle class citizens and get them to support Modi. The group's initial efforts did not yield any significant results for the BJP. In May that year, the BJP-led NDA lost the 15th general elections.

After almost a year, following a private meeting with Modi in April 2010, Jain got down to work with renewed vigour. He wanted to engineer a "wave election" for Modi to ensure a majority for the BJP in the Lok Sabha, as he himself wrote in a public blog post at emergic.org in June 2011. That year, things started picking up pace after he had multiple meetings with Modi and was introduced to Dr Hiren Joshi, Modi's proverbial Man Friday in Gujarat. Joshi had been hand-picked by Modi to work with him in Gujarat after 18 years of teaching; he is currently officer on special duty or OSD in charge of information technology in the Prime Minister's Office in New Delhi and, as will be subsequently elaborated upon, an extremely influential technocrat whose writ extends beyond information technology.

Jain started by launching NITI Digital, NITI being an acronym for New Initiatives to Transform India – the meaning of niti in Hindi, depending on its usage, is either policy or ethics. (Incidentally, the Planning Commission's new avatar is NITI Aayog and in this instance, NITI stands for National Institution for Transforming India.) One of Jain's key initiatives was NitiCentral.com, a pro-BJP news and opinions site, with journalist Kanchan Gupta as the editorial head – Gupta had earlier worked in the PMO in the Atal Bihari Vajpayee government with the then National Security Adviser Brajesh Mishra and had later headed the Maulana Azad Centre for Indian Culture in Cairo, Egypt.

In the coming years, NitiCentral would become one of the biggest online influencers of political opinion in favour of Modi. Jain also launched a volunteering platform, India272.com – the figure 272 is the half-way mark of the number of seats in the Lok Sabha – with support from B G Mahesh (a technology entrepreneur from Bengaluru) and Shashi Shekhar, who had at that juncture recently quit Infosys and returned to India from the US. (Shekhar is currently heading the government-owned broadcaster Prasar Bharati Corporation which runs Doordarshan and All India Radio.) Jain was later a part of the “272+” initiative in the run-up to the 16th general elections that took place in April-May 2014. More about these individuals in the next article in this series.

We contacted Rajesh Jain to speak about the pivotal role he reportedly played in designing and spearheading Modi’s online and social media campaign. He, however, declined to be interviewed.

Former television anchor with NDTV Shivnath Thukral (who was then working with the Essar group controlled by the Ruia family, before he went on to join the Carnegie Foundation in India and thereafter, Facebook India) along with an investment banker, Anuj Gupta, helped Hiren Joshi create and run Mera Bharosa (literally translated to mean “my trust”) and other web pages for the BJP. Gupta, a long-time associate of Piyush Goyal is at present OSD to the Union Minister for Railways. More about these key players – Katie Harbath of Facebook in the US, Rajesh Jain of Netcore in Mumbai, Shivnath Thukral of Facebook India, Hiren Joshi in the Prime Minister’s Office, Anuj Gupta in Railway Minister Goyal’s office and others in the next articles in this series.

The Political

Memorandum against the Bullet Train Project

Date: 15.10.2018

To

1. Shri Shinichi Kitaoka

The President

Japan International Cooperation Agency (JICA)

1-6th floor, Nibancho Center Building,

5-25 Niban-cho, Chiyoda-ku, Tokyo 102-8012, Japan

2. Junichi Yamada

Board Member, JICA &

Incharge of South Asia Department

1-6th floor, Nibancho Center Building,

5-25 Niban-cho, Chiyoda-ku, Tokyo 102-8012, Japan

3. The JICA representative (India)

16th Floor, Hindustan Times House,

18-20, Kasturba Gandhi Marg,

New Delhi - 110001. INDIA

Subject: Bullet Train affected farmers from Maharashtra and Gujarat adopt resolution in presence of representatives from various political parties, Farmers organisations, and other Human rights organizations.

Sirs,

The affected farmers, adivasis (indigenous people) and other affected persons came together today in Delhi at a Jan Manch (peoples' forum) jointly organised with Bhoomi Adhikar Andolan (a group of organisations working on land and livelihood rights of people) at Mavlankar Hall, Constitution Club, Rafi Marg, New Delhi.

Political parties viz. – Indian National Congress, Nationalist Congress Party, Samajwadi Party, Janta Dal (Secular), Rashtriya Janata Dal, Communist Party of India, Communist Party of India(M), Communist Party of India (ML), Aam Aadmi Party, Janata Dal (Loktantrik), SUCI, Swabhiman Shetkari Sanghatana, Rshtriya Kisan Mazdoor Sangathan, were represented by their senior members.

During the Jan Manch affected people presented their concerns and experiences regarding implementation of the Mumbai – Ahmedabad High Speed Railway project (popularly known as Bullet Train).

The major issues highlighted during the Jan Manch were that the JICA guidelines for Environmental and Social Considerations are being consistently flouted by the project implementers. As per the said Guidelines, JICA is to assure fairness to the socially vulnerable, reduce the gap between the rich and the poor, reduce the gap among various regions, ensure democratic decision making and information transparency and most importantly, respect for human rights. However, all these are being violated as listed below:

1. The acquisition of land for the Project is taking place forcibly and thus by disregarding the Human rights of the affected population. The excessive use of police force at all levels – during consultations, during land measurement surveys, discussions etc. vitiates the atmosphere and puts tremendous pressure on the affected population.

2. In Maharashtra, despite the stated position that land will be obtained only through a process of mutual negotiation and that joint measurement of land will take place only after the affected person assents in writing, in reality, a process of forcible take-over is taking place. In Village Kotbi (Palghar district), Notices for Joint Survey of land were issued to people on 5/10/2018 despite the fact that most of them had not given their consent in writing for the same.

3. The JICA guidelines with respect to Indigenous Peoples are being violated. The JICA guidelines specifically mention that the rights of the Indigenous People in relation to land and resources in accordance with the spirit of the UN Declaration on Rights of Indigenous Peoples shall be respected. Art 10 of the Declaration states that Indigenous People shall not be forcibly removed from their land. Whatever be the reason, no relocation shall take place without the free, prior and informed consent of the Indigenous People concerned. Also, viable Alternatives are to be explored. However, all these safeguards are being violated in the Scheduled Area (predominantly inhabited by indigenous people) through which the Bullet Train passes. India may not be a signatory to the UN Declaration, but for JICA, failing to fulfill the provisions of the UN Declaration is a non-negotiable.

4. Environmental and Social Consultations as mandated by the JICA guidelines are carried out in a manner as to ensure that people are unable to participate in an informed manner:

- a. The consultations are announced at a very short notice to the concerned stakeholders. The advance notice period has varied from 24 hours (1 day) to a few weeks.
- b. There is no coherent approach to announcement of stakeholder consultations. At times they are announced for district level and sometimes they are conducted at Taluka levels.
- c. There is no clarification to the stakeholders invited to the consultation whether they should represent on Social concerns or on Environmental issues. In fact, purposely confusions are

created. Different public advertisements are published by NHRSCCL at same venue and same timing, but for different purpose.

d. In case of Environmental Consultations the Supplementary EIA copies are kept for public viewing at different places which are hundreds of kms away at offices of NHRSCCL. The nearest place is the District Collector office, which in some cases is about 30 kms away. Even these were not made available during consultations in most districts of Gujarat.

e. Most of the reports are available in the English language, while they should be made available in the local vernacular language for the public to be able to read through and understand, and subsequently participate through an informed representation.

f. Farmers/ affected indigenous population (who are mostly illiterate or semi-literate) are disallowed to raise questions/queries.

g. Environmental activists/experts are deliberately shunned out of the consultation venue with use of police force. This is violation of basic human rights of the people. And stakeholders are left with no choice to consult or assist during the consultation.

h. Even farmers and local civil society organisations and other social/environment groups are kept out of the process.

i. Elected representatives who can potentially raise uncomfortable queries regarding the project are man-handled and taken away before the start of consultations. The Surat consultation is one such example.

j. The queries raised during the consultations are very casually addressed and there is no written response to the submissions or oral queries raised at the consultations.

k. The minutes of the consultations are yet to be made public. Neither has the video documentation been made public. These are necessary for a transparent process. Letters seeking copies of the minutes are yet to be responded to.

l. In Maharashtra the consultations on 2/5/2018 and 2/6/2018 in Palghar district were organised but cancelled by the district administration itself due to lack of proper organising and non-availability of necessary information/documents respectively NO consultation has been held subsequently. However, the district administration has sent a report to the concerned authorities that the Public Hearing has been completed. This is a blatant lie and misrepresentation of facts.

m. As if it was not enough the recent announcement for the Stakeholder consultations for districts of Navsari and Valsad (both in the state of Gujarat), went one step further. They published invitation in local newspapers for the Consultations specifically mentions that 'unauthorized people would not be allowed at the consultation'. We fail to understand what criteria are prescribed under JICA guidelines to segregate attending stakeholders into authorized and unauthorized categories

n. From the manner in which the stakeholder consultations are conducted it appears that these are just paper arrangements, with no serious concern to the society and environment seems that in the case of these consultations for the proposed Mumbai-Ahmedabad High Speed Rail project, Participation, Transparency, Respect for basic Human Rights of people etc. are just words to be bandied around, but not seriously considered

o. Trampling of basic Human Rights through police force seems to be a part and parcel of the conducting of stakeholder consultations.

p. It be noted that at several places due to the apprehensions of affected people arising out of the high-handed and opaque functioning for the consultation the atmosphere was vitiated, and the consultations had to be postponed/rescheduled.

5. JICA's guidelines also lay down that the intervention must reduce the gap between rich and poor and among various regions. We fail to understand how this is being addressed through this Project. The Bullet train will be accessed by only a miniscule percentage of the entire population. The needs of the poor and the middle class will not be met by the bullet train. In fact, the opportunity cost of the expense incurred on the Bullet Train, will impact the availability of funds for social sector spending in the field of health, education etc. The transportation needs of the poor and the middle class will be met if the large outlay on the Bullet Train will be used for the modernization of the present rail system including increasing safety standards and improving facilities. Regional imbalances are not being reduced by the Bullet Train either.

6. The JICA guidelines state that JICA will actively support projects that promote environmental conservation and to projects that contribute to global environment eg. attempts to reduce greenhouse gas emissions. However, the claim that the Bullet train will be "clean and green" has also not been substantiated in the light of "embedded emissions" of CO2 and other pollutants, energy-intensive machinery and construction, per-passenger-Km energy consumption etc.

The Jan Manch today resolved to continue its opposition to the proposed Bullet Train project. All the attending political parties who came to show their support and solidarity with farmers, indigenous people and other project affected people have endorsed their support to the affected population.

We request a personal hearing from the JICA team at the earliest.

Thanking you,
Yours faithfully,

Endorsed by:

D P Tripathi, Nationalist Congress Party
Danish Ali, Janta Dal (Secular)
Somnath Bharti, Aam Aadmi Party
Manishankar Aiyar, Indian National Congress
Nawalkishore, Rashtriya Janta Dal
Javed Ali, Samajwadi Party
Raagesh, Communist Party of India (Marxist)

D. Raja, Communist Party of India
Raju Shetty, Shetkari Swabhiman Sangathana
V. M. Singh, Rashtriya Kisan Mazdoor Sangathan
Prem Singh, Communist Party of India (Marxist Leninist)
Dr. Suraj Yadav, Loktantrik Janata Dal

NAPM Backgrounder

Bhumi Adhikar Andolan submitted Memorandum signed by representatives of 12 major political parties to JICA, reiterates gross violations in Bullet Train Project

Farmers, Adivasis and other affected communities demanded scrapping of the project, alleged coercion and impingement on their democratic rights
Major political parties extended their support and solidarity to the people fighting against the project

New Delhi | October 30, 2018: While PM Modi have gone on to visit Japan and will be discussing various strategic projects with the Prime Minister of Japan including the controversial Bullet Train project, the farmers, adivasis and other affected communities of proposed Bullet Train project reiterates demand for scrapping the project and submitted the memorandum to JICA with details of gross violations of their guidelines.

Bullet Train project is an ambitious project where PM Modi is believed to be taking personal interest and promoting it falsely as a developmental project for people of the country. The socio-economic angle of the project has been much debated in public forums by various academicians and activists. The impact will be irreversible for Indian economy as well as the environment. The farmers are losing land not only in Bullet Train Project but various other highway projects when there is already an Indian Railway line going parallel to the alignment of Bullet Train.

“In the name of infrastructure development, the government is attracting foreign investment. But the question remains that at the cost of whom are these projects being initiated?”, rightly pointed out by Ulka Mahajan of Sarvahara Jan Andolan. She also articulated the peoples’ frustrations while stating that it’s the common people, the farmers of the country who carry the brunt of such “development” projects. She stated that the need of the hour is to remove fear, hunger, poverty and the divisive politics from the country instead of such pointless, so called, development projects.

The Modi Govt. diluted the law to acquire land denying the consent and social impact assessment provisions which are laid out in the central land acquisition act of 2013. Even after

being tagged as a national project, the state laws are being used to subvert the democratic rights of people of Gujarat and Maharashtra state using powers of majority in Gujarat assembly.

The public consultations cannot be more farcical than ever. In the name of public consultations, officials intentionally put out notifications just 24 hours before the consultations to prevent the people's voices and critics of the project. The people were deliberately classified as authorized and unauthorized for the consultations and were prevented with the use of police forces.

Over 12 major political parties have extended their full support and solidarity with the people of both the States against the project. Earlier during the Jan Manch in Delhi held this month, political parties termed the project anti-people, anti-farmer, and anti-worker in nature. The project is only facilitating few rich conglomerates. The need of the hour is to invest in the Indian Railways which actually caters to the larger public unlike the Bullet Train. When the fundamental infrastructure is not yet in place, a project like this for a small distance is unjustified and is a distortion of people-centered development.

The Japan Govt. and JICA must listen to the people of India and stop funding the project to protect the environment, and democratic rights of the people. The impact of the said project will be irreversible and the people of India strongly believe a country like Japan which is already facing the wrath of nuclear warfare will not want destruction of such massive scale to be written under their name.

(Frontier)

The Political

THE CHARTER OF INDIAN FARMERS

WE, THE FARMERS OF INDIA,

The producers of primary agricultural commodities;

Including Women, dalit, nomadic and adivasi farmers;

Landowners, tenants, sharecroppers, agricultural labourers and plantation workers;

Fishworkers, milk producers, poultry farmers, livestock rearers, pastoralists, and collectors of minor forest produce; and,

Everyone engaged in crop cultivation, shifting cultivation, sericulture, vermiculture, and agro-forestry;

CONVINCED THAT

Wellbeing of farmers is not just about economic survival of a majority of Indian households, it is about retaining our national dignity and our civilizational heritage; and, that

Farmers are not just a residue from our past; farmers, agriculture and village India are integral to the future of India and the world;

RECOGNISING OUR RESPONSIBILITY

As honest hard workers who face numerous odds;

As bearers of historic knowledge, skills and culture;

As agents of food safety, security and sovereignty; and

As guardians of biodiversity and ecological sustainability;

RECALLING THE PRINCIPLES OF

Economic viability,

Ecological sustainability,

Social justice and equity,

YET ALARMED AT

Economic, ecological, social and existential crisis of Indian agriculture;

Persistent state neglect of agriculture and discrimination against farming communities;

Increasing vulnerability of farmers to extortion by village powerful and government officials;

Deepening penetration of large, predatory and profit hungry corporations;

Spate of farmers' suicide across the country and unbearable burden of indebtedness; and

Widening disparities between farmers and other sectors in our society,

SOLEMNLY AFFIRM OUR RIGHT TO

Land for agriculture;

Commons and other natural resources;

Diverse Seeds;

Affordable inputs;

Income sufficient to cover dignified life;

Protection against natural and other calamities;

Social security; and

Collective futures,

THEREFORE, CALL UPON THE PARLIAMENT OF INDIA TO

Immediately hold a Special Session to pass and enact the two Kisan Mukti Bills that are of, by and for the farmers of India and await its consideration, namely,

1. The Farmers' Freedom from Indebtedness Bill, 2018; and
2. The Farmers' Right to Guaranteed Remunerative Minimum Support Prices for Agricultural Commodities Bill, 2018,

And to hold a special discussion on the grave and unprecedented agrarian crisis in our country and its related aspects.

AND DEMAND THAT THE GOVERNMENT OF INDIA MUST IMMEDIATELY:

3. Increase the number of guaranteed employment days under MGNREGS to 200 days per family, ensure wage payment at par with legal minimum wages for unskilled farm labour and extend this scheme to urban areas;
4. Reduce the cost of inputs including seeds, fertilisers, pesticides, water, diesel and electricity for farmers;
5. Provide comprehensive social security for all farm households including pension @ at least Rs. 5,000 per month per farmer above the age of 60 and health coverage;
6. Universalize the Public Distribution System with cereals, pulses, oils and sugar and stop its linkage with Aadhaar and the biometric system;
7. Address the menace of stray animals by removing all legal and vigilante-imposed restrictions on cattle trade, compensating farmers for destruction of crops by wild and stray animals and supporting animal shelters;
8. Stop land acquisition without informed consent, acquisition of agricultural land for commercial land development and the bypassing or dilution of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 at all levels;
9. Make payment of cane dues mandatory within 15 days of opening of the mill, maintain recovery rate at 9.5%; and introduce SAP for cane throughout the country;
10. Withdraw pesticides that have been banned elsewhere and not approve GM seeds without a comprehensive needs, alternatives and impact assessment;
11. Disallow Foreign Direct Investment in agriculture and foods processing, and remove agriculture from Free Trade Agreements, including the proposed Regional Comprehensive Economic Partnership (RCEP);

12. Require identification and registration of all real cultivators including tenant farmers, sharecroppers, women farmers, lessee cultivators etc. for purposes of accessing benefits of all government schemes; and

13.. Stop uprooting adivasi farmers in the name of afforestation, ensure strict implementation of Panchayat (Extension to Scheduled Areas) Act and prevent dilution of Forests Rights Act, 2006, while at the same time ensuring its stringent implementation all over the country;

AND, FURTHER, URGE THE GOVERNMENT TO EVOLVE POLICIES TO

14. Provide land and livelihood rights to the landless, including on agricultural land, water for fishing, mining of minor minerals etc.;

15. Implement a comprehensive crop insurance scheme to cover all types of risks for all crops and for all farmers, with farm as the unit of damage assessment; such a scheme should benefit the farmers and not the corporate insurance companies;

16. Build assured protective irrigation through sustainable means for farmers, especially in the rainfed areas;

17. Ensure remunerative guaranteed prices for milk and its procurement for dairies and to supplement nutritional security through Mid Day Meal Scheme and Integrated Child Development Scheme etc;

18. Waive off all outstanding agricultural loans of farmers from suicide affected families and provide special opportunities to children of such families;

19. Protect the farmers from corporate plunder in the name of contract farming;

20. Invest on farmers' collectives to create Farmer Producer Organisations and Peasant Cooperatives instead of corporatisation of agriculture and takeover by MNCs; and

21. Promote an agro-ecology paradigm that is based on suitable cropping patterns and local seed diversity revival, so as to build economic viability, ecologically sustainable, autonomous and climate resilient agriculture.

The above Charter is released by the All India Kisan Sangharsh Coordination Committee (AIKSCC) on the occasion of the historic Kisan Mukti March in Delhi, 29-30 November 2018.

The Media

National Convention Against Assault on Journalists

Summary Report

For the first time in India, a two days national convention was held in New Delhi's Constitution Club on the attack on journalists, in which journalists from 18 states participated and shared their trauma. This convention was held in the format of a public tribunal where the testimonies of journalists having faced attacks and the family members of those killed were put forth.

The convention against the attacks on journalists was organized by the 'Committee against Attack on Journalists (CAAJ)' with the active cooperation of the Press Club of India and was supported by international organization, the 'Committee to Protect Journalists (CPJ)'. CAAJ comprises 34 constituent groups of media and civil society organizations. Basic theme of the convention was to address the shrinking space of dissent and right to expression and the need of coming together of journalists and the civil society organizations. The attacks on the right to dissent and right to expression affects the journalists and the social activists alike, hence the need of the hour is that all the affected parties must come together on a common platform and fight for each other's rights and the interests.

The idea of a national convention was conceived after the murder of the Kashmiri journalists Sujat Bukhari and initiatives were taken to form a Committee against the attacks on the journalists. The invitations were sent to independent media groups and civil society organizations were sent by the website Media Vigil.com. The 2 month long process of preparation for the convention was two faceted – the formal formation of the committee and secondly the documentation of the incidents of attacks on journalists during the last eight years. After documentation of the incidents the journalists having faced attacks and the family members of the killed were contacted and thus gradually a blue-print of the convention got prepared. As the convention was to be centered on the attacks on journalists and in the process of contacting journalists, various forms of attacks came to light; all the efforts were made to ensure the inclusion of all kinds of attacks. After due deliberations, the attacks were placed in four categories: 1. Murder and the physical attacks; 2. Trolling and threats; 3. Misuse of government machinery; fake cases and defamation suits; and 4. Surveillances and censorship. Keeping these categories in mind, 4 sessions was worked out on each of the categories of the attacks, besides the inaugural and conclusion sessions.

The convention was inaugurated with the keynote addresses by the film actor Prakash Raj and veteran journalist Lalit Surjan. The inaugural session was presided over by senior journalist and writer, Ananad Swaroop Vema. The actor Prakash Raj was invited for delivering on of the keynote addresses for his stand against the murder of Gauri Lankesh and for his stand on right to expression on various forums. Lalit Suranjan is one of the few editors, who have been consistently and fearlessly writing on attacks on journalists and freedom to expression in Chhattisgarh. Both the speakers detailed the existing conditions that were summarized by Anand Swaroop Verma in his presidential address. Also the India correspondent of CPJ, Kunal

Mazumdar read out the CPJ's message of solidarity with and support to the convention, in this session. Over 400 journalists and activists had registered for the session that was pervasively covered in social and digital media.

After the inauguration, the first formal session on attacks was quite emotive. In this session some cases of murders were brought forth, where the family members of assassinated journalists vividly described their agonies and resolve to fight. The testimonies of the mother of Uttarakhand journalist Devendra Patwa Ganga Devi; Asha Ranjan, the wife of Bihar journalist Rajdev Ranjan, were quite distressing. These three were killed while on work. None of the families have got justice. The case of the murder of Sandip Sharma in Bhind, Madhya Pradesh was presented by the executive editor of Media Vigil.Com, Abhishek Shrivastav who had gone to meet the family of deceased in Indore. In fact, Sharma's case was to be presented by his journalist friend Vikas Purohit from Bhopal, who could not come for unavoidable reasons. Dr. Santosh Gupta of Indian Federation of working Journalists, came from Moradabad to present the cases of five journalists killed in UP. The session was presided over by Sanjay Parikh, senior advocate in Supreme Court of India.

The session continued after the lunch break. Gulf News, reporter Jalil Rathore from Kashmir and the editor of Shillong Times, Patricia Mukhim talked about the dangers looming large on journalism and the journalists in their respective regions. This year the house of Patricia was attacked by the petrol bomb. She had reported about the illegal mining that angered the mining mafia. Kunal Mazumdar, who recently visited Kashmir, presented the CPJ report about the risks faced by journalists there.

The second session was on trolling and threats. Ravish Kumar, Nehe Dixit and Nikhil Vagle addressed this session and described their plights in detail. The session was presided by Nikhil Vagle.

The rain delayed the second day's proceedings by half an hour. The first session of was focused on fake cases and defamation notices. Over a dozen journalists presented their cases. Largest participation in this session was from Chhattisgarh from where journalists Kamal Shukla; Avesh Tiwari; Prabhat Singh and Santosh came to participate and put forth their cases and the precarious conditions prevailing there. Rachna Khaira from Punjab; Salim Baig and Shiv Das from UP; Pushyamitra from Bihar; Vinod Kumar from Jharkhand and Shahina KK from Kerala, presented their respective cases. It is to be noted that all of them have some cases registered against them and most of them are on bail. Vinod Kumar is facing the case of sedition for his Facebook posts. All of them described the dangers and risks of journalism in towns and small cities and underlined the differences of state of journalism there from that in Delhi. National secretary of Indian Federation of working Journalists, Siddharth Kalhans told the gathering the details of his organization's attempts and programs for the protection of journalists. Siddharth Vardrajan, editor of the Wire was also scheduled to address this session but could not reach for some reasons. This session was presided by Sumit Chakraborti, editor, Mainstream.

The topic of the second session of the second day was surveillance and censorship. Punya Prasoon Vajpeyi, who had to resign from ABP news under governmental pressure recently. Others who shared their views and experiences were Om Thanvi, consultant editor of Rajasthan Patrika; Veteran journalist, Joshi Joseph; Shiv Inder Singh, editor of Suhi Suber who also works for Canada Radio from Punjab; Manoj Kumar Singh editor of Gorsakhpur Newslines; and

seemaazad, editor of Dastak from Allahabad. Seema has served jail sentence under UAPA. This session was presided by Hartosh Singh Bal, political editor of Carvan.

The concluding session of the convention was scheduled for the presentation of summaries of the previous four sessions. The moderators of four sessions including the inaugural session, Pamela Philipos; Atal Tiwari; Nityanand Gayen; Anusha Pauland, Richa Pandey presented the summaries of their respective sessions. At the end of it Anand Swaroop read the resolution of the convention. The convention resolved to entrust the organizers with the responsibility of expansion of CAAJ and its future prospective programs. The resolution was unanimously passed. This session was presided by Anil Chaudhary.