

## Gist of EPW July Week 3, 2020

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## India's Free Food Politics

### *Context:*

- Extension of the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY) till November 2020 under the National Food Security Act (NFSA) 2013.
- It is estimated that an expenditure of Rs. 90,000 crores would be needed to provide free foodgrains to all the beneficiaries of the [NESA](#) for five months.

This article tries to analyse the basis of expenditure and related concerns with respect to the public distribution system in India.

### *Areas of Concern:*

Due to lack of clarity, the following concerns arise:

1. **Issue of the fiscal deficit:** Over the past two years, the current government has grossly under-reported its incremental off-budget borrowings from public accounts, which have a bearing on the fiscal deficit estimates;
2. **Expenditure of FCI:** About three-fourths of these borrowings are on account of the under-recoveries in food subsidies of the Food Corporation of India (FCI); and
3. **Issue of Transparency in FCI:** To cover up, the government has been continually rearranging the balance sheet of the FCI to convert food subsidies to credits/borrowings, thereby reversing the course of “obligation” between the state and the parastatal.

### *Problems in the food markets of India:*

1. **Low coverage in the market:** The situation of the debt trap has been faced by the Corporation along with the Public Distribution System, and that too for serving merely 4-5% of the purchased food market in India.
2. **High price volatility:** On the other hand, other studies on the rice markets in India find that the uncertainties created by government interventions—
  1. be it the uncertainties arising from competition between the traders in the free market and
  2. those in the government-controlled market, and/or
  3. the uncertainties caused by information asymmetry about the inventory position with the government—

make the traders in the private markets adjust their price spreads such that the decline (rise) in the selling prices is never symmetric to the decline (rise) in the buying prices.

- As a result, 95%–96% of the purchased food market in India is subject to high price volatility, thereby defeating the very purpose of the PDS at large.

### 3. Less Effectiveness of the PDS:

- Other than the limited coverage, what makes the PDS less efficacious is the various shortcomings prevalent in the system itself.
- **Issue of Misinformation:**
  - The media has been buzzing with the problems involved in obtaining the foodgrains under PDS; one cannot overlook that “free” grains are but a myth.
  - During the past three months, those accessing PDS supplies under the PMGKAY could obtain the “free” 5 kilograms (kg) of grains only after buying their stipulated monthly quota of 7 kg at the subsidized rates from the ration shops.
  - As there is a lack of clarity as to whether the same conditions would be applicable during the extended period of the scheme, there are no potential reasons to assume any deviation from this practice.

#### *Transformation of the PDS is the need of the hour:*

- The need for transforming the PDS has been a matter of long term debate in India.
- Adoption of more pragmatic approaches in terms of both the distribution and procurement of foodgrains is the most important need at this hour than before.
- But that would essentially mean the government giving up “easy” populism, which it can exercise through the PDS, particularly when vertical leadership has been absent in concerted actions.

#### Involving civil society in PDS operations

- PDS has been used as a political plank by the government which has led to:
  - Dismissing the role of civil society.
  - In their absence, it is the horizontal leadership that is filling up the vacuum in managing the ongoing food crises.
- An example of this is that, after a couple of weeks since the imposition of the nationwide lockdown, letters have been sent to 92,000 Non-governmental organizations (NGOs)/Charitable organizations (COs) by the [NITI Aayog](#) across the country. It includes information regarding:
  - The relief camps and food kitchens.
  - The scheme to buy rice and wheat from FCI at their open market sales scheme rates.
- However, less than 1% of the organizations will be able to avail the benefits of this scheme due to the following problems:
  - Procedural complexities and delays, and
  - Shortcomings in the logistics such as organizations having to arrange their own means of transportation amidst the lockdown, which makes the process very difficult.
- Simultaneously, with the outbreak of the disease and the imposition of the lockdown at the very beginning of the financial cycle, it has also exposed the resource positions of the NGOs/COs as the PM Cares Fund (with a 100% tax exemption) is perceived to have further disrupted their funding potentials.

#### *Conclusion*

- With the Covid-19 crisis, India is facing perhaps one of the most transformative moments in the past seven decades since independence, thereby placing demands of an extraordinary nature and scale on the government.
- In tiding over such a situation, the government could have shown some prudence by encouraging complementary actions from civil society, rather than suppressing these.
- The inaction of the government has evoked the ethical force of humanitarian emotions within civil society, which in effect have culminated into relief activities.

- Such benevolence, however, cannot be limitless, especially when livelihood losses are cutting across all classes of the society, equally.
- Given this, civil society now must make conscious choices between various forms of abdication and concerted actions if it wants to hold the government accountable for its inaction.

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## Who is Responsible for Custodial Violence?

### *Context:*

- The death of a 32-year-old and his 62-year-old father due to custodial torture in Sathankulam police station in Thoothukudi, Tamil Nadu has once again put the issue of custodial violence in limelight.
- The article focuses on the need for greater public awareness and strict measures against custodial violence.

### *Judiciary's stand on custodial violence*

- The [Supreme Court](#) had laid down seven guidelines for states and the Centre on starting police reforms in 2006.
- **DK Basu case:** The DK Basu judgment of the Supreme court covers all the crucial issues which have direct or indirect relevance with the matter of custodial violence and deaths.
  - Moreover, this judgment also paved the way for other iconic rulings.

### *Police excesses during Covid-19*

- Despite various judgements by the courts in India against custodial tortures and deaths, the police brutality and arbitrary behaviour during the COVID-19 pandemic have repeatedly received attention in the mainstream and social media.
  - These cases have shown that the “cover” of the lockdown and the impact of the pandemic have led to a reliance on stern measures and strict enforcement that has allowed the law enforcement agencies to not only set human rights aside but even violate them.
  - This phenomenon has been presented in detail via news reports, videos across the country.
  - A [Public Interest Litigation](#) on this issue has also been filed by a citizen in the Bombay High Court.

### *Present Issue*

- The Madurai Bench of the Madras HC has taken suo motu cognizance.

### *Reasons behind the continuation of custodial deaths*

- **Lack of acknowledgment and ignorance:** More or less, from the political class to the police and law-making agencies and civil societies, all of them are responsible for either encouraging or just looking out at the matters of police authoritarianism, brutality, and custodian deaths.
  - Despite all the court judgments and reports, police brutality and lack of regard for citizens' rights have always managed to be in the headlines.
  - It can also be said that there must be other cases that have not been acknowledged or reported at all.
- **The convenience of the political class:** The political class uses police and law-making agencies as their tools to exercise their power and pull down their opposition.

- **The ambivalence of the public:** The public carries a multifaceted view for the police. If the police take action against criminals, they are appreciated by the public and the political class as well.
  - It means that the act of encountering criminals without any legal trial is praised even by all the celebrities and the political parties.
  - It is also generally believed by the middle class that decent people have nothing to do with the police except some minor issues that can be easily settled by various means.
  - However, it is only when police violence casts its shadow closer home that the middle class suddenly wakes up to the possibility of police brutality.
- **Lack of police accountability:** As far as the police force is concerned, it must be kept in mind that it is not a monolithic entity as far as its aspirations and perceptions are involved.
  - The top brass of the force has its own objectives that may find an echo in those of the political and bureaucratic classes.
  - The lower rungs of the force do not necessarily feel that their well-being is the concern of the political class and the social elite.
- **Lack of conviction and bad implementation of punitive measures:** Other factors which are responsible for encouraging the events of police brutality and killings are:
  - The lack of conviction
  - Poor implementation of the corrective measures.

#### *Suggestions given by the Expert Committees:*

- **Separate law enforcement and investigation:** The expert groups on this matter clearly suggest a division between law enforcement and investigation duties by the police.

This as well as a number of other suggestions are simply shelved after they are presented to the respective governments.

#### *Conclusion*

- The death of George Floyd in the United States has led to massive protests. There should be sharp awareness among the general public in our country too regarding custodial deaths and torture.
- Episodic outrage, however successful, cannot be enough. Civil society organizations, the media, and legal experts must band together to show that police violence and torture, no matter against whom it is practiced, will not be tolerated.

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## **Social Security for Migrant Workers during Covid-19**

### *Context*

- The Covid-19 crisis has exacerbated the vulnerability of migrant construction workers because most of them have no access to any social protection scheme.
- The article looks into the vulnerabilities faced by informal sector workers and highlights the need for more efficient social protection policies.

### *Difference between Social Protection and Social Security*

Differentiating between social security and social protection becomes important due to increasing insecurities and vulnerabilities of workers in this rapidly changing world of work. It would provide a framework to understand the multidimensional deprivations faced by workers.

## What is Social Protection?

- The [International Labour Organization \(ILO\)](#) defines social protection as “the set of policies and programs designed to reduce and prevent poverty and vulnerability throughout the life cycle”.
- Social protection constitutes one of the four pillars of the “strategic objectives” of the ILO to promote decent work.
- In recent times, social protection has been at the heart of the political discourse because the majority of the construction workers lack welfare measures or social protection.

## What is Social Security?

- The term “social security” denotes a range of core provisions to construction sector workers, such as healthcare, compensation due to injury, illness or death, maternity benefits, childcare benefits and old-age pension.
- Many of these have been diluted over a period of time due to globalisation and changes in the labour market.

### *Globalization has weakened the provisions of social security*

Globalization, along with the changes in the labour market, has been one of the major developments of the past two decades. It has resulted in the following things:

1. **Informalization of the labour market:** It has led to informalisation and has altered existing employment structures and labour markets.
2. **Generated risk and volatility:** Globalisation has created risk and volatility at both micro and macro levels.
  1. At the micro-level, risks are transferred through employers to the workers in the form of uncertain working conditions and insecurity in terms of employment.
3. **Privatization of healthcare facilities:** Private provisioning of healthcare combined with insurance-based health schemes, declining state spending and weakening of labour organisations have diluted the earlier mandatory provisions of social security.

All of these factors have played a major role in the determination of the health of the workers in the construction sector. Therefore, globalization has affected the provisions of labor welfare and social security, which has had an impact on the health of workers.

### *Shift from social security to protection*

- These changes have led to a conceptual shift from social security to social protection where the emphasis has been on human and social development with individuals, families, and communities playing a more active role along with a wide range of institutions entrusted with the responsibility of providing social protection.
- Drèze and Sen (1991) had developed a broader conception of social protection by distinguishing between its two aspects—“protection” and “promotion”.
  - **Protection:** The term protection refers to providing basic conditions of living and protecting workers from a sudden economic crisis or recession.
  - **Promotion:** The promotional aspect is a more expansive dimension of social protection and targets eradicating issues, such as poverty, that have persisted for decades by “enhancing normal living conditions and dealing with regular, often persistent, deprivations”.
- In addition, social protection has both micro and macro dimensions.
  - The macro dimension refers to security at the national level or at the level of a region as a whole.
  - The micro dimension means that individuals and households are secured.



*Social protection covers certain core needs and economic securities.*

- Core needs refer to basic securities that include income security, food security, shelter security, education security, health security and household and family-related benefits.
- Economic securities include the structure of employment, legal status and legal entitlements and access to capital.
- The distinction between basic and economic securities provides a framework to better visualise social protection.

### **Instruments to attain these needs:**

There are various instruments to attain both basic and economic needs. They are:

- **Instruments to attain basic needs:** They include:
  - PDS Child Food
  - Insurance schemes
  - Scholarship, and
  - Pension
- **Instruments to ensure economic security:** They comprise:
  - Rural work program
  - Employment benefits
  - Credit organization
  - Trading corporation, and
  - Legislation.

The institutional mechanism which leads to the provision of these core needs includes civil society/social networks, member-based organizations, and market governments.

### ***Need for a more pragmatic approach***

- Workers are facing challenges in terms of multidimensional deprivations in the era of globalization.
  - Therefore, the traditional idea to provide social protection only during the time of contingencies is not sufficient to improve the conditions of workers.
- The Covid-19 pandemic has pointed out the shortcomings prevalent in social security and also highlighted the conceptual flaws in the implementation of policies of the social protection of the workers.
- Informal sector workers in developing countries like India need social protection that not only secures their basic needs but also protects them from various economic insecurities.
- The informal sector in India is facing a high level of income insecurity and vulnerability.
- Therefore, it becomes necessary to expand the scope of social protection by including economic security along with basic security.
- Adoption of a more pragmatic approach towards social protection should ensure:
  - Promotion of income security, and
  - Elimination of risks in addition to coping with risks.

Therefore, there is a requirement of a complete shift in the prevailing strategy from risk minimization to protecting existing income to raising the income of informal workers.

### ***Insecurities of Workers in the Informal Sector***

Workers' insecurities in the informal sector fall into two categories.

1. One is the **random shock** in the form of illness or premature mortality, leading to a health shock due to catastrophic health expenditure and loss of a job that affects households from time to time.
  - Random shocks could also include natural calamities, such as epidemics, cyclones or earthquakes.
  - Orthodox social security measures were directed to deal with these kinds of insecurities.
2. Other insecurities come from the **structural features** of households that remain constant to a large extent throughout their lives, such as age, gender, caste, marital status and ownership of assets.
  - Besides these, one of the most important structural features is whether they are a salaried worker, a casual worker or a self-employed worker.

Both random shocks and structural features influence basic and economic insecurities. However, the latter is pertinent to address economic insecurities as structural features determine economic insecurities among informal workers.

*Thus, social protection schemes should have two objectives:*

1. First, to provide protective security that negates the effect of random shocks
2. Second, promotional security that deals with the issues of fear and insecurity due to any calamity

#### ***Documented and Undocumented Workers***

- **Documented migrants:** These are the long term workers that are documented under NSS/Census. They include workers in the formal sector and the top layer of the informal economy.
- **Undocumented migrants:** Undocumented workers are those groups of workers who are either self-employed or casual workers and are least protected. They are also known as seasonal or short term migrants.

#### ***Grim Picture***

The ongoing pandemic has exposed the vulnerability of migrants, especially in the informal sectors. In India, migrant labourers have been hit hard by lockdowns and containment strategies.

- The long-term permanent migrants are documented and covered under social protection.
- It is the short-term circular and seasonal migrants who are the most vulnerable.
  - These are the group of workers who are either self-employed or casual workers and are least protected.
  - People belonging to the Scheduled Castes and Scheduled Tribes, who constitute a substantial proportion of the short-term circular migrants and lack a foothold in cities, have been the worst affected.
  - They are the ones who are non-citizens in the big cities and are weak citizens in their native states or villages.
- Most of the vulnerable workforce primarily in the construction sector is still outside of any social protection cover.
  - The present social protection policies are focused on the workforce that is documented leaving circular migrants.
- Lack of food and shelter as well as the loss of livelihood has created unrest among migrants in the major cities forcing them to hit the roads to demand the basic minimum for their existence.
- Most of them have been forced to walk back to their native places in the absence of any transportation facilities.

#### ***Conclusion***

- The most immediate concern for migrants is food, shelter, and proper transportation.
- Covid-19 will also have long-term impacts on their livelihoods.
- The need of the hour is that the government should look into the policies of social protection, fundamental issues of conceptual flaws associated with it, and its implementation in the view of the mayhem being created by the Covid-19 pandemic.

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## The US-China Disruption and the World Order

### *Context:*

- Deterioration in the Sino–American relationship.

### *Can there be a cold war between the USA and China?*

Before looking at the possibility of a Cold War between the US and China, let us discuss the following points:

1. **American Grand Strategy for China:** The goal envisaged by the American grand strategists four decades ago:
  - To socialise a rising China under the prevailing international relations framework, and
  - To place it under a set of norms that were supported within the Chinese political system.
2. **Failure of the USA to uphold liberal world order:** The strategy of the US did not fail entirely. However, bringing liberal democracy to China was never under the limit of the US. It would have been a delight if it had happened.
  - This delusion came to an end with the 1989 Tiananmen Square crackdown. Rather than this, the focus of the US was on:
    - To expand the avenues of US businesses, and
    - To reorient China’s approach to world order and globalization after the end of the Cold War.
  - Claims that China failed to liberalise at home are to elude the fact that-
    - it is the US that finds itself unable to sustain the open international order and
    - seeks revisions in how its benefits are allocated to key stakeholders.
  - This is because the open liberal framework has accelerated the power transition and redistributed economic power from the Atlantic to the Indo–Pacific.
    - The American people no longer support a globalist venture that yields disproportionate material advantages to a tiny minority at home.
    - US businesses are having to compete with a rival power on more and more technology fronts.
  - The US policymakers could not provide credible reasons behind the failure to uphold world liberal order, so the blame is placed on a failed democracy experiment which was never important to the general policy of China.
  - This is where the debate on the US-China equation gets complicated. Is the main driver for competition merely to secure US national interests and preserve advantages that are seen to be fading away? Or is there a world order basis for the growing rivalry?
3. **Situation is not like US-Soviet:**
  - Those who support the Cold War thesis generally rely on the normative struggle that is underway between democratic America and authoritarian China, but the situation is not like the US and the Soviet Union.
  - The US-Soviet rivalry was built on a world order contest underpinned by zero-sum ideological visions and sharp dividing lines on the political economy.



- China's mixed economy has incorporated selective capitalist ideas.
- Moreover, China has adopted a more liberal approach while engaging with international institutions.
- China's international identity is not a coherent whole but an amalgam of contradictions that cannot be confronted or "othered" by relying on simplistic Cold War rhetoric.

#### 4. World vision of China

- China's world vision to advance a universal community of shared benefits has also some elements of the universalism of US liberalism.
  - Chinese attempt to reform the globalised order echoes some liberal ideas of former US President Franklin D Roosevelt who sought to balance capitalism with principles to secure social stability and economic sustainability.
  - What China does not support is the hegemonic vision of an "American-led and Western-centred system" which took shape during the second cold war.
- Broadly, China seeks to maintain the open globalised framework after revising some rules and nudging the system towards a more sustainable course based on a balance of interests between the major powers.
  - For example, in international finance, China certainly does not want to see the US dollar occupying a hegemonic position forever.
- Again, in the geopolitical realm, China will not behave like Germany or Japan, those that have accepted a subordinated role in a world designed by the US.
- China does aspire for a privileged geopolitical position in Asia.
- In a broader setting, China wants to make its mark felt, not by advancing radical ideas but ironically parroting what was heard not long ago by Western elites.

#### *Can there be a cold war between the USA and China?*

- If the argument, that China has accommodated itself to some key, though certainly not all, pillars of the open international order, is possibly true then the entire discussion on Sino–American competition needs to be revised.
- Can there really be another Cold War if the underlying ideological disagreements are less severe and not always distinguishable between the two?
- Undoubtedly, the US policymakers always provided their support to democracy versus autocracy story within the US body politic and internationally to divert the states towards the US.
  - But, this argument is too tainted to support the US-led charge on China.
  - Traditional associates of the US in Western Europe and East Asia would also not say anything regarding this argument while being in continuous business with China.
  - Germany's Chancellor Angela Merkel recently spoke of the European Union's "great strategic interest" in maintaining "constructive" cooperation with China. "We Europeans will need to recognise the decisiveness with which China will claim a leading position in the existing structures of the international architecture."
- Hence it looks like there is less possibility of a Cold War between the US and China.

#### *Power transition in the world order and rise of China*

- The rise of China has occurred within the liberal international order and a culture of interdependence.
- This is in contrast to Napoleonic France or Nazi Germany or imperial Japan whose violent method to grab power found no avenue to flourish in the prevailing world order.
- This negates the very meaning of a Cold War, a clash of irreconcilable ideas towards competition over the reins of the international order.

The script of how US-China competition will unfold is yet to be written.

#### *What would then be the nature of US-China relations?*

- Rather than predicting what would be the nature of US-China relations, it is easier to conjecture what US-China relations will not look like in the foreseeable future.
  - It will not ensue like the British accommodation of America's rise in the 19th century.
  - Neither would it play out like the violent Anglo-German clash in the early 20th century.
  - Nor would it resemble the US-Soviet ideological rivalry during the first Cold War.
- The present US policy is one of balancing against select components of Chinese power but remains open to constructive, results-oriented engagement and cooperation from China where its interests align.
- The USA does not seek to contain China's development, nor do they wish to disengage from the Chinese people.
  - The United States will engage in fair competition with China, whereby both nations, businesses, and individuals can enjoy security and prosperity.

### *Can we have a world without a hegemon?*

- **Assumption of the necessity of hegemony of a single authority:**
  - Before 1945, it was a general assumption that the hegemony of single authority is required and that such authority could only emerge from within the Euro-Atlantic community of states.
  - This was subsequently shattered in the post-1945 era, where it was accepted that the cooperation of non-western power is necessary to maintain the hegemony of a single authority.
  - However, the assumption that superpowers are pillars for international order was never questioned.
  - That is why after the cold war, when the unipolar moment came, despite the discomfort and uncertainty it produced, few really challenged the notion that the world required a hegemon to supply public goods and enforce rules of the game for others to buy into.
- **Decline of the USA in the late 2000s and resurgence of Asia and Eurasia:**
  - That premise broke down in the late 2000s with the relative decline in US material capacity to play such a role, the resurgence of Asia and Eurasia, and the misuse of the unipolar moment and failure to create a true liberal and inclusive international order.
  - This notion was further strengthened by the 2008 global economic crisis.
  - With this, the power transition cycle where the baton was passed from one Western power to another more capable Western power that resumed the responsibility of upholding order also collapsed.
- **Inability of China to carry the weight of hegemon:**
  - Asia, and China, in particular, has been unable and unwilling, to assume such a formidable and expansive role.
  - Observers of China recognise that Chinese internationalism is still vague and couched in lofty rhetoric to be a true universal force.
  - China lacks a vision of broad, open, and progressive culture and an ideology of inclusiveness that a hegemon must have.
  - Instead, China has renewed its focus on domestic stability and its regional periphery, exemplified most recently by violent incidents on the border with India.
  - At any rate, China is unlikely to ever possess material power on a scale necessary to supply public goods on its own even if it could develop a universal or pan-Asian vision with finesse.

### *An alternative world order*

- The only alternative normative pathway to a sustainable world order is a multipolar polycentric framework. For this order to be stable and legitimate, it cannot be exclusive, bloc-based, or driven by norms that emanate from a few major states.
- It has to be open, plural, multi-civilisational, decentred and regionalised, and yet simultaneously global on issues like strategic stability, financial sustainability, and ecological security.
- Great powers that are most sensitive to this emerging and complex world and respond creatively with norms and public goods will become the pillars of the emerging world order.

### ***Conclusion***

- The need of the hour is to move from the notion of hegemony of single authority to maintain world order and strive for a multipolar world.