OUR VIEW

PTI

Let vaccine data clarity serve as a booster shot

A big spat over jab availability and access has spotlighted an acute scarcity of information on India's vaccination drive. Let's set up a data dashboard that is open to wide verification

With India in the throes of a second covid wave, one that threatens to suffocate lives and livelihoods again, it is hard not to recoil in revulsion from the war of words that has broken out in the arena of politics over our vaccination programme. The country's seven-day average of daily new infections has risen above 100,000, worse than last year's peak. Even a faint spectre of a replay of our Spanish flu experience a century ago, which inflicted far more suffering in its encore, ought to have concentrated the minds of all those in authority. Instead, we have had a big public spat over vaccine availability and access. On Wednesday, Union health minister Harsh Vardhan slammed our worst-affected state Maharashtra for its complaint of a vaccine shortage, calling it "baseless" and accusing it of a failure to fight the pandemic. He also spurned calls from some state leaders to let all adults get jabs—instead of just over-45s—as attempts to politicize the crisis and cover up their inadequacies. Ground reports suggest that while some vaccine centres suffer shortfalls, others are short of footfalls. Clearly, this exercise needs far greater efficiency. And, for that, we must lift the shroud of opacity over it. We need a data dashboard on our Co-Win platform that operates much like a blockchain ledger system does: with vaccine capacity, output, supplies and doses administered open to granular verification across multiple points. We also need routine updates on side-effects. This way, we can at least all be on the same page.

As of now, we only have dribs and drabs of information from official sources to go by. Supply scarcity is a reality in many places, as Harsh Vardhan acknowledged, and vaccine-maker Serum Institute of India (SII) was recently constrained to delay its export commitments, for which its client AstraZeneca has sought to haul it up. Yet, it is not clear why we do not have adequate vials. SII had 100 million doses to start with, and said it would churn out 60-65 million doses every month of the AstraZeneca vaccine, branded Covishield in India. But only a little over 90 million jabs have been given across the country since we embarked on this mission nearly three months ago. Even after accounting for exports of 60 million doses, and considering that we also have Bharat Biotech's Covaxin, we should not be facing a crunch. Are wastage levels higher than reckoned? Reliable estimates on this remain elusive, but then, so do other numbers.

An online vaccination dashboard that follows the principles of collective book-keeping, complete with tally checks, would lend the process due transparency. It could even set the stage for market mechanisms to act as a catalyst. Real-time disclosures on side-effects, meanwhile, could help allay public qualms. Our data on that is outdated. On Thursday, our official panel on adverse reactions widened its purview to include the extremely rare but still scary possibility of a jab recipient developing blood clots within a fortnight. A day earlier, the European Medicines Agency (EMA) had put out an advisory saying that while AstraZeneca's vaccine was use-worthy against covid, its recipients must stay alert to specified clot symptoms and doctors should be ready to diagnose and treat the ailment. A few dozen cases of it were enough for the EMA to research this. Here, too, we need an assurance that our health guardians are tracking all physiological responses. The ideal way to generate public confidence would be to keep everyone clued in, not clueless.

MY VIEW | FARM TRUTHS

India's divided agrarian politics has hurt the interests of farmers

The country's cultivators would have to join hands across various furrows for their voice to be heard

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The farmers' protest is now more than four months old. While this may be the longest in recent times, it is still geographically limited to the north-western states of Punjab, Haryana, Uttar Pradesh and Rajasthan. It is yet to acquire a national character, even though the demands made by protesting farmer unions have found resonance across states. This has happened despite large farmer protests seen in recent years in several agriculturally crucial states, like Maharashtra, Madhya Pradesh, Tamil Nadu, Chhattisgarh and Karnataka.

The fragmented nature of peasant mobilization has been a feature of India's agrarian politics for the last five decades. It is unlike the pre-1947 period or the first two decades of independence, when farmer unions were largely unified and led major protests on issues like land reforms. Unlike the recent phase, with farmer unions organized along regional and identity lines, the unions back then cut across such boundaries. This changing nature of ground mobilization is partly due to the emergence of unions and leaders who raise demands for a narrow set of tillers aligned with their own interests.

While leaders like Mahendra Singh Tikait, Charan Singh and Devi Lal were seen to hold sway over farmers, they were influential in their respective areas of operation, chiefly. Their demands for remunerative prices, subsidies and sugar mill arrears catered to farmers in their own regions of influence. Similarly, farm leaders in Maharashtra such as Sharad Joshi were influential in their farm belts, but failed to build alliances with their counterparts in eastern or north-western India. The Left-backed All India Kisan Sabha was mainly interested in land and tenancy reforms, and it did effect changes in West Bengal, but failed to extend the gains to other states.

It was not just affinities of identity or regional interests, but also the nature of demands put forth by farmer unions that made their politics exclusionary. These groups represented the interests of specific crop growers rather than of farmers in general. Farmer suicides in the cotton belt of Vidarbha hardly evoked the same kind of response as seen in western UP, where the struggle has been to get sugarcane arrears. Andhra Pradesh saw tobacco and chilli farmers unionize, but they did little to join hands with unions in other states. One consequence of this fragmented mobilization was that scarcely any protest arose when Bihar abolished its Agricultural Produce Marketing Committee (APMC) market system (of *mandis)* in 2006. Since it was a state where the *mandi* system never worked and it contributed little to the central pool through minimum support price (MSP)-led procurement, its abolition did not generate even a murmur of protest in the last 15 years.

It's a different matter that the current farmer protest is largely to retain the same APMC *mandi* structure that exists elsewhere. Most north-western states, which are the epicentre of the protest, are areas with functional APMC systems that have been beneficiaries of MSP-led procurement operations. This also partly explains why there has been such a lukewarm response to the farmer agitation in the agriculture-dominated state of Bihar or in eastern states where MSP procurements are negligible. The differences are not just crop and region specific, and have led to a fragmentation in the voicing of demands of various groups within the agricultural sector. Most farmer unions, for example, seem quite indifferent to the demand of agricultural labourers for better wages, working conditions and social protection. Likewise is the case with large landholders and owner-cultivators vis-à-vis tenant farmers, who remain largely deprived of various schemes for access to credit and other subsidies.

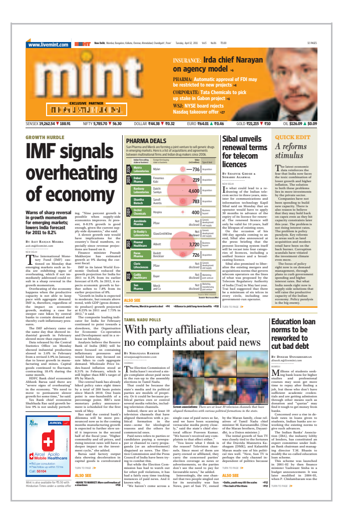
India's fragmented farmer politics has not only weakened the agrarian movement, it has also made space for its manipulation by governments to their advantage. Governments have gotten away by providing only piecemeal solutions to pressing farmer problems, whether these relate to indebtedness driving tillers to take their own lives or inefficiencies of the market structure. A short-sighted approach to dealing with agrarian issues based on regional self-interests has also meant that the bargaining power of farmer unions has weakened. While the current agitation may eventually be successful, a sustainable solution to farm distress requires a unified movement based on universal principles that includes diverse interest groups. Only that can ensure better returns on farming and strong support from the government.

QUICK READ

The farmer protest not spreading countrywide is a reflection of the changed nature of agrarian politics in India. Unlike around independence, it's divided along regional, identity and other lines.

This has left Indian farmers without a sufficiently strong voice. They need a unified movement based on principles, one that speaks for all, if their distress is to be addressed.

10 YEARS AGO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IMF signals overheating of economy

With party affiliations clear, no complaints about paid news

JUST A THOUGHT

Their hands are tied not by ropes but by the greed of the intermediaries that the system has generated, who eat up the farmer's income while it is on its way into his hands.

FARAAZ KAZI

THEIR VIEW

The IMF's outdated outlook and our policy challenges

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The International Monetary Fund's (IMF) long-awaited update on global growth was released on 6 April in its *World Economic Outlook* (WEO) of April 2021. Its projections were revised slightly upwards relative to its WEO January update. The world is now projected to grow 6% in 2021, compared to 5.5% earlier, and 4.4% in 2022, compared to 4.2% earlier. This is largely because the global economy is now expected to shrink by 3.3% in 2020, compared to 3.5% estimated earlier, and because of a stronger recovery in the US.

India's IMF projections for 2021 and 2022 have also gone up from 11.5% and 6.8% to 12.5% and 6.9%. That India would be the fastest-growing major economy in both these years has to be seen in the right perspective. This rebound is a statistical illusion, the base effect of the steep fall of -8% (-7.7% as estimated by India's Central Statistical Office) in 2020-21. India's average growth across the three years from 2020 to 2022 would remain under 4%, compared to 4.2% in 2019. The output loss relative to the pre-covid growth projection is one of the largest among major economies. The strong rebound is a classic illustration of the proverbial dead cat bounce—the harder the fall, the bigger the rebound on hitting the floor.

On 7 April, Reserve Bank of India (RBI) governor Shaktikanta Das announced that the central bank's monetary policy committee (MPC) had decided to keep its key policy rates on hold. This was on expected lines, as it had to balance the conflicting objectives of upward pressure on inflation and supporting a recovery from the covid-related economic crisis. Raising rates at this juncture was out of the question. A lowering of the repo rate, currently at 4%, was also unlikely because that level is already very low—indeed negative—relative to consumer price inflation, which is trending upwards. Even if one were to take the average of wholesale price inflation (which is trending much lower) and consumer price inflation in India, RBI's real repo rate works out to less than 1%.

The economy has been weakening over the last four years. Gross domestic product (GDP) growth has declined continuously from 8.2% in 2016-17 to 4.2% in 2019-20, even before the sharp fall of 7.7% in 2020-21. The burden of stimulating the economy has fallen largely on monetary policy, with both the nominal and real repo rates falling over this period. This accommodative monetary policy, however, did little to stimulate credit growth and private investment, as its transmission channels are clogged on account of a 'twin balance sheet' problem. The banking system is burdened with a big load of non-performing assets, which, according to RBI's latest financial stability report, are expected to rise sharply again during the current year. This makes banks extremely cautious in extending fresh credit. The counterpart of non-performing loans is distress in corporate balance sheets, which makes firms hesitant to borrow. In these circumstances, fiscal policy is likely to be much more effective in stimulating growth and investment than monetary policy. The IMF's WEO has pointed out that larger output losses and weaker recoveries in emerging markets relative to advanced economies are on account of weaker fiscal responses to the covid crisis. Clearly, the pre-covid crisis in India's banking system needs to be resolved expeditiously to improve the potency of monetary policy.

The conflicting objectives of growth and inflation would need to be balanced going forward as well. RBI expects inflation to remain above 5%, in the upper range of its target of 4% +/- 2%. Hence, its price-stability worries are unlikely to diminish. It is significant that it has advised the government to reduce taxes on petroleum products to relieve some pressure. It has also flagged concerns over India's economic recovery in view of the current covid resurgence. It is pertinent to note that RBI's growth projection of 10.5% for 2021-22 is a full 2 percentage points below what is projected by the IMF in its WEO April update. The IMF projections appear not to have factored in the covid resurgence in India. It is equally surprising that RBI has reiterated its growth estimate of 10.5% for 2021-22 made two months ago, prior to the covid wave currently on the ascent. The output loss is likely to be significantly worse than what IMF numbers indicate. Average growth in 2020-21 through to 2022-23 is likely to be below 3.5%.

Another monetary policy headache that may lie ahead is having to respond to capital outflows arising out of a possible strong US recovery, inflationary pressures and rising interest rates in America, as the IMF has highlighted in its latest WEO. Were that to occur, RBI might well be placed in the unenviable position of having to cope with the 'impossible trinity', of balancing a second set of conflicting objectives, with domestic and external policy requirements pulling in opposite directions.

The priority that RBI has attached to smooth financing of the government's huge borrowing programme during the current fiscal year also shows in its monetary policy statement of 7 April. It apparently does not want the Centre's borrowing needs to crowd out private borrowers while India's economy is still in recovery mode. It has signalled a willingness to intervene aggressively in the bond market to support the government's borrowing requirements, and also to mop up excess liquidity if and when warranted.

QUICK READ

The high growth projections of the IMF and RBI for India look odd, as the strong revival they indicate seems to overlook the damage that a big covid resurgence is likely to cause.

RBI faces conflicting policy goals. It must not only push growth without stoking inflation, but also balance domestic and external policy requirements if the US economy strengthens.