

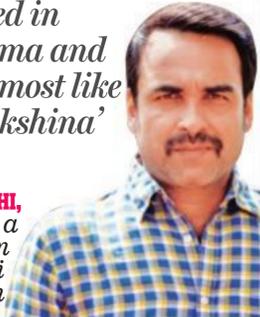
## DAY IN WORDS

Now the Centre has made these [parents' place of birth, and [furnishing) of documents like Aadhaar] optional. So, there is no issue in NPR.

— **KPALANISWAMI**, Tamil Nadu CM, saying NPR is not an issue

His [Irrfan's] contribution has been greatly acknowledged in Indian Cinema and my role is almost like my 'guru dakshina' to him.

— **PANKAJ TRIPATHI**, actor, on doing a cameo in 'Angrezi Medium'



Ishant has a lot of experience... I thought his career might have been finished at international level, but he has reinvented himself and he is bowling well.

— **GLENN MCGRATH**, former Australian pacer, praising Ishant Sharma

## DAY IN NUMBERS

₹9K cr

earned from cancelled ticket charges and non-cancelled waitlist tickets, says IRCTC

1,444

industrial plots, out of 2,547 plots allotted, are functional in Kashmir, show govt figures

## AROUND THE WORLD

THE GUARDIAN  
ON #METOO

## Bringing Harvey Weinstein to book is a huge victory

**HARVEY WEINSTEIN** was not the first powerful man to be accused of assaulting and raping women. But the movie producer's conviction in a New York court, hard fought for and long overdue, is a welcome step forward in the march for justice. He was found guilty of raping one woman and committing a nonconsensual oral sex act on another.

Ashley Judd, the first actor to publicly accuse Weinstein of sexual misconduct, wrote that while she was celebrating the verdict, "I am thinking about how it took 90 women coming forward for two guilty convictions".

### His accusers got the justice they had been seeking

The conversation that began in Hollywood must not end there. As the journalist Jodi Kantor said of her motives when she began to look into allegations that stars had been harassed, or worse, the point was to prove that "nobody's immune". There are still too many predators and too much exploitative behaviour. Yet the Weinstein case, like others, is a welcome sign that the assumption that powerful men can set their own rules is unravelling in many spheres of life.

## NEWSMAKER OF THE DAY

BY SIDDHANT JUMDE



## AJIT DOVAL

The National Security Adviser visited violence affected areas in Delhi on Wednesday. He said that "people were doubting the capabilities and intentions of Delhi Police. This needs to be addressed. People need to trust the man in uniform." He added that "no law-abiding citizen would be harmed [in] anyway by anyone."

# The big picture on India-US trade deal

**W**ITH US President Donald Trump's India visit coming to an end, it's time to step back and reflect on its significance against the larger interests of US and India as the two sides try to finalise a free trade agreement.

## Limited trade deal

A bilateral trade deal between the countries, likely to be a \$10 billion "limited trade deal", is critical for their business and trade interests, and also significant for regional economic conditions in South Asia and the Indo-Pacific region at large.

Why is that the case? One, bilaterally, US is India's largest trade partner now. It is also one of the countries that India has a trade surplus with, which stood at \$16.85 billion in 2018-19. China was India's largest trade partner between 2013-14 and 2017-18. A limited trade deal agreement between US and India is likely to restore the General System of Preferences (GSP) scheme for India in return for dismantling retaliatory tariffs on American almonds, walnuts and pulses apart from reducing duties on farm products and luxury goods like Harley Davidson motorcycles.

However, a trade surplus with the US does not necessarily mean that Indian exporters have had a larger pie of business in the US. Trade agreements today go beyond a negotiation on tariffs and quotas (much lower than in the past). Their importance lies in implicit and explicit incentives offered in areas as part of behind-the-border form of regulations, offering greater convergence in factor mobility (labour, capital, etc) and in terms of policy clarity and consistency (on matters like intellectual property rights, taxation, data security, etc).

These are all areas where a deeper association between India and the US can benefit both nations' economies and its agents. Indian firms need



by Deepanshu Mohan

greater access to American markets for a deeper market integration process to ensue in areas of services and technological development, where India might have a competitive advantage. A deal can also allow (skilled) Indians better mobility to and from the US for professional development and higher income.

On investments, a deeper US-India engagement can provide a useful alternative to American firms vis-à-vis China, which is otherwise seen as the factory of the world. India's large domestic market and relatively weak domestic private investment scenario offer greater prospects to US firms interested in large volume investments in manufacturing and/or services.

## Global value chains

Another important question emerges as to what extent a comprehensive trade deal with the US can enable the Indian export market (and trade position) to improve with respect to the rest of the world? Being part of global value and supply chains remains critical for Indian firms to become more competitive over time and extract greater value.

Partnerships with US firms that enjoy a higher presence in the global value chain can broadly increase India's competitiveness. This competitive environment for Indian firms operating in the US, and vice-versa, can also help develop more attractive investment and capacity-building opportunities within industries of the future like artificial intelligence, renewable energy, edutech and healthtech.

India can contribute to these industries. Why? If one looks closely, India is currently experiencing a rapid (more structural) phase of premature deindustrialisation, which is likely to make

it difficult for existing industries like textile, leather, and iron & steel, to become competitive at a global level.

Deindustrialisation, as argued before, refers to a waning effect of the manufacturing sector's impact on a nation's growth via contributions to the processes of employment generation, wage growth mobility and total output added (measurable via GDP).

## Gateway to the world

In conventional economic wisdom, manufacturing growth over a period of time presents itself in an inverse U-shaped trajectory, where long-term deindustrialisation is seen as a natural phenomenon as the average income of citizens rises, allowing service growth to pick up over time.

In India, a slowing manufacturing sector — measurable in terms of its contribution to both total output and value-added — is aiding a rapid wave of deindustrialisation, imposing significant economic and social costs (employment loss and higher wage inequality). Most of these effects are also likely to worsen over the coming years, unless a miraculous coordinated effort revives India's ailing manufacturing sector. Indian businesses need to develop long-term partnerships with American firms and industrial actors in technologies and areas where market design and its integration is likely to expand not only at a bilateral level, but at a global level for these countries in the future. At the same time, for India to even consider the possibility of encouraging US firms to invest, it is important that its political economic climate remains conducive. A breakdown in social cohesion or in an ecosystem of high mistrust between the state and citizenry, a craftily designed trade deal can end up doing very little to actualise higher investments. It is likely to be seen in the nature and scope of the US-India trade deal based on the underlying environment in which it takes shape.

The writer, an assistant professor, is director, Centre for New Economics Studies, OP Jindal Global University. The views expressed are personal.

## DAILY HUMOUR

“Silence is one of the hardest arguments to refute.”

—Josh Billings



## SO FUNNY

Love many, trust few, always paddle your own canoe.

“I'm always relieved when someone is delivering a eulogy and I realise I'm listening to it.”

—George Carlin