

## Course correction – Easing the pressure: On withdrawal of Hong Kong's extradition Bill

### *The best response to the Hong Kong discontent will be a policy of accommodation*

The withdrawal on Wednesday of Hong Kong's controversial extradition Bill, which intended to hand over suspected criminal offenders to other jurisdictions, has raised hopes for a welcome, even if temporary, pause in tensions. The reversal has bought Beijing, which had begun mobilising paramilitary forces in neighbouring Shenzhen city, time to deal with the political and economic fallout from the intensifying protests. All the same, the decision by Carrie Lam, the city's Chief Executive, has infused momentum to the pro-democracy campaign that is coming to be referred to as the 'Water Revolution'. While Ms. Lam dithered and delayed a decision for nearly three months, the protesters expanded their charter of demands, in effect to question the 'One Country, Two Systems' policy. Their calls for a judicial investigation into the government's handling of the crisis and alleged police violence are bound to grow louder after the roll-back of the infamous Bill. But the most potent of them all, perhaps, is the right to universal suffrage, which was originally championed under Hong Kong's 2014 umbrella movement, but effectively neutered by the government. The demand will doubtless prove pivotal to the current campaign. But a genuine exercise of the franchise may also be among the last concessions protesters are likely to extract from Beijing any time soon.

President Xi Jinping would be acutely aware of the implications of major loosening of policy as the 2047 expiry of Hong Kong's special status approaches. The risks are no less of possible spillover effects in Taiwan, whose government is wedded to independence from China. The 'Water Revolution' has so far managed to broaden its appeal among millions, transcending social classes and across different generations. As with other recent political uprisings, building a cohesive leadership and strategy might turn out to be its biggest challenge. In a sign of the unstable economic and business environment ahead, Hong Kong's GDP growth in the previous quarter was the slowest since the financial crisis. Fitch, the credit ratings agency, on Friday lowered Hong Kong's ranking from AA+ to AA, even as it underscored the city's strong financial buffers. Given its position as Asia's leading financial hub, prolonged uncertainty in Hong Kong can aggravate the current harm to global trade from the escalating tensions between China and the U.S. Mr. Xi has embarked on an aggressive policy aimed at China's economic, technological and strategic dominance. His stance vis-à-vis Hong Kong will provide important clues to the political dimension of that approach. The current discontent, however, poses a far more immediate challenge. An accommodative policy might serve the best overall interest.

### **Meanings of Difficult Words :**

- **extradition** (noun) – the action of surrendering/handing over a fugitive (a person who has escaped from being confined/accused of crime) from one jurisdiction to another by mutual agreements between the two countries. deportation, handover, expulsion.
- **discontent** (noun) – disappointment, dissatisfaction, resentment.
- **accommodation** (noun) – arrangement, compromise, settlement/deal.
- **jurisdiction** (noun) – authority, control, leadership.
- **mobilise** (verb) – organize, call up, bring into play.
- **fallout** (noun) – adverse results; after-effects, repercussions.
- **all the same** (phrase) – in spite of everything, in spite of that, nevertheless/nonetheless, even so, however.

- **Water Revolution** (noun) – The pro-democracy demonstrations that have roiled Hong Kong for three months now will be known as the “water revolution”. (**roil** means to make (someone) annoyed or irritated).
- **the executive** (noun) – the executive is a branch of government which enforces the law as written by the legislature and interpreted by the judiciary.
- **infuse** (verb) – add, impart, introduce.
- **momentum** (noun) – impetus, driving force, power/strength.
- **dither** (verb) – hesitate, be in two minds, be undecided/unsure.
- **charter of demands** (noun) – a collection of demands which the employee through their union put before the management for improvement in their service conditions and wages.
- **call for** (phrasal verb) – require, need, necessitate/demand.
- **alleged** (adjective) – supposed, so-called, purported,
- **bound to** (adjective) – certain/sure, very likely, guaranteed.
- **roll-back** (noun) – reduction, cut/decrease, trimming.
- **infamous** (adjective) – ill-famed, with a bad reputation, notorious/disreputable.
- **universal (adult) suffrage/franchise** (noun) – the right of citizens in a given society who are entitled to vote in an election without the discrimination of caste, class, colour, religion or sex.
- **champion** (verb) – advocate, promote, support.
- **umbrella movement** (noun) – umbrella movement was a political movement that emerged during the Hong Kong democracy protests of 2014.
- **neuter** (verb) – make ineffective.
- **pivotal** (adjective) – central, crucial, vital/critical.
- **concession** (noun) – grant of privilege; favour, allowance, exception.
- **implications** (noun) – consequence/outcome, ramification, repercussion.
- **spillover** (noun) – repercussion, consequence, outcome (unexpected one).
- **(be) wedded to** (verb) – dedicated to, devoted to, attached to.
- **so far** (phrase) – until now, present, up to now.
- **transcend** (verb) – surpass, outstrip, overstep.
- **uprising** (noun) – insurgency, revolution, rebellion.
- **cohesive** (adjective) – united, integrated, cooperated.
- **turn out** (phrasal verb) – transpire, emerge, appear.
- **Gross domestic product** (GDP) (noun) – a measure of economic activity in a country. It is the total value of a country’s annual output of goods and service.
- **underscore** (verb) – underline, emphasize, highlight.
- **buffer** (noun) – shield, screen, barrier/guard.
- **hub** (noun) – centre, centre of activity, focal point.
- **prolonged** (adjective) – continuous, persistent, unending.
- **aggravate** (verb) – worsen/make worse, exacerbate, compound.
- **embark on** (phrasal verb) – start, begin, initiate/commence.
- **stance** (noun) – point of view, opinion, standpoint.
- **vis-a-vis** (preposition) – in relation to, with regard to.
- **dimension** (noun) – aspect, feature, element.
- **accommodative** (adjective) – accommodating, cooperative, helpful.

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## Course correction – Bear hug: On India strengthening relations with Russia

### *India's push to 'Act Far East' strengthens relations with traditional ally Russia*

Unveiling the Russian edition of India's 'Look East, Act East' policy, Prime Minister Narendra Modi pledged on Thursday to extend a \$1 billion Line of Credit to Russia's Far East region (RFE). Speaking at the Eastern Economic Forum in Vladivostok, set up by Russian President Vladimir Putin to attract investment to the farthest outlying East Siberian and Arctic-pole areas of the country, Mr. Modi said that the announcement of the LOC, expected to help finance Indian business projects in the region, will be the "take-off point for Act Far East", and will further strengthen bilateral ties. Mr. Modi's visit saw several initiatives being launched towards increasing the value of economic ties between the two countries, which, at approximately \$10 billion in terms of bilateral trade, lags far behind their strategic partnership and defence relationship. In the past year alone, India has contracted defence deals worth about \$14.5 billion from Russia. Chief among the 50 agreements signed this week were those on energy exploration and procurement, including a specific MoU on cooperation on LNG supplies to India, and a maritime route from Vladivostok to Chennai which will be used for energy trade as well. The two sides also agreed on a five-year 'roadmap' for cooperation on prospecting for hydrocarbons and LNG in the Far East and the Arctic, building on a history of Indian investment in oilfields in the region.

Beyond the bilateral aspect, the PM's pivot to Russia's Far East has far-reaching strategic implications. The emphasis on energy from this region is as much a bid to benefit from explorations and trade routes in the Arctic that are becoming accessible due to global warming, as it is reflective of India's desire to diversify its energy sources away from an unstable West Asia. The investment in the Far East, which is often neglected given that Russia is seen as a European power in the post-Soviet era, also underlines India's desire to draw Russia into its strategic forays in the Indo-Pacific. The government has said it welcomes cooperation with other countries for investments in RFE, notably Japan, which has in the past few years warmed up to Russia, despite their bitter territorial dispute in the region. This interest is seen as India's attempt to not only keep a traditional friend close, but to ensure some space in the current clinch between Russia and China. China's cross-border investment in RFE accounts for 71% of the total direct foreign investment of \$33 billion. Above all, the push to 'Act Far East' allows India to demonstrate its commitment to an area of concern for Moscow, thus reassuring its traditional partner that in an increasingly polarised world, India is confident of working with multiple alignments, even if they are at cross purposes with each other.

#### **Meanings of Difficult Words :**

- **bear hug** (noun) – tight control, squeeze (a strong financial pressure); a takeover or acquisition bid/offer/strategy that is potentially so attractive (or much higher value of target company) to its shareholders.
- **ally** (noun) – partner, supporter, accomplice/confederate.
- **unveil** (verb) – present, announce, disclose/make public.
- **pledge on** (verb) – promise, promise to give; undertake to give, contribute.
- **line of credit** (noun) – another term for credit line; a source of funds that can readily be tapped/borrowed at the borrower's discretion (choice).
- **outlying** (adjective) – remote, inaccessible, out of the way.
- **take-off point** (noun) – a particular moment/point in time at which something (an activity) is beginning.

- **bilateral** (adjective) – involving two groups or countries.
- **ties** (noun) – relationship, allegiance, association.
- **lag behind** (phrasal verb) – trail, fall back, straggle/move slowly.
- **strategic partnership** (noun) – it is a long-term interaction between two countries based on political, economic, social and historical factors (Courtesy: **IDSA** (Institute for Defence Studies and Analyses)).
- **exploration** (noun) – investigation, search, inspection (of an area for natural resources).
- **procurement** (noun) – the action of buying or purchasing something.
- **maritime** (adjective) – of or related to the sea.
- **roadmap** (noun) – schedule of a (complex) program.
- **prospect for** (verb) – search for, seek.
- **hydrocarbon** (noun) – it is an organic compound consisting entirely of hydrogen and carbon which are the main components of petroleum and natural gas.
- **build on** (phrasal verb) – develop, enhance, expand on.
- **pivot** (noun) – focus/focal point, centre.
- **far-reaching** (adjective) – important, major, significant.
- **implications** (noun) – consequence/outcome, ramification, repercussion.
- **bid** (noun) – attempt, effort, endeavour/try.
- **global warming** (noun) – it is the unusually rapid increase in Earth's average surface temperature over the past century primarily due to the greenhouse gases released as people burn fossil fuels.
- **reflective** (adjective) – thoughtful, contemplative, introspective.
- **diversify** (verb) – enlarge/expand, widen, branch out.
- **underline** (verb) – emphasize, highlight, draw attention to.
- **foray** (noun) – a brief & active attempt to get involved in a new activity/sphere.
- **warm up** (phrasal verb) – prepare, get ready, get into condition.
- **clinch** (noun) – a struggle or scuffle.
- **account for** (phrasal verb) – constitute, form, provide (a specific amount).
- **foreign direct investment (FDI)** (noun) – Investment from one country into another (normally by companies rather than governments) that involves establishing operations or acquiring tangible assets, including stakes in other businesses.
- **polarized** (adjective) – divided, separated.
- **at cross purposes** (phrase) – conflicting, contradictory, clashing, contrasting.

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## Course correction – **A weak chase: On controlling hepatitis B**

### ***Controlling the hepatitis B virus calls for universal vaccination of newborns***

On September 3, Bangladesh, Bhutan, Nepal and Thailand became the first four countries in the World Health Organization's southeast Asia region to have successfully controlled hepatitis B. The virus is said to be controlled when the disease prevalence is reduced to less than 1% among children less than five years of age. Despite the introduction of hepatitis B vaccine in the Universal Immunisation Programme in 2002 and scaling-up nationwide in 2011, about one million people in India become chronically infected with the virus every year. According to the Health Ministry, as on February 2019, an estimated 40 million people in India were infected. Hepatitis B infection at a young age turns chronic, causing over 1,00,000 premature deaths annually from liver cirrhosis or liver cancer. A study published in 2013 found

lower coverage of hepatitis B vaccine in eight of the 10 districts surveyed. But the coverage has witnessed an increase with the introduction of a pentavalent vaccine on a pilot basis in Kerala and Tamil Nadu in December 2011 and national roll-out in 2014-2015. According to the WHO, the coverage of hepatitis B third dose had reached 86% in 2015. However, despite the high vaccination coverage, disease prevalence in children aged less than five years has not dropped below 1%. One of the reasons for this is the sub-optimal coverage of birth dose in all infants within 24 hours of birth.

Hepatitis B birth dose, given in the first 24 hours, helps prevent vertical transmission from the mother to child. The compulsion to increase birth dose to cut vertical transmission arises from two important reasons — about 70-90% newborns infected this way become chronic carriers of hepatitis B, and about 20-30% carriers in India are due to vertical transmission. But even seven years after the Health Ministry approved the birth dose in 2008, its coverage remained low — 45% in 2015 and 60% in 2016 — according to a 2019 Health Ministry report. What is indeed puzzling is that even in the case of institutional delivery, the birth dose vaccine coverage is low — 76.36% in 2017. Incidentally, institutional delivery accounts for about 80% of all deliveries in the country. The birth dose coverage when delivery takes place outside health-care institutions is not known. One of the reasons for the low coverage is the fear of wastage of vaccine when a 10-dose vial is used. Unfortunately, health-care workers are very often unaware of the WHO recommendation that allows hepatitis B open-vial policy. Opened vials of hepatitis B vaccine can be kept for a maximum duration of 28 days for use in other children if the vaccine meets certain conditions. There is also a need to increase public awareness about the merits of the birth dose.

### **Meanings of Difficult Words :**

- **call for** (phrasal verb) – require, need, necessitate/demand.
- **vaccination** (noun) – treatment with a vaccine to protect against a particular disease; immunization.
- **prevalence** (noun) – commonness, widespread presence, ubiquitousness.
- **vaccine** (noun) – a biological preparation that improves immunity to a particular disease.
- **immunisation** (noun) – the process whereby a person is made immune or resistant to an infectious disease, typically by the administration of a vaccine. Vaccines stimulate the body's own immune system to protect the person against subsequent infection or disease.
- **scale-up** (noun) – increase, expansion.
- **chronically** (adverb) – continuously, constantly, unabatingly.
- **chronic** (adjective) – persistent, long-term, continuing (or happening again and again for a long time).
- **premature** (noun) – untimely, early, too soon/too early.
- **liver cirrhosis** (noun) – a liver condition that causes irreversible scarring on the liver.
- **pentavalent vaccine** (adjective) – 5-in-1 vaccine; it protects against five major infections: diphtheria, tetanus, pertussis (whooping cough), hepatitis B and Haemophilus influenzae type b (Hib).
- **pilot** (adjective) – test, trial, experimental (a scheme).
- **roll-out** (noun) – official launch / introduction.
- **sub-optimal** (adjective) – below the highest standard/level/quality.
- **vertical transmission** (noun) – vertical transmission (of viruses) occurs from mothers to their children/offspring during pregnancy, birth, or breastfeeding. In horizontal transmission, viruses are transmitted among individuals of the same generation
- **puzzling** (adjective) – confusing, baffling, bewildering.
- **institutional delivery** (noun) – it refers to the facilities like hospitals, trained health care professionals etc. for women for giving birth to child.
- **incidentally** (adverb) – by chance, accidentally, coincidentally.
- **account for** (phrasal verb) – constitute, make up, comprise, form.

➤ **merit** (noun) – strong point, advantage, value.

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## Course correction – **Interesting, but risky: On RBI's floating rate loans diktat**

### ***RBI's diktat to banks could spur borrowing but may pressure lenders' margins***

The Reserve Bank of India (RBI) has finally decided that it needs to address the problem of inadequate interest rate transmission head on. In a circular to banks on Wednesday, it directed lenders to link all new floating rate loans given to borrowers in the personal, retail and micro, small and medium enterprise (MSME) categories to external benchmarks, including the repo rate, with effect from October 1. While giving banks the relative freedom to choose the specific external benchmark, including yields on the 3-month and 6-month Treasury Bills published by the Financial Benchmarks India Pvt. Ltd., the central bank made it clear that lenders would need to adopt a uniform benchmark within a loan category. Banks have also, crucially, been given the leeway to determine their spread over the benchmark rate with a caveat that changes to the credit risk premium can only be made when the borrower's credit assessment undergoes a substantial change. That the inadequate transmission of policy rate moves has been an abiding conundrum for the RBI is well known. In 2015, then Governor Raghuram Rajan decided that the system used by banks to price their loans needed to be changed and so introduced the Marginal Cost of Funds based Lending Rate (MCLR) regime. In October 2017, an internal study group of the RBI recommended the adoption of external benchmarks to ensure effective policy transmission, after observing that the MCLR too had failed to deliver.

Policymakers, in fact, have been so vexed with poor transmission — against a total of 75 basis points (bps) reduction in the RBI's repo rate between February and June, the weighted average lending rate on fresh rupee loans at banks eased only by 29 bps — that Monetary Policy Committee member Chetan Ghate in August cited the issue as reason to oppose the proposed 35-bps cut and instead voted for a 25-bps reduction. "By a large cut (35 bps) I feel we will be burning through monetary policy space without much to show for it. While the real economy needs some support, we should wait for more transmission to happen," he said at the MPC's rate setting meeting, the minutes show. Though the latest move will surely lower the interest cost on new floating rate loans availed by borrowers to buy cars or homes, it may force banks to start cutting the interest rate they pay deposit holders or risk seeing their margins shrink. And while the RBI wants to try and nudge an uptick in credit for beleaguered MSMEs, the success of the measure will ultimately be determined by a regaining of confidence by consumers to spend and a conviction by industry to invest.

#### **Meanings of Difficult Words :**

- **floating (interest) rate** (noun) – variable or adjustable (interest) rate on debt obligation.
- **diktat** (noun) – order, regulation, decree.
- **spur** (verb) – stimulate, prompt, propel.
- **address** (verb) – attend to, tackle, deal with.
- **head on** (adverb) – if someone deals with a problem head-on, they do not try to avoid it, but deal with it in a direct and determined way .
- **benchmark** (noun) – standard, guideline, basis.
- **repo rate** (noun) – it is the rate at which the central bank of a country (RBI in case of India) lends money to commercial banks in the event of any shortfall of funds.
- **yield** (noun) – profit, gain, return/dividend.

- **leeway** (noun) – freedom, scope/flexibility, latitude/elbow room.
- **caveat** (noun) – warning/caution of provision, condition, clause.
- **abiding** (adjective) – long-lasting, permanent, stable.
- **conundrum** (noun) – problem, difficulty, quandary.
- **vexed** (adjective) – annoyed, irritated, furious.
- **weighted average** (noun) – the average of values which are scaled by importance.
- **lend** (verb) – give, provide, offer.
- burn through (phrasal verb) – to use all of (something) quickly.
- **The monetary policy committee (MPC)** (noun) – it is a six-member panel that is expected to bring “value and transparency” to rate-setting decisions. It will feature three members from the RBI — the Governor, a Deputy Governor and another official — and three independent members to be selected by the Government. The MPC will meet four times a year to decide on monetary policy by a majority vote.
- **avail** (verb) – aid, assist, help.
- **shrink** (verb) – lessen, reduce, decrease.
- **nudge** (verb) – encourage, prompt, stimulate/coax.
- **uptick** (noun) – a small increase.
- **becalmed** (adjective) – at a standstill, at a halt, unmoving; stranded/stuck.
- **beleaguered** (adjective) – hard-pressed, troubled, in difficulties.
- **conviction** (noun) – belief, opinion, view.

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## Course correction – **Tending to the heart: On cardiac care**

### ***Targeting risk factors is key to reducing deaths due to cardiovascular diseases***

The reinvention of the wheel can be painful. Taking lessons from those who have already run the wheel several revolutions and tweaking those lessons for domestic conditions might not be a bad idea. For India, there is indeed valuable learning from the results of the Prospective Urban Rural Epidemiology (PURE) study published in The Lancet this week. Studying the situation in 21 countries across five continents, categorised by income levels, researchers showed that while cardiovascular disease (CVD) is the leading cause for death overall, there have been some transitions, particularly in the high-income countries, which have managed to reduce the number of deaths from CVD. In low-income countries, including India, however, CVD is still the top killer, with death three times more frequent than that due to cancer. What flies in the face of logic is that the risk burden of CVD-linked mortality is inversely proportional — lower risk but higher mortality in low-income countries, and higher risk but lower mortality in high-income countries. PURE’s analysis concluded that the higher mortality in poorer countries was likely due to other factors, including ‘lower quality and less health care’. Access to affordable, quality health care is still a dream in many pockets in India. A great amount of out-of-pocket expenditure (according to Health Ministry data for 2014-15, nearly 62.6 % of India’s total health expenditure) often frustrates continuation of treatment, or adherence to drug regimens. While some States have shown limited successes with government-sponsored health insurance schemes, the Centre’s Ayushman Bharat Yojana will have to take much of the burden of hospitalisation for complications of non-communicable diseases. National and State schemes running on mission mode, including the National Programme for Prevention and Control of Cancer, Diabetes, CVD and Stroke will have to step up efforts to target people at risk with life-saving interventions.

While most of the predominant risk factors for cardiovascular disease present no startling medical revelation, it is significant that the single largest risk factor is a low education level. It is no doubt part of

the job description of the National Programme to modify this risk factor. However, governments will have to muscle up to tackle a rather startling finding — ambient air pollution and indoor air pollution have an impact on CVD and mortality. Household air pollution is the third top risk factor in low-income countries, according to the study. The need of the hour is out-of-the-box solutions combined with inspiration from models of those who seem to have belled this particular cat. Any plans that target the risk factors and prevent the onset of non-communicable diseases will clearly have to be truly game-changing, and incorporate the environmental angle as well.

### **Meanings of Difficult Words :**

- **tend to** (verb) – look after, take care of, care for.
- **cardiovascular** (adjective) – relating to the heart and blood vessels.
- **reinvent the wheel** (phrase) – to waste one's time working on creating something that has already been created by someone else, or trying to solve a problem that has already been solved by someone else.
- **indeed** (adverb) – truly, actually, surely.
- **epidemiology** (noun) – the study of the distribution and determinants of health-related states or events (including disease), and the application of this study to the control of diseases and other health problems (Courtesy: WHO).
- **fly in the face of** (phrase) – disregard, ignore, defy/disobey.
- **mortality rate** (noun) – (in a particular time/for a cause) the rate of death.
- **out-of-pocket expenditure** (noun) – (cash) payments made directly and that may not be reimbursed.
- **adherence** (noun) – commitment to, attachment to.
- **non-communicable diseases (NCDs)** (noun) – also known as chronic diseases, are not passed from person to person. They are of long duration and generally slow progression. The four main types of non-communicable diseases are cardiovascular diseases (like heart attacks and stroke), cancers, chronic respiratory diseases (such as chronic obstructed pulmonary disease and asthma) and diabetes (Courtesy: WHO).
- **run on** (phrasal verb) – be focused on, revolve around, be dominated by.
- **step up** (phrasal verb) – increase, intensify, escalate.
- **intervention** (noun) – action taken to improve a medical disorder.
- **startling** (adjective) – surprising, unexpected, astonishing/shocking.
- **muscle up** (phrasal verb) – to make stronger or more powerful; to force one's way into or through.
- **household** (noun) – family, house.
- **need of the hour** (phrase) – some need/requirement/demand at a particular point of time.
- **(think) out of the box** (phrase) – to do something in a new, different, innovative or creative way (especially in business).
- **bell the cat** (phrase) – to undertake/attempt a dangerous action, if achieved, it will benefit the entire community/group.

☞ “Stop Looking For Happiness In The Same Place You Lost It” ☞