

PERILOUS STATE: ON STATE FINANCES

The Centre Needs To Help States Financially So That They Can Fight The Virus Better

State finances are in a shambles. Every single State's, without exception, though the degree may vary. The COVID-19-induced lockdown has dealt State finances a triple whammy. Their own revenue sources — mainly from liquor sales, stamp duty from property transactions and sales tax on petroleum products — that account for half their total revenues, have collapsed. And their expenditure such as on interest payments, social sector schemes and staff salaries remains unchanged. Worse, they are now called upon to spend more on beefing up their health infrastructure and on COVID-19 measures, including testing, treatment and quarantining. So, it is not surprising that all of them, including the gold standard ones such as Maharashtra, Tamil Nadu and Karnataka, are now pleading for funding support from the Centre and relaxation in borrowing rules by the RBI. And the Centre has been watching silently even as some States have gone ahead and cut salaries of their employees and pension benefits to rein in expenses.

It could be argued that by seeking consecutive extensions of the lockdown, which imposes tremendous strain on not just their finances but also that of the Centre, the States are wrong in their approach. Are they taking the easy option by seeking extensions and simultaneously demanding financial support from the Centre? Tamil Nadu, Karnataka and Maharashtra, in their desperation, commenced liquor sales with outlets flouting all physical distancing norms. The fear is that this could seed fresh infections. The Centre is itself not in a happy place financially. But it at least has the means to replenish its finances through conventional and unconventional means. For instance, it appropriated almost all of the benefit of falling oil prices through increase in duties — ₹13 a litre on petrol and ₹16 a litre on diesel — in two tranches in March and again, last week. It recently announced an increase in its borrowing by half for this fiscal. The burden is on the Centre to find the resources to immediately release the dues of the States and also reimburse them for their COVID-19-related expenses. It should seriously consider relaxing the fiscal deficit levels of the States from the current 3% level to at least 4.5%, just as it should relax its own level too. The States should at least be able to borrow more. The Centre should also give States the freedom to restart economic activity based on their own assessment. Not all States are in the same virus-spread position and within each State, not all districts are the same. This has to be acknowledged while planning a phased lifting of the lockdown. Greater leeway in restarting economic activity will relieve some of the financial stress, not just on the States but also on the Centre.

Meanings of Difficult Words:

1. **perilous** (adjective) – dangerous, risky, precarious, insecure, life-threatening.
2. **shambles** (noun) – complete mess, disorder/disarray, disorganization.
3. **without exception** (phrase) – used to highlight that what you are saying is applying to all (excluding no one).
4. **triple whammy** (noun) – three-fold blow/setback; three problems which are happening at the same time.
5. **collapse** (verb) – decline, drop, fall suddenly.
6. **call upon** (phrasal verb) – ask formally, demand (to do something).
7. **beef up** (phrasal verb) – strengthen, reinforce, consolidate, improve.
8. **gold standard** (noun) – a monetary system where a country's currency or paper money has a value directly connected to gold. It guaranteed that the government would redeem (pay/exchange) any amount of currency (paper money) for its value in gold.
9. **account for** (phrasal verb) – constitute, make up, comprise, form.

10. **plead** (verb) – appeal to, beseech, request/ask earnestly.
11. **relaxation** (noun) – moderation, modification (of a rule less strict).
12. **go ahead** (phrasal verb) – to proceed, to continue to do something, to start/begin to do something.
13. **rein in** (phrasal verb) – restrict, control, limit, restrain.
14. **seek** (verb) – ask for, request, appeal for (something).
15. **consecutive** (adjective) – successive, continuous, back-to-back.
16. **tremendous** (adjective) – huge, massive, immense.
17. **strain** (noun) – pressure, stress, demand/burden.
18. **simultaneously** (adverb) – at the same time, concurrently, at once.
19. **desperation** (noun) – hopelessness, despair/distress, worry, discouragement.
20. **commence** (verb) – begin, start, open.
21. **outlet** (noun) – shop, selling place.
22. **flout** (verb) – disobey, break, violate.
23. **seed** (verb) – spread.
24. **means** (noun) – way, method, procedure, technique.
25. **replenish** (verb) – refill, restore, fill up (again).
26. **conventional** (adjective) – normal, standard, formal, traditional.
27. **unconventional** (adjective) – unusual/unfamiliar, atypical, alternative, different.
28. **for instance** (phrase) – for example.
29. **appropriate** (verb) – secure, acquire, take over.
30. **tranche** (noun) – part, section, portion (of something, particularly money).
31. **fiscal year** (noun) – financial year.
32. **dues** (noun) – payment, contribution (which is (long) pending).
33. **reimburse** (verb) – compensate, repay, refund, settle up with.
34. **relax** (verb) – less strict, lessen, moderate, ease.
35. **fiscal deficit** (noun) – the difference between total expenditure and total income of the government.
36. **assessment** (noun) – evaluation, appraisal, analysis.
37. **acknowledge** (verb) – admit, accept, recognize, realize.
38. **phased** (adjective) – relating to something carried out/performed/pursued in stages; staggered, timed at intervals (of something as they don't happen at the same time).
39. **leeway** (noun) – freedom, scope/flexibility, latitude/elbow room.
40. **relieve** (verb) – reduce, mitigate, alleviate.
41. **stress** (noun) – strain, burden; trouble, difficulty.

INDELICATE IMBALANCE: ON SUPREME COURT AND KASHMIR

By Deferring Again To The Executive On Kashmir, The SC Is Abdicating Judicial Responsibility

The Supreme Court has failed to discharge a judicial duty it was called upon to perform. Its decision to send the question of restoring 4G connectivity in Jammu and Kashmir for a review to the very authorities who imposed the restriction in the first place is a clear abdication of responsibility. The mandate that the Court enjoys under Article 32 of the Constitution — to enforce fundamental rights — cannot be transferred to the executive. It is quite stark that the three-member Bench has resorted to this measure despite coming to the conclusion that the grievance of the petitioners merits consideration. The judgment is in consonance with a judicial trend that seeks 'balance' between rights and 'national security'. In the J&K context, this approach inevitably results in unquestioning deference to any claim that the executive makes without scrutinizing the nature and quality of the claim. The Court has not even pursued the attempt it made in *Anuradha Bhasin*, to lay down a set of rules by which authorities seeking to impose restrictions on fundamental rights must adhere to the doctrine of proportionality. In that case decided in January, the Court refrained from taking any view on the legality of the government's imposition of a blanket communication lockdown in J&K in the wake of the

abrogation of the special status enjoyed till then by the erstwhile State. However, it held that repeated resort to Section 144 of the CrPC to impose wide restrictions without territorial or temporal limits was unacceptable. It directed the authorities to review each one of them from time to time. In the present case, it has asked two Secretaries in the Union government and the J&K Chief Secretary to consider the case made out by the petitioners for restoring 4G services.

The Court acknowledges that it might be better and convenient to have better Internet facilities during a global pandemic and a national lockdown. It also notes that the entire Union Territory has been put under curbs that allow only 2G speed. However, it takes into account two claims by the government: one, that there ought to be limits on data speed to prevent terrorists misusing it to disturb peace and tranquility; and two, that there has been a spike in incidents of terrorism — 108 incidents, in fact, between August 5, 2019 and April 25, 2020 — in the area. The Court also considered recent incidents including the encounter at Handwara. A question that it failed to ask was how these incidents could be linked to Internet speed when all of them took place while severe restrictions were in place. Without a judicial standard to scrutinize claims made in the name of national security, is it right to use them to dislodge fundamental rights? Further, the institutional discrimination against J&K that this approach causes is not taken into account at all. The delicate balancing the Court attempts is, in fact, no balance at all.

Meanings of Difficult Words:

1. **indelicate** (adjective) – insensitive, unceremonious, undiplomatic, impolitic.
2. **imbalance** (noun) – disparity, variation, disproportion, unevenness, lopsidedness.
3. **defer to** (verb) – to allow/permit someone else to decide on something; agree/follow, submit/surrender (to someone else's decision).
4. **the executive** (noun) – the executive is a branch of government which enforces the law as written by the legislature and interpreted by the judiciary.
5. **abdicate** (verb) – reject, disown, turn down, give up, abandon (a responsibility).
6. **discharge** (verb) – carry out, conduct, do, perform, (a duty).
7. **in the first place** (phrase) – at the beginning.
8. **abdication** (noun) – disowning, rejection, refusal/avoidance.
9. **enforce** (verb) – impose, carry out, discharge, implement.
10. **quite** (adverb) – completely, fully, entirely, obviously.
11. **stark** (adjective) – distinct, obvious, clear, evident.
12. **resort to** (verb) – use, utilize, turn to, have recourse to.
13. **grievance** (noun) – complaint, problem, objection/protest.
14. **merit** (verb) – deserve, justify, warrant, have a right to, have a claim to.
15. **consideration** (noun) – attention; a factor, point, concern, matter (taken into account while judging something).
16. **consonance** (noun) – agreement, concord, accordance.
17. **seek** (verb) – try to find, attempt, look for, search for.
18. **context** (noun) – circumstances, conditions, state of affairs.
19. **inevitably** (adverb) – naturally, automatically, unavoidably, certainly/definitely.
20. **unquestioning** (adjective) – uncritical, unseptical, unwary, over-trusting.
21. **deference** (noun) – consideration, attention; submission, obedience; regard/respect.
22. **scrutinise** (verb) – examine carefully, inspect; investigate.
23. **claim** (noun) – request, demand.
24. **pursue** (verb) – engage in, conduct, follow.
25. **lay down** (phrasal verb) – formulate, stipulate, set down.
26. **adhere to** (verb) – abide by, stick to, hold to, comply with.
27. **doctrine** (noun) – principle, belief, rule.

28. **doctrine of proportionality** (noun) – the doctrine of proportionality entails/requires that an administrative decision, which is taken through the exercise of discretionary powers, must be in the extent to the consequences that follow from implementing that decisions.
29. **refrain** from (verb) – stop oneself, abstain, desist from, hold back.
30. **legality** (noun) – lawfulness, legitimacy, validity, rightness.
31. **imposition** (noun) – implementation, execution, enforcement.
32. **blanket** (adjective) – extensive, overall, outright, total.
33. **(communication) lockdown** (noun) – communication blackout (suppression), loss of communication; restrictions (particularly on internet access).
34. **in the wake of** (phrase) – as a result of, in the aftermath of, as a consequence of.
35. **abrogation** (noun) – abolition, repeal, cancellation (of a law/agreement).
36. **erstwhile** (adjective) – old, previous, former, then.
37. **hold** (verb) – rule; decide.
38. **Code of Criminal Procedure (crPC)** (noun) – The Code of Criminal Procedure (in India). The main legislation on procedure for administration of substantive criminal law in India.
39. **territorial** (adjective) – localized, zonal.
40. **from time to time** (phrase) – irregularly, occasionally, now and again.
41. **make out** (phrasal verb) – demonstrate, prove, validate (good reasons to show why you need something).
42. **pandemic** (noun) – the worldwide spread of a new disease; The illness spreads around the world and typically affects a large number of people across a wide area.
43. **lockdown** (noun) – an emergency protocol implemented by the authorities that prevents people from leaving from a place; An extended state of confinement/encirclement/isolation of a person by the authority.
44. **curb** (noun) – restraint, control/check, restriction, limitation.
45. **take into account** (phrase) – consider, note, bear in mind, take account of.
46. **ought to** (modal verb) – must, should.
47. **tranquillity** (noun) – peacefulness, restfulness, calmness, quietness.
48. **spike** (noun) – a sharp rise/increase of something.
49. **incident** (noun) – confrontation, skirmish, brush, encounter, conflict/fight.
50. **in place** (phrase) – established, set up.
51. **in the name of** (phrase) – for the sake of, at the behest of.
52. **dislodge** (verb) – remove, displace, get rid of, oust/eject knock out.
53. **institutional** (adjective) – procedural, prescribed, systematic, regulated.
54. **discrimination** (noun) – prejudice, intolerance, inequity, unfairness (against an individual or group of individuals by society and its institutions (basically in the procedures, policies or objectives) as a whole.
55. **in fact** (phrase) – actually, indeed, undeniably.
56. **at all** (phrase) – conceivably, in any way, by any means.