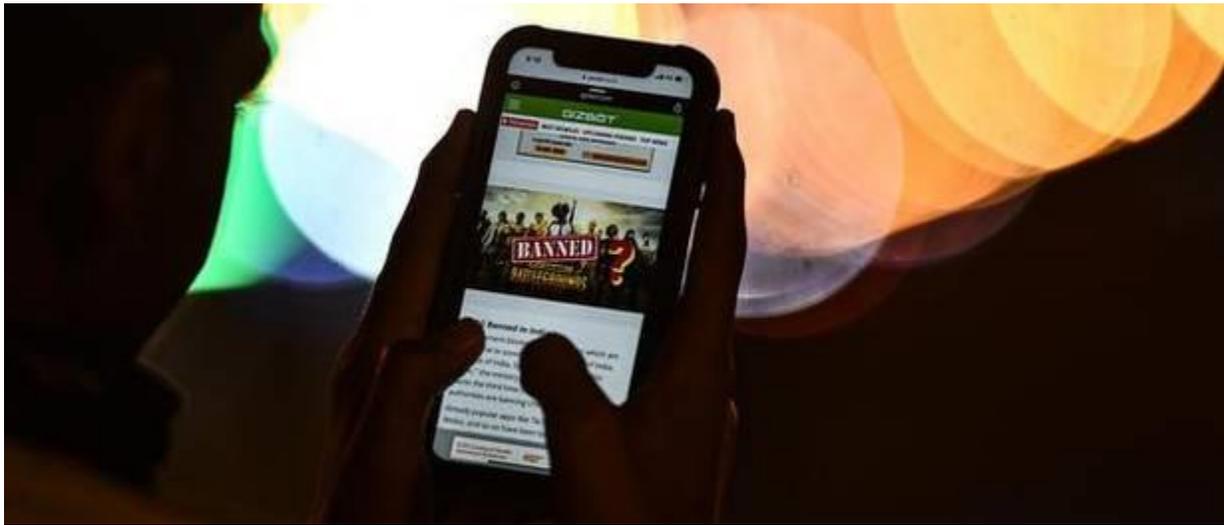


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Nuanced regulation is preferable to banning online gaming



Legalised online gambling will open up a revenue channel for governments, considering the exponential growth in the number of online gamers

At the outset, it would appear that the move by the Andhra Pradesh government to ban online gambling by amending the AP Gaming Act 1974 is unexceptionable — given the growing and, for some, disconcerting popularity of pay-to-play gambling websites and software applications in India, especially among tech-savvy youngsters. In a related development, the Centre has banned 118 games and apps, including the popular PUBG. There are three strands to these developments: The legal, the strategic and the sociological. Concerns over the impact of online entertainment apps on teenagers have found political expression from time to time, while gambling has traditionally been frowned upon. Recent apprehensions over the inroads of Chinese products, physical and digital, have fuelled these sentiments. Now, as a result of Andhra Pradesh's ban on online gambling, organisers of online gaming events may now invite a two year jail term. That said, the move, lauded and endorsed by several other States which reportedly are contemplating introducing similar clampdowns on online games such as Poker and Rummy, seems a tad myopic.

Globally, online gaming is a more than \$200-billion market. In comparison, India's online gaming industry is a minuscule \$1 billion, according to estimates from various agencies including the consultancy KPMG which, along with the Federation of Indian Fantasy Sports, recently brought out a report on the potential of online gaming. Thanks to the smartphone explosion and the way powerful chips are made available at affordable rates, mobile computing is leapfrogging in India, triggering an influx of entrepreneurs in sectors such as e-sports, utility apps, edutainment, and more. Globally, gaming and simulations are now used to impart complex lessons in the education sector and there exists a thin and blurred line between online gambling or betting that fall under the malicious category

and programmes and portals that run legitimate games. A recent analysis shows that over 400 start-ups are active in the e-gaming space in India. Together, they have drawn nearly \$450 million in investments (2014-2020), and the kitty is growing faster.

A blanket ban on online gambling and gaming hence is not advisable. Instead, governments can adopt a pragmatic approach. They can set up a body to classify, legalise and regulate online gaming; introduce a proactive and transparent licensing regime to make sure online activities are monitored; and reform the archaic Public Gambling Act, 1867, to sync it with the digital context. Notable here are the Supreme Court observations (1996) on horse-racing bets, which it has held as a game of skill (*State of Andhra Pradesh v. K. Satyanarayana and ors* and *KR Lakshmanan vs State Of Tamil Nadu And Anr*). Legalised online gambling will also open up a revenue channel for governments, considering the exponential growth in the number of online gamers; like legalised liquor, it can be a sustainable source of revenue. Finally, online gaming calls for regulation with just the right sense of balance.

Test by choice: On rising coronavirus cases in India

India needs a more nuanced approach to COVID-19 testing

On September 4, India crossed four million **novel coronavirus cases**, 13 days after crossing three million on August 22. On Saturday, the **fresh cases reported surpassed China's total recorded cases (90,070)** so far. On Sunday, **India surpassed Brazil to record the second highest number of cases** in the world. Since August, India has been reporting the **highest number of cases** each day, which has been steadily increasing — **from over 50,000 in the last week of July to over 60,000 in the first week of August, over 70,000 in the fourth week, before jumping to over 80,000 cases in September**. Though the number of tests done each day has been over one million for the past week, the test positivity rate nationally is still high at 7.7%, indicating that testing has to be ramped up. Though the testing done each day by many States has been growing, nearly 50% of them are rapid antigen, of only about 50-60% sensitivity. Unfortunately, with no repeat testing of negative cases and only a small percentage of people with symptoms but negative results being validated with a RT-PCR, many of the infected are not being diagnosed.

The ICMR's latest advisory provides for testing on demand to "ensure higher levels of testing". While ramping up testing is needed, testing on demand by anyone might not be the correct approach to adopt. The ICMR is theoretically making India's 1.3 billion people eligible for a test, even when there is no capacity to undertake this. While it is a welcome measure, especially in the private sector, the general fear about infection might result in diverting some of the government's stretched health resources if it has to test those who do not, on the face of it, require a test. With States not validating the negative results from rapid antigen tests with RT-PCR, non-directed tests on demand might help more in increasing the number of tests done each day and hence in reducing the test positivity rate than in early detection and containment. The focus must remain on diagnosing the

most probable cases listed out by the ICMR — those with symptoms or at high risk. Since many of those infected have mild or no symptoms, tests on demand might be particularly helpful in detecting cases that might otherwise have been missed. But such a strategy should be restricted to clusters, hotspots, and containment zones, besides dense urban areas with anticipated high transmission in the unlock phase. Else, States might be forced to use their discretionary power to deny tests for people not exhibiting symptoms or in low-risk categories, or selectively charge for testing to pay for procurement of testing kits and to avoid more pressure on the testing infrastructure. There is also the possibility of an over-reliance on antigen testing to cope with the growing demand for testing. A more nuanced approach to testing guidelines is therefore necessary.

Deal in danger: On post-Brexit U.K.-EU trade deal

A no-deal Brexit has economic costs and puts at risk the hard-won peace in Northern Ireland

British Prime Minister Boris Johnson's move to set an October 15 deadline for reaching a post-Brexit U.K.-EU trade deal has raised fears of a no-deal scenario. While his threat hangs like the sword of Damocles above the negotiating teams, the British government is reportedly planning a piece of legislation that would overwrite parts of the withdrawal agreement — the divorce deal signed between the **U.K. and the EU last year**. The agreement had sought to avoid a hard border coming up between Northern Ireland, which is part of the **U.K., and the Irish Republic**, an EU member. According to the Northern Ireland protocol, signed alongside the agreement, the region is expected to follow some EU rules in trade with the Irish Republic. The **hard Brexiteers** in Mr. Johnson's Conservative Party were critical of this clause, claiming that it endangers the U.K.'s sovereignty. Now, the planned domestic legislation, the Internal Market and Finances Bill, will allow U.K. courts to follow new U.K. laws rather than the divorce agreement. Northern Ireland leaders have already called it a “betrayal”. The real risk of cutting the region off the EU customs code is that physical checks could emerge between the two Irelands, threatening the Good Friday agreement that brought peace.

Though the U.K. formally exited the union, it continues to abide by the EU rules during the transition period, which ends in December. The challenge is to reach a trade deal in the absence of which WTO trade rules will kick in, starting January. With weeks to go before the deadline, there is still no consensus on issues such as workers' rights, environmental regulations, state aid to businesses and the Irish border. While the EU wants the U.K. to adopt rules that are close to its own to ensure a “level playing field” in trade, the British government argues that the whole point of the EU divorce was to break free from common rules. Regarding Northern Ireland, the hard Brexiteers are opposed to any special treatment to the region. The new legislation suggests that the government is hardening its position on Ireland as well. Driven by English nationalist fervour, the British leadership appears to be blind to the economic and political consequences of its hard line. The Brexiteers have already pushed the U.K. into an unenviable position in Europe.

A no-deal exit will inflict severe economic costs on the British, at a time when the economy is in dire straits due to COVID-19. Besides, it risks disrupting peace in the island of Ireland. Mr. Johnson and his cabinet should ask themselves whether the no-deal risk is worth taking. They should instead respect the withdrawal agreement, and be flexible in the talks as well as on deadlines. Both sides should focus on reaching a consensus on trade and other future relations, and not on ending the relationship at any cost.