

The Hindu & BL Editorials

30th Dec. 2020

Brexit blues



India assumes importance, as UK explores trade and investment opportunities

Bringing to an end four-and-a-half years of suspense over the terms on which it would sever trade ties with the European Union, the UK has managed a 'thin' deal with the now 27-member bloc. A notable feature of the Christmas-eve deal is that it allows for free trade in goods, without tariffs or quotas, provided they are locally produced. But for services, which account for 80 per cent of the UK's economic output and 43 per cent of the UK's exports to the EU, it seems a new set of barriers will crop up even as negotiations in this regard are expected to assume final shape later in 2021. British doctors, engineers, architects and other professionals now must register in each EU country where they wish to work. An exception, though, has been made for lawyers and accountants. The movement of finance capital from the City of London to the continent may be impaired in the absence of clear market access provisions. The auto sector, which includes companies like the Tata-owned Jaguar Land Rover, will get tariff-free EU entry as long as 55 per cent of parts are UK- or EU-made. Several UK-based Indian pharma firms will get tariff-free access, though these companies face more paperwork. Other disadvantages for UK citizens include the need for a visa for any stay over 90 days in an EU country. However, Britain appears to have won the right to make its own labour and environmental rules. However, the EU's reserved the right to restrict market access if UK's regulations diverge markedly.

The UK is a favoured destination for Indian firms (after the US, India was the second-largest investor in the UK in 2019-20). Indian industrialists spend several

months there annually, focussing on the European market strategy. India's software-services sector has a lot of UK business, but has been busy opening new European offices. British Prime Minister Boris Johnson's due to be the Republic Day chief guest, and an India-UK trade treaty will top his shopping list. On immigration, Britain's now introduced a points system, which should make entry easier for Indian professionals. India and the UK may strike a limited accord in 2021 covering sectors like pharma, fintech, petroleum and food. But any treaty will take up at least two years to conclude, and there'll be familiar sticking points like the UK's demand for lower Scotch whisky tariffs. The UK's efforts to push the EU-Canada trade and investment pact as its negotiating framework has not met with much success so far. Its \$15-billion trade with India generates a surplus of about \$2 billion in India's favour.

The UK's outreach to the rest of the world will also be influenced by post-pandemic trade patterns. At \$800 billion, the UK's trade with the EU accounts for about half its total trade (43 per cent of its exports and 52 per cent of its imports in 2019). Now, the UK, EU and world trade are at an inflexion point.

Caution pays: On Centre's COVID-19 surveillance guidelines

The Centre's surveillance guidelines should be taken seriously even as vaccination rolls out

On the threshold of a new year, the **COVID-19 pandemic** no longer seems terrifying to many, as overall cases maintain a downward trajectory and a massive vaccination programme is set to roll out. Normal life has resumed in substantial measure: there is a scaling up of long-distance travel, elections have been held and mass protests are being organised. At the same time, critical activities such as on-campus education remain mostly suspended and many senior citizens are unable to access periodic health checks. Anecdotal evidence points to infections spreading in commercial centres and at workplaces. Therefore, there is a long way to go before people can really put the pandemic behind them. A large section of the population has been able to shelter from the coronavirus, particularly the elderly and people with morbidities. Relaxing the vigil now is bound to prove costly for them. It is essential, therefore, for States and all citizens to accord the **Home Ministry's guidelines on "Surveillance, Containment and Caution"** for January the highest importance. That the U.K. variant of the virus has now been found in India underscores the point that easing off on testing, tracing and containment could prove dangerous. This mutant is likely to have initially travelled to several locations before it was detected, and there is a likelihood that its footprint may cover third countries from which India continues to operate bubble flights.

The Home Ministry has recalled the orders of the Supreme Court in a *suo motu* writ petition on December 18, calling for strict adherence to COVID-19-appropriate

behaviour, especially during the New Year celebrations. The Court wanted deployment of more police personnel at places where people are likely to gather, such as food courts, eateries, vegetable markets, and bus and train stations. It made the valid observation that careless people infringed other citizens' right to life by ignoring the use of masks and social distancing, while various protocols had failed to stop the virus spreading "like wildfire" due to lack of implementation. The government was also mandated by the Court, under Article 21, to ensure that it invests sufficiently in its hospitals and those of the local administration, acknowledging the right to health and affordable treatment for all. Now that the Court is seized of the issue, States can be asked to individually report their compliance when the Bench takes it up again in a month. Even with a steadily expanding base of vaccinated individuals, surveillance and caution are essential. Governments should seize the opportunity presented by the pandemic and set up a public health backbone in all States, in cities and rural areas, to do the monitoring. This will have the twin advantage of rapidly advancing universal health coverage through health and wellness centres.

Beleaguered Khan: On Pakistan Opposition

Pakistan faces a prolonged crisis if the govt. continues to disregard Opposition's grievances

The joint rally called by Pakistan's Opposition parties at Larkana in Sindh on Sunday, on the 13th death anniversary of former Prime Minister Benazir Bhutto, signals that the country's political crisis is not going to be resolved any time soon. Eleven Opposition parties, including Bhutto's Pakistan People's Party (PPP) and the Pakistan Muslim League-Nawaz (PML-N), have formed a grand alliance, the Pakistan Democratic Movement (PDM), which has been staging protests for months against Prime Minister Imran Khan's government. At Larkana, the PPP's Bilawal Bhutto-Zardari and the PML-N's Maryam Nawaz Sharif gave Mr. Khan a January 31 ultimatum to quit and call fresh elections. If he does not do so, they have threatened to launch a "long march to Islamabad", which could shut down the capital city and worsen the crisis. After spending time dismissing and attacking the Opposition alliance, the government has finally invited the protesting leaders for talks, but with one rider: the exclusion of Ms. Nawaz and PDM chairman Maulana Fazlur Rehman as they are not parliamentarians. This shows Mr. Khan is still betting on the divisions within the Opposition rather than being ready to hold an open dialogue with the PDM.

Mr. Khan deserves to be blamed for the political deadlock he is in now. His confrontational approach towards the Opposition has only harmed his government and Pakistan's democracy. His much-touted crusade against corruption, which

overwhelmingly targeted Opposition leaders while overlooking leaders from his party, the Pakistan Tehreek-e-Insaf, raised questions about its real objectives. It is Mr. Khan's consolidation of more and more powers in his hands and the relentless pursuit of corruption cases against his rivals that brought the Opposition together. Granted, the PDM is not a coherent entity. Its constituents range from the secular PPP and the conservative PML-N to Maulana Rahman's Jamiat Ulema-e-Islam (F). But despite ideological differences, they have shown resolve and unity in their relentless campaign to send Mr. Khan home. The government could have been more flexible in its approach towards the Opposition. But the PTI, which is backed by the powerful military generals, has been reluctant to reach a compromise, pushing the country into a political deadlock at a time of economic challenges, from a COVID-19-triggered contraction to a mounting debt burden. Ideally, the government's priority should be in addressing them, but the prolonged face-off has practically paralysed governance. To get out of the impasse, the government should first give up its confrontational approach, open talks with all Opposition leaders and be ready to address their concerns. If it chooses to continue its hardline approach, Pakistan may be headed for a prolonged political and governmental paralysis.