

# The Hindu & BL Editorials

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## Wrong call



### **The Centre's high reserve price for the next spectrum auctions is a repeat of past mistakes**

Spectrum auctions conducted by the Centre since 2010 have been largely unsuccessful due to the high reserve price fixed by the telecom regulator. Except for 2015, when airwaves worth ₹1-lakh crore were sold, other auctions have been a damp squib as telecom operators have found the pricing exorbitant. In this context, the decision by the Centre to hold the next round of spectrum auction in March without lowering the reserve price does not augur well for the debt-laden telecom sector. Policymakers seem to have not learnt any lessons from the previous rounds of spectrum sale. For example, the auction held in 2016 had ended in a whimper with the Centre receiving bids worth only ₹65,789 crore. The Department of Telecom had invited bids for over 2000 MHz spectrum worth ₹5.3-lakh crore. Nearly 60 per cent of the airwaves put on the block did not find any takers. There was not a single bid for the 700 MHz band, ideal for 4G services, due to the high reserve price. Similarly, in 2012, 1800 MHz and 800 MHz bands were put up for sale, but only a small percentage of 1800 MHz band was sold, while 800 MHz remained completely unsold. This unsold spectrum and additional spectrum in the 900 MHz band were auctioned in 2013. Since pricing had not changed significantly, the response continued to remain tepid.

In the 2014 auction, spectrum prices for the 900 MHz and 1800 MHz bands in the metros were much higher than international averages. The price per MHz per population in the 1800 MHz band was €1.46 compared to the benchmark of €0.17–0.27 declared by Ofcom in 2012 (ICRIER report). Though the final reserve price for 800 MHz spectrum in the upcoming auction is 18.5 per cent lower than the 2016 price,

the price for 1800 MHz and 2300 MHz is 14.5 per cent and 17.5 per cent higher, respectively. While 700 MHz spectrum price has been cut by 43 per cent, it remains very expensive as an operator would need to spend nearly ₹65,000 crore to own 10 MHz of spectrum pan-India. With a collective debt pile of nearly ₹5- lakh crore, none of the existing operators is in a position to place such an expensive bet. The industry's revenue and profitability have been worsening due to the heightened competition, and payouts related to Adjusted Gross Revenue.

In 2019, the Department of Telecom had said that the demand for spectrum is likely to be subdued due to consolidation in the market with just three players remaining. Therefore, the objective should be to sell all the spectrum which is put up for auction. An expensive auction could put pressure on telecom operators to either increase tariffs or halt investments in new infrastructure. This can halt India's digital transformation efforts.

## Fruits of incitement: On the mob attack on U.S. Capitol

**After the Capitol breach, the task of building bipartisan consensus is that much harder**

If the history of nations is replete with ironies, nowhere were they more evident than in the U.S., when the "greatest nation on earth" became hostage to **an ugly attempted coup led by a mob, bearing slogans of support for outgoing President Donald Trump**. On Wednesday, hundreds of them **stormed the Capitol building**, as police appeared to be overwhelmed, and members of Congress, who were gathering to certify the results of the 2020 presidential election, cowered behind benches or were evacuated. Although the mob was eventually ejected, lawmakers went on to reconvene and **formally certify the results**, and Mr. Trump finally committed to an "orderly transition," major **social media platforms locked his accounts** for violating their civic integrity policies, namely inciting violence with months of contentious posts that made baseless allegations about electoral fraud. The immediate trigger for the mob, said to have been methodically planned online via social media, was the surprise **victory of two Democratic candidates, Raphael Warnock and Jon Ossoff**, in the January 5 run-off election in Georgia. That election was necessitated by the fact that no candidate won 50% of the popular vote in the November 3 general election. Their win gives Democrats 50 seats in the Senate, which is tantamount to control of the upper chamber of Congress, because the incoming Vice-President, Kamala Harris, will cast a deciding vote in a tie.

To say that the incoming and 46th U.S. President, Joe Biden, has a tough job on his hands after his inauguration on January 20, would be an understatement. The sheer viciousness of **the January 6 mob attack**, and more than two months of hateful vitriol

online and offline following the 2020 election, is proof that political America is deeply polarised, brimming with anger and disenchantment at the ground realities. The “unprecedented assault” on the very soul of democracy (as Mr. Biden put it) has been in the making for more than four years. At the heart of the tsunami of angst that was evident throughout the election campaign is a sense of frustration that grips middle America, including the white middle class and blue-collar workers, over the inevitable changes to the U.S. economy and society. There is a view that the forces of immigration and globalisation have lit the fuses on this explosive combination of racial prejudice and economic insecurity. In reality, Mr. Trump’s strident rhetoric exploited this sense of alienation and socioeconomic dysfunction for narrow political and personal gains. Now Mr. Biden has an opportunity to strike a more balanced note by, on the one hand, seeking to revive the moribund spirit of bipartisan consensus and expediently tackling the thorny issue of comprehensive immigration reform, and, on the other, redressing the ills of runaway free-market liberalisation and forging a post-COVID-19 economic vision that can truly deliver on the American dream.

## Flu in full flight: On the avian flu outbreak

**The avian flu must be stopped before sustained transmission among humans**

Just three months after India declared itself to be free of the **avian influenza outbreak**, the highly pathogenic avian influenza subtypes, H5N1 and H5N8, have been **reported from a dozen epicentres in four States** — Rajasthan, Madhya Pradesh, Himachal Pradesh and Kerala. In addition, thousands of poultry birds have died in Haryana, while Jharkhand and Gujarat, too, have sounded an alarm; the cause in these three States is still unknown. The two subtypes have targeted different birds — crows in Rajasthan and Madhya Pradesh, migratory birds in Himachal Pradesh, and poultry in Kerala. While tests have confirmed H5N1 for causing the deaths of over **2,000 migratory birds in Himachal Pradesh**, H5N8 has been identified for killing thousands of poultry in Kerala, and hundreds of crows in Rajasthan and Madhya Pradesh. In a bid to stop the spread, as on Wednesday **over 69,000 birds, including ducks and chickens, were culled in Alappuzha and Kottayam** as per India’s **2015 National Avian Influenza Plan**. Other States have been asked to be vigilant of any unusual deaths or disease outbreak signs amongst birds, particularly migratory ones. Migratory birds have been largely responsible for long-distance transmission of the virus into India during winter. It then spreads through local movement of residential birds and poultry. Movement of men and material from poultry farms too has been a cause for further spread. This is why States have been asked to strengthen biosecurity of poultry farms, disinfection and proper disposal of dead birds. With backyard rearing of poultry birds common, the task of elimination will be particularly difficult.

A recent European Food Safety Authority report says 561 avian influenza detections were made between August-December in 15 European countries and the U.K. The virus was predominantly found in wild birds, and a few in poultry and captive birds. H5N1 and H5N8 were two of three subtypes found in Europe. Genetic analysis helped

confirm the spread from Asia to west-central Europe, suggesting a “persistent circulation of this virus strain, likely in wild birds in Asia”. While avian influenza virus crossing the species barrier and directly infecting humans happens occasionally, human-to-human spread has been rare. But mutations or genetic reassortment of an avian influenza A virus and a human influenza A virus in a person can create a new influenza A virus that could likely result in sustained transmission between humans, thus increasing the risk of a pandemic influenza. Hence, all efforts should be directed at stamping out the outbreaks in the affected States. It is also important to undertake genome sequencing of virus samples to track the evolution of the virus.