

# 27/12 Future talk

## Reliance changes Indian communications

The last Saturday of this year may come to be identified as the first day of a paradigm shift in Indian communications. On 28 December, Reliance launches its Infocomm service. The drama of the occasion — a futuristic operations centre in Navi Mumbai easily mistaken for a Hollywood sci-fi set; 17 telecom circles and 104 cities — reflects high ambition. And if it works out, communications services in India will change radically, not only because of Reliance but because the Ambani success will force other service providers to do better. Communications development has already seen this happen — compare the price-service-spread configurations now with five years back in Internet and cellular services. But Indian rates and service still lags behind countries like the US. Reliance could change that.

Beginning 28 December, the company plans to offer limited mobility services in the 17 basic telecom circles for which it has licences. Limited mobility is already on offer, from Tatas for example, in places like Andhra Pradesh and Delhi. Cellular operators have tried and not quite succeeded in stopping limited mobility. But as the Supreme Court recently held, putting a stay on limited mobility services is against public interest — four basic operators share around 400,000 subscribers. Reliance plans to vastly increase this number and if it can, regulatory dynamics in the cell phone versus limited mobility battle will change. As of now, customers in limited mobility services cannot call cellphones because termination charges have not been sorted out. Neither can they call private fixed line basic services. But if and when limited mobility becomes a widely popular option — Reliance Infocomm is reportedly going to offer 20 paise per minute in call charges and also offer to buy back GSM handsets to induce cell phone users to switch to limited mobility — market forces will settle some of the current outstanding issues. State-owned BSNL is slated to offer its own limited mobility service. Tatas and other operators, already in the game, will have to respond. And cellphone services providers, looking for ways to legally entangle limited mobility, will need to live and learn. Non-fixed line tariffs as well as service quality — limited mobility handsets are supposed to offer better voice quality than cellphones — looks set to be shaken as well as stirred.

By April, Reliance reportedly plans to start its fixed line service, which may offer Internet and broadband services as value additions. Households are being targeted for this and if they respond, basic services will change. Other private basic service operators offering bread and butter stuff, will need to respond, and the churning can only be good for the consumer. Reliance's reported strategy of talking to individual apartment complexes to generate household interest could point to a new communications business model in the country. The company, typical of its big thinking, apparently aims to wire up around 12 lakh building complexes across India in the first phase. Your boring old house phone may never be the same again.

It is appropriate that this ambitious venture is being launched on the birth anniversary of the patriarch Dhirubhai Ambani. Whatever some of his methods, there is no doubt that he was a visionary.

# Parliament nod for Freedom of Information Bill

By Our Special Correspondent

**NEW DELHI, DEC. 16.** Parliament today approved the Freedom of Information Bill, conferring statutory right to the citizens to access information from the Government. The Rajya Sabha today passed the Bill through a voice vote after it negated amendments suggested by the Congress member, Prithviraj Chavan. The Lok Sabha had passed the Bill earlier this month.

Piloting the bill, the Minister of State for Personnel, Public Grievances and Pension, Vasundhara Raje, said the move would provide openness in Government functioning and promised that the effort was not a one-off measure but a "novel and far-reaching experiment" through which the Government would learn as it moved along. With the passage of the Bill, India would be among the 20 or so countries to have legislated a measure which was in the direction of providing transparency, openness and accountability in Government functioning.

Responding to members' concern over a conflict with the Official Secrets Act, the absence of an independent ap-

pellate authority, excluding jurisdiction of courts and not having a penalty clause on officers who refuse or delay passing on the requisite information sought by citizens, the Minister allayed the fears stating that the Bill was not in conflict with the Act or the oath of secrecy taken by Ministers. She said that the two-tier departmental appellate authority was aimed to address grievances and in addition, the decision was open to challenge in the high courts and the Supreme Court.

She said the Government proposed to amend the Conduct Rules for Civil Services so that departmental penalty could be imposed on erring officials.

Earlier, members from across the political spectrum welcomed the Bill saying it would usher in transparency and a corruption-free administration. Taking part in the discussion, the Congress leader, Pranab Mukherjee, said the Government should have included a penalty clause to penalise officials who wilfully held back information. He regretted that some of the recommendations of the Standing Committee chaired by him, which had studied the Bill, were not included. He said the Bill

also did not provide for giving reasons for not disclosing a particular information. Chandra Kala Pandey (CPI-M) felt the list of exemptions in the Bill for not disclosing information defeated its purpose while R. Chandra Sekar Reddy (Telugu Desam) said the Bill was silent on the appointment of officials who would deal with the issue. P.G. Narayanan (AIADMK) saw the Bill as a vital component in democracy and one that could check a drift in the management of public affairs.

Nominated member, Fali S. Nariman, said the Government should exercise caution and expressed apprehension that the right to inspect could lead to logistics problem and create havoc with government files.

Another nominated member, Kuldip Nayar, said the Bill did not have enough transparency or accountability. He said already several States had enacted similar legislation which was working well. He also sought to know whether the Government would repeal or amend the Official Secrets Act after the passage of this Bill. Mr. Nayar also felt that since the court of appeals were with the Government, he saw no justi-

fication in barring the jurisdiction of courts. He also advocated penalty for delay or refusal to provide information and demanded an independent monitoring body with representatives drawn from various walks of life.

## Property Bill

PTI reports:

Parliament approved a Bill to amend the Transfer of Property Act, 1882 to remove legal lacunae in its implementation regarding lease of immovable property for agricultural or manufacturing or any other purposes. The Transfer of Property (Amendment) Bill 2002, already passed by the Lok Sabha, was approved by a voice vote in the Rajya Sabha after a brief discussion. Replying to the discussion, the Minister of State for Law and Justice, Ravi Shankar Prasad, assured the House that the amendment would enable people to avoid litigation.

## Evidence Bill

Parliament approved a Bill seeking to bar cross-examination of a rape victim on her character with the Rajya Sabha approving the measure by a

voice vote. Replying to the Indian Evidence (Amendment) Bill, 2002, the Minister of State for Law, Ravi Shankar Prasad, said the Government would bring a comprehensive legislation, covering measures to check crime against women, based on the recommendations of a committee. The House also passed the Representation of the People (Amendment) Bill, 2002 without discussion.

## Competition Bill

The Lok Sabha passed a Bill to provide a new competition policy and a regulatory body to replace Monopoly and Restrictive Trade Practices Commission with the Government asserting under the new dispensation, MNCs would not be allowed to abuse market and indulge in unfair trade due to their size and financial muscle. The Competition Bill, 2001 was passed by a voice vote after the Finance Minister, Jaswant Singh, assured the House that the new measure was aimed at promoting investment and competition and would enable Indian companies to grow in size to become world-class entities.

# Agency withdraws report on Bangladesh

By Haroon Habib

**DHAKA, DEC. 15.** The news report that the terrorist network, Al-Qaeda, could be involved in the recent serial bomb blasts in Mymensingh has finally been withdrawn by the news agency, Reuters. The report was based on comments attributed to the Bangladesh Home Minister, Altaf Hossain Chowdhury.

The development has paved the way for further deterioration of the already volatile scenario in the journalistic domain.

Police arrested Enamul Haq Chowdhury, Reuters stringer, and charged him with "tarnishing" the country's image as the news item contradicted the persistent claim of the Government.

Mr. Chowdhury surrendered as his wife, Nahid, and a relative were picked up in an unprecedented midnight swoop. Nahid was released later.

The Bangladesh Federal Union of Journalists (BFUJ) and the Dhaka Union of Journalists (DUJ) have protested the arrest.

A Government handout, meanwhile, said editors of national dailies, news agencies and the electronic media had told the Information Minister, Tariqul Islam, that the Reuters had "miserably failed to per-

form its professional duties" in reporting the Mymensingh bomb blasts on December 7 and 8. And they had requested the Government not to "harass" innocent journalists.

Police raided the Dhaka office of Reuters and seized documents related to its reports about the serial bomb blasts at four cinema halls in Mymensingh on December 7. They claimed that the journalist had admitted to "wrongdoing."

The Home Minister has already served a legal notice on Reuters. And the management of the BSS, in which the journalist was a senior correspondent, has sacked him for "violating service rules."

Another journalist, Barun Bhoumik Nayan, was arrested by a joint team of the Bangladesh Army and police from the Savar adjoining Dhaka on Saturday. Confirming the arrest, police said the journalist, working for the *Al-Amin*, a daily owned by a leader of the Awami League, was involved in "spying, hundi trade and patronisation of terrorist groups."

In another related development, the Chief Metropolitan Magistrate's court here rejected the bail petition of journalists Saleem Samad and Monija Pricilla Raj, also an NGO activist, accused in a case of sedition.

THE HINDU

16 DEC 2002

# Bangladesh releases foreign journalists

*Muhammad*  
*9-3*  
Dhaka, Dec. 11 (Reuters): Bangladesh today freed two journalists from Britain's Channel 4 television station who were detained late last month in connection with what authorities called anti-national activities.

Zaiba Malik, a 35-year-old Briton, and Italian Bruno Sorrentino, 40, would be boarding a flight for London later, officials said.

They were freed after they ac-

cepted they had entered the country under false pretences, the officials said. Reporters saw the duo at a news conference held at the foreign ministry but were not permitted to ask them questions. The two were smiling and looked relaxed.

*m/12*  
"The government of Bangladesh, in an extraordinary gesture, today agreed to deport the two Channel 4 journalists," state minister for foreign affairs

Reaz Rahman told the news conference. Malik and Sorrentino were detained on November 25 by immigration officials at the country's western border with India and handed over to police. They were later moved to a Dhaka jail and a court refused them bail.

Haris Chowdhury, political secretary to Prime Minister Khaleda Zia, said the two were freed after they acknowledged "they had entered the country on false professional identities."

Immigration officials earlier said Malik identified herself as a teacher and Sorrentino as an architect in their passports.

They were accused of seeking to portray the country as a hotbed of Islamic fundamentalism. The two journalists were working on a documentary on terrorism for Channel 4 and may be charged with "anti-Bangladesh activities," officials earlier said.

Bangladeshi freelance journalist Saleem Samad and Priscilla Raj, an interpreter, who worked with the Channel 4 duo are still in custody. "Investigations against them were yet to be completed," Rahman said.

Bangladesh has denied reports published in India that it has become a haven for members of the al Qaida network of Osama bin Laden, prime suspects in the September 11 bomb attacks on the US.

# US warns Bangla over Press freedom

Washington, December 3

THE US reminded the Bangladesh Government of the crucial importance of media freedom, and asked for full legal representation for two European journalists jailed for alleged anti-State activities.

Briton Zaiba Malik and Italian Bruno Sorrentino, working for Britain's Channel 4, were arrested on November 25 when they tried to leave Bangladesh.

The Government accused them of involvement in "clandestine activities" with an "apparent and malicious intent of portraying Bangladesh as an Islamic fanatical country".

Hours after they were jailed pending trial following a week of questioning, State Department spokesman Richard Boucher reminded Bangladesh to take no action that could suggest repression of the press.

"We strongly urge the Bangladesh Government to provide the journalists — one a

British national and the other an Italian national — with full access to legal counsel and consular services through their embassies," he said yesterday.

"Once again, we reiterate that a free press is critically important for the functioning of a democratic system.

"The Bangladeshi Government and law enforcement authorities have the responsibility to ensure that any actions taken against journalists be carried out rapidly and transparently, leaving no question about possible interference with Press freedoms".

Paris-based media watchdog Reporters Sans Frontieres (Reporters Without Borders, RSF) has demanded the immediate release of the journalists and several Bangladeshi colleagues.

In Dhaka, Bangladeshi journalists demonstrated today for the release of the jailed journalists.

AFP

4 DEC 2002

THE HINDUSTAN TIMES

# Information Bill beeps

KAY BENEDICT

**New Delhi, Dec. 3:** The Lok Sabha today passed the Freedom of Information Bill, conceived by Rajiv Gandhi but hanging fire after stiff opposition from the bureaucracy, to bring transparency and accountability in governance.

The highlights of the Bill are:

- Barring 12 items relating to defence and national security, it allows citizens access to almost all information on a statutory basis and removes bottlenecks in the legal framework.
- It bars passing any information about agreements between India and other sovereign countries.
- Apart from defence, national security and accord details with foreign countries, citizens can get photocopies of any document on payment of nominal charges.

Though some Opposition members wondered whether the "arcane" Official Secrets Act of

1923 negates the very purpose of the information Bill, government sources said the Act would be amended.

The Rajya Sabha is also expected to pass the information Bill in this session. Thereafter, the ministries concerned will frame rules for implementation of the law. Special information officers will be attached to each ministry to help citizens seeking information.

The ball was set rolling when Ram Jethmalani, as urban development minister, had announced in 1999 that all files relating to his ministry would be open to the public.

The primary idea was to rein in the bureaucracy which, the political leadership alleges, has a vested interest in hiding information.

"Arbitrary exercise of power will be dented and aggrieved parties can now challenge government decisions in court on the strength of documents," said an official source.

Replying to a discussion on

the Bill, minister of state for personnel, public grievances and pension Vasundhara Raje said the Bill was only a step in the direction of sharing information.

The legislation was found to be necessary as similar laws exist in other countries, she said.

Under the Bill, it is obligatory for every public authority to provide information and maintain all records consistent with its operational requirements duly catalogued, indexed and published at such intervals as may be prescribed by the government or the competent authority.

Pointing out a flaw, Congress leader Shivraj Patil said the Bill did not cover information on persons who have taken huge loans from banks.

In a brief intervention, parliamentary affairs minister Pramod Mahajan replied: "I will communicate to the original lawmaker to make necessary changes in the Bill concerned but let us not delay the passage of this Bill at this juncture."

# The joke was lost on them

As writer after writer faces fatwas and accusations of triggering violence through their words, Soumya Bhattacharya asks what happened to the freedom of the republic of the tongue

SO WHY all the fuss about Miss World this year? Not about sexual politics. Not about politics. But this. Isioma Daniel, a 21-year-old journalist who joined the Nigerian newspaper *This Day* after studying journalism and political science at the University of Central Lancashire, wrote an article about the pageant (then) scheduled to be held in Nigeria. In it she said: "The Muslims thought it was immoral to bring 92 women to Nigeria and ask them to revel in vanity. What would Mohammed think? In all honesty, he would probably have chosen a wife from one of them."

No sooner than the piece was published, an Islamist state government in northern Nigeria announced a fatwa on Daniel; riots left hundreds dead; despite issuing an apology for the piece, the newspaper's office in Kaduna was torched; Daniel resigned and fled to the US; and Nigeria's President Olusun Obasanjo put the scandalous episode down to "irresponsible journalism".

Which suits everybody but the writer fine. It also fits a pattern. In nearly every instance of intolerance of the written word, the writer is accused of triggering the cycle of violence that follows publication. The country that a writer most inhabits, says Salman Rushdie, is the "unfettered republic of the tongue". That republic is under attack.

In October, the French writer Michel Houellebecq was acquitted by a Paris court of the charges of provoking racial hatred. In an interview, he had called Islam "the stupidest religion". (The writer had argued in his own defence that Christianity, Judaism and Islam were all based on scriptures that were "texts of hate". If nothing else, that shows that Houellebecq did not — as was presumed — just have it in for Islam.)

Houellebecq's novel *Platform*,

released a few months ago, was mentioned in the case. While much was made of the fact that the writer had said unsavoury things about Muslims in the book, it has gone largely unnoticed that he had not been complimentary about Americans, Germans, Japanese and Hong Kong Chinese ("they behave quite literally like pigs") either.

All this may not be terribly pleasant — or polite — but neither is the job of the writer. The role of the feel-good factor in writing has been overemphasised. The writer's job is to say what he feels, to provide a take on his version of reality; it is not to make us feel as though all is right with the world. To return again to Rushdie, "if a novelist can't depict Nazis or bigots without being accused of being Nazis or bigots, then they can't do their work properly".

Writers will write, be it in the media or between the covers of a book. As a reader one always has the choice of ignoring his work, of not picking it up, or of putting it down if one finds the views odious. But to want to kill the writer (as in the case of Rushdie and now Daniel) just because you think his ideas are morally reprehensible is an assault not only on the idea of free speech but on the idea of a multicultural civilisation itself.

Sometimes — but all too rarely — we see this idea being upheld. Harvard University recently showed that it did stand by the notion of a person being allowed to say what he felt. The university, which had invited the Irish poet Tom Paulin to read his work, had cancelled the invitation after Paulin had been quoted as saying that Jewish settlers in the West Bank should be "shot dead" and that he felt "nothing but hatred" for them.

But the decision to cancel Paulin's reading was overturned



Top: The Nigerian newspaper *This Day*, which carried the allegedly blasphemous article by Isioma Daniel and the apology published by the paper after widespread protests; Above: Miss World pageant organiser Julia Morley (wearing a jacket) with the contestants in London, the new venue

because Harvard academics felt it would be "an unjustified breach of the principle of free speech..." As James Shapiro, a colleague of Paulin's put it: "Nobody was defending what Tom Paulin said — everyone was defending his right to say it..."

Those who want to suppress free speech (though they don't quite see themselves as doing so) argue that lines like Daniel's (which talk about the vulnerability of the Prophet when confronted by feminine charms) are actually incitements to violence. They could not be more wrong. The written word has power all

right but it is there to be read or to be left alone. It cannot, of its own accord, set in motion a chain of events.

Readers don't read a book or an article and go about systematically looting, killing and plundering. Someone gets them together, turns irritation or resentment into a mass movement and provides the platform for the unrest. The people who pick on lines they don't agree with — instead of ignoring them if they don't agree with them — and then go about uniting people under a common banner of hate are unleashing upon us the riot

and the arson and the senseless, mindless violence.

The writer is not culpable. But the people who take those written words as an affront, as a challenge to the power they think they wield, are. They let loose the riots. As they did after the publication of *The Satanic Verses*. As they did when they forced Taslima Nasreen to go into hiding. As they did when they dragged Houellebecq to court. And as they have done in the case of Isioma Daniel.

Opposing one's right to speak one's mind is an act of totalitarianism. And totalitarians tend to

read into words things which were probably never meant. Or never meant in that sense anyway. To an objective reader, Daniel's lines might have seemed like a joke. (Not a particularly side-splitting one, but a joke nonetheless.) To some, it might have had an undertow of irony.

But irony is not the metier of the 21st century. Humour is not the trope for our times. We are no longer merely dismissive of poor jokes. We are threatened by them enough to want to gag the guy who wrote the gag. When did the world get so unfunny?

PHOTO: AFP

# Cyber Terrorists On The Prowl

THE Internet recently sustained its largest and most sophisticated attack ever. On 21 October 2002, a "distributed denial of service" (DDOS) attack struck the 13 root servers that provide the primary road-map for almost all Internet communications. Despite the scale of the attack, which lasted about an hour, Internet users worldwide were largely unaffected. DDOS attacks overwhelm networks with an onslaught of data until they cannot be used. According to security experts, the incident was probably the result of multiple attacks, in which attackers concentrate the power of many computers against a single network to prevent it from operating.

Ordinary Internet users experienced no slowdowns because of safeguards built into the Internet's architecture. A longer, more extensive attack could have seriously damaged worldwide electronic communications. If more servers had gone down, and if the hackers had sustained their hour-long strike a bit longer, Internet users around the world would have begun to see delays and failed connections. DDOS attacks are some of the most common and easiest to perpetrate, but the size and scope of this strike is a matter for concern. Only four or five of the 13 servers were able to withstand the attack and remain available to legitimate Internet traffic throughout the strike. The root servers, about 10 of which are located in the USA, serve as a sort of master directory for the Internet. The Domain Name System — which converts complex Internet protocol addressing codes into the words and times that form e-mail and web addresses — lies on the servers to tell computers around the world how to reach key Internet domains. At the top of the root server hierarchy is the root server which every 12 hours generates a critical file that tells the other 12 servers what Internet domains exist and where they can be found.

Most often, hackers have commandeered computers used in the DDOS assaults here, manually or remotely with the help of automated software tools that scan millions of

A strong punitive system acceptable to all netizens, individuals, companies as well as governments is the need of the hour, writes **Rahul Ghosh**

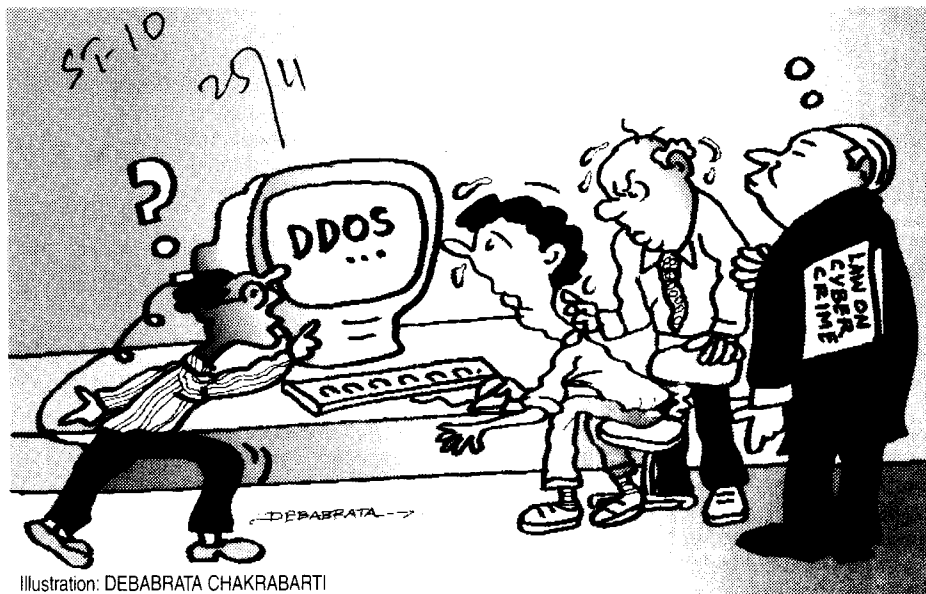


Illustration: DEBABRATA CHAKRABARTI

computers for known security holes. These computers often belong to unsuspecting home users. Little can be done to insulate targets from such attacks, and some of the world's most powerful companies have been targeted in the past.

The major instance of cyber assault on popular websites first occurred on 3 March 2000. It stunned the world and grabbed news headlines all over. E-commerce sites and news portals were the worst hit. Big e-com sites like Amazon.com, eBay.com and Buy.com; news portals like cnn.com and the world's most popular mailing site, Yahoo.com, all were equally affected. Even the Federal Bureau of Investigation's official website remained inaccessible

for hours on 18 February 2000. These incidents exposed the insecure nature of cyberspace that is inherent to its origin. But the most important outcome of the said attacks was the realisation of the fact that the formulation of a comprehensive global law relating to cyber assault and hacking is the need of the hour. According to a report published by the International Data Corporation, nearly 233 million devices were connected to the Internet by 2000 against 12.6 million in 1995. The estimated number of net users was projected at 163 million as against 16.1 million in the same period.

In the ever-changing scenario of the world wide web, the greatest area of concern is cyber crime. In fact, the entire procedure of e-com-

merce is highly vulnerable to attacks by perverse criminal minds. Cyber crime refers to all those activities done with criminal intent in cyberspace and new forms of cyber crimes are coming to be committed with each passing day.

The Information Technology Act 2000 categorises different forms of cyber crimes in Chapter XI. These are: tampering with computer source documents, hacking with computer systems, publishing of information which is obscene in electronic form, misrepresentation in cyberspace, breach of confidentiality and privacy, publishing false digital signature certificates in certain particulars and for fraudulent purpose, confiscation and the like. The same chapter also provides for punishment for these offences. The Act also applies to offences committed outside India. Etymologically, cyber crimes can be devised into three major categories. These are cyber crimes against persons, property and the government. Cyber crimes committed against persons are transmission of child pornography, inducing minor children into sex by net paedophiles, cyber stalking, sending e-mails containing derogatory remarks and the like. Cyber crime against property consists of unauthorised computer trespassing through cyberspace, computer vandalism, transmission of harmful programmes, unauthorised possession of computerised information and the like.

Cyber terrorism that threatens and defames all governments across the globe as also the citizens of different countries can be placed in the third category. It is mainly done by hacking official websites of governments of different countries and airing adverse messages, even forcing them to shut down at times. A strong punitive system universally acceptable to all netizens, individuals, companies as well as governments is the need of the hour. As of now there is absolutely no comprehensive law on cyber crime anywhere in the world. So a lot has to be done to put a check to the malpractice. Of course, work has begun, with 13 countries, including India, having enacted legislation. But there is still a long way to go.



# Nigeria blames press for pageant fiasco

media  
ST-3

Agence France Presse

ABUJA, Nov. 24. — The Nigerian government today lashed out at the international media and one of the country's own national newspapers, accusing them of a conspiracy to sabotage the Miss World pageant.

Miss World's contestants and organisers flew out of Nigeria early today after two days of rioting fuelled by Muslim opposition to the contest, which was initially triggered by an article in a Nigerian daily.

Preparations had already been marred by a storm of bad publicity surrounding northern Nigeria's reintroduction of Islamic Sharia law. The show will now be staged in London on 7

## Miss South Africa opts out

DURBAN, Nov. 24. — Reigning Miss South Africa, Vanessa Carrera, who declined to participate in the Miss World beauty pageant in Nigeria, has held on to her decision to boycott the now controversial contest despite it being shifted to London. "The Miss World contest should never have been planned for Nigeria in the first place," she said today. — PTI

December, rather than in Nigeria's capital Abuja.

"I salute the courage of the contestants," information minister Mr Jerry Gana said on state radio. "They came all the way

here despite the conspiracy of the international press... particularly the British press."

He said: "There is an international conspiracy just to show that an African country like Nigeria cannot host this thing. I think Nigerians should be really angry with the international press."

Mr Gana singled out the Nigerian newspaper *This Day*, which wrote a preview on the Miss World pageant that stoked Muslim anger and triggered riots in Abuja and the northern city of Kaduna. "It's unfortunate that our own national press succumbed to this conspiracy by creating an opportunity for violence. This was a direct provocation and it was irresponsible and totally unnecessary."

25 NOV 2002

THE STATESMAN

# MAHAJAN CALLING

✓ This time, the minister got it right

THE spat between VSNL and BSNL/MTNL over revenue sharing has been settled along desired lines, and for once the public sector combatant was right. VSNL, now owned by Tatas, had been holding out for a deal resembling the one it enjoyed during its PSU monopoly days. Then, VSNL, contrary to global norms, was allowed to keep nearly 88 per cent of the revenue from overseas calls. Access providers, the telecom company that gives you your phone connection and sends you the bills, invest the most money therefore should get the largest share of long distance call revenues. In this case, that means BSNL and MTNL. Next in terms of capital invested are carriers, who connect local networks. In India, that effectively still means BSNL and MTNL. Gateways, telecom companies which provide the facility for calls to be carried from one country to another, in this case VSNL, spend the least on infrastructure. Hence, globally, gateways get the lowest revenue share. But months after its acquisition by the Tatas, VSNL continued to make more money than justified given its gateway status. Until private telecom companies like Bharti, Reliance Infocom and Data Access came around and offered BSNL/MTNL gateway services at competitive rates. That is when BSNL got tough, Pramod Mahajan, as communications minister, put his foot down and finally they forced VSNL to substantially drop its gateway charges. BSNL and Mahajan may not appreciate this but market forces — the arrival of private players offering cheaper deals — were the crucial factor in their victory. As for the discount offered by BSNL/MTNL to VSNL in case incoming overseas calls routed by the latter achieve a certain volume — 90 million minutes per month — no discrimination is involved against private players. Telecom agreements require that if access providers offer an advantage to one gateway, they must offer it to their competitors as well. Therefore, Bharti, Data Access and Reliance will be able to and surely will ask BSNL for discounts as well.

For VSNL, the new deal may <sup>24/11</sup> <sup>51-8</sup> lop off around Rs 500 crore in the first eight months. As private international long distance operators settle down and VSNL's share of call handling goes down, a former PSU cash cow turned a horse in the vast Tata stable may be looking at, as the Chinese say it, an interesting future. VSNL's recent results had already caught the changed fortunes. The math will turn bleaker unless it innovates. That the Tatas are perfectly prepared to do but the largest minority shareholder, the government, which really means Pramod Mahajan, must be prepared to accept that management practices in the public and private sector differ. Therefore, intervention and bullying of the kind seen when Tatas decided to invest VSNL's money in a group company must not be repeated. That the controversy ended with Tatas investing a substantial portion of the money anyway, and Mahajan swallowing his pride, showed that the minister had been wrong on both principle and pragmatic considerations. Pick the right fight, minister — as you did over revenue sharing — and everyone will be better off.

24 NOV 2002

THE STATESMAN

ONLY REGISTERED FIRMS CAN APPLY

# Print media get rules for FDI

Statesman News Service

NEW DELHI, Nov. 21. — The information and broadcasting ministry today issued the long-delayed guidelines for foreign direct investment in the print media for news and current affairs publications.

The FDI will be allowed only if the firm is registered with the Registrar of Companies under the Companies Act. Tightening the initial decision, the I&B ministry said that while 26 per cent FDI will be allowed, equity held by the largest Indian shareholder will have to be at least 51 per cent, excluding shares held by public sector banks and public financial institutions.

In the application, the firm will have to inform the ministry about the foreigners involved in any capacity in the institution. Permission will be conditional on at least 75 per cent of the directors on the board and all key executives being resident Indians. The firm will have to tell the government who the foreigners or non-resident Indians on the board of directors are.

At least 50 per cent of the FDI will have to be inducted by issuing fresh equity. The

balance may be inducted through transfer of existing equity.

All proposals for FDI in Indian firms publishing newspapers and periodicals will be evaluated by the I&B ministry after discussions with the home ministry and other government bodies whenever necessary. The applicant will have to tell the government about the shareholders' agreements and loan agreements that are finalised or proposed. If there are any changes, the firm will have to inform the government within 15 days.

Also, the I&B ministry's permission will be necessary before making any changes in the foreign shareholding pattern and also, the shareholding of the largest Indian shareholder. The guidelines

said that while calculating 26 per cent FDI, the foreign holding component, if any, in the equity of the Indian shareholder company of the new firm will be reckoned on a pro rata basis.

The guidelines say the government "will ensure the foreign entities have sound credentials and international standing". Nine copies of the application will have to be submitted along with a fee of Rs 5,000

## Highlights

- Applications to I&B ministry
- Largest Indian shareholder must have 51 per cent
- 75 per cent of board members and all top executives have to be resident Indians

# IT sector upbeat on Gates' visit

HT Corporate Bureau  
New Delhi, November 10

WITH BILL Gates' private jet landing in Delhi on Monday, the information technology industry is once again agog with speculation. While some have chosen to label his third visit to India as a pure Bill and Melinda Gates Foundation exercise, others are keeping their ears to the ground for important investment-related business announcements.

Either way, the Microsoft chairman and chief software architect's visit has set the tone for four happening days in Delhi, Bangalore, Hyderabad and Mumbai, and their who's who.

In fact, Gates' present visit will be a good mix of routine and special. While he will once again have many chief ministers lined up for audience in the capital, this time around he will also call on President APJ Abdul Kalam. On Monday, he will also attend a luncheon hosted by Prime Min-

## Opening Windows

- William H Gates began programming computers at 13
- At 47, the Seattle-born whizkid heads a \$28.37 bn Microsoft empire
- Designated himself Chairman and Chief Software Architect
- Authored *Business @ the Speed of Thought* in 1999
- Got a consent decree on a government antitrust lawsuit in 2001



ister Atal Bihari Vajpayee, where according to sources, the foundation-related matters will take centre stage.

But what is pepping Microsoft India up this time is the fact that their mentor is not stopping by

on his way to the Olympics or to China as he did in the first two visits. He will fly straight from Redmond and spend four full days in India to finally return to the US on Nov 14.

During his visit, apart from

Delhi, where he will also address the CEO's Forum organised by the Confederation of Indian Industry on the evening of November 12, Gates will be visiting Bangalore on Nov 13.

In addition to meeting Karnataka Chief Minister S.M. Krishna in Bangalore, Gates will address the developers forum organised by the National Association of Software and Services Companies (Nasscom) at the Infosys campus. Apart from meeting NR Narayana Murthy, Gates will also address developers at the Wipro campus in Bangalore.

During the next leg of his visit, Gates will fly to Mumbai to attend a felicitation ceremony organised by the Bhartiya Vidhya Bhavan.

On the last day of his tour, Gates will visit the Hyderabad-based Microsoft India Development Centre and review the work happening on .Net — Microsoft's new platform for con-

nectivity anytime, anywhere any device — which is closest to Gates' heart.

In Hyderabad, Gates will also preside over an e-governance event which is being organised under the aegis of the Andhra Pradesh Chief Minister Chandrababu Naidu.

Gates' third visit to India is likely to kickstart Microsoft's third wave of interest in the Indian operations, with a special focus on intellectual property and building local assets. According to sources, India being Microsoft's fastest growing subsidiary in Asia, his interest in the country holds no surprise.

During his earlier visits in 1997 and 2000, Gates has focused more on initiating development activities in India and introducing the .Net strategy. This time he is expected to focus more on adding development resources in the country as well as expanding Microsoft's reach in the domestic market.

11 NOV 2002

THE HINDUSTAN TIMES

# Watch China's progress: Bill Gates

By Our Special Correspondent

**NEW DELHI, NOV. 10.** The chairman of the global giant Microsoft, Bill Gates, has urged India to watch the progress of China in the software field, while constantly improving the education of its people to stay in the lead.

Replying to questions submitted by *The Hindu* on the eve of his third trip to India, Mr. Gates said: "India is the leader by far but it should track the progress China is making."

Highlighting the importance of a proper regulatory regime and education, he said governments should create laws and policies to encourage research and development (R and D), support the development of businesses and protect intellectual property rights.

The software billionaire will focus on his support to programmes to prevent the spread of HIV/AIDS during this visit. At the same time, he will be meeting a large number of technocrats and Government leaders, giving rise to expectations that Microsoft's activities in India



are set to expand. Significantly, this time he is spending as much as four days, compared to barely a day-and-a-half during his last visit.

The downturn in the software sector has apparently prompted this focus on India which he describes as the leader in the software arena. The visit is also expected to be more business-like and intensive than the last one when he was merely passing through on his way to the Sydney Olympics.

Responding to a specific question on the prospect of China posing a threat to India in

the software sector, he said the global technology market would continue to grow as businesses depended more and more on information technology and people increasingly used computers to help manage their daily lives. "China and India will compete for the high-paying jobs this creates," he said.

The key question, he felt, was how countries such as India and China can best compete in such a fast-changing market place. Several factors, including the need to create supportive laws and policies relating to R and D and supporting business development, stood out. Secondly, he felt educators need to take a long-term view and ensure that students are exposed to maths and science early. "You need entrepreneurs who are willing to think big and take calculated risks and government policies that support them."

On the future of the software sector, he said customers would see a lot more choice. "For instance, you'll be able to purchase the same old shrink-wrapped box and also

buy a subscription for updates," he said. In addition, the customer would be able to sign up for an annual fee, download the product, and then get regular upgrades as they become available. The customer will also have the choice of allowing those updates to download automatically while at the same time ensuring that privacy and security are totally protected, he pointed out. "To do all this, however, you'll really need a high-speed connection which is why we believe broad band is so important," he said, highlighting a crucial problem area in this country.

As for Microsoft's prospects given its recent strong results, he said the company's ability to succeed in future depended on several critical factors and its ability to execute them. "We certainly don't take our success for granted," he said. Microsoft needs to build even closer and stronger relationships with its customers and industry, especially as it focuses increasingly on enterprise computing and Web services, he maintained.

# New virus bugs PC users

Stanley Theodore in Hyderabad

5/10  
m  
Oct. 4. — At least 50 per cent of computers in the Asia-Pacific region are being hit by 'Bugbear'. It's a new virus carrying a treacherous payload to infect computers, sabotage anti-virus software and copy sensitive data like credit card numbers, bank accounts, passwords and any other personal information.

Australia, the UK and the USA (in that order) are the most affected followed closely by India, where several thousands of infections have been reported in the past 24 hours.

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UK-based MessageLabs said the virus is spreading most rapidly in the Asia-Pacific region. It stopped over 110,000 copies in 164 countries till today evening.

The virus was first discovered last weekend with its origin from Malaysia. By Friday, several security firms heightened their assessments of the risk as Bugbear raced past its predecessor, Klez, to become this year's most virulent virus. Bugbear is among the most versatile in terms of virulence, though security firms at the moment have stopped short of rating it alongside the most damaging viruses like ILOVEYOU and Nimda.

THE STATESMAN

4 OCT 7 02

# Third-class comedy



**NALIN VERMA** in Patna

Of late, the "messiah of the poor" has become an object of commercial value for TV producers and advertisers. They find in Laloo Prasad Yadav a potential character to sell and make money on.

After Sab TV based its serial *Ramkhillavan CM 'n' Family* on the Rashtriya Janata Dal chief, a headache presented a Yadav clone to sell its product.

The serial is embroiled in a legal battle with supporters of the wily RJD chief for presenting Bihar chief minister Rabri Devi,

her husband, their family and the state in "a bad light". A Patna court has stayed its telecast and issued notice to eight people, including its producer, director, actors and actresses. The four episodes of the serial that Sab TV telecast before the court slammed an interim stay on it, generated interest and triggered a debate in Bihar and elsewhere in the country.

The Opposition found in the serial a tool to "expose" the corrupt practices Mr Yadav, his brother-in-law and family members were "involved in". The BJP leader of the Opposition in the Bihar assembly, Sushil Kumar

Modi, announced excitedly that he would show video clips of the serial in villages without access to cable operators showing *Ramkhillavan CM 'n' Family*.

But what Mr Modi ignored in the frenzy of that excitement is the fact that the serial has surfaced at a time when BJP leaders are looking for a place to hide after the petrol pump allotment scam came to light. Many National Democratic Alliance leaders in the state now own petrol pumps, courtesy Union petroleum minister Ram Naik's "generosity".

Mr Modi and his NDA colleagues have been drained of the moral strength to nail Mr Yadav on corruption. Mr Yadav and many of his senior party colleagues as well as bureaucrats have gone to jail and come out on bail in the fodder scam and other corruption cases a number of times in the past five years.

If Mr Yadav's protracted stay in judicial custody failed to give leverage to the weak-kneed Opposition in Bihar to nail Mr Yadav, *Ramkhillavan CM 'n' Family* can hardly be an effective tool to corner him.

The Sab TV serial is cheaply comic. The director and actors have hardly done their home-

work before hitting the small screen. Apart from imitating his hairstyle and his rustic dialect, actor Vinit Kumar has hardly any other qualities to match the "Raja of Bihar".

According to an observer, "Laloo Yadav in flesh and blood is far more entertaining. Ram Naik is far more entertaining than any bureaucrat giving good advice or making positive suggestions. Had that been the case, more than a dozen IAS officers working as his confidants at different stages of his rule would not have landed in jail.

If anything, *Ramkhillavan CM 'n' Family* is more a source of solace than entertainment to certain sections of Bihar's upper and middle classes which lost power to the Laloo-Rabri regime in 1990 and are getting desperate at their repeated failure to cow down Mr Yadav who keeps bouncing back to power in an unputdownable manner.

The BJP represents this dependent class mainly comprising

the role of upper caste Bhumihars and Brahmins. They have so far failed to hurt Mr Yadav's interests despite their efforts.

The inelegant members of this class derive vicarious pleasure when Mr Yadav as Ramkhillavan hurts his bottom while occupying the chief minister's chair on his re-election. Somebody had driven a two-inch-long nail in his chair. Mr Yadav initially mouted invectives against the Sab TV serial. His anger against the serial-makers inspired his supporters to file a case against it in the Patna chief judicial magistrate's court, which has been hearing it.

But the RJD chief has now fallen silent, sensing probably that *Ramkhillavan CM 'n' Family* should do.

could hardly make a dent in his constituency. "The serial is another manifestation of the middle class's frustration, deepening with its failure to topple the Laloo-Rabri regime," says the RJD spokesman Shivanand Tiwari.

The serial-makers should have spoofed the likes of Narendra Modi whose "ministers engineered the massacre of Muslims" and the Ram Naiks and the Sukhrams, too, "to maintain a sense of balance", says the RJD spokesman.

Sushil Kumar Modi finds nothing wrong with *Ramkhillavan CM 'n' Family*. "The serial and its makers should be given the liberty to portray society and politics the way they want to," says he.

"The serial has exposed the corruption and banality that have crept into the state's system... and that is what the media should do."



## newsletter

### BIHAR

# Madhu Sharma tones down rhetoric

By Rajesh Ahuja

4001  
18/8

**CHANDIGARH, AUG. 17.** Madhu Sharma, wife of Ravi Kant Sharma, Haryana IPS officer and prime accused in the murder of the *Indian Express* journalist, Shivani Bhatnagar, today played down her "emotional outburst" against the Parliamentary Affairs Minister, Pramod Mahajan, on Thursday, and demanded "fair play and justice" from the powers that be.

At a crowded press conference at her Panchkula residence in the evening, Ms. Sharma conceded that she had called Mr. Mahajan a "criminal" and said that "if my husband is alleged to be involved in the Shivani Bhatnagar murder case on the basis of telephone calls and hearsay, then Mr. Mahajan, who also knew Shivani very well, should also be treated by the Delhi Police on the same basis as my husband and questioned."

Shivani was her husband's friend (hers as well) but their re-

lationship was purely "professional," Ms. Sharma claimed. The journalist, who covered the political beat for the *Indian Express*, used to call up Mr. Sharma when he was posted in Mumbai but these calls, mostly answered by the answering machine or the PA, did not last more than half-a-minute.

Ms. Sharma clarified that she was not aware of the "exact relationship" between Shivani and Mr. Mahajan. Neither did she want to talk about any "concrete evidence" against Mr. Mahajan. She had been misquoted as having said that the Minister was having an "affair" with the journalist. "I only said they were close."

Looking unwell, she said: "I have nothing against Mr. Mahajan. I don't say he murdered her but the possibility of his involvement exists if my husband and even Shivani's husband could come under the spotlight of suspicion. The Delhi Police should have questioned him also. Are politicians above the

media ✓  
law? He too should face the lie-detector test which my husband and others did." Mr. Mahajan had the right to file a defamation suit against her if he so desired.

Wondering why Mr. Mahajan and the Home Minister, L.K. Advani, were getting "so sensitive," Ms. Sharma alleged that there was a much "bigger conspiracy" behind the attempts by the Delhi Police to "frame" her husband. They had refused to listen to Mr. Sharma when he tried to name Mr. Mahajan.

The BJP Government wanted to "solve" the case in a hurry so that it could not be opened by any other government, which might entrust it to an independent agency such as the CBI. Police had failed to investigate Shivani's professional life and her links. They had only concentrated on telephone calls and hearsay.

She flayed the powers that be for describing Mr. Sharma as an "absconder." He was only exercising his constitutional right of

seeking justice from a court of law. "He has knocked at the door of the court from day one thereby making himself available to the law. He is only protecting himself from the clutches of the Delhi Police." He would surrender before the Delhi High Court — if it directed him to do so — where his bail application was coming up.

She charged the Delhi Police with harassing her family, friends and acquaintances. Even the phones of her lawyers were being tapped. She had received a threat that she too would be framed in the murder case but she was not afraid.

## Key accused held

PTI reports from New Delhi: The Delhi Police arrested Satya Prakash, third key accused in the murder case. The Joint Commissioner of Police (Crime), U. K. Katna, said that Prakash had been arrested around 1.30 p.m. from Faridabad.

Sharma moves court: Page 8

18 AUG 2002



# Congress demands Pramod's scalp

HT Correspondent & PTI  
New Delhi, August 16

AS THE image of senior NDA Ministers continue to take a beating, the Congress went on the offensive on Friday demanding the immediate dismissal of Parliamentary Affairs Minister Pramod Mahajan after serious allegations of his reported involvement in the Shivani Bhatnagar murder case.

"Mahajan should be dismissed immediately to facilitate an impartial inquiry into the matter," party spokesperson Satyavrat Chaturvedi said, referring to the grave charges against the Minister by Madhu Sharma, wife of absconding police officer Ravi Kant Sharma, prime accused in the murder case.

Chaturvedi, however, refrained from seeking similar action against Deputy Prime Minister and Home Minister L.K. Advani, whom Madhu Sharma accused of trying to implicate her husband because of political reasons. He denied he was adopting different yardsticks for the two Ministers.

The Congress feels Mahajan's failure to step down on moral grounds made his dismissal imperative to ensure an impartial inquiry — especially important since Madhu Sharma had alleged Mahajan had a lengthy telephone conversation with Shivani before her murder.

The latest Congress salvo comes in the backdrop of its continuing agitation against senior Ministers. It had criticised the inclusion of Advani,



Murli Manohar Joshi and Uma Bharati into the Cabinet, though they were chargesheeted in the Babari Masjid demolition case. Following Tehelka and coffingate, it trained its guns on Defence Minister George Fernandes. With the petrol pump allotment scandal, the focus shifted to Petroleum Minister Ram Naik.

Meanwhile, the CPI(M) has said there should be no interference with the probe into the Shivani murder case and the Prime Minister should take the responsibility of ensuring there was no pressure on the investigators.

Commenting on the charges against Pramod Mahajan by Madhu Sharma, party leader Somnath Chatterjee said: "This is a very serious allegation. This government is a government of scams." He added

that the Prime Minister and Deputy Prime Minister L K Advani should ensure this," though Mahajan "cannot be held guilty merely on the charges of a lady who is really disturbed."

A Panchkula report says Ravi Kant Sharma's two daughters, Pragati and Komal, today alleged that Home Minister L K Advani had shown malicious intent by giving a clean chit to Cabinet colleague Pramod Mahajan in the Shivani Bhatnagar murder case.

Demanding that the case be handed over to the CBI, they, in a signed statement here, alleged the Home Minister had exhibited a blatant disregard for human rights, civil liberties and the law of the land by refusing to look into the role of Pramod Mahajan and the excesses of the Delhi Police.

## Mahajan puts up a brave front

Vinod Sharma  
New Delhi, August 16

HE LOOKED mellowed, a bit worried. But Parliamentary Affairs Minister Pramod Mahajan retained his ready repartee and sense of humour at an informal interaction with the media here today, even with the allegations levelled against him by Shivani murder case accused R K Sharma's wife.

At times, even the old swagger, the confidence that made him the first among the equals in the BJP's second line of leadership, surfaced. Asked if the enemy could be within, or if he was being made a scapegoat for his rising clout, he retorted: "Mujhe koi bali par nahin chadha sakti. Main koi sadharan bakra nahin hun. Main Kurukshetra main ladta hun, shikandhiyon se nahi."

The lurking fear, the foreboding was brought out, however, by probing questions on the damage to his image by Madhu Sharma's outburst that took the sordid dispute to millions of TV homes across the country. "I can do whatever best I can. If my credibility is so low that the allegations stick, what can I do about it?" he asked.

At times, it was obvious that Mahajan, the evergreen politi-

cal storyteller, had some idea about the hand that scripted his downfall. But he claimed support, in his hour of crisis, from the BJP's big two Vajpayee and L K Advani.

Mahajan said he had asked Advani, holding the Home portfolio, to have the case expedited in view of the whisper campaign since 1999.

### Delhi Police clean chit

DELHI POLICE sources admitted that Union Minister Pramod Mahajan's name did figure during the Shivani Bhatnagar murder investigation as a 'professional acquaintance' of the deceased but nothing was put on record since there was no lead pointing to his involvement. Besides Mahajan, the names of two or three bureaucrats also came up, but they, too, were not questioned.

The Joint Commissioner (Crime) UK Katna cleared Mahajan's name at a press conference soon after L K Advani gave a clean chit to him.

Police Commissioner R S Gupta said there was nothing in the investigation to suggest Mahajan's involvement. "At no stage of the investigations has any reference to Mahajan or any other politician come up," he told the *Hindustan Times*.

## Why BJP sank differences to rally around

Shekhar Iyer  
New Delhi, August 16

THE BJP is under a siege. At least, this is what the party leaders believe. First, the scam over petrol pump allotments, and then land deals and now, a Union Minister — a key second-rung leader — is accused by spouse of a wanted IPS officer of involvement in a murder case.

The best course the BJP has concluded, is to unite — may be temporarily — and fend off the attacks directed at it.

A show of unity was considered a must because, of late, the second-line leaders were not in best of terms — too ambitious, perhaps, to rub shoulders.

Mahajan, who is seen close to Prime Minister A B Vajpay-

ee, has been considered rather out of sync with the team led by new BJP chief Venkaiah Naidu, which is said to be loyal to Deputy Prime Minister L K Advani.

In fact, he and Naidu had taken swipes at each other at the August 3 meeting of the BJP national council.

But, when TV news channels ran hour after hour clips of Madhu Sharma's statement that he was involved in the murder of journalist Shivani Bhatnagar in 1999, the mood among the second-line leaders was that they must unite to defend Mahajan.

Many BJP leaders could not help thinking that Mrs Sharma, the wife of Ravi Kant Sharma, a senior IPS officer and the prime suspect in the journalist's murder, could not

have made the allegations against Mahajan without tutelage by some rivals of the party promising her husband support and a bail-out.

Vajpayee was the first to call Mahajan late Thursday night after TV news channels ran the clips.

According to Mahajan, the Prime Minister told him "you do not have to worry".

Other BJP leaders too asked him to immediately refute the allegation.

Mahajan was soon on TV from midnight to give his version.

On Friday morning, BJP chief Venkaiah Naidu held consultations with senior party leaders, particularly Advani and general secretary Arun Jaitley, who suggested that Mahajan should seek legal

remedy.

Accordingly, Naidu told Mahajan that he should initiate a criminal defamation case against Mrs Sharma to show that he had nothing to hide.

Union Ministers and BJP functionaries were told to issue statements in this respect.

Mahajan's defining moment was when Advani himself decided that he should defend Mahajan to end the speculation about the Home Ministry's role in speeding up investigation in the murder case.

Advani said, "It was all baseless allegations against a valued colleague, coming as it does from a suspect who is absconding."

And by Friday evening, Mahajan felt better and in com-

mand of things to say that he would file a criminal defamation case — as advised by the BJP leadership — against Madhu Sharma for making "false allegations" against him Monday or Tuesday. He had also secured the videotapes of Madhu Sharma's outburst against him.

Mahajan's additional private secretary Harish Sharma issued a written statement on his behalf that he was ready to face any inquiry though he was shocked by the allegations.

Youth Affairs and Sports Minister Uma Bharti and Minister of State for Law Ravi Shankar Prasad issued a statement to condemn the allegations made by Mrs Sharma, saying they were full of contradictions.

# Sleaze-hit BJP to brazen it out

RADHIKA RAMASESHAN

New Delhi, Aug. 16: Assailed by an almost daily dose of scandals, the government and the BJP closed ranks behind senior minister Pramod Mahajan, accused of being involved in the killing of journalist Shivani Bhatnagar.

A day after Madhu Sharma — the wife of Haryana police official Ravi Kant Sharma who is the prime accused in Shivani's murder — made the sensational allegation, Opposition demands for the resignation of the communications and parliamentary affairs minister were turned down by the ruling combine.

Deputy Prime Minister L.K. Advani gave the cue that the party and the government must be one with Mahajan during the crisis when he described Madhu's charges as a "malicious campaign unleashed by vested interests to derail the probe, which is on the right track".

Advani hailed Mahajan as a "valued colleague". "It was all baseless allegations against a valued colleague, coming as it does from a suspect who

is absconding," he said.

Mahajan was advised by the BJP to go on the front foot and file a criminal defamation case against Madhu.

Last night, Prime Minister Atal Bihari Vajpayee phoned Mahajan with the assurance that he had nothing to worry about.

Mahajan denied knowing Sharma or arranging a posting for him at Shivani's behest. He, however, admitted to having known of "rumours" linking his name with the murder and of discussing the matter with Advani "a couple of times".

"Are you people surprised? This kind of campaign has been going on against me for two years. When I met him (Advani) I told him if I have committed a crime, there is no need to shield me. I told him the sooner the case is solved the better."

Mahajan denied a conspiracy was hatched against him within the BJP. "The way the party people have been phoning me, if there is a stray person here or there feeling upset, I don't know. But as a party I don't suspect."

Initially, the BJP gave the im-

pression that it was wary of defending a minister who has been embroiled in one controversy or the other, which had a knack of bobbing up whenever he was perceived to be rising in the government or the party.

His presence and active participation in the consultations preceding last month's Cabinet and organisational reshuffle led to Mahajan being unofficially anointed the "number three" after Vajpayee and Advani.

But in the end, the party fielded chief spokesperson Arun Jaitley to dismiss Madhu's charges as "mala fide and the allegations by the wife of a suspected killer and an absconder". He regretted that the media had played up her allegations.

Earlier in the day, after a Cabinet meeting, sports and youth affairs minister Uma Bharti, an Advani loyalist, went out of the way to court TV reporters and tell them how "very sad" she felt about the incident. "This way anybody could name anybody."

There are several reasons for the BJP rallying behind Mahajan. The most important, sources said, was that with

Media 7-1 1998  
"more skeletons tumbling out of our cupboards in just a month than out of the Congress' in 50 years" — as a party veteran put it — the question that was being asked was: "How many heads can be sacrificed?"

The petrol pump scam had implicated Ram Naik and the land scam Ananth Kumar and Vijay Goel. Earlier, George Fernandes had been accused of corruption and Yashwant Sinha of failing in his duties as finance minister in the UTI debacle. But all of them escaped virtually unscathed.

"If George gets away, why should Mahajan not continue?" asked BJP sources.

The second is a feeling that the BJP should extricate itself from the "web of morality" it has spun around itself. "We should boldly say the Congress did all this and more, so why shouldn't the BJP?" the sources said.

Third, while there is no love lost for Mahajan in a section of the party, members feel that tomorrow the boot may be in their foot.

■ The Shivani scandal, Page 6

17 AUG 2002

THE TELEGRAPH

# Punishing the press

17/8 Khaleda's intolerance towards criticism

The outcome of the judicial intervention to stop Begum Khaleda Zia's government from muzzling the daily *Janakantha* charged with treason for publishing reports on police transfer and posting against financial consideration is not known. Her government also asked the daily to disclose the evidence on which the reports were published. This is a short step to demanding to know their sources. *Janakantha* has been denied government advertisements and the lead is followed by companies close to her government. Its power line was restored by judicial intervention after vindictive official actions. Ministers have demanded "exemplary punishment" for "exposing government". There have been other kinds of attacks and worse. The BNP-led government has adopted devious methods for closing down the popular private TV channel, Ekushey, which caused popular outrage. A north Bengal daily was forced to cease publication purely for political reasons. Twentytwo journalists of the government owned news agency — BSS — were sacked as they were recruited during Sheikh Hasina's rule. Two journalist bodies have released names of over 210 of their members injured in attacks by ruling party goons. In many towns the goons have shutdown even fax and telephone booths to stop transmission of news despatches. What is worse, the police are in no mood to pursue the murder cases of two leading journalists because of involvement of ruling bigwigs. The attacks on the fourth estate have become such a menace that bodies like Freedom House, Reporters Sans Frontieres and Amnesty International have expressed "serious concern".

These are desperate attempts by Begum Zia to control the national Press, which with each day is becoming stridently critical of her, of her family, party and coalition partners trying to silence any kind of opposition. Ironically, one of her pre-election pledges, highlighted in her poll manifesto, was to guarantee full Press freedom, which she said Sheikh Hasina had failed to ensure. But what is happening now is far worse. It is a throw back to the Pakistani days when Ayub and Yahya sought to control the Press through "advice", "official patronage" and tyranny. Does Begum Zia want to follow that example?

## Shivani murder: IPS officer still untraced

PANCHKULA, Aug. 4. — A Delhi Police team raided the residence of senior Haryana-cadre IPS officer Mr Ravi Kant Sharma, prime suspect in journalist Shivani Bhatnagar's murder case, today. A diary and some documents belonging to Mr Sharma were seized.

The 16-member team searched the residence of the I-G (Prisons) at 6.30 a.m. and then at 12.15 p.m., but could not find him. Mr Hemant Sharma, ACP, said he hoped the IGP would be arrested "soon". Sources said during the search, the police made enquiries from Komal, one of the two daughters of the IGP. They added that Mr Sharma and his wife were in Delhi and he was trying to get anticipatory bail from a court there.

The police team was the same which raided Mr Sharma's house in sector six yesterday.

Haryana police and civil secretariat sources said no action was being contemplated against Mr Sharma as Delhi Police was yet to officially inform the state government in writing. Mr Sharma proceeded on 10 days' leave citing domestic reasons a day prior to the police raid. The two key accused in the case, Sri Bhagwan and Pradeep, have been arrested.

Police are also looking for Satya Prakash and an unidentified man who, along with Pradeep, are suspected to have murdered the *Indian Express* principal correspondent in 1999. — SNS

# For and against FDI in the print media

Mehta  
x10-12  
By Our Staff Reporter 67

**NEW DELHI, JULY 5.** There was a clear rift at a debate today on foreign direct investment (FDI) in print media at the Indian Women's Press Corp.

The Executive Managing Editor of the *Times of India*, Dileep Padgaonkar, said: "There appears to be too much ideology, too much partisan politics and just a hint of deal-cutting. What strikes me is the cynical disregard of democratic norms in the decision. If you look at the print business there is an overwhelming majority against FDI. The political class has also opposed it. I want to ask why this haste. Why now?"

In countries such as Canada and France, harsh restrictions have been placed on foreign investment that have compelled them to take these decisions. The Government should take into account international conventions, he added.

"What under the Companies Act does 26 per cent ownership mean? Even with 5 per cent equity you can exercise control over the management. If anyone owns 26 per cent, they can block decisions which the company might want to make. What bothers me is that if any foreign investors come they would knock on the doors of profitable newspapers. If investors come, they will want to make money. They would have some collateral interest, I don't want to speculate on what that collateral interest is."

Offering a reason for the timing of the Government decision, the Editor-in-Chief of *Outlook*, Vinod Mehta, said the answer was simple. The Government had been rattled by the post-Gujarat coverage. They could not understand why a largely friendly media was being so hostile to the BJP. The Railway Minister, Nitish Kumar, even said that newspapers most opposed to it would be the most anti-BJP.

Speaking in favour of the FDI, the chief representative of Dow Jones in India, Suman Dubey, stated that he did not feel there would be any visible change. "I don't see it resulting in a stampede of investors. News organisations don't like minority stakes, they like to control the editing, presentation and news gathering. News companies are going through a tough time due to the collapse of advertising revenue. Besides, the region is still perceived as unstable and everyone is hesitant about investing money."

Taking a similar stand, T.N Ninan, Editor and publisher of *Business Standard*, said it was also important to see who was opposing the FDI. It was not the readers and advertisers. According to an electronic poll, 80 per cent of the journalists wanted FDI.

Stressing that this decision was in keeping with what the First Press Commission had suggested, Mr. Ninan emphasised: "What is foreign ownership? Would you consider Wipro foreign-owned or Reliance? Then would newspapers be considered foreign-owned? It is a vital decision which has been brought by anyone overseas or any foreign media. It is about the Indian media who want to adopt global techniques."

Making an impassioned case against FDI in print, the moderator of the discussion, senior journalist, Kuldip Nayar, said: "I may be an old-fashioned believer but I feel that newspapers are not an industry and it is not a project like talcum powder. This is not the profession we had worked for."

# Net deficit

Beijing discovers new opium of the masses

Religion, in the shape of the Falun Gong, may still be the opium of the masses, but Liu Zhihua, the vice-mayor of Beijing, lists another dangerous and habit-forming addiction Chinese youth are supposedly prone to: the Internet. That Beijing should choose to shut down all its Internet cafes after 24 people were killed and 13 injured in a cybercafe blaze seems an overreaction, but now the crackdown is spreading to Shanghai, Tianjin, and other cities. Freedom of expression and access to uncensored news and reports, which make the autocratic Communist regime uneasy, is the real issue. Beijing viewed the Internet as vital to rapid economic growth but feared the democratic potential of the medium — it attempted to resolve its problem by placing cybercafes under scrutiny and hedging them in with tight restrictions. This has led, however, to a burgeoning underground movement — 2,200 of Beijing's 2,400 cybercafes are unauthorised. These tend to be located in small and enclosed spaces behind locked doors to escape detection which, however, increases the fire hazard.

It says something about China's political state today that the Lanjisu cafe, where the fire broke out, was part of a thriving Internet culture in a district that is a hotbed for China's computer and high-tech industries, also where Beijing University and Tsinghua University, two of its top educational institutions, are located. The Internet is phenomenally popular with the best and brightest among Chinese youth, and closing access to it will hurt the prospects of fledgling high-tech industries. It is here that India, as a democracy, may be able to steal a march on China. The Chinese have been able to bring a ruthless sense of purpose to their efforts to modernise the country, which looks impossible to attain for an anarchic India. But Internet culture is mushrooming in its cities and towns, which could be the seed for its transformation into an information technology powerhouse over the next couple of decades. Provided, of course, New Delhi doesn't choose to emulate Beijing by clamping down on the Internet.

THE STRAITS TIMES

28 JUN 2002

**FDI IN PRINT MEDIA / DISASTROUS DECISION: CPI(M)**

## **Adequate safeguards: BJP**

By Our Special Correspondent

**NEW DELHI, JUNE 26.** Faced with all-round criticism from political parties for allowing foreign direct investment (FDI) in the print media, the BJP today decided to stand by the Government on the matter and announced that the party welcomed the decision and was fully supportive of it.

The BJP general secretary and party spokesperson, Sunil Shastri, said that while there had been concern about allowing foreign equity into the print media, the five conditions spelt out in the Government policy "cover these concerns and are adequate safeguards."

These conditions are: management and editorial control in the hands of Indians, three-fourths of Directors would be Indians, a single Indian shareholding would have to be significantly higher than the 26 per cent held by foreigners and the exclusion of foreign institutional investment from buying the shares of the Indian print media.

Mr. Shastri underscored the point that FDI clearances would be accorded on a case-by-case basis by the Information and Broadcasting Ministry, which, in turn, meant that the Government would monitor every case of foreign investment. Asked whether such close monitoring could result in media-management, Mr. Shastri said that decision-making would be transparent.

The Government decision on FDI did not mean a reversal of the 1955 Cabinet resolution because "conditions were very different then."

There was no electronic media then whereas now 100 per cent FDI was already permitted in this sector.

Also, information was now freely available on the internet which meant that practically every newspaper in the world could be easily accessed in India.

About the concerns expressed by the Parliamentary Standing Committee, on the question of foreign investment in print media, Mr. Shastri said the recommendations of such committees were not mandatory. However, the concerns expressed had been taken care of through the safeguards.

Meanwhile, the CPI (M) politburo expressed strong opposition to the Government decision, saying the "Union Cabinet had surrendered under the pressure of multinationals and their strong advocates in the Union Cabinet, particularly the Information and Broadcasting Minister, Sushma Swaraj, and a section of the BJP leadership. This disastrous decision will endanger our national interest and the sovereignty of the country. Multinationals will be able to distort and stifle public opinion and weaken the democratic polity in the country."

The party said the United States and many Western countries were not allowing foreign investment in their print media considering the adverse implications.

The so-called safeguards announced by the Government would not serve any purpose before the all-powerful multinationals, it said.

THE HINDU

27 JUN 2002

THURSDAY, JUNE 27, 2002

## AN INDIAN INSTITUTION UNDER THREAT

THE UNION CABINET in all its wisdom has chosen to rescind a 47-year-old decision to keep the Indian print media in Indian hands. It is of some significance that the decision has come within months of a Parliamentary Committee rejecting (with an admittedly narrow majority) the proposal for foreign investment in newspapers and magazines. It also follows a similar rejection in 2000 by the same NDA Government of moves to permit a foreign presence in the print media. One can only surmise that the lifting of the ban marks the triumph of the more powerful lobbies which were in favour of foreign investment. This is, however, an ill-advised decision that will have disturbing implications for the quality of democratic discourse in the country.

The working of the press in India since 1947 has by no means been perfect. But even its worst critics will admit that it has been an integral part of the nation-building project. The press has actively participated in shaping the agenda in democratic India and it has done so because it has been rooted in the country — owned, managed and staffed by Indians. It is difficult to argue that external entities would have performed the same role better, assuming in the first place that they would have wanted to. It is because the press is seen as a unique institution in a democracy that a number of democracies in west Europe, north America and Oceania continue to maintain prohibitions or restrictions on foreign ownership of print (and electronic) media. It is likewise for the same reason that while every service from health to banking is on the table in the ongoing WTO negotiations, the one service that no country has tabled a proposal on is the print media. A healthy press does require commercial enterprise. The danger, however, of foreign investment in India's print media (during an era of global media consolidation which has turned news into a highly developed commodity) is that it will transform one of the constituents of Indian democracy into a commodity-producing machine that is more focussed on the bottom-line than aware of its

critical role in the continuing nation-building project. When domestic media groups have argued against foreign entry, the need to maintain their present market position has been an important underlying motivation. But this does not detract anything from the larger argument that India's democracy needs a domestic not a partially foreign-owned media. Two specious arguments have been made throughout the controversy about foreign investment in the print media. One is that with every sector opened up to foreign investment there is no need for special treatment for the print media. Suffice it to say that by equating the press with other commodity-producing sectors, this betrays a blinkered understanding of the role of the press as an informer, educator and watchdog in a democracy. The second argument is that walls around the print media have no meaning when there is the internet and cable TV, on which there are and can be no restrictions. Today, the internet is accessed by 6 million Indians while newspapers and magazines have a readership of as much as 180 million, a number increasing faster than the population of literates. Clearly, the print media will have a far larger presence for decades to come, a spread which has to be nurtured with domestic roots. The reach of cable TV (40 million homes) is comparable in scale to readership. But precisely because elements of cable TV are foreign-owned and regularly show a tendency to "dumb down" news, there is a corresponding need to protect the Indian roots of the print media.

The Government claims that the various conditions — a 26 per cent cap on foreign investment, an Indian editor and majority staffing by Indians — make for sufficient checks on any unhealthy foreign influence in the print media. But the Government is not fooling anyone with such conditions. Everyone is aware that firms can and are controlled with as little as 10 per cent equity. And the presence of Indians in senior positions is not going to prevent the foreign conglomerates in the background from eventually pulling their strings of influence.

THE HINDU

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# 'Multi-nationals will stifle public opinion'

By Our Special Correspondent

NEW DELHI, JUNE 25. As has been the case ever since the issue of foreign participation in print media was opened up about two years ago, today's Cabinet decision to allow 26 per cent foreign direct investment in news and current affairs publications, and 74 per cent foreign investment in speciality and technical magazines evoked a mixed reaction that varied from condemnation to commendation.

The opinion was divided and along expected lines. While the Congress and the Left parties were quick to criticise the decision — reserving a detailed critique for Wednesday — the BJP spokesperson, Sunil Shastri, said it "is but natural that we will welcome the Government decision". But, like the Congress and the CPI (M), the BJP, too, preferred to reserve a detailed reaction for tomorrow; if only to "answer all the points of criticism raised by the Opposition".

Echoing the party line, the convener of BJP's economic cell, Jagdish Shettigar, however, had a word of caution and said a regulatory mechanism ought to be in place to deal with critical times such as a stand-off between India and Pakistan.

Apart from opposing the Cabinet decision as a matter of principle, the Congress also questioned the undue haste with which the print media had been opened up

to foreign participation without a wider debate on security and other issues. Describing it as a "unilateral decision", the party spokesman, Anand Sharma, said there was no consensus on the issue and the Government had no mandate to make such a major policy shift. Again maintaining that a formal statement would be made on Wednesday, the CPI (M) politburo member, S. Ramachandran Pillai, said the move would allow multi-nationals to stifle public opinion and thereby weaken the democratic polity of the country. "It can also swallow large sections of the print media."

The CPI condemned the decision and said it would result in "views and news which are not in tune with our national interests finding space in our print media". Further, according to the CPI, "those who are selling away national assets and interests in economic and political fields... are now following it up by handing over our national dignity and identity even in respect of the media". Finding no consolation in the "safeguards", the party, in turn, said they only indicate and underline the dangers inherent in this move.

While the Janata Dal (Secular) opposed it and described it as yet another step of the BJP-led NDA Government towards "political slavery", the decision had the media baron-cum-BJP member of Parliament and vociferous advocate of FDI in print media

in the Parliamentary Standing Committee on Information Technology, Narendra Mohan, rushing to the Information and Broadcasting Ministry to thank the Minister.

The decision, he said, would strengthen the Indian newspaper industry and allow newspapers access to the best of technology that till date has been limited to some publications. Dismissing the concerns expressed in some quarters, he questioned a protective media policy when even defence production had been opened up for foreign investment.

Condemning the move, The Indian Newspaper Society (INS) said the argument that FDI in print media would allow Indian publications access to finance did not bear scrutiny as recent years had witnessed a "remarkable expansion of the English and vernacular press". Stating that the print media policy in existence since 1955 had stood the test of time, the INS advocated its continuation in the interest of the nation and the freedom of the Press.

In favour of the decision, the Confederation of Indian Industry (CII) described it as a "bold and significant step" which would introduce an element of competition and provide a means for publishers to improve the quality of their publications. About the safeguards, CII is of the view that they were "well-crafted" and in conformity with the Cabinet Resolution of 1955.

## Faulty on several counts

By K.K. Katyal

NEW DELHI, JUNE 25. "Welcome back East India Company!"

That, in effect, is the spirit and import of the Union Cabinet's decision today to open up newspapers and other print media to foreigners — allowing 26 per cent foreign equity participation. The Cabinet obviously rejected the view that the print media could not be placed at par with other industries, that newspapers help shape public opinion, provide political education and equip the electorate to meet the requirements of parliamentary democracy. Foreign lobbyists will now be in a position to promote their vested interests by exerting their influence in sensitive areas — in political and security-related matters.

The Union Information and Broadcasting Ministry under Sushma Swaraj had shown a dis-

tinct tilt towards foreign participation in the past. As a matter of fact, it was at her instance that the issue came to the fore and was kept alive through equivocal official statements. But because of stiff opposition, it was decided to refer it to the Parliamentary Committee on Information Technology. After a detailed, exhaustive examination of the various issues involved, the Committee, with overwhelming majority, rejected foreign participation. It considered all the arguments, which later figured in the notes of dissent. But surprisingly, the Cabinet chose to rely on the minority view and on the arguments that had been rejected by the Committee as a whole.

We are told that the various stipulations — like the bar on foreigners taking the management control — will guarantee against interference in sensitive areas. Now, the newspaper in-

dustry is not known for offering rich monetary returns. Why would a foreign player, then, lock his money if the return is not to be handsome and if he is to be barred from controlling management and, hence, from taking policy decisions on political and related issues? "Mere 26 per cent," according to the Government and apologists, would not make a difference to the stand to be taken by newspapers which accept foreign equity. Just recall, how modest was the beginning of the East India Company and how it spread its tentacles first in the realm of trade and then to areas connected with the country's governance.

Unfortunately, a section of the newspaper industry itself advocated foreign participation. Some (not all) in this category were those who could make a good job of their ventures and pinned hopes on foreign capital.

They distorted the objections by the successful newspapers which, it was stated, were concerned with preserving the gains of their monopolies.

"Why stick to the 1955 resolution of the Union Cabinet against foreign capital in the print media when the world has changed" is another argument of theirs. It is forgotten that the issue was thoroughly examined by the Narasimha Rao Government in early 1990s and it decided against any change.

Today's decision could be faulted on several counts — political (most political parties were opposed to foreign presence), procedural (reversal of the Parliamentary Committee's report) and substantive (foreigners are being allowed in the fourth estate).

Will the first three estates — the executive, the legislature, and the judiciary — be opened later?

## MANAGEMENT CONTROL TO BE WITH INDIANS

# Cabinet clears 26 per cent FDI in print media

Media HDI

26/6

By Anita Joshua

**NEW DELHI, JUNE 25.** In the face of stiff opposition from a section of the polity and the media, the Government today decided to depart from the Cabinet Resolution of 1955 which governed the country's print media policy till date and open the sector to foreign participation by allowing 26 per cent foreign direct investment in news and current affairs publications, and 74 per cent foreign investment in non-news and non-current affairs publications.

Announcing this here soon after the Union Cabinet gave the nod to the proposal "in toto", the Information and Broadcasting Minister, Sushma Swaraj, said the various concerns voiced within political and media circles about the opening up of the print media to foreign participation had been addressed while undertak-

ing a "comprehensive review" of the existing policy.

This was the third time in less than a year that the Ministry had sought Cabinet approval for a change in the print media policy vis-a-vis speciality and technical publications and the first time that it had put up the more contentious proposal of FDI in news and current affairs publications.

To ensure that management control does not pass on to foreign hands, the new policy mandates that Indian shareholding should not be dispersed.

Under the new regime, the single largest Indian shareholder should have a significant holding higher than 26 per cent. Also, the shareholding pattern cannot be changed without the permission of the I&B Ministry and three-fourths of the Board of Directors should be Indians.

As for editorial control, the

Minister said it would remain in Indian hands as the new policy stipulates that three-fourths of the key editorial designations should be held by resident Indians. However, the Ministry has not drawn up any exhaustive list of designations which should be held by resident Indians as the nomenclature can vary or be changed.

Given the fact that the Home Ministry had told the Standing Committee on Information Technology — which had rejected limited foreign investment in news and current affairs publications while giving a conditional nod to foreign participation in speciality/technical publications — that the "present internal security scenario of the country is not conducive to relaxations in the existing policy", the Minister said this concern had also been addressed.

The credentials of foreign in-

vestors, she said, would be verified on a case-to-case basis by the Home Ministry and other departments concerned.

This is in keeping with the position taken by the Home Ministry in its written communication to the Standing Committee where it had said that "in case the administrative Ministry proposes to relax the existing policy, necessary safeguards will have to be put in place in consultation with the Ministries of Home Affairs, External Affairs and Defence against the possible misuse of the print media for purposes prejudicial to the security of the State, public order, communal harmony, relations with other countries, etc".

Even in the case of speciality and technical publications — where either Indian editions of foreign publications can be brought out or foreign investment up to 74 per cent be made — clearances will be given by the Foreign Investment Promotion Bureau on "specific recommendation" by the I&B Ministry.

Describing the move as a "careful opening up" of the print media, Ms. Swaraj said it was a "logical and timely decision" as there was no rationale in keeping this medium closed while broadcasting had been thrown open to foreign participation.

Also, she found no logic in making the print media policy hostage to the controversy that has been kicked up by the uncharitable article on the Prime Minister that was published in the *Time* magazine recently. "Why should a small story decide the Government's policy," she asked.

(A PTI report said that news agencies will, however, continue to be governed by the Cabinet decision of 1955, disallowing FDI in ownership.)

**Cong. criticises decision: Page 11**

## The clincher came from Advani

By Alok Mukherjee

**NEW DELHI, JUNE 25.** The Union Cabinet meeting today was divided on the issue of allowing foreign equity in print media. The stand taken by some Ministers came as a bit of a surprise. The hardliner, Murli Mahohar Joshi, supported the move to allow foreign equity. His point was that with 24-hour TV channels telecasting news from outside the country and the probable entry of the foreign media mogul, Rupert Murdoch, into domestic TV, there was little point in continuing with the restrictions on foreign equity in the print media.

He received support from Jaswant Singh, who said there was no point in discussing the issue since foreign equity would have to be allowed in the print media.

Arun Shourie had a slightly different point. He is understood to have said that 26 per cent foreign equity would hardly evoke any response from potential investors. He was for allowing 100 per cent foreign

equity. The NDA partner, Nitish Kumar, held the view that opposing foreign equity in print media was tantamount to opposing the Prime Minister, Atal Behari Vajpayee. Another surprise was the stand taken by Yashwant Sinha. He apparently was "surprised" to see so much support for the move. Opposition to the move also came from Uma Bharti and, again surprisingly, from Arun Jaitley. The clincher came from L.K. Advani. He proposed settling for 26 per cent foreign equity and the Cabinet decided to adopt that position.

The Information and Broadcasting Minister, Sushma Swaraj, later responded to media queries about any differences within the Union Cabinet by saying that "all Cabinet decisions are unanimous and the Cabinet is collectively responsible for its decisions." On the Sangh Parivar's position, she said "the Sangh Parivar is not totally opposed to it and, don't forget, some people belonging to the Sangh are in the Cabinet and are with this decision."

# Time reporter 'let off' for now

By Our Special Correspondent

**NEW DELHI, JUNE 24.** The India-based correspondent of *Time* magazine, Alex Perry, whose report on the Prime Minister, Atal Behari Vajpayee, sparked a controversy, was questioned today by immigration officers for the second time in the last four days. However, before letting him go from the Foreigners Regional Registration Office (FRRO) here after a ten-minute questioning, the officials told him that, as a "matter of courtesy", he should inform the office as and when he leaves the country.

Mr. Perry, who was questioned by K. S. Bains and P. K. Bhardwaj, Joint and Deputy Directors at the Immigration Department, appears to have been let off for the time being. His lawyer said Mr. Perry was told by the officials that he was not required by them for the "time being". It seems Mr. Perry was summoned today to be questioned regarding his three pass-

ports. He reportedly told them that the passports were part of continuing travel documents and this could be verified from the British officials concerned. He also handed over a letter from the British High Commission certifying that he held a valid passport.

Mr. Perry was appreciative of the "Indian democracy". He told newsmen that "it is unlike other Asian countries where you write anything against the Government and you are kicked out." Asked whether he intended to leave the country, he said "no, not at all. I am highly impressed with the Indian democracy." Immigration officials had not imposed restrictions on his movement and he was free to go anywhere he liked.

He declined to answer the question whether the treatment meted out to him was "unfair". "I will not like to comment on this but yet I am happy that the basic ethos of democracy flourish in this country".

Mr. Perry was first questioned

last week in the wake of his article. The Government termed the report "completely biased" and "baseless". The magazine has reportedly agreed to publish a rejoinder in its next issue.

## Cong. stand

The Congress today criticised the move to summon Mr. Perry for investigation and described it as a "brazen attack on the freedom of the press". The party spokesman, Anand Sharma, said there were enough laws to deal with "scurrilous and defamatory" articles.

Despite the claim that there was no connection between the article and the probe, "the manner in which this matter has been dealt with not only violates freedom of the press but also lowers the majesty of Indian state in the comity of nations and the image of India as a liberal democracy. It smacks of intolerance... we condemn this type of attack on the press," the spokesman said.

THE HINDU

29 JUN 2002

# Fresh shot at print FDI

FROM OUR SPECIAL  
CORRESPONDENT

New Delhi, June 24: Voluble support from within industry for a new media policy is expected to shape the Centre's stand as it ponders over a 47-year-old Cabinet resolution barring foreign investment in the print media. It is the kind of support that policy makers have found encouraging as they set about reworking their proposal.

In Sushma Swaraj's information and broadcasting ministry, which will pilot any new proposal on the media, the mandarins say the debate on allowing foreign direct investment (FDI) in the print media has been raging for long "but we have never seen it reach the sort of level it has since the parliamentary standing committee's report".

The committee submitted its report in April, opposing foreign

investment in news and current affairs. But its decision was far from unanimous, with nine members submitting notes of dissent, the most comprehensive one being from Narendra Mohan of *Dainik Jagaran*.

Since then, Swaraj has made a tentative move, seeking Cabinet approval for allowing foreign investment in scientific, technical and specialised journals.

"We do not have any media policy as such," Pramod Mahajan had said after a Cabinet meeting. "Changing the 1955 resolution is not a very cumbersome process of legislating or drafting a new law — one sentence is enough. The Cabinet has asked the information and broadcasting ministry to present a total proposal."

"We are taking note not only of the (standing) committee's report but also of the notes of dissent by some of its members.

Our decision will be comprehensive and fair," government sources said.

In his note of dissent, Narendra Mohan had said the committee report "does not take into account the latest developments in the media sector and how the world over there has been convergence in print media and communication convergence has become the talk of the day". He alleged that the committee's discussion on the 1955 Cabinet resolution was "biased".

In separate letters to the Speaker and to the Prime Minister, Mohan, quoting from the minutes of the January 8 meeting, also pointed out that the committee had actually approved a draft report. "The majority view that emerged in the meeting, which was attended by 16 members, was to permit FDI in print media to the extent of 26 per cent subject to certain safe-

guards so that the managerial control rests in Indian hands and security of the nation is taken care of," Mohan said.

Even before that, editors of leading media groups wrote to the I&B ministry. "It is that letter which began the whole thing anew," said ministry sources. Apart from Mohan, the other signatories were Aroon Purie (India Today Group), Shekhar Gupta (*Indian Express*), Chandan Mitra (*Pioneer*) and T.N. Ninan (*Business Standard*).

The editors made a plea that print media companies should be allowed to raise capital from the market, which meant allowing Indian companies as well as foreign institutional investors and NRIs to pick up shares.

Swaraj referred the matter to the law ministry, which found that neither does the proposal contravene law nor is it against the 1955 resolution.

THE TELEGRAPH

25 JUN 2002

## CASHING IN ON NATIONAL PRIDE

# Is pop patriotism fizzling out?

Despite a surcharged atmosphere on our borders, patriotically themed films have been flopping of late. Was national pride just a passing fad?

Aditya Sinha

Is kahani mein drama hai, emotion hai, suspense hai... Dharmendra's drunken declaration in the 1970s megahit *Sholay* is the traditional mantra for commercial cinema. Recently, however, filmmakers have sought to cash in on aggressive patriotism that they thought appealed to the new middle class, whose rightward political shift was consolidated by the Kargil war three summers back. The success of *Lagaan* and *Gadar* since plus the heightened India-Pakistan tensions after December 13 had perhaps led such filmmakers to believe that the moment was ripe to cash in on patriotism. The box-office failure of films appealing primarily to patriotism—films such as *Maa Tujhe Salaam*, *Indian*, and the slew of Bhagat Singh films—has belied their expectations. But why? Are they just bad films? Or is it a case of 'pop patriotism' fizzling out?

In cinema, quality is not a necessary ingredient for success. Take the case of a "low-level" record-breaker *Gadar* versus a quality flop like *Mission Kashmir*. *Gadar* filled the long silence in and around the time of partition, says Chandrika Parmar of the Center for the Study of Developing Societies (CSDS), whose work involved interviews with 1500 partition victims. "Even husbands and wives who lived through partition never shared their experiences with one another. These were the repeat viewers, who took their families to see the film again and again, rather than talk about it."

*Mission Kashmir*, on the other hand, despite superior production values appears to have left viewers cheated. "It shows one police officer (Sanjay Dutt) who single-handedly ends terrorism," points out Sanjay Verma, a Delhi University historian. "The public reads the papers every day, and they know terrorism goes on and on, and they feel irritated."

Which is not to say that quality films never succeed, as *Roja*, *Border* and *Lagaan* testify. *Roja*, despite its Amitabh Bachchan-type plot wherein the hero defies odds and escapes the clutches of terrorists, ended emotionally and became a hit. *Border* was in the tradition of successful war films from the 60s and 70s such as *Haqeeqat* and *Hindustan ki Kasam*. *Lagaan*, in addition to depicting a successful cultural challenge against the colonial power, was pure entertainment.

But it is not entirely a question of accuracy either. Though the successful Manoj Kumar film on Bhagat Singh, *Shaheed* made nearly four decades ago, was arguably truer to the martyr since it focussed on the activities of his secret organisation, Raj Kumar Santoshi's *The Legend of Bhagat Singh* is fairly close to the facts, according to historian Uma Chakravarty. This even though both Santoshi and Sunny Deol, the producer of *23 March 1931: Shaheed*, declared they intended to look more at the freedom fighter's personal life.

Perhaps the failure of the Bhagat Singh films to wow audiences lies in the diminishing memory of historical figures. In the 1960s and 70s, it was quite common to see paan shops in small towns adorned with calendars that featured striking pictures of Bhagat Singh, Chandrashekhar Azad, Ram Prasad Bismil and Raj Guru. Nowadays, even young journalists say "Ram Prasad who?"

"Younger generations haven't read anything on these figures," says Chakravarty. "It's a television generation. So history has become confused. No

one looks for accuracy, and there's more mythology circulating." And this despite a consensus among historians that Bhagat Singh, at the time of his hanging, was more popular than Mahatma Gandhi (who, incidentally, has been rubbished in recent films).

And while Bhagat Singh figures highly in folk history, "I don't know if the movies match up to people's expectations," says Parmar. For instance, Verma points out, the popular notion of Bhagat Singh was that he lived in the jungle, and that he hadn't even a moment's rest. "But in the movie, an Aishwarya Rai dance scene figures in his personal life," he says. Adds Anita Minocha, a sociologist at the Delhi School of Economics, "What is there to inspire in Bhagat Singh's story? Nowadays we have so many suicide bombers, it is no big deal. All that remains is an element of nostalgia, nothing to attract the younger viewers."

So is it a case of 'pop patriotism' fizzling out? "Pop patriotism implies a pattern of consumption," says Parmar. "What the modern middle class, especially young audience, wants has totally changed. And what do they want? They all want to go to America," says Minocha. "They want to go out for jobs and courses. For them, patriotism means going out and making a name for the country."

So, according to Parmar, the audience wants to see the film's hero as someone who is part of both here and the West. "He has to be a successful NRI, at home in a hotel or an airport, but also a person of traditional values, who touches his elders' feet." Not surprisingly, this characterises the hero of *Meri Yaar ki Shaadi*, the film opened along with the two Bhagat Singh films but is bettering the biopics at the box office.

This, Chakravarty feels, betrays a cynicism about India in both the rickshaw-walla and the young hipster: "The vision of India that Bhagat Singh talks of is quite different from the India we have at present." Minocha goes further and sees a schism between the community concerns of Bhagat Singh, and the individual concerns of the youth today. "Patriotism to Bhagat Singh meant do or die for your country," Minocha says. "But if someone wants a job abroad, then they obviously don't believe in the do or die ideal."

In addition, according to Minocha, Bhagat Singh led a cult of violence: "Whether you see it in a positive or negative way, he went around and killed people." In contrast, the middle class today are sick of violence—they prefer family films, films that are peaceful, like *Hum Dil De Chuke Sanam*. "It's because their sick of innocents dying that they come on TV and say let's have it out with Pakistan once and for all," says Minocha. "But it is not patriotism. Proxy war does not arouse the type of feelings that real war does."

Concurs Parmar: "Patriotism is not so simple that you come up with 'the other'," she says. "*Roja* was a success because 'the other' was kept in the background." In "*Maa Tujhe Salaam*, by contrast, not only was Pakistan 'foregrounded', but the film also contained tasteless dialogues that did not help it at the box office.

Does that mean that there is no hope for films with a patriotic theme, considering that titles like *LoC* are in the offing? Not if the films are made well. "The audience does not want their patriotism turned into masala," says Verma. "*Border* portrayed war very well; it depicted the build-up to war nicely; it defined through different characters what Indian nationalism is. And it was a hit."

## 1 History a big No-No, says film trade

Vandana Majumdar

IT WAS unprecedented: the release of two Bhagat Singh films on the same day in the same multiplex. But despite the hype, major star cast, good direction, catchy music and over 700 prints, they failed to set the box office afire. The simultaneous release proved to be their Waterloo, feels the trade. It left the viewer confused; those who had seen one film refrained from seeing the other.

Wasn't that a foregone conclusion? The obvious thing would have been to space out the films. Evidently, it had become more of an ego clash between the makers but wasn't this a big price to pay, with 25-30 crore reportedly invested in each film? Especially at a time when the film industry going through the worst ever glut with 95 per cent flops in the first six months of 2002 compared to 90 per cent in 2001. Tips' Kumar Taurani is defensive: "Yes, but we were meant to reach the theatres first and there would have been no clash!" The trade is more vocal. The films failed because it was a dry historical subject and a tragedy to boot. The consensus was: "Bhagat Singh shaheed ho jaata hai, kya dekhna hai?" Such themes are good for the television feels distributor Sanjay Mehta. Does that mean days of historical and patriotic sagas are over as far as the big screen goes? History is a big 'no no', feel the trade, but patriotism isn't dead by any yardstick. "Patriotism sells and will continue to sell," says trade analyst Komal Nahta. "Give them a *Gadar* any day and they will lap it." The viewers had probably expected a larger than life Bobby or Sunny Deol to bash up the British, but the

films lacked an important ingredient: the pulp action derived from papa Dharam's punchlines "main tera khoon pi jayoonga!"

Then there has been rampant piracy. Compact disks available at throwaway prices have added to the mess. A single disk can impact the release! Piracy is eating into at least 80 per cent of our business, says distributor Uday Kaushish. Apparently, not everyone can emulate Aamir Khan who went to great lengths to safeguard his film *Lagaan*.

As of now, Bollywood hasn't had a *Lagaan* or a *Gadar* to pull it out of the rut. Except a medium budget *Raaz*. In contrast is a film like *Spi-derman* that raked in 5.2 crore in the first three days. Producers are shying away, and quite a few films are not even getting decent buyers. The audio rights have come down from a high of Rs 10 crore to just Rs 3-4 crore. High prices charged by the stars is another major deterrent. "When a Shah Rukh, Hrithik or an Amitabh can't hold a matinee show on their own, are they justified in charging the crores that they do?" queries Adarsh. Good scripts alone can save the day, feels Adarsh, the audience has to identify with the situations and empathise with the characters and there lies the main key to success. Taurani is optimistic that the excellent reports and promotional campaigns, will help to revive the business of *The Legend*... from the third week. Priyanka Rai Sharma, Deol's distributor in the north is not so optimistic. One silver lining is that the Bhagat Singh films may get entertainment tax exemption, which is as high as 60 per cent in Delhi and UP. After all, as some in the trade point out we owe at least that much to the legendary martyr!

## 2 Kargil's heroes on reel heroes

Rema Nagarajan

TO the loved ones of the men who laid down their lives in Kargil, patriotism seems restricted to cinema, never transcending the screen to touch the everyday lives of the rest of the country.

"In the cinema hall they might shed a few tears, that's all. But in the real life all that people think of is what they can get and not about what they can give back to the country," remarks Kiran, widow of Major Rajesh S Adhikari.

However, retired Col. V N Thapar, the father of Capt. Vijayant Thapar of 2 Rajputana Rifles, feels that "when teachers, preachers and leaders are doing nothing to encourage patriotism, at least the films are attempting to do something about it". He says: "There is no one giving the people, the youth of this country, a much-needed dose of patriotism. My son was greatly inspired by J P Dutta's film *Border*. Even English war movies had a great influence on him."

Kargil martyr Capt. Haneefuddin's mother Hema Aziz takes a more philosophical view that no one thing can make everyone feel the same way about the country. "Patriotism is not something we can teach people. One observes and imbibes these things from

one's surroundings and situations. Both my husband and I had nothing to do with the defence services, but Haneefuddin learnt from his surroundings and chose to join the Army," she says.

Col. Thapar is concerned about the films that become hits. "It heartbreaking to hear that the Bhagat Singh films are not doing well. Imagine, a film like *Company* becomes a hit but Bhagat Singh doesn't. Something is wrong somewhere in our society," he says. However, he is glad that Hindi films have recognised the enemy across the border, something films had a problem in acknowledging.

On the other hand, Adhikari does not believe that films can make any difference to the way people are. "We are a corrupt society. For most people, Kargil martyrs are just a list of names. People do not practice any patriotism in their everyday life. And most film which use the theme of patriotism go overboard and overdramatise situations. They use patriotism to entertain people and make a profit. Films like *Border* are an exception," she says.

Once the Kargil euphoria died down, many families of Kargil martyrs found themselves plagued by corrupt officials for things like the water and power supply for the petrol pumps the nation rewarded them with. Is it any wonder they feel the way they do?

## Comparative openings

Name of the movie	Mumbai	Delhi
	(all figures in percentage)	
23 March 1931: Shaheed	48	57
Legend of Bhagat Singh	69	45
Shaheed-e-Azam	15-20	15-20
Maa Tujhe Salaam	67	45
Bharat Bhaggya Vidhata	20	15
...and the hits		
Border	97	90
Gadar	95	96
Lagaan	99	98

First week collections

## 3 Evolving Enemies

Patriotism in Hindi cinema has come a long way. If immediately after independence, films were wistful for India and Pakistan living as friends, if not as one nation, movies today are characterised by the dialogue from *Maa Tujhe Salaam*: "If we Indians urinate at the border, all of Pakistan will be flooded." With releases in the offing such as *Ek Hindustani*, *Sarhad Paar*, *Kashmir Hamara Hai*, and *Kargil: The Border*, the Pak-bashing doesn't look like abating soon.

Patriotism, often a sure draw, has appeared in popular cinema in various forms over the years, either surging to the centre-stage or lying dormant, depending on the country's mood.

Though love stories ruled the roost in 1990s, the success of *Border* at a time when militancy and increased border tension dominated the news, ushered in the era of modern patriotic films. Despite their uneven record, more are on their way with the tension at the border still high.

The new twist—the enemy has been identified in no uncertain terms. "Earlier no one named the enemy. There was no face to the enemy who was most often vaguely referred to as the "foreign hand". But since, the release of *Sarfarosh* during the Kargil war, the enemy has been identified as Pakistan," explains Ira Bhaskar, a film scholar and lecturer in Gargi College.

Soon after independence, the enemy was colonialism. And for a long time, despite two wars, Hindi cinema was not ready to call Pakistan the enemy, opting instead to emphasise Hindu-Muslim unity.

The 1962 defeat by China spawned espionage flicks where heroes sneaked into 'Dangrila' and smashed the mongoloid enemy. But by the 1970s, patriotism was angry young men fighting the enemy within: hoarders, black-marketers and usurious moneylenders. Amitabh Bachchan, Rajesh Khanna and Dharmendra would battle corrupt officials, exploitative industrialists and smugglers.

Today, the more strident the rhetoric against Pakistan, the louder the cheers and whistles from the front benches. "The films are only a response to the kind of strife that we see in our country. Patriotism is being used as a tool to talk about contemporary politics and issues. Communalism has become a major issue in everyday life that has made it easier to name the enemy. Hindi cinema earlier was always careful about this and shied away from naming the enemy or identifying a community," points out Rajani Majumdar, an independent filmmaker and film scholar.

—RN

# Time scribe grilled in Delhi

New Delhi, June 21

DAYS AFTER he penned a controversial article on Prime Minister Atal Bihari Vajpayee, immigration authorities today summoned Delhi-based *Time* magazine reporter Alex Perry and questioned him over alleged possession of two British passports.

Perry faced a volley of questions from officials of the Foreign Regional Registration Office (FRRO) for nearly 90 minutes and was also quizzed on the multiplicity of professions claimed by him in different countries, informed sources said. Perry is likely to appear before the immigration authorities again on Monday for another

## Perry security

THE *TIME* has hired two private armed guards for Alex Perry's security. The guards have been posted at his New Delhi residence.

Defence counsel has served a notice to a newspaper here, which had mentioned Perry's home address in a report.

PTI, New Delhi

question session. The possibility of his deportation is not being ruled out too.

Perry reportedly explained

the issue of dual passports to the immigration authorities. His article in the magazine on the Prime Minister's health had created a furore with the Government taking strong exception and terming it as "completely biased" and "baseless".

The Centre, however, denied any harassment of Perry.

"I don't believe there has been any harassment," an External Affairs Ministry spokesperson told reporters today.

The Indian ambassador to the US Lalit Mansingh is believed to have taken up the matter of the "offending" report with the magazine's editors. The *Time* has also reportedly agreed to publish a rejoinder to the story.

PTI

21 JUN 2002

THE HINDUSTAN TIMES

media  
9/26

# Abysmal Time

But get it right, it's only an article  
for God's sake!

19/6

**S**HUDDERS sell, and how. All through the last month and a half, the international media has had a jolly good time bombing the mindscape with all manner of scare scenarios involving the subcontinent's two nuclear powers. Don't confuse this with serious assessments of actual dangers by serious political commentators and strategic experts. This is just a freelance frenzy fed by wordmeisters who can pump their computer keys awhile and spin out a stylish treatise on just about anybody or anything, anywhere. In 2,000 words flat. Never mind the glitches and the casual quotes thrown in by way of value addition.

And so it came to pass that Prime Minister Atal Bihari Vajpayee became the subject of one such intrepid wizard. By the time he finished his 2,000 words flat, there was the prime minister flat on his back, with his cholesterol levels, his liver function, and his surgically altered knees up for international inspection. Is he the right man to have his finger on India's nuclear button? That was the burden of the *Time* exposition. Of course, what is forgotten in all this is that the curi-

ous history of nuclear politics has witnessed some very unlikely guardians of the button. Consider, for a moment, Old Ronald Reagan, who presided over the world's largest stockpile of nuclear arms in the human history? Would anyone have suspected that he would not blow up the world several times over? Richard Nixon, who presided over the Vietnam war, was known to have enjoyed his evening drinks. But did *Time* magazine wonder about the wisdom of such a man supervising US strikes?

But the question remains, does the *Time* exposition deserve the kind of attention it evoked in the Indian establishment? Did the PMO have to go ballistic and the MEA fuss over it? Did the government have to take official note of the piece, and senior ministers cry blue murder? We think not. Have a sense of proportion. This, after all, is not the US State Department speaking, it's only 2,000 words masquerading as profundity. It deserves to be ignored or, at most, rebutted. This breast-beating does not behove a nation that takes its freedoms seriously. In any case, *Time* is fleeting. Let's move on.

INDIAN EXPRESS

19 JUN 2002



# China cracks down on Net culture

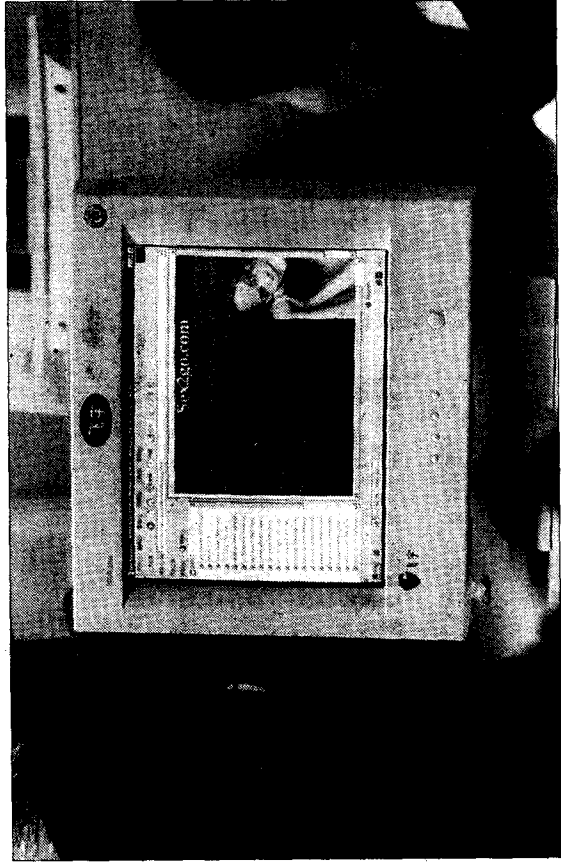
China Daily/Asia News Network *News SF 3 18/6*

BEIJING, June 17. — Beijing's authorities have vowed to suspend the operations of all Internet cafes and stop the approval of new ones following a fatal fire earlier on Sunday. At least 24 people were killed and 13 wounded after the blaze broke out at Lanjisu Internet Cafe on the top floor of a two-storey building in Haidian District, said witnesses from the neighbourhood. Most of the victims were said to have been university students who were surfing the net or playing games. No official was available for comment on the disaster.

At an emergency meeting on work safety held after the fire, Beijing mayor Mr Liu Qi said the city will launch a three-month fire-safety inspection in all Internet cafes and continue the local government's efforts to regulate all such establishments. Incomplete statistics indicate that 2,200 of Beijing's 2,400 Internet cafes have been operating illegally.

*The Times, London* adds that there are fears among human rights groups that the government would use the fire as a new excuse to restrict access to the cafes, which the authorities believe act as an opposition information network.

In the late 1990s, Beijing sanctioned the opening of internet cafes as it deemed the internet to be vital to economic growth. But it instigated a regime of harsh supervision to prevent the internet cafes from becoming tools for the opposition, including the Falun Gong, which has repeatedly used e-mail to organise demonstrations. David Song, a Shanghai-based human rights advocate, said: "Fire safety is a great reason to close down internet cafes. If there is a fire safety problem, it is actually often caused by the government because it makes the operation of the cafes so difficult."



A Chinese policeman and policewoman check out a porn website at an Internet cafe in Beijing, on Monday. AFP



# Anti-India rhetoric on Net

Nitin Mahajan in New Delhi

June 16. — Access to anti-India propaganda is only a few mouse clicks away. The post 9/11 and 13 December efforts by various government agencies do not appear to have made much headway on this front.

Type in the web address [www.dalitstan.org](http://www.dalitstan.org) to open the home page of the site. It contains anti-India propaganda and even displays maps of the country. Senior Delhi Police officers — the force claims to have a cell which investigates cyber crime — said they were “not aware of the existence of this site”.

Inaccessible for the past few months, the site could only be opened through links from [www.angelfire.com/ns/brahmin](http://www.angelfire.com/ns/brahmin), [www.geocities.com/mughalstan/nt/sasecnlx.html](http://www.geocities.com/mughalstan/nt/sasecnlx.html).

Till last week, attempts to access the site directly by typing the web address generated the message “the page cannot be found”, “the page you are looking for might have been removed, had its name changed, or is temporarily unavailable”.

Computer experts who attempted to trace the

site claimed the domain name — [dalitstan.org](http://dalitstan.org) — was registered in Granbury, Texas in the USA. The technical office is in Upland, California.

The site claims it is a human rights organisation working for the upliftment of Dalits in India and accuses the country's Hindu leaders of everything from orchestrating the invasion of Afghanistan by Soviets to making plans for world domination.

The site also details maps of India and rest of the world, according to the vision of the creators of the site. Some of the countries displayed on the map include “Dalitstan, Mughalstan, Negroland”.

The site also provides links to the web-sites of the Lashkar-e-Taiyaba, the United Liberation Front of Assam, United Jihad Council, Council of Khalistan, Dal Khalsa and Peoples' War Group.

Computer experts say “sites can never be successfully blocked permanently. Links from other sites can be established to reach it. The Internet is so vast, agencies trying to control it just can't keep pace with the growing technology”. “US intelligence agencies have confirmed the growing tendency of terrorists to use the Net for communications. Detection is not easy,” said one expert.

**A** PNI Jeet Ho, Unki Haar Ho - seems to be the current slogan, and a success formula too. *Lagaan* and *Gadar* were the much-needed boost in Bollywood's quest for an alternative after the magic of love stories started fading away. But even as a trend was emerging, the Indian film industry's high ride on patriotism seems to have taken a hit, with two blockbusters on Bhagat Singh staging a poor show on the box office. According to latest estimates available with ET, both the big banner Bhagat Singh movies are set to lose to Rs 20 crore, as the first week collections have been below average.

Yet, in the recent past, fictionalised period films have generally done well on the box office. More recently, *Lagaan* - a film on how Indian villagers defeated the British in a cricket match - with clear patriotic undercurrents, reached the Oscars.

But the bigger hit of the year (in the domestic markets) was *Gadar*, which was clearly patriotic in its appeal, based on the love story in the background.

So it is no coincidence, perhaps, that this patriotic wave seems to have peaked in the current year. And so have production budgets. According to Film Information, of the five films on Bhagat Singh, two have already been released, while the others are slated for release by July 2002. The five Bhagat Singh films have close to Rs 50 crore of production budgets behind them and are banking on the patriotism platform.



**THE TRUTH HURTS:** The audience doesn't seem to be ready for historical stars

**WHY** Bhagat Singh? That was my skeptical reaction when Rajkumar Santoshi offered me this assignment. A jingoistic script was the last thing that appealed to me. Wasn't the audience already sick of high-decibel anti-patriotism? Moreover, how was Bhagat Singh relevant today? When Raj persisted, I agreed to read a biography before rejecting the offer.

That did it. I was totally hooked. Bhagat Singh was one of the most extraordinary, one of the most interesting people that I had ever read about. I mean, what kind of a man was actually happy to sacrifice his life for his cause at 23 years of age? Who was this man? Why did he sacrifice his life?

Bhagat Singh loved life very deeply, deriving immense joy from its beauty. He enjoyed good food, seeing movies, watching butterflies, gazing at the ocean, making jokes, singing, reciting poetry, wrestling, teasing comrades... Above all, he adored literature. He was actually eagerly reading a book just minutes before his hanging! This man really lived his life. And yet, so much greater was his love for his country that with a cheer in his heart and a song on his lips, he sacrificed everything for it.

I accepted the assignment with huge trepidation. How would I be able to understand this man? How could I capture his life and a big chunk of history into a popular script of 150 minutes? Perhaps, the trick was to see it as a simple task: Bhagat Singh had left behind an interesting story; all I had to do was discover and tell it. Simple.

For the research, I was grateful for help from two people. Gurpal Singh - an FTII graduate and a good friend. And the remarkable 20-year old Sagar Pandya who I met through the net and who knew more about Bhagat Singh than most history scholars.

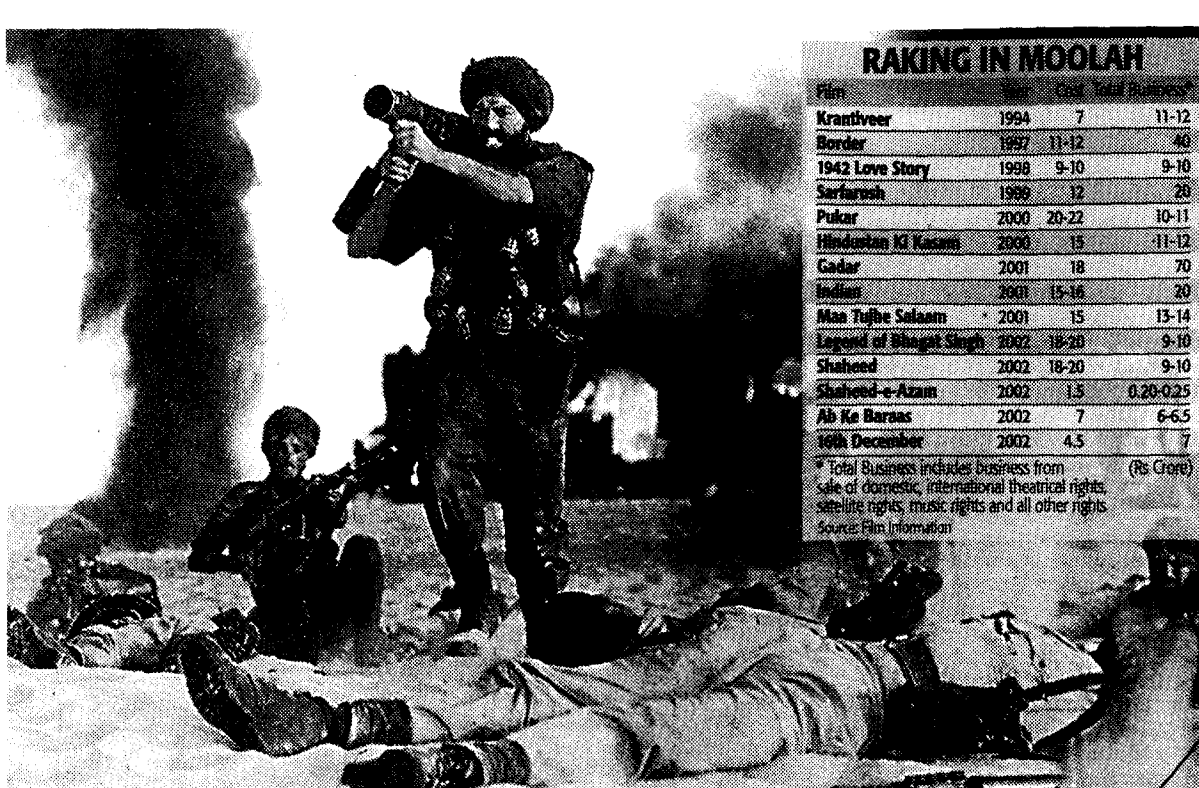
Our straightforward task was to recreate the world that Bhagat Singh lived in, on my table. Scouring biographies, history texts, political treatises, personal

Then there is this film *Ab Ke Baras*, which has just been released and is set backdrop of the Indian freedom struggle.

The initial estimates reveal that the distribution rights of four of the films have been sold for Rs 30 crore, the bulk of which is accounted for the film by Sunny Deol - *Shaheed*, which stars his brother Bobby Deol in the lead role.

This figure does not include two films - the much talked about and the costliest - the Ajay Devgan-starrer *The Legend of Bhagat Singh*, which has been produced by Tips Industries, which would also distribute the music as well as the film, and the Ramanand Sagar's film *Bhagat Singh*, which will be released for TV only.

Besides, it is estimated that the music for Sunny Deol's film have been sold for Rs 2-2.5 crore. Typically the distribution load factor for films (the rate at which the film rights are sold to distribution, music, satellite



Year	Box Office	Total Business
1994	7	11-12
1997	11-12	40
1998	9-10	9-10
1999	12	20
2000	20-22	10-11
2001	15	11-12
2001	18	70
2001	15-16	20
2001	15	13-14
2002	18-20	9-10
2002	18-20	9-10
2002	1.5	0.20-0.25
2002	7	6-6.5
2002	4.5	7

\* Total Business includes business from sale of domestic, international theatrical rights, satellite rights, music rights and all other rights. Source: Film Information (Rs Crore)

## PULP FICTION

Does patriotism really pay at the box-office? Kinjal Shah reports

has been or is expected to be committed by the distribution, music and the exhibition sectors on this film. Clearly, there is big money. But, the bottomline is always the box office.

Statistics, however, belie the expectations, with initial reports saying that none of the films released on the Bhagat Singh subject till date have been able to perform.

"What is intriguing is not that these films will not make money, many films do not break even. What is really bad for the industry is that in one week these two films will mean a Rs 20 crore loss for the industry," says Komal Nahta of Film Information.

True, Indianness and patriotism are the delight of the day. But will they have a lasting impact. Says an analyst, "There is a clear trend towards patriotism amongst the Indian youth. While the youth of today do accept the western ideas - when it comes to the country, they are very Indian. This is perhaps the wave that most producers are trying to ride".

This argument appears true, considering the success of two patriotic films, *Lagaan* and *Gadar* last year. Even in the current year, the moderate hit film - *Yeh Dil Aashiqana* had patriotic overtures.

There are others, however, who dismiss this theory. They say that there is a bigger trend - the trend towards the produc-

tion of period films. This not only includes films like *Gadar* and *Lagaan*, but also films like *Ashoka* and yet to be released *Devdas*. So patriotic films are just a small sub-section of this larger trend.

There is yet another school of thought. "There is no logic in this whole Bhagat Singh issue. It is not that suddenly Bhagat Singh has become the hero of the Indian youth. While Sunny Deol is making the film because of his personal grievances with Santoshi, other producers like Iqbal Dhillon have been making films on freedom fighters and it is a natural extension of their product offering," says Nahta.

While some may argue that it is too early to write-off these films as in the past some films have really picked up after the second week, the question looming over the industry is whether patriotism as a subject really works.

Ramesh Taurani of Tips Films, who has produced *The Legend of Bhagat Singh*, is optimistic. "We



**UNHEROIC TALE:** The Deol version has almost sunk without a trace

very good reviews from the domestic and international markets."

Says Nahta, "One can never say that patriotism as a subject is set to die. In fact Indians are very emotional people. Any film that arouses patriotic fervours will do very well like *Border* and *Gadar*. This is a good formula and I see that patriotic films will do well if the producers keep this factor in mind."

The figures given by Film Information also show that patriotism as a subject has not fared very badly in the marketplace and most of the films have broken even and even given some profits to the producers.

Says Taurani, "we have realised that the script is the key, if the script is good and the film is made well, it will do well irrespective of the theme. There is no cycle in this."

He, however, does accept that the audience and business got divided because several films of the same topic were released at the same time, but that does not mean that patriotism as a theme is dead.

"What is disturbing is not that patriotic films are not doing well. The disturbing factor is that the film budgets are increasing, which means that the break-evens of the films are also increasing," says an analyst.

"In this case, if the subject is not handled well or if it does not augur well with the audience, the losses can be huge. This is where there is a requirement of a sharp scripting and tight editing as the films on subjects like this cannot afford to lose focus," he maintains.

accounts, British documents, everything.

It wasn't easy - not many people have examined Bhagat Singh's role in the freedom struggle. A lot of interpretation was required. Some sources were invaluable though. A G Noorani's thoroughly researched, *The Trial*

## What's the relevance?

His heroism apart, does Bhagat Singh's life have any relevance today? Yes, says scriptwriter Anjum Rajabali

indomitable courage, his relentless struggle against a manipulated judiciary, his mature determination in the face of impending death, his deep empathy for his countrymen and his personal charisma had made him a hero for the Indian people.

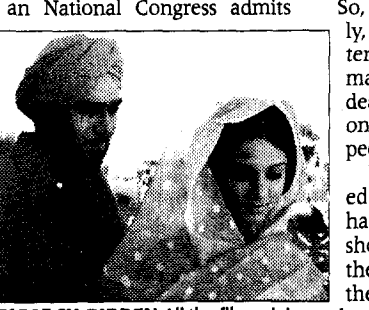
The official history of the Indian National Congress admits that in 1929-30 Bhagat Singh's popularity rivalled that of Mahatma Gandhi. A closer examination of the Congress history also revealed Bhagat Singh's sway on the younger leaders like Bose and Nehru.

All these insights wove their way into the script. But, personally the most difficult factor was the Gandhiji-Bhagat equation. On the one hand, they were political adversaries battling it out in the public arena. But there was also genuine mutual respect here. Gandhiji openly admired Bhagat's courage and sacrifice; Bhagat Singh regarded Gandhiji as a truly great human being.

And then, painfully, in an unexpected iron-



**RESEARCH-RIDDEN:** All the films claim to have extensively read up on the subject



**RESEARCH-RIDDEN:** All the films claim to have extensively read up on the subject

twist, history threw them both into a terrible dilemma in March 1931. As an entire nation swayed by emotion, exhorted each to compromise, these two heroes stood by their ideals and paid their due. That was the irony of Bhagat Singh's fight: His victory lay in his death.

So, why Bhagat Singh? Firstly, we have seldom encountered such heroism. How many men chose the path of death because that was the only way to awaken their people?

Who - isolated, incarcerated and persecuted - single-handedly but non-violently shook up the foundation of the most powerful force in the world? With just his forbearance and tenacity, he provoked the British government into using criminal weapons to crush him.

From promulgating illegal ordinances, to subverting essential judicial procedures to destroying the most basic principles of natural justice - they broke every rule

to break him. He suffered immeasurably, but in their criminality was his triumph. He had exposed the rulers' true barbarity to his people.

Simultaneously, he cleverly used the court as a platform to speak to the public, breathing self-respect into their movement, revitalising their struggle for *swatantriyata* (freedom) in India. Without an iota of violence. Except for a brief phase in his early political career, Bhagat Singh never used nor advocated violence. Instead he took suffering upon himself to awaken the masses. That was his heroism. This is the Bhagat Singh that very few people know of.

Secondly, what we have witnessed in Gujarat recently - the horrifying wave of fundamentalist savagery, the unspeakable communal carnage, the frightening hate propaganda - is the culmination of a trend that Bhagat Singh had warned against 75 years ago. This sensitive young man who gave his life for us, kept exhorting us to keep religion out of politics. It would eventually tear India's secular fabric apart, he said. That is what has happened in India.

This is why Bhagat Singh is relevant today. (The author is scriptwriter of *The Legend of Bhagat Singh*)

## Symptomatic of short-sightedness

Biopics on patriotism show Bollywood's desperation to seek alternatives, says Amit Khanna

there is a flood of family dramas on the telly, film producers are desperately seeking alternatives for the big screen. These include the low budget skin flicks, thrillers (*Raaz*) and of late patriotic films.

Of course, one must distinguish between historical and patriotic films. Surprisingly, there made in India. Even more surprisingly, very few mythologicals are being made.

Interestingly, the large NRI market which has opened up is only interested in the Chopra-Ghai-Barjatya-Johar style of festivity laced nationalism.

Biographical films in any case don't work in India. That is one of the reasons why it was left to Richard Attenborough to make *Gandhi*. Other attempts, including films on Nehru, Shastri, Ambedkar and others have not met with much success.

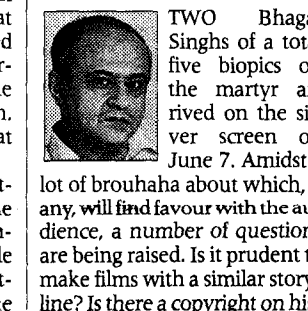
Even in the broader historical genre, it is more the fictionalised history *Mughal-e-Azam*, *Taj Mahal*, *Hindustani*, etc, which have done well. Good music and a strong romantic track are common leitmotifs of these films.

The kind of research, detailing and pre-production which this kind of films require is contrarian to the slapdash method of Bollywood. The stupidity of producers rushing in to make films on similar stories or characters and then rushing to release the films before one another is symptomatic of the prevailing short-sightedness in Bollywood.

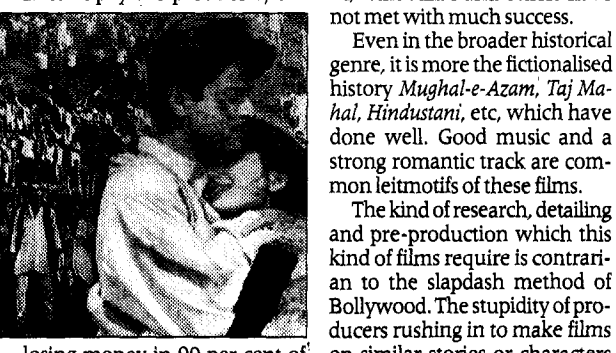
Unfortunately, there is no copyright on making films on historical figures, epics or legends. In any case most film makers offer the standard excuse of their treatment being 'different'. Often personal egos (as in the case of Bhagat Singh) of stars and directors drive such foolish endeavours.

Marketing has never been a strong fact of Bollywood and hence you see the fatuity of major films lobbying for marquee space in the same week.

Is there any trendline visible in Bollywood? I wish there was. It would make things less banal for the viewers. And better business for all. (The author is chairman of Reliance Entertainment. The views expressed are his own)



**PIED PIPER:** Films haven't marched to any trend



**PIED PIPER:** Films haven't marched to any trend

**BHAGAT SINGH**

**REEL & REAL LIFE**

● As Part of research for the Legend of Bhagat Singh, scriptwriter Anjum Rajabali went to Shaheed Bhagat Singh's home town to meet his friends and relatives in Banga, in the Lajalpur district of Punjab (now in Pakistan).

● For authenticity, art director Nitin Desai build a house in the midst of a farm in Pune, in the Western India state of Maharashtra. Twenty

acres of land were purchased specially for this purpose. Eighty percent of the film was shot there.

● Kulkar Singh, brother of Shaheed Bhagat Singh, met Ajay Devgan (who plays the title role, see picture) on the sets of *The Legend of Bhagat Singh* in Pune. Kulkar was 12 when the last met his brother on March 3, 1931.

● Amrita Singh debuted opposite Sunny in *Betaab*. She returns after her last film *Aina*, as Bhagat Singh's mother - Vidyavati in *23rd March 1931* - Shaheed.

● Sanjay Dutt plays Kehar Singh,

a freedom fighter and Bhagat Singh's associate, in *23rd March 1931* - Shaheed. Aishwarya Rai plays Bhagat Singh's love interest. Lagaan star Gracy Singh was reportedly offered Ash's role. She declined.

● Ajay Devgan, who sported a fake moustache and gold chains and bracelets for Ram Gopal Varma's Company, lost weight and sported wigs, a beard and moustache throughout the making of *The Legend of Bhagat Singh*. So inspired was Devgan by the subject that he never once complained about the agony of nasty skin rashes thanks to the false beard.

● During the making of *The Legend of Bhagat Singh*, Devgan played plenty of pranks on the junior artists. He would dare them to climb a tree for Rs 1,000 (\$ 22) and make them leave their wallets with him. As they struggled up, Devgan would quietly sneak

money out of their wallets.

● To induct British artists for the film the production manager of Santoshi's *The Legend of Bhagat Singh*, would periodically go to Pune's German Bakery, a popular haunt for Westerners, and ask them to play character roles.

● Manoj Kumar's Shaheed had Prem Chopra and Pran in important roles. The music was written and composed by Prem Dhawan (his first independent score). Released during the India Pakistan war, Prime Minister Lal Bahadur Shastri was the chief guest for the Delhi premier.

● Manoj Kumar intended to make a second version with his

elder son Vishal Goswami playing the legend, but the film was shelved.

● Manoj Kumar was to croon a few verses in the album of *3rd March 1931* - Shaheed, which didn't work out. Besides Manoj Kumar, Sanjay Masoom (Zor, Indian Kranti) and Sutanu Gupta (Darmini, Badal) also collaborated in the scripting department.

● Producer Iqbal Dhillon's Shaheed E Azam is the first ever Hindi film to be launched in Lahore, Pakistan, after 1947.

● Bhagat Singh's nephew, Professor Jagmohan Singh, did some extensive research for the film directed by Sukumar Nair.

● Filmmaker Ramanand Sagar is reportedly making a television series on the martyr. Apparently, Remmand Sagar was a freedom fighter and stayed with Bhagat Singh for a short duration.

**FILMS ON THE REVOLUTIONARY**

<b>SHAAHEED E AZAM</b> <b>BHAGAT SINGH (1954)</b> Producer: Poonam Productions Director: Jagdish Gautam Music: Lacchiram Prem Aadeb plays Bhagat Singh	<b>SHAAHEED BHAGAT SINGH (1963)</b> Producer: K N Bansal Director: Vishram Bedekar Music: Husnlal Bhagatram Shami Kapoor plays Bhagat Singh	<b>23 MARCH 1931 SHAHEED (2002)</b> Producer: Dharmendra Director: Sukumar Nair Music: Anand Raj Anand Bobby Deol plays Bhagat Singh	Music: Ravindra Jain Deepak Dutta plays Bhagat Singh
<b>SHAAHEED (1965)</b> Producer: KPK Movies Director: S Ram Sharma Music: Prem Dhawan Manoj Kumar plays Bhagat Singh	<b>SHAAHEED E AZAM (2002)</b> Producer: Iqbal Singh Director: Sukumar Nair Music: Maqbool Khan, Sabar Ali and Sardool Sikander Sonu Sood plays Bhagat Singh	<b>BHAGAT SINGH (2002) TELESERIAL</b> Producer: Ramanand Sagar and Prem Sagar Director: Anand and Moti Sagar	<b>SHAAHEED BHAGAT SINGH (2002)</b> Producer: Ved R Gandhi and Poonam Jaju Director: Tarun Wadhwa Music: Jaidev Kumar Tarun Khanna plays Bhagat Singh

McKinsey  
10-10

## SOFTWARE CHALLENGES 15/6

THE INDIAN SOFTWARE industry continues to be optimistic about its medium-term prospects in spite of being buffeted over the past year first by the IT-meltdown in the advanced economies and then by the downturn in global business after the September 2001 terrorist attacks in the U.S. A new joint study by the National Association of Software and Service Companies (NASSCOM) and the consultancy, McKinsey, claims that the industry is on target to reach a business turnover (exports and domestic sales) of \$70-80 billion in 2008. A similar joint study conducted in 1999 — at the height of the dotcom boom — had first raised the bar for the industry by suggesting that it had the wherewithal to grow by 38 per cent a year and achieve a business of \$87 billion (including \$10 billion of e-commerce) in 2008, comprising \$50 billion of exports and \$37 billion of domestic sales. That study was itself seen as setting a target that even the hyper-active software industry of India would find difficult to achieve. The question is if the experience of the past three years gives any indication that the software sector can maintain the scorching pace it set in the 1990s.

On paper the industry is on target, which is what the new NASSCOM-McKinsey study asserts. As against the annual growth rate of 38 per cent that would be required between 1999 and 2008, the industry has, on the average, been growing even more rapidly. Between 1999 and 2002, the software sector has expanded by as much as 46 per cent a year. This, as is now pointed out, reduces the required growth rate between 2002 to 2008 to 34 per cent a year. However, averages over a short period conceal more than they reveal and in this case they represent more the industry's fortunes during the dotcom and Year 2000 booms than the recent experience. For

instance, the export sector, which is the mainstay of the Indian software industry, grew in rupee terms by 29 per cent in 2001-02, which in dollar terms was only a 16 per cent growth. Besides, growth during the difficult year of 2001-02 was achieved as a result of intense competition among the Indian software firms, which included some lowering of rates. However, what does finally matter is not if the exact target of \$70-80 billion is met in 2008 but that the industry continues to record a substantial pace of growth in both exports and domestic sales. In exports, fortunately for the Indian industry a new business has emerged in recent years — what is called IT-enabled services or also business process outsourcing (BPO) activities. Covering a range of activities such as call centres, transcriptions, geographic information systems and even consulting, the IT-enabled services have become a new source of growth for the Indian industry. This is reflected in the new NASSCOM study which suggests a continuing shift in business towards IT-enabled services in the years ahead. Unfortunately, though, margins in some of the IT-enabled services are lower than in the traditional software services that India has always provided and use lower skills as well.

Ultimately, the ability of the Indian software industry to maintain, in at least some measure, the growth it registered in the 1990s will depend on its ability to keep ahead of competitors in other countries as well as find fresh business opportunities in both new sectors and new geographic markets. The downside of India's success in software exports has been that it has been in the low-end areas where potential competition can quickly catch up. This is why Indian exporters are constantly looking over their shoulders at threats from China, the Philippines and even Russia.

15 JUN 2002

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# VSNL disinvestment totally transparent, says Shourie

5/6

By Our Special Correspondent

**NEW DELHI, JUNE 4.** The controversy surrounding the spat between the Communications Minister, Pramod Mahajan, and the Tata Group over the investment decision of the recently-privatised VSNL assumed a new dimension today with the Disinvestment Minister, Arun Shourie, defending the disinvestment process and warning of corporate warfare which could jeopardise future disinvestment exercises.

Mr. Shourie's official entry into the controversy comes a day after the BJP, through an official statement, described the VSNL disinvestment case as the "most disappointing" and said it had sent "a wrong signal" by which people might start looking at the disinvestment process as an opportunity to siphon off funds from public sector units.

Mr. Shourie was discreet in his press conference not to question the stand taken by the Communications Minister to oppose the Tata-managed VSNL's decision to pull out Rs. 1,200 crores from its cash reserves for investing in another Group company, Tata Teleservices. But he was more than forthcoming in saying that the shareholders' agreement in the case of the VSNL disinvestment exercise was "tight enough" not to warrant any renewal. He justified the

position that the investment decisions by the new VSNL management were governed by the relevant provisions of the Companies Act that left it to the board of management to take such decisions.

"As far as the disinvestment process is concerned, we are satisfied and through the controversy, we have been fortified," he observed, adding that as far as his Ministry was concerned, "once disinvestment is over, we are out of the picture."

Though Mr. Shourie did not directly comment on the Tata-VSNL decision to invest in Tata Teleservices to pick up other telecom business, he nonetheless quoted from an official communication from the VSNL chairman to the Government before the company was privatised saying that the Government-owned VSNL had been denied permission to diversify its activities into other telecom business using its reserve funds. Consequently, the VSNL was left without any subscriber base in the telecom business once its monopoly ended, while rival business organisations had cornered a large number of corporate subscribers in India.

Mr. Shourie also countered some of the news reports that appeared today, based on a statement by BJP party functionaries and informal comments by some BJP leaders. He maintained that VSNL disinvestment

was totally transparent; that no deal had been struck and that no one, especially the Telecom Ministry, was kept out of it. He produced evidence to show the number of meetings in which Communications Ministry officials were present and also refuted reports that certain VSNL assets had been delinked before disinvestment at the insistence of the BJP national executive committee meeting in Goa in April this year by pointing out that the entire disinvestment process and transfer of management in case of the VSNL had been accomplished by February 13 this year.

Mr. Shourie maintained that raising of such controversies in the post-disinvestment period would affect "investor sentiment" since the perception had gone around that in India endless controversies surrounded Government decisions or that there would be some 'tripping up' at a later stage in the Government decisions. "So potential investors have this feeling that why get into the 'mess' in India; it is better to invest elsewhere," Mr. Shourie said. "Be aware of corporate warfare," he advised the mediapersons but laughed away a suggestion that corporate warfare had entered the BJP too. The Minister said he addressed the press after receiving clearances from the Union Home Minister, L. K. Advani, and the BJP President, Jana Krishnamurthy.

THE HINDI



## VSNL-TATA DEAL / MAHAJAN, SHOURIE LOCK HORNS

# Most disappointing, says BJP

By Neena Vyas

NEW DELHI, JUNE 3. It seems that the Disinvestment Minister, Arun Shourie, has fallen foul of an influential section of the Bharatiya Janata Party which today came down heavily on the "bad precedent" set by the decision of the Videsh Sanchar Nigam Limited board to "invest" Rs. 1200 crores in Tata Teleservices after the Tatas bought 25 per cent of the VSNL shares for Rs. 1145 crores.

This means that after investing Rs. 1145 crores, the Tatas were able to extract Rs. 1200 crores for investment in their own company, besides getting a 25 per cent stake in the profit-making VSNL.

The first shot was fired by the Communications and Information Technology Minister, Pramod Mahajan, who even threatened legal action against the Tatas, even as Mr. Shourie defended the decision through a studied silence. Today, the party's economic affairs committee issued a statement saying the VSNL disinvestment case was "most disappointing" and that it had sent a "wrong signal." People "may start looking at the disinvestment process as an opportunity to siphon off funds from the PSUs," the statement added.

"Legally, Tatas may be right," the

convener of the party's economic cell, Jagdish Shettigar, said today and then went on to defend the Government by pleading that it was a "first experience".

A senior BJP leader has been quoted as saying privately that a critical clause in the transfer of shares agreement to prevent the extraction of funds from the company might be missing, although such a clause was there in the case of BALCO. Party leaders admitted that if this was true, it would certainly smell like a scandal. Mr. Shourie would then have to own up responsibility.

Reports suggest that Mr. Mahajan is angry that although he was the master of VSNL as the Communications Minister, Mr. Shourie kept him out of the deal struck with the Tatas.

Yet another dimension of the current imbroglio, involving several senior Ministers, is that some felt Mr. Shourie was trying desperately to become the Finance Minister, especially after speculative reports gained ground that the Finance Minister, Yashwant Sinha, may be on his way out. Even now, many in the party believe that Mr. Sinha's tenure has become untenable, especially after the Flex Industries connection came up. There are several powerful leaders in the party who certainly do not want to see Mr. Shourie walk into this important portfolio. Many party leaders

see Mr. Shourie as "arrogant" and added to this is distrust and suspicion as he is not from the RSS stables. The senior party leader, Murli Manohar Joshi, has, for quite some time, nursed the ambition of becoming Finance Minister and, if there is any major reshuffle, he is certain to throw his hat in the ring. Besides, he has powerful RSS support.

Some party leaders also said the Government had been able to get Rs. 700 crores for VSNL assets that were delinked to disinvestment and sold separately before the Tata deal, as those assets were not related directly to VSNL operations and functioning. "This was insisted upon by the party through a resolution at the Goa executive where Mr. Shourie had initially resisted this," they said.

Mr. Shettigar said that the VSNL board decision to allow the Tatas to take out Rs. 1200 crores for investment in their company "defeats the very purpose of disinvestment and brings the reforms process into disrepute".

He said he was surprised that the Tatas, known for its business ethics, indulged in this kind of a game "even if it was legal."

He wanted an inquiry into the affair and he hoped that the Tatas would see reason and "return" Rs. 1200 crores to VSNL.

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Mr. Mahajan  
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## THE VSNL IMBROGLIO

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THE CONTROVERSY OVER VSNL's decision to invest Rs.1,200 crores in a company belonging to its new owners, the Tatas, continues. In February this year, the Tatas after bidding successfully for a 25 per cent stake in VSNL took control of its management. The Government retains a 26 per cent stake and has its nominees on the VSNL's board. According to reports, last week's controversial decision was unanimously approved by the company's board. That should imply the Government's concurrence (which in a strict legal sense it is), but unfortunately the Union Minister of Communications seems to have expected far more from the VSNL's new management before pushing through the proposal. Pramod Mahajan has publicly stated that the Government was not consulted and has even threatened legal action to stop the investment. Of the several dimensions to the controversy, the most obvious one relates to the extent of the Government's involvement in a company after ceding management control to a private party. The Tatas have since become the largest single shareholder in VSNL but there are other shareholders, both public and of course the Government. Mr. Mahajan's arguments seem to go beyond the legal aspects on which they are weak. A very favourable interpretation — which seems to be an afterthought — is that the Government is espousing the cause of the non-promoter shareholders in questioning the investment decision. The other view is that the Tatas with so much of experience in the Indian environment and goodwill could clearly have handled such a sensitive matter with greater finesse than what the reports indicate.

These being early days in the disinvestment process, there is a felt need to establish precedents that go beyond the legal aspects. The strategic route chosen for VSNL and a few other blue chips has been the preferred method re-

cently. The VSNL imbroglio might be indicative of one type of unanticipated risks. Ideally, the strategic partner and the Government stakeholder should work towards furthering the interests of the company as a whole. A public airing of differences such as in the instant case can cause damage and not merely to the company. That is probably why the Union Minister of Disinvestment intervened — on the side of VSNL's new management. For everyone it is a learning experience still. Actually, there are safeguards in the form of the laborious procedures prescribed by the Disinvestment Ministry in a strategic sale. They involve among others the vetting of the bidders and the drawing up of a shareholders' agreement. The former is to determine the suitability of the bidders and not just in a financial sense while the latter is to synchronise the interests of the major shareholders with that of the company's. Protracted legal wrangling in the VSNL case will be unfortunate. Both the Tatas and the Government can still set valuable non-legal precedents by finding amicable solutions quickly.

In a purely commercial sense, VSNL has been faulted for not just investing in a group company but for paying a higher price than what the financials of the target company indicate. These have been countered. VSNL does not have a captive subscriber base in India while its potential competitors are already established in the domestic segment. The alternative of building a subscriber base from scratch is costly. There is a price to be paid for linking up with a basic operator even if it is from the same group. Over time, VSNL's shareholders should benefit. A debate on those lines will be inconclusive and is probably not germane to the core issue. Four months ago, VSNL's sale to the Tatas was hailed a big success on all parameters. The need is to reinforce that success by ending the latest controversy.

# Modi tries to set a bad press

16/5  
right media

FROM BASANT RAWAT

**Ahmedabad, May 15:** Rattled by the bad press it has been getting, the Narendra Modi government has asked three news agencies in Ahmedabad to refurbish its image by putting out positive stories.

The agencies — PTI, UNI and the now-defunct Hindustan Samachar which still has a representative here — have been directed to file at least five articles/features every month to highlight the government's development activities.

The information department's directive has shocked the agencies. "This is unprecedented. I do not think any state government has ever issued directives like this. I have worked in several state capitals but never got such a letter from the information department," said a UNI official.

The letter he received yesterday said the agency will have to release all press statements "without fail" issued by the state government. They will also be required to submit a list of press releases carried in different newspapers.

Seen as an assault on the freedom of the press by many, the letter is described as "routine" instructions issued by senior officials of the information department.

It comes in the backdrop of a ban Modi had clamped on a TV channel two months ago and his (and his party's) frequent complaints against the national media. Of late, even the vernacular press, which had earlier praised Modi, has changed its tone and started questioning his ability to rule.

Asking news agencies to report on government plans and list papers that use these stories is a practice that has always been there, said a senior information official. "It was just a routine letter and the agencies had agreed to comply with the conditions laid down by us," he said.

The agencies, however, said this was the first time they had received such a directive. "It has no business dictating to us what stories are to be carried," said a journalist working with PTI.

The information official explained that the government pays the agencies for their services. "If the government wants certain stories to be released and the details about the articles they have released, I do not think there is anything wrong. It is just a mutual agreement that suits us," the official explained.

He said the government has no intention of curbing the freedom of the press.

As it is, the agencies have been putting out on the wires almost all press releases issued by the information department, he added. "This is what we expect in return for the payment we make to them."

THE TELEGRAPH

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# Gujarat & the Media

## Don't Shoot the Messenger

By MANOJ JOSHI

WHENEVER there be perplexity of men and nations, to paraphrase T S Eliot, there is a tendency to bash the media. The sickening predictability with which government leaders, led by prime minister Vajpayee, have chastised the media makes one forget that journalists did not perpetrate the events in Gujarat but merely reported them. But for a few variations, the theme during last week's Parliament debate on Gujarat was familiar — media reporting, especially by the English-speaking national press had fanned the flames, that the reporting was one-sided and that it was aimed at destabilising the BJP governments in the state and the Centre.

What was said in Parliament was a pale shadow of what sangh parivar activists were saying outside. The media, they said, was once again pandering to the Muslims, it had played down the Godhra massacre and was bent on painting the majority community as violent and ignoring the inherently violent traits of the minority community. The stock lie that is being repeated so many times that it almost sounds true is that the media treatment of the Godhra event was cynical and insensitive and that the national media displayed no 'balance' in reporting the events. Both the government and the sangh parivar are believed to be working on a media strategy to counter what they believe is a conspiracy by the so-called secular media to defame them.

In this case the facts don't lie somewhere in the middle, but on the diametrically opposite pole. The mainstream national media reported the Godhra massacre as the lead item in their newspapers and editorial comments were unequivocal in their condemnation. There was a failure, but it was on the part of the Union government and its leader Atal Behari Vajpayee who did not call off the presentation of the Union Budget to discuss the event or pass a resolution condemning it. As much has been acknowledged by Mr Vajpayee himself.

Facing criticism, the government has taken the familiar path of attacking the media. This is not a trait peculiar to the BJP. Faced with mounting criticism after the Bofors affair, Rajiv Gandhi's government reached a more advanced stage of passing a draconian Defamation Bill in the Lok Sabha in 1988 till it was forced to back off by popular pressure.

Mr Vajpayee's remarks on the

Rule 184 discussion on Gujarat were more cautious. He suggested the need for a 'code of conduct' though he disclaimed any intention on the part of the government to do this job. But his feelings were apparent in his remarks on the role of the media in Gujarat.

As a seasoned politician and citizen, the prime minister knows that the English-language print media has generally played a stabilising role in national politics, promoting national integration and secular values, avoiding the extremes and sticking to the middle path. It normally avoids printing gruesome pictures and did so in the case of Gujarat as well. It does not normally name the community of those killed in riots, but in the case of Gujarat, once the violence became a pogrom directed against the Muslim community, the self-restraint became redundant.

### IN BRIEF

- The media is being unfairly attacked for reporting the Gujarat events
- Journalists merely report events, they don't create them
- Media is not a monolithic entity, there are thousands of privately owned newspapers and magazines
- By and large the media has reported fairly and its coverage has helped contain the violence

This self-regulation did not work with TV channels for a variety of reasons. Indian print media is nearly two hundred years old, while current events TV channels have been around for less than half a decade and have yet to evolve self-policing guidelines. The 'live' nature of the medium makes editorial control difficult in the best of circumstances, though this very limitation made its coverage so powerful and potent. It is a safe bet that had TV not been there, many, many more people would have been murdered.

Just why the media attack is a politically inspired event is borne out by the fact that no effort is made to differentiate the media. It may sound didactic to repeat it, but the Indian media consists of thousands of newspapers and magazines and some two dozen current events channels. All of them are privately owned and reflect the political and cultural diversity and beliefs of the country. Some, again reflecting the country's polity, are extreme in their

views, and most, though not all, are staffed by personnel whose aim is to tell the story rather than invent it. The editorial leadership of the country's leading TV channel and news magazine, for example, leans towards the BJP. But, this did not prevent them from reporting the events in much the same critical way as the other mainstream media.

If there was a failure, it was on the part of the regional vernacular media. Some well-circulated Gujarati dailies reported the events in inflammatory terms and undoubtedly encouraged violence. This again is not unique — in the 1980s, two vernacular papers headquartered in Jalandhar, one owned by a Sikh group and the other by a Hindu one, played a notorious role in fanning the flames of extremism.

Journalists did not create the events in Gujarat, all they are doing is to report them — the torching of innocents, rape, loot and the studied ineptness of the state authorities. In defence, the Gujarat government has trotted out a list of achievements — 23,218 preventive arrests, 200 deaths in police firings, 5,000 peace meetings and so on. Though both are important, journalism is not just about facts and figures. It makes an effort to convey to its readers what people feel. Perceptions, filtered through reporters' eyes, have shown that beyond his 'achievements', chief minister Narendra Modi is not particularly sensitive to the plight of the state's Muslim community.

It is no one's case that the media has not made any mistakes in its coverage of Gujarat. It has, but only small ones, and certainly not the ones that Mr Modi and his supporters charge them with. By and large they have reported honestly and fearlessly about the pogrom that is taking place, about those who perpetrated it, and those who have through their action or inaction enabled it. The media has not done this with a view to generating political pressure on the government of the day; after all, it was in more or less the same manner that many of these papers covered the anti-Sikh massacres of 1984.

Political leaders should be cautioned not to overstate the role of the media. No technology or other development can change the fact that journalists are observers and not participants in the events. Nor can it alter the fact that responsibility for policies and actions taken, or not taken, rest on the shoulders of the government and its bureaucrats.



# Telecom advisory panels to be revived

By Sandeep Dikshit

NEW DELHI, APRIL 25. Six months after the Union Minister for Communications and Information Technology, Pramod Mahajan, took the moral high road by abolishing the Telecom Advisory Committees (TACs), which had flourished unchecked during Ram Vilas Paswan's stint at the Sanchar Bhavan, he is preparing the ground for their revival.

Terming the 16,000-member TACs a reservoir of political nepotism and unsuited in the present era of cost-based telecom tariffs, Mr. Mahajan had abolished the 363 TACs on September 25. The step, he said, would save the BSNL and the MTNL about Rs. 25 crores a year at a time when they were facing competition from lean and mean private companies. Two months later in November, he firmly ruled out reviving them.

Under pressure from the National Democratic Alliance partners for accommodating their activists, Mr. Mahajan is now planning to revive them. The Minister's cell has been strengthened by summoning officials who had administered the TAC raj during the Sukh Ram and Ram Vilas Paswan eras.

All MPs have been asked to "recommend" names of five eminent persons from their

constituencies for nomination in the reorganised TACs. Officials feel this is just the beginning unless the Minister strictly complies with the authorised strength for each TAC.

Officially, no final decision regarding the composition, functions and other aspects of the TACs has been taken, but Mr. Mahajan would have to consider several aspects before imposing the TACs once again on the BSNL and the MTNL. First, the revenue cushion enjoyed by the two state-owned phone companies from national long distance calls is gone.

Their revenues are also being eroded by cellular companies, who have enticed most of the high paying customers. In this situation, Mr. Mahajan would have to consider whether it would be fair to burden the two companies with the TACs.

And if such a step was being taken in the interest of the consumers, it would be just to direct all private phone companies to form similar TACs.

In order to cut costs, Mr. Mahajan could take the more preferable option of stripping the TAC members of their privileges such as a service phone along with thousands of free calls, travelling allowance for attending the meetings and their tendency to throw their weight

about. But the question is will the TAC members take kindly to such a non-paying institution? Despite the logic given by Mr. Mahajan while abolishing the TACs, it is well known that the impetus came from a stormy meeting between the Prime Minister and BJP MPs before the start of a Parliament session last year.

Leaving aside other issues, the MPs charged that Mr. Paswan had ignored the claims of their cheerleaders and instead packed the panels with journalists, middlemen and activists of the Dalit Sena and the Lok Janshakti Party. The Communications Minister could be expected to add some gloss to the TACs to meet political compulsions, but he is unlikely to be as populist as Mr. Paswan.

At that time, Bihar had 1,543 members against the sanctioned strength of 905, Delhi 824 against 465 and Jharkhand provided free phones and TA to 437 as against the norm of 345.

Mr. Paswan also formed a National Committee, whose Chairman — a close party acolyte at that time — was paid Rs. 6,000 a month and provided with three rooms in an upmarket location and six tickets each by air and rail. Other members were given two phones each with free STD besides an honorarium of Rs. 400 a month.

# Print media FDI decision deferred

Statesman News Service

NEW DELHI, April 24. — The Cabinet today deferred a decision on lifting the ban on foreign direct investment in the print media, preferring a more comprehensive discussion on the entire issue, including investments in the area of news and current affairs.

Speaking to reporters today, Union minister Mr Pramod Mahajan said the issue did come up but the Cabinet decided there was no time to debate on the resolution of 1955 which bans FDI in print media.

The current information and broadcasting ministry proposal calls for 74 per cent FDI investment in select areas, including scientific, technical and speciality publications.

Mr Mahajan said: "If one has to reconsider the policy, why go piecemeal? Let us reconsider the whole policy. If we are to discuss FDI in the print media, let us discuss the entire policy."

25/4  
This in effect means the I&B ministry will have to work out another proposal that will look at the FDI policy all over again. The inclusion of news and current affairs is a key decision which could be opposed more strongly than a policy that merely wants to let in technical and scientific journals. Either way, the decision will be delayed.

Mr Mahajan said there was no time for such a detailed discussion but he made it clear that so far no one in the Cabinet had opposed the policy.

The FDI issue has divided the political establishment with the parliamentary standing committee also deeply divided.

The Cabinet cleared the Jammu and Kashmir industrial package for new units and existing units expanding in size substantially. As reported earlier, this includes excise exemptions similar to the North-east package, income-tax exemptions, the setting up of a J&K industrial package with a one time provision of Rs 50 crore.

Altogether Rs 1 crore will be set aside for a design centre for leather and footwear, more Central involvement in the finance pattern of integrated infrastructural development centres, the allowing of capital investment subsidy at 15 per cent in plant and machinery, a Central subsidy on working capital and insurance measures.

There is also an insurance scheme involved. This excludes investments in tobacco, liquor and soft drink sectors.

The Centre has also cleared the geo-synchronous satellite launch vehicle project. It will cost Rs 2,498 crore and will be ready by 2008. This will mean a substantial increase in India's ability to put satellites to space as it will have a tonnage of 4 tonnes.

This will be important in the case of satellite launches in the field of telecom and broadcasting.

The Wages amendment Bill 2002 and the National Good Laboratory Practice plans were also cleared.

7/19  
FRIDAY, APRIL 24, 2003  
STATESMAN

# Plane crashes into Milan highrise

AP & AFP

MILAN, April 18. — A small plane with only the pilot on board crashed into the 25th floor of Pirelli Tower today, killing at least four persons and injuring 60, officials said. "The initial information, that the interior ministry has, led us to lean towards accident" as the cause, Italian newsagency ANSA quoted the interior minister, Mr Claudio Scajola, as saying.

The building houses the regional headquarters of Lombardy. Mr Roberto Formigoni, president of the Lombardy region, was in Kolkata only yesterday.

The prefect's office, which reports to the interior ministry, said in a statement that at least four people were killed and 60 injured. About 20 people were taken to Fatebene Fratelli Hospital, officials said.

One of the injured was a woman with serious burns. An office staff member, who worked on the eighth floor, said she saw 10 people bleeding profusely. Those killed include the pilot of the plane, and a man and a woman whose bodies were found on the street. It was unclear if they were passersby, or had been inside the building. A fourth body was recovered during continued search operations from the 26th floor several hours after the crash.

Police said they had no details about the victims or the injured. Officer Mr Celerissimo de Simone said Milan's city airport, Linate, the plane's destination, was told by the pilot that the aircraft had landing-gear problems.

Mr de Simone said witnesses told police that the plane was on fire before crashing into the 30-storeyed building around 9.15 p.m. (IST).

Milan's main train station, about 200 metre away from the skyscraper, was evacuated for security reasons and no trains were running from there.

In Switzerland, a spokesman for the Swiss air traffic control office, Skyguide, said the plane, a Rockwell *Commander*, had taken off from Locarno airport there at 8.45 p.m. (IST).

Holes were punched into two sides of the slim skyscraper in the central Piazza Duca D'Aosta, and wreckage scattered on the streets below. Smoke was still pouring out nearly three hours after the crash. A large section of an entire floor lost its walls.

Mr de Simone said the pilot of the aircraft sent out a distress call before slamming into the building. The Pirelli Tower, designed in the 1950s, is one of the world's highest concrete skyscrapers and the tallest building in Italy's financial capital.

In New York, Wall Street's Dow Jones industrial index lurched sharply lower on receiving the news of the crash. The Milan after-hours electronic stock market suspended trading following the crash.

President Mr Bush has been informed, a White House spokesman said.

# Real profile of foreign funds

Srinjoy Chowdhury  
in New Delhi

April 5. — For all the talk by the Sangh Parivar about “destabilising” foreign funds meant for churches and *madrassas*, especially in “sensitive” areas such as Kashmir and the North-east, government figures have little to indicate such a flow. Instead, Hindu religious organisations have received a lot of money.

The annual report of receipt of foreign contributions by voluntary associations, compiled by the Union home ministry, shows that of the Rs 3,924.63 crore inflow into India, a bare Rs 57.53 crore went to sensitive areas.

Among the biggest donors and recipients are names like the Maharishi Ayurveda Trust and the Sri Sathya Sai Central Trust. Among the host of reasons for sending money, the most prominent ones were rural development (Rs 522.95 crore), health care (Rs 449.37 crore) and charity meant for orphans or the poor. Issues such as constructing places of worship, educating priests and holding religious functions seemed to get a low priority.

The report said Delhi topped the contribution list with Rs 636.11 crore, followed by Tamil Nadu, Andhra, Karnataka and Kerala — in that order.

Among N-E states, Meghalaya is a lowly 16th, re-

ceiving Rs 29.44 crore, while Assam 17th with Rs 24.35 crore. J&K is even further down the line, receiving Rs 13.64 crore. Manipur, Mizoram, Nagaland, Arunachal Pradesh and Tripura together got Rs 18 crore.

The top recipient is the Maharishi Ved Vigyan Vishwa Vidyapeetham in Andhra Pradesh, which received Rs 68.09 crore in 1999-2000 and Rs 345.8 crore in the last decade. Foster Parents Plan International with Rs 63 crore and World Vision of India with Rs 55 crore were the second and third biggest recipients. Mata Amritanandamayi Mission (Rs 52 crore) and Sri Sathya Sai Central Trust (Rs 50 crore) also received generous contributions.

The several hundred recipients in Bengal included about 40 associated with the RK Mission Ashram and the Ramakrishna Math. Several recipients were named after Netaji Subhas Chandra Bose. The Maharishi Ayurveda Trust was one of the largest donors with Rs 60.06 crore, only second after Foster Parents Plan International (Rs 70 crore).

Talk about funds flowing into J&K and the North-east for religious instruction (and conversion) appears a little over the top.

The biggest donor through the 1990s was the USA with Rs 5,260 crore, followed by Germany, the UK, Italy and Holland. Together, they contributed about Rs 15,000 crore.

Chart on page 6

THE STATESMAN

# Mossad set after Pearl's murderers

Pramit Pal Chaudhuri  
New Delhi, April 2

ISRAEL'S FOREIGN intelligence service, the Mossad, has been issued orders to kill those responsible for US journalist Daniel Pearl's death, says a recent report by Jane's Information Group.

Quoting intelligence sources, the report says Israeli Prime Minister Ariel Sharon called in Mossad director Ephraim Halevy in the third week of February and issued "a precise instruction" to "get the assassins of Danny Pearl".

Though a US resident, Pearl held US-Israeli dual citizenship. His father, Yehuda Pearl, was a well-known Jewish academic born in Tel Aviv. His grandmother still lives in that city. Jane's says Sharon issued the order after Pearl's kidnappers released a video recording of Pearl's execution, with Pearl saying, "I'm a

## Arafat exile plan

ISRAEL SHELLED the heavily fortified Palestinian security headquarters in an all-night assault on Tuesday while Prime Minister Ariel Sharon floated the idea of sending Yasser Arafat to exile. Arafat dismissed this, saying he would not go anywhere.

**Detailed report on Page 11**

Jew, so is my father," before he died.

The report says Sharon's instructions to the Mossad followed the assumption that Pearl was killed for his religion rather than nationality.

Israeli officials said the Jane's report was incorrect. They said such rumours had arisen just after the video recording had been released but had died out soon after.

Intelligence analysts say such denials would be "routine" if such an order were given. "Sharon, however, would be just the type to give such an order," said one source.

The last time such an order was issued was in 1972 when Prime Minister Golda Meir called in Mossad director Zvi Zamir and ordered the deaths of all the Palestinians responsible for the Munich Olympic massacre. Mossad took six years, killing one innocent along the way, to complete the job.

Israel had traditionally seen Iran as the eastern limit of its security concerns. However, say Indian sources, Israel began taking a greater interest in intelligence matters in South Asia after Kashmiri militants killed an Israeli tourist in 1982 and after a Palestinian bomber in 1992 confessed to having been recruited by a Libyan diplomat in Chennai.

THE HINDUSTAN TIMES



PEARL MURDER

media H11 2873 ✓

# Omar formally charged

**Mubashir Zaidi**  
*Islamabad, March 22*

AHMED OMAR Saeed Sheikh, prime accused in the kidnapping and murder of *Wall Street Journal* reporter Daniel Pearl, was today formally charged with the crime, for which he may face the death penalty or at least, life imprisonment. His formal trial begins on March 29.

An Anti-Terrorist Court in Karachi formally read an indictment order to Omar Sheikh who denied his involvement. Ten other co-accused were also charged with abetment that also carries the same penalty, seven of whom have been declared proclaimed offenders.

Four suspects, including

British-born Ahmed Omar Saeed Sheikh, were charged in a Pakistani court today with the kidnap and murder of American journalist Daniel Pearl, the chief prosecutor said.

"All the four accused have been charged with kidnapping for ransom, murder and terrorism," Raja Qureshi, chief prosecutor for the province of Sindh, told reporters outside the courtroom in Karachi. "These charges carry a normal sentence of death." *Wall Street Journal* reporter Pearl was abducted in the port city of Karachi on January 23 while trying to contact radical Islamic groups and investigate possible links between alleged shoe bomber Richard Reid and Osama bin Laden's al-Qaida net-

work. Although his body has never been found, his kidnappers released a graphic video showing Pearl being murdered.

Earlier Omar and fellow suspect Sheikh Adil were whisked into an anti-terrorist court in Karachi, capital of Sindh, in an armoured police truck amid tight security. There was no sign of the two other accused, Salman Saquib and Fahad Naseem. The case is seen as a key test of Pakistan's resolve in dealing with suspected Muslim hard-liners as part of its role in the US-led war on terror.

Omar has also been indicted by a US court on one count of hostage-taking and one of conspiring to take hostages resulting in the death of Pearl.

But Pakistan's Government has said that it would only consider extraditing him once its own trial is complete. Qureshi said the judge had fixed March 29 for the start of the trial, which would be held under a special anti-terrorism law. "The trial has to be completed within seven days," he said. Qureshi said the prosecution had 31 witnesses, including FBI officials.

#### Pearl's wife to testify

Mariane Pearl, pregnant widow of slain US reporter Daniel Pearl, will be called to testify at the trial of British-born militant Sheikh Omar accused of the murder of her husband, a senior police investigator said today.

THE HINDUSTAN TIMES

28 MAR 2002

Free press, double standards

THE LONG-STANDING debate over allowing foreign investment in the Indian print media now has a new battlefield. The parliamentary committee on information technology. When it met on Tuesday, the meeting was preceded by fierce lobbying to get onto the committee, by the chairman's anguish over articles in the press that attributed motives to him and by the insistence of some members on forcing a vote on the issue of FDI (Foreign Direct Investment) in print, an issue that was not on the agenda. Though the committee does not have to submit its report till February, the lobbyists are certain to keep the battle going.

The debate itself is not new. In 1955, the Jawaharlal Nehru cabinet resolved to prevent foreign ownership of Indian newspapers. This resolution was never translated into law but guided the thinking of all future governments including non-Congress regimes. In the early Nineties, the cabinet considered whether to revise this consensus in the light of Dr Manmohan Singh's economic reforms. It was at that stage that the first cracks in the consensus appeared and the debate over FDI began. At issue was a proposal by *The Financial Times* to take a stake in *Business Standard*, then owned by Calcutta's ABP group.

Those who supported FDI said that the news sector had to be opened up because the rest of the economy was opening up. Opponents of FDI said that news could not be seen as just another commodity and newspapers as just another industry. The basis of the 1955 resolution was that newspapers had the power to set the agenda and influence decision-making. Therefore, it was important that this power remained in Indian hands. There could be no parallel between opening up the cola business and letting foreigners buy into India's papers: one had to do with fizz and bubbles, the other with national sovereignty.

The arguments went back and forth. The 'free flow of ideas' argument, for instance, had a certain intuitive appeal till opponents of FDI pointed out that we already have a free flow of ideas. Indian papers can reproduce whatever they like from the international press via the syndication route. (*The HT*, for example, has rights to the *New York Times*, *USA Today*, *The Guardian* and many other publications). And there is no need to give foreigners ownership of our papers only because we want to reproduce their editorial content.

Opponents of FDI also pointed out that in some sectors — high-tech or energy for instance — we needed heavy capital investment and proprietary technology. This is not true of newspapers. The industry requires relatively little capital and there is no special technology that is not already widely available. Supporters of FDI countered by saying that other media — books and TV, for instance — were governed by rules that allowed foreign investment. So why should newspapers and magazines be different? Opponents responded that anybody could see that books did not have the impact of papers and that in the case of TV, it was not that the government allowed foreign TV channels to operate. Satellite technology created a situation where no government could prevent TV channels from beaming to India from transponders high in the sky. And, in any case, TV in India is primarily an entertainment medium, so it is hard to compare the impact of a handful of news channels with hundreds of thousands of papers, magazines and periodicals.

In the end though, two arguments swung the consensus for the opponents of FDI. The first was the nature of news. In 1955, when Panditji's cabinet moved its resolution, it was motivated not by protectionism or economic considerations. Instead, it recognised that newspapers were part of the democratic process and that it was important to keep them in Indian hands. That distinction between the press and other industries remains as crucial today as it was in 1955. The second argument was mere common-sense. Newspapers are not a terribly profitable sector of the industry. There are no great returns to be made on investment in Indian newspa-

pers. So why would foreigners want to invest in our papers? If it isn't for economic reasons, then it can only be because they want to acquire clout and influence.

For nearly 10 years after Narasimha Rao's cabinet rejected the *Financial Times-Business Standard* proposal, the argument was regarded as settled. Then, last year, there was a move to reopen the debate.

Ironically, the move came from within the newspaper industry. In the early Nineties, nearly every major newspaper had opposed FDI. But now some newspapers changed their stands. The reasons were not difficult to find. These are bad days for the newspaper business. Advertising revenues are down and many media groups are struggling to pay salaries and stay afloat. In this bleak economic scenario, FDI offers some hope. Media barons can sell out to foreigners and escape to comfortable exile in London, Dubai or the Bahamas. Others can at least float their companies on the stock market and sell shares to foreigners at a hefty premium. The papers may still not make any money; but the owners will make millions.

Not all newspapers want to make a fast buck. Many of the country's largest groups (*the HT*, *The Times of India*, *The Hindu*, *Eenadu*, *Malayala Manorama* etc.) are still opposed to FDI. So are the vast majority of small and medium newspapers and the journalistic unions. But there are enough papers who want the law changed — for whatever reason — for there to exist a pro-change lobby.

The problem faced by the supporters of FDI is that, try as they might, the political consensus remains against them. Even those sections of government that are pro-change are scared of saying so openly. So, the pro-FDI lobby has found an ingenious solution. The 1955 resolution, it says, is against foreign ownership, but ownership means holding 100 per cent of the equity or at the very least 51 per cent of the shareholding. So, why not allow us to sell 26 per cent of our shares to foreigners? That way, you can still say that you respect the spirit of the 1955 resolution. And we can still get what we want.

Only a small child or a very old Congressman would be fooled by this argument. Rare is the major Indian company where the management has a majority of the equity. As Swraj Paul demonstrated to us in the Eighties, many so-called 'owners' run public companies with under 10 per cent of the equity. That situation has hardly changed. If press barons were allowed to sell 26 per cent to foreigners, what would happen is this: the foreigners would quickly take control of the company and install a few Indian frontmen as window dressing.

It would amount to allowing both, foreign ownership and foreign control.

When this debate was conducted in the Nineties, there was an element of intellectual honesty about it. People were either for or against foreign ownership of the media. But the current debate is being conducted through subterfuge. Now, nobody says that he is for foreign ownership and everybody pays lip service to the 1955 resolution.

And yet, by squeezing through the minority-shareholding provision, they are destroying the spirit of that resolution and ignoring its central theme.

Saddest of all is the role of the Congress. It is now being used as a fall-guy by the BJP. The government knows that it cannot openly support the 26 per cent provision without antagonising most of the press, all of the journalistic unions and its own Sangh parivar. So, it will sit back and let the Congress push for the proposal in committee. Then, it will appear to go along with the Congress's proposal, letting it take all the flak.

The *Hindustan Times* has always taken a position in favour of the 1955 resolution. But equally, we concede that those who want FDI have a case — even if we do not agree with that case.

But nobody with any intellectual integrity can support the current proposal — one where you claim to oppose foreign ownership while simultaneously allowing the foreigners in; one where you praise Panditji's resolution while simultaneously setting fire to his ideals.

THINK IT OVER...

To betray, you must first belong

KIM PHILBY

HINDUSTAN TIME

JAN 2002



HD-11  
Mohan

## Panel to include suggestion for 26 p.c. foreign equity in print media

By Our Special Correspondent <sup>all</sup>

**NEW DELHI, JAN. 8.** The Standing Committee on Information Technology — which has been discussing the issue of limited foreign investment-participation in print media — has decided to rework its earlier draft to include a recommendation for allowing 26 per cent foreign equity with the condition that editorial control would remain in Indian hands.

A decision to this effect was taken at the meeting of the Committee today as eight of the 15 members present were in favour of allowing 26 per cent foreign equity in print media which till date has been governed by the Cabinet Resolution of 1955 as per which no foreign-owned newspaper or periodical should, in future, be allowed to be published in India.

The second draft is to be prepared by mid-February and the Standing Committee is slated to meet sometime around the end of next month in the hope of tabling the report during the

Budget Session. Also, the BJP member in the Rajya Sabha, Narendra Mohan — whose "aggressive" lobbying for limited foreign participation delayed the tabling of the report based on the first draft in the winter session of Parliament — was brought back into the Committee last week in the routine reconstitution of the Parliamentary body.

Mr. Mohan has replaced another party member after he reportedly made a representation to the Speaker for another stint in this particular Committee.

The first draft — circulated to the members ahead of the winter session of Parliament — had articulated the majority view which was opposed to any kind of foreign participation in the print media save a conditional nod to foreign scientific and technical magazines.

However, with Mr. Mohan circulating a 38-page note advocating 26 per cent foreign equity participation, and last-minute active lobbying by the few members in favour of opening up the

print media, the adoption of the first draft had to be deferred.

Though the Standing Committee has decided to go in for a redraft, the Chairman, Somnath Chatterjee, is said to have made it clear that no more written notes — like the one circulated by Mr. Mohan — would be entertained.

The report of the Standing Committee assumes considerable significance as the Government has been maintaining that any policy change on the issue of foreign participation-investment in the print media would be taken after this Committee submits its report.

Apparently, advocates of limited foreign participation in the print media within the Standing Committee are trying particularly hard to get the Parliamentary body to favour opening up of this medium because they have been given to understand that it would be easier then for the Government to change the policy that is now governed by the Cabinet Resolution of 1955.

9 JAN 2002

# 'National media played an exemplary role'

By Our Special Correspondent

**NEW DELHI, MAY 3.** The Editors Guild of India today dismissed as "specious" and "self-serving" the accusation that the fourth estate was a "major aggravating or even causative factor" for the prevailing situation in Gujarat and rejected the "notion that the media should shy away from telling the country how it really is".

Releasing the Guild's fact-finding mission report — Rights and Wrongs: Ordeal by Fire in the Killing Fields of Gujarat — here, the president, Mammen Mathew, articulated the team's conclusion that "the national media and sections of the Gujarati media, barring some notable offenders, played an exemplary role in their coverage".

Refusing to gloss over the mischievous role played by certain Gujarati newspapers, the team suggested that a high judicial officer be appointed by the Government to examine "the writings of those sections of the media that are prima facie in flagrant violation of the law".

On whether such a move would set a precedent and give governments an excuse to monitor the media in future, the convenor of the team, B.C. Verghese, said: "wilful incitement to offence, propagation of hate

and fuelling disorder are criminal offences. The freedom of the press should not be misused."

Billing the Gujarat violence as the "first large-scale television and cable riot covered in real time", the report acknowledged the new learning curve introduced by technology and said "there are lessons to be learnt, internalised and developed into codes of best practice". Categorical in rejecting censorship as an answer to the challenges thrown up by technology, the Guild asserted that "sobriety, training, professionalism and codes of conduct are necessary".

Documenting the difficulties faced by newsmen reporting the violence, it said "intrusive reporting of what some possibly thought would have better been allowed to remain a quiet vendetta invited trouble". In fact, the fact-finding team — which besides Mr. Verghese included the Executive Managing Editor of The Times of India, Dileep Padgaonkar, and the Editor of Mid-Day, Aakar Patel — had a first-hand experience of the "intimidatory" tactics of the VHP that print and TV journalists in Gujarat complained of.

Critical of the Information Department of Gujarat for not keeping people fully/properly informed through the official information channels, the team found that

"what was put out was a travesty of the horrific events that engulfed the State. Much of it was one-sided and self-serving, eulogising the Chief Minister and focussing on a particular section of the trading community while Gujarat burned." Turning the scanner inwards, the report took note of the manner in which "many so-called 'leaders' of destructive movements and known criminals have been built-up, even glorified, by the media; howsoever inadvertently".

Of the view that publicity made "megalomaniacs and crackpots — often puny figures — appear larger than life and twice as important", one recommendation pertained to collective reflection on the issue and greater circumspection in interviewing and inviting such individuals to chat shows/panel discussions.

Also, the team faulted media houses for failing to appeal for funds as was always done in times of natural disaster/national emergency.

Stating that such a fund was not just a way of assisting the victims, but also gave citizens an avenue to reach out to those in distress in a "gesture of fraternal solidarity and sympathy", the team urged the Guild to issue an appeal to set up a Fund for Gujarat through its members.

THE HINDU

4 MAY 2002

# Pen mightier?

*Mugabe 51-5*

**O**n 11 September, 1826 a gang of murderers descended on Captain William Morgan's home, abducted him, took him many miles away and killed him. His body was sunk in Lake Ontario. This soldier was in the process of publishing an expose on the Freemasons, a highly secret organisation. Morgan wanted to document their conspiracy to become a "privileged order" in a free society. The Freemasons had sent the desperados.

Since then, as free societies grew and democracies emerged, especially with the collapse of the Soviet Union – the single-largest reason that advanced free Press in the world – attacks on writers and journalists increased. Almost all the murders were committed to suppress the truth that the journalist wanted to expose.

In some cases, they were victims of reporting war or terrorist attacks like *The Hindustan Times'* photographer Pradeep Bhatia who died in a Srinagar bomb blast in August 2000 and the seven reporters killed while covering the Afghanistan War. The killing of *Wall Street Journal's* Mumbai-based correspondent, Daniel Pearl, comes under another category where journalists are held hostage to press their demands. He was the sixth journalist killed in the first six weeks of this year.

This trend of hostage-taking started in the former East European states and the Central Republics over the past 10 years and is apparently found attractive by rebel and terrorist organisations operating in the region. For instance, in 1997, Chechnya-based NTV reporter Yelena Masyuk was held hostage by a rebel splinter group for 101 days.

This is adding to the perils of the profession that is already a victim of intolerant governments and mafias of various hues. Though statistics tend to list the up-and-down trends of journalist killings over the past decade, the chilling fact remains that reporting has become one of the most dangerous professions in the world. The magnitude can be gauged by well-known journalist Philip Knightly's comment that it is safer to be in the army than to be a journalist.

Two weeks before Pearl's murder, Orlando Seirra Hernandez, assistant editor of *La Patria* in Columbia, was shot several times in front of his newspaper office at Manizales. Though the alleged killer was caught, the motive for killing Hernandez, a respected, anti-corruption investigator, is not known as is the case with the 34 killings there in the past decade.

This is in keeping with the trend worldwide. In at least 90 per cent of the cases, where journalists are attacked or killed, investigations are tardy, killers are not caught and the motive is not known. This one element is enough to more than suspect the respective governments' complicity.

Which is why journalists from East Timor to Cuba today are in a dilemma. In Algiers, the paradox facing them is: do they go out and report the massacres and in the process face the risk of being slaughtered by insurgents? If lucky to return alive and successfully publish the story, risk prosecution by the military?

William A Orme Jr, a veteran journalist who worked with institutions like *The Washington Post* and *The Economist* and the 1997 director of the Committee to Protect Journalists, was more profound while writing about the dilemma facing Russian journalists. He asked: "Do they succumb to the intimidation of terrorists and the hostility of their military, and walk away from a raging civil war within the borders of their own country? And if they persist despite these pressures, who will defend them?"

While it may be safer to be in the army than to be a journalist, it is the government's responsibility to ensure that the Press is free from any kind of pressure. The Press, in turn, must ferret out any attempt to get at journalists, writes **STANLEY THEODORE**. The public has to understand what endangering the Press could mean to them



## JOURNALISTS KILLED

37 in 2001  
24 in 2000  
34 in 1999  
24 in 1998  
26 in 1997  
27 in 1997



## JOURNALISTS IN PRISON

81 in 2000  
87 in 1999  
118 in 1998  
129 in 1997  
185 in 1996



Clockwise from top left: Miguel Gil Moreno de Mora of the Associated Press killed when reporters were ambushed in Sierra Leone on 24 May, 2000. Reuters' correspondent Kurt Schork was killed with him. De Mora is the 25th AP journalist to have died on duty since the organisation was formed in 1848. This picture was taken when he was covering the civil war in Congo; Omar Saeed Sheikh, alleged mastermind behind Daniel Pearl's abduction; Zimbabwean President Robert Mugabe who has muzzled the Press; Pearl who was later killed. — AP/PTI

The Ukraine has one of the worst records and the government has ensured that it worsen. In July 2001, TOR TV chief Ihor Oleksandrov was bludgeoned with a baseball bat in the stairwell of his own office. He died. Oleksandrov was a well-known campaigner against corruption and organised crime in his country and was the 11th journalist to be killed in the past five years.

Interior minister Yuri Smirnov tried, according to a BBC report, "to quell journalists' fears". He said journalists were less likely to die a violent death than coal miners or policemen. Further, he described journalists out to unearth a scandal as "taking the path of war". Instead, information could be given to the police, he said. Mr Smirnov did not stop, "If you are ready for war, we will give you arms and we will fight crime together".

This stupidity was despite the USA's warning that it would cut aid if the Ukraine government failed to protect journalists and thoroughly investigate the killing of journalists. This is also despite the largest demonstrations in post-Soviet Ukraine, sparked by the killing of journalist Georgiy Gongadze whose headless body was found in Tarashcha town in November 2000.

For two months, Gongadze's website "Ukrainian Truth", went missing. The website was critical of the government and just before he vanished, he complained of government harassment. Yet, fatal attacks continue. Recently, acid was thrown on the editor-in-chief of *Berdiansk Delovoy* news-

paper, Tatiana Goryacheva, outside her home. Her eyes and skin have been severely damaged.

Paris-based Reporters Sans Frontiers, which was exceptionally harsh with the Ukraine government, reported in January, "Except for the number of journalists killed, which remained stable, all indicators – of journalists arrested, attacked, threatened or media censored – rose compared to the year 2000. The number of journalists arrested, 489 in 2001, rose by nearly 50 per cent, and the number of those attacked or threatened, 716, rose by more than 40 per cent. An increasing number of journalists have been imprisoned throughout the world."

Turkey has the worst record. In the past three years, 32 journalists and newspaper distributors have been killed. The number of them in prison is 74 – highest in the world. China is believed to be catching up, especially, with its phobia with the Internet. By the end of 2000, 22 journalists were in prison, most of them for using the Internet to disseminate information.

Despite this, the grand old man of African politics, Zimbabwe's President Robert Mugabe could be the most intolerant leader to muzzle the Press after Peru's ex-President Alberto Fujimori. In the past two years, intimidation of journalists peaked amidst reports that Mr Mugabe would lose the March election, if they were fair. He changed laws like the Telecommunications Act to empower the government to monitor telephone calls and e-mail, apart from using

"criminal defamation laws".

He is believed to have a hit list of newspapers. Topping the list was *Daily News*, which refused to mince words. Its editor-in-chief, Geoff Nyarota, was arrested in August 2000 after the newspaper carried a report from its team, which witnessed the manner in which Mr Mugabe's Zanu-PF partymen used police vehicles to attack 40 farms.

Later, bombs were thrown at the office. "Most of the editors of independent newspapers had, at one time or another, either been arrested or detained by the police," reported the International Press Institute. Now, Mr Mugabe has introduced a Bill, "Access to Information and Protection to Privacy", wherein journalists would be fined for publishing "protected information" or news "likely to cause alarm and despondency".

These phrases are not defined. Another security Bill bans criticism of the President. While Mr Mugabe's method is allegedly being imitated by Namibia, the situation in the Asian sub-continent is equally disturbing. Bangladesh has the worst record in the region and if things continue this way, it could top the world. Since Khaleda Zia won last October, more than 50 journalists have been attacked.

The attacks have been carried out by the two main parties in power – Bangladesh Nationalist Party and Jammata-e-Islam – whose activists have not been brought to book. Nepal, after Emergency was declared in November against the backdrop of the Maoist guerrillas running riot, over 40 journalists had been arrested.

In Sri Lanka, BBC reporter Nimmalarajan was murdered in 2001 and the killers are yet to be found. In any case, the Sri Lankan government has imposed massive restrictions on journalists and the government publications call reporters of Tamil origin spies of the Liberation Tigers of Tamil Eelam.

In India, at several places like Jammu and Kashmir, Bihar, Naxalite and faction-ridden areas of Andhra Pradesh, Tamil Nadu and Uttar Pradesh, journalists subject themselves to some form of self-censorship to avoid harassment from those they report about.

*The Outlook* and *tehelka.com* were harassed for exposing the government. Recently, Balaeshwara Rao, a *Medak* reporter from a Telugu vernacular daily, was picked up by police from adjacent Nizamabad district and tortured there into confessing his links with the outlawed People's War Group.

Despite such a bleak scenario, it is a tribute to the Press for consistently defying governments and individuals attempting to silence it. It is all the more a tribute to those who have paid the price with their lives or spent a sleepless night over a threatening phone call. As much as it is the government's responsibility to ensure that the Press is free from any kind of pressure, it is also the Press's responsibility to smell any attempt to get at them.

But it will always be the people at large who have to understand what it means to them and their families should the Press be endangered. There, however, is a message from the trail of Nadire Mater, a reporter with Inter Press Service, who in 2000 was facing a 2 to 12-year prison term for her book on Turkish soldiers fighting Kurdish rebels.

"The truth is plain to see. Banning the truth does not eradicate it," she told the court. Fortunately, she was acquitted of all charges and released despite the defiance of the powerful Turkish army.

(The author is The Statesman's Hyderabad-based Special Representative.)

# Death of a reporter

Pearl's murder and the gap between words and action

239  
WHAT has long been suspected has finally been confirmed as the truth. The confirmation of the murder of *Wall Street Journal* journalist, Daniel Pearl, almost exactly a month after he set off in Karachi seeking an interview with Sheikh Mubarak Ali Shah Gilani, the leader of a local Jehadi group, tragically underlines yet again the great gap that exists between Pakistan President Pervez Musharraf's highlights once more that the task of cracking down on jihadi groups operating from Pakistan soil is a far more complex process than what the world has come to believe.

Today, Musharraf's words of January 12 have come back to haunt him. "No individual, organisation or party will be allowed to break the law of the land. All functioning will be in a regulated manner and within rules," he had said on that occasion. Yet, within days of this pronouncement, Sheikh Omar Saeed, a known jihadi, who had been released by India in January 2000 in the wake of the Kandahar hijacking, could along with accomplice Mansur Hussain carry out Pearl's abduction with impunity. One would have imagined that characters like Omar Saeed would have felt the wrath of Musharraf's intentions promptly, but that alas was not to be. He was not arrested until world anger over the Pearl kidnapping had become increasingly manifest and the Musharraf government was forced to take some urgent action. Now the old questions rise like ghosts once again. How serious is the General about his well-publicised crackdown on the jihadis? Even if he is com-

mitted about fighting them, does his government have the necessary strength and unity of purpose to carry such an ambitious project through? Will not the Pearl abduction and assassination provide a fillip to terrorist enterprise of all kinds? These are questions that concern not just Pakistan, but India, which has suffered immeasurably as a consequence and, indeed, the world, which has been generous in its praise of Musharraf's pro-reform stance and patient about its outcome. 95-8

The US has, in its initial responses to the Pearl murder, desisted from attacking either the Pakistan government or the man who presides over it, although there was more than a note of warning in US President George W. Bush's statement that "those who will threaten Americans, those who will engage in criminal barbaric acts, need to know that these crimes only hurt their cause.." It is quite likely that Musharraf's attempts to dodge the Pearl abduction issue during his recent Washington visit, although all evidence even at that stage indicated that the reporter had been killed, would now in hindsight appear an exercise in dishonesty. It is therefore a very thin line that the General will have to tread in the days ahead. He has, on his part, quickly pledged to track down everyone involved in the slaying and this may do for now, since the Americans do not seem too keen to press the issue, at least not openly, given its strategic interests in the region. But there can be little doubt that the Pearl tragedy has once again cast a shadow on Pakistan and its ability to control the phantoms that have come to haunt it.

23 FEB 2002

# Pearl dead, Sheikh Omar tells court

Press Trust of India

main sri 15/2

ISLAMABAD, Feb. 14. — The chief suspect in the kidnapping of Daniel Pearl told a Karachi court today that the American journalist might be dead.

Pakistan, however, refused to attach any credence to the deposition of Sheikh Omar, even as the timing of his arrest turned into a controversy. Omar told the anti-terrorism court that he was actually detained on 5 February but the police chose to formally arrest him on 12 February, hours before Gen Pervez Musharraf began his official visit to the USA.

State prosecutor Mr Raja Quereshi said Omar had admitted responsibility for Pearl's abduction, but didn't tell the court his whereabouts.

"Yes, I kidnapped him," Omar said in response to a question by the judge after he was brought to the court amid tight security. The prosecutor quoted Omar as telling the judge, "I know he is dead. I will not defend the case." Omar himself told the court: "As far as I understand, he (Pearl) is dead". He was formally charged with kidnapping and remanded to 15 days' custody by the court.

Reacting to Omar's statement that Pearl might be dead, Pakistan foreign office spokesman, Mr Aziz Ahmed Khan, said Omar "has been making several statements and changing those statements. A day earlier he said Pearl was alive. Before that he said some others were holding him and he'll help rescue Pearl."

THE STATESMAN

6 FEB 2002

# Pervez blames Delhi for kidnap

S Rajagopalan  
Washington, February 9

AHEAD OF his first official visit to the US, Pakistan President Pervez Musharraf blamed Indian Intelligence agencies for the abduction of *Wall Street Journal* reporter Daniel Pearl, a case that is deeply exercising American minds.

"It's very much a possibility that it has been done by the Indians, orchestrated by the Indians. That's what we are looking into," he told the *Washington Post*. He suggested that Pearl may have become a "pawn in an Intelligence game" played by India.

But Pakistani investigators have admitted that there is no solid evidence pointing to Indian involvement. "So far, the kidnapping seems to be an indigenous plot, unless Omar Sheikh appears and confesses to fronting Indian Intelligence," the paper quoted an investigator as saying in Karachi. "It is ridiculous

to expect the kidnapper in Karachi to use the most monitored telephone connection in Karachi to talk to his bosses in New Delhi," he said.

Musharraf's allegations are based on three phone calls to New Delhi from the same cell phone that was used to lure Pearl on January 23 to a Karachi restaurant from where he was kidnapped. The calls were reportedly traced to the numbers of an Indian Cabinet minister and two MPs.

But the Pakistani police said that those calls were probably made "to mislead investigators into concluding that India was involved".

It is the first time that Musharraf has spoken of the possible Indian involvement, but some of his senior officials have levelled similar allegations in recent times. New Delhi has contemptuously dismissed all these charges.

Musharraf, while not offering any specific information on the Indian hand, claimed that "indirect indications" suggested that Islamic fundamentalist Sheikh Omar Saeed, the principal suspect, could have acted in concert with India.

Indian circles here view this as "preposterous", given the fact that Saeed is a lead-

ing light of the anti-India terror outfit Jaish-e-Mohammed. Saeed is still to be arrested by the Pakistani authorities.

It has also come to light that all the three persons arrested in connection with the kidnapping so far are associated with Jaish-e-Mohammed. Two of them have acknowledged fighting in Kashmir as also in Afghanistan alongside one of the men who had been with the Sindh police's Intelligence wing.

Meanwhile, Pakistan has denied media speculation that kidnapped US journalist Daniel Pearl has been

## US-Pak defence deal

PAKISTAN AND the US signed an agreement on Saturday to enhance defence cooperation. The two countries would hold combined military exercises, training and operations. Pakistan would give services support to US operations in Afghanistan and elsewhere.

PTI, Islamabad

freed and is being sent to Britain, saying all efforts were on to rescue him, a PTI report from Islamabad adds.

# Pakistan to charge 3 in Pearl kidnapping

*Moro 1-3 9/2*

**Karachi, Feb. 8** (Reuters): Pakistani police said they formally arrested three men in Karachi today, accusing them of involvement in the kidnapping of US reporter Daniel Pearl.

The three, who were detained earlier this week, would be formally charged tomorrow when police would ask a magistrate to remand them for further questioning, officials said.

"We want to formally interrogate them... they are now arrested," the inspector general of Sindh police, Syed Kamal Shah told Reuters, without giving their names. *Wall Street Journal* reporter Pearl, 38, disappeared in Karachi on January 23 as he tried to contact radical Islamic

groups, and trace links between Osama bin Laden's al Qaida network and alleged shoe-bomber Richard Reid.

Police said the three men were traced through two e-mails sent in the week after the kidnapping, threatening to kill Pearl if the United States did not release its prisoners from the Afghan war. The e-mails contained photographs of Pearl in captivity.

Police said today they had detained another suspect after an overnight raid on a house in Karachi.

The police said they now had 14 suspects in custody and had identified four more they believe may have masterminded the kidnapping of Pearl. "Police raided a

house and detained someone on tips gathered from other detainees," a police source said. "Since January 23, the police have detained over 70 people but released most of them after interrogation."

Despite not having heard anything from Pearl's abductors for more than a week, investigators say they are hopeful he is still alive somewhere in Pakistan. "I personally feel, this is a hunch, that he is alive," said Brig. Mukhtar Ahmed, home secretary of Sindh province.

THE TELEGRAPH

9 FEB 2002

# Jaish denies hand in Pearl case

Muzaffarabad, February 7

PAKISTANI INVESTIGATORS believe Shiekh Omar, one of the men released by India during the 1999 Kandahar hijacking, is the mastermind behind the kidnaping of *Wall Street Journal* correspondent Daniel Pearl.

But the Jaish-e-Mohammed, the terrorist group, which Omar joined after his release, has denied any hand in Pearl's disappearance. Speaking from Pakistan occupied Kashmir (PoK), the Jaish's spokesperson, Rana Farooq Tahir said, "We have no link with the kidnaping of the US reporter or with the people allegedly arrested by police in this connection."

*The Wall Street Journal* corre-

spondent disappeared a fortnight ago in the southern Pakistani city of Karachi after heading off to meet an Islamic militant leader.

Sources involved in the police investigation said three men arrested in Karachi overnight had identified Omar as the source of e-mails containing photographs of Pearl in captivity.

But the Jaish spokesperson denied Omar was connected to the group, and said they did not believe in "inhuman" activities such as kidnaping. "We don't have any activities in Pakistan. We are confined to occupied Kashmir," he said, adding, "We target military personnel and installations."

Jaish-e-Mohammad has been

outlawed in Pakistan and features on the US list of terrorist outfits.

Returning from Islamabad, where he gave details of investigations to ministers concerned, the Karachi police chief was reluctant to talk about the Jaish's involvement.

When asked how significant Sheikh Omar is to the investigation, he said, "I don't want to go into details." On being asked if he believed Sheikh Omar provided Pearl's photo to the three men just arrested, he said, "That's part of our ongoing probe and it would be unwise to give too much detail at this stage."

An intense search is on for any clues to finding Pearl.

PTI



Pakistan hunts for militant freed in Kandahar

# Hijack link in scribe snatch

FROM IDREES BAKHTIAR  
AND REUTERS

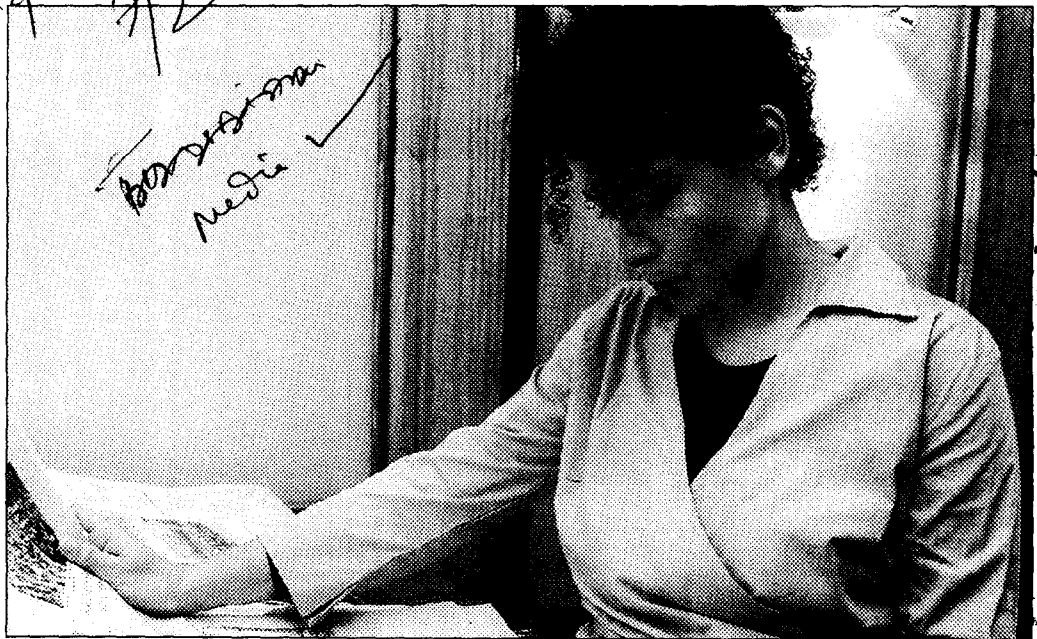
Karachi/Islamabad, Feb. 6: The kidnap trail of *Wall Street Journal* reporter Daniel Pearl has reached the Kandahar hijack.

Pakistani police today said they had narrowed their search for the scribe to the banned Jaish-e-Mohammad and were chasing senior leader Sheikh Omar Saeed, who allegedly directed his henchmen to e-mail Pearl's pictures to newspaper offices after he went missing late last month.

Sheikh Omar is one of the three militants — apart from Masood Azhar and Mushtaq — freed from a Kashmir jail in December 1999 to secure the release of the Kandahar hostages.

The Pearl case has assumed significance for India because of the alacrity with which Pakistan agreed to extradite another suspect in the abduction to the US. Mubarak Ali Shah Gilani is expected to be sent to the US on charges of receiving funds from unnamed American outfits.

If Sheikh Omar is arrested, a parallel could be drawn, raising the possibility of his extradition to the US. India, which has been toying with the idea of third-country handover of wanted



Marianne, wife of Daniel Pearl, at a Karachi hotel. (AFP)

suspects, can then step in and ask the US to send Sheikh Omar to Delhi. Police last night picked up three persons — Adeel, Fawad and Salman — after raids in Karachi and Lahore on suspicion that they had mailed Pearl's pictures. The trio confessed soon after that they had worked on Sheikh Omar's instructions.

"We are hunting Sheikh

Omar, who is directly involved in the kidnapping of the US journalist, and we hope to arrest him soon," a senior police officer in Islamabad said. "It's a major breakthrough for us and we are confident that we will be able to reach Pearl soon."

British-born Sheikh Omar, a graduate of the London School of Economics, is a close associ-

ate of Jaish founder Masood Azhar, one of the terrorists on India's most-wanted list.

Police have thrown a dragnet around many Pakistani cities in search of Sheikh Omar. Sources said many of his relatives in Lahore have been taken into custody. Police believe that though he stays in Karachi, he is holed up in Lahore itself.

THE TELEGRAPH

# Hunt for trio in Pearl kidnap case

FROM ANDY SOLOMAN

Islamabad, Feb. 5 (Reuters): Pakistani police said today they were hunting for three men involved in arranging meetings for kidnapped US reporter Daniel Pearl, while a local government official said a breakthrough in the case was near.

In a case bedevilled by false leads and hoaxes, investigators earlier said they thought one of the three men had been captured, but later admitted they had detained the wrong man.

"We have identified three main suspects in Pearl's case and if we manage to catch any one of them it will lead us to resolve this case," a senior police official told Reuters.

*Wall Street Journal* reporter Pearl, 38, went missing in the southern city of Karachi on January 23 as he attempted to make contact with radical Islamic groups. "We are interrogating a lot of people so there is a lot of headway made and we will soon announce publicly regarding the culprit," Mohammadmian Soomro, provincial governor of



Mariane Pearl, wife of abducted *WSJ* reporter Daniel Pearl, during a TV interview in Karachi. (AP/PTI)

Sindh, of which Karachi is the capital, told Reuters Television.

The police official named the three suspects as Hashim Qadir, Imtiaz Siddiqui and Bashir, saying they had helped Pearl arrange meetings at the time of his disappearance.

Police said Qadir, also known as Arif, arranged to take Pearl to meet Bashir, who in turn was

supposed to lead the reporter to a meeting with Muhbarak Ali Shah Gilani, leader of the radical Islamic group Jamaat al-Fuqra. Police said Siddiqui was also supposed to meet Pearl.

Gilani was detained by police last week and has denied involvement in Pearl's disappearance. Officials said they still had no idea who abducted Pearl and why, but said they were working on tracing the three men, who they said may have been involved in tandem or individually.

"We are not blind and we are not groping in the dark. We hope to trace these people soon," said Sayed Kamal Shah, Sindh provincial inspector-general.

US deputy treasury secretary Ken Dam said he was impressed with Pakistan's efforts to solve the case. "The US is very grateful for the efforts taken to date to help resolve this situation," he said in Islamabad. Before disappearing on January 23, Pearl had been working on a story about alleged shoe-bomber Richard Reid and possible links to the al Qaeda network of fugitive militant Osama bin Laden.

THE TELEGRAPH

6 FEB 2002

# Pak to extradite kidnap suspect

Islamabad, Feb. 4 (Reuters): Pakistan has decided to extradite, Muhbarak Ali Shah Gilani, the alleged suspect in the kidnapping of *Wall Street Journal* (WSJ) journalist, Daniel Pearl, to the US, a media report said today.

The decision to extradite him is significant as Gilani, who was being strongly mentioned as a prime suspect in Pearl's abduction despite his inability to provide any tangible leads to locate the *Wall Street Journal* reporter, had allegedly called top Indian officials before the kidnapping.

Gilani's extradition to the US takes place after American authorities proved that he received \$400,000 from certain unnamed organisations in America, *The Nation* said.

There was no official reaction to the report in Islamabad. Gilani's name shot into prominence after Pakistan foreign minister Abdus Sattar said three days ago at a security conference in Munich that the militant had called three important Indian officials before the kidnapping.

The allegations came even though Gilani strongly denied any links to the kidnapping and failed to provide any information on Pearl's whereabouts. He surrendered four days ago to the police in Rawalpindi.

Pakistani police stepped up their hunt for Pearl today after a false alarm that his body had been found dumped on the outskirts of a southern city.

Police said their search had been expanded to all four of Pakistan's provinces and investigators were also checking for possible links between the kidnapers and criminal gangs.

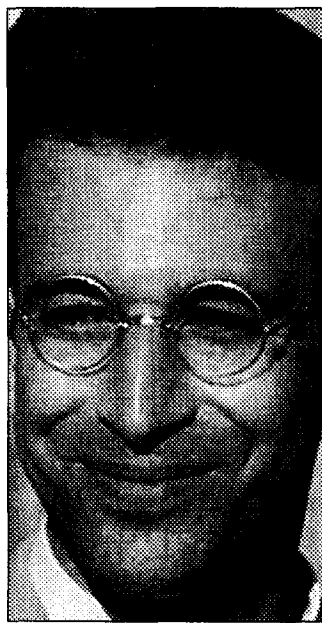
"The investigation is going on and we are moving forward," said a police official in Karachi. He declined to elaborate.

*Wall Street Journal* reporter Pearl, 38, disappeared in Karachi on January 23 while trying to contact militant Muslims believed to be linked to Saudi-born

fugitive Osama bin Laden. He is apparently being held by a group that has demanded the release of prisoners from the Afghan war.

The investigation, already cloaked in confusion by a flurry of hoax messages, took a new twist early today when his body was falsely reported to have been found near Karachi.

The Edhi ambulance service said it received a call shortly before midnight that a body had been dumped at Shorab Goth about 20 km outside Karachi.



Daniel Pearl (Reuters)

The dead man had been shot in the face.

"We rushed to the hospital and also informed US consulate officials and the *Wall Street Journal*... They confirmed that the dead person was not Daniel Pearl," the Karachi police official, who declined to be identified, said.

It was unclear who the victim was but the volatile port city of Karachi has been grappling with violent crime for years.

The FBI has joined the hunt for Daniel Pearl, Pakistan's interior minister said today.

THE TELEGRAPH

5 FEB 2002

# New e-mail keeps hopes on Pearl alive

ISLAMABAD: The fate of *Wall Street Journal* reporter Daniel Pearl remained unclear on Saturday with a new e-mail claiming that he was alive and dismissing earlier messages that he had been killed.

The shadowy group holding Pearl hostage for the last nine days had threatened to kill him on Friday evening.

The claim that Pearl had been killed was reported to have been contained in an e-mail, the origin of which could not be verified. The police in Karachi, from where Pearl disappeared while going to meet a leader of a militant Muslim group, said they had not received any e-mail but had the recording of a \$2 million ransom demand made on the phone.

The call, made to the U.S. consulate in Karachi, also demanded the release of the former Afghan ambassador to Pakistan,

Abdul Salam Zaeef, who is in American custody, a senior police official said. There was no one available in the consulate to confirm the details. A press attache at the U.S. embassy in Islamabad said he had no details of either the phone call or the e-mail.

The new message raised hopes that the U.S. journalist may still be alive. *The Wall Street Journal*, which had earlier said it had seen reports indicating that Pearl had been killed, said in a statement on Saturday that the earlier messages could be false.

"Based on reports from Pakistan, we now believe that both the messages received on Friday about Danny were false. We continue to believe that Danny is alive," managing editor Paul Steiger said in New York. "But we have not heard from Danny's captors in two or three days," he said.

Officials here declined to comment on the new message, the status of the investigations as well as the reports of Pearl's execution. Pakistan's foreign office spokesman Aziz Ahmed Khan said there was nothing to add.



Police search a Christian graveyard in Karachi on Saturday for Daniel Pearl

"Investigations are on. There is no further information I can give you," he said, adding that the investigating agencies were working on some leads and he would make a statement only after something definite emerged.

Meanwhile, hundreds of policemen listlessly combed more than 300 cemeteries in

Karachi to locate Pearl's body. The captors had earlier claimed that Pearl had been executed and the body could be collected from one of the cemeteries in Karachi. The new message, sent by an unidentified person and received by the Jang Group Online and other top media organisations here, said, "I am sorry. I sent the e-maail (sic) in which the deadline of Daniel (sic). Please pardon me. It was a fake mail. It also reveals another fact that the last mail is also a fake mail. I had a big burden on my conscience." (Agencies)

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# Harsh punishment for cyber crimes

By Our Legal Correspondent

**NEW DELHI, FEB. 1.** Taking a serious note of the increasing cyber crimes, the Centre, which has framed rules under the Information Technology Act, today announced stringent punishment and penalties for various types of cyber crimes.

According to an official release, "whoever without the permission of the person in-charge of the computer system access, downloads any data, introduces computer virus, causes denial of access" will be liable to a penalty up to Rs. 1 crore.

"Whoever tampers with computer source documents knowingly or intentionally conceals, destroys or alters or causes another to conceal, destroy or al-

ter any computer sources code shall be punishable with imprisonment up to three years or fine which may extend up to Rs. 2 lakhs or with both."

In the area of hacking, whoever with the intent to cause wrongful loss or damage to the public or any person destroys or deletes or alters any information residing in a computer source, shall be punished with imprisonment for three years or fine up to Rs. 2 lakhs or both.

In the area of electronic pornography, whoever publishes or transmits in electronic form, any material which is lascivious or appeals to the prurient interest will be punished to undergo imprisonment for five years with a fine of Rs. one lakh.

# Indian link in kidnap: Pak

Statesman News Service

NEW DELHI, Feb. 1. — The abduction of the Mumbai-based *Wall Street Journal* reporter, Daniel Pearl, in Karachi seems to have left the Pakistani authorities floundering to the point that every day a new Indian "link" emerges for them.

The Pakistani foreign minister, Mr Abdul Sattar, today said mobile phone records showed that the chief suspect in the kidnapping had been in touch with three Indian government officials.

Mr Sattar said in Berlin the alleged kidnapper "had made a number of foreign calls and among the numbers that he had called in India were those of persons who occupied important positions in the Indian government." He was referring to Mubarak Ali Shah Gilani, leader of Jamaat al-Fuqra.

The Centre has dismissed allegations of an Indian link in the abduction as "ridiculous." It asked Pakistan to "give the names" of the alleged officials or stop "the total charade."

There has been no official communication from Pakistan on its list of most wanted or anything else, officials said, since India made a demarche to Paki-

stan after the 13 December attack on Parliament.

Senior officials said Pakistan was under intense pressure not only from the USA over the incident, but also from its jihadi domestic constituency after General Pervez Musharraf's speech on 12 January.

Pointing fingers at India provided the authorities a "little leeway" with their people. Pakistan is also under pressure to try and ease tensions with India.

After India handed over a list of 20 criminals, Pakistan has been at pains to try and shift the focus. Officials say the country is "attempting to emulate step by step" what India did after 13 December.

Pakistan first spoke of a "list" of people it wanted, then there appeared a story about Mr LK Advani being "wanted" for alleged involvement in a conspiracy in 1947 and then the alleged mobile phone links of Daniel Pearl's abductors to Indian officials.

Pakistan said today it would not permit Indian flour to transit through its territory into Afghanistan after samples tested positive for fungus contamination, adds Reuters from Islamabad. Islamabad announced a national holiday on 5 February which it observes as Kashmir Day, adds PTI.

Another report on page 4

THE STATESMAN

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