

NEWS WRAP

AGD

RECENT DATA RELEASED points to India's gross domestic product growth slowing to 7.8%, the lowest rate in five quarters. Growth will slow down still further, with Reserve Bank of India expected to raise rates a further 50 to 100 basis points by March 2012. Inflation is running high at 8.7%, even with the RBI sacrificing short term growth, in the interest of retarding inflation. Continuously, inflation has been high for the last two years. Food accounts for a big portion of the income of the poor. High prices are a blow to the poor, as food inflation (11%) is even higher. In spite of twenty years of economic reforms and expansion, one in two children are malnourished in India. Measures of calorie intake and healthcare are at low level. While high growth is not an end in itself, China has shown, if other things are equal, sustained double-digit growth can significantly reduce poverty. The reformist zeal of the Union Government of India has been petering out, with the paralysis of the legislative process by the telecoms corruption scandal, which may have cost India's treasury \$39 billion.

About 60% of the foodgrains obtained from the Union Government of India, for distribution to the poor, are diverted to the market, for profits by politicians and bureaucrats. The proportion of diversion is about 90% in Bihar and Punjab. West Bengal and Maharashtra are diverting the least. The number of poor people is estimated from the 2005 National Sample Survey. Punjab and Andhra Pradesh exclude about three-quarters of their poor. Bihar, Orissa and Madhya Pradesh misclassified about a third of their poor. 83% of all households are supposed to have ration cards, but only 23% draw rations. States in the east and west specialize in smuggling grains to Pakistan and Bangladesh.

LAW OF THE VILLAGE

Unelected councils of male elders, known as "khap panchayat" have dominated life in many villages, mostly across northern India, where social control is exerted through edicts, which govern everything from marriage to property disputes. These councils are coming under national scrutiny, as their extra-judicial rulings, particularly those blamed for the spread of social honour killings, are in conflict with the concept of the national rule of law. India's Supreme Court has in recent months, condemned the councils as illegal bodies, and products of a feudal mentality. In Haryana state, dominated by Jats with sub-groups known as gotras, khap panchayats control many villages, and exert heavy influence on the political system. Khap leaders contend that their council created social cohesion and provide speedier justice. They are pushing their own agenda in Parliament, by demanding alterations to mould Indian marriage laws reflect their conservative tradition. The khaps are desperate to traditionally control women and property, which are intertwined with marriage.

E COLI OUTBREAK

With laboratories admitting that they have failed to identify the source of infection, the toll from Germany's E Coli outbreak has continued to rise. The deadly bacterial infection has killed over forty five people in Germany and Sweden. Hundreds of new cases have been reported over the last two months, of which a quarter involved the dangerous hemolytic-uranic syndrome. The dangers of the infection have not been contained and there are preliminary indications of "person-to-person" transmission of the bacteria.

Spain is demanding compensation for unfounded and financially damaging accusations that its cucumbers were the source of a deadly bacterial infection. It might take action

against the authorities in Hamburg, who initially blamed Spain's cucumber producers as the root of the deadly strain of the bacterium.

ISRAEL–SYRIA CLASHES

As hundreds of demonstrators try to cross the frontiers between Syria and the Golan Heights, Israeli soldiers have been clashing with pro-Palestinian protestors from Syria, several times since May 2011. The frontier between Syria and the Israeli-occupied Golan Heights is heavily guarded. Syrian state media claim that as many as forty protesters were shot dead by Israeli troops, as they approached the border, and more than two hundred people were injured. Israeli military has confirmed that soldiers had opened fire, but could not verify casualties. Inspired by the Arab spring, the bloody clashes are part of a series of anti-Israeli protests on Israel's borders in Lebanon, Syria and the West Bank. □□□