

## **Modi Govt Must Not Ban Cryptocurrencies. But regulation shouldn't be slack either.**

**By Dr Seshadri Chari**

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The Cryptocurrency and Regulation of Official Digital Currency Bill, 2021, which is likely to be introduced in the Lok Sabha in the coming Winter Session of Parliament beginning 29 November, will signal the end of private cryptocurrency deals in India and introduce a regulatory framework in this sector. The official digital currency to be introduced by the Reserve Bank of India will be recognised and will, in all likelihood, be the official cryptocurrency of the country.

The broad consensus seems to be that it would be prudent on the part of the Narendra Modi government to regulate this business rather than ban it completely. There is an apprehension that roughly 10 crore Indians who possess or deal in cryptocurrency will continue to dabble in it in spite of the ban, making it the biggest underground black market illegal financial trade in decades. The share market will pale in insignificance.

The worst fear of any online trading activity and agency, in the private or public sector is the possibility of cyber-attack. According to the Indian Computer Emergency Response Team (CERT-In) there have been more than six lakh cyber security breaches in the first six months of this year with government institutions accounting for 12,000 incidents. Pakistan-originated malware that had earlier targeted the power sector and government organisations in India has now mutated, like a real-life virus, to adopt new cyber-attack capabilities. The modified remote access trojan, dubbed 'ReverseRat 2.0', has "added functionality such as taking remote photos via webcams and retrieving files on USB devices inserted into the compromised machines", according to Back Lotus Labs report. According to reports Afghanistan, India, Iran, and Jordan were among those governments targeted by attackers using a forged United Nations Meeting platform (UNODC) to lure government targets.

For example, Quoine Pte Ltd, which trades under the brand name Liquid, is exempted by the Monetary Authority of Singapore (MAS) from holding a licence to supply Digital Payment Token (DPT) services and warns customers that they may not be able to recover all the money or DPTs paid to them if the business fails. In August this year, this company became a victim of cyber-attack resulting in the theft of cryptocurrency assets worth 97 million dollars from its warm wallets (an online account used by customers for easy access for trading in cryptocurrency). A cyber-attack on government operated or licenced cyber exchanges will seriously erode the confidence of investors even in other markets trading in

financial instruments. The regulatory body needs to insulate all such exchanges and financial markets from such an eventuality.

Cryptocurrencies emerged from the idea of ‘mining’ bitcoins using a complicated algorithm and high- end computers with multiple functions running parallelly. Soon, the blockchain technique became more popular than the end product. The biggest advantage of this technique was the ease with which the trader could conceal all private information. This in itself becomes the source of many illegal, shady and anti-national activities. The regulation attempt by the government appears to be the right way to prevent the misuse of the technology but derive maximum benefit out of it. Like any other “legally permissible gambling business”, this trade in government-minted cryptocurrency will also generate profit fit enough to be taxed. This tax revenue could be one of the incentives for the government to allow this trade with restriction rather than ban it and lose the “sin tax”.

Cryptocurrencies are not just another trading activity. They have the potential to turn into a lethal weapon in the wrong hands with sinister motives. Trading in arms and weapons including medium range nuclear warheads are possible with cryptocurrencies without going through the overtly traceable computer operations which are easy to track.

In order to prevent tracing of transactions and protect privacy of the customers the cryptocurrency platforms use various techniques such as Dual Key Stealth Address Protocol (DKSAP), which allows the sender to generate a new address for every new transaction. By using ring user signature technique, the sender can make the transaction untraceable. Such multiple transactions can originate from one source but reach different buyers or beneficiaries without anyone in the ring coming to know the other, not to speak of the security agencies. Finally, the Zero Knowledge Succinct Non-Interactive Argument of Knowledge (Zk-SNARKs or Snark as it is referred to) devised to conceal account balance allows the currency holder to authenticate and validate a transaction without divulging critical personal information or even location.

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## **Investigation Mahotsava!**

**By Sanjay Sahay, IPS**

Author is an IPS officer of 1989 batch, Karnataka Cadre, who took VRS in March-2020, is an alumni of Delhi’s prestigious St. Stephen’s College. Post retirement, in his new role as a Tech Entrepreneur he is now the Founder Director of TechConPro Pvt. Ltd – World’s first Technology Consultancy Aggregator.

The Investigation Mahotsava can be operationally termed as the cleansing of India. It would be a super operational festival to bring sanity in everything we do, into our system, in our ecosystem. It would never happen, but hypothetically is there a strength in the argument? It can also usher in process-oriented clarity in investigation, some cases being investigated by different agencies or there being a permanent clamour for investigative agency change. How can the finality puzzle of investigation and justice be sorted out? Non-finality can always keep us in flux. The investigator and investigating agencies’ jigsaw puzzle have to be sorted out and also the power play around them. Checks and balances are standing in its head.

Whether you accept it or not, investigation is one single official activity that is deciding the fate of this nation. There is no political party and barely any leader who is not impacted by it. Nearly always a super navigation game is being played with the system. Do whatever you feel like, whatever suits you best or where you gain the maximum and be able to manage legally safely. Is it not the job of all stakeholders, legally bound to facilitate the investigation process or be a bottle neck? The commission is only one part

of the story, the deliberate omission is writing our common destiny. These elements will never get caught. The official turning professional absconders are not created in a day, the ecosystem grooms them for decades to be one. The number is increasing.

If all that is under investigation today is to be successfully completed with finality, leave aside lots known which are deliberately buried, it would take more than a year, if all agencies put their hearts and minds together, are provided all necessary resources; human, technical, and financial. All government departments, ministries and regulatory agencies provide whatever is asked for by the investigators inclusive of approvals and availability of officials. One year governance can happen only at the mechanical / maintenance level and all energies and focus of the government is channelled towards achieving a paradigm shift in the whole investigation ecosystem; quality and delivery. The prosecutors and justice systems logistics and manpower will also have to be taken care of.

Seamless coordination between the investigative agencies, with data enablement and focused and result oriented communication between them, would be highpoints of Investigation Mahotsava. All leads provided by auditors, foreign investigations, media agencies, international watchdogs, relevant and worthwhile for the nation should be one of the critical pro-active works of this Super Investigation exercise. When investigation is coming in the way of governance, growth, national and security issues, it is high time we prove its worth finally, in the interest of the nation. The *chalta hai* and get away attitude too deeply seated in our psyche, has to be convincingly uprooted. Investigation has to stand on its own feet and no better way to do it than to have a yearlong Investigation Conscriptation. Let us celebrate the investigation for a national purpose.

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## Education policy: Lessons for India from Taiwan economic miracle

**By Peters Chen**

Author is Director, Education Division, Taipei Economic and Cultural Centre in India.

Education policy and Taiwan miracle: Before 2000, Taiwan had been widely admired as one of the four Asian Tigers that achieved great economic progress through industrialisation. The millennium saw the country breaking away from the other tiger economies to establish itself as an advanced industrial nation that accounts for more than 60% of the global semiconductor production. A lot of credit should be given to the pragmatic education policy that can be emulated by the emerging market economies in Asia and elsewhere. Taiwan, a country roughly the size of Kerala and a population two-thirds of the Indian state, has 126 registered universities. The country is looking to collaborate with other Asian nations in the field of education under the New Southbound Policy, initiated by President Tsai Ing-wen. Education and people-to-people contact are the focus areas of this policy that looks to promote economic and cultural ties with countries in Southeast Asia, South Asia, Australia, and New Zealand.

Traditionally, education is a non-profit sector and a governmental responsibility in Taiwan as in other East Asian countries. There is an old saying: “It takes 10 years to nurture a tree, but a hundred years to train a man.” Without much natural resources, Taiwan depends on human capital to power the economy and needs to invest intelligently. Between 1955 and 1970, the expenditure on education rose from 2% to 4.6% of the GDP, and from 11% to 20% of the national budget. Since then, there has been a steady increase in investment; educational expenditure was 5.97% of the GDP and 24% of the budget in 2020.

Taiwan miracle, the island nation's rise as an advanced industrial nation, has a lot to do with the flexible education policy that promoted technological and vocational education that distinguished the country from other East Asian nations. To build a non-agricultural labour force, the government increased the intake in vocational high schools from 40% to 70% between 1963 and 1980. This contributed to export-oriented development by creating a highly skilled labour force.

This period between 1963 and 1980 also saw the emergence of a competitive examination system for university admission, leading to improvements in Taiwan's research and development capabilities. The intake into departments was aligned to the requirements of the job market which helped establish a supply- demand balance.

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## **Sri Lanka Awards Port Project to China After Dropping Japan, India**

Sri Lanka will tap a Chinese company for a port project in Colombo, its largest city, which had been awarded to Japan and India before the partnership was scrapped early this year.

The decision highlights Colombo's balancing act and comes a month after Indian conglomerate Adani Group was awarded another deal worth over \$700 million to develop the West Container Terminal at the Colombo port. President Gotabaya Rajapaksa has said he wants to be "neutral" in Sri Lanka's relations with India and China as the nation struggles with a shortage of foreign currency.

His cabinet on Tuesday agreed to have state-run China Harbour Engineering develop the Eastern Container Terminal while stipulating that local authorities would handle all operations. It cited recommendations by a cabinet-appointed committee as the basis for the decision.

The apparent pro-China tilt of Rajapaksa's government is seen as a factor in the change of plans. Beijing has invested heavily in projects on the strategically positioned island under its Belt and Road infrastructure initiative.

Sri Lanka had signed a memorandum of understanding with Japan and India in May 2019, under previous President Maithripala Sirisena, to jointly develop the Colombo terminal. The operating company would be 51% owned by the Sri Lankan government, with the rest held by Japan and India. Rajapaksa, who took office in November of that year, indicated at first that the project would stay on course. That changed this past February, when the cabinet decided that the operating company would be wholly owned by Sri Lanka, pushing Japan and India out of the project. The Japanese government called the unilateral move "regrettable."

China has continued to provide financing for Sri Lankan infrastructure, taking control of projects such as roads and port facilities in the process. Concerns have been raised that this support is pushing the country into a debt trap, as was seen in a 2017 lease deal of the Hambantota port in the southern coast of the island. The previous government leased it out to a Chinese state-run company for 99 years, in return for \$1.1 billion as a part of Colombo's efforts to repay debt to China.

[Courtesy: Nikkei Asia](#)

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# China Only Grows Bolder Under Biden

By Cheryl K. Chumley

Author is online opinion editor for The Washington Times.

JPMorgan Chase CEO Jamie Dimon, during remarks at the Boston College Chief Executives Club, shot off a quip about China that was not exactly fawning — and shortly after, he apologized. More to truth, shortly after, he was pressured to apologize.

There are so many things wrong with that picture it is difficult to know where to start.

First off, America does not apologize to China. Ever. America the Free does not acknowledge the right for China the Unfree — for China, the communist, China the human rights violator, China the persecutor of religion, China the complete opposite of free — to pressure Americans into apologizing. For anything.

If America allows that China has a right to monitor and shape American morals, values, freedoms, then America might as well shred the Constitution now. It will save the soon-to-come Chinese overlords the trouble.

Second off, businesses in America have gone far too far down the trail of appeasing China for economic gain. For the glory of the buck, for the opportunity to expand, the NBA has sided with communists over its players, Hollywood has censored its films to win favour with Chinese, and top-earning American companies have catered their advertising, their public relations, their messaging — their free speech — to the CCP, to the point of outright ignoring atrocities perpetrated by China against, oh, let's pick one, say the Uyghurs, a.k.a. Uighurs.

“2 million Uighur Muslims Face Genocide at the Hands of the Chinese Government,” For the Martyrs reported earlier this year.

But at least U.S. chipmakers and casinos get their big bucks from their China partners, yes?

American companies doing business in China, relying heavily on business in China to boost their bottom lines, have sold their souls to the devil. And perhaps that wouldn't be so devastating if they didn't want to sell yours and mine, as well.

JPMorgan's Dimon said in recent remarks that “the Communist Party is celebrating its 100th year” and “so is JPMorgan.” He then quipped, “And I'll make you a bet we last longer” and added: “I can't say that in China. They probably are listening anyway.”

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## China's Companies Are Going to Any Length for a Hold on Lithium

Automobile executives in China have had a lot to contend with this year. But those operating in the electric-car space (which is almost everyone these days) have had it especially tough. Not only has the world's biggest EV market become even more crowded in 2021 but the explosive sales — deliveries are expected to more than double this year to around 3 million units — have led to soaring prices for raw materials. That is also weighing on battery makers' bottom lines and sparked heated competition globally for lithium resources.

The price of lithium carbonate has more than tripled since January, adding around \$470 to the cost of making a battery-powered car, according to China Central Television. Tight supply has also been reflected in the price of other lithium materials. Companies in China that supply lithium have caught the attention of investors with shares of Tibet Summit Resources up 250% this year and Tianqi Lithium rallying 205%.

Even though China's lithium reserves rank as the world's fourth largest, the silvery metal is mainly found in the salt lakes around Tibet and Qinghai, a sparsely populated Chinese province spread across the high-altitude Tibetan plateau. That makes it difficult to refine and transport. While the production of lithium carbonate from Qinghai Lake has doubled this year, demand still outpaces supply, according to Dong Yang, the vice president of leading automotive think tank China EV 100. To make up the shortfall, China imports about 70% of lithium from overseas. And with the prospect of even more lithium needed as the EV revolution picks up speed, companies are stepping up efforts to secure supply for its dominant refinery sector.

Ganfeng Lithium, one of the world's top lithium producers, bid for a stake in Canada's Millennial Lithium in July, while battery making giant CATL, led by billionaire Zeng Yuqun, joined the race a few months later, trumping Ganfeng. In the end, it was a third company, Lithium Americas, which appeared victorious (although Ganfeng is a shareholder in Lithium Americas). Undeterred, Ganfeng in September bought out its partner, International Lithium, in the Mariana project in Argentina, one of the biggest deposits globally. Last month, Zijin Mining paid around \$755 million cash for Neo Lithium, a Canadian group that also has operations in Argentina.

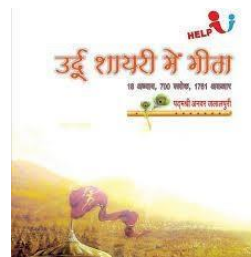
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## **Nation is Indebted to: Padma Shri Anwar Jalalpuri (1947-2018)**

One of midnight's children who saw the sully of many dreams and yet retained a luminous idealism, a college-level teacher of English (He was an English lecturer at Narendra Dev Inter College, Jalalpur) who wrote poetry in Urdu, a poet of repute who enjoyed an extra-ordinary felicity and dexterity at performing the nizammat of a mushaira, a translator of texts as diverse as the Bhagwat Gita and the poetry of Omar Khayyam and Rabindranath Tagore into Urdu – Anwar Jalalpuri was all this and more. Born in the *qasba* of Jalalpur, near Malipur, Ambedkarnagar in Uttar Pradesh in 1947, Jalalpuri encapsulated within himself all that was best and brightest in Urdu zuban and tehzeeb. Perhaps, it was this easy familiarity with the literary culture of Urdu that allowed him to hold sway over the often-tempestuous world of mushairas for nearly four decades, making him a well-known name across much of the Urdu-speaking world.

The task of nizammat i.e. deciding the sequence of readings according to status and seniority as a poet, maintaining the tempo and rhythm of a mushaira like a finely-strung instrument, alternating sombre moments with light-hearted ones, knowing exactly how to introduce each poet, chivvying a reluctant



audience to give the right amount of *daad* (praise with loud cries of wah-wah) and chastening them when they become rowdy or boisterous – has been described in two ways. At its most graceful, nizamat can be like a maestro conducting an orchestra. On the other hand, given the rambunctious nature of many mushairas, the task of nizamat can be akin to weighing frogs on a scale (tarazu mein mendhak tolna, as someone once put it so memorably). However, Jalalpuri brought a rare élan, as well as gravitas, to this task.

As a poet, Jalalpuri will be remembered for a rich and varied corpus comprising the ghazal, nazm, naatiya shairi (devotional poetry). Steeped in tradition yet acutely aware of the world around him, he could rightly say:

*“Mera har sher haqiqat ki hai zinda tasvir  
Apne ashaar mein qissa nahin likhkha main ne”*  
“Every verse of mine is the living portrait of reality  
I haven’t written a tale or a fantasy in my poetry”

A prolific and eclectic writer, Jalalpuri was also a scriptwriter, essayist, and literary critic with over 20 books to his credit in both Urdu and Devanagari. Of these his manzum (verse) translation of the Gita deserves special mention. His Urdu Shairi Mein Gita: Naghma-e Ilm-o Amal (published in 2013) tries to tell the story of the human heart that transcends time and circumstance and addresses questions that have troubled mortals since time immemorial: Who is man? What is the spirit? What is life? What is death? Does God exist? For this, Jalalpuri was awarded the Yash Bharti Award in Lucknow.

He attempted to explain the meaning of Bhagwat Geeta shlokas in simple language and thus expanded the 701 shlokas to 1761 couplets. Dedicated to the syncretic traditions of India, and to all the sharif people who wish for peace the world over, it has a Foreword by the Hindi poet Gopaldas Neeraj and a Preface by Uday Prakash Singh – so it covers a gamut of political shades and opinions.

And yet, for all its political correctness, it is to be by far the most lyrical of the several existing versions. Every *adhyay* began with a *saransh* or summary that held a key to understanding each chapter.

His words given below has a very deep message for one an all

*“Na tera hai na mera hai yeh Hindostan sabka hai  
Nahin samjhi gayi yeh baat to nuqsan sabka hai”*  
“Neither yours nor mine this Hindustan is everyone’s  
If this is not understood the loss will be everyone’s”

Anwar Jalalpuri the prolific poet was awarded Yash Bharti award in 2016 by UP Government and Padma Shri (posthumously) in 2018.

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