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The message is perform or perish

The Delhi bypoll results show that AAP's perpetual protest mode is not working

Two years ago the Arvind Kejriwal-led Aam Aadmi Party (AAP) came to power winning an unprecedented 67 seats in the 70-seat Delhi assembly. Such was the euphoria and jubilation that it appeared that AAP was the political alternative the people were yearning for. It appeared to be the replacement for a dispirited Congress and posed a serious challenge to a rising BJP. But as Voltaire said: "Great responsibility follows inseparably from great power"; and the greater is the fall when such responsibilities are not met. The **ourtake** Rajouri Garden bypolls results should be a wake-up call for AAP. Not only did it lose the seat, earlier held by its MLA Jarnail Singh who resigned to fight in Punjab, but it also ended up a distant third. To add insult to injury AAP's candidate lost his deposit.

AAP leaders have said that the defeat was "expected" — this hardly erases the fact that the people felt neglected by their representative. As reported by Hindustan Times, the voters felt that AAP failed to "respect the mandate" they gave it in 2015. Based on its 2015 Delhi victory, AAP drew up ambitious plans for other states. The results of the assembly polls in Punjab and Goa exposed the misconception that AAP expanded beyond Delhi. Now it seems, chinks are appearing in its armour in Delhi itself. It is difficult to say whether the bypoll results will have an effect on the MCD polls this Sunday. And while it is foolhardy to write political obits based on one result, it is hard to ignore the signals: The voter is disillusioned by AAP's style of politics.

The party must move away from its 'protest mode'. It has overplayed this card. A party's leadership and government that delivers, and not plays victim, is what the people want. A good start would be in focusing on providing basic amenities like water, as residents in Rajouri Garden told HT. Similarly, AAP's current protest against EVMs is seen by many as political opportunism and an issue raked up to lure people's attention away from its performance or lack of it. Last week's results show that the voter cares about local issues, is demanding and will not reward non-performers. This is also a message for other political parties.

Russia-US ties are going downhill in spite of Trump

A return to a quasi Cold War state will not be good for India as it would benefit China's global standing the most

Nation-states have permanent interests and, among great powers, not even presidential friendships can get in the way. This geopolitical truism is evident from United States President Donald Trump's abortive attempts to move the US government's policy towards Russia to a less confrontational path. In no other foreign policy area was the gap between candidate Trump and the Washington establishment greater than his professed admiration for Vladimir Putin, scepticism about the Western alliance and opposition to economic sanctions against Russia. Mr Trump now admits that US-Russia relations are at "an all-time low" and the Kremlin speaks of bilateral ties having "worsened" with the new administration.

The Trump administration was initially seen as a godsend by Moscow. The Ukraine crisis and Russia's military intervention in Syria had led to a consensus across much of the West that a tough stance was needed to counter Mr Putin. A Russophilic US administration would have put paid to this policy. While Moscow has been able to sustain growth by dipping into reserves it built up during the commodity boom, it needs advanced technology and foreign investment to ensure growth in the years to come. The hope that Mr Trump would be the key to all this is now almost gone.

Mr Trump's desire for closer ties with Russia faced opposition from almost every element of the US bureaucracy, security apparatus, legislature and his own Republican Party. Evidence the Kremlin may have sought to interfere in the US presidential elections in Mr Trump's favour only added legitimacy to the system's efforts to maintain the traditional run of the US' Russia policy. The US is now almost deliberately bearding the Russian bear in his lair. India would have preferred some sort of US-Russia rapprochement, not least because a return to quasi-Cold War days seems to benefit China's global standing the most. New Delhi must now assume that there will be no Trump healing touch to one of the world's oldest geopolitical faultlines and adjust its policies accordingly in places like the western Pacific and Afghanistan.

straightforward

SHASHI SHEKHAR



Pakistan must not get away with this

Will the collective rage of our legislators be enough to save Kulbhushan Jadhav's life?

It was a welcome development. Used to feuding with each other on the slightest pretext, our parliamentarians were speaking in one voice for a change. The reason? A military court in Pakistan has awarded a death sentence to Kulbhushan Jadhav on allegations of spying and this brought our MPs close to boiling point. Their anger was justified and their solidarity commendable.

Will the collective rage of our parliamentarians and ministers be enough to save Jadhav's life? Will he manage to return unscathed to his family in Mumbai?

These questions need to be raised because even before Parliament's proceedings could end, Pakistan PM Nawaz Sharif's reply had come with an underlying threat: Their army was prepared. He was responding to a statement by external affairs minister Sushma Swaraj that Jadhav was India's son and all efforts will be made to bring him back. That if anything happened to Jadhav, Pakistan should be ready to face serious consequences for our bilateral relationship.

We should not forget that before this, in the Sarabjit Singh case, India has been a victim of Pakistan's treachery. At a time when the Indian government was building pressure on

Islamabad saying that Sarabjit was an ordinary citizen who had strayed into Pakistan, a few prisoners were carrying out an assault on him in a Lahore jail.

Were the prison officials so stupid as to not realise the significance of this prisoner for India-Pakistan ties? Clearly these killers had the government's backing. A day after the incident, an Indian prisoner assaulted Sanaullah Haq in a Jammu jail. After slipping into a coma for a few days, Haq died. Now it was the turn of Pakistan to make a counter-allegation since Haq was a Pakistani citizen who had been arrested on charges of involvement in acts of terror.

Who says international diplomacy is a subject that is discussed only behind closed doors? At times, we see it taking place in prisons as well.

Here I must make it clear that the Kulbhushan Jadhav issue is much more complicated than Sarabjit Singh's. Jadhav was in Iran on a business trip. He was kidnapped from there and brought to Pakistan. After his 'arrest' Pakistani agencies put out a video where he was seen 'confessing' that he was a RAW agent. But his swollen face and the jumps in the video gave away the flimsy nature of this confession. It was said



A protest for Jadhav in Mumbai

that an Indian passport with an Iranian visa was recovered from Jadhav. Since when did spies begin travelling on valid travel documents such as passports and visas?

Everybody is aware that Pakistani politicians like to atone for their sins by getting their hands dirty with the blood of innocent Indian citizens. Consider the timing of Jadhav's death sentence.

Elections to Pakistan's national assembly are just one year away and Sharif wants to retain power to keep his misdeeds away from the public eye. His tenure as PM has been infamous. He has failed to act on his electoral

promises and his loved ones have been named in the Panama Papers. If this wasn't enough, the surgical strike by India brought him even more criticism.

Pakistan's new army commander Qamar Javed Bajwa has no option but to go with Sharif. A few weeks before he took over, the Indian Army conducted a surgical strike in Pakistani territory. He wants retribution for that. Not just this, every Pakistani general wants to avenge the humiliation that Pakistan faced in 1971 when 90,000 Pakistani soldiers led by General Niazi surrendered before the Indian Army. That's why Bajwa didn't think twice before giving the go-ahead to Jadhav's sentence.

What will India's next step be? I recollect an informal chat with a senior minister in the Modi government in August when he said that Pakistan doesn't really know Narendra Modi. I don't know what exactly he will do, but make no mistake, if they meddle too much with our borders, he will do something that will bring the Pakistanis back to their senses.

Who knew that a few weeks later, our soldiers would cross the border and destroy the launch pads of terrorists who were flourishing with Pakistan's support?

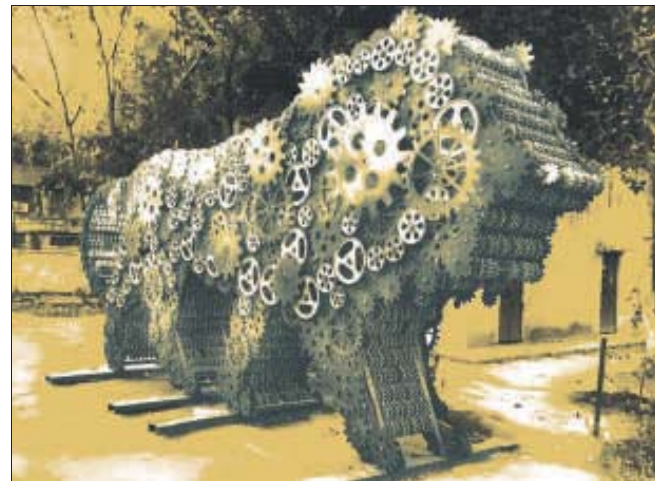
Can a strong nation like India allow Pakistani intelligence agencies to kidnap one of its citizens from Iran and hang him?

It is a test of India's intent and resolve.

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MISSED TARGETS



It's not a bad thing for India's aspirations to exceed its political grasp

DEEPAK BANSAL

Make in India has fallen far short of expectations

A trending social media hashtag alone will not generate jobs. Only a major boost to the manufacturing sector will

AMITABH DUBEY



How does one judge Make in India? Recent news that foreign direct investment (FDI) flowing to defence in 2016-17 was an absurd trickle of ₹61,000 (or perhaps ₹61,000, the Ministry of Defence didn't specify) seems to have not caused much of a ripple. Nor has the fact that FDI in defence in the past three years has been — this isn't a typo either — \$174,000, notwithstanding several liberalisation announcements.

Defence is just one, albeit telling, sector, with its own peculiarities such as the much-delayed "strategic partners" policy and a single buyer — the Ministry of Defence. But it is an exaggerated version of the story playing out across the Make in India campaign, which promises to generate millions of jobs in India by increasing the share of manufacturing to 25% of gross domestic product (GDP).

India has seen strong FDI flows in the last couple of years, but most of this is going to ride-sharing services and e-commerce providers. FDI in manufacturing hit a high of \$9.6 billion in 2014-15 (slightly better than the previous 2011-12 record), but actually fell the next year to \$8.4 billion. A major pickup in 2016-17 seems unlikely. Despite rising costs in China, India has made little headway into becoming a global manufacturing alternative, particularly at the low end that generates the most

jobs. Textiles and clothing jobs from China are moving to Myanmar, Cambodia and Bangladesh, while Vietnam, Thailand and Indonesia are gaining in electronics. India has become a global small-car hub, but this relatively high-end segment is not a massive job-creator.

Things are slowly changing. India has a large domestic market to leverage, and the two dedicated freight rail corridors it is now building should contribute to a major reduction in logistics costs in a few years.

There are limits to what a government can do. India's can't, and arguably shouldn't, try to emulate China's labour suppression that kept manufacturing costs down, which Myanmar, for instance, could. This government isn't even pushing the smaller measures forcefully enough. The focus on "ease of doing business" reforms is commendable, but only four of 31 states have implemented meaningful labour reform in the last three years. The BJP could certainly prod its 12 other states to follow suit.

And let's not forget the self-goals. Demonetisation has shredded the informal sector. Large companies in sectors from automobiles to consumer goods have laid off thousands of workers, as have their suppliers. Demonetisation may have delayed the goals of Make in India by months, if not years.

It's not a bad thing for India's aspirations to exceed its political grasp, but a trending social media hashtag won't generate jobs. India has always done its bit of manufacturing, and the test of Make in India lies in whether its GDP share meaningfully rises, not in photo-ops.

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innervoice

SMILING GENERATES POSITIVE THOUGHTS, TRY IT MORE OFTEN

Sujit De

The other day, when I was telling one of my colleagues about benefiting from laughing exercises, he said, "I can't believe that. Smiles should be spontaneous. A mechanical smile can't be of any help." At that point, I asked him to put on a long face and to knit his brows just mechanically for five minutes with an assurance that I would eat my words if he passed the test.

The countdown began on the stopwatch on his mobile phone. He gave up within three

minutes, saying he felt unwell! Indeed, this very opposite exercise clearly proves that smiles can do a world of good even if we try it artificially.

But what was the real reason for his failure? Researchers have concluded that frowning while looking at someone smiling would be difficult. They have also given a long list of the benefits of smiling. It strengthens the immune system, boosts energy, and protects one from the damaging effects of stress. A good hearty laugh can relax our muscles for as long as 45 minutes.

It protects the heart and triggers the release of the body's natural feel-good chemical endorphins that can even temporarily relieve pain.

The more we smile the more effectively we can break the brain's tendency to think negatively. As a matter of fact, their research has proved the axiom that laughter is the best medicine. A smile is a curved line that can indeed set many situations straight.

Inner Voice comprises contributions from our readers. The views expressed are personal. innervoice@hindustantimes.com

pulp-it

R SUKUMAR



Should the State have a stake in tobacco firms?

The ill effects associated with the industry have not deterred the government from owning a stake in ITC

Should the government, directly or indirectly, hold a stake in tobacco companies? That's the substance of a case filed by a group of individuals, some of whom run the Tata Trusts, in the Bombay High Court. The case — the court is yet to decide whether to admit it or not — specifically names ITC Ltd, which it refers to as "primarily" a tobacco company. That's true, although the Kolkata-based company has diversified successfully into other businesses, including confectionery and packaged consumer goods. Indeed, one of the company's executives was once affronted that Mint referred to ITC as a tobacco company. Still, the tobacco business contributed over 60% of its revenue from operations and 75% of net profit in the three months ending December 31, so the petitioners' description of ITC as a tobacco company is justified.

There's also no debating the ill-effects of tobacco. ITC, India's largest cigarette company, has always been aggrieved that the government doesn't tax beedis and other forms of tobacco, but that's an entirely different issue, as smuggling of cigarettes from across the border. The simple answer to whether cigarettes are harmful would be yes.

Directly and indirectly, the government holds a substantial stake in ITC. Through five insurance companies and the so-called Specified Undertaking of the Unit Trust of India (SUUTI), it owns 32% stake in the company. The petitioners in the case in Mumbai are asking whether it should.

Like Larsen & Toubro (L&T) Ltd, another private company in which the government directly and indirectly holds a stake, ITC is a board-managed company with no promoters, Indian or foreign (as defined by Indian rules). It is run by professional managers whose only stake in the company comes from stock options (and ITC is generous with them). Some of the government's stake in the two companies can be traced back to US-64, the guaranteed return mutual fund run by the Unit

ITC, INDIA'S LARGEST CIGARETTE COMPANY, HAS ALWAYS BEEN AGGRIEVED THAT THE GOVERNMENT DOES NOT TAX BEEDIS AND OTHER SIMILAR FORMS OF TOBACCO

Trust of India that went belly up in the early 2000s. The value of the units was below the guaranteed return, so the government made good the difference and took over the shares. And some of the stake is historical (as in, the government insurance companies have held them forever, or so it seems).

The government's holding in the two companies has protected them from corporate raiders, domestic and foreign. In the late 1980s and early 1990s, for instance, it was this holding that eventually prevented Reliance Industries Ltd from taking over L&T, although the late Dhirubhai Ambani did have control for some time and even served as the company's chairman (I've cut a really long and interesting story short). And in ITC's case, it is this holding that has kept at bay British American Tobacco (BAT), which has around 30% stake in ITC through subsidiaries. Every now and then, there is talk of the government selling the stake it holds in the two companies through SUUTI, but in ITC's case, such proposals are always accompanied by a caveat that BAT will not be allowed to bid for the shares. Which is as it should be — we need more professionally-managed, board-run companies such as ITC and L&T.

Interestingly, ITC also gets another form of protection from the government. Indian rules do not allow foreign direct investment in the manufacture of tobacco products and media reports last year suggested that the commerce ministry is considering not even allowing franchising, management contracts, and technical collaboration in any tobacco business. The government's stated rationale in both cases isn't the protection of the domestic industry (of which ITC is the biggest representative), but the harmful effects of tobacco. This is laudable.

The petition in Mumbai needs to be seen in this context. Legally, there may not be anything to prevent State-owned insurance companies and other government agencies from holding a stake in any company for financial and investment reasons, but the court may choose to look beyond — at the same logical and moral argument (safeguarding the health of people) that the government used to rationalise its ban on foreign investment in tobacco.

The government may just have to put that in its pipe and smoke it.

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