

Farm Loan Waivers Disrupt the Fisc

States can offset the Centre's discipline

The Met forecasts a good monsoon this year, and the progress of the southwest monsoon so far has been good. If the rain god's bounty is uncertain, that of the political gods now seems more predictable. After the Bharatiya Janata Party (BJP) won Uttar Pradesh with a promise to waive farm loans, Maharashtra, Punjab and Karnataka have announced farm loan waivers, the government of Maharashtra being at pains to point out that it is the biggest loan waiver ever. This competitive spirit is likely to spread to other states as well, aided by the moves afoot to restructure non-performing corporate debt, which many compare with farm loan waivers. India could witness farm loan waivers well in excess of ₹1 lakh crore. That would add to the states' fiscal deficit and raise the combined public sector borrowing, setting off alarm about the country's fiscal discipline.

The Centre has stuck to the path of fiscal rectitude hitherto. The states have not, and they account for nearly 60% of the combined expenditure of the Centre and the states. Their borrowings have been rising at a rate close to 30% since 2013, according to a study by HSBC. Their fiscal deficit for 2016-17 was 2.8% of GDP. This is likely to go up further this year, apart from farm loan waivers. Stamp duty is stagnant and oil prices do not offer much scope for buoyancy. The Uday bonds, reflecting the wages of past sin in the power sector, have to be serviced. The first quarter growth has been impacted by demonetisation and the impact of GST on production and revenue for the states' own revenue is unpredictable, although the Centre is duty-bound to compensate the states for any loss. A combined farm loan waiver of ₹1.25 lakh crore would raise about 0.75% of the likely 2017-18 GDP to the states' fiscal deficit. The higher borrowings to finance loan waivers would shrink room to fund public investment, affecting growth.

Winning elections is important for politicians. At any cost is their motto. Only an informed public discourse that sees through the trade-offs politicians make can act as a restraint.

Time to Talk About the Vice-President

The forthcoming election to the post of the President of India has produced a lot of debate: is this just your Dalit vs mine, or is the Opposition justified in putting up a contest on ideological grounds? What all this hubbub obscures is the election to the post of vice-president, which falls vacant after the present incumbent, Hamid Ansari, completes two terms, the first for a vice-president. And this election is not some ornamental detail in matters gubernatorial, but of material consequence in itself.

The vice-president holds the second-highest constitutional post, after the president. In case the latter dies, or is incapacitated, or impeached, the vice-president takes over as president. The vice-president is also the chairman of the Rajya Sabha: in this capacity, Ansari played a dignified role. Ever aware of the important role of the Rajya Sabha, he was unhappy earlier this year when some members of the Upper House missed the Question Hour. Calling it an extraordinary situation, he had said, "This is not a happy state of affairs." The country's 12th vice-president always maintained a dignified presence and put across his thoughts softly. "As far as my reading of the Constitution goes, the two Houses are equal," he had told newly-elected and nominated members of the Upper House. On the importance of the Rajya Sabha, Ansari said that "the Rajya Sabha is necessary to reflect the concerns of the States as India is a Union of States. The Rajya Sabha and its creation was a conscious decision of the Constituent Assembly."

The BJP made a smart move by choosing Kovind as its presidential candidate, it should now do the same for the vice-presidential candidate as well. It is not as if there is nothing riding on the election of the next vice-president. May we request some public debate on this election as well?

India is too chaotic for any diktats on English signs to ever be effective

If Deprived of Chinglish, Fall Back on Indlish

Despite many laments about the fall in standards of English — and the current move to push Hindi as the lingua franca here — India still has not reached China's level. After all, chuckle-inducing signs such as "Child Beer" and "Visitable Juice" in India are due to phonetic transmission losses rather than hilarious wrong translations that are the cause of China's most recent crackdown — on Chinglish. While Indian signage is not totally incomprehensible, the average English-speaking person in China would be hard-pressed to figure out what a "Racist Park" is, or what a plate of "Sexual Harassment Dried Bamboo Shoot" or "Roasted Husband" might contain. These cryptic signs certainly add a frisson of mystery to quotidian tasks of English speakers such as buying groceries. No wonder many foreigners are already saying that the Chinese authorities' stern move to "standardise" signs and translations in several key sectors will wipe out one of the unique joys of living in that country.

Homogeneity has been rightly identified as one of the least attractive aspects of globalisation, and this example certainly demonstrates it. India is too chaotic and indisciplined for any such move to ever be effective. So, those soon to be deprived of their daily quota of signboard sniggers in China can always safely head westwards to India.

PM Modi must convince Trump in today's meeting that India is a great opportunity for the US

Protecting an Investment



Ashley J Tellis

Prime Minister Narendra Modi's meeting with President Donald Trump today will perhaps be his most important encounter with an American leader in recent years. This meeting matters greatly because unlike Trump's recent predecessors, who valued the strategic partnership with New Delhi both for its own sake and because of its importance for larger American geopolitical interests, Trump's commitment to preserving the US-led order in Asia and the unique American affiliation with India are both uncertain.

Modi, following in the footsteps of his predecessors, Atal Bihari Vajpayee and Manmohan Singh, doubled down on deepening ties with the US. Casting aside decades of animus and uncertainty, he boldly announced to the US Congress in June 2016 that the bilateral relationship had indeed "overcome the hesitations of history". It was a bet that made sense at the time because the US was both the world's strongest power and determined to protect the international order it had built in its own image. That was then.

It's a D-I-Y World

This is now. The US is still the world's strongest nation. But under Trump, it seems to be hesitant about whether protecting the global balance of power that favours freedom is worth the cost. As a consequence, its partnership with India, which was intended

to be a lynchpin of that effort, is now buffeted by uncertainty.

In these circumstances, Modi must have one overriding objective in his meeting with Trump: to convince the president through his commitments, utterances and personal touch that India still remains a fabulous opportunity for the US — and not the problem that Trump claimed it was during his election campaign.

Whether Trump views India as critical for parochial 'America First' interests or because of India's significance in the international order is less important. What is imperative is that the Modi-Trump meeting ends with the president convinced that India is the worth the time, attention and investment of his administration.

By all accounts, Trump appears to grasp India's relevance — that he will accord to Modi a reception he has extended to just a few other foreign leaders exemplifies the point. But he needs to perceive India's value palpably, as his predecessors had, if the relationship is to bear its fullest fruit. On this count, the prime minister has his work cut out for him.

Modi can inspire this realisation by seeking to build the closest personal relationship possible with Trump. Strong private ties are obviously not a substitute for robust official engagement with India, but they can advance the prospects of the latter at a time when Trump's view of New Delhi has not yet solidified.

This will require that Modi not give up on the US just yet. Forsaking India's investment in the US simply because of fears that Trump might approach India as cavalierly as he has done some others would produce a vicious cycle that is neither in Delhi's nor Washington's interest.

Trump might, in fact, surprise Modi by putting on the table more than might be expected of him. By off-



A supple relationship

ering to India advanced technologies in defence and energy that it has long sought, he will convey his administration's interest in India, even if this is not anchored in a larger vision of the international order or global geopolitics. There are a few senior officials on his team who understand these issues. And there are others who view Modi favourably as the precursor of the global revolution against elitist politics that Trump exploited to win his election.

People Like US

Modi does not know these 'influentials' directly, but they could advance his aim of getting the US president to commit to deepening the America-India relationship. Hopefully, Modi will bring something of interest to the table himself.

But even if he does not, he needs to leave Trump in no doubt that India values the US as its most important global partner; that India supports the objective of increasing American prosperity and will demonstrate the same over time; and that India remains willing, in cooperation with Washington, to bear the burden of contri-

buting more towards regional security to enhance the safety of both countries. Even as Modi reiterates these themes, he must reach out to other audiences such as the US Congress and the business and policy worlds to drive the message home.

Despite the uncertainty that currently surrounds bilateral ties, India ought to approach the US with confidence, not diffidence, assured that the evolving competition in Asia makes a strong partnership between Washington and New Delhi inevitably destined for success. Even if American leaders do not always perceive this clearly or consistently, India ought to be patient because strategic realities have an uncomfortable habit of intruding.

In betting on the US thus far, Prime Minister Modi, like his predecessors, has made a wise investment. Now he needs only to protect it by showing Trump how India can be a strategic success for him, or in words the property mogul-turned-president might better understand, the 'real deal'.

The writer is Tata Chair for Strategic Affairs, Carnegie Endowment for International Peace, Washington DC

India ought to approach the US with confidence, not diffidence, assured that the evolving competition in Asia makes a strong partnership destined for success

WIT & WISDOM

"Whither goest thou, America, in thy shiny car in the night?"

Jack Kerouac
Novelist

Deadly Oil Tanker Fires

Sunday's tragic oil tanker accident in Pakistan that claimed more than 140 lives is a grim reminder of similar incidents in that country as well as in some African ones, all having an appalling traffic record. And the worst part is that death toll in such accidents has shot up because victims rushed in to recover fuel.

A list of most deadly oil tanker accidents

		At least...dead	What happened
Mozambique	Nov 2016	93	Explosion, victims trying to recover petrol
Afghanistan	May 2016	73	Buses collide with tanker
South Sudan	Sep 2015	203	Explosion, victims trying to recover fuel
Pakistan	Jan 2015	62	Coach collides with tanker
Nigeria	Jul 2012	104	Explosion, victims trying to recover fuel
DR Congo	Jul 2010	292	Blast, victims trying to recover fuel
Nigeria	Oct 2009	70	Tanker explodes, flames engulf other vehicles
Nigeria	Mar 2007	93	Fire, victims trying to recover fuel

*Flames engulfed hall where people were watching football world cup

MEME'S THE WORD



MODI IN AMERICA

Chemistry, Not History



Manoj Joshi

Indian and American officials have been burning the midnight oil to ensure a positive outcome of Prime Minister Narendra Modi's talks with US President Donald Trump today. They should be successful because, leaving aside relatively minor disputes, India remains an area where the new and difficult US President does not have strong views.

Yes, in pulling out of the Paris climate deal, he lumped us with other countries as freeloaders. He has complained about India — along with China, Japan and Mexico — taking away American jobs, but he has also declared his friendship with India and Modi, albeit at an Indian-American fundraiser last October.

Having rolled relations with Europe and causing dismay among allies in the Asia-Pacific by cosying up with China, Trump also needs to show the US can retain and strengthen important partnerships. So, there is the first White House dinner of the Administration, to show that US-Indian relations are indeed special.

But given a "what's in it for me" incumbent in the White House, the tone of the conversation will be one where India will demonstrate the many ways it is of benefit to the US, rather than a country seeking an indulgence here or a favour there. It will pitch India as an indispensable partner of the US, both in countering China in the Asia-Pacific and in dealing with Islamic radicalism. Further, it will showcase itself as an important market for the US defence industry. The expected sale of 22 Guardian drones is being hyped, though they are primarily used

by the US Coast Guard and Border Protection Service.

Trump and his aides will no doubt use the occasion to press India in an area in which we are not too comfortable: market access and removal of trade barriers. In a letter to Trump on the eve of the Modi visit, four powerful legislators have outlined the American case. This is an area close to Trump's heart, since it affects American jobs and businesses. So, Modi may find the going a bit uncomfortable, but it would be surprising if he goes into the conversation without being prepared. There is a glaring clash of visions in Trump's America First promise of restoring US primacy in manufacturing and Modi's Make in India plan.

There is also a trio of issues — the H-1B visas, climate change and the attacks on foreigners, including Indians in the US — which may not come up in the discussions, but forms an overhang on them.

Trump has his obsessions, but so has Modi, and in recent times, one of them has been Pakistan. In almost every speech abroad, Modi has never ceased to denounce Pakistan either by name or indirectly, for supporting terrorism.



The parallels do meet

Inserting Pakistan into the counter-terror and Islamic radicalism conversation will have to be a careful exercise and will most likely be woven into the narrative of the positive role India has played in stabilising Afghanistan in coordination with the US.

There are still many imponderables that go beyond the Trump-Modi meet or the binary India-US equation. These relate to Europe, East Asia or the Middle East where Trump-led disruptions could have serious consequences for India. A breakdown of the US-China relationship is as consequential as a possible condominium between them, a conflict with Iran would be devastating for India's energy security and geopolitical goals. But today's conversation is likely to be bilateral.

Good relations with the US are important for India. But New Delhi has locked itself into a hostile relationship with China and Pakistan, losing significant room for manoeuvre. Modi may be a tad overinvested in Washington even though he claimed merely to have overcome the "hesitations of history". India's potential, both as a security actor and an economy, has kept the US engaged so far. But the Trump approach could be a demand to "show the colour of [our] money".

If Trump had been a normal president, it would have been fairly easy to predict that, given the upward trajectory of Indo-US relations, this will be an important visit. But his tendency to take contrary stances, peremptorily overrule line departments and reveal policy stances through tweets makes prediction hazardous.

One thing seems clear, Trump actually gets along well with tough-guy leaders like Modi. Witness his attitude towards Russian President Vladimir Putin, Egyptian Abdel Fattah el-Sisi or Turkish President Recep Tayyip Erdogan, or for that matter, Xi Jinping. This could be the real prize of the visit. If he establishes good chemistry with Trump, the other details could always be filled in later.

Citings

Analysing Give & Take

ADAM GRANT

The takers are people who, when they walk into an interaction with another person, are trying to get as much as possible from that person and contribute as little as they can in return, thinking that's the shortest and most direct path to achieving their own goals.

At the other end of the spectrum, we have this strange breed of people I call "givers". It's not about donating money or volunteering necessarily, but looking to help others by making an introduction, giving advice, mentoring or sharing knowledge, no strings attached....

These givers actually prefer to be on the contributing end of an interaction. Very few of us are purely takers or purely givers. Most of us hover somewhere in between — the third group of people, who are matchers. A matcher is somebody who tries to maintain an even balance of give and take.... Indeed, the givers are over-represented at the bottom. Putting others first, they often put themselves at risk for burning out or being exploited by takers.

A lot of people say, "Well, it's hard for a taker to rise consistently to the top, because oftentimes, takers burn bridges. So, it must be the matchers who are more generous than takers, but also protect their own interests." When I looked at the data, I was really surprised to see that those answers were wrong. It's actually the givers again. Givers are over-represented at the top as well as the bottom of most success metrics.

From "Givers vs Takers: The Surprising Truth About Who Gets Ahead"



Selflessness a Burden?

T SREENIVASA RAGHAVAN

If you are disappointed today about something, it does not mean that it is a permanent condition. There is always a tomorrow to look forward to. If you refuse to be optimistic or hopeful for the tomorrow, you will get dragged into a whirlpool of despair, which is in itself a generator of unhappiness.

Is there a secret, a magic formula for happiness? If there is, does it lie inside you or outside? Logically, it has to be inside you. But having assumed it can be found only outside, and being unable to find it, you have brought misery upon yourself; you are depressed. The search for happiness is perhaps like searching for a perfect bride or groom. The unhappy man lives in the hope of finding someone who might not even exist or even if she did, he might not be able to find her.

This gives rise to two pertinent questions. First, would you be happy if you were to live for yourself? Of course, yes. For, when you begin to do that, you neither appease nor get appreciated. In such a scenario, it is not your possessions that count, for you can own or disown them at your own free will — they are meant for your comfort, not for others' appreciation.

The second question arises: won't living for oneself amount to self-centredness? No, there is nothing wrong in living for yourself, especially when you are bound to become a burden to society by living for others. Once you leave the path of confrontation, all challenges cease to exist and life becomes a benediction.

Chat Room

Our Missing Playgrounds

Apropos 33rd Mann Ki Baat, where PM Narendra Modi praised the sportsmen for winning medals and the importance of children playing sports. Now, even as we realise our athletes don't win sufficient number of medals internationally, we are equally responsible for this by limiting open spaces and playgrounds for children — and forcing them to play all the outdoor games like cricket, football and tennis indoors — on computers and smartphones. Children being the future of our nation, and, indeed, future sports-persons, we must provide them more playgrounds for their physical and mental growth.

T S KARTHIK
Chennai

A Sad Tale of Two Lynchings

The beating to death of a police officer outside Srinagar's Jamia Masjid and the stabbing to death of a teenager on a local train at Ballabgarh in Haryana were human tragedies that manifested human evil at its worst. The manner of these appalling deaths was horrific.

A peaceful solution to the Kashmir problem has become more imperative than ever. Worse, it was the religious identity of the family members that led to the killing of the Muslim youth. It is sad that our subcontinent, with people of disparate religions and races, is now stalked by intolerance, hatred and fear.

G DAVID MILTON
Maruthancode

Dear Infosys, Get Over It

The stand-off between the co-founders and the management of the country's second-largest software export firm, Infosys, has assumed a confrontationalist air, with the former steering clear of the annual general meeting of the company held in Bengaluru. Managing director Vishal Sikka and his team are calling the shots and blocking any moves by the co-founders. It is time the co-founders and the present team sorted out their differences in the best interest of employees, shareholders and other stakeholders.

N J RAVI CHANDER
Bengaluru

Letters to the editor may be addressed to editet@timesgroup.com