

**The Indian EXPRESS**

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

## ENGAGING EUROPE

PM Modi did well to reaffirm India's strategic partnerships with Russia and France. The new global imperatives call for it

AMERICA ENTERS an uncertain era and great power relations turn turbulent, India is eager to sustain two of its long-standing strategic partnerships with Russia and France. That was the main message from the second leg of Prime Minister Narendra Modi's European sojourn last week. In the first part of the four-nation tour that took the PM to Germany and Spain, Modi's emphasis was on exploring the new avenues of cooperation with Germany and other European nations that Delhi has long neglected. Just before Modi arrived in the old continent, President Donald Trump was there shocking America's European allies with his boorish personal behaviour and anti-globalist worldview. Coupled with Trump's warmth towards China and Russia, the unfolding Western divide has begun to complicate the assumptions of India's international calculus since the end of the Cold War. Sharpening the case for a fresh Indian look at its external environment was Trump's rant against India in announcing the decision to quit the 2015 Paris accord on climate change after his return to Washington.

Amidst this new international fluidity, Delhi appreciates the need to minimise the emerging friction in the old partnership with Moscow. That India has been anxious about Russia's drift towards China and Pakistan has not been a secret. Modi's talks with President Putin did not end the differences on assessing the regional situation. For Putin sidestepped questions on Kashmir and signaled that Russia will continue to improve ties with Pakistan. Modi's focus in Moscow was on limiting political differences with Putin and revitalising the stagnant commercial engagement with Russia. If Modi turned on his personal charm to reboot the trust-based relationship with Putin, his mission to Paris about establishing rapport with President Emmanuel Macron who has just taken charge of France. Paris has always been an exception to India's ambivalent relationship with the West, and Modi appears to have won Macron's commitment to build on the special relationship with France in the areas of high technology and defence and extend it to counter terrorism.

Macron's decision to accompany Modi to a memorial for Indian soldiers who fought in France during the First World War is an acknowledgement not just of Delhi's past contribution to European geopolitics, but its future role in ordering this vital region. In aligning with Europe on mitigating climate change amidst US pull out of the Paris Accord and navigating the current divisions between Russia on the one hand and Germany and France on the other, Modi has shown some diplomatic finesse. But to play the long game in these tumultuous times, the PM must get his domestic economic and security decision-making upto speed with the new global imperatives.

## THE BLACK BOX

Government must address EC's concerns about recent amendments to laws that govern political finance

THE ELECTION COMMISSION has flagged the recent amendments in the Representation of the People (RP) Act and the Companies Act, related to donations made to political parties. It has expressed concern that they militate against greater transparency in political finance. The government must urgently address the EC's concerns.

One of the main contentions of the EC, articulated in its letter to the law secretary, has to do with a proviso that exempts political parties from disclosing donations received from electoral bonds. In the last budget session, the government had introduced the bonds, which a donor could make and gift to registered political parties. Simultaneously, it also banned cash donations over Rs 2,000. The plan, it seemed, was to shift from cash donations that were difficult to track towards cashless transactions. However, the radical edge of the proposal was undermined by the amendment that exempted political parties from disclosing donations received from bonds. The EC rightly wants the provision withdrawn. Its concern that "in a situation where the contributions received through electoral bonds are not reported on perusal of the contribution report of political parties, it cannot be ascertained whether the political party has taken any donation in violation of provision under Section 29(b) of the RP Act which prohibits the political parties from taking donations from government companies and foreign sources" is valid. Besides, the bonds allow anonymity to donors, who can channel large sums electronically to their party of preference. Earlier, political parties had to disclose details of the donors who made contributions above Rs 20,000. The provision made it possible to track the identity and volume of contributions received by every political party.

These changes need to be seen in relation to amendments to the Companies Act. The Act has been diluted to lift the cap on corporate donations to political parties. Earlier, a company could not contribute more than 7.5 per cent of its net profit over the last three years to parties. The EC has warned that the change in the law "opens up the possibility of shell companies being set up for the sole purpose of making donations to political parties with no business of consequence". The law in the previous form, the EC has argued, ensured that "only profitable companies with proven track record could provide donations to political parties". The opacity of political finance has been a significant part of the story of political corruption in the country. In light of the EC's note of caution, the government needs to revisit the changes it has made both in the RPA and the Companies Act.

FREEZE FRAME

E P UNNY



# Excluded by Aadhaar

If policymakers can't guarantee inclusion, they must halt this digital nightmare



NIKHIL DEY AND ARUNA ROY

SITA OF KARKALA village, Lassadiya Panchayat, was one of many who spoke at the annual MKSS Mazdoor Mela in Bhim on May 1. "I have no Aadhaar card. I don't know why they say my fingerprints don't show. Without Aadhaar, I am denied work under the MGNREGA, and get no rations. I am a single woman, and have no other source of income. What will I eat, and how will I survive?" she said. Her anaemic condition is apparent, and she should be classified as a gross administrative failure, triggering emergency corrective action. But for the ruling elite in Delhi and Jaipur, she is just a digit — one more, or one less in a policy framework they are determined to impose for their own ends.

There are many women who share Sita's anguish. Though already enrolled in Aadhaar, "voluntarily" as the government would have it, the biometric eco-system, for one reason or another, has failed to authenticate them, denying them access to rations, pensions, work. They speak with the pain and frustration of having repeatedly and unsuccessfully tried to get the rations due to them. Their words carry the clarity of experience and analysis that comes from being the object of a mass experiment where exceptions and exclusions are diabolically counted as proof of success. It doesn't seem to matter to policymakers that rations, or pensions, so basic and vital to survival, are denied. Their numbers have reached Jaipur and Delhi, to be grandly proclaimed as the "frauds", the "dead", the "bogus", and the "duplicate people", successfully eliminated by the government, resulting in saving large sums of money.

This is Aadhaar in welfare: A vast mechanism that is turning the government's dismal failure to deliver into a means of erasing a large number of people. It is part of a new war on poverty, where, instead of eliminating hunger, it is an elimination of the poor and the destitute. The ringmasters in Delhi have found a digital whip that can do no wrong.

Unfortunately, many people still do not understand that the "Aadhaar card" is no card. The government rests all the tall claims of Aadhaar on positive biometric authentication, which even the UIDAI admits is their only reliable service. The challenge of capturing and authenticating on a central server millions of

biometric transactions daily gives rise to a host of failures because of biometric mismatch, poor internet connectivity, and machine malfunction. The ration dealer holds the trump card as he knows just how to (mis)represent even a positive answer. The beneficiary is left to carry the blame for all these lacunae, and suffer the karma of exclusion.

The numbers being excluded are staggering. Rajasthan is an enthusiastic and pioneering state for Aadhaar-based "reform". Seven months of mandatory UID-based foodgrain distribution under the National Food Security Act, and the implementation of JAM — Jan Dhan bank accounts, Aadhaar authentication, and Mobile-based delivery of social security entitlements — have caused chaos and disaster. Since September last year, when UID authentication was made mandatory in the state, the food department website shows that over 25 per cent of ration card holders with Aadhaar seeding have been unable to draw their rations. That amounts to 25 lakh families, or more than a crore of the most vulnerable people. An already shaky and tenuous manual override mechanism, has been even more uncaringly removed two months ago resulting in an additional 5 lakh families being excluded in April and May 2017.

The claim that Aadhaar has ended corruption is a misrepresentation of facts. The dealer's pilferage continues unchallenged by technology. People are bewildered and angry. The administration turns a deaf ear to complaints of exclusion. Thousands of crores are supposed to have been saved in this massive anti-corruption drive, but not a single criminal case has been filed. It is delusional to celebrate the Aadhaar tidal wave, and criminal to turn a blind eye to hard facts about exclusion.

Under the pension "reform", 10 lakh social security pensioners disappeared from the lists and their pensions were stopped. Under pressure from senior officials to explain why they had not been enrolled, they were classified as "dead", "duplicates", or simply "other reasons". When the MKSS accessed the list, eight out of the 12 people in our village in Rajsamand district classified as "dead" were found to be alive. But their pensions had been stopped. One of the "living dead" was 80-year-old Dakhu Devi, who had not got pensions or rations for eight months. Under great pressure, she got her arrears but was so frail and starved by then that she died soon after. One thousand, three hundred and ten persons out of the 2,900 classified as "dead" or "duplicates" in Bhim Block were found to be alive. Many others had died after their pensions were cut off.

Almost a year later, the government is yet to complete a state-wide re-verification exercise. Many acknowledged by the government

to have been wronged are still waiting to receive their full arrears. No action has been taken against the officials who wrongly classified them as dead or duplicates. When a "senior" or vulnerable citizen dies from hunger and destitution due to their lifeline being cut off, should it not be classified as involuntary manslaughter? Should there not be a provision for criminal liability? The Aadhaar act is called the Targeted Delivery of Financial and other Subsidies, Benefits, and Services Act. Welfare beneficiaries are only the first targets. As Aadhaar enters all other areas of governance, there are going to be many other "targets", with additional dangers of comprehensive surveillance and commercial exploitation. The vast figures of exclusion of vulnerable people in welfare delivery should have brought the mandatory nature of the programme to a halt long ago. The huge digital machine, however, is heartless, and its spin doctors have learnt to classify all numbers as achievements.

Those calling UIDAI an exercise in "empowering" the poor have obviously not spent even a day in a ration shop in a remote village, or at an MGNREGA work site, or at a bank with a pensioner trying to access her Rs 500 monthly pension. They have not bothered to address the concerns of the 30 lakh excluded families and restore rations to those entitled. If policymakers can't guarantee inclusion, they must halt this digital nightmare.

The claim that Aadhaar has ended corruption is another misrepresentation of facts. The dealer's pilferage continues unchallenged by technology. People are bewildered and angry. The administration turns a deaf ear to complaints of exclusion. Thousands of crores are supposed to have been saved in this massive anti-corruption drive, but not a single criminal case has been filed.

It is delusional to celebrate the Aadhaar tidal wave, and criminal to turn a blind eye to hard facts about exclusion. But where is the forum to complain? Parliament has been craftily managed. The Supreme Court's orders are successfully ignored. The executive has become the law and the executioner.

The writers work with the MKSS and the NCPRI



SAATVIK JHA

I GOT 72 per cent. The release of Class 12 board examination results is an Indian ritual. Every summer, CBSE, ISC and a plethora of state boards successfully paralyse households nationwide in anticipation of these hallowed numbers. Teacher, student and parent become one in the waiting. Neighbours, family friends and relatives follow closely in tow, ready to spring into inquiry at the slightest hint of new information regarding the results. As an event, the release of these results is paradoxical: For all the sensationalism, it is perhaps one of the most plebeian events to take place on the annual calendar — after all, each of us must experience it.

The common narrative holds that you get a good score, which gets you a good college, which, in turn, brings distinguished professors, intelligent peers and a world of opportunity — essential stepping stones towards the fulfillment of, it would seem, any conceivable dream. Conventional ladders of success — corporate jobs, research, engineering, finance, law, civil services — are imagined to be unscalable without a glowing Class 12 score to propel one upwards.

Several popular examples are circulated annually to bolster the credence of this tale. Want to be an actor? Enroll for a degree in Economics from Delhi University, that's what Shah Rukh Khan — the King of Bollywood himself — did. Want to go into comedy? Biswa Kalyan Rath, national "mast admi", was an IITian before he was a comedian. Want

## I GOT 72 PER CENT

And I am not afraid to say it out loud. My story has just begun



ONE OF 800 MILLION  
A VOICE, UNDER 35

The common narrative holds that you get a good score, which gets you a good college, which in turn brings distinguished professors, intelligent peers and a world of opportunity — essential stepping stones towards the fulfillment of, it would seem, any conceivable dream.

to write books? Even Upamanyu Chatterjee slogged through the system all the way down to clearing the UPSC before letting his trenchant tongue loose in literature.

This is just the story every student likes to believe shall be his or hers, when the time comes. A belief bolstered by the farcical ease with which thousands score over 95 per cent in these exams, every single year. With college cut-offs dancing dangerously close to 100 per cent, one would think perfection is merely the norm for high school academics in India.

But then again, perfection, in any context, is such a coveted ideal because it is so elevated above what's normal. Translating this in terms of board results, it means that there are lakhs — 10,88,800 students, to be exact — who performed below this quasi-norm. Does the story end here for all those who failed to live up to society's expectations? Or is there, perhaps, more to the spirit of human endeavour than validation in the system's eyes as one comes of age?

If you think you fared poorly, know that it is you who legitimises any evaluation the system has to dole out to you. Buying into it is completely your choice. Irrespective of whether you think you deserve your score, remember the hundreds of videos, articles, online statuses and conversations which have told you that you are not defined by the two digits the board has to present you with for your efforts (or lack thereof) — because they're all correct. School is over and your life

has finally begun.

Biographies of eminent individuals rarely delve deep into the high school years of any of them, because kids are invariably idiots and that's normal. Sure, Ram Jethmalani passed the bar at 17. In the Cold War decades, a young boy called Vlad was fantasising about being a spy, like in the movies. He was ranked the most powerful individual in the world by Forbes for the 4th consecutive year in 2016. A few decades prior, across the Atlantic, Charles Bukowski was romanticising alcohol as a teenager. He went on to become a literary icon of his time.

If you want an example from the motherland, no board could prevent Narendra Damodardas Modi from going on to rule the world's most ascendant nation even though he had been accused of presiding over communal violence on his watch as chief minister of Gujarat. For crying out loud, the US State Department denied him entry in 2005. Under a decade later, the internet was rife with memes about the bromance he shared with the US President. He managed to pull that off; it's impossible not to admire the professional hurdles he has overcome.

This is the world we live in, where they tell you, this country is your oyster. Believe that you can live your dreams and that if you work hard enough, one day you will.

The writer, 17, gave the Class 12 board exam, 2017, from Sanskriti School, New Delhi

## JUNE 5, 1977, FORTY YEARS AGO

### PM AND PROPERTY

THE PRIME MINISTER, Morarji Desai, has no house of his own. Nor does he own any land — agricultural or non-agricultural. Desai and his brothers inherited a house in Bulsar. At his suggestion, the brothers donated it to a girls' school. This was clarified when Desai received a letter from Bihar, drawing attention to the misconception that he was the owner of Morarji Cloth Mills.

### SANJAY'S IN-LAW DEAD

SANJAY GANDHI'S FATHER-IN-LAW Lt. Col Tejinder Singh Anand (Retd) was found dead with a bullet wound in his head at his farm in Punjab Khor village near Delhi. The body was

in a decomposed state. A DDT spraying team accidentally stumbled upon the corpse on the track leading to the farm. The bullet seems to have entered the left ear and emerged at the right temple. Officials felt it was a case of murder. However, it is learnt that Lt Col Anand had fits of depression after the Congress lost the general election, and soon after, consumed an overdose of barbiturates, according to acquaintances.

### RAJAN CASE

THE RAJAN CASE — Rajan, an engineering student, was held by Kerala police on suspicion that he was a Naxalite during the Emergency and disappeared — never came

up before the Cabinet, said senior CPI leader M.N. Govindan Nair. Nair, who was a member of the Achutha Menon ministry that included the Congress and CPI, said it was possible that there might have been some informal talks between ministers, though he does not remember anything about them now.

### MGP RETAINS GOA

THE RULING MAHARASHTRAWADI Gomantak Party (MGP) secured 15 of the 30 assembly seats in the election to the legislative assembly of the Union Territory of Goa, Daman and Diu and staked its claim to form the new government.



# 15 THE IDEAS PAGE

## A note to the class of 2017

They must work to stanch the anger that has thrown up leaders like Trump. Their focus should not be the individual, but systemic causes



**OVER THE BARREL**  
BY VIKRAM S. MEHTA

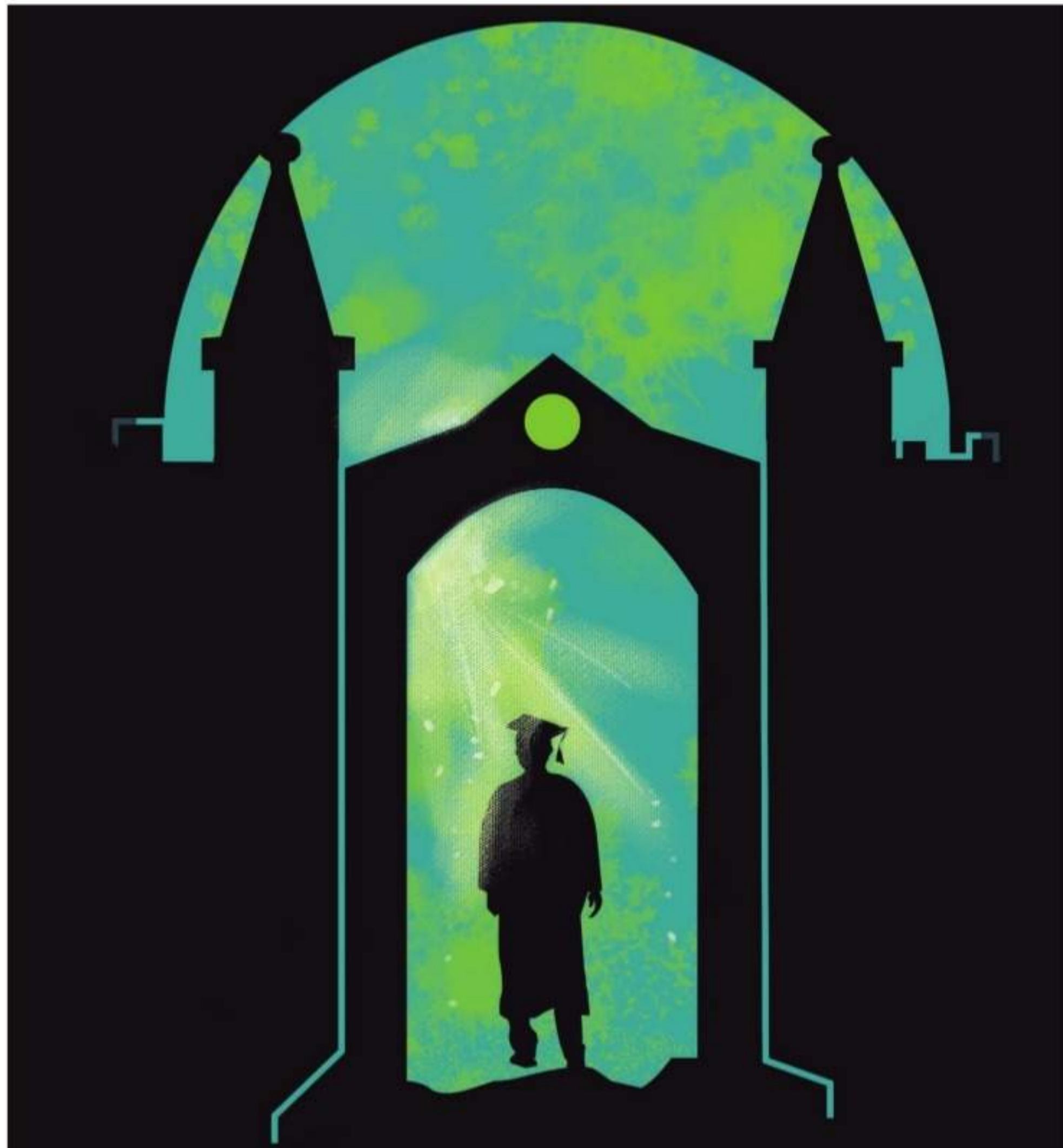
I WAS IN the US last week for Commencement Week — when students receive their degrees. The tradition is to surround this occasion with speeches by luminaries, faculty and staff, and to have much revelry. As I have two daughters studying in the Boston region and one of them was graduating, I had the occasion to listen to commencement addresses by Hilary Clinton, Joe Biden, John Kerry, Mark Zuckerberg and former acting attorney general Sally Yates (she was summarily dismissed by Donald Trump for challenging his order to ban immigrants from select Muslim countries). I also met with faculty and conversed with my daughters' friends and professors.

The speeches were powerful and inspiring; some were moving. All contained the message that the class of 2017 had an obligation and a responsibility to look beyond themselves, to engage with the world, to help tackle the challenges of global inequity, social injustice, pandemics, extremism and climate change. Marc Zuckerberg called on his generation to address these issues with a renewed sense of purpose; Hilary Clinton issued a clarion call for students to enter public service to protect society against the assault on reason, inclusiveness and diversity. Joe Biden forewarned against confusing academic credentials and social sophistication with "gravitas and judgment" and drew on a deeply moving personal tragedy to caution against "ambition without perspective". As he said, "reality has a way of intruding".

Many of these messages were built around the notion that America was the lodestar for the global community. That, without its leadership, the world would lose its moorings. Joe Biden was particularly un-subtle; he decried those who forecast America losing out to China. He dismissed the commentators' prognosis with a shrug, and the words "give me a break". The public declamations of students and faculty contained comparable social messages, albeit without jingoistic overtones.

I will admit I was impressed, and, on occasion, overwhelmed by the power of the oratory and the beauty of the language. And I felt optimistic about the future; for, if indeed these, the best and brightest of society, were ready to get off the treadmill of personal aggrandisement and dedicate their lives to social causes, then the current tide of nativism and demagogic extremism can and would be turned back.

But that was then. On my return to India and in the quiet of my study, reality intruded. I picked up the papers to read about the debate surrounding cow slaughter, triple talaq and the comments of our army chief that he would be happier if instead of stones, Kashmiris would shoot bullets, because then his "boys" could respond in like measure unhesitatingly. I read about the latest Trump-ism and mulled over the view expressed by a distinguished professor that Trump, like so many other global leaders, suffered from what psychiatrists term "narcissistic personality disorder" (NPD). Wikipedia defines NPD as a personality trait characterised by "exaggerated feelings of self-importance, an excessive need for admiration and a lack of understanding of others' feelings. People affected by it often spend a lot of time thinking about achieving



Manali Ghosh

power or success or about their appearance".

I was reminded of the deep divisions in our society and the anger of those disenfranchised by the forces of globalisation, liberalisation and technology. I realised that however exalted the humanist and liberal sentiments expressed during Commencement Week, these were not universally shared sentiments; there was a wide swathe of people beyond the limits of liberal East Coast elite US institutions that held a radically different view of the world and little had been done or said during the past week to understand this worldview.

My optimism faded and I looked back on Commencement Week with a somewhat radically different perspective. I felt that the university authorities had done the students a disservice by not inviting anyone from the other side — such an invitee would certainly not have struck a popular chord but he would have been heard. One African-American student, Jonathan Roberts, received a standing ovation from his peers by pointing out, in language and tone reminiscent of Martin Luther King, that Harvard's "education had not prepared us to understand... the authenticity of others' pain.... (that) change will not come from us... (because) we will not sacrifice our (advantaged) place in the system... that we are not ready to inherit this world (and that we will)... inevitably become the political leaders we claim to despise".

The world is a risky place — and getting riskier. This is, in large part, because of the revolt against the establishment elite and the consequent democratic emergence of the al-

pha male political leader; some might say, those with NPDs. There are many such leaders, both in government and opposition. Trump is the most notable. They have much in common: All run their organisations (government or otherwise) with a tight fist, as if these were private fiefdoms or businesses. All have limited regard for institutional checks and balances. All are paranoid about loyalty.

Trump, for instance, sent his long-time bodyguard Keith Schiller to deliver the letter of dismissal to then-FBI chief James Comey. And all are also susceptible to flattery. Saudi Arabia is currently Trump's best friend because they welcomed him with jet fly-overs, billboards all over Riyadh and images of him with King Salman projected on the walls of his hotel.

The class of 2017 can help reduce this risk if they work to stanch the anger that has brought about such leadership. Their focus should not be the individual. People did not vote for Trump — they voted against the archetypical establishment figure. Their focus should be systemic causes. They should interpret the call to public service and social engagement as a route to address these causes and to deploy their talent to create a bridge to narrow the current social, economic and political divide. The liberal East Coast US universities can facilitate this endeavour by inviting a more diverse group to speak at their future commencements.

The writer is chairman and senior fellow, Brookings India

### WHAT THE OTHERS SAY

"Only future generations will be able to calculate the full consequences of President Trump's incredibly shortsighted approach to climate change, since it is they who will suffer."  
—THE NEW YORK TIMES

## Farm and the tax

A smooth GST regime can break inter-state barriers on movement and facilitate direct linkages between processors and farmers



**FROM PLATE TO PLOUGH**  
BY ASHOK GULATI AND SIRAJ HUSSAIN

AFTER MORE than a decade of intense discussion and debate, the GST is finally becoming a reality. Although in its current form, it is not as perfect as was originally envisaged, yet it is being lauded as one of the most transformational reforms since 1991. Finance Minister Arun Jaitley was humble and right in saying that the credit for this goes not just to this government but also to previous ones that conceived and steered it from time to time.

Here we assess the likely impact of the new GST regime on agriculture and farmers. One can look at it from three angles: One, is the GST going to be inflation neutral, given that food has 45 per cent weight in consumer price index (CPI)? Two, is the GST going to be revenue neutral, and especially, which states could lose revenue and how will they be compensated? Three, does it give some incentives to link farmers with the food processing industry, which may help them reduce market risk, augment incomes and create new jobs in rural areas?

Let us look at major inputs first. Fertilisers, which currently attract VAT varying from 0 to 8 per cent in several states, will now attract 12 per cent tax under the GST. That means the price of fertilisers is likely to go up by 5-7 per cent, unless the government decides to absorb this by increasing the subsidy. Pesticides are put in a slab of 18 per cent, up from the 12 per cent excise today and a VAT of 4-5 per cent in some states. Tractor rates are tricky: Several components and accessories are put in a slab of 28 per cent, while tractors are under the 12 per cent slab, up from zero excise and a VAT of 4-5 per cent. It is not very clear yet whether the input credit claims to cover taxes already paid on components and accessories will exceed the final tax rate of 12 per cent on tractors, and therefore, there could be a scope for reduction in tractor prices; or the taxes on components may be rationalised and brought down from the 28 to 12 per cent slab. There is quite a bit of confusion here.

Overall, it seems from the inputs side that the cost of cultivation for farmers may increase marginally, which in turn may put a mild pressure on agri-prices. But the story is not complete unless we see the taxation structure on agri-output prices.

Most raw agri-commodities ranging from rice, wheat, milk, fresh fruits and vegetables, are in the zero tax slab, rightly so, as they are consumed by the masses. However, it may be interesting to note that a state like Punjab which contributes maximum grains to the central pool, imposes taxes and various cesses to the extent of 12 per cent on wheat and rice. On top of

that, there is the arhatiya commission of 2.5 per cent making the transaction cost of these staples in Punjab mandis as high as 14.5 per cent. In a country still ridden with poverty, imposing such high taxation on wheat and rice was nothing short of "rent-seeking" from the Centre and distorting the markets. Now, with the new GST regime, even if a commission of 2.5 per cent stays, one hopes that all other taxes and cesses will go away. As a result, the purchase cost of wheat and paddy (rice) from Punjab mandis will go down by 12 per cent. This would be a major gain with several ripple effects. One, that the price of these basic staples in the open market should come down by say 5-7 per cent, as most grain surplus states impose at least that much tax. This was a major distortion in the mandis, driving the private sector from Punjab. Now, with zero taxes, the private sector may come back to buying wheat and rice from these surplus states, giving a fillip to grain milling.

At an all-India level, Food Corporation of India (FCI) may save anywhere from Rs 6,000-8,000 crore, which could show up in a lesser food subsidy bill. But surplus states like Punjab, Haryana, Andhra Pradesh, Madhya Pradesh and Chhattisgarh may lose this tax revenue, which they are getting from the FCI or Gol under the current system. How they will be compensated is not yet clear even to the FCI, although there is a provision for compensating losing states for five years by the Centre. The rationalisation of mandi taxes and associated cess and levies will be the biggest gain from the GST as far as agriculture is concerned.

However, the taxation structure for processed food is not very encouraging. For example, fruit and vegetable juices will be taxed at 12 per cent, up from the current 5 per cent; fruit jams, jellies, marmalades, fruit and vegetable purees, etc. are taxed even higher at 18 per cent, up from 5 per cent. This is surprising as it will discourage the development of the food processing industry, especially for perishable fruits and vegetables. Even the humble *aloo tikki* will attract 18 per cent tax, if it is in frozen form! This is contrary to the wishes of even the prime minister who wanted fruit juices to be put in aerated drinks to ensure a good market for farmers.

It may be worth reconsidering these rates and bringing them down to the 5 per cent slab for stronger linkages between farmers and the food processing industry and creating jobs in rural areas. Since the raw material could be sourced directly from farmers instead of being entirely depending on middlemen in mandis, e-NAM provides this opportunity to graduate to a real pan-India market for agricultural products. A smooth GST regime can break inter-state barriers on movement and facilitate direct linkages between processors and farmers. This can transform the operations of mandis too if other necessary reforms to free up agricultural markets are undertaken. If this happens, farmers would also welcome the GST the way organised industry seems to be.

Gulati is Infosys Chair professor for agriculture and Hussain is former Secretary, Agriculture, Gol and currently a visiting senior fellow at ICRIER

### LETTER TO THE EDITOR

#### BJP'S HYPOCRISY

THIS REFERS TO the article, 'The case against abolitionists' (IE, June 2). The author has rightly pointed out the motive of the BJP: To erode the identity of the Muslim community. The party recognised the failure of the ghar wapsi campaign. Its decision to explore the idea of a beef ban, and the campaign against triple talaq, may be a master-stroke in the agenda to marginalise Muslims in the long term. Contrary to the BJP's stand on social justice for Muslim women, even to this day, no concrete measures have been taken to stop the atrocities faced by Dalits. Muslim women are socially far better off than their Dalit counterparts. Isn't the hypocrisy evident?

Beena Jamin, Ittakavelli

#### DISHONEST REMARKS

THIS REFERS TO report, 'Wrong to link Q4 slowdown to note ban, says Arun Jaitley' (IE, June 2). The finance minister's statement is a clear case of intellectual dishonesty. Till the time that the negative effects of demonetisation were not visible, the government was quick to argue that note ban has no negative fallout whatsoever. But now that the data is available, the government is attributing such losses to other factors. Interestingly, while the minister of law believes that situation in the IT sector is exaggerated, the finance minister holds slowdown in service sector as the culprit for suppressed Q4 growth.

Chandan Pandey, Kanpur

#### LETTER OF THE WEEK AWARD

To encourage quality reader intervention, The Indian Express offers the Letter of the Week award. The letter adjudged the best for the week is published every Saturday. Letters may be e-mailed to [editpage@expressindia.com](mailto:editpage@expressindia.com) or sent to The Indian Express, B-1/B, Sector 10, Noida-UP 201301. Letter writers should mention their postal address and phone number.

THE WINNER RECEIVES SELECT EXPRESS PUBLICATIONS

#### TORPID ECONOMY

THIS REFERS TO the editorial 'Slowing down' (IE, June 2). The CSO's statistics of national income vindicates the prophecy made during demonetisation. Overall, growth was predicted to plummet significantly. A 130 basis point reduction in Gross Value Added (GVA) signifies the colossal impact of the slowdown.

Bibhuti Das, New Delhi



**NEXT DOOR NEPAL**  
BY YUBARAJ GHIMIRE

## Breaking with the past

Delhi's signal to the Madhes front marks a course correction

IN THE few weeks preceding his resignation as prime minister and as "caretaker" executive head, the one message Pushpa Kamal Dahal has tried to send out is that he is not "India's man". His government took a series of decisions that have significant political import for Nepal as well as India and China.

Ahead of the Beijing summit, Nepal joined China's ambitious and strategic Belt and Road Initiative. Last week, Dahal approved a recommendation of the Poverty Alleviation Fund that China be given larger autonomy or freedom to decide and execute smaller developmental projects in 16 districts along the Tibet border, ranging from construction to developing small hydro-projects. This is a privilege that India alone has enjoyed so far. Dahal also decided to endorse a proposal of K.P. Oli, his predecessor in the PM's office, to entrust the 1200-MW Budigandaki project to Ghejua, a Chinese company, without inviting tender.

The government in its budget statement said Nepal will follow a policy of "equal dis-

tribute" towards its two neighbours. Dahal, soon after his visit to China in March, had stated in parliament that his actions will be a reply to those who started an "orchestrated campaign" that he had become prime minister as a part of "Indian design and interest". The statement was aimed at Oli and his party, the Communist Party of Nepal-United Marxist Leninist.

Dahal's proximity to the Indian establishment and the latter's role in bringing the Maoists from insurgency to the centrestage of electoral politics in Nepal is well known. But what Dahal has realised, especially when out of power, is that drifting closer to the northern neighbour gives him both a "progressive and nationalist image" as China is perceived to honour Nepal's sovereignty more than any other country. China's geo-strategic approach is not perceived in Kathmandu as detrimental to Nepali interests. That possibly is the reason why Nepal is now preparing to allow China, like India, to independently select development proj-

ects, in the border areas. It also conveys the message that Nepal falls into the joint "sphere of influence" of both neighbours in equal measure.

Meanwhile, Nepal's politics continues to be fluid and uncertain. Dahal has claimed the successful completion of local elections in 283 places out of a total of 744 as a major breakthrough in the promotion of grassroots democracy. The challenge for Nepali Congress leader Sher Bahadur Deuba, who succeeds Dahal as PM, is to complete the poll process in the rest of the country by June end.

In the meantime, India, which had been patronising Madhes-centric parties and openly extending solidarity when they boycotted the new constitution and the first round of local polls held last month, has changed its stance. It has asked the erstwhile United Democratic Madhes Front to participate in the second round of polls and seek redress for their grievances within the constitutional process. The Madhes leaders feel let down by the government.

The reasons behind India's change of track are not clear. It may be New Delhi responding positively to the criticism in Kathmandu that India micro-manages Nepal's internal affairs. Whatever be the reason, it marks a departure from the approach India has taken in the past decade-and-a-half. If it really leads to India withdrawing from Nepal's domestic politics, the Nepali people are likely to welcome it.

However, a cosmetic review of its Nepal policy is unlikely to turn the tide in India's favour. India will need to tell the leaders it has trusted and endorsed that unless they involve the people in the making of key political agendas, political stability is hard to come by. The new Indian ambassador, Manjeev Singh Puri, has often told Nepalis who have met him that India's "vested" interest lies in keeping Nepal "stable and prosperous". This, however, will require more substantial effort.

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