

**The Indian EXPRESS**

FOUNDED BY

RAMNATH GOENKA

BECAUSE THE TRUTH INVOLVES US ALL

## FIRM RESOLVE

A resolution regime is in place to deal with financial sector bankruptcies. The government must stand by it

**L**AST WEEK, THE Union Cabinet approved the Financial Resolution and Deposit Insurance Bill, 2017, a new framework for dealing with bankruptcies in banks, insurance firms, pension funds, systemically important entities and other entities. At the heart of this Bill is a resolution corporation with a mandate to identify financial firms that are weak and take preventive measures in cases where the net worth — owned capital minus reserves — is positive, or initiate liquidation proceedings and protect depositors, insurance policy holders and others within reasonable limits. This should complement the resolution regime in place for non-financial firms — with the RBI referring 12 big loan defaulters to the National Company Law Board, the Insolvency and Bankruptcy Code, 2016 is now being tested.

The core of this approach, which evolved internationally after the 2008 global financial crisis, is to ensure financial stability, prevent economic disruption and more importantly, bail out banks and financial institutions by using public funds or taxpayers' money in the hope of instilling greater market discipline. The Financial Sector Legislative Reforms Commission too had recommended such a framework. This was one of the few institutional changes the regulators including the RBI did not oppose. Getting this initiative started should not be difficult. The Deposit Insurance and Credit Guarantee Corporation, an arm of the RBI which insures deposits of up to Rs 1 lakh when a commercial or co-operative bank is liquidated, fulfills the role of a resolution corporation partly, though without the powers to step in early or to act as a receiver. Moreover, India's case is different from the West. There have been few bank failures in India with recourse to public funds and the banking regulator and the government quick to merge a bank in trouble with a bigger peer. But as the current crisis in the banking industry shows, delays in addressing the operational, financial and other issues of banks pose not just risks to the stability of the financial system but also forces huge infusion of capital, at the cost of social sector spending. Early intervention in such cases is a key to resolution. The RBI putting half a dozen state-owned banks under Prompt Corrective Action points to what could be a new approach.

The new resolution regime and the government's resolve will be tested when a state-owned bank or institution is notified for liquidation. For, there is the risk of a contagion or a domino effect when a large financial firm fails. The tools available for resolution, besides the ability of the stakeholders to ensure secrecy of the liquidation process, will prove critical to the success of the initiative.

## MISSING THE OBVIOUS

Guwahati is in the list of the Centre's smart cities. But it has no plans to deal with its persistent flooding

**O**N MAY 3, Assam minister Himanta Biswa Sarma, whose portfolios include Guwahati Development, called a high-level meeting to launch Mission Flood Free Guwahati. The Assam government's initiative was commendable, given that floods have rarely been a concern in urban planning endeavours in the country. But as the monsoons arrived in north-east India a month later, the Brahmaputra and its tributaries went into spate. The rains set off flash floods in Guwahati. By all accounts, the flood mitigation and drainage projects initiated under Mission Flood Free Guwahati have remained incomplete. Incessant rains have blocked the arterial roads in the city. At least five people have lost their lives due to the flooding. Guwahati's district magistrate has ordered an enquiry and Assam Chief Minister Sarbananda Sonowal announced an ex gratia of Rs 4 lakh each. The story appears strikingly similar to the floods in the city in the past several years.

Guwahati's topography, which gives it the shape of a bowl, makes the city prone to water-logging. But poor urban planning has compounded the city's problems. The city has a number of wetlands which could have soaked up the rainwater or channelled them to the Brahmaputra. But these natural drains are choked with garbage; they get clogged during heavy rains and water spills onto the roads. A 2014 report of the Assam State Disaster Management had pointed to this problem. "The city does not have a planned drainage system to take care of sewage, so the natural channels become all the more important. The condition of these channels are not very convincing as they are constantly covered with garbage," the report noted. The Bharalu, which flows through the city, too is a veritable garbage dump. The river is critical to Guwahati's hydrology because the level of the Brahmaputra is about six metres below the city. Guwahati requires the Bharalu to carry the run-off to the mighty river. Bondajon beel (wetland), another major outflow channel to the Brahmaputra, is on the verge of extinction.

Guwahati is in the Centre's list of smart cities. The Guwahati Metropolitan Development Authority has proposed the expansion of Guwahati's metropolitan area from the existing 328 sq km to about 3,471 sq km. More than 1,000 villages and 30 urban centres in six districts will be part of this expanded city. A metro railway has also been proposed. But the "target areas" under the Smart City programme does not include any plan to correct the city's drainage problems or restore Guwahati's wetlands.

FREEZE FRAME

E P UNNY



SUHASH PALSHIKAR

THE PROTESTS BY farmers in Maharashtra and Madhya Pradesh should not be seen in isolation. Besides the political economy of these protests, the implications for competitive politics are going to be complex. In order to appreciate these implications, the farmers' protests need to be situated in the larger backdrop — despite the seeming stability of the Narendra Modi regime, the past three years have been marked by one protest after another. In contrast to claims that we are moving towards a "new India", the regime is marked by tensions that have dotted the glorious *acche din* of the last three years.

Even if we leave out the protests by sections of the intelligentsia over freedom of expression — the ordinary voters did not appreciate or care about this broader question — India has witnessed many sporadic eruptions of popular protests in the last three years. Beginning with the students' protests in Hyderabad University and later at JNU, we have witnessed a series of street protests — the agitations by the Jats of Haryana, the Patels from Gujarat, the Marathas from Maharashtra, over reservations. The protests by Dalits in Gujarat, and more recently, in Uttar Pradesh too demanded serious attention. Earlier this year, Tamil Nadu was on the boil over the issue of Jallikattu. For the past few weeks, most issues have been eclipsed as the farmers' protests erupted in many parts of the country.

These protests are disparate. They cannot be said to be linked by any common factor; they are not directed against the Modi government as such. It is noteworthy that almost all these protests took shape entirely outside the party domain — they were neither organised, nor sustained by the non-BJP parties. True, once the protests erupted, non-BJP parties made efforts to jump into the fray and take them under their wings. But these efforts have not been successful.

This has been for two reasons: One, the non-BJP parties are still far away from forging an all-India coalition against the BJP. They don't have an anchor — the Congress, which would claim to be the main contender to having an all-India presence, has singularly failed to build a larger coalition or to mobilise public protests systematically by itself.

Second, the BJP has been able to contain these protests at state-level itself because of the very nature of most of these protests, and also because of the BJP's management skills.



TARA NARULA

THE IMPOSITION OF 12 per cent tax on sanitary napkins under the new GST regime has come under criticism, as it is, in fact, a tax on periods, rather than pads. The tax on sanitary napkins applies only to persons experiencing menstruation. It is estimated that 355 million Indians are post-pubescent and pre-menopausal "females". A privileged minority (12-20 per cent) amongst them has access to pads. The rest rely on cloth, synthetic materials, sand, ash, even cow dung cakes to see them through their periods.

One in four girls drop out of school when they start menstruating — girls miss as much as 20 per cent of the school year due to menstruation. It ought to be obvious that pads, an aid to menstrual hygiene, cannot fall within "luxury goods", and should be exempt from taxes, in principle and practicality.

My protest against the imposition of GST on pads is less about the increase in their cost than the need for a taxation regime to be self-reflexive as regards the blind promotion of gender norms. Indirect taxation regimes rely on distinctions between "essential" goods and "luxuries". Aids to menstrual hygiene must be classified as essential. This levy speaks to a disturbing lack of perspective in decision-making and the sad absence of feminist thought in the mainstream.



# If the fury fragments

Farmers' protests threaten the BJP's rise. But local character, lack of ideological vision limit their potential

The current protests are likely to stir the Modi government out of its PR-driven complacency. For the first time in three years, the battle between imaginary 'acche din' and lived reality is being waged out in the open. All the Congress needs to do is to take the side of the frustrated masses. But this looks bleak for the local Congress machinery is no less despised by the protesting masses than the BJP's new elite. Also, the Congress does not have the leadership ability to turn this moment into a critical move. The protests can produce new actors who weave the reality of rural suffering with urban disappointments. However, such actors will suffer without wider organisational networks. Most likely, the issues will be deflected through media blitzes and localisation.

Hardik Patel did seek to unite the "peasant castes"; Kanhaiya Kumar traveled across the country and addressed students and the youth; Jignesh Mewani was made out to be the new hero of the angry Dalits; but each time, the issue got localised.

In a sense, the BJP has benefited from a feature of Indian politics that took shape through the nineties; the states have been the main theatre of politics, and while the BJP wants to brush this feature aside to benefit from Modi's larger-than-life national image, at the same time, it is also the beneficiary of this factor.

During the past three years, each of the protests got localised at the state level. When the Patel agitation erupted, it was the failure of the Gujarat government. In the case of the Jat agitation, the Haryana government was responsible for handling it — the heat never reached Delhi, it stopped at state capitals.

More importantly, a national narrative of popular disenchantment did not emerge from these isolated protests, while, on the other hand, the BJP's nationalist rhetoric, its theme of development and Modi's singularly successful salesmanship have all ensured that the narrative of an ascendant BJP has become all-India in its reach and impact.

The farmers' agitations emerged in this backdrop. Like the caste question (for both peasant castes and Dalits), the agrarian question has the potential of becoming all-India in its scope. For the time being, the BJP is desperately trying to localise the protests. It is to the BJP's advantage that the agitation has not been initiated by any political party, but by diffuse groups of farmers — both in Maharashtra and in Madhya Pradesh, the agitation has not had a prominent face. Even the focus on the simplistic demand of loan waivers is easy to handle because there is no organised machinery to advance more systematic protests against the larger issues facing the economy.

An ideological void marks the farmers' protests, just as it marked the earlier "reservation" demands of peasant castes. The multiple groups that have jumped into forming the coordination committee in Maharashtra, for instance, are both incapable of and uninterested in taking a holistic view of agrarian distress. These include freshly anti-BJP faces (like Raju Shetti), simplistically pro-agriculture crusaders or confused anti-developmentalists. Such a crowd is not likely to present a robust critique of the present

dispensation that governs India's political economy.

And yet, protests, such as the ones unfolding in Maharashtra or Madhya Pradesh, clearly indicate the deep void the present policy and governance regime is causing. The current protests, for the first time, are likely to stir the Modi government out of its PR-driven complacency. For the first time in three years, the battle between imaginary *acche din* and lived reality on the ground is being waged out in the open. This development holds three possibilities.

First, the present moment has handed the Congress an opportunity on a platter. Concrete and objective issues have taken a political shape and all that the Congress needs to do is to take the side of the frustrated masses. Indeed, the possibility of this happening is bleak, for the simple reason that the local Congress machinery is no less despised by the protesting masses than they despise the insensitivity of the newly ensclosed elite propped up by the BJP. Also, the Congress does not have the organisational skill and leadership ability to turn this moment into a critical move away from its current political wilderness.

Two, the dispersed protests can produce new actors who weave the reality of rural suffering with urban disappointments, and produce a fresh critique — however, such new actors will suffer from the absence of wider organisational networks across states and across social sections. One of the consistently pro-farmer movements, with the potential to also imagine larger policy perspectives, is the Swaraj Abhiyan. But it is too weak and distant from the political battlefield. As such, no threat is likely to emerge for either the BJP, or the ongoing myopic policies of growth.

Three, and perhaps much more likely, as has happened in the past three years, the issues will be deflected through media blitzes and localisation. Should that happen, the dissatisfaction would only become deeper, but invisible momentarily, and that invisibility would cause damage to the ability of competitive politics to respond to popular expectations. It can only corrode democratic possibilities further.

The writer taught political science at Savitribai Phule Pune University and is chief editor of 'Studies in Indian Politics'

## TAXING WOMEN

GST classification of sanitary pads as a 'luxury' item shows tax regime's male gaze



Indirect taxation regimes rely on distinctions between 'essential' goods and 'luxuries'. Aids to menstrual hygiene must be classified as essential. The GST levy on pads shows a disturbing lack of perspective in decision-making and the sad absence of feminist thought in the mainstream.

In considering whether the taxing of pads is constitutional at all, Gautam Bhatia (lawyer and author of the blog "Indian Constitutional Law and Philosophy") writes that "taxation gives the State a powerful weapon to mould behaviour" and taxation regimes must be tested against constitutional norms.

Taxation, therefore, can be tested on the cornerstone of laws and policy relating to discrimination — the imposition of GST on pads is incompatible with Article 15(1) of the Constitution as it is per se discriminatory against women. Schools, workplaces and other public spaces are not built to accommodate the menstruating body; a tax on pads feeds into this systemic disadvantage.

In their appraisal of goods and services, the powers that be seem to have premised their assessment of need on an idea of womanhood, rather than the corporeality of females. The statement made by the state in exempting *kumkum*, *sindoor*, *bindis*, *alta* and bangles is to paint a picture of the ideal Indian woman as visibly married and Hindu.

It would appear that the GST Council has successfully imported a technique from visual arts and introduced the "male gaze" into the taxation regime. The GST Council has focused on the crimson-stained parting of a married Hindu woman, the dot on her forehead, the

bangles adorning her wrist.

The reality of a menstruating body is decidedly un-sexy, un-holy and uninteresting in this heterosexual male fantasy of the ideal Indian woman.

There are arguments against the exemption of sanitary napkins — that the product is not indigenous to India (neither is penicillin), not comfortable, not sustainable. Reusable cotton rags could be hygienic and cost-effective. Whether pads are indigenous or not is no reason to deny them to Indian women, since, lacking alternatives, access to pads can be directly linked to access to healthcare.

If the GST Council had exempted cotton cloth for women whilst taxing sanitary napkins, the sustainability argument may have been compelling. If cotton rags could be cleaned properly, they may be an alternative. Yet, it is not for the environment that pads may carry a 12 per cent levy, but out of a gender normative assessment of propriety and necessity.

The levy of GST on sanitary napkins tells us that there can be no presumptions as to the recognition of equality of persons, disadvantage, and the importance of women's work in this country.

The writer, 29, is a lawyer practising in Delhi

## JUNE 16/19, 1977, FORTY YEARS AGO

### LANGUAGE MATTERS

THE COMMISSIONER FOR Linguistic Minorities has regretted that many state governments are insisting on the knowledge of the regional language at the time of recruitment to state services. In his 16th report, tabled in Parliament for July 1973 to June 1974, the commissioner named the governments of Bihar, Haryana, Himachal Pradesh, Madhya Pradesh, Manipur, Meghalaya, Orissa, Punjab, Rajasthan and Uttar Pradesh. The commissioner said: "Such an attitude of the state governments is against the decision of the Chief Ministers' conference of 1961." He suggested the state governments should reconsider in view of the acute unemployment

problem, which affects linguistic minorities also. The commissioner spoke of complaints about the non-availability of textbooks in the mother-tongue of linguistic minorities. The state governments, which nationalised book production, argue that the proposition is uneconomic while private publishers are not coming forward, the commissioner said.

### A HOUSE FOR DESAI

WHEN PRIME MINISTER Morarji Desai returns to Delhi from the Commonwealth conference in London, he will drive straight to his new residence at 1, Safdarjung Road. The other members of the family have

already shifted to the new address.

### SHEIKH'S HEALTH

WHILE SHEIKH ABDULLAH has made progress since he suffered a heart attack, he is still not out of danger, according to a doctor attending on him. He said the improvement in the Sheikh's ECG was being maintained. Asked if he was "out of the red", the doctor replied: "Can't say yet." However, the doctor said the Sheikh's general condition was good, he rested well the previous night and had breakfast and lunch. The Sheikh's son and special assistant, Farooq Abdullah, said doctors appeared to be satisfied with the progress the Sheikh was making.



## Why bumper harvests spell doom

With a glut in agricultural production, prices have fallen below MSPs. The government needs to get the agri-market right to address the farm crisis



FROM PLATE TO PLOUGH

BY ASHOK GULATI AND PRERNA TERWAY

THE FARMERS' PROTESTS in Madhya Pradesh (MP) and Maharashtra indicate that all is not well on the economic front, especially agriculture. If such unrest could happen in MP, which claims to have registered the fastest agri-GDP growth at 9.7 per cent per year during 2005-06 to 2014-15, then no state is likely to be immune from it.

MP has been a showcase for the performance of BJP-ruled states in agriculture. But it now appears that agriculture could be Prime Minister Narendra Modi's Achilles heel. The government's poor performance in the sector at the all-India level — testified to by a growth rate of less than 2 per cent per annum during 2014/15 to 2016/17 — has to be addressed quickly, and in a sustained manner. Otherwise, the neglect of agriculture may cost the PM heavily in 2019.

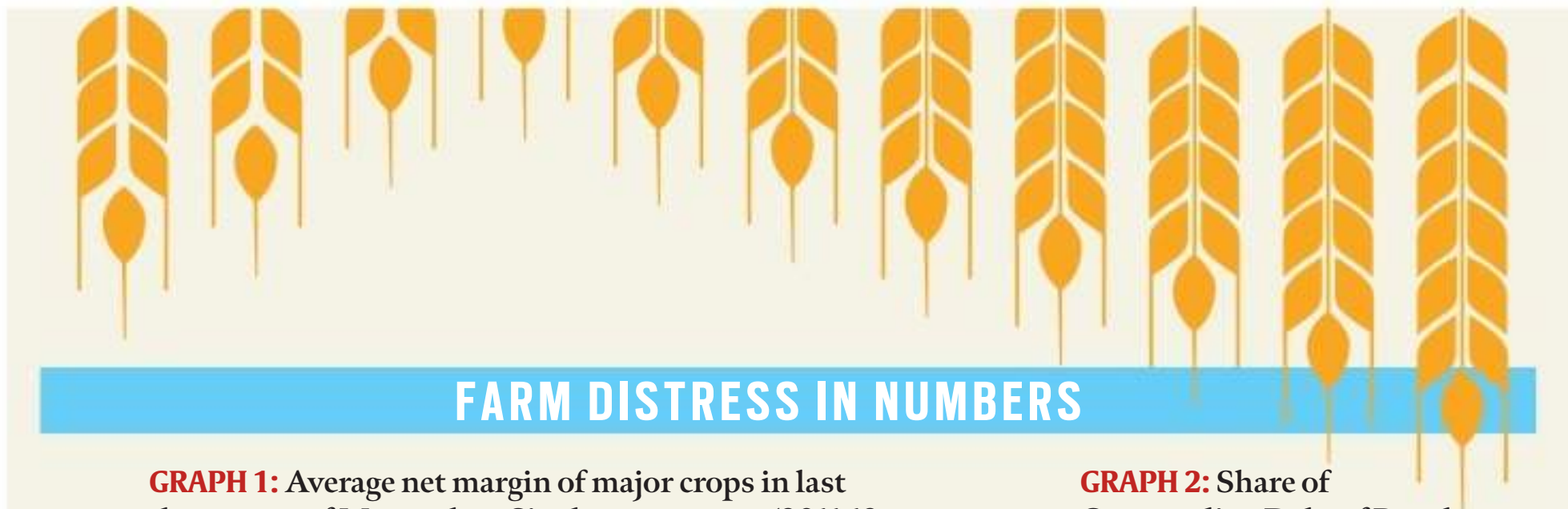
What has really gone wrong with agriculture during the Modi era? And how can it be fixed? We focus here on prices and farm loans, although agriculture suffers from a number of problems.

The current protest in MP seems to have been triggered by the crash in onion prices, but it also drew strength from the news of loan waivers in Uttar Pradesh (UP) and Maharashtra. The seeds of competitive loan waivers were sown by the PM himself — at a rally during the election to the UP assembly, he announced that farmer loans will be waived in the very first meeting of the new UP cabinet, if the BJP were to be voted to power in the state. The new UP Chief Minister, Yogi Adityanath, followed the PM's advice diligently.

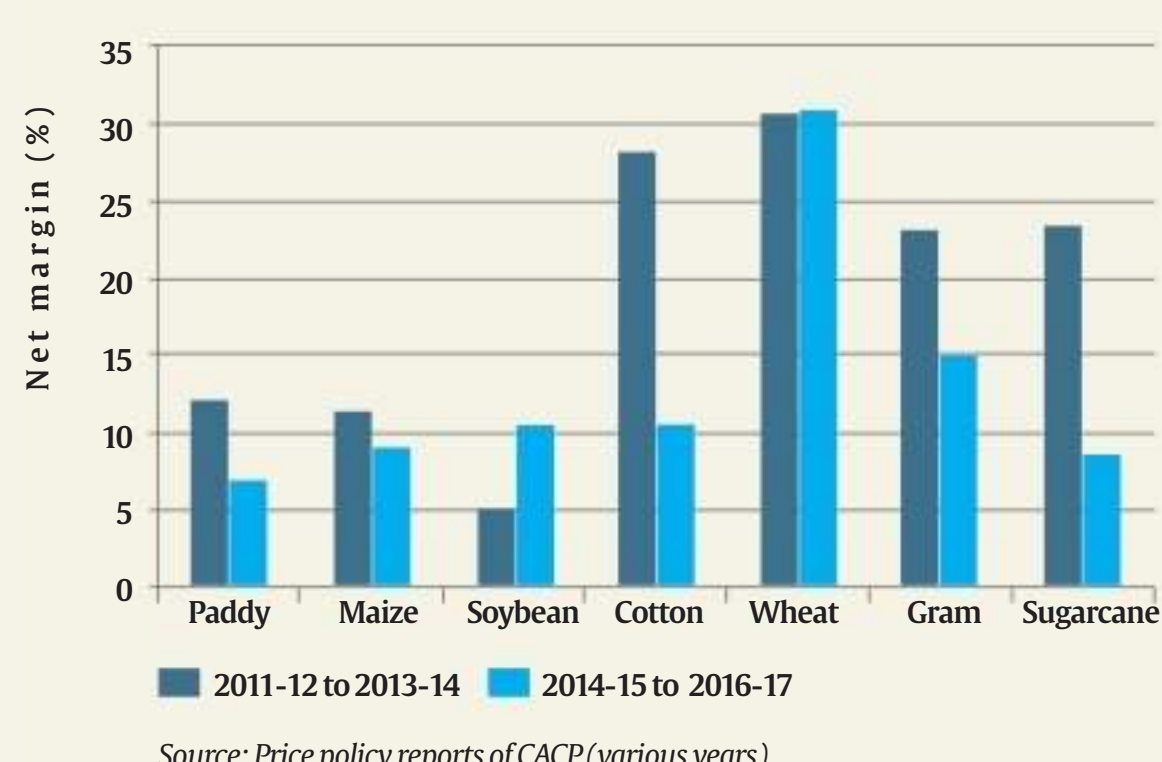
Farmers in other states have been watching, and the loan waiver could lead to a demand for similar waivers in other states — Haryana, Punjab, Karnataka and Tamil Nadu. We won't be surprised if loan waivers cost state treasuries Rs 2,00,000 crore in the months to come, taking state-level deficits closer to 4 per cent of their GDP.

What is it that the farmers are demanding? Simply remunerative prices for their farm produce. The BJP had promised in its 2014 election manifesto that if voted to office, the party will ensure 50 per cent margin to farmers over their costs. Where does the Modi government stand on that promise after three years in office, compared to the last three years of the Manmohan Singh government?

We dug out official data of net margins (the MSP minus cost C2) from the Commission for Agricultural Costs and Prices reports of the last six years (see Graph 1). The bitter truth is that net margins in most agricultural commodities — paddy, maize, cotton, gram, sugarcane — have actually declined during the Modi regime. Moreover, if one looks at just 2016-17 data, there were



GRAPH 1: Average net margin of major crops in last three years of Manmohan Singh government (2011-12 to 2013-14) v/s three years of Narendra Modi government (2014-15 to 2016-17)



Source: Price policy reports of CACP (various years)

GRAPH 2: Share of Outstanding Debt of Rural Household from Institutional and Non-Institutional Sources



Source: All India Debt & Investment Surveys, Various Issues

Graphic: Sarfaraz

negative margins on several commodities: Jowar (-18 per cent), ragi (-20 per cent), sesame (-14 per cent), sunflower (-13 per cent), groundnut (-4 per cent), moong (-7 per cent) and urad (-4 per cent). With a glut in tur production, market prices fell way below the MSP and the real losses were even higher. Potatoes, onions and tomatoes seem to have met the same fate.

No wonder there is widespread unrest amongst farmers. They suffered back-to-back droughts in the first two years of the Modi government, and now, in the third year, despite good rains and bumper harvests, they are suffering due to the collapse in prices. Loan waivers are not a solution: They are band-aids and give temporary breathing space to policymakers.

The best way to handle prices is to "get the markets right". Remember, prices are determined by the forces of demand and supply, and cost enters through the supply curve. Factoring in only the costs plus pricing without considering the demand side can lead to even greater distortions, and therefore needs to be avoided.

But how does one get markets right? Take the case of tur; India had a bumper harvest of tur in the last season. But the government banned its exports, private entities were not allowed to hold stocks and trading in futures had also been banned. No wonder, with bumper harvest on the one hand, and strangulated markets on the other, prices crashed, tumbling way below the MSP, creating misery for farmers and causing unrest.

The solution is simple: Abolish all export

India had a bumper harvest of tur in the last season. But the government had banned its exports, private entities were not allowed to hold stocks and trading in futures had also been banned. No wonder, with bumper harvests on the one hand, and strangulated markets on the other, prices crashed, tumbling way below the MSP, creating misery for farmers and causing unrest. The solution is simple: Abolish all export bans, private stocking limits and restrictions on futures trading in all agri-commodities.

bans, private stocking limits and restrictions on futures trading in all agri-commodities. This is all the more desirable in commodities whose imports are open at low or zero duties. If this is not done, the government will be forced to buy all commodities whose prices nosedive. This is neither an efficient, nor a feasible policy option.

For perishables like onions, potatoes and tomatoes, we need more and better storage facilities, linkages with processing firms, contract farming, opening land lease markets, etc. We need to develop efficient, equitable value chains — like the AMUL model in dairy. But there is one problem on the agri-credit front that needs to be addressed urgently. Farmers need cash immediately after harvest to pay their debts from formal and informal sources. Warehouse receipt systems and giving the farmers advances against their stocks is the way to go.

The biggest failure of the RBI and NABARD has been on the financial inclusion front: Even in 2013 — the latest information we have — of the total outstanding debt of rural households, 44 per cent came from informal sources (Graph 2). Interest rates in the informal sector hover anywhere from 15-30 per cent.

Thus, instead of interest subvention schemes, the government needs to focus on financial inclusion if it wants to address farmers' problems on a sustainable basis.

Gulati is Infosys Chair Professor of Agriculture and Terway is research associate at ICRIER

### WHAT THE OTHERS SAY

"Development in China and the West has proved that China's path is right. Fragmented criticism from Western public opinion won't change the reality." —GLOBAL TIMES, CHINA

## Reassure neighbours

New Delhi should not hector those nearby if it intends to bring about balance with Beijing



JYOTI MALHOTRA

AS PRIME MINISTER Narendra Modi prepares to travel to the US again, this time to meet Donald Trump, a much more realistic and sober understanding of the challenges in India's neighbourhood may be finally dawning on him and his band of advisors.

Perhaps the most important element of this shift-in-the-making is the recognition, three years down the road, that India's size, population, economic strength and democratic credentials may not be enough to make it a predetermined leader of the region. In fact, the neighbourhood reacts terribly to being lectured, which has sometimes been Delhi's wont. And, in contrast with the PM's indefatigable promotion of India elsewhere, India's many somersaults in its own neighbourhood have left people more disconcerted than dazzled.

Certainly, a key talking point in the PM's conversation with Trump will be about China. He will try and suss out the extent of the US president's fondness, or indifference, towards Xi Jinping. Modi's own interactions with the Chinese president have been terribly fractious. Delhi has insisted that Beijing not stand in the way of its admission into the Nuclear Suppliers Group or bar the sanctioning of Masood Azhar at the UN. But Xi has stood firm, even patronising, as China smilingly turned down Delhi's requests.

But, at last, all the PM's men seem to have understood that stoking the rant of embedded TV anchors cannot be a substitute for foreign policy; that TV wars with Beijing and Islamabad are limited to a rise in TRP ratings. That's why the readout from Modi's meeting with Xi at the Shanghai Cooperation Organisation meeting at Astana, Kazakhstan, last week, was uncommonly moderate. This is an important step.

This shift-in-the-making took place after the Tibetan holy leader, the Dalai Lama, was accompanied by junior minister Kiren Rijiju during his recent trip to Arunachal Pradesh. The Tibetans were agast. Anyone with a cursory acquaintance of Sun Tzu would know you do not unnecessarily needle a big enemy. Letting the Dalai Lama go to Tawang which is an integral part of India was good strategy, but why look the Chinese in the face as you poke them in the eye?

It is this combination of anger and insecurity over China's aggressive expansion in South Asia — which India considers its natural sphere of influence — that has defined Modi's neighbourhood policy these past years. As Xi ordered his cash-rich Chinese institutions to infiltrate Sri Lanka and the Maldives in the Indian Ocean, or Nepal and Bhutan in the Himalayas, or Bangladesh and Myanmar in the Bay of Bengal or Afghanistan and Pakistan on India's western flank, Delhi reacted with anger.

Some of that emotion was productively

used towards regime change, like in Sri Lanka. In Nepal, Delhi supported the Madhesi struggle towards equal rights, but watched with concern when former Nepali prime minister K.P. Oli laid a red carpet for the Chinese. That lit the fuse for another regime change — which is how Maoist leader Prachanda and Nepali Congress leader Sher Bahadur Deuba became prime ministers — except India backed off on its support for Madhesi leaders. A furious Terai, where the Madhesis largely live, has since risen in revolt against India.

Now, it seems yet another somersault on India's Nepal policy is underway, as Delhi tries to assuage the Madhesis and promises renewed support for the agitation it abandoned a few months ago. The result has been massive confusion. India is seen as indecisive about what it wants — certainly not what an aspiring power should be.

With Afghanistan, Delhi has stuck its neck out — and shaken hands with Gulbuddin Hekmatyar, once known as the "butcher of Kabul," for the thousands he ordered killed at his own and the ISI's behest. India's turnaround on this front isn't such a bad idea. Sun Tzu's advice, from across the centuries, comes to mind: Know thy enemy, in this case, the people and the country behind Hekmatyar. With its \$3 billion assistance to Afghanistan, India is in a much better place today to deal with Rawalpindi's machinations — even if China's mining conglomerates are sooner rather than later returning to mine the Mes Aynak copper mine, not far from Kabul.

The trouble will come if Donald Trump asks Modi what else India can do for Afghanistan — as part of a possible what-America-can-do-for-India conversation. Can India put boots on the ground? That may be a near-impossibility. Can India supply weapons or, perhaps, pay for them? Certainly, Delhi won't want to get further enmeshed in the Afghan marsh.

Modi's next challenge in the neighbourhood will come after he returns from the US — and India decides whether it will boycott the SAARC summit that is to be held in Pakistan later this year. Last year, Delhi persuaded several other nations in South Asia to turn down Islamabad's invitation. This time around, the choices may be far fewer.

But if the Chinese and Russians, and the US, begin to circle around the uniforms in Rawalpindi because they hold the key to the renewed unrest in Kabul, what is India going to do? How does it resurrect its Pakistan policy, which is in a shambles?

Certainly, Modi cannot be blamed for the revolution of the earth and alongside, the manner in which global politics unfolds. But he must take note of the fact that India's reputation abroad is directly proportional to the affection and respect it enjoys in its near-abroad. Indian diplomats cannot hector South Asia's smaller nations if and when they hope to "balance" India with China; that's what small nations do. If India believes it is a unique power, it must play the game differently. It must show itself to be a calm and reassuring presence, not an angry one. That will make all the difference.

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### LETTER TO THE EDITOR

#### NOT A REPEAT ACT

THIS REFERS TO the article 'New President for new India' (IE, June 16). Commenting on the presidential election, the author appeals for replicating the "spirit of Rajendra Prasad". However, our first President, for all his contributions to the freedom movement, was an opponent of the Hindu Code Bill (as was the RSS). When the Bill went through, this revolutionary measure brought much needed reforms to Hindu society, permitting inter-caste marriages, divorces, women's inheritance rights and banning polygamy. The mindset that opposed such reforms is, in fact, the last thing we want in our country.

Lalit Mohan, Gurgaon

#### CAGED SINCE WHEN?

THIS REFERS TO the article, 'All about winning' (IE, June 16). According to the author, in seeking to further narrow political interests, the BJP government threatens investigating agencies like the CBI, the ED, etc. As an alert citizen, I would ask why there is no provision in the Constitution to stop such misuse of these agencies, which have been called "caged parrots"? If the author finds no such rules, he could admit that his own party, which ruled for six decades, was either unaware of this gap or was happy misusing it. Of course, if there are clear guidelines preventing the official misuse of such agencies, citizens must be informed.

Arjan Thadani, Pune

#### NO MORE EXCUSES

THIS REFERS TO the article, 'Reform, despite nay-sayers' (IE, June 16). The

#### 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.

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THE WINNER RECEIVES SELECT EXPRESS PUBLICATIONS

contention of the All India Muslim Personal Law Board (AIMPLB), that triple talaq is uncoded personal law and thus, cannot be subject to Fundamental Rights, does not hold in today's society. Even if a practice has some scriptural backing, or if it is uncoded personal law, that is no justification for the prevalence of such a practice, if it is violative of the Fundamental Rights. Triple talaq, on the face of it, violates the Fundamental Rights of women and must be struck down. Religion cannot have an upper hand over our Fundamental Rights.

Surya Sharma, Chandigarh



NEXT DOOR NEPAL

BY YUBARAJ GHIMIRE

## Limited choices

Uncertainty over local body elections raises questions about political stability

NEPAL HAS BEEN a laboratory of too many political experiments, but none of them, except the one between December 1960 and 1990, resulted in political stability and infrastructure development. That was, however, under absolute monarchy, with political parties banned under law.

The post-1990 experiments — first with monarchy in democracy, then Republicanism — have come at the cost of political stability, causing major concern at home and abroad. "Political stability" comes at the top of the international community's "wish-list" for Nepal that gets manifested in every formal or informal comment. After a long gap, Nepal's annual economic growth rate is projected at over 6 per cent. But there are fears that a badly managed political system will spoil that possibility again. The fear is not unfounded.

Sher Bahadur Deuba took over as the third prime minister after the constitution was promulgated in September 2015, and the 10th since Nepal's experiment towards radical politics and republicanism began in early 2006. Deuba, like his coalition partner and predecessor, Pushpa Kamal Dahal of the CPN-Maoist Centre, believes that "implementing" the current constitution is his primary goal, and holding elections to the remaining 481 local bodies, seven provincial bodies and the

federal parliament, by the constitutionally mandated deadline of January 21, will be evidence of the constitution being enforced.

But within two weeks of his assuming charge, Deuba had to retreat. The Opposition has accused him of encouraging divisive trends. On Thursday, the cabinet postponed the second phase of elections to the local bodies in province number two, a core Madhes region, to September 18 — polls in provinces 1, 5 and 7 will take place as scheduled on June 28.

The reason ostensibly given by the government for postponing elections in Province 2 is to draw in the Madhes-based Rastriya Janata Party (RJP) to the electoral process, and, by extension, into the constitutional fold. The first phase of the elections took place a month ago. The provinces whose boundaries are already drawn do not have a "name". This tricky issue will have to be tackled by the respective provincial legislatures after the elections.

The decision to put off elections in Province 2, many fear, will force the government to follow suit in Province 5 as well, since their social, ethnic and political composition and demands are similar. The RJP, on the other hand, has made it clear that it will suspend its agitation and protest demonstrations only in Province 2.

The RJP, besides demanding a very liberal citizenship provision, also insists on proportional representation in local bodies, state legislatures and the federal parliament, provided by a constitutional amendment. Other parties are opposed to the demand: They believe it will sow the seeds of division in a country that has fairly mixed population pockets. Moreover, with the ruling coalition not having a two-thirds majority in parliament, and even Madhes groups divided, the constitutional amendment looks distant.

The relations between the king and political parties nosedived in 2002, when Deuba as prime minister recommended that the parliamentary elections scheduled in November be postponed by a year in view of the Maoist insurgency. King Gyanendra not only declined to accept the recommendation, but dismissed Deuba on charges of incompetence, choosing Lokendra Bahadur Chand and Surya Bahadur Thapa as prime ministers. The latter were told to negotiate with the Maoists.

Gyanendra reinstated Deuba in April 2004 with the same mandate, but took over the reins in February 2005. He sought support at home and from the international community for three years as he wanted to "contain terrorists" (Maoists) before office was returned to political parties. The international

community, with the exception of China, refused to accept Gyanendra's position. This experiment proved costly for the king. Political protests in Nepal, and India's mediation, brought "underground Maoists" and seven major political parties closer. Together, they decided to abolish the monarchy.

What if the government fails to hold elections as mandated by the constitution? The postponement of local body elections in Province 2, and the uncertainty in Province 5, are likely to impact the federal elections as well. The post-2006 experiment has seen leaders assuming extra-constitutional powers and dictating the course of politics as a matter of rule rather than exception. Top leaders of the major parties have often invented "consensus" to override the constitution.

However, finding a substitute for elections is not going to be an easy option. The failure to hold elections to parliament by January 21, a possibility that is increasing by the day, amounts to an admission that the "new" constitution is dead. Dahal may stand by Deuba as promised, but the people's right to self-determination and their right to elect representatives is something the leaders will need to respect.

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