



This time with feeling

The ordinance enabling the RBI to act on bad loans must be accompanied by wider reform

The Centre has empowered the Reserve Bank of India to get banks to take tougher steps, including insolvency and bankruptcy proceedings against defaulters, to address the growing volume of bad loans on their books. An ordinance to amend the Banking Regulation Act of 1949 has been issued to quell doubts whether the existing provisions allowed the RBI to direct banks to deal with specific stressed assets. The RBI has also been vested with the power to form oversight committees wherever it deems fit. Currently such committees exist only for loans brought into a scheme for sustainable structuring of stressed assets, also known as S4A. Now the RBI can bring in such panels to monitor the alphabet soup of other mechanisms for tackling non-performing assets (NPAs) such as SDR (strategic debt restructuring) through the JLFs, or joint lenders' forums. The hope is that this will let bankers take decisive calls on loan accounts that have turned bad, as an independent oversight committee's approval could keep investigative agencies off their backs. Bankers may not always have the sectoral expertise to monetise or leverage assets underlying bad loans in the best possible way. Yet, their paralysis on the NPA front, with its collateral impact being the worst bank credit growth recorded in decades, is driven by the fear that they could get themselves implicated for poor lending and monitoring decisions. The success of this latest salvo against bad loans will depend on the fine print on how the ultimate decision – whether to take a haircut on a loan and restructure it or invoke bankruptcy clauses – is arrived at.

Parhps of equal significance is the reshuffle of certain public sector bank officials announced on Friday. This is a clear signal that the NDA government is losing its patience with bankers persisting with a status quoist approach. The ordinance is the latest attempt to resolve the twin balance sheet problem (of indebted borrowers and NPA-burdened lenders) plaguing India's domestic investment cycle. In 2015, the Prime Minister launched a Gyan Sangam conclave with bankers, and an In-dradhanush road map to revitalise public sector banks. Last year, a Banks Board Bureau was set up to recommend the appointment of top bosses at banks and help them develop strategies and plan raising of capital. If the government wants to see a spurt in investment and job-creation, it needs to do more than just pin its hopes on new oversight committees. It must amend the anti-corruption law as has been promised for a while now, and accept the need to fix the policy-level stress affecting sectors such as telecom, power and highways. Above all, the government cannot in the same breath argue that the political cost of reforms is dissipating, but that the 're-privatisation' of banks as mooted by the RBI recently is still a holy cow for the Indian polity.

Space for all

India's launch of the 'South Asia satellite' sends a positive signal to the neighbourhood

By launching the GSAT-9 'South Asia satellite', India has reaffirmed the Indian Space Research Organisation's scientific prowess, but the messaging is perhaps more geopolitical than geospatial. To begin with, the Centre has kept its promise of considering India's "neighbourhood first". Within a month of taking over as Prime Minister in 2014, Narendra Modi went to Sriharikota for the launch of PSLV C-23 and "challenged" ISRO scientists to build this satellite for the South Asian Association for Regional Cooperation. The decision was then announced at the SAARC summit in Kathmandu, and the government has kept its commitment of gifting its neighbours at least one transponder each on the GSAT-9, a project that cost about ₹450 crore. India has no doubt gained goodwill across the subcontinent through the gesture, and the moment was neatly captured by the videoconference that followed the launch, showing all SAARC leaders (with the exception of Pakistan's) together on one screen as they spoke of the benefits they would receive in communication, telemedicine, meteorological forecasting and broadcasting. The message is equally strong to South Asia's other benefactor, China, at a time when it is preparing to demonstrate its global clout at the Belt and Road Forum on May 14-15. The Belt and Road Initiative is an infrastructure network that every SAARC nation other than India has signed on to. China has pledged billions of dollars in projects to each of the countries in the region; that, India is obviously not in a position to match.

Where India does excel is in its space programme, as it is the only country in South Asia that has independently launched satellites on indigenously developed launch vehicles. However, in recent years Pakistan and Sri Lanka have launched satellites with assistance from China, while Afghanistan, the Maldives and Nepal are also understood to have discussed satellite projects with China. Bangladesh, which will launch its first satellite Bangabandhu-1 this year, is working with a European agency. With the GSLV launch India is showing that where it is capable its commitment to the development of its neighbours is strong. Finally, by going ahead with the project despite Pakistan's decision to pull out, the Modi government is signalling that it will continue with its plans for the neighbourhood – 'SAARC minus one' – if necessary. This vision was dealt a minor blow recently when Bhutan pulled out of the 'mini-SAARC' alternative plan of a motor vehicles agreement with BBIN (Bangladesh, Bhutan, India Nepal), but the government's persistence indicates it will not be deterred by the obvious domestic constraints of the SAARC grouping. As Afghanistan President Ashraf Ghani, particularly aggrieved by Pakistan's refusal to grant transit rights for India-Afghanistan trade, said at the launch of the GSLV-F09: "If cooperation through land is not possible, we can be connected through space."

Turkish delight turned sour

Opening a new page in India-Turkey relations clearly needs to wait for better times



RAKESH SOOD

Turkish President Recep Tayyip Erdoğan's state visit to India last week was expected to open a new page in bilateral relations, which have traditionally alternated between formal and lukewarm, at best. The reason is simple. On issues of mutual concern, both countries have displayed a lack of sensitivity.

Turkey's position on Kashmir has traditionally reflected its proximity to Pakistan, guided by the links between the two military establishments. Both countries were part of the anti-Communist military alliance, the Baghdad Pact (later Central Treaty Organisation or CENTO), and in both generals had wielded political power. Membership of the Organisation of Islamic Cooperation has been another abiding link between the two countries. On the issue of UN Security Council (UNSC) expansion, Turkey and Pakistan are part of the Uniting for Consensus group which opposes the idea of adding new permanent members, proposing instead a doubling of the non-permanent category to make the UNSC more representative.

More recently, on India's membership of the Nuclear Suppliers Group (NSG), Turkey supported the Chinese idea of a criteria-based approach for non-Nuclear Non-Proliferation Treaty (NPT) member states, intended to accommodate Pakistan.

A personal chemistry

Against this negative backdrop is the personal relationship between Mr. Erdoğan and Prime Minister Narendra Modi developed during the last two years on the margins of G-20 summits. Mr. Erdoğan's efforts to shift Turkish foreign policy away from its Western orientation had created space for a growing relationship with India which Mr. Modi was keen to exploit.

There are similarities between the two leaders which may have



drawn them together. Amitav Ghosh wrote about their 'Parallel Journeys', their difficult economic circumstances (Mr. Modi had run a tea stall at the railway station while Mr. Erdoğan sold lemonade at a street corner), the struggle to rise to the top in their respective political parties, a lasting and deep religiosity and exceptional communication skills. According to Mr. Ghosh, Mr. Modi's electoral victory in 2014 was reminiscent of Mr. Erdoğan becoming Prime Minister when his Justice and Development Party (AKP) won in 2002; in both cases, their parties associated with religious organisations had overturned long standing 'secular-nationalist elites'.

In his slim volume *A Question of Order - India, Turkey and the Return of Strongmen*, published earlier this year, describing India and Turkey as two of the world's largest multi-ethnic and multi-religious democracies in Asia, Basharat Peer identifies "religion and secularism as their common and dominant faultlines". Their founding fathers (Ataturk and Nehru) were both charismatic and sought to turn their countries towards western modernity on the basis of free and fair elections and religious freedoms. The economic parallels are less persuasive but Mr. Peer weaves the political threads together in terms of the "strongmen" persona of today's leaders – their promises of reviving national pride and restoring greatness, harnessing militant nationalism, impatience with criticism and civil society, and their personal charismatic appeal. Interestingly, Mr. Modi would like to do away with 'triple talaq' in order to give greater rights to Muslim women while Mr. Er-

doğan reintroduced the women's headscarf, overturning the ban that had been introduced by Ataturk decades earlier!

Stars not aligned Notwithstanding the personal chemistry between the two leaders, the legacy of mutual insensitivity proved too difficult to overcome. The stars were not aligned. Vice President Ansari's visit to Armenia and Cyprus President Nicos Anastasiades visiting India in the week preceding President Erdoğan's arrival were hardly good omens. Mr. Erdoğan too reverted to the pro-Pakistan default position on Kashmir and the NSG. He acknowledged that while India with 1.3 billion people needed to have its place in the UNSC, he added that the 1.7 billion Muslims also needed to be present.

Both sides sought to emphasise the potential for greater economic cooperation. However, there are clear limits here, imposed by existing agreements. Half of Turkey's \$350 billion foreign trade is with Europe. Our bilateral trade which stands at \$6 billion, and is expected to grow to \$10 billion by 2020, can hardly become a major driver.

Troubling policy choices

In coming years, Mr. Erdoğan has his hands full in dealing with the forces unleashed by his policies in the region and domestically. A decade ago, Turkey had a booming economy, Mr. Erdoğan had clipped the wings of the army, Turkey appeared a moderate and progressive Islamic state, and prospects for EU membership were bright. Then came the Arab Spring and Turkish policy adopted a blend of pan-Islamism and neo-Ottomanism. Elec-

tions in the aftermath of the Arab Spring were expected to bring in the Muslim Brotherhood, a movement with which AKP was closely aligned. But by 2013, two problems had emerged. President Mohamed Morsi in Egypt had been removed and the army was back in power in Cairo with the tacit understanding of both the West and Saudi Arabia, and Syrian President Bashar-al-Assad's regime had proven to be far more resilient than anticipated.

The jihadi highway that Mr. Erdoğan opened up on the Turkey-Syria border for radicalised Europeans, Central Asians, Afghans, Arabs and Africans to enter Syria created a backlash. While the Russians were targeting the Islamic State (IS) in Syria to prop up the Assad regime, the U.S. was using its Turkish airbases for strikes against the IS and increasingly relying on the Syrian Kurds for ground operations. Relations nosedived after the shooting down of a Russian Su-24 killing the pilot. Six months later, Mr. Erdoğan had to apologise to Russia to get sanctions lifted. Meanwhile, Turkish Kurds (the outlawed PKK) linked up with their Syrian counterparts, the PYD and its militant wing YPG, spurring Kurdish nationalism as the PYD called for a Rojawa (homeland). During 2016, Turkey suffered more than 200 terrorist attacks, attributed to the IS and the Kurds, killing more than 300 persons.

Having repaired relations with Russia, Mr. Erdoğan is eager to repair relations with the U.S. which had frayed during the Obama years. He was quick to compliment U.S. President Donald Trump for the early April Tomahawk missile strikes on the Shayrat air base in Syria, calculating correctly that he could manage the fallout of this with Russia. Mr. Trump reciprocated by telephoning him to congratulate him on his successful referendum in April. This has been followed up with an invitation to the White House on May 16-17.

Turkey is keen to join in the assault on the IS stronghold of Raqqa to ensure that the YPG is kept under check but the Syrians oppose a role for Turkey. Meanwhile, Turkish soldiers have occupied al-Bab in northern Syria, beating the YPG to it. The idea of a contiguous Kurdish

enclave on its southern border is anathema for Turkey. It has become a strong votary of maintaining Syrian territorial integrity even as Russia and the U.S. are talking about autonomous areas under different groups, separated by buffer zones to ensure peace.

Exploiting a failed coup

Even as Mr. Erdoğan copes with foreign policy challenges, he demonstrated his political agility by exploiting last July's failed coup to round up all potential opponents prior to the April referendum. It is estimated that about 120,000 government employees have been suspended or dismissed, primarily from the judiciary and the education branches, suspected of being Gülen sympathisers. In addition, 7,500 soldiers and officers including over a hundred with the rank of a brigadier and above, and over 10,000 police cadres have been sacked. More than a dozen colleges and universities and a thousand schools are closed; licences of 24 radio and TV channels have been revoked and over a hundred journalists have been arrested.

With all this, Mr. Erdoğan's referendum, which proposes 18 amendments to transform Turkey into a highly centralised presidential government, was passed with a slim majority of 51.4% versus 48.6%. The proposed changes permit Mr. Erdoğan to get two terms of five years each after the 2019 elections, appoint at will vice-presidents and cabinet members and 12 out of 15 supreme court judges, abolish the post of prime minister, provides for simultaneous presidential and parliamentary elections and coterminous tenures, enlarges the parliament to 600 seats while reducing the minimum age of candidacy for parliament to 18 years.

This is an ambitious agenda, even for a highly committed and driven leader like Mr. Erdoğan and will keep him busy for the next two years. Opening a new page in India-Turkey relations clearly needs to wait for better times.

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Decoding the doctrine

More clarity is needed on implementing the Joint Indian Armed Forces Doctrine



DINAKAR PERI

"Surgical strikes", probably the most abused term of 2016, are now the new norm. The Joint Doctrine of the Indian Armed Forces 2017, released in April, has formally embedded them as a part of sub-conventional operations – meaning that from now on, they are among a range of options at the military's disposal to respond to terrorist attacks.

The more interesting aspect in the second such joint doctrine since 2006 is that the scope of "surgical strikes" has been left open. There is no mention of their employment being within the country or beyond its borders – the ambiguity is intended to send a message in the neighbourhood.

Larger message lost

In this context, it is important to note that the surgical strikes in September 2016 on terror camps

along the Line of Control, though much maligned due to political chest-thumping draped in the camouflage of nationalism, did achieve some far-reaching strategic objectives. They were never meant to put an end to terrorism but reversed a discourse which began in 1998 that India was out of conventional options in its quiver in the face of continued cross-border terrorism after the Indian and Pakistani nuclear tests. Unfortunately, this bigger message was lost in the noise.

Further, while acknowledging that the possibility of a "conventional war under a nuclear overhang" recedes with attendant "political and international compulsions", the doctrine notes that training of "Special Operations Division" for execution of precision tasks needs no reiteration. Factoring in the escalation potential of a conflict due to such actions, it states: "The possibility of sub-conventional escalating to a conventional level would be dependent on multiple influences, principally: politically-determined conflict claims; strategic conjuncture; operational circumstance; international pressures and military readiness."



The doctrine also reiterates the basic tenets of the Indian nuclear doctrine, no-first use (NFU) and minimum credible deterrence, contrary to recent calls to revise the NFU and speculation in the West that India would resort to a first strike.

It adds that conflict will be determined or prevented through a process of credible deterrence, coercive diplomacy and conclusively by punitive destruction, disruption and constraint in a nuclear environment across the Spectrum of Conflict.

Flowing from the broader objective is the statement that Special Forces units will be "tasked to develop area specialisation in their in-

terested operational theatres" to achieve an optimum effect.

The various objectives open up an entire gamut of capability addition and process optimisation for the Indian military to be able to enforce it. Achieving these broad objectives requires seamless synergy between the three services, a far cry in the present circumstances.

Interestingly some of the biggest policy decisions have been stuck endlessly – appointment of a Chief of Defence Staff (CDS), formation of cyber, space and Special Forces commands and carving out inter-service theatre commands. After some initial push from the Government, the enthusiasm has gone cold.

The doctrine also declares: "Undertaking 'Integrated Theatre Battle' with an operationally adaptable force, to ensure decisive victory in a network centric environment... in varied geographical domains, will be the guiding philosophy for evolution of force application and war fighting strategies." In this context, how the doctrine will be put into effect will be worth watching given that the 15 year Long Term Integrated Perspective Plan is nowhere near being

achieved by any of the three services.

Indigenisation challenge

Another important pronouncement under the "National Military Objectives" is: "Enable required degree of self-sufficiency in defence equipment and technology through indigenization to achieve desired degree of technological independence by 2035."

This probably presents the biggest challenge of all given the fledgling state of the domestic defence-industrial complex. While a grand pronouncement was made under the "Make in India" initiative, it has essentially remained an exercise in doling out billions of dollars to foreign companies.

The doctrine is a bold announcement, but without the necessary elements in place, it will remain just another document like the policy formulations enunciated earlier. Or worse, it will be relegated to being another political slogan for popular resonance rather than send out a message of intent beyond Indian borders and shores.

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LETTERS TO THE EDITOR

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The Nirbhaya case

The Supreme Court's verdict has delivered justice to Nirbhaya after inexplicable barbarism perpetrated on her ("SC upholds death for Nirbhaya convicts" (May 6). But it is also time to deliver justice to the cause for which our society rose in one voice after the incident. This is the time to effectively implement various policies such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Protection of Women from Domestic Violence Act, 2005, and effect stricter punishment for voyeurism and stalking. There are still countless women in rural India who are unable to report or file complaints against harassment. The low number of women police personnel further

aggravates the problem. It is also time to overhaul our way of thinking, where all students are taught to respect women, impart self-defence lessons to girls and augment police patrolling at night with women constables. These small steps will all help in delivering results.

GAGAN PRATAP SINGH, Noida, Uttar Pradesh

Child rape, gang rape, the abduction and killing children for ransom, terrorist and militant acts leading to the deaths of many also shock the conscience of public in equal measure. The perpetrators also deserve severe punishment and such cases must be fast-tracked. These cases also fall under the rarest of rare cases, warranting the consideration of capital punishment. Will the top

court issue guidelines on these as well?

S.V. VENKATAKRISHNAN, Bengaluru

Space bonding

By fulfilling its promise made at SAARC, India has cemented its position in its "neighbourhood first" agenda, winning it immense goodwill ("Space bonding hits a new high", May 6). Another unprecedented feature is the free-of-cost usage, which will further improve the credibility of India as a reliable regional partner. Finally, the vast applications of the satellite will prove useful in consolidating and integrating the region as a whole.

ATIN SHARMA, Jammu

The spirit of 1967

The writer argues that the India of 2017 needs the kind

of strategic alliance seen in 1967, forged by C.N. Annadurai ("Breathe in the spirit of 1967", May 6).

Secularism, federalism and pluralism are no doubt lofty ideals but questions remain on how these were followed by successive governments in India. Secularism, for instance, supposedly means equal respect for all religions. But politicians turned it into a plank for the appeasement of minorities. During the UPA rule of 2004-2014 – a shining example of Indian federalism – what we witnessed was mega scams. One needs to introspect on why people are voting for change, since 2014, even putting up with temporary hardships caused to them by measures such as demonetisation. A corruption-free government that delivers is more desirable than the one that

merely swears by utopian ideals.

V. JAYARAMAN, Chennai

Heartburn for farmers

It's disheartening to note that chilli farmers in Telangana and Andhra Pradesh are suffering from the problem of excess supply and falling prices ("Market crash forces A.P. farmers to let chilli wither away", May 7). India is an agrarian nation and farmers should be able to produce their crops to the maximum

extent possible without having to bother about demand. The government has a significant role to play by procuring the entire supply at the minimum ceiling price and ensure that farmers are not exposed to the vagaries of market conditions. State governments do not have concrete plans for the development of the agricultural sector.

S. RAMAKRISHNASAYEE, Ranipet, Tamil Nadu

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CORRECTIONS & CLARIFICATIONS:

Editing error: Prof. Douglas Webber, whose quote appears at the penultimate paragraph of "French rivals clash in debate" (May 5, 2017), was wrongly described as professor of political science at the Business School for the World. He is actually with INSEAD, an international business school.

It is the policy of The Hindu to correct significant errors as soon as possible. Please specify the edition (place of publication), date and page. The Readers' Editor's office can be contacted by Telephone: +91-44-2818297/2857630 (11 a.m. to 5 p.m., Monday to Friday); Fax: +91-44-28552963; E-mail: readerseditor@thehindu.co.in; Mail: Readers' Editor, The Hindu, Kasturba Buildings, 859 & 860 Anna Salai, Chennai 600 002, India. All communication must carry the full postal address and telephone number. No personal visits. The Terms of Reference for the Readers' Editor are on www.thehindu.com