



A reprieve

Pakistan must recognise India's resolve in securing the safety of Jadhav

The judgment of the International Court of Justice at The Hague in the Kulbhushan Jadhav case has come as major relief for India, providing space and direction for Pakistan to reconsider the ill-formed process it pursued in convicting and sentencing to death the former naval officer. In its judgment, the ICJ ruled in favour of India's petition on six counts, finding that Pakistan was in breach of its own commitments to the Vienna convention on consular relations, and also rejecting its contention that the convention doesn't apply to the charges of espionage and terrorism levelled against Mr. Jadhav. Put plainly, the judgment castigates Pakistan's legal process against Jadhav *ab initio*: from the initial failure to inform India of the arrest, besides the failure to inform him of his rights, to provide him legal representation, and to provide him an open and fair trial. Pakistan's leadership may choose to publicly rejoice over the fact that the ICJ didn't annul the trial or direct a release, but the order should give it pause for thought, and allow saner minds within its establishment to order a comprehensive review of the trial process, if not a full retrial. The ICJ has worked with precedents in the cases of *Germany vs the United States (LaGrand)* and *Mexico vs the United States (Avena)*, both cases where it had ruled that the U.S. was in violation of the Vienna convention, and ordered a "review and reconsideration" of its process. Pakistan must realise that it cannot now emulate the example of the U.S., which defied the ICJ's ruling, and work instead in good faith to implement the ICJ's detailed recommendations for an effective process of justice for Mr. Jadhav.

Those recommendations, however, can only ensure a fair trial process for Mr. Jadhav in Pakistan, and not his release or eventual return home. For its part, New Delhi must recognise that the verdict is only a breather, a window of opportunity in which to open talks with Islamabad, parallel to the trial review on Mr. Jadhav's future. Pakistan must recognise India's resolve in securing the safety of its citizen, and any rash move to try and put his sentencing into effect will cause deep and lasting damage to its own attempts to restart bilateral talks. This will be even more difficult to do than it was when Mr. Jadhav was arrested in March 2016, as at the time Prime Minister Narendra Modi had just visited Lahore, and despite the Pathankot attack the National Security Advisers had maintained their backchannel negotiations. India had yet to call off its participation in the SAARC summit in Islamabad (which it did after the Uri attack in September 2016), and the Foreign Secretaries had met in Delhi to discuss the summit in April that year. None of those avenues exists today, and new ones will need to be built, if not for the sake of a larger dialogue process, for the sake of Mr. Jadhav, who has secured a reprieve but still faces an uncertain future.

The threat of Ebola

The health emergency declared by the WHO can counter the risk of a global spread

After holding itself back on three occasions, the World Health Organization has declared the Ebola virus disease outbreak in the Democratic Republic of the Congo a Public Health Emergency of International Concern. The outbreak in Congo, officially declared on August 1, 2018, has killed nearly 1,700 people and made more than 2,500 people ill. While cases in other areas are reducing, Beni is the new hotspot. The announcement of the health emergency comes amid renewed concerns that the virus could spread to other countries. A single imported case of Ebola in Goma, a city in Congo with two million people and with an international airport bordering Rwanda, served as a trigger to finally declare a global emergency. Surprisingly, the spread to neighbouring Uganda last month did not seem to change the way the WHO assessed the situation. Even when a handful of Ebola cases were confirmed in Uganda, all the infected people had travelled from Congo and there had been no local transmission or spread within Uganda – one of the criteria used by the WHO to assess if an outbreak is a global emergency. This is the fifth time that the WHO has declared a global emergency. The earlier occasions were in February 2016 for Zika outbreaks in the Americas, August 2014 for Ebola outbreaks in western Africa, the spread of polio in May 2014, and the H1N1 pandemic in April 2009. Declaring an event as a global emergency is meant to stop the spread of the pathogen to other countries and to ensure a coordinated international response.

There have been several challenges in interrupting the virus transmission cycle and containing the spread – reluctance in the community, attacks on health workers, delays in case-detection and isolation, and challenges in contact-tracing. But compared with the situation during 2014-2016, the availability of a candidate vaccine has greatly helped. Though the vaccine has not been licensed in any country, the ring vaccination strategy where people who come into contact with infected people, as well as the contacts of those contacts are immunised, has helped. Of the nearly 94,000 people at risk who were vaccinated till March 25, 2019, only 71 got infected compared with 880 unvaccinated who got infected. The vaccine had 97.5% efficacy; a majority of those who got infected despite being vaccinated were high-risk contacts. Owing to vaccine shortage, the WHO's expert group on immunisation has recommended reducing the individual dose to meet the demand. What is equally important is for the G7 countries to fulfil their promise to the WHO to contain the spread. The agency received only less than half of the \$100 million that was requested to tackle the crisis. The global emergency now declared may probably bring in the funding.

Inappropriate template for a legitimate target

The Economic Survey, while rightly calling for a rise in private investment, incongruously invokes the East Asian model



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The recently-released Economic Survey either glosses over or ignores many acute challenges faced by the Indian economy – like the severe agrarian crisis; the troubles of loss-making and debt-ridden public sector units; and the issues plaguing public sector banks.

While the Survey is not incorrect in highlighting the importance of incorporating insights from psychology into economics, it is odd that this has been done so late in the day. Many other countries like the U.K., Australia and Singapore have for long been applying such points to policy design and implementation areas and the issue has been discussed in India over the last few years as well. It is unclear what added value the report truly has to offer here.

One issue that the Survey rightly underlines is the need for India to revive private investment if it is to achieve the magical \$5-trillion economy status by 2024-25. However, what is odd here is that to stress this, the document invokes the age-old comparison between India and East Asian countries. It is rather strange that the Survey brings up something that has been taught in economic development classes over the last two decades.

How the NIEs prospered
Here, a question that arises is: Can the East Asian model help revive India's floundering investment rates? Some crucial reminders are worth underlining.

The East Asian model was largely a story driven by the newly in-

dustrialised economies (NIEs) of Singapore, Hong Kong, South Korea and Taiwan, and Japan earlier.

Specifically, the prime goal in various NIEs from 1960s through to the 1990s (prior to the Asian Financial Crisis) was to raise gross savings rates. While the rise in household savings was partly due to the positive demographic dividend, a variety of other factors, including macroeconomic stability, low inflation, lack of social safety nets, inability to leverage (due to a highly regulated banking system) and forced savings (fully-funded Provident Funds) also played a role. State-owned enterprises had to operate with budget constraints. This, coupled with the fiscal discipline practised by the economies, ensured that the public sector did not crowd out private savings and, in some cases, actually added to national savings.

Another goal was to ensure that the private savings were actually intermediated into the formal financial system, failing which the cost of capital would remain high and the availability of capital for investment would be low. To achieve this, importance was given to the establishment of a safe and secure public sector banking system (usually in the form of postal savings networks) where deposits were guaranteed by the central bank and interest incomes was taxed lightly, if at all. The state-owned banks were tightly regulated as financial stability was the cornerstone of overall macroeconomic stability.

Financial inclusion was encouraged, though the focus was on actual use of the deposit accounts rather than just their opening. While the manufacturing sector was viewed as a growth engine and open to export competition, the banking sector, in all economies apart from Hong Kong, remained tightly regulated and



closed to foreign banks. Even Singapore initially adopted a dual banking structure that sheltered the domestic economy largely from significant short-term bank flows. It resorted to a calibrated policy to allow fully licensed foreign banks only in the late 1990s.

Tight financial oversight
So, while these economies were generally successful in encouraging savings, the cost of capital was rather high, not unlike the problem in India today. To tackle this, the East Asian economies undertook financial repression – conventionally understood as a ceiling price keeping lending rates lower than market equilibrium.

This, in normal circumstances, would have led to disintermediation from the formal financial system, a consequent reduction in the quantity of financing and the creation of a shadow banking system. However, central banks of these economies maintained tight oversight, and selective capital controls ensured that the low-yielding savings did not leave their countries of origin, while limited financial development forestalled the possibility of people looking

for savings alternatives.

Along with these, the governments undertook sophisticated industrial policies to promote domestic investment, much of which was export-led (though not necessarily free-market based). The governments understood that a vertical industrial policy (of 'picking winners') would not work without a sound horizontal industrial policy (dealing with labour and land reforms, bringing about basic literacy and raising women's participation in the labour force). Besides, incentives also had clear guidelines and sunset clauses and mechanisms were in place to phase out support. Thus, winners prospered while losers were allowed to fail.

In addition, the bureaucracies of these East Asian economies had what Berkeley sociologist Peter Evans referred to as "embedded autonomy". This allowed the state to be autonomous, yet embedded within the private sector and enabled the two to work together to develop policies or change course if the policies did not work. This made industrial policy operate as a process of self-discovery, as emphasised by Harvard economist

Dani Rodrik. It is the lack of this embedded autonomy in the next-tier NIEs of Malaysia, Thailand and Indonesia that has been partly responsible for them being stuck in the 'middle income trap'.

Heterodox policies, reforms
Thus, much of the investment and export acceleration in East Asian countries was due to heterodox policies and reforms that were carefully calibrated, well-sequenced and implemented at a time when the external environment was far less hostile than it is today. These measures allowed the nations to benefit from their demographic dividends and transform themselves into developed economies in record time.

In contrast, due to political and other compulsions, India's reforms since 1991 have been rather haphazard and of a 'stop-and-go' nature with perverse consequences, all of which has made it much more challenging for the country to take full advantage of its demographic dividend.

Successful governments have neither had the tool-sets and the policy space nor the embedded autonomy needed to drive the industrial transformation as in the East Asian countries.

Though measures like reducing policy uncertainty; ensuring that the fiscal expenditures do not crowd out private savings and investment; enhancing the efficiency of financial intermediation; and dealing with land acquisition and environment clearances are all essential to reignite investment, we do not need to invoke the East Asian example to understand the importance of these.

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OIC's curious record on Xinjiang

While the bloc has made repeated references to Kashmir, it has been ambivalent about China's treatment of Uighurs



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In an epochal development, India became the 'Guest of Honour' at the 46th session of the Council of Foreign Ministers of the Organisation of Islamic Cooperation (OIC) held in Abu Dhabi in March. The final declaration eschewed the customary reference to Jammu and Kashmir. This can be considered unique since the previous Dhaka Declaration in May 2018 had contained this reference. Credit must go to the strong personal and state-to-state ties built by the Narendra Modi government with important OIC states, especially the UAE. At the same time, one of the resolutions did refer to Kashmir and expressed concern at the situation of Muslims in India.

The OIC, representing 57 member states and a population of about 1.8 billion people, is the world's second-largest intergovernmental organisation after the UN and is committed to protecting the interests of the Muslim world. It routinely expresses solidarity

with Palestine, Iraq, Afghanistan, Syria and Bosnia, as well as with the peoples of the Turkish Cypriot state, Kosovo and Jammu and Kashmir.

However, the organisation, while making repeated references to Jammu and Kashmir, has traditionally disregarded the fact that India is a democratic and secular country, where every citizen is protected by the Constitution and is free to practise one's religion. It has also conveniently disregarded the fact that India regularly holds State and general elections, including in Jammu and Kashmir.

Turning a Nelson's eye
On the other hand, it has turned a Nelson's eye to the human rights violations committed by its own members, like the actions of the Pakistani state in Balochistan.

However, the organisation's record on China's Xinjiang province, which is in the news on account of alleged violations of human rights and curbs on religious freedom of Uighurs and other Muslim ethnic groups, is far more curious.

The main Abu Dhabi declaration, like the Dhaka Declaration, made no reference to China or its Muslim minorities. Further, it is intriguing that one resolution passed at Abu Dhabi chose to



"commend the efforts of the People's Republic of China in providing care to its Muslim citizens". This would have come as a huge relief to Beijing, especially after a review held by the United Nations Committee on the Elimination of Racial Discrimination in 2018 had claimed, citing credible reports, that Beijing had turned the Uighur autonomous region into "something that resembles a massive internment camp".

Earlier, a Human Rights Watch report issued in September 2018 had also criticised Beijing's policies in Xinjiang.

On its part, China has defended its policies and claimed that its so-called 'internment camps' are actually vocational centres meant to "educate and save [the local people of Xinjiang] who were influenced by religious extremism". In its White Paper in November 2018, Beijing had projected Xin-

jiang's culture as an integral part of Chinese culture.

Anodyne appeals
All nations have a right to reject external interference in their internal affairs. However, while the OIC remains critical of India, it is wary of treading on China's toes. Various OIC resolutions have, in the past, referred only superficially to the matter. For instance, the Islamabad OIC meeting in May 2007 made only an anodyne request to its Secretary General "to make contact with the Government of China" on the matter "and to subsequently report on these consultations". The Baku OIC resolution of June 2006 made an appeal "to give special attention to the conditions of Muslims in East Turkestan (Xinjiang) and to examine the possibility of working out a formula for cooperation with the Chinese Government".

China has resented the use of the term "East Turkestan" in OIC documents, reminiscent of the banned East Turkestan Islamic Movement of separatist Uighurs from Xinjiang. Yet, Beijing has engaged the OIC and just before the Abu Dhabi meeting, it welcomed an OIC delegation to Xinjiang, a development which perhaps played a role in the OIC 'com-

mending' China.

The organisation remains mindful of how far it can go with its criticism of Beijing considering that China is a major power, a permanent member of the UN Security Council, a large market for hydrocarbons and a source of arms and investment. Moreover, China refrains from preaching to others about human rights or systems of governance.

As China's continued import of oil from Iran suggests, countries under U.S. pressure and sanctions often turn to China for relief. In return, they do their best to guard China's interests at the OIC.

However, OIC countries, under the influence of Pakistan, support resolutions against India despite having excellent bilateral ties with the country. Recent developments – a call from Pakistan's Minister for Religious Affairs Pir Noor-ul-Haq Qadri urging China to lift restrictions on Muslims in Xinjiang and Jamaat-e-Islami Pakistan chief Sirajul Haq's raising concerns about the Uighur issue with the Chinese Ambassador – must, hence, have come as deep embarrassment to the OIC.

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LETTERS TO THE EDITOR

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ICJ verdict

The International Court of Justice (ICJ)'s verdict directing Pakistan to "review and reconsider" the conviction and death sentence of Kulbhushan Jadhav is baffling on several counts (Front page, "Review Jadhav sentence, grant consular access, ICJ tells Pak.", July 18). Despite having held unequivocally that Islamabad committed gross violation of both the Vienna Convention and the International Covenant on Civil and Political Rights, it is surprising that the court still thought it fit to only suspend the execution, instead of annulling the sentence. Also, by refraining from spelling out how Pakistan should go about ensuring a review, the court has allowed the country to conduct another trial in a military court.

Given Islamabad's intransigent position on the issue and the strained nature of India-Pakistan relations, it would require extraordinary political and diplomatic acumen to ensure justice for Mr. Jadhav. Euphoria on the ICJ judgment is thus a bit too premature. S.K. CHOUDHURY, Bengaluru

■ Thanks to the Vienna Convention and a well-coordinated legal defence before the ICJ, India was able to realise the immediate objective of getting a stay on the death sentence handed out to the former Indian naval officer Kulbhushan Jadhav by a Pakistani military court. While celebrating the ICJ's verdict, India should take care to avoid any triumphalist drum-beating because there is a long way

to travel, legally and diplomatically, before the ultimate goal of securing Mr. Jadhav's release can be secured. Once India exhausts the remedies provided for by international laws, the ICJ will have no option other than tossing the case back to Pakistan's civilian courts. It is not known whether India possesses any trump card in the form of a bargaining chip, but in the end, only a thaw in the frozen India-Pakistan ties can open the doors for Mr. Jadhav's return. V.N. MUKUNDARAJAN, Thiruvananthapuram

■ The ICJ verdict is only a temporary relief for Mr. Jadhav as his fate now depends on what Pakistan's arbitrarily assembled military courts decide. While consular access could provide moral support, it is not difficult to foresee the

outcome of a 'review and reconsideration' by a military court. India should continue to make all out efforts through diplomatic channels and put pressure on Pakistan to free the retired Naval officer. KOSARAJU CHANDRAMOULI, Hyderabad

SC decision
In this struggle among parties for political power, the interests of voters have been totally forgotten (Editorial, "Balance and tilt," July 18). A legislator gets elected by people as a representative of a given party. Once chosen, he has to obey the party's whip. Further, if he wants to join some other party, he should resign from membership of the legislature and seek re-election. The Supreme Court, by giving an interim order that the dissident

legislators cannot be compelled to attend the Assembly, has only considered the rights of the MLAs and overlooked the rights of the voters. The ruling will undermine India's multi-party democracy and promote horse-trading. S.S. RAJAGOPALAN, Chennai

Extra run
The two on-field umpires during the World Cup final should have halted the game for a moment if they had any doubt on the total number of runs to be awarded after the overthrow. That they did not consult the television umpire is a bit puzzling. 'Cricketing sense' did not prevail at that crucial stage and it is unfortunate that such a bizarre incident enabled a team that was probably losing to win the World Cup. Ben Stokes should also have

insisted on an intervention by the third umpire ("Did cricketing sense prevail in World Cup final," July 18). V. LAKSHMANAN, Thirupur

Tech-averse state
The knee-jerk manner in which the Indian government reacts on being confronted with technological changes needs a rethink. While other nations are formulating progressive policies on the use of technology, India suffers from the ailment of technological provincialism, whose cure lies in education of policymakers and greater involvement of entrepreneurs in policymaking. ("The benefits of blockchain," July 18). SUPREETH K., Bengaluru

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