



## Missing demand

Slowdown has widened across sectors; the new government must hit the ground running

**A**welter of data collectively and individually point to one worrying conclusion: economic momentum across sectors is slowing in the widening absence of that key ingredient, demand. Domestic sales of cars, commercial vehicles and two wheelers all contracted in April, from a year earlier, the Society of Indian Automobile Manufacturers (SIAM) has reported. The decline of almost 16% in total automobile industry sales is an indication that consumption demand across markets – urban and rural, institutional and individual – is petering out. While sales of commercial vehicles, a fair proxy for overall economic activity, slid 6% last month, a 16.4% drop in demand for two-wheelers extended the segment's slump into the new financial year, mirroring the rippling rural distress. The data on passenger vehicles, which saw the steepest drop in almost eight years, add to the gloom. Car sales shrank almost 20% amid a protracted slump that shows no signs of a reversal. The latest industrial output figures from the government serve to underscore the widespread nature of the demand drought. The Index of Industrial Production (IIP) for March shows output fell 0.1% from a year earlier to a 21-month low, with the use-based classification revealing a weakening that spared none of the six segments. The capital goods sector shrank by 8.7% on the back of an 8.9% contraction in the preceding month. Output of consumer durables fell 5.1% from a year earlier, and growth in consumer non-durables production slid to 0.3% from the 14.1% pace in March 2018.

Manufacturing, which has a weight of almost 78% in the index, continues to be the biggest drag, with output contracting by 0.4% after shrinking by a similar extent in February. Overall, the sector's growth slowed to 3.5% in the last fiscal, from 4.6% in 2017-18. The composite picture that emerges from all these numbers belies the CSO's implicit fourth-quarter GDP growth assumption of 6.5%, and paints it as overly optimistic. With global headwinds strengthening in the backdrop of an escalating trade war between the two largest economies, the U.S. and China, and rising tensions in West Asia beginning to push up energy costs from the top oil-exporting region, Indian policymakers have to contend with an external sector that would likely only add to the domestic pressures, most certainly in the near term if not in the longer. The distress in the farm sector may just ease marginally if the monsoon does turn out to be "near normal" as forecast last month, and could help spur a demand revival in the rural hinterland. Still, the new government that emerges after May 23 must spare little time in drawing up appropriate policy measures that not only help reinvigorate demand but also ensure that such a revival is robust, across-the-board and enduring.

## Miles to go

South Africa's Cyril Ramaphosa must use his election victory to reform the ANC

**C**yril Ramaphosa, victor in South Africa's recent presidential election and head of the African National Congress, is celebrating his win and the peaceful transition of power from his predecessor Jacob Zuma. But he must equally be aware that there is a daunting challenge that awaits him in the realm of economic reform, institutional reinvigoration and breaking from a past of political corruption that has hobbled the country's prospects for much-needed growth. To begin with, the ANC won just under 58% of the vote, while the main opposition Democratic Alliance won about 21%, the Economic Freedom Fighters 11%, and the 45 smaller parties together won almost 11%. That is a considerable proportion of overall votes for the ANC, but nevertheless marks a disconcerting secular decline in its tally, which was as high as 69% in the 2004 national elections but slid steadily downward to almost 66% in 2009 and to 62% in 2014. The dwindling popularity of the party that swept gloriously to power in 1994 following the defeat of apartheid, has been coterminous with the rise of a corrupt political elite that indulged in what is now widely recognised as "state capture" – rent-seeking built on the marketisation of the South African state. Given that Mr. Zuma, who stepped down in 2018 in the wake of corruption scandals, allowed this culture of venality to flourish, Mr. Ramaphosa will have to apply a scalpel to the ANC itself: trim the Cabinet and out those associated with illicit dealings.

The President will also have to be deft in terms of steering the economy through choppy waters. The rate of unemployment is now at 27%. This raises the already high levels of stress on tottering public finances and social welfare programmes, which must cater to at least 17 million people. A positive step forward here would be for Mr. Ramaphosa to deliver on his promise to tackle the "public patronage" system, at the heart of which are the inefficiency ridden state-owned enterprises. In his victory speech he vowed to end corruption "whether some people like it or not". Indeed, no task is more urgent than this, for it is only by stemming the leaks in public finances that the government can hope to pump funds back into the public services for education, health, and social security. This in turn could directly improve the welfare of the poorest South Africans, mostly youth, who have relatively few marketable vocational skills and opportunities, and are left to fend for themselves in the private sector. While Mr. Ramaphosa has made a decent start by changing the leadership of the tax authority and the national prosecutor's office, the danger for the administration lies in the realm of politics. To deliver on the promise of economic growth and good governance, Mr. Ramaphosa must stand ready to power through any resistance to reform by the ANC old guard, some of them Mr. Zuma's avowed allies.

# Inching closer to the brink

As the U.S. provokes Iran, the onus is on Europe to somehow stand by its end of the nuclear deal



RAKESH SOOD

**T**here is no dearth of conflicts in West Asia. The Israeli-Palestinian conflict has defied resolution for seven decades. The fight against the Islamic State and its offshoots in Iraq and Syria has drawn in the U.S., Russia, Iran and Turkey, while the civil war in Yemen has heightened tensions between Saudi Arabia and Iran. U.S. President Donald Trump's announcement of the U.S.'s unilateral withdrawal from the Iran nuclear deal (the Joint Comprehensive Plan of Action, or JCPOA) a year ago added to this volatile mix and set into motion a dynamic that is fast approaching crisis point.

### The deal at risk

The JCPOA was the result of prolonged negotiations between 2013 and 2015 between Iran and P5+1 (China, France, Germany, Russia, U.K., U.S. and the European Union). It would not have worked but for the backchannel talks between the U.S. and Iran, quietly brokered by Oman, in an attempt to repair the accumulated mistrust since the 1979 Islamic revolution. Barack Obama has described the JCPOA as his greatest diplomatic success as U.S. President. Iran was then estimated to be months away from accumulating enough highly enriched uranium to produce one nuclear device. The JCPOA obliged Iran to accept constraints on its enrichment programme backed by a highly intrusive inspection regime in return for a partial lifting of economic sanctions.

Mr. Trump had never hidden his dislike for the JCPOA, calling it a "horrible, one-sided deal that should have never, ever been

made". After ranting about it for a year, he finally pulled the plug on it on May 8 last year. Having replaced Rex Tillerson with Mike Pompeo as his Secretary of State, and H.R. McMaster with John Bolton as National Security Adviser in March last year, the decision was easier as both Mr. Pompeo and Mr. Bolton share his extreme views about the JCPOA and the Iranian regime with equal fervour. By November 5, the U.S. had re-imposed sanctions on Iran that had been eased under the JCPOA.

The U.S. decision was criticised by all other parties to the JCPOA (including its European allies) because Iran was in compliance with its obligations, as certified by the International Atomic Energy Agency (IAEA). The fact that the U.S. unilaterally violated a legally binding (Ch VI) UN Security Council resolution (2231) mattered not an iota.

Iran declared that it would continue to abide with the restrictions imposed on its nuclear activities under the JCPOA as long as the EU would uphold the promised sanctions relief. Mr. Trump's criticism of the JCPOA was that it did nothing to curb Iran's missile development or its destabilising regional behaviour. His primary cheerleaders in denouncing the JCPOA were Saudi Crown Prince Mohammed bin Salman and Israeli Prime Minister Benjamin Netanyahu. The Europeans shared some of Mr. Trump's concerns but unanimously declared that the best way forward was to faithfully implement the JCPOA and then negotiate further.

### 'Maximum pressure' on Iran

In keeping with its strategy of "maximum pressure", on April 8, the U.S. designated the Islamic Revolutionary Guard Corps (IRGC) a foreign terrorist organisation, a move rejected by the U.K. and European allies. It is the first time that U.S. has named the military of



another country 'terrorist'. Given the IRGC's involvement in large parts of Iranian economy and relations with Hezbollah, the U.S. designation of the IRGC makes it difficult for Iran to get a clean chit from the Financial Action Task Force (FATF) in June.

Eight countries, including India, were provided a six-month waiver by the U.S. to continue Iranian oil imports as long as they showed significant reductions. India brought its oil imports down from around 480,000 barrels per day (bpd) to 300,000 bpd. These waivers lapsed on May 2. Civilian nuclear cooperation at Bushehr, Arak and Fordaw was being undertaken by Russia, China, France, Germany and the U.K. under a waiver that has been curtailed and now needs to be renewed every 90 days, making things difficult. The waiver for shipping out excess heavy water (Iran can keep only 130 MT) and low enriched uranium (Iran can hold 300 kg) has been revoked.

Over the last year, the U.S. has imposed new sanctions in an attempt to strangle the Iranian economy, leading to heightened tensions. In a clear signal, Mr. Bolton announced on May 5 that the U.S. was deploying an aircraft-carrier strike group (USS Abraham Lincoln) and a B-52 bomber force to the Persian Gulf "in response to a number of troubling and escalatory indications and warnings". The new threats have not been elaborated.

On May 8, Iranian President

Hassan Rouhani declared that following U.S. announcements, Iran would no longer observe the ceilings of 130 MT of heavy water and 300 kg of low enriched uranium, and excess production would be retained within the country. He clarified that "Iran does not want to leave the agreement; today is not the end of the JCPOA". Given the current rate of heavy water production and uranium enrichment, it is unlikely that the ceilings will be breached. Since Iran is observing the verification arrangements, any increase in production will be monitored by the IAEA.

Mr. Rouhani also announced a window of 60 days for other JCPOA members to make good on their commitment to ensure sanctions relief, failing which Iran could undertake uranium enrichment above 3.67% (a restriction under the JCPOA) and resume construction of Arak heavy water reactor (this was mothballed). This would mean the end of the JCPOA.

The U.S. responded by announcing additional sanctions on Iran's industrial metal industry, the second largest export item after oil. In addition, a USS Arlington (transporter of amphibious vehicles and aircraft) and a Patriot missile defence battery have also been deployed.

### Critical test for the EU

Many observers have described Iranian action as a 'minimalist response' to 'maximum pressure'. However, Mr. Rouhani made it clear that the decisive moment would come after 60 days. It is a warning, particularly to the Europeans, that Iranian patience is running out. After committing to evolving an arrangement to bypass dollar-based transactions to enable sanctions relief to continue, the EU announced the setting up of the Instrument in Support of Trade Exchanges (INSTEX) on January 31. Promoted by the U.K.,

France and Germany and based in Paris, it is currently limited to pharmaceuticals, medical equipment, food and agricultural products. Eventually, it is to be extended to third countries and cover oil exports. Iran set up its counterpart body, the Special Trade and Finance Institute (STFI), on April 29. If EU decision-making is protracted, Iran too is a difficult negotiating partner.

Mr. Trump keeps insisting that the U.S. does not want war and believes that 'maximum pressure' will bring Iran back to the negotiating table or even bring about regime change. He says he is waiting for a telephone call from Tehran, ready to negotiate a 'better deal'. Iranians are a proud people and such a call is not going to come. Last year, Iran's decision to continue observing the JCPOA was based on the idea of outlasting a single-term Trump presidency. As a second term for Mr. Trump becomes likely, Iran knows that it needs to develop its nuclear capability beyond the point of no return to ensure regime survival. This is the lesson from North Korea.

Many in the U.S., as well as Israel and Saudi Arabia, hope that the heightened military pressures will tempt Iran into a provocation which can be used to justify a U.S. military response. If this happens, it will throw the region into prolonged turmoil, unravelling boundaries established nearly a century ago.

The EU has long wanted to be taken seriously as an independent foreign policy player. Here is its diplomatic moment – can it strengthen INSTEX enough to persuade Iran to stick with the JCPOA, or will it only end up issuing pious calls for restraint all around?

Rakesh Sood is a former diplomat and currently Distinguished Fellow at the Observer Research Foundation. E-mail: rakeshsood2001@yahoo.com

# Facing the climate emergency

The politics of the climate crisis needs a radical transformation – people's movements are a spark of hope



SUJATHA BYRAVAN

in India. The manifestos of the political parties contesting the Indian general election barely took note of questions relating to climate and environment. Instead, it is "business as usual" or "life as usual" in the familiar news cycles of bickering and politics.

### Instances of collusion

What we have, moreover, are numerous instances of elite networks that are taking advantage of the situation to consolidate their control. These networks often involve governments actively or quietly colluding with fossil fuel companies, agro-industrial elites, financial elites and other big businesses that are ignoring climate change and making a fast buck often even from the growing disasters. The International Monetary Fund estimates in a recent working paper that fossil fuel subsidies were \$4.7 trillion in 2015 and estimated to be \$5.2 trillion in 2017. It goes on to say that efficient fossil fuel pricing would have reduced global carbon emissions by 28%.

The Arctic is melting rapidly and the tenor of the recent discussions among Arctic countries suggests that even as increasing glaciers melt is responsible for opening up shipping in the area, superpowers are angling to access wealth from the oil, gas, uranium and precious metals in the region. Mozambique recently had two successive intense cyclones, Idai



and Kenneth, with widespread devastation. In an article in *The Nation*, Dipti Bhatnagar, a local activist, describes how big oil and energy companies have been eager to tap into Mozambique's liquid natural gas, with large banks from many countries involved in the financing. In 2013, bank loans for \$2 billion were guaranteed by the Mozambican government. When the government defaulted on its loans and the currency plummeted, it left behind a trail of woes. The story in Mozambique is of how "corrupt local elites collude with plundering foreign elites" and enrich themselves and their partners, while the people are left to bear the burden of debt.

While this kind of corruption may not be new, various versions of this are played out in other countries. Governments' corporate cronies and plundering elites, of course, need not be foreign. Environmental laws can be broken by old boys' networks with impunity as penalties are cancelled by a party in control. It is the poorest and those without access to power

who become victims of the fallout from these situations. Another recent example is the draft Indian Forest Act of 2019, which enhances the political and police power of the forest department and curtails the rights of millions of forest dwellers.

### Ear to the ground

Policies and commitments make it clear that most governments and businesses are not interested in dealing with the climate and ecological crises. They will certainly not give these the central attention they deserve in these times of an emergency; they barely even acknowledge them. Luckily, what we are witnessing is a large-scale movement for "planet emergency", climate and ecology. Greta Thunberg has been leading this among school-going children, and Extinction Rebellion has been organising "die-ins" in many parts of Europe and now in Asia. Their non-violent civil disobedience is just what is needed and it is indeed inspiring to see children and grandparents protest together. People's movements, whether made up of students or adults, cannot be ignored for long and governments will have to pay attention.

The atmosphere now has concentrations of over 415 parts per million (ppm) of carbon dioxide, compared to 280 ppm in pre-industrial times. But then, fossil fuel companies and politicians have known about climate change for at

least 30 years. They have funded misinformation regarding climate directly, taking lessons from tobacco companies that propagated lies for decades about cigarettes being safe. The documentary film *Merchants of Doubt* describes how a handful of scientists have obscured the truth on global warming so that business profits can continue to flow. The fossil fuel industry has also funded politicians, so their words and laws are already bought.

### About a major overhaul

The only solutions that governments and business are looking for are those that enable them to carry on as before. But the planet is well past that point where small fixes can help take us on a long path to zero carbon earth. We are now at a stage where we need major overhaul of our lifestyles and patterns of consumption. The U.K. Parliament became the first recently to declare a climate emergency. It remains to be seen if appropriate actions will follow this declaration. When a 16-year-old speaks with far greater clarity and conviction than the thousands of dithering policy wonks who have been debating for over three decades, we know the politics of the climate crisis must undergo a radical transformation.

Sujatha Byravan is a scientist who studies science, technology and development policy

## LETTERS TO THE EDITOR

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

### Trade standoff

It is appalling that the clash of the world's economic titans, the U.S. and China, *vis-à-vis* their sordid tariff war, has now escalated (Page 1, "China hits back, imposes tariff hike on U.S. goods worth \$60 bn", May 14). Undoubtedly, the trade war has been initiated by the myopic U.S. President, who has been playing to the domestic gallery. While no one can deny the fact that the U.S. has a gaping trade deficit with China, the truth is that it can be traced to China's Confucian work ethic, which gives it an edge in trade. One hopes that wiser counsel will finally prevail and the two countries will arrive at a compromise. Even if there are no

scheduled official meetings between the two countries, opportunities should be explored on the sidelines of the G20 Summit in Japan in June to set the ball rolling.

NALINI VIJAYARAGHAVAN,  
Thiruvananthapuram

### A different India

The article, "An eye-opening rap on politics" (Editorial page, May 14), betrays the writer's dislike of the Prime Minister. For argument's sake, even if it is "conceded" that Mr. Modi is neither a 'Chaiwala' nor a 'Chowkidar', it must be said that he has never utilised his power and positions to enrich either himself or his family members unlike many of our 'so-called' secular leaders. Needless to say, all these 'honourable'

leaders have had no compunction in converting their parties into fiefdoms. Had the writer chosen to write a critique solely on *Gully Boy* without dragging the Prime Minister into it, he would have earned many an admirer.

C.G. KURIKOSE,  
Kothamangalam, Kerala

### Voter turnout

The fall in the voting percentage in certain constituencies, especially in Delhi, is not unexpected. For one, many government employees on election duty that day were unable to cast their votes as they were not given the election duty certificate, which would have enabled them to vote at the polling station they were assigned to work in. In

other instances, employees on duty did not receive postal ballot papers despite following procedures. There was deletion of voter names too. Meanwhile, when it comes to both enrolling people as voters and then exercising that right, those living on the margins such as the homeless, tenants, students and migrants, continue to find the election machinery unaccountable and opaque. It would be better and more efficient for the Election Commission of India (EC) to work to protect and enlarge the rights of the marginalised than to focus on gimmicks. The EC needs to open itself to receiving and reflecting over feedback, including well-intentioned criticism, from

the public and organisations such as the Association for Democratic Reforms which are working to deepen electoral democracy in India.

FIROZ AHMAD,  
New Delhi

### Field reflections

The IPL final between Chennai Super Kings and Mumbai Indians was thrilling but one thing in Twenty20 cricket is that it is the bowlers who seem to play a decisive role in a

team's success. It is also a format where losses don't really wound players' hearts, which is why there seems to be much bonhomie after a game. Much more serious cricket will be upon us soon in the form of the 50-over World Cup. National teams will be in action, and the passion, the hurt and the anger will be raw.

J. AKSHAY,  
Bengaluru

MORE LETTERS ONLINE:  
www.hindu.com/opinion/letters/

### CORRECTIONS & CLARIFICATIONS:

The headline of the front-page story on Auto sales (May 14, 2019) is incorrect. It said: "Auto sales plunge 16% across segments to a 10-year low". The text of the story said that in the past 10 years, the industry had not seen a decline across all segments at the same time. The headline should have been: "Auto sales plunge 16% across segments in April".

The Reader's Editor's office can be contacted by Telephone: +91-44-28418297/28576300; E-mail: readerseditor@thehindu.co.in



# Implementation issues in 10% reservation

A well-designed assignment mechanism is vital for the quota for economically weaker sections to work



PARAG A. PATHAK  
& TAYFUN SÖNMEZ



A new Constitution amendment provides 10% reservation to individuals from economically weaker sections in the general category for government jobs and educational institutions in India. A view of Parliament. ■ AFP

A new Constitution amendment provides 10% reservation to individuals from economically weaker sections (EWS) in the general category for government jobs and educational institutions in India. This law raises several implementation questions. Under the law, EWS applicants may even find it harder to obtain positions. These problems can be addressed using the science of matching theory.

Boston, where we are based, faced similar implementation challenges with its school assignment system. Like India, thousands of school assignments in Boston are made using a matching process with a system of reserves. In part due to our interaction with Boston officials, the city moved to a scientifically sound implementation of their policies. Boston's experience holds important lessons for India.

## Unreserved to reserved

Until now, India's main reserve-eligible groups have been Scheduled Castes, Scheduled Tribes, and Other Backward Classes. In job and university assignments, there is a widespread tradition of first assigning a reserved category applicant to an unreserved position if he or she qualifies on the basis of merit alone. When unreserved positions are exhausted, a reserved category applicant may then be considered for a reserved position. A meritorious reserved candidate (MRC) is a reserved category applicant, who is tentatively assigned to an unreserved position.

When the assignment involves multiple types of jobs or universities, the existence of MRCs raises two important questions. One, can an MRC move to a reserve position for a more preferred job or university place if he or she is tentatively holding a less preferred unreserved position? Two, if such movement is allowed, what happens to the newly vacated seat?

A 2004 Supreme Court decision in *Anurag Patel v. U.P. Public Service Commission* mandates that an MRC

is entitled to move or "migrate" to the more preferred assignment. A 2010 Supreme Court decision in *Union of India v. Ramesh Ram & Ors* answers the second question for the case of public sector job assignments. It specifies that the newly vacated position is to be given to a candidate from the general category, who is not eligible for any reservation. That is, even if there is a more deserving reserved category applicant — say, another MRC who received a less preferred position — the newly available unreserved position can go to a potentially lower-scoring applicant from the general category. Therefore, one unintended consequence of this judgment is that the cut-off score for reserved category candidates can be higher than the cut-off score for the general category.

At present, a small fraction of unreserved positions are tentatively assigned to reserved category applicants. This means that the number of meritorious reserved candidates is relatively modest compared to the number of unreserved positions. But with the new EWS reservation amendment, a large fraction of general category applicants are expected to qualify as economically weak. This means that a large share of unreserved positions will be tentatively assigned to the EWS category. As a result, there will be many meritorious reserved candidates. And the positions they vacate due to migration are to be offered to the general category candidates who do not qualify for EWS reservation due to *Ramesh Ram*. This may result in a reduction in the number of positions

offered to those in the EWS category. For example, under the system used by the Union Public Service Commission to allocate the most sought-after government jobs in India, such as in the Indian Administrative Service, a non-EWS applicant from the general category would take newly vacated positions following migration, increasing their overall share. In all likelihood, the cut-off scores will be higher for EWS candidates than for non-EWS general category applicants, meaning it's harder for the poor to qualify than the rich. Creating such a large reserved category results in a big challenge to the implementation of *Ramesh Ram*, or any system based on the idea of a meritorious reserved candidate.

## Horizontal or vertical?

Another implementation challenge with the new amendment is that the new law does not explicitly state whether the new EWS reservation is horizontal or vertical. This is despite the clear distinction made in the landmark judgment in *Indra Sawhney v. Union of India* (1992).

A horizontal reservation is a 'minimum guarantee', which only binds when there are not enough EWS applicants who receive a position on the basis of their merit score alone; if so, the bottom-ranked general category selections are knocked out by the top-ranked unselected EWS candidates. With a large number expected to qualify for EWS, the 10% minimum guarantee will already be achieved essentially in all applications. This means the policy, if applied horizontally, will virtually have

no effect.

A vertical reservation, on the other hand, is an 'over and beyond' reservation. This means that if an applicant obtains a position on the basis of his or her merit score without the benefit of the reservation, it does not reduce the number of reserved positions. This important distinction appears not to have been a part of discussions leading up to the passage of the law. A government memo suggests that the new EWS reservation might be vertical, but it is important that this issue be clarified.

We have seen first-hand how challenging these notions can be in practice. Boston originally had a neighbourhood reserve for half of each school's seats. Officials were not clear whether this neighbourhood reserve is a minimum guarantee or an over-and-beyond allotment. When the Mayor advocated for increasing neighbourhood reserves, there was a great deal of confusion and anger about the underlying policy. Our research showed that Boston had effectively negated the neighbourhood reservation, by applying a horizontal implementation. The original intention of Boston's policy, however, was to have an over-and-beyond neighbourhood reserve, as in the vertical implementation. Transparency about these issues brought about an entirely new system.

These issues can be resolved using a well-designed assignment mechanism and transparent rules about processing of reserves. Our experience in Boston generated academic literature which has gone on to influence assignment practice throughout the U.S. Our research shows how it is possible to adapt these mechanisms for India and satisfactorily implement reservation policies, as they are envisioned in *Indra Sawhney*.

Lack of clarity on implementation opens up possibilities to distort or even manipulate outcomes, undermining policy goals. It can confuse the public and keep university or job assignments in limbo for years as courts process legal challenges. India's new EWS reservation policy is heading in this direction unless these implementation issues are addressed head-on.

Parag A. Pathak is a professor of economics at the Massachusetts Institute of Technology, U.S. Tayfun Sönmez is a professor of economics at Boston College, U.S.

# The Bahujan movement needs to reinvent itself

Mayawati's challenge is to bring different marginalised communities together



BADRI NARAYAN

The Dalit movement in north India started taking shape under the cultural and intellectual leadership of Swami Achhootanand and his Adi Hindu Movement in the 1920s. Active in areas that are now Uttar Pradesh and Bihar, the movement received new momentum when the B.R. Ambedkar-led Republican Party of India (RPI) began to work during the Independence struggle and after. The RPI tried to expand in the Hindi belt, but it managed to impact only a few parts of U.P. in the 1960s and '70s. The Congress, the ruling party then, empowered the Dalits through various Constitution amendments, laws and policies. The Arya Samaj movement also helped to provide an identity and respect to various Dalit communities.

The major turn came in the 1980s and '90s when the Bahujan movement, under the leadership of Kanshi Ram, started influencing the society and politics of north India. The Bahujan movement had a broader definition of the oppressed, and included the Scheduled Castes (SCs), Scheduled Tribes (STs) and Other Backward Classes (OBCs). It also included lower-caste Muslims (Azlafs). Mayawati emerged as the leader of the Bahujan movement after Kanshi Ram's death. She went on to become U.P. Chief Minister four times.

## Failure to mobilise small communities

The Bahujan movement, which transformed into a political party called the Bahujan Samaj Party (BSP), is now facing a crisis. In the last few years, its vote share has been declining. Though the BSP has continued to enjoy the support of the numerically strong Jats in U.P., it has failed to continue to garner support from the other major Dalit communities by mobilising them under the Dalit-Bahujan frame of politics. Their votes are also fragmented among the Samajwadi Party (SP), the Bharatiya Janata Party (BJP) and the Congress. As a result, they are not being able to acquire electoral clout that could put pressure on political parties to work for their development. The Bahujan movement in U.P., Bihar, Madhya Pradesh and Rajasthan is centred mostly around Dalit communities

that are visible and large in number. It has to penetrate deeper to reach communities that are relatively invisible, numerically smaller, and voiceless.

The influence of the Bahujan movement among the Most Backward Classes (MBCs), OBCs and STs is also waning. Many of them supported the BSP in the first and second phases of Bahujan mobilisation. Kanshi Ram had successfully created a rainbow coalition of a few OBC and MBC, and many SC, communities. However such a coalition broke down in a later phase of Bahujan politics. The movement is also failing to mobilise the Muslims who are part of the Bahujan communities. Kanshi Ram had sought to bring them under one umbrella.

## Leadership crisis

Another crisis is that the Bahujan movement has failed to cultivate powerful leaders at the top level. Some Lal Patel, who founded the Apna Dal (Sonelal), and Om Prakash Rajbhar, who leads the Suheldev Bharatiya Samaj Party, are products of the Bahujan movement. They may have emerged as the second rung of leaders of the movement, but due to some reason or the other, the BSP failed to keep them under its fold. Now, many young leaders, such as Chandrashekar Azad Ravan and Jignesh Mevani, who are not satisfied with the movement, are challenging the form and content of the contemporary Bahujan movement. They are challenging the BSP's 'sarvan' idea.

The Bahujan movement needs to revive itself as a movement and take up many social issues in its agenda which are linked to the empowerment of Dalits. The BSP needs to expand among the most marginalised communities. The BSP has found new ways of reaching out to the people, such as through social media, but it needs to also retain the traditional ways of mobilisation such as organising small meetings in Dalit localities.

The BSP's performance this election will decide its future. Given that the SP and the BSP are fighting the election together, this will be a test of Ms. Mayawati's capacity of transferring the BSP's vote base to the SP. The possibility of the Dalit base shifting to the Congress will also be a cause of concern for the Bahujan movement, given the possibility of a revival of the party in north India.

Badri Narayan is Director, G.B. Pant Social Science Institute, Allahabad

## SINGLE FILE

# Leaders and growth

Questions to ask as political systems continue to tip towards strong leaders

CHIRANTAN CHATTERJEE



Compared to geography, legal origins and political institutions, what role do leaders play in economic growth? This question is salient in India given that the challenge of sustaining economic growth might be moving from a single leader to a multi-leader competition mode. While many business leaders in India have advocated for

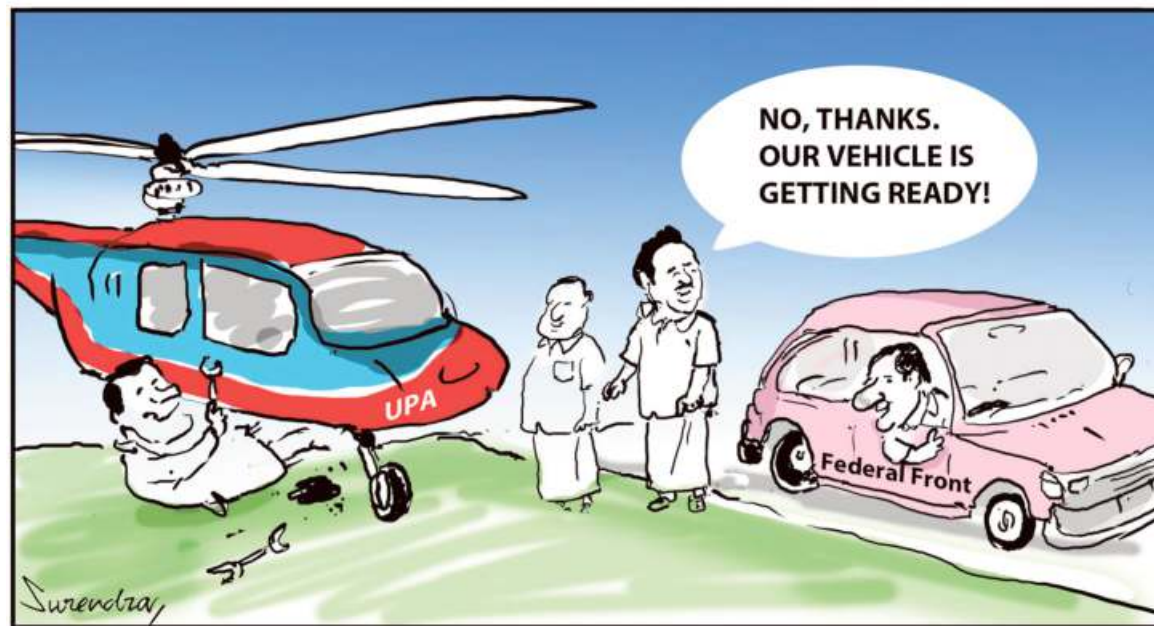
decisive leadership to maintain the momentum of growth, data show that coalition governments performed respectably whenever they were in power. This raises the question of how much a leader matters to economic growth.

That conundrum is also at the heart of the 'great man theory' of the world, which British historian John Keegan wrote about. He argued that the political history of the 20th century can be found in the biographies of six men: Lenin, Stalin, Hitler, Mao, Roosevelt, and Churchill.

Providing causal evidence in this area can be complicated because economic growth, good or bad, could throw up certain types of leaders, which may have subsequent effects on growth itself. Economists Benjamin Jones and Benjamin Olken showed that one can use random leadership transitions, from death due to natural causes or an accident, to provide more causal evidence. Using worldwide data from 1945 to 2000 and 57 random leadership transitions, they showed that leaders matter for economic growth, but leadership effects are strongest in autocratic rather than democratic settings. They also found that the channel through which leadership impacts growth was through monetary and fiscal policy, not private investment, and that the deaths of autocrats, particularly extreme autocrats, led to improvements in growth rates. Similarly, Tim Besley and co-authors showed in their 2011 paper, using an expanded dataset between 1875 and 2004, that rather than leaders per se, more educated leaders cause higher periods of growth compared to less educated leaders. They also showed in a 2016 paper that resilient leaders facing a lower probability of being replaced are less likely to reform institutions in the direction of constraining executive power.

Notwithstanding these studies, many questions remain: What else matters besides economic growth? For example, should we consider national security, religiosity, economic inequality? Should specific leadership attributes be explored as being the key to assuring sustained economic growth? For example, how much does it matter whether a leader is from a dynastic versus non-dynastic background? Do married leaders have a bigger impact or single leaders? What about the age of leaders, and whether they were educated in Western democracies, and to what extent they exuded charisma? As political systems across the world continue to tip towards strong leaders, these questions will matter more than ever before.

The writer is a 2018-2019 Campbell and Edward Teller National Fellow in residence at Hoover Institution, Stanford University



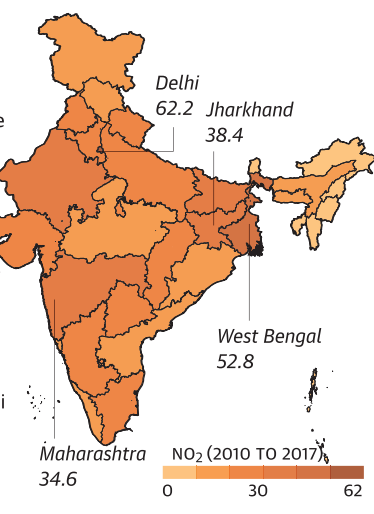
## DATA POINT

# Particulate problem

While nitrogen dioxide (NO<sub>2</sub>) and sulphur dioxide (SO<sub>2</sub>) levels remained largely within limits in most States, particulate matter pollution, especially PM<sub>10</sub> levels, crossed the limits prescribed by the Central Pollution Control Board in most States between 2010 and 2017. By **Sumant Sen**

## NO<sub>2</sub> pollution

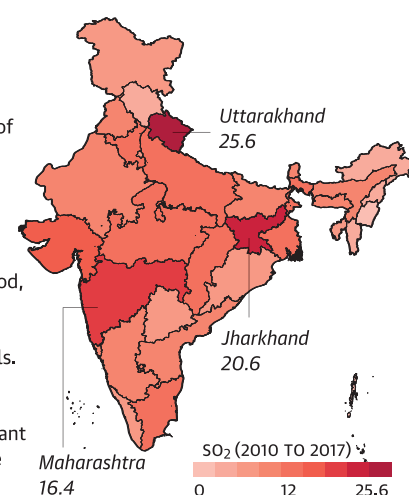
The average annual NO<sub>2</sub> levels between 2010 and 2017 in Delhi and West Bengal surpassed the prescribed limit of 40 µg/m<sup>3</sup> by a significant margin. However, it stayed within limits in all the other States in this period. The map shows the average NO<sub>2</sub> level in this period. The NO<sub>2</sub> 2017 average in Delhi was 68 µg/m<sup>3</sup> — the highest for any State in any year between 2010 and 2017



PM<sub>10</sub>: Particulate matter less than 10 µg/m<sup>3</sup> in diameter  
Source: CPCB

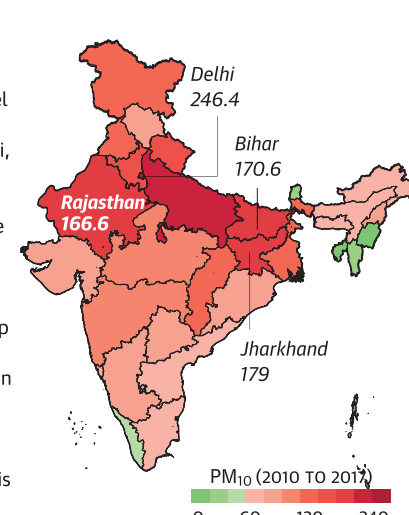
## SO<sub>2</sub> pollution

The average annual SO<sub>2</sub> level didn't cross the prescribed limit of 50 µg/m<sup>3</sup> in any of the States between 2010 and 2017. In most of the years in this period, Uttarakhand recorded the highest SO<sub>2</sub> levels. Jharkhand and Maharashtra too recorded significant levels of average SO<sub>2</sub> pollution



## Through the roof

The average annual PM<sub>10</sub> level between 2010 and 2017 in Delhi, Uttar Pradesh, Jharkhand and Bihar crossed the danger mark. Kerala, parts of the Northeast, and Lakshadweep recorded low levels of pollution in this period. The map shows average annual PM<sub>10</sub> levels in this period



## FROM The Hindu. ARCHIVES

FIFTY YEARS AGO MAY 15, 1969

## Foreign money used in last elections

Intelligence reports of the Union Government have indicated that sizable amounts of foreign money have been received on a selective basis by individuals and organisations, and that possibly funds obtained from foreign sources were used in the last general elections. The Union Home Minister, Mr. Y. B. Chavan, giving this information to the Lok Sabha to-day [May 14, New Delhi], said comprehensive legislation would be brought forward to impose restrictions on receipt of funds from foreign organisations, agencies or individuals otherwise than in the course of ordinary business transactions. Government would consult Opposition leaders on the principles of this legislation. Foreign organisations about whose sources of funds Government had the slightest doubt (like the Asia Foundation) would not be permitted to function in India.

A HUNDRED YEARS AGO MAY 15, 1919.

## Anthrax Bill.

In the Commons [in London], Mr. Hamar Greenwood moved the second reading of the Prevention of Anthrax Bill, empowering prohibition of importation of goods infected or likely to be infected with anthrax, compulsory disinfection of infected wool and similar goods, and establishment of State works for disinfection of infected goods at importer's cost. Mr. Greenwood said that in spite of all precautions a number of cases of anthrax in wool and allied trades had steadily increased. The Bill was based on the unanimous recommendation of the Committee representing the trades concerned. A process for effectively eliminating anthrax germ without affecting material had been discovered. The cost of establishing the first disinfecting station was estimated at over £40,000. As soon as it was erected it was to start disinfecting east Indian goat hair, which was one of the sources of infection.

## POLL CALL

## Election petition

An election petition calling in question any election can be presented on one or more of the following grounds: a) that on the date of the election a returned candidate (a candidate who has been declared elected) was not qualified; b) that some corrupt practice was committed by a returned candidate or his election agent; c) that any nomination was improperly rejected; and d) that the result was materially affected. If any of these is true, the High Court where the petition is submitted declares the election of the returned candidate to be void. A petition can be submitted by any candidate or elector within 45 days of the declaration of the result.

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