## EDITORIAI



### **Building holistic ties**

India must continue to engage Sri Lanka beyond mere transactional deals

🔼 ri Lankan Prime Minister Ranil Wickremesinghe's meeting with Prime Minister Narendra Modi in New Delhi last week, on his third visit to the capital since January 2015, is in keeping with the refreshed Indo-Lanka ties that followed the regime change in Colombo. Flagging off partnerships in a host of economic and development projects through a Memorandum of Understanding, the two Prime Ministers have set the stage for long-term collaboration in spheres ranging from energy and infrastructure to special economic zones. There are no surprises here, for India's Sri Lanka policy, following the defeat of strongman Mahinda Rajapaksa, has been centred on economic cooperation and security concerns, and far less on political matters. In fact, the line ministries executing specific projects are playing a prominent role in taking bilateral negotiations forward. Preoccupied with an ever-growing Chinese presence in Sri Lanka, India has been channelling its energies towards countering it, especially focussing on Trincomalee. India and Sri Lanka have agreed to jointly revive a World War II era oil storage facility in the strategically located eastern port town and build infrastructure around it. Enhanced economic and development ties are welcome and crucial for the neighbouring countries, but they should not bypass robust engagement on traditional political concerns in the island nation, where scores of Tamils and Muslims in the north and east are yet to return to normal lives eight years after the civil war ended.

Hundreds of people have been protesting, voicing concern about the mysterious disappearance of their relatives and about their land still under military occupation. Frequently faced with political pressures from their rival parties, President Maithripala Sirisena and Mr. Wickremesinghe are only inching ahead in their promise to deliver a new constitution devolving a greater measure of political rights to all its citizens. As a long-time negotiator in Sri Lanka's political question, India must continue to closely engage on these fronts and build a holistic relationship that transcends the mere transactional. Even as it has pledged \$2.6 billion in development assistance to Sri Lanka, India should explore the potential for generating livelihoods in the warbattered northern economy where agriculture and fisheries, its key drivers, are facing a crisis. Resolving the long-standing Palk Bay conflict between fishermen of both countries is central to this, and New Delhi must address the valid concern of Sri Lankan Tamil fishermen about incursions from Tamil Nadu into Sri Lankan waters. Several factories in the north, destroyed or defunct during the war, await attention and investment. While New Delhi's anxiety over Chinese presence might be justified, it should avoid using the China lens to view Sri Lanka, respecting the country's autonomy to engage with any willing partner. The more India treats Sri Lanka as an equal partner, the stronger the relationship is likely to grow.

### Mr. Trump's tax cut

# Kashmir's unending tragedy

Talks and de-escalation must go together - it is not wise to make them sequential



he dreadful violence and low turnout in a by-election in Kashmir has again raised intense debate in New Delhi. Unfortunately this debate has been mainly abusive rather than productive, and as a result it has masked the real issues.

Somehow we have created a binarv in which there are only two opposing groups – those in mainland India who consider Kashmiris to be pro-Pakistan Wahhabis who support terrorism, and those in the Valley who consider Indians to be rabid communalists. Each has a grain of truth insofar as there are constituencies of extremists on both sides, but only a grain. The majority of Kashmiris want to live in freedom, peace and dignity, just as the majority of Indians do, and we all look to our governments, at the Centre and in Jammu and Kashmir, to provide us with these.

#### Towards the extremes

The growing influence of this ugly mutual propaganda, seen not only in social media but also on our television channels will drive more people to extremism and that. surely, is a cause for concern to citizens as well as the government. There is no denying that the Islamic State-type perversion of Islam has gained ground amongst a few in the Valley, nor that stonepelting has been organised in many instances. But there should equally be no denying that anger in the Valley is higher than it has been in two decades and has reached alarming proportions. Nor can we deny that at least one major cause of this anger is the lack of a peace and reconciliation process, which the Bharatiya Janata Party-Peoples Democratic Party (BJP-PDP) coalition promised, or that another major cause is the lack of an honest and accountable administration.



We have allowed our security the anti-infiltration grid to distinforces (Army, Central Reserve Poguishing between first-time offendlice Force and State police) to be ers and ringleaders, and tackling the only visible face of India in the economic woes. It was the combin-Valley – our legislators and civil ation of these elements that government are not to be seen. The worked then, and they created security forces have had to bear conditions for political talks that the brunt of public anger, and after could have significantly improved almost a decade of being stoned, it relations between the Valley and is not surprising that they commit the rest of India. I am often asked what happened human rights abuses. But that does not, and must not, mean that we to our report. All I know is that the United Progressive Alliance govjustify abuse or add to it. We need rather to focus on the restoration ernment, the parliamentary delegof trust in administration so that ation that had recommended the our forces are no longer needed for creation of our group, as well as the internal security. We have done a State government failed to follow gross injustice to our troops by through on any of our political and keeping them in internal conflict constitutional recommendations, while the BJP rejected it in toto. situations for decades on end. The That failure was a major setback, forces can at most contain internal violence and that too only if it is a especially for the several thousand short-term task; after that it is the people who spoke to us. responsibility of the administra-

Another such opportunity was tion and political representatives offered by the Agenda for Alliance. The BJP and the PDP had fought a to step in. In the absence of a political and reconciliation process, bitterly divisive election campaign asking security forces to show reagainst each other, and their comstraint in the face of constant stoning together held out a hope of reconciliation for the State. There are political commitments in the Agenda for Alliance that would go a Past experience shows that when long way to alleviating anger in the Valley, Jammu and Ladakh and there has been a peace process, incidents of violence, including they could have been implemenstone-pelting, have died down. In ted without alienating any of the 2010, when I was one of three interregions. They still can be, and it locutors sent to the Valley, the govwould be an important confidence ernment initiated a multitrack probooster if the leaders of the two cess combining humanitarian and parties sit down and choose which of the political commitments to political dialogue with security reforms that ranged from tightening honour

political process until resolution can be found is not new. It has been repeated for decades – indeed we could go back to the 1950s – but that only compounds the problem, it does not justify continuing inaction. It is more difficult to make peace today than it was five years ago, and it was more difficult then that in the previous five years. That means it will be even worse in another five years and soon it will be insuperable.

What about the role of Pakistan? History shows us that they have tried to foster an anti-India jihad in Jammu and Kashmir since 1947 but without much success until the late 1980s, by which time Article 370 of the Constitution had been rendered a dead letter. By 1988, repeated Indian interference in J&K's internal political processes led thousands of young Kashmiris to an armed uprising. Since then we have struggled to put those years behind us, and succeeded insofar as free and fair elections are concerned. But our failure to seize windows for political reconciliation has played into Pakistani hands and it is doing so again, while we waste our time in futile debates about who is more nationalist amongst Indians and who is more traitorous amongs Kashmiris.

As innumerable commentators have pointed out, the best way to prevent Pakistan from making hav is for talks with Kashmiri dissidents. Chief Minister Mehbooba Mufti recently said, on her discussion with Prime Minister Narendra Modi, that there will be a political dialogue, but only after some peace is restored. Talks and de-escalation, however, go together, and it is not wise to make them sequential.

Nor is it clear whom the government will talk to. Attorney General Mukul Rohatgi told the Supreme Court a few days ago that the government will not talk to people who demand independence or secession. Presumably he meant the Hurriyat, JKLF and allied groups. Such a position makes talks a non-

starter – to repeat a platitude, you

True, the failure to sustain a do not make peace with your friends but with your opponents. Former Prime Minister Atal Bihari Vajpayee and the then Home Minister L.K. Advani saw this point clearly, as did their successors, Manmohan Singh and P. Chidambaram. Mr. Vajpayee's most brilliant strategy was to accept the Hurriyat's offer to act as a bridge to Pakistan - the Pakistan government could not refuse to listen to Kashmiris Of course in their usual way, the Pakistan government did not wind up its training, arming and sanctuaries for Islamist guerrillas fighting India but they did get them to lie low, and as a result the lack of public support for militancy was able to make itself evident.

#### Address rights abuses

We should not also forget the Hurrivat and dissident leaders, including of armed groups, who gave their lives in the search for peace with India. Abdul Ghani Lone, the People's Conference leader who said that the time for armed militancy was over, was assassinated in an Inter-Services Intelligence oper-Pro-Pakistan ation. militants murdered Majid Dar, the Hizbul Mujahideen commander who engaged in talks for a ceasefire with army representatives. More recently, Hurriyat leader Fazal Haq Qureshi was shot by local militants for talks with Mr. Chidambaram, and almost died. There are many within the Hurriyat who would consider talks again, just as there are many in the Valley who are worried about the lumpenisation of Islam that the stone-pelters represent. None of them, however, will or can cooperate as long as we fail to offer them a political process and redress human rights abuses.

If the government wants to restore peace to the Valley, it cannot do it by force - talks with dissidents is the only option. The demonisation of Kashmiris by ruling party spokespersons - all stone-pelters are traitors, really? - does not give much hope. Perhaps the Supreme Court will help.

Radha Kumar is a writer and analyst

## Reining in the sharks

ing is not feasible.

Peace process and violence

The Real Estate Act largely addresses consumer interests, but some creases are still to be ironed out



of disputes. RERA and the Appellate Tribunal are expected to decide on complaints within an ambitious period of 60 days. But no legislation can protect the interest of only one class. As one of the largest job creators, the real estate sector contributes almost 6% towards the GDP. Mindful of this, the Ad sist developers by giving the regulator powers to make recommendations to State governments to create a single window clearance for approvals in a time-bound manner.



demanding "industry" status for the real estate sector as it would help in the availability of bank loans. Real estate companies say that most delays are because of the failure of authorities to grant approvals/sanctions on time. While the Act addresses some of this, it ot deal with the developers regarding force majeure (acts of god outside their control) which result in a shortage of labour or issues on account of there not being a central repository of land titles/deeds. Some of these concerns are legit-

fied relate to functions/duties of promoters, rights/duties of allottees, recovery of interest on penalties and other offences. It appears that the law makers have consciously delayed the notification of these provisions till such time as regulators, developers and buyers legislation. Eventually the benefit of any statute is contingent on its effective implementation. Despite a model set of rules, only a few States have notified their rules. The onus is now on States to formulate rules and establish the regulatory authorities on time. There shouldn't be just paper compliance, by designating an existing authority to take additional charge as the real estate regulator, as that would affect the timeliness prescribed under the Act. Finally, the new legislation is a welcome enactment. It will go a long way in assisting upstanding developers. More importantly, it will ease the burden on innocent home buyers who put their life's savings into a real estate investment in the hope of having a roof over their head but often find their dreams come tumbling down.

#### The success of his plan will depend on its ability to boost American worker incomes

S. President Donald Trump's tax plan, released as a brief one-page document this week, promises some bold reforms to rejuvenate America's sluggish economy. Weak private investment spending has been at the heart of what is now dubbed the slowest U.S. economic recovery in the post-War era, which has been coupled with a serious slump in productivity. The plan does well in attempting to address basic structural problems that have held back the American private sector. However, its eventual success in reviving growth and productivity will depend on the extent to which its benefits trickle down from the balance sheets of big business to the real economy. The Trump administration has proposed steep cuts to the corporate tax rate (from 35% to just 15%), a significant reduction and simplification of the individual income tax, a doubling of standard tax deductions, and the scrapping of the wealth tax and the alternative minimum tax. Notably, the earlier proposal to impose a protectionist border adjustment tax has also been shelved, hopefully due to the administration's realisation that trade tariffs don't come with a zero cost on Americans. It is estimated that U.S. corporations have stacked a cash pile of more than \$1.8 trillion overseas to avoid the corporate income tax. Mr. Trump hopes to push them to repatriate some of this cash stock after paying a minimal one-time tax.

Whether the likely inflow of capital will incentivise U.S. corporations to increase investments, or simply distribute the cash to shareholders through buybacks and dividends is an open question. In this context, another relevant issue is the administration's own spending plans. The cut in the corporate tax alone is estimated to cost over \$2 trillion, and overall the plan could lead to anywhere between \$3 trillion and \$7 trillion in lost revenue over the next 10 years. Whether the Trump administration will walk back on its initial promise to adopt a tax plan that is revenue and deficit neutral or cut down on spending to match lower revenues remains to be seen. Most recently, U.S. Treasury Secretary Steven Mnuchin argued that higher growth will help compensate for the revenue loss from tax cuts, suggesting a spending cut may not be on the cards. Mr. Trump's bullish stance on infrastructure and military spending also suggests he is unlikely to reduce spending. This means that the real disposable income of Americans won't receive any significant boost in the near term. Further, productivity improvements in the long run require improvements in general business freedom as well, not just tax cuts. Lastly, of course, Mr. Trump's tax plan will require the approval of a Republican-dominated Congress that is filled with deficit hawks.

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The much awaited Real Estate (Regulation & Development) Act is now in effect. The Ministry of Housing and Urban Poverty Alleviation recently notified 69 out

of the 92 sections in total, which set the ball rolling for States to formulate, within six months, rules and regulations as statutorily mandated. Since land is a State subject under the Constitution, even after the Centre enacts the legislation, State governments will have to ratifv them. States will have to set up the Real Estate Regulatory Authority's (RERA) and the Real Estate Appellate Tribunals and have only a maximum of a year from the coming into effect of the Act to do so.

The Act's preamble details the legislative intention which is to primarily protect the interests of consumers and bring in efficiency and transparency in the sale/purchase of real estate. The Act also attempts to establish an adjudicatory mechanism for the speedy redress

#### Moving towards transparency

Key provisions of the Act include a requirement for developers to now register projects with RERA prior to any advertisement and sale. Developers are also expected to have all sanction plans approved and regulatory clearances in place prior to commencement of sale. Subsequent changes have to be approved by a majority of buyers and the regulator. The Act again ambitiously stipulates an electronic system, maintained on the website of RERA, where developers are expected to update on a quarterly basis the status of their projects, and submit regular audits and architectural reports. Notably, non-registration of projects is a serious matter. If there is non-compliance, RERA has the power to order up to three years imprisonment of the promoters of a project.

Importantly, it requires developers to maintain separate escrow accounts in relation to each project and deposit 70% of the collections in such an account to ensure that funds collected are utilised only for the specific project. The Act also requires real estate brokers and agents to register themselves with the regulator.

#### **Builder grievances**

While consumer interests have been protected, developers find provisions of the Act to be exceptionally burdensome on a sector already ailing from a paucity of funds and multiple regulatory challenges. The builder lobby has been

imate but the real estate sector has become a sort of untamed horse galloping in all directions. The cracks emerging in their books are largely of their own making. Once 100% foreign direct investment was permitted in real estate, international money flooded the market. Builders/developers overstretched themselves and diverted funds while some began to cross-invest in noncore activities. In the race to announce the next "mega project" one came across, in many instances, real estate companies embarking on projects without even consolidating land.

Like with any new legislation, it takes time to iron out the creases. In fact, the 22 sections still to be noti-

Satvik Varma is a corporate commercial lawver in New Delh

#### 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.

#### PM on triple talaq

Prime Minister Narendra Modi must get some crucial historical facts on our social reforms right. While urging Muslims not to politicise the issue of triple talaq at a function organised in honour of philosopher Basaveshara, a deeper reading of his drawing a parallel with other social campaigns shows that he has not done his research well. While the Prime Minister speaks eloquently against triple talaq, he remains mum on child marriage prevalent in some parts of the country, the practice of dowry, the presence of extra-legal institutions such as khap panchayats, and "honour killings". It is obvious he does not

want to offend the majority Hindu community as the political cost would be huge. Viewed from this perspective, his repeated

critical reference to triple talaq cannot be divorced from politics ("Don't politicise triple talaq, find a solution, Modi tells Muslims", April 30). S.K. CHOUDHURY,

 Any rational person would agree that the practice of triple talaq needs to be abolished because of the way it results in the abuse of women. Most people in the country want triple talaq to end. People do not want any discrimination on the basis of any religious faith against women. Divorce laws in India are such that there are cases of harassment of women by men by not granting them a divorce. Does triple talaq offer any mechanism, as courts do, to review the intent to separate? The only civilised way out of this is to establish a uniform civil code to

ensure that every man and woman is treated equally, as promised by the Constitution. VINOD C. DIXIT, Ahmedabad

• One is forced to ask this question: who is politicising this issue which is a sensitive matter concerning Islamic jurisprudence, the Sharia? It is none other than the BJP and right-wing organisations. Mr. Modi seems to have now joined the chorus with gusto. It is strange that he is tightlipped on the issue of the lynching of Muslim cattle traders and vigilantism in the name of cow protection. I hope all this is not in aid of using another communally polarising issue and votecatching technique in the forthcoming Assembly

electoral campaigns.

SHAHABUDDIN NADEEM,

Bengaluru

"Amaravati could become the prototype for building cities" (April 26), with conservationist Professor Vikram Soni, talks about a proposed plan to build Amaravati as a natural city. A proposal such as this one would not only be sustainable, climatically sound and economically viable but would also justify the taking over of prime agricultural land for building purposes. This brings to mind an old Asian model of development, the desi kota system – 1 sq.km area bounded by roads on three sides and a canal at the rear. High streets would then give people access to commercial buildings and offices. A third road would lead to residences, educational institutions, community areas and religious centres. These

would be adjacent to the

Amaravati as prototype agricultural area which The 'Wednesday interview', fronts the canal. The benefits are huge: imagine eating fresh produce. straight from the farm to the table; imagine so many of these 1 km x 1 km squares on either side of the canal; imagine these canals feeding agricultural lands being waterfronts where one can relax and be rejuvenated. Amaravati seems the perfect place to begin work on this model since it is a greenfield development area on river flood plains and with an existing feeder canal system. RENU SINGHAL, Hyderabad **IPL in summer** 

Every year, the Indian

cost – using up scare

electricity and water to

keep stadium lights, air

Premier League is organised

conditioners and coolers on

in summer and comes at a

#### the ground and in the stands going. Water is also wasted to keep stands clean and maintain the ground. One needs to contrast this with the way the government is investing funds to save water and energy. Most of us are aware of acute water scarcity across India. Then why is this tournament organised only at this time of the year? If there is no way out, it can be organised in daylight hours of winter. IPL is good for cricket and talent as it creates opportunities for newcomers and also employment for many others. It is also an entertaining event. But when there are alternatives. let us not add to our difficulties by being blinkered. SAURABH SINGH RATHORE, New Delhi

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