



Slippery oil rally

American shale producers are likely to contain any sustained rally in global oil prices

The price of oil has risen sharply in recent weeks leading to renewed forecasts of a sustained bull market in the price of the commodity. The price of Brent crude, which breached the \$60 mark late last month, is currently trading at about \$64 per barrel, a two-year high. In fact, in the last one month alone, oil has gained well over 12%. The oil rally has been even sharper from its June low of a little below \$45, from where the commodity has rallied more than 40% to reach its current price, with some experts saying the ongoing rally could portend even higher prices in the coming months. The upsurge this week has been driven primarily by political uncertainty in Saudi Arabia, the world's second largest producer of oil, and the tightening of supply by the Organisation of the Petroleum Exporting Countries, which is expected to extend its supply-cut agreement beyond March. Whether the price gains would sustain and continue over an extended period of time still remains a big question for various reasons, however. Shale oil production is the biggest among them. In the past, North American producers of shale brought a multi-year bull market in oil to an abrupt end. Since then, OPEC has struggled to maintain control over oil prices except for brief spells. The American shale industry has been let free to increase production in response to higher prices, thus imposing a cap on the price of oil. There are no signs yet of a structural change in the oil market to suggest that it could be any different this time.

Shale producers have continued to pump more oil into the market as crude prices have crossed the \$50 mark. According to the Energy Information Administration, a body under the U.S. Department of Energy, U.S. shale production is likely to increase by about 81,000 barrels per day in the current month. In addition, in its World Oil Outlook report released this week, OPEC said it expects shale output to grow much faster than it had previously estimated. The cartel's new estimate is, in fact, more than 50% higher than its projection last year. It also noted that shale output from North America has increased by about 25% over the past one year. All this suggests that shale is likely to remain OPEC's nemesis for a long time. India has derived huge benefits from lower oil prices since 2014, with the government's fiscal management and inflation-targeting being rendered a lot easier. There is bound to be some economic unease now as the price of oil fluctuates in what looks likely to be a range-bound market. A repeat of the huge damage caused by the last oil bull market, however, seems unlikely. Nonetheless, policymakers in Delhi will surely take a cautious stance given the extensive impact that oil prices have on the Indian economy.

Record turnout

But the Congress and BJP let down Himachal voters with excessively personal campaigns

Himachal Pradesh turned out in record numbers for the Assembly elections held on Thursday, with 74.6% of the electorate casting their votes. This provisional estimate may be revised a little upwards or downwards, but as of now it is marginally higher than the previous high of 74.5% in the 2003 polls. Preliminary figures showed uniform voting close to the same mark across districts, with Kullu district registering the highest turnout of nearly 78%. Such a high level of polling is a trend that has been seen in most States in India since 2010. This is an affirmation of the work done by the Election Commission in updating electoral rolls, easing the process of voting with the use of electronic voting machines and photo identity cards, besides seeking to educate more voters about the polling process through enrolment initiatives. Himachal Pradesh, in any case, has always had robust voter participation, with much higher turnouts relative to other north Indian States. It is ranked second in the Human Development Index in the country, and a high HDI has correlated well with increased electoral participation in a State, as seen in Kerala and Tamil Nadu as well. As for psephological readings, traditionally higher levels of polling in a State had been seen to indicate an anti-incumbency mood – but that correlation has broken in recent years, with turnouts of more than 90%, for example, in Tripura returning the incumbent government. How it plays out in Himachal Pradesh this year will be known on counting day on December 18.

The contest in Himachal Pradesh is limited largely to the ruling Congress and the Bharatiya Janata Party, even though the Communist Party of India (Marxist) has attempted to build on its rare north Indian success in the Shimla mayoral elections of 2012 by focussing on a few constituencies. The State has alternated between regimes led by the Congress and the BJP in every election since 1990. At various points of the campaign this year right up to voting day, the political discourse turned vitriolic and personal. The Congress sought to make the elections a referendum on the Central government's policies, by taking up the implementation of the goods and services tax and the effects of demonetisation. The BJP hit back by focussing on the corruption cases faced by Chief Minister Virbhada Singh. The star campaigners of both parties, Prime Minister Narendra Modi and Congress vice president Rahul Gandhi, gave the campaign a plebiscitary touch – but in previous elections, voters in Himachal Pradesh have been influenced by State-specific issues such as the local apple and tourism economy as well as local infrastructure and social welfare. Now, as the BJP and the Congress move the focus to Gujarat, they will do well to delineate their positions on social and economic issues, without the vitriol that marked the campaign in the hill State.

Turmoil in the Brexit club

Priti Patel's exit from the Theresa May Cabinet could signal greater instability ahead



VIDYA RAM

When Yair Lapid, the chairperson of the centrist Yesh Atid party in Israel, tweeted a photograph of him in discussion with Priti Patel, Britain's Secretary of State for International Development at the time, on August 24 this year, he could never have anticipated the political storm it would trigger months later back in Britain. His was one of 12 undisclosed meetings that Ms. Patel held in Israel, including with Prime Minister Benjamin Netanyahu, during a "family holiday" paid for by her that month, full details of which were made public this week after revelations that she had held high-level discussions without alerting her Foreign Office and British officials in Israel. This was in contravention of protocol, and in what the opposition Labour Party described as a "clear breach" of the ministerial code.

These revelations – and details of more undisclosed meetings with officials in New York and London, as well as her subsequent efforts to direct aid towards Israeli army work in the disputed Golan Heights – made Ms. Patel's position increasingly untenable. Ms. Patel, who was forced to cut short an official visit to Africa, resigned on Wednesday, apologising for actions that had "fallen below the standards of transparency and openness" that she had advanced. Making it clear that sacking would have been inevitable had she not

stepped down, British Prime Minister Theresa May said her decision was "right".

Two resignations

The exit of Ms. Patel is significant on a number of counts. Hers was the second cabinet resignation within a week, after Defence Minister Michael Fallon resigned over sexual harassment allegations. Meanwhile, Foreign Minister Boris Johnson faced criticism, and some calls for his resignation too, after incorrect comments he made to a parliamentary select committee that some have warned could lengthen the prison sentence of a British-Iranian national imprisoned in Iran.

The developments have increased pressure on the British government at a crucial time in its Brexit negotiations. While the European Union (EU) has agreed to commence discussions within the remaining 27 nations about the potential terms of a trade deal with the U.K., it has refused to officially move forward with these until an agreement has been reached on a number of key issues, including Britain's so-called "divorce bill." One EU leader told *The Times* on Thursday that the EU is now preparing for a possible collapse of the May government before the end of 2017.

Ahead of Ms. Patel's resignation, many commentators pointed to the large number of revelations it took (including her reported visit to the disputed Golan Heights in what appeared to be a blatant attempt to pursue a freelance foreign policy) before she was forced to resign. After her resignation, others such as Labour MP David Lammy questioned why Mr. Johnson was able to keep his position,



even as she "needed to go." Over 150,000 people have signed a public petition calling for Mr. Johnson to step down as Foreign Secretary. Meanwhile, the First Secretary of State, Damian Green, is facing a parliamentary inquiry over conduct allegations.

Within the Conservative Party, Ms. Patel's departure will heighten tensions, as the party is already deeply divided over Brexit and the route forward. Ms. Patel's politics lie to the right of the party – it was only last year that she changed her stance on the death penalty in Britain (she had once been a vocal advocate for its reintroduction), while she has attacked public funding of trade unions as well as European social and employment legislation.

Leave campaigners

Ms. Patel was an ardent advocate of the Leave campaign, infamously urging British Indians to vote to leave by arguing that it had been unfair that there was one rule for EU citizens and another for non-EU

ones, and suggesting that Brexit could provide an opportunity to loosen the rules for non-EU citizens, including families from India and curry chefs (it has become tougher and more expensive to bring in non-EU workers). Her departure has angered many within the Leave campaign, including the *Daily Telegraph* newspaper, which reported that allies were warning she could do "hard damage" to the government. It is notable that her replacement as Development Minister, Penny Mordaunt, was also a strong Leave campaigner.

Ms. Patel was a prominent face of the British-India relationship – being awarded the Pravasi Bharatiya Samman earlier this year and often speaking publicly in support of the Indian government's policies, such as demonetisation. But her departure is unlikely to have a major impact on things, given the broad-based nature of the engagement across departments. Others within the Conservative Party have also been championing close relations with India,

and the Bharatiya Janata Party (BJP) in particular. They include Foreign and Commonwealth Office Minister Mark Field, whose efforts to encourage the BJP to join the International Democratic Union, a global alliance of centre-right parties, predated his time as minister for Asia.

The Indian vote

As for the Conservative Party's efforts to woo the Indian vote, Ms. Patel's exit is unlikely to impact much too: her unfulfilled promises around immigration rules during the referendum campaign have proved a divisive issue and made her less of a safe-bet politician to attract the Indian vote, though of course she will remain a prominent Conservative backbencher. The fact that she was allowed to resign rather than be fired is significant too: it keeps the door open for her to plausibly return to the front bench in the future.

There is much uncertainty around both Ms. Patel's and the Conservative government's future, but one thing is certain: one can expect further revelations, and potentially damaging ones. The Labour Party is pushing for the government to clarify inconsistencies in what has emerged, potentially leaving space for senior Conservative politicians knowing far more about Ms. Patel's Israeli overtures than anyone has been willing to admit. Others have suggested it represented part of a far more widely backed but behind the scenes shift in British foreign policy. Should anything major emerge about Downing Street knowing more than it had let on, it could well prove a turning point for Ms. May's repeatedly scandal-hit government.

A reality check on Gujarat

The Congress needs more than Hardik Patel, Jignesh Mevani and Alpesh Thakor to swing the election



VEERARAGHAV T.M.

Every Indian election needs a star and a script, and ever since Prime Minister Narendra Modi started his journey as the Chief Minister of Gujarat in 2001, he has been the star and the scriptwriter in the Gujarat election stories of 2002, 2007 and 2012.

This time around, three young political activists – Hardik Patel, Jignesh Mevani and Alpesh Thakor – hope to rewrite the Gujarat 2017 story with the backing of the Congress. But starring in an election narrative is far easier than rewriting the climactic scene.

Their caste mobilisation – Patidars with Mr. Patel, Dalits with Mr. Mevani and a segment of the Other Backward Classes (OBCs) with Mr. Thakor – has to crystallise into votes for the Congress, else they will end up as also-starred in the Gujarat story, which has revolved around the same old NaMo theme, with minor changes, for over a decade and a half. It's important to understand the three leaders, their conflicting caste constituencies and where they stand in these elections to assess their ability to shape the outcome.

A loose association

First, all three rose to fame championing the aspirations of their re-

spective caste constituencies on specific issues: reservation for Patels, OBC consolidation and justice for Dalits. Their movements did not project the Congress as the party that could realise their aspirations.

While Mr. Thakor has joined the Congress, Mr. Patel and Mr. Mevani have only created an anti-BJP platform. Their message is that they are backing the Congress because they are challenging Mr. Modi, not necessarily because it is the solution.

In an election, especially one which is a clear two-party fight with the towering image of a Prime Minister on one side, it's not enough to state a problem – there needs to be a rallying leader who can promise a solution. Without that, it is difficult to channelise political mobilisation and discontent towards an electoral result.

Second, Mr. Thakor, as a Thakor Kshatriya OBC caste leader who has built his profile as the champion of a section of OBCs in central Gujarat, and Mr. Mevani, as the Dalit voice, only reiterate the Congress's existing caste constituencies and do not open a new social base for the party. For instance, Mr. Thakor's father is a Congress leader in Ahmedabad district and the caste he represents has been predominantly with the party.

The former Congress Chief Minister Madhavsinh Solanki, father of the present State Congress President Bharatsinh Solanki, forged a winning caste alliance towards the end of the 1970s known as KHAM, that is, Kshatriya, Harijan (i.e.



Dalit), Adivasi and Muslim. This was to take on the dominant Patel vote in the State which had gravitated away from the Congress, first towards the Janata movement and the late Chimanbhai Patel, and later towards the BJP. Eventually, the Patels became, and remain, the bedrock for the BJP.

Consistent with its caste constituency, the Congress has largely projected strong Kshatriya caste leaders such as Shankarsinh Vaghela, who migrated to the party after failing to sustain his breakaway from the BJP, and Bharatsinh Solanki at the helm of campaigns in the last two decades.

Till Mr. Modi's arrival in Gujarat, the Congress retained fair parts of the KHAM alliance in central and north Gujarat and the BJP became formidable in Saurashtra, the base of the Patels. But when Mr. Modi, an OBC, became Chief Minister from the Patel-dominated party and brought a sharper Hindutva outreach, he broke the Congress's caste alliance in central and north Gujarat, without diluting the BJP's core vote base. The Patels continued to get large representation in

the State cabinet, but the perception of the party had changed.

In Mr. Mevani's case, electorally the Dalits are seen to have been predominantly with the Congress. They make up about 7% of the State's population. Unlike many other States, in Gujarat the population of Scheduled Tribes is much higher than that of the Scheduled Castes, and the Sangh Parivar outfits had successfully wooed large sections of the Scheduled Tribes in areas like Dangs in South Gujarat.

This is why it seems doubtful that Mr. Thakor and Mr. Mevani alone can make a remarkable difference for the Congress. Mr. Patel's case is different and he is the one chipping away at the BJP's core Patel vote. But this is not the first time that Patel discontent or rebellion has hit Mr. Modi or the BJP.

Series of rebellions

The first time a full-blown political rebellion to hit Mr. Modi happened was in 2004. Having reiterated his position with a victory in the aftermath of the 2002 riots, the party was stunned when the Congress won 12 out of the 26 seats in the 2004 parliamentary polls. The rebellion against Mr. Modi was led by former Chief Minister Keshubhai Patel and had the backing of several senior BJP leaders from the Saurashtra and Kutch regions.

In fact, Mr. Modi had himself become Gujarat Chief Minister in 2001 due to infighting in the party and was appointed as a compromise candidate to keep the factions together. The rest, of course, is history – but till he came, the BJP saw

a series of Chief Ministers being toppled.

Patel rebellions have been part of every election story, but none has been strong enough to derail the Modi story. In the run-up to the 2007 elections, several Patel leaders, like Gordhan Zadaphia, Home Minister during the 2002 riots, had launched an open rebellion. Congress leaders even attended campaign meetings of BJP rebels.

The rebels had the blessings of Keshubhai Patel though he remained with the BJP. All that happened was that the BJP's numbers came down from 127 in 2002 to 117 in 2007.

In 2012, Keshubhai Patel himself quit the BJP to launch the Gujarat Parivartan Party. Again, a consolidation of Patels and a strong interrogation of Mr. Modi's economic policies were seen. But Mr. Modi returned as Chief Minister with 116 seats and the rebels polled less than 4% of the vote.

This recap is by way of a reality check that neither discontent with Mr. Modi's economic policies nor a Patel rebellion is a new phenomenon in Gujarat. The trouble for the opposition has been that there is no clear candidate or opponent who can consolidate these rumblings into an electoral victory. Instead, such discontent has been used by Patel leaders to pressurise the BJP to get greater representation and sway within the party. It is not yet chinchingly clear that it will be any different in 2017.

Veeraraghav T.M. is a Bangalore-based journalist

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.

A toxic haze

The odd-even scheme can help control traffic issues, but not reduce pollution as less than 10% of Delhi pollution is from vehicular traffic ("Odd-even rule back in Delhi from Monday", Nov. 10). Also, this will intensify the rush in the already overcrowded public transport system during peak hours. The government should provide oxygen parlours, introduce artificial rain, and distribute quality air masks immediately. Most importantly, policies to curb pollution in 2018 have to be initiated now.

MAYUKH DEVADAS,
Thiruvananthapuram

It is shocking to see the lack of coordination among the governments of Delhi, Haryana and Punjab ("Blame game over pollution begins", Nov. 10). The Centre too has been

shirking responsibility. No doubt, pollution in Delhi and neighbouring areas cannot be stopped easily, but even baby steps are not being taken or are taken too late. If stubble burning is the real problem despite a ban, we should find ways to make better use of the crop – generate power from it as a few entrepreneurs have done. Instead, at the height of the crisis, an Environment Ministry panel has been tasked with finding solutions!

V. NAGARAJAN,
Chennai

Why can't a concrete solution to air pollution be found when flash floods, tsunamis and other calamities have been countered effectively? To tackle the present crisis, the Central government and the governments of Delhi, Haryana and Punjab need to work in tandem without

giving room for petty politics. Today it is Delhi; tomorrow it could be any other city. We need to learn lessons from this crisis and practice and promote eco-friendly habits in all walks of life before it is too late.

KSHIRASAGARA BALAJI RAO,
Hyderabad

Conflicting reports

Whether it is the Ryan school murder or the Aarushi-Hemraj murder case, the quality of probes is abysmal ("Under pressure", Nov. 10). From the brazen manner in which the bus conductor was accused, it seems as though the police will resort to any means to close unresolved cases. The less said about the police handling high-profile murder cases, the better. It is not uncommon to see the transfer of long-pending cases to the CBI because of the police's inability to crack them. The

government needs to revamp the police administration in order to restore public confidence.

P.K. VARADARAJAN,
Chennai

The tendency of investigative agencies to jump to conclusions without concrete evidence is unmatched. Relying on circumstantial evidence to prove a crime has become common. Why are they in a hurry to prove their mettle? Whether it was the Aarushi-Hemraj murder case or the Ryan school murder case, the culprits were proclaimed to be found within a day or so. Here, it is not only the police who are to be blamed; the onus lies on the media too to not sensationalise cases as this creates pressure on investigators.

RAVI B. SATYANAIK,
Belgaum

The Ryan school and Aarushi-Hemraj murder cases have exposed the inept, unprofessional and dishonest investigative practices of the police and the CBI. One wonders whether these two cases could just be the tip of the iceberg because thousands of criminal cases involving ordinary citizens lack the high publicity quotient to attract media attention. It is frightening to speculate that thousands of innocent people could have been framed for murders they did not commit and condemned to the fate of

prolonged incarceration. Intense media coverage of sensational cases is something police investigators have to live with. Professional sleuths should go after forensic evidence to secure convictions instead of framing innocent people. Having said that, the tabloidisation of electronic media and newsroom mock trials have undermined the rule of law.

V.N. MUKUNDARAJAN,
Thiruvananthapuram

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

CORRECTIONS & CLARIFICATIONS: >>In the Editorial page article titled "Banking on legislation" (Nov. 9, 2017), there was a reference to six public sector banks (PSBs) coming under prompt corrective action by the Reserve Bank of India. Actually, seven PSBs have come under corrective action.

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: +91-44-2841297/28576300 (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, Kasturi 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