CHENNAI THE HINDU TUESDAY, JUNE 11, 2019



Striking a balance

The RBI's nuanced approach in the revised circular on stressed assets is noteworthy

The efforts of the Reserve Bank of India to clean up the non-performing loans mess in the banking system suffered a setback in April when the Supreme Court shot down its circular of February 12, 2018, terming it ultra vires. Version 2.0 of the circular, titled "Prudential Framework for Resolution of Stressed Assets", issued by the central bank on June 7, manages to retain the spirit of the original version even while accommodating the concerns of banks and borrowers. The RBI has achieved a good balance between its objective of forcing a resolution of stricken assets and giving banks the elbow room to draw up a resolution within a set timeframe without resorting to the bankruptcy process. Banks will now have a review period of 30 days after a borrower defaults to decide on the resolution strategy, as compared to the one-day norm earlier. They will also have the freedom to decide whether or not to drag a defaulter to the insolvency court if resolution does not take place within 180 days of default. Banks had no such option earlier. By making an Inter Creditor Agreement between lenders mandatory, the RBI has ensured that they will speak in one voice, while the condition that dissenting lenders should not get less than the liquidation value puts a floor on recovery from the

The RBI's nuanced approach now is noteworthy. There will be disincentives in the form of additional provision of 20% to be made by banks if a resolution is not achieved within 180 days and a further additional provision of 15% if this extends to a year. If that is the stick, the carrot is that they can write back half of the additional provision once a reference is made to the insolvency court and the remaining half can also be clawed back by banks if the reference is admitted for insolvency resolution. This approach will give banks the freedom to explore all options before referring a defaulter to the insolvency process. Instead of treating banks like truant schoolchildren who need to be disciplined with the stick, the RBI has graduated to treating them like responsible adults who know what is good for them when it comes to handling defaulters. Of course, the RBI was forced to wield the stick originally only because banks resorted to evergreening loans and pushing NPAs under the carpet. It is to be hoped that they will now uphold the trust placed in them by the RBI. The central bank, anyway, retains the right to direct banks to initiate insolvency proceedings in specific cases by drawing on its powers under Section 35AA of the Banking Regulation Act. Meanwhile, the government has to assess what ails the insolvency resolution process, which has got bogged down in the case of several high-profile defaulters, beginning with Essar Steel. The delays in resolution are not good optics, and the gaps that defaulters typically use to subvert the process must be plugged. Ultimately, the RBI's efforts will be negated if banks, put off by the long delays in the resolution process, choose not to refer cases to the insolvency court.

A dozen in one

Nadal burnishes his greatness in an era of greats with a record at the French Open

oy Emerson's record for most Grand Slam titles won by a male singles player stood for a good 33 years. It was in the summer of 1967 that he won the last of his 12 trophies and only in 2000 did Pete Sampras surpass it. But little did anybody expect a man to rack up an equivalent number at just one Major, let alone in a span of just 15 years. On the Parisian clay on Sunday, Rafael Nadal did just that, capturing his 12th French Open and 18th Major overall. This is an era in which along with Nadal, Roger Federer, the all-time leader in Majors (20), and Novak Djokovic (15), have taken turns to relentlessly redefine the limits of greatness. But even by those exalted standards, Nadal's achievement is unparalleled. His record at Roland-Garros is a whopping 93-2, and he has bagged more trophies there than any man or woman has at a single Grand Slam. The victory didn't come easy; he had to overcome a spirited Dominic Thiem, widely touted, and quite rightly, as the Spaniard's heir apparent on the surface. The 25-yearold Austrian had in fact beaten Nadal on dirt in each of the last four seasons and was a much improved player from the time he lost the 2018 final. But the challenge of mastering a physically fit and mentally sharp Nadal is

The triumph also came on the back of a testing few months for Nadal. The 33-year-old ended 2018 under the cloud of injury and had to endure a deflating loss to Djokovic in the final of the Australian Open this January. In the lead-up to the French Open, he was on the cusp of not making a final on his beloved clay for the first time since 2004, until he put together a winning streak at the Italian Open. But once in Paris, he was a transformed man and turned in what could arguably be his most complete performance. From the backcourt he displayed the kind of athleticism and shot-making that belied his age. Federer bore the brunt of it as he succumbed in straight sets in the semifinals. His play in the forecourt, an underrated part of his game, was lethal, coming in only for the assured kill, as the 23 out of 27 points won at the net against Thiem indicates. Even as Nadal established himself as a near constant among men, the women's game threw up yet another surprise winner, this time in Australia's Ashleigh Barty. The 23year-old's style is delightfully old-school, with a beautifully constructed point preferred to murderous firststrike tennis. Combined with a ruthless calm, she completely unnerved the 19-year-old Marketa Vondrousova on Saturday to end her nation's long wait for a new slam champion.

Foreign policy challenges five years later

In an unpredictable global environment and with resource constraints, India needs to shape a domestic consensus



RAKESH SOOD

s Prime Minister Narendra Modi begins his second Lterm, the world looks more disorderly in 2019 than was the case five years ago. U.S. President Donald Trump's election and the new dose of unpredictability in U.S. policy pronouncements; the trade war between the U.S. and China which is becoming a technology war; Brexit and the European Union's internal preoccupations; erosion of U.S.-Russia arms control agreements and the likelihood of a new arms race covering nuclear, space and cyber domains; the U.S.'s withdrawal from the Iran nuclear deal and growing tensions between Saudi Arabia and Iran are some of the developments that add to the complexity of India's principal foreign policy challenge of dealing with the rise of China.

Redefining neighbourhood

As in 2014, in 2019 too Mr. Modi began his term with a neighbourhood focus but redefined it. In 2014, all South Asian Association for Regional Cooperation (SAARC) leaders had been invited for the swearing-in. However, the SAARC spirit soon evaporated, and after the Uri attack in 2016, India's stance affected the convening of the SAARC summit in Islamabad. Since an invitation to Pakistan was out of the question, leaders from the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) countries (Bangladesh, Bhutan, Nepal, Sri Lanka, Myanmar and Thailand) with Kyrgyzstan, added as current Shanghai Cooperation Organisation chair, highlighted a new neighbourhood emphasis.

Yet Mr. Modi will find it difficult to ignore Pakistan. A terrorist attacks cannot be ruled out and it

would attract kinetic retaliation. Despite good planning there is always the risk of unintended escalation as Balakot (this year) and the downing of an Indian Air Force (IAF) MiG-21 showed. In the absence of communication channels between India and Pakistan, it appears that the U.S., Saudi Arabia and the United Arab Emirates played a role in ensuring the quick release of the IAF pilot, Wg. Cdr. Abhinandan Varthaman, thereby defusing the situation. Unless the Modi government wants to outsource crisis management to external players, it may be better to have some kind of ongoing dialogue between the two countries. This could be low-key and discreet, at whatever level considered appropriate, as long as no undue expectations are generated. A policy in-between diplo-hugs and nocommunication provides both nuance and leverage

Relations with countries on our periphery, irrespective of how we define our neighbourhood, will always be complex and need deft political management. Translating India's natural weight in the region into influence was easier in a preglobalised world and before China emerged in its assertive avatar. Today, it is more complex and playing favourites in the domestic politics of neighbours is a blunt instrument that may only be employed, in the last resort; and if employed it cannot be seen to fail. Since that may be difficult to ensure, it is preferable to work on the basis of generating broad-based consent rather than dominance.

This necessitates using multipronged diplomatic efforts and being generous as the larger economy. It also needs a more confident and coordinated approach in handling neighbourhood organisations - SAARC, BIMSTEC, the Bangladesh, the Bhutan, India, Nepal Initiative, the Bangladesh-China-India-Myanmar Forum for Regional Cooperation, the Indian Ocean Rim Association. This should be preferably in tandem with bilater-



alism because our bilateral relations provide us with significant advantages. With all our neighbours, ties of kinship, culture and language among the people straddle boundaries, making the role of governments in States bordering neighbours vital in fostering closer linkages. This means investing attention in State governments, both at the political and bureaucratic le-

Managing China and the U.S.

China will remain the most important issue, as in 2014. Then, Mr. Modi went along with the old policy since the Rajiv Gandhi period that focussed on growing economic, commercial and cultural relations while managing the differences on the boundary dispute through dialogue and confidencebuilding measures, in the expectation that this would create a more conducive environment for eventual negotiations. Underlying this was a tacit assumption that with time, India would be better placed to secure a satisfactory outcome. It has been apparent for over a decade that the trajectories were moving in the opposite direction and the gap between the two was widening. For Mr. Modi, the Doklam stand-off was a rude reminder of the reality that the tacit assumption behind the policy followed for three decades could no longer be sustained.

The informal summit in Wuhan restored a semblance of calm but does not address the long-term implications of the growing gap between the two countries. Meanwhile, there is the growing strategic rivalry between the U.S. and China unfolding on our door-

step. We no longer have the luxury of distance to be non-aligned. At the same time, the U.S. is a fickle partner and never has it been more unpredictable than at pre-

In 2014, Mr. Modi displayed unusual pragmatism in building upon a relationship that had steadily grown under the previous regimes, after the nuclear tests in 1998. The newly appointed External Affairs Minister, S. Jaishankar, had played a key role as the then Ambassador in Washington. Later, as Foreign Secretary, he successfully navigated the transition from the Obama administration to the Trump administration while keeping the relationship on an upward trajectory.

Despite this, a number of issues have emerged that need urgent attention. As part of its policy on tightening sanctions pressure on Iran, the U.S. has terminated the sanctions waiver that had enabled India to import limited quantities of Iranian crude till last month. The Generalised System of Preferences scheme has been withdrawn, adversely impacting about 12% of India's exports to the U.S., as a sign of growing impatience with India's inability to address the U.S.'s concerns regarding market access, tariff lines and recent

changes in the e-commerce policy. A third looming issue, perhaps the most critical, is the threat of sanctions under the Countering American Adversaries Through Sanctions Act (CAATSA), were India to proceed with the purchase of the S-400 air and missile defence system from Russia. Till the end of last year, then U.S. Defence Secretary James Mattis had been confident of India securing a waiver – but times have changed.

Other potential tricky issues could relate to whether Huawei, which is currently the prime target in the U.S.-China technology war, is allowed to participate in the 5G trials (telecom) in India. The reconciliation talks between the U.S. and the Taliban as the U.S. nego-

tiates its exit from Afghanistan raise New Delhi's apprehensions about the Taliban's return, constituting another potential irritant.

External balancing

How New Delhi manages its relations with Washington will be closely watched in Beijing and Moscow, which have been moving closer. It is reminiscent of 1971 when China began moving closer to the U.S. to balance the then USSR, with which its relationship was strained. Today, both see merit in a common front against the U.S., though for China the rivalry with the U.S. is all-encompassing because of its geography and Taiwan. Russia has interests beyond, in Afghanistan, West and Central Asia and Europe, and it is here that Mr. Modi will need to exploit new opportunities to reshape the relationship.

In a post-ideology age of promiscuity with rivalries unfolding around us, the harsh reality is that India lacks the ability to shape events around it on account of resource limitations. These require domestic decisions in terms of expanding the foreign policy establishment though having a seasoned professional at the top does help. We need to ensure far more coordination among the different ministries and agencies than has been the case so far. Our record in implementation projects is patchy at best and needs urgent attention. The focus on the neighbourhood is certainly desirable, for only if we can shape events here can we look beyond. However, the fact that China too is part of the neighbourhood compounds Mr. Modi's foreign policy challenges in his second term. Employing external balancing to create a conducive regional environment is a new game that will also require building a new consensus at home.

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The script writer of culture

Through his plays and their performances, Girish Karnad's work interrogated our deepest beliefs about the idea of India



UMA MAHADEVAN-DASGUPTA

was twenty-one when I came to Daulatabad first, and built this fort," says Muhammad Tughlaq to a young guard in Girish Karnad's play of the same name. "I supervised the placing of every brick in it and I said to myself, one day I shall build my own history like this, brick by

But the fundamental lesson of Karnad's work, and its tragic vision, is that individual histories are not built in this way. Individual histories are directed both by heart and mind, by the desire to leave a legacy – but also, inevitably, by the desire to hold on to

Set in a vibrant age

Karnad's first play, Yayati (1961), written when he was in Oxford, was about the theme of responsibility. "Those of us writing in the Kannada Navya movement of the time can still remember the excitement when we first read it in 1961." remarked U.R. Ananthamurthy famously. In 1971, he wrote the introduction to the Oxford University Press translation of Karnad's second play, Tughlaq (1964).

Those were the exciting years of a new and modern Indian theatre, with Badal Sircar writing in Benga-Mohan Rakesh in Hindi.

Both through the pages of his plays, and through their powerful, unforgettable performances staged by legendary directors such as Alkazi, B.V. Karanth, Satyadev Dubey, Vijaya Mehta and Prasanna, Karnad's work interrogated our deepest beliefs about the idea

Karnad's death, at the age of 81, is a loss to the world of modern Indian theatre and literature. It is also the loss of a towering public intellectual who was not afraid to speak his mind, whether about the prejudices of fellow writer V.S. Naipaul, or to attend a public protest, carrying his oxygen cylinder,

after the killing of Gauri Lankesh. Karnad was born in Matheran, near Bombay, in 1938. His mother, Krishnabai, was a pathbreaker herself: a young widow with a child who trained as a nurse and eventually married Raghunath, a



doctor. As a child, Girish grew up watching Yakshagana performances in the hill town of Sirsi, in Karnataka's wet and forested Malnad region. Perhaps it was here that his theatrical sensibility was born; perhaps it was this early experience that made him choose playwriting, rather than poetry, fiction or art.

After obtaining his degree from Karnatak University, Dharwad in 1958, he went to Oxford as a Rhodes Scholar between 1960 and 1963, where he became President of the Oxford Union. Unlike others of the period who chose to go westward, he chose to return to India, working in Chennai for the Oxford University Press, where he met his future wife, the paediatrician, Saraswathy Ganapathy (Saras).

Much has been written about Karnad's creative collaborations with B.V. Karanth, A.K. Ramanu-

ers. But in my opinion his marriage to Saras was his greatest creative collaboration. A paediatrician with a deep commitment to working in public health, it was she who encouraged him to follow his calling and write.

jan, U.R. Ananthamurthy and oth-

And write he did. In 1970, Karnad left his publishing job to write full time. Intricately plotted, and with razor-sharp dialogue, Karnad's greatest plays have drawn from mythology and history, while some of his later plays have dwelt on more contemporary issues. His themes have ranged from the 12th century reform movement in northern Karnataka, to stories drawn from the Mahabharata. But across all his work, from Yavati to Taledanda, from Nagamandala to Agni Mattu Male, is the deep, relentless concern with power imbalances: between the central and the marginal, the rich and the poor, man and woman, king and

priest, man and god. How can power be handled without going to an individual's head? How is a better world possible? How to be good in a world full of disillusionment and despair, a world where nothing is as it seems? These are the central concerns of Karnad's work.

In a long career spanning over six decades, Karnad also directed several award-winning feature films and documentaries, worked as a culture administrator, and went to Chicago as an academic. His acting debut was in the film tabhirama Reddy, based on U.R. Ananthamurthy's novel. The film won the first President's Golden Lotus Award for Kannada cinema. A later generation will remember him as the strict and distant father of Swami, the little boy, in the television adaptation of R.K. Narayan's Malgudi Days. Intermittently, through it all, he had stints in commercial cinema, which he regarded as a way to achieve financial security.

Above all, what Karnad will be remembered for is his commitment to liberalism, and to the idea of India. When Saraswathy Ganapathy set up a trust that worked among poor women in Kanakapura, outside Bangalore, it was Karnad who gave it the name "Belaku", meaning light. Deepest condolences to Saras, as well as to their children, Raghu and Radha.

Uma Mahadevan-Dasgupta is in the IAS

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.

Anti-terror strategy The euphoria in India over the UN Security Council's listing of Masood Azhar as a global terrorist will last until, god forbid, another terror attack (Page 1, "Terrorism is a joint threat: PM", June 10). The terrorist might well be from the same Masood Azhar stable but under a different name altogether. The elimination of Osama bin Laden and other top leaders of al-Qaeda appears to have had no significant impact on terrorism, which continues to flourish. Terrorism is indeed a threat that needs the collective attention of all countries in the region.

Judiciary's role

It is disconcerting how the fundamental principles of justice are being subverted in the working of the state

and law. (Editorial page, "Inhumane, and utterly undemocratic", June 10). There appears to be an increasing tendency even within public institutions to bypass the established dicta of justice, such as 'presumption of innocence', 'burden of proof', 'a hundred guilty may go free but not a single innocent should be punished', etc. This is leading to the construction of a regime of civil lynching where the violation of fundamental rights and civil liberties of the most vulnerable enjoys complete impunity. On the other hand, making it mandatory for people to prove their identity claims, including the one of nationality, on the basis of a well-ordered chain of documents is symptomatic of a total disconnect with the grim realities of people's

insecure lives in this country. Submitting a people already leading precarious lives to the demands of a brutal bureaucratic exercise is punishing them twice over. The judiciary must stand up as the guarantor of fundamental and human rights in the face of a state and society fast turning away from the Constitution's humane values. FIROZ AHMAD,

Rahul's line

Congress president Rahul Gandhi is at it again hitting out at the Prime Minister for spreading hatred. Sure, he has every reason to feel bitter but this is not the time to give expression to his disappointment in such strong terms. 'Hatred' is too extreme a term;

'intolerance' and 'partisanship' are more like it. If he continues in the same vein, it will only take him down the 'chowkidar chor hai' road and damage his image even more. It's no secret that a lot of people are not happy with the supercharged atmosphere in the country. Speaking against partisanship can be contained only by initiating a more balanced and fair approach. PREETHA SALIL,

From the field

The Indian cricket team came out with all guns blazing against the mighty Australians and notched up a highly creditable win which should do a world of good to the morale of the Indian players (Page 1, "Clinical India prevails in a high scoring affair", June 10). The team is peaking at

the right time, and with two victories in as many matches, it has become a strong contender for a place in the top slot; the momentum must continue. In the match against Australia the team did right in all areas with the batsmen and bowlers all coming good. While Shikhar Dhawan was the pick of the batsmen, the pacers, Jasprit Bumrah and Bhuvneshwar Kumar, turned in tidy spells to outfox the Aussie batsmen. C.V. ARAVIND,

■ I was in the United Kingdom/London recently and happened to watch a few of the ICC Cricket World Cup matches. One thing I found striking is that cricket does not enjoy the same popular patronage it once enjoyed in England. Even this time, cricket in the English print

media, occupies minuscule space in contrast to what it is for soccer. An Englishman had an explanation: cricket is slow and also consumes a lot of time and resources, while soccer is alive and is thrilling every moment. It appears that Asians are the only one patronising cricket if one is to go by the spectators in the stands at the India-Australia match, at the Oval. SIVAMANI VASUDEVAN

On contentment

Most of us are unaware of what our true purpose in life is, more so when most us are keeping up with the Joneses in every sphere of life. The contentment in ones's life is left to others to judge ('Open Page', "Finding contentment whereever you are", June 9). DEEPAK SINGHAL,

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