Life without GSP

India must not underestimate the impact of the U.S. withdrawal of trade privileges

The U.S. has ultimately acted on its threat to withdraw concessions granted to Indian imports under the Generalised System of Preferences. With President Trump indicating as much in a letter to the House of Representatives and Senate, Washington became the first to pull the trigger in a long trade stand-off between the two countries. India-U.S. trade tensions escalated last year when the U.S. took two consecutive decisions to increase import tariffs on steel and aluminium, and place India's eligibility for GSP benefits under review. Shortly after, India said it would impose retaliatory tariffs on imports from the U.S. and even notified the list of items on which these would apply. Meanwhile, the U.S. stood fast on not exempting India from its tariff hikes, with Mr. Trump complaining about India's high import tariffs several times. The GSP review, however, stretched on, with the two countries holding frequent talks to address the concerns. India, for its part, postponed the deadline for the imposition of the retaliatory tariffs six times; the latest deadline is on April 1. Washington's decision to review India's GSP status stemmed from complaints from American medical and dairy industries, both of which said India was not providing "equitable and reasonable access to its market". India has said it had tried hard to cater to most of the U.S. demands and reach an understanding, but key points of difference, especially regarding India's cultural concerns to do with dairy products, could not be accommodated. Given this, and the fact that the U.S. has been expressing discontent over India's policies to do with data localisation and FDI rules in e-commerce, the decision to withdraw the GSP status should not come as a surprise. The question is, how will New Delhi react?

Following the U.S. announcement, the Commerce Ministry was quick to downplay the impact, saying the GSP benefits amounted to only $190 million while India's total exports under GSP to the U.S. stood at $5.6 billion. Indian officials have stressed that talks on the issue would still continue during the 60-day period after which the GSP decision would come into effect. The other option the government can exercise is to impose retaliatory tariffs on U.S. goods. The government's efforts to downplay the impact of the withdrawal of GSP status and express readiness for more talks, however, suggest it is not keen to take a decisively strong stance. It bears emphasis that while the actual amounts at stake are relatively small, with even India's proposed tariffs on the U.S. amounting to just $900 million, the impact on small industries in the country could nevertheless be significant. Export bodies have already said that such industries would lose their market share in the U.S. without fiscal support to help them maintain their edge. In its absence, orders meant for India could go to other GSP countries, signs of which are already evident.

Algeria for change

President Bouteflika should withdraw his re-election bid

Algerians have been protesting against their ailing 82-year-old President, Abdelaziz Bouteflika, who is seeking a fifth term in elections next month. On the last day to file nominations, it was announced that the veteran would cut short his rule if he is re-elected and initiate constitutional reforms. But such vague assurances have had little impact on the protesters in the hydrocarbon-rich nation who are becoming increasingly frustrated with the lack of education and employment opportunities. Mr. Bouteflika, credited with restoring stability in Algeria after a bloody civil war in the 1990s between Islamist insurgents and the military, has remained a figurehead in recent years. Though he has held the post of President since 1999, ever since he suffered a stroke in 2013 he has hardly been seen in public. That, however, did not stop him from contesting the 2014 elections, which he won with a thumping majority, despite being out of action on the campaign trail. But the removal of top-ranking military and intelligence officials in subsequent years sparked speculation about who was really in charge. The government's *modus vivendi* in the years following the civil war was to clamp down on dissent, and hand out generous welfare benefits. Given the turbulence of the civil war years, the initial stability worked well in a country that had grown wary of change. Persisting in that approach enabled the ruling inner coterie to wield real power on behalf of the President. The *status quo* was allowed to persist as the opposition parties failed to rise above their divisions. Algiers even evaded the anti-establishment fervour that had swept several northern African countries during the Arab Spring. Now, Algerians are demonstrating a resolve to move on from being seen as dependents on the state, to assert their rights as citizens.

Mr. Bouteflika's latest re-election bid is being seen as a cynical manoeuvre by his inner circle. The voices of opposition have grown louder, as depleting oil revenues render the government's welfare programmes less sustainable. Moreover, the ruling National Liberation Front's contemptuous remarks against the clamour for change have incensed the public. Unlike in the past, the security forces have been more muted in their response so far. Thus, the government could well be misreading the situation if it believes the crisis will blow over. The military could be making a mockery of the electoral process by insisting on Mr. Bouteflika's candidacy, in effect undermining the highest elected office. It cannot reduce a vibrant society to one that is democratic only in name. Mr. Bouteflika, who is reported to be operating from a hospital in Switzerland, should withdraw from the fray. Algeria needs a new beginning.

Recovering from the Hanoi setback

Whatever the reasons for the collapse of the U.S.-North Korea talks, both sides have kept alive hopes for their revival

RAKESH SOOD

The much awaited Hanoi summit (February 27-28) between U.S. President Donald Trump and North Korean leader Kim Jong-un ended abruptly. A working lunch and the signing ceremony were cancelled, leading to speculation that the talks had collapsed. This may be a premature conclusion. Mr. Trump, 72, has shown, time and again, that while he may be a novice at nuclear negotiations, he is a master of 'The Art of the Deal' and a reality TV star. For him, summitry is about political timing. Mr Kim, though less than half Mr. Trump's age seems to have a natural knack for it too. The Trump-Kim bromance is like a three act opera and after two acts (Singapore in June 2018 and Hanoi), this is the Intermission, with a final act yet to unfold.

Suspense about Singapore

Remember the suspense before Act I, which took place despite all odds. There was initial optimism when U.S. Secretary of State Mike Pompeo made a surprise visit last May to Pyongyang, returning successfully with three U.S. detainees. Days later, National Security Adviser John Bolton bunged a spanner in the works by proposing the "Libyan model" for North Korea's denuclearisation. North Korea reacted strongly with Vice Minister of Foreign Affairs Kim Kye-gwan indicating that it would be forced to reconsider the summit if the U.S. insisted on driving it into a corner. Mr. Trump backtracked, released the letter he had sent to Mr. Kim, expressing regret about the delay and adding that he was still hopeful. He also publicly distanced himself from Mr. Bolton's remarks by pointing out that what he wanted with North Korea was 'a deal'. South Korean President Moon Jae-in stepped in, visiting Washington in May and, on his return, meeting Mr. Kim at Panmunjom to restore calm. By the end of the month, the vice-chairman of the central committee, Gen. Kim Yong-chol, was in the U.S. meeting Mr. Pompeo and carrying a personal letter from Mr. Kim to Mr. Trump. And the June summit was restored!

While the summit resulted in a joint statement holding out tantalising prospects of establishing a new period of U.S.-North Korea relations, building a lasting and robust peace on the Korean peninsula and Mr. Kim reaffirming his firm commitment to the denuclearisation of the Korean peninsula, what was striking was the growing trust and respect between the two leaders. An unexpected personal chemistry had been established.

Setting the stage for Hanoi

Fast forward to Hanoi, Act II. Expectations were set high. Stephen Biegun, appointed Special Representative for North Korea last year, had hinted that forward movement on ending the 'war' was possible. The 1950-53 Korean War, which led to the division of the peninsula and claimed nearly three million lives, was paused with the 1953 Armistice Agreement. For North Korea, any move towards formalising peace is a step towards regime legitimacy. While a formal peace treaty would require U.S. Senate ratification, political steps towards normalisation would not. North Korea expected some acknowledgement of its continuing restraint with regard to testing and unilateral moves hinting at closing down some test sites.

Both Mr. Trump and Mr. Kim were aware that differences about 'denuclearisation' persisted. For North Korea, it means 'denuclearisation of the Korean peninsula', North Korea dismantling its facilities and giving up its arsenal to go hand in hand with a permanent peace that removes the U.S. military threat and normalisation. For the U.S., 'denuclearisation' is front-end loaded, implying complete, verifiable and irreversible disarmament that requires North Korea to bring nuclear military activity to a halt, make a full declaration and subject itself to international verification, before sanctions are lifted.

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Mr. Trump had indicated that he was happy about the continued ban on nuclear and missile testing and not in a hurry. However, the pitch was queered by intelligence reports surfacing that in addition to the principal nuclear facility (Yongbyon), North Korea had built another uranium enrichment facility at Kangson. It put a question mark on Mr Kim's commitment to 'denuclearisation'. Another report indicated that though the Punggye-ri test site was shut, continued plutonium production and uranium enrichment during the last 12 months would have enabled North Korea to add up to seven devices to its existing arsenal estimated at 30 devices.

These disclosures diminished the value of North Korea's offer of closing Yongbyon, which houses reactors (one for plutonium production and the older one possibly for tritium) in addition to an enrichment facility. Mr. Trump had accepted the idea of a road map but instead of working out the details, he prefers to rely on his sense of political timing to conclude a successful deal. Further, there was a growing perception that he was in too much of a hurry, which meant that any agreement would be modest and likely be labelled a bad deal by the non-proliferation hardliners. He cleverly chose 'no deal' to a 'bad deal' – and the curtain came down on Act II.

It seems the U.S. demanded more than Yongbyon, which was more than North was willing to give. Mr. Trump said, "It was all about sanctions. They wanted the sanctions lifted in its entirety and we couldn't do that. Sometimes, you have to walk and this was one of those times." His regret was evident when he added, "When we walked away, it was a very friendly walk." North Korean Foreign Minister Ri Yong-ho claimed they had "demanded only partial sanctions relief in exchange for dismantling Yongbyon". Whatever the reasons, reactions on both sides have been restrained. A return to the rhetoric of 'fire and fury' therefore seems unlikely.

Preparing for Act III

Right now, the mantra in Washington is that no deal is better than a bad deal. Yet, realisation will soon dawn that the current situation only permits North Korea's stockpile to grow as there is zero likelihood for Chinese and Russian support for further tightening of sanctions. There are no plans for a third summit though Mr. Trump said that he "remained optimistic about a positive future outcome", adding, "there is a warmth that we have and I hope that stays." Mr. Pompeo acknowledged "real progress" and said the "U.S. is ready to get back to the table to continue the talks".

It is likely that during this Intermission, South Korea will step up its diplomacy with both Washington and Pyongyang. Mr. Moon has played a low-key but critical role in nurturing the process. Domestically, he has staked a lot, having had three meetings with Mr. Kim last year, including one in Pyongyang. Since last May, both sides have refrained from hostile activities and propaganda, the demilitarised zone (DMZ), is peaceful, landmines have been removed and some maritime confidence-building measures put in place. With economic troubles at home and hardliners in Seoul accusing him of being over-optimistic and naive, he is vulnerable. The South Korean Constitution only provides one term for the President and Mr. Moon is confident about the legacy he wants to leave behind.

More has been achieved during the last year since the collapse of the Agreed Framework in 2002 when U.S. President George W. Bush included North Korea in his "axis of evil" speech. Between then and 2017, North Korea carried out six nuclear tests, including one believed to be a fusion device, and over a 100 missile tests, demonstrating intercontinental ballistic missile capability. Mr. Moon's goal is to register sufficient progress on both 'normalisation' and the 'denuclearisation' tracks so that the process becomes irreversible. Such a breakthrough needs a top-led process.

And so an Act III is likely. The hardliners will eventually recognise virtue in a step-by-step process as long as it is irreversible. A new stage will have to be found, Bangkok, even Hong Kong if China cooperates. But the cast is willing. After all, it is the blossoming of a beautiful relationship.

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

Fifty years apart, the story of two OIC fiascos

Reaching out to the Organisation of Islamic Cooperation is morally wrong and politically futile

MOHAMMED AYOOB

India's most recent encounter with the Organisation of Islamic Cooperation (OIC) bears an uncanny resemblance to India's failed attempt to gain entry to the inaugural session of the same grouping held in Rabat, Morocco, in 1969 and for much the same reasons. In the earlier episode New Delhi lobbied fiercely to wangle an invitation to the meeting. However, on Pakistan's insistence the invitation that had been extended was withdrawn and India was denied membership of the OIC despite its insistence that as the country with the third largest Muslim population in the world it deserved a seat at the "Islamic" table.

Contrary to secularism

I remember writing an oped at the time that New Delhi's bid for membership of the OIC was both morally wrong and politically futile. As a country whose foundational philosophy was based on secularism, it was inappropriate for India to join an organisation whose defining criterion was shared religious identity. In India's case this applied to all organisations that used religious criteria to define themselves, whether they be Muslim, Hindu, Christian or Buddhist.

Further, since India's membership of the OIC would be perceived as a powerful refutation of the basis on which Pakistan was created, it was bound to object stridently to India's induction into the organisation. Pakistan had great leverage with the conservative Arab monarchies for ideological reasons and because of the fact that its military was willing to provide the Arab monarchies with well-trained soldiers for hire that the latter needed to protect their insecure regimes.

Pakistan at that time also had close relations with Iran and Turkey with whom it shared membership of CENTO (Central Treaty Organisation, formerly the Baghdad Pact) and an anti-Soviet and pro-U.S. orientation. Consequently, Islamabad had much greater clout within OIC circles than did New Delhi and was in a position to thwart Indian attempts to attain OIC membership. As it turned out, my prediction came true. New Delhi's attempt to gain OIC membership led to unnecessary humiliation that could have been avoided had South Block acted with greater forethought.

The situation today is both different and similar to 1969, and this was clearly reflected in India's latest experience with the OIC. In an apparent gesture of goodwill, the organisers of the OIC Foreign Ministers meeting in Abu Dhabi, which in effect meant the United Arab Emirates (UAE) and Saudi Arabia invited External Affairs Minister Sushma Swaraj as the guest of honour and keynote speaker (*picture*) despite Pakistan's objections. This was both a reflection of India's growing economic and political stature internationally and the desire on the part of the Gulf monarchies to cultivate New Delhi in order to take advantage of the opportunities provided by India's expanding economy and its technologically skilled workforce.

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A new twist

However, this is where the difference between 1969 and 2019 ends and the similarities kick in. The impact of Ms. Swaraj's speech, especially her denunciation of terrorism that was clearly aimed at Pakistan, was more than neutralised by a number of events that followed her address. First, the Abu Dhabi declaration issued at the end of the meeting did not contain even a simple expression of thanks to the Indian External Affairs Minister for addressing the plenary session of the assembly. Furthermore, it failed to mention the fact that Ms. Swaraj was the guest of honour at the meeting and delivered the keynote speech. This omission was very glaring in view of the fact that the document mentioned all sorts of unimportant issues, such as the UAE hosting the 2020 Expo in Dubai.

Second, to add insult to injury, the document's only reference to the India-Pakistan stand-off stated that the OIC welcomes the "positive initiative undertaken by the Prime Minister of Pakistan Imran Khan to hand over the Indian pilot as a gesture of goodwill to de-escalate tensions in the region". The Pakistani "initiative" was given a very positive twist by decontextualising it totally. There was not even an implicit reference to the primary reason that led to the most recent India-Pakistan conflagration, namely, Pakistani support for terrorism as witnessed most dramatically by the attack in Pulwama that killed 40 Central Reserve Police Force personnel.

Third, what was even more galling from the Indian perspective was the resolution on Kashmir that accompanied the Abu Dhabi declaration. This included the phrase "Indian terrorism in Kashmir" while condemning what it called "atrocities and human rights violations" in the State. It is clear from this sequence of events and the wording of the documents that emanated from the OIC meeting that despite the invitation to Ms. Swaraj, the leopard has not changed its spots and that Pakistani influence within the organisation has diminished only marginally.

Once again, the Ministry of External Affairs, instead of prematurely celebrating the invitation to Ms. Swaraj to address the Abu Dhabi conference, should have thought long and hard before advising the Minister to accept the invitation. It was particularly incumbent upon the Ministry of External Affairs to do so in light of the resolutions passed by the OIC over the years regarding Kashmir and India-Pakistan issues which had always favoured the Pakistani point of view. It appears from hindsight that the External Affairs Minister's participation in the OIC Foreign Ministers' conclave, like the Indian attempt to gain admission into the Rabat conference in 1969, was nothing short of an avoidable fiasco.

Mohammed Ayoob is University Distinguished Professor Emeritus of International Relations, Michigan State University and Non-Resident Senior Fellow, Center for Global Policy, Washington DC

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.

Veracity of counts

The Indian Air Force has made it clear that it achieved its mission in Pakistan, which has again been reiterated by the IAF chief, Air Chief Marshal B.S. Dhanoa (Page 1, "We hit target in Balakot, didn't count casualties: IAF chief", March 5), Even if one presumes that no terrorist was killed, the Balakot mission sends a clear warning to Pakistan: failure to take action against terrorists will result in India hunting them down. India has demonstrated its capability to do this.

This is more important than the evidence of casualties which the government's critics, including the Opposition parties, seem so keen on wanting to know ("Breach of security or a lie: Yechury", March 5 and "Ahluwalia video creates a furore", March 3).

P. MANGALACHANDRAN,
West Ponniam, Kannur, Kerala

■ It is strange that after the air strikes, a section in India has begun demanding proof of the attack with the exact number of casualties of terror groups. One must support the acts of our defence forces who ensure that we are safe in every corner of India. This demand for proof is embarrassing, indirectly giving the enemies of India an advantage.

ISHANT CHUTTANI,
Bahadurgarh, Haryana

A.P. data breach

The case of alleged data breach in Andhra Pradesh, which investigators are calling possibly "one of the biggest cases in the world after Cambridge Analytica", is shocking ("Police ask IT firm chief to surrender", March 5). That the breach may also be linked to a political party's app in order to aid it in the election is even more unsettling. The government's recent directive, that allows 10 agencies to monitor citizens' digital footprints, along with reports of "leaks" from the Aadhaar database will disincentivise people from using digital channels, especially government initiatives, to collect data. This case is yet another instance of why people in India need to be wary of trusting the government with their data. This trust deficit could also seriously impact India's digital revolution. Delaying the promulgation of a data protection law is the root cause of such breaches as there are no robust mechanisms to hold the perpetrators accountable.

Y. MEENA,
Hyderabad

Blow against inclusion

The Prime Minister's remark made during his recent video-conference with students, when one of them was explaining how her project could help dyslexic children, was insensitive ("PM uses dyslexia to mock Rahul, draws flak", March 5). One wonders whether our leader is even aware of how those diagnosed with dyslexia have achieved greatness in their lives, examples being Alexander Graham Bell, Lewis Carroll, Leonardo da Vinci, John Irving, Pablo Picasso and Lee Kuan Yew, to name a few. He has mocked the differently-abled, marking a new low in our political discourse.

When the Rights of Persons with Disabilities Act talks about non-discrimination and respect for persons with disabilities, disability rights activists are well within their rights to demand an unconditional apology.

BIDYUT KUMAR CHATTERJEE,
Faridabad, Haryana

■ As the mother of a dyslexic child – he has other disabilities too – I am pained by the remark. When parents of special children like me try hard to ensure that these youngsters have a better future against the many odds – life is a struggle every day – I find it deeply insensitive and disappointing on the part of the Prime Minister to have made such a crass remark. It is also a reflection of the general and regressive mindset that one often comes across in India and where many have no idea about different forms of disability.

ANJALI KAPOOR,
Mumbai

Inflight order

It is a disappointment how those managing the largest democracy in the world appear to be dictating every little thing to their citizens. Slogans do not aid in imparting patriotism. Rather than being forced to do something unproductive, the managers of Air India would do well to focus on better things and make the loss-making airline profitable ("Air India crew will now chant 'Jai Hind'," March 5).

MONICA SHARMA,
New Delhi

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