



## Inflation worries

Wholesale Price Index data for June warrant a closer macro-economic scrutiny

The Wholesale Price Index as a measure of price gains is back in the national spotlight. The latest data, which show a sharp surge in wholesale inflation in June, to a 54-month high of 5.77%, are a cause for concern. While the WPI is no longer the primary focus in the Reserve Bank of India's inflation-targeting approach to monetary policy formulation – having ceded that role to the Consumer Price Index – the gauge remains economically significant nevertheless. The measure of wholesale price gains is the key deflator in computing the Index of Industrial Production and is also used to deflate Gross Domestic Product at current prices. A detailed look at WPI data for June reveals several pressure points warranting closer macro-economic scrutiny. Not only have rising crude oil prices persistently fanned inflation – by contributing significantly to a 214 basis-points month-on-month jump in June for the primary articles group – they have also led to rapidly accelerating double-digit price gains in the fuel and power group. Inflation in the fuel and power group has quickened every month since February's 4.55% print, to 16.18% in June. Food articles are another source of worry, especially the prices of vegetables and the politically sensitive duo of potatoes and onions. While inflation in vegetable prices more than tripled in pace from May's 2.51% to 8.12% in June, the annual gains in potato prices have been in a steep upward spiral for five straight months and exceeded 99% in June. And while inflation in onion prices at the wholesale level has cooled appreciably from January's 194% level, at 18.25% the rate is still far from reassuring.

Manufactured products – the third key group-level constituent of the WPI with the largest weight of 64.2% – are also signalling a worrying wider inflationary trend. This could feed through to consumer price gains, which touched a five-month high of 5% in June. The headline inflation in this group, spanning 564 items, ticked up for a third consecutive month in June to 4.17%. Manufacture of basic metals that includes a range of goods from alloy steel castings, stainless steel tubes to copper plates and aluminium sheets – products that find diverse applications across multiple end-use industries – posted headline inflation of 17.34%, an increase from the 15.79% reading in May. To be sure, the price gains have to be seen from the perspective of an unfavourable base effect – WPI inflation in June 2017 was just 0.9%. But policymakers can ill afford to ease their vigil, especially given the government's decision to increase the minimum support price for kharif crops and uncertainty about the spatial impact of this year's monsoon rains on overall agricultural output. After all, a sustained trend of high WPI inflation will not only add pressure on the RBI to raise interest rates, but could also potentially undermine the pace of GDP growth.

## Comeback man

Great champions can never be written off as Djokovic demonstrated at Wimbledon

The sporting wilderness is a cruel, unforgiving place. Not even the greatest of champions avoid its desolate landscape; only a few find their way out of it. Ever since Novak Djokovic won his 12th Major at Roland Garros in 2016 – becoming only the second man, after Rod Laver in 1969, to hold all four Grand Slam titles at once – he has wandered the wastelands that strugglers frequent. The mask of invincibility he had worn for the best part of two years cracked. Indeed, when he bowed out of the French Open this June, he appeared broken, damaged. He said he wasn't sure if he would play on grass. And yet, a little over a month later, he was back on the most famous court in tennis, bending to extract some of its hallowed turf so he could chew it – a victory celebration that had all but slipped from collective memory. In many ways, the performance against Kevin Anderson in the Wimbledon final was vintage Djokovic: ruthless, complete, untouchable. Granted, the 6'8" South African looked a shadow of the player that had returned from the dead to dethrone Roger Federer and had drawn on every last reserve to outlast John Isner. But even Anderson at his fittest and finest would have struggled against the Serb in this mood, on that stage.

So, just what is behind Djokovic's renaissance? It helps that the 31-year-old is healthy again. He was forced to retire from last year's Wimbledon quarterfinal against Tomas Berdych because of an elbow injury. He underwent surgery this January, but was back sooner than advised – this, Djokovic admitted, contributed significantly to his slump. At this year's Championships, he looked match-tough at last, close to his elastic best. His game has always suited grass – or modern-day grass, at any rate. Wimbledon's courts no longer play like "ice slathered with Vaseline", as Andre Agassi famously said, but they still favour fleet-footed movement and a flatter stroke, pared of top-spin. These two attributes – added to a secure serve, a considerable improvement on the abbreviated eyesore his elbow injury had forced him into – made Djokovic a contender. But it wasn't until his epic semifinal against Rafael Nadal that he and the rest of the tennis world truly knew he was back from the beyond. It was his 'dark night of the soul' – an inner torment he had to master, for the consequences of failure might have been too heavy to bear. This he did, relaxing into the moment and entering a zone only a select few have access to. And like Federer and Nadal have over the last year and a half, Djokovic showed that the elite can never be written off. Reports of the deaths of their careers are often greatly exaggerated.

# Decoding Trump's attack on Europe

His incendiary tour of the continent seeks to reverse the gains Europe has achieved over the last 70 years



RAVI ARVIND PALAT

U.S. President Donald Trump's incendiary tour of Europe has justly generated extensive coverage for his disregard for diplomatic niceties and attacks on his allies, especially on German Chancellor Angela Merkel and British Prime Minister Theresa May, both of whom are facing stiff domestic opposition. Yet, mainstream commentaries on Mr. Trump's attacks on the European Union and the North Atlantic Treaty Organization (NATO) do not place the trans-Atlantic relationship in the broader historical context.

In the first instance, in the aftermath of the Second World War, the U.S. promoted economic integration among its European allies as an essential condition for the post-war revival of world trade. At war's end, wealth had become concentrated in the new superpower – it accounted for 48% of world industrial capacity and 70% of gold reserves. With the demobilisation of some 10 million soldiers in the U.S., the shift to a peacetime economy needed allies to open their markets to U.S. products and investments. Its European allies were too poor to provide a market and the notorious 'meat-axe' 80th Congress unwilling to undertake a programme for European reconstruction.

In this context, the U.K. government's admission in February 1947 that it could no longer intervene in the Greek Civil War provided an opportune moment for U.S. President Harry Truman to follow Senator Arthur Vandenberg's advice to "scare the hell out of the American people" by manufacturing the Cold War. A Congress that was not willing to aid Clement Attlee's "socialist welfare state" was eager to rebuild Western Europe and Japan as levees to defend the 'free world' against 'godless communism'.

Along with NATO founded in 1949 was the Marshall Plan instituted in 1948. It was innovative not because of its size – \$17 billion over four years was not substantially more than the \$9 billion the U.S. had channelled to its European allies in the previous two years – but because it pressured West European states to reduce tariffs between themselves and to standardise regulations to facilitate the creation of a market viable enough to reap the economies of scale and for U.S. corporations to invest in the continent. This trans-Atlantic U.S. corporate expansion was welcomed by European governments and trade unions as these were the only entities with the funds to create employment.

### Post-war reconstruction

A trans-Atlantic military alliance and European economic integration were thus the twin projects of a successful post-war reconstruction. Economic integration proceeded rapidly over the last 40 odd years, with the European Union (EU) becoming the largest economy on the planet and thereby



threatening the U.S.

At the same time, the rationale for the NATO military alliance – to protect Western Europe from Soviet expansion and to tie Germany to its neighbours – has largely evaporated with the breakup of the USSR and the dissolution of the Warsaw Pact.

### The Russian angle

In the context of the current outcry among NATO member states about the Russian annexation of Crimea from the Ukraine, it is important to recall that U.S. President George H.W. Bush and other leaders had assured Russia in 1991 that the trans-Atlantic alliance would not extend beyond East Germany's borders. Then when Russia was immensely weakened in the 1990s, U.S. President Bill Clinton led the charge to invite states in Central and Eastern Europe into the alliance. It was this expansion that led to a new confrontation with Russia once it had stabilised itself under President Vladimir Putin.

Nevertheless, there is clearly no Russian threat to Europe. Even in

the case of the Ukraine, as Steven Cohen, emeritus professor of Russian studies at New York University, has argued, the crisis was precipitated in 2014 when the EU pressured the Ukrainian government to sign an agreement that would have disadvantaged Russia. When then Ukrainian President Viktor Yanukovich hesitated, he was overthrown by EU- and U.S.-supported demonstrators even though he had signed an agreement brokered by three EU foreign ministers the previous day to form a coalition government. It was this march of NATO to the frontiers of Russia that provoked Mr. Putin to intervene in the Ukraine.

### Recasting security

Far from Russia posing a threat to the Western alliance, the major source of destabilisation to the EU comes from the flow of migrants from Africa. In this context, it is not higher military spending by member states that is crucial but the provision of aid. Members of the Organisation for Economic Co-operation and Development had pledged to contribute 0.7% of their GDP as aid to the poorest countries. Germany and the U.K. spend 0.66% and 0.7%, respectively, of their GDP in aid while the U.S. spends a mere 0.18%; Mr. Trump is threatening to slash even that by a third. Spending on aid, especially to African countries, will help stem the tide of refugees coming to Europe far more effectively than policing the Mediterranean.

In this context, Mr. Trump's blistering attack on European states for not meeting their military spending obligations is mis-

placed. Not only does he fail to recognise that their military spending has risen since 2014 when they agreed to raise their military spending to 2% of their GDP by 2024 but also that European states are not positioned to be global powers. Unlike the U.S. which is bordered by the Atlantic and Pacific Oceans, Europe has no need for navies to patrol distant oceans and match the U.S. in defence spending. Moreover, rather than spending massively on defence as the U.S. has opted to do, European states provide their citizens with health care, education, and other welfare benefits.

Mr. Trump's support for Brexit and his humiliating undermining of Ms. May, his outrageous comments on Germany being beholden to Russia and on Ms. Merkel in particular, and his alleged offer of a trade deal to French President Emmanuel Macron if France leaves the EU are all designed to break up the organisation so that he can deal from a position of strength with small states. As Britain's difficulties in exiting the union indicates, supply chains are so integrated across the continent that breaking up the EU would have disastrous consequences for production for all its member states and may even risk a global economic downturn.

In short, what Mr. Trump is seeking to do is to reverse the gains Europe has achieved over the last 70 years and make it beholden once again to the U.S.

Ravi Arvind Palat is a professor of sociology at the State University of New York at Binghamton, U.S.

# A review of Mandela's legacy

He expanded our capacity to rethink politics in terms of empathy, forgiveness, and values



RAMIN JAHANBEGLOO

Martin Luther King Jr. once said, "If a man hasn't discovered something he will die for, he isn't fit to live." Nelson Mandela was a man who cherished the ideal of a free society all his life; an ideal that as he proclaimed at his trial in Pretoria, in April 1964, he hoped to live for, but if need be, die for.

During his lifetime, Mandela dedicated himself to the freedom struggle of the African people, and in doing so, fought against White and Black domination in South Africa. But more than anything else, he fought for democracy as a plural society in which all races, languages and opinions could live together in harmony, and with equal opportunity.

However, what Nelson Mandela, as a political and moral leader, made possible for humanity was to extend and expand our capacity to rethink politics in terms of an ethics of empathy, a politics of forgiveness, and a revolution of values. As such, he was not necessarily, as he proclaimed later, "an ordinary man who became a leader because of extraordinary circumstances." Truly speaking, South Africa's transition to democracy, under the leadership of Man-

dela, was a great work of political creativity and moral wisdom. The two noted definitions of a human being – by Aristotle – that he is a political being and a being endowed with speech, supplement each other in Mandela's anti-apartheid practice of freedom. What Mandela understood through his life experience was that freedom cannot be speechless, while violence is incapable of speech. That such an outspokenness (what the Greeks called *parrhesia*) must be intimately connected with the ideal of freedom seems to be true in the legendary life of Mandela. His life experience speaks clearly for itself: the transformation of Mandela and that of the South African society went hand in hand.

### Political stirrings

Mandela was born a century ago in a world where outspokenness was not practised among Blacks in South Africa. "We were meant to learn through imitation and emulation, not through asking questions," he wrote in his autobiography, *Long Walk to Freedom*. While at the University of Fort Hare, surprisingly, and in contrast to other students, Mandela's commitment to African politics was much more undecided and uncertain. There were many conflicting interpretations in relation to the early stages of Mandela's life, but all his biographers agree that the important development in his political life began after his arrival in Johannesburg. At this point, Man-



dela put his rural experience in Transkei behind him and made up his mind to engage himself in politics.

Interestingly, his political future as a national leader was established and solidified by two facts: the bus boycott in the 1940s in Alexandra and his meeting with Walter Sisulu, who was an African nationalist. "Walter's house in Orlando," Mandela wrote later, "was a Mecca for activists and ANC members." These two influences drove Mandela to form the African National Congress (ANC) Youth League in 1944. However, the young Mandela proved to be a much more inflexible Africanist than many of his colleagues in the Youth League. Mandela observes, in *Conversations with Myself*, "I must be frank and tell you that when I look back at some of my early writings and speeches I am appalled by their pedantry, artificiality and lack of originality."

In a sense, his political lifestyle and thinking did not really start to evolve before the 1950s. It is after he established a legal practice in 1952, with fellow lawyer and ANC executive member Oliver Tambo,

that his self-confidence grew, in turn changing his lifestyle and his political leadership.

The next two turning points in his personal life and his political struggle were his marriage with Winnie Madikizela, and the Sharpeville Massacre (1960), when a hundred African demonstrators were killed, and both the ANC and the Pan-African Congress were banned. Mandela decided to go underground and create a new armed wing, the Umkhonto we Sizwe (Spear of the Nation). In the eyes of Mandela, the choice of turning the ANC into a violent organisation was to acquire the best hope of reconciliation afterwards. Nevertheless, he was the first to criticise this decision of his in the mid-1970s. Mandela was not a direct actor in any of the non-lethal acts of sabotage, but he was not followed in his decision by some influential members of the ANC such as Oliver Tambo. In any case, Mandela's clandestine travels within and outside South African territory ended in his arrest on August 5, 1962 at Howick.

At the famous Rivonia trial, Mandela insisted on the ANC's heritage of non-violence and racial harmony and delivered his historical speech which was received with empathy around the world. On June 12, 1964, Judge de Wet pronounced life imprisonment for Mandela and his fellow prisoners. Mandela spent 27 years and six months in captivity, with more than 17 years of this sentence on Robben Island as the prisoner

466/64. However, as he wrote later, prison gave him plenty of time "to stand back and look at the entire movement from a distance". He revised his views and values while keeping his moral authority and his capacities for political judgment.

### His relevance

Nelson Mandela left Victor Verster prison on February 11, 1990, but his march to freedom was not yet over. The second memorable moment of his life and that of South African nation was when he became, in 1994, South Africa's first democratic and Black African President. "Madiba", as Mandela was known by his clan name, accomplished his heroic status by meeting the challenges of his life and those of his time. As an activist, as a prisoner or as a leader in government, he remained intensely conscious of his moral and political responsibilities as a man in search for excellence. Even after his death, on December 5, 2013, he has remained a global figure with a legacy – of a politics of excellence. If we celebrate the 100th anniversary of his birth today, it is not because we take leave of his time and his struggle but mainly because his politics of excellence and his moral capital are more relevant than ever to all those who continue to believe in the non-violent pursuit of public happiness and in peace-making governance.

Ramin Jahanbegloo is Director, Mahatma Gandhi Centre, Jindal Global University

## 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 cloak over the RTI**  
The "secret" amendments to the Right to Information Act will, without doubt, strike a blow against transparency and accountability. It will be against the spirit of the Constitution of India if the government does not put out in the public domain what is an essential requirement under the "pre-legislative consultation policy". One hopes that the Opposition is able to stop the single line agenda that has been earmarked for the monsoon session of Parliament. The dark clouds over the culture of transparency must be dispersed (Editorial page, "Dark clouds over the RTI", July 17).

SAT PAL WADHWA,  
Rohtak, Haryana

■ The dark plan to amend the RTI Act is not only unfair but also a violation of the 'pre-legislative' consultation policy. The government needs to disclose the

contents of the amendments and also seek expert opinion. The RTI has played a crucial role in exposing many irregularities and corruption. The move to blunt the weapon to enable public good must be stopped.

SHASHIDHAR VUPPALA,  
Hyderabad

■ The monsoon session will be a test of how transparent and accountable the ruling party is in terms of governance. Its still not clear whether the planned amendment will curtail some provision. There are still a number of government departments that fight shy of providing answers to RTI petitions.

VINOTHKUMAR VEDAPURI,  
Kottupakkam, Tamil Nadu

### Road defects

The apathy to the serious damage and tragedies that potholes are causing is shocking (OpEd page, "Fix the pothole problem", July 17). The quality of roads in general is so poor that it

takes just one spell of rain to erase a newly laid road. Potholes are to be filled in the way prescribed and it is obvious that this is not being done. Apart from a loss of lives, the damage being caused to a person's body in terms of orthopaedic injuries often goes unreported.

A.G. RAJMOHAN,  
Anantapur, Andhra Pradesh

■ The passage of a Bill as a remedial measure to ensure pothole-free roads is unattractive. Broadly speaking, there can be two main reasons for potholes surfacing on Indian roads. The first is the poor quality of materials used in laying tar roads and the second is the topping used which is susceptible to damage in the rain. The only way out is to lay concrete roads with the help of international experts.

V. LAKSHMANAN,  
Tirupur, Tamil Nadu

### Tree planting

The protest, by environmentalists, against

the planting of Malabar neem appears to be misplaced and not based on scientific data (Kerala, "Planting of monocrop resented", July 17). *Melia dubia* is an endemic tree species in the Western Ghats. It is not an exotic species. Hence its cultivation will be environment-friendly and not affect bio-diversity. The fast growing nature of the species was noticed for the first time by Dr. A.G. Kumaravelu, who was also responsible for highlighting its potential as a plantation level tree. One of the major observations his team made was that the tree consumes less water when compared to other plantation species (eucalyptus, acacia). One also has to look at it in terms of developing agroforestry and wood-based industry.

E. SREENIVASAN,  
Karanthar, Kannur, Kerala

### Jayalalithaa interview

Some readers (Letters to the Editor, July 17) need not have responded strongly to the

article, "Surprised by Jayalalithaa" (OpEd page, July 16). The writer, Karan Thapar, is well known for asking straight questions. There could be some bias in his questions, but one cannot accuse him of giving us condescending interviews – which one gets to see often on a number of TV channels.

M. BALAKRISHNAN,  
Bengaluru

### The Moscow win

France prevailed in the end as it was bursting with multinational talent. But Croatia did well too. Under the able leadership of Luka Modric, the tiny nation has reached the highest pinnacle in the world of football. Apart from the players, special mention must be made of the Croatian President, Kolinda Grabar-Kitarović, who won our hearts. She was there for her country right through. The Russians managed the whole show very well.

VEMULAKONDA NAMITA,  
Hyderabad

### Blown away

As someone who followed the progress of Ken Anderson this Wimbledon closely, I was certain that he would win the crown. His aces, long volleys and superb returns in his game against John Isner – who was equally talented – made us believe that he would be the new star. Alas! His match with Novok Djokovic showed that experience counts. Though Djokovic deserved the title, one only hopes that Anderson will be back with a bang again next year.

YVONNE FERNANDO,  
Chennai

■ Novak Djokovic meant business. The Serb's serve simply brooked no response from the South African who clearly had an off-day and appeared to have run out of steam after his marathon battles against Roger Federer and John Isner.

N.J. RAVI CHANDER,  
Bengaluru

MORE LETTERS ONLINE:  
www.hindu.co.in/opinion/letters/