



INDIA AND SOUTH ASIA: JULY 2017 DOSSIER

The July 2017 Dossier highlights a range of domestic and foreign policy developments in India as well as in the wider region. These include an analysis of the current dramatic political turn-around in Bihar, the difficulties the opposition will be facing in the 2019 elections, a possible change in the role of Rahul Gandhi and the terrorist attack on the Amarnath Yatra. The dossier also focuses on the strategic partnership, that was signed between India and Israel during Modi's first ever visit to Tel Aviv, and the upcoming visit of external affairs minister Swaraj to Nepal for a BIMSTEC meeting.

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Dr Klaus Julian Voll

FEPS Advisor on Asia

With Dr. Joyce Lobo

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Part I India - Domestic developments

Ram Nath Kovind has been elected with a clear majority of 65.65% as against the opposition candidate Meera Kumar with 34.35% as India's new President.(see his CV in the June 2017 FEPS Dossier)

Dr. Klaus Voll explains the dramatic political turn – around in Bihar, the difficulties the opposition will be facing in the 2019 elections, a possible change in the role of Rahul Gandhi and the terrorist attack on the *Amarnath Yatra*.

Bihar: A dramatic shift of political power

Chief Minister Nitish Kumar surprised with his resignation and fast move to form a coalition government with the BJP, which won a majority in a trust vote.

The raids of the *Central Bureau of Investigation* (CBI) against Lalu Prasad Yadav and his wider family, especially also his son Tejashwi Yadav, who has been Nitish Kumar's deputy – all accused because of disproportionate assets – led to this dramatic step to abandon the grand coalition between the Janata Dal United (JDU), the Rashtriya Janata Dal (RJD) and the Congress, which had convincingly beaten the BJP in the 2015 state elections.

The JDU has 71 and the BJP, under the leadership of the new Deputy CM Sushil Kumar Modi, 53 seats and therefore have a small majority of two seats. RJD, with 80 seats the strongest party in the house, and Congress with 21 could not match the numbers.

Dissidence in the JDU?

Dissidence in the JDU was articulated by two MP's. Sharad Yadav, the most powerful after Nitish in the JDU, kept stoically mum, since he was kept out of the loop. It is criticized that this alliance with the BJP will harm the JDU.

The Congress – spokesperson Sanjay Jha called it „*a great betrayal of the CM to go together with the BJP for personal gains.*“ Lalu Prasad Yadav, the undisputed leader of the RJD and till the other day JDU – coalition partner, called Nitish Kumar „*a big opportunist and a turncoat. He bowed to Modi and the RSS. It was a mistake to make him CM.*“ His party started protests all over in Bihar.

Observers expect, that Nitish Kumar will loose through this step the votes of Muslims in future. The journalist Prashant Jha opines, that Nitish Kumar will not play a national role in 2019 and may be slipping in 2020.

Yet Sushil Kumar Modi assumes, that JDU and BJP will in 2019 sweep all the *Lok Sabha* seats in Bihar.

Perspectives

Nitish Kumar, who cares much for his non – corrupt image, used the CBI charge – sheet against various members of the Yadav – clan alleging thousands of crores illegal money, in order to part ways. Lalu Yadav, convicted in the so – called „*Fodder scam*“ and for several years imprisoned, rejects these accusations and sees in them a personal vendetta against him because of his decisive critique of the Modi – government.

Critics of Lalu Prashad Yadav are arguing, „*that it would not have been harmful to sacrifice his son Tejashwi Yadav in order not to deliver a pretext for Nitish Kumar.*“

According to experts, Nitish Kumar is gaining Bihar, but through his 'ghar wapsi' ('home – coming') into the NDA – camp he is losing his national ambitions.

Rahul Gandhi said, that he knew since about three to four months about the course of these developments. The experienced journalist Arati Jerath therefore asked, „*What did Rahul Gandhi do against this.*“ Pavan Varma, spokesperson of the JDU: „*Nothing can help the Congress with its political incompetence, if it does not help itself. It was a complete failure of political management.*“

According to Jerath, „*we are faced with an ambitious and scrupellos, communalist and polarising BJP. Indian politics are not guided by any principles.*“

The experienced journalist Saba Naqvi, who is since twenty years observing the developments in Bihar, describes the happenings there „*as a big break in Indian politics. From now onwards, Nitish Kumar is more a creature of the BJP.*“

The vote of confidence on the 28th of July gave the new government a clear mandate with 131 against 108 votes, without any dissidence on both sides. Nitish Kumar occupies for the sixth time in the last 12 years the position of Chief Minister.

Nitish Kumar, who stands in the tradition of the social reformer Dr. Ram Manohar Lohia – who did his studies in Berlin in the 1930's – , looks back to seventeen years of cooperation with the BJP at the central and state levels, initiated this dramatic shift towards realigning with the BJP, „*in order to achieve what is good for Bihar.*“

The new government formation in Bihar is a tremendous setback for the aspired opposition unity in the 2019 election campaign.

Difficult Times ahead for the Opposition

After the dramatic return of Nitish Kumar and the *Janata Dal United* (JDU) into the BJP – led camp of the *National Democratic Alliance* (NDA), the question arises, if the diverse opposition parties are really in a position to build an effective alternative front to the BJP/NDA at the *Lok Sabha* elections in 2019.

Yogendra Yadav, India's leading election analyst and social activist, speaks about „*the bankruptcy of the parliamentary opposition, which is in tatters. It is time to look beyond the parliamentary opposition, for instance to the farmers and environmental movements.* („*The big Fight*“, NDTV, 29. 7. 2017)

Ashutosh, one of the spokespersons of the *Aam Aadmi Party* (AAP) and a former TV journalist, speaks about „*the gigantic machinery of the BJP, which, in spite of the myth making about the alleged successes of the party, is very effective.*“ But referring to the state elections in Delhi and Bihar, he also stated that the BJP can be vulnerable.

The journalist Nalini Singh, sister of the former BJP-cabinet minister and Modi – critic Arun Shourie sees a „*veritable missionary zeal of the BJP for an opposition – free India. The BJP seems to be hungrier and in complete control. The party is quicker in sensing the mood of the population and coopts movements, attaining a pro – poor image. In Bihar, BJP and RSS organize rural women across caste barriers.*“

In the current situation, what are the perspectives for the opposition? Irrespective of the non –

performance of the government in certain areas, for instance the insufficient numbers of jobs or the rural crisis, Prime Minister Narendra Modi is still enjoying a high popularity. „*The belief, that there is a short – cut to immediate success through a grand alliance, will lead to a great disaster.*“

The experienced and critical journalist Arati Jerath assumes, „*that the opposition has to present an 'alternative narrative'. The popular mood in 2019 will decide which side will win.*“

Yogendra Yadav thinks, „*that Modi has to keep the prevailing wind ('Hawa') alive, irrespective of the farmers unrest and the growing disillusionment of the youth about the lack of professional perspectives.*“

Is it possible for the BJP under these circumstances to even increase its vote- and seat shares? Its spokesperson Devesh Thakur assumes, that the party can rise from currently 282 to even more than 300 seats in 2019. In many states, so in Gujarat, Uttar Pradesh, Himachal Pradesh, Haryana, Madhya Pradesh and Chhattisgarh the BJP has already reached its maximum. West Bengal, Odisha – is there a split in the *Biju Janata Dal* (BJD) possible? - Tamil Nadu – in alliance with the AIADMK or using a popular film star? - Kerala, Punjab, Telangana and Andhra Pradesh are, besides the Indian Mortheast, where the BJP commands 10 of the 25 mandates, are possible growth areas for the party, also in order to cement its all-India ambition.

Nalini Singh referred to the shortage of time for the opposition till the next general election, in order to put its act together. Ashutosh pointed to the prevailing polarising situation in the country with a view to the existing socio – political violence. Yogendra Yadav asked, „*where is the alternative and an own 'road map'? The parliamentary opposition is in the political wilderness.*“

Arati Jerath: „*It will essentially depend on the topics in 2019. The BJP has only limited leverage to grow.*“

Speculations about the role of Rahul Gandhi

The TV station *CNN IBN* (14. 7. 2017) refers to allegedly reliable sources within the Congress and allied opposition parties, which indicate, that Rahul Gandhi will not be the party's face in the *Lok Sabha* elections in 2019 and thereby will not be the adversary of Prime Minister Narendra Modi.

According to this, he would also not be installed as Congress President in the immediate future – possibly only after Sonia Gandhi will complete next year 20 years in this role – and that „*the old guard will regain the control of the party*“ P. C. Chidambaran, Kamal Nath, Ashok Gehlot and allegedly even Mani Shankar Aiyar would according to this information return into important positions.

An important reason for these developments is, that politicians like Nitish Kumar, Sharad Yadav and Sharad Pawar are far more comfortable to negotiate with Sonia Gandhi than with Rahul Gandhi. „*Besides Rahul Gandhi himself is hesitant*“

It is always criticised that Rahul Gandhi is no full – time politician and for instance went a few days on holidays to visit his maternal grandmother in Italy during a period of important decisions.

The internal elections in the Congress will be completed in September / October 2017. Even in case, contrary to the above statement, Rahul Gandhi will be elected as Congress – President, this does not necessarily confirm in the tradition of the party his candidature for the office of Prime Minister.

In view of the organisational weakness of the Congress, critics advise Rahul Gandhi, to rebuild the

party from the basis. In my opinion, it would be a great surprise, if the Congress would be capable to reinvent its self in the coming years. But Indian politics are full of surprises.

LeT – attack on the Amarnath Yatra

The *Lashkar – e – Toiba* (LeT), operating from Pakistan, in cooperation with the local *Hizbul Mujahiddin*, killed seven pilgrims of the *Amarnath Yatra* from Gujarat, amongst them seven women, in the evening of the 10th of July 2017.

It was the first attack against pilgrims of the *Amarnath Yatra*, which is popular with Hindus worldwide, since 17 years. Dr. Nirmal Singh, BJP and Deputy Chief Minister of Jammu & Kashmir, conceded mistakes with regard to security in this „*proxy war led by Pakistan.*“ Yet, the pilgrimage continued under the protection of 30 000 security forces.

As a reaction to this deadly attack, parts of Kashmir's civil society protested publicly against this brutal attack. But country – wide protests also called for „*justice and revenge. nach Gerechtigkeit und Revanche. The onus rests with the Modi – government.*“

Political adversaries and even enemies – from Dr. Praveen Togadia, an anti – Muslim Hindu – Fundamentalist from the „*World Council of Hindus*“, the BJP – MP Dr. Subrahmaniam Swamy up to the *Lok Sabha* MP Asaduddin Owaisi of the *All India Majlis-e-Ittehadul Muslimeen* from Hyderabad, demanded the resignation of Mehbooba Muft, the Chief Minister of J & K.

President's Rule as a follow – up of the attack?

It is now seriously discussed, if the civilian coalition government between the *People's Democratic Party* (PDP) and the *BJP* should be replaced by '*Presidential Rule*' under the aegis of the very capable Gouvernor N. N. Vohra.

Dr. Karan Singh, a former Congress – cabinet minister and the son of the last Dogra – ruler of Kashmir, who signed the letter of accession to the Indian Union, advocated this step, keeping the J & K parliament under suspension and not to dissolve it. „*The government has nearly dissolved itself. The alliance agenda between PDP and BJP should be newly viewed. We have to view the situation in the whole of J & K, that means also Jammu und Ladakh.*“

Siddiq Waheed, a former Vice Chancellor with the Jammu University and now with the *Center for Policy Research* (CPR) in Delhi, asked the categorical question, of the '*Governor's Rule*' would really help. „*The worst thing is, that the central government does not want to talk to all the stake – holders.*“

Ajai Shukla, a sober security analyst and former Colonel of the Indian army, back from a field visit from Kashmir, reported that people spoke about an imminent attack on the *Amarnath Yatra*. „*Srinagar is a hotbed of conspiracy theories. The central government worsens the situation in Kaschmir.*“

According to Shukla „*the larger part of the population in the South of Kashmir is inclined in its loyalty towards Pakistan. Killed militants are wrapped in the Pakistani flag.*“

Governor's Rule reinforces the image of '*Colonialism*' of the central government in Kaschmir. Instead we should create space for the parties of the political '*mainstream*'.“

Jyoti Malhotra, South Asia expert: „*The imposition of 'Governor's Rule' would not distinguish itself from the bad political situation there.*“

Rahul Pandita, author and journalist, who recently travelled extensively in the South of Kashmir, opined: „*The police has the upper hand in the South of Kashmir. The security situation will improve there in the coming months.*“

Also the leadership of the *National Conference* (NC), which ruled the state for a long time, supports the declaration of *Governor's Rule*, so the former Chief Ministers Dr. Farooq Abdullah and Omar Abdullah.

Yet, Muzaffar Hussain Baig, *Lok Sabha* MP of the PDP and former Deputy CM of J & K, rejects this demand categorically: „*There is no need for the imposition of Governor's Rule, since this means only a change of faces.*“

It will be interesting to observe, how Prime Minister Narendra Modi will tackle the Kashmir question in the wider context of his stuck foreign policy in South Asia between the parameters of a still possible dialogue and an increase in tensions through a rigorous military approach.

Part II India - Foreign Policy Developments

This issue does not cover the current stand – off between Indian and Chinese troops on the so - called *Dhoklam Plateau* in Bhutan. In a very aggressive and often personally abusive manner, the Chinese government and media are asking for the retreat of the Indian troops, without mentioning their attempt to alter the status quo by building roads on Bhutanese territory in a strategically sensitive area.

In the August Dossier on OBOR and India's position towards it, a comprehensive assessment of this conflict between these two Asian countries will be included.

Dr. Joyce Lobo analyses the strategic partnership, that was signed between India and Israel during Modi's first ever visit to Tel Aviv.

Modi's first Tel Aviv moment

The Israel visit is a maiden one by any Indian premier, celebrating the 25 years of diplomatic ties. There has been a tacit understanding amongst the Arab sheikhdoms and the *Palestine National Authority* (PNA) on India's open ties with Israel. The PNA President Mahmoud Abbas, during his May visit to Delhi this year, was briefed by the Indian leadership on Prime Minister Narendra Modi's maiden visit to Israel.

President Pranab Mukherjee visited Israel in October 2015, while his counterpart President Reuven Rivlin reciprocated in November 2016.

Modi held talks with his counterpart Prime Minister Benjamin Netanyahu on July 05, followed by a meeting with the Indian and Israeli business groups, and the Indian Diaspora.

Bilateral relations between both the countries today have spread to areas such as development, technology, innovation, entrepreneurship, defence and security. Though too much of emphasis has been laid on the defence and security component of the relationship, the joint statement suggests only alleviation to the "*Strategic Partnership in Water and Agriculture*" for the sake of development.

Hence water management, treatment and conservation will be explored, keeping in mind its salience for agriculture in India, that largely depends on the monsoons. Israel desalinates 90% of its water and 95% of its water is recycled and used for agricultural purposes. Hence it does not depend much on the monsoons. Also a *Joint Working Group* will be established to take forward the existing cooperation in making agriculture commercially viable.

Bilateral trade (excluding arms) amounts to US\$ 4.2 billion (2016). More than half of India's imports from Israel comprise of diamond trade. In order to build cooperation through trade and investment, the task has been allotted to the *India-Israel CEO Forum* to come up with recommendations. Also both sides signed a *Memorandum of Understanding* (MoU) to set the *India-Israel Industrial R&D and Innovation Fund* (I4F). Here both sides would contribute US\$ 20 million each so that enterprises of both countries could take up projects to develop innovative technologies and products for commercial use. Also another six agreements have been signed between both the countries out of which three are in the area of space cooperation, one on agriculture and the others are on water. Both sides discussed security, cyber security, terrorism, defence, and the *Israeli-Palestinian Peace Process*.

What is commemorative about this partnership is that both sides have completed 25 years of establishing diplomatic relations. Modi being the first premier to visit Israel has given more than

required publicity, which does not match the scope of the relationship.

The Congress Party under PM P. V. Narasimha Rao was instrumental in establishing diplomatic and defence ties, which were carried forward by his successors. However, both India and Israel have different views on terrorism, on Palestine, on Syria and especially on Iran. West Asia faces key problems—the ISIS, which is now becoming a diminished force, and new terrorist organisations that have sprung in the region. But for Israel the biggest challenge comes from a rising Shia Iran.

Positions on Iran differ, as India has better relations with Tehran and most importantly in areas of energy, fertilisers and infrastructural development. This does not allow it to take sides with Tel Aviv. A tilt of India towards Israel in real strategic terms would be moving away from Iran. This will ensure India a strategic partnership with Israel. As of now, India is the largest buyer of arms of Israel, while the other non-strategic areas of the bilateral relationship have been a mutually beneficial one. Both sides do not have a strategic dialogue, from which India is shying away from. Also both countries have not held any joint military exercise. Pakistan, which is a Sunni-majority country, is a factor which will not allow Modi or any Indian leader to buy Israel's argument of Iran. Israel has to factor in Islamabad, in order to understand India's position.

India has so far bought the ship-borne anti-aircraft missile *Barak*, the modified radars like *Phalcon AWACS* to suit the Russian platforms like *Ilyushin-76*, drones, a complex air defence system (a joint venture), medium-range anti-aircraft missile systems, etc. Most of the current deals had been negotiated during the former Prime Minister Manmohan Singh's time.

The 26/11 Mumbai attack which involved the Chabad House resulted in Israel offering military help. This also resulted in India allowing Israel's Elta to build the underwater harbour defence and surveillance system, which is operational since this year. Every year, billion dollars worth of defence sales takes place between both the countries. Israel has also upgraded the platform technologies built by the Russians, be it on the *MiG* or *Sukhoi*. No defence deals were announced during the meet nor any upgradation in terms of defence ties.

Part III South Asia

Dr. Lobo briefly sketches the upcoming visit of external affairs minister Swaraj to Nepal for a BIMSTEC meeting.

Swaraj to attend BIMSTEC meeting

The *External Affairs Minister* of India Sushma Swaraj will visit Nepal (August 10-11) to participate in the fourth *Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation* (BIMSTEC) Foreign Ministers meeting. The other members are Bangladesh, Myanmar, Sri Lanka, Thailand and Bhutan, that form the littoral and adjacent areas of the Bay of Bengal. They will decide the date of the fourth summit and also review the progress of the group.

One of the agendas would be to ensure that a proper *Motor Vehicle Agreement* (MVA) is in place, which will be integrated into the existing *Bangladesh-Bhutan-India-Nepal* (BBIN) MVA. Second is the reviewing of the comprehensive action plan, that has been drawn to meet traditional and non-traditional security challenges. In the absence of a properly functioning *South Asian Association for Regional Cooperation* (SAARC) organisation, these member states are attempting to secure it through strengthening of the BIMSTEC minus Pakistan. Third, other aspects like trade, tourism, investments, facing disasters etc. will be part of the comprehensive plan to be detailed in the coming months before the summit.

During her trip, Swaraj will hold meetings with the top leadership of Nepal. India and Nepal have strong bilateral relations in areas such as development, trade and transit, cross border infrastructure and hydropower projects. She will call on the new *Prime Minister of Nepal*, Sher Bahadur Deuba and *deputy PM & Foreign Minister* Krishna Bahadur Mahara. Deuba is set to visit India towards the end of August this year. Prime Minister Modi is expected to visit Nepal later in the year, to attend the BIMSTEC summit.
