

SOUTH ASIA

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Editorial Information

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South Asia Building Ties, Overcoming Challenges

I would like to take this opportunity to make an important announcement. Professor Mohan Rao stepped down as Director of the Institute of South Asian Studies on 16 April 2007. He has returned to the University of Massachusetts, Amherst. I have taken over as Acting Director of the Institute. I am pleased to pen the foreword for this issue of the newsletter.

The South Asian region continues to witness significant developments. The South Asian Association for Regional Cooperation (SAARC) held its 14th Summit in New Delhi in April 2007 at which it welcomed its newest member, Afghanistan. The expansion of the SAARC was in a climate of greater willingness to reach out, not just amongst member states, but beyond. The SAARC's willingness to engage countries outside the region was evidenced by the presence of China, Japan, South Korea, the United States and the European Union as observers at the Summit. The New Delhi Summit called for greater cooperation among member countries. India, as host, offered to open its markets to its South Asian neighbours and liberalise its visa regime for students, teachers and journalists from these countries, without insisting on any reciprocity.

While the Summit held out some promise at the regional level, individual countries continue to face challenges, particularly in terms of democratic governance. In Bangladesh, parliamentary elections have now been postponed until the end of 2008. The recent moves by the military-backed caretaker government to remove leaders of the two major political parties, the Awami League and the Bangladesh Nationalist Party, from the national political scene has put a question mark on the future of democratic functioning in Bangladesh. In Nepal, the formation of an interim legislature, representing the mainstream political parties and the Maoists, has brought an end to the widespread conflict in the country. However, political stability would, in a large measure, depend on the way the peace process unfolds in the days to come. Pakistan was in the international spotlight recently for removing its Chief Justice, bringing into focus the growing opposition in the country to General Musharraf's presidency.

Aware of the global significance of recent events in and concerning Pakistan from the economic, security and strategic perspectives, the Institute held its first international symposium on Pakistan on 24 and 25 May 2007 in Singapore. The symposium brought together international scholars working on Pakistan and provided an excellent forum to debate the current issues affecting Pakistan and to consider their implications for the region and beyond.

This newsletter covers a wide range of issues concerning South Asia. These include an article on public-private partnership in India; Maoism, Governance and the Red Corridor; relations between South Asia and Central Asia; and Sri Lanka's economic growth. It also includes the customary snippets and a listing of the Institute's recent publications and events.

We hope you enjoy this issue of our newsletter.

Assoc Prof Tan Tai Yong
Acting Director

Meeting India's Infrastructure Needs: Public-Private Partnerships

*Ms Indu Rayadurgam
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Any developing country would have to prioritise its policy changes, whether to meet a burgeoning demand for physical infrastructure aimed at good economic growth or to channel its resources to the implementation of welfare measures. This 'welfare delivery-economic development' trade-off can be very sharp and needs to be addressed cautiously. Therefore, the performance of the public sector is very important. However, even more significant is the manner in which the government channels and lures resources from private participants for infrastructure development. It is in this context that public-private partnerships (PPPs) have come to the fore of the service delivery mechanism. Many governments, pressurised by fiscal constraints, are resorting to PPPs as core developmental models. India is no exception to this.

The Indian economy grew at six percent per annum between 1980 and 2002 and at 7.5 percent annually between 2002 and 2006. But there are important changes to be noted in terms of sectoral contributions to gross domestic product (GDP) growth. The share of agriculture to the GDP has gradually decreased over the years to 18.6 percent in 2006 whereas the services sector contributes over 50 percent to the GDP. The rate of economic growth is very positive but the spillovers are not felt in all sectors of the Indian economy. Therefore, before analysing the role of PPPs in India, it would be useful to consider the domestic economic, political and social challenges faced by India.

Domestic Challenges

Dr Manmohan Singh, India's Prime Minister, has estimated that the country needs an investment of US\$150 billion within the next seven to eight years for infrastructure development. This is to make economic and social growth proportionate to infrastructure growth. According to recent estimates, the infrastructure gap in India is costing its GDP between 1.5 and 2 percent every year. The economic growth has not witnessed an equitable distribution of resources among and within states. Public sector investment is critical in order to avoid the increasing regional inequality as private investment flows into better states.

The fiscal position of the states has been under a scanner over the past few years and improvements are required in that arena to improve the savings and investment patterns. The total debt to GDP ratio has declined over the years from 26.6 percent in 1995 to 17.7 percent in 2004. However, a look at the state-level data indicates



that many states are under a severe fiscal strain. Maharashtra, West Bengal, Andhra Pradesh and Uttar Pradesh have the highest share in debt of states. Another key performance governance indicator of the states has been their ability to generate income through tax and is measured as a proportion of the GDP. Tamil Nadu (8.63 percent) and West Bengal (4.22 percent) are the best and worst performing states respectively. But since the fiscal performance of both the centre and state governments are not positive, funding the proliferating infrastructure requirements would be a major problem. Under the severe constraints encountered by Indian economy, the government has started to explore avenues for PPPs to enhance its infrastructure framework.

Public-Private Partnerships and Indian Regulatory Framework

There are various ongoing development models in many countries. These include the following:

- a) Public Finance-Private Delivery;
- b) Public Delivery-Private Finance (generally referred to as the private finance initiative);
- c) Using tax revenues to provide capital for investment; and
- d) Public/Government contributions in-kind (transfer of existing assets for private use).

These models have evolved over a period of time through trial and error. Amongst the many PPP models that have evolved over time, the Mexican Highway construction model is noteworthy. This had to be restructured after the constructors started feeling the pressure of funds being tied in long term concession investments rather than construction activity. After the 1994 Peso crisis, the PPP was restructured. Chile, having learnt from the Mexican experience, modelled its programme effectively and the highway development project has since been working successfully. Also, many international healthcare programmes have been successful through PPPs.

In India, there have been few models of success in terms of PPPs. These include the Amul Cooperative Model (rural dairy development) and the Indian Tobacco Company's e-choupals (direct procurement of goods from farmers at competitive prices). Though these successes are restricted only to specific states or regions, they provide an insight into the opportunities available for growth induced by private participation.

It should also be noted that the Indian infrastructure regulatory framework is undergoing a process of transformation. In terms of constitutional provisions, Article 246 distributes legislative responsibility to both the central and state governments. Also significant is that the regulatory framework is sector-specific rather than project-specific.

As a significant step towards a conducive policy support, in July 2005, the Indian government introduced a scheme for financial support in infrastructure for PPPs under the Ministry of Finance. This scheme came into being largely due to the inability of the central and state governments to fund huge infrastructure and developmental projects. This scheme aims to attract private capital and associated technical assistance under the aegis of the government. The long gestation periods and the lack of financial viability of development projects (like road and development works in rural areas) make it necessary for the government to provide incentives and attract private participants.

According to the scheme, the project shall be developed, maintained and operated by a private company which will be selected by the government through an open competitive bidding. The proposed PPP project should be under one of the categories



– roads and bridges, railways, seaports, airports, inland waterways, power, urbanisation, infrastructure in the special economic zones (SEZs) and tourism-related projects. The ‘viability gap funding’, a protective cushion given by the government, will be in the form of a capital grant during the project construction and this will be sanctioned by the committee with the consent of the Finance Minister.

The Confederation of Indian Industries and the Public-Private Infrastructure Advisory Facility submitted policy recommendations to the Planning Commission in 2007 titled ‘Recommended Framework to Improve Regulatory Effectiveness in Infrastructure’. The recommendations include sweeping changes in the regulations and a universal mechanism for approval and implementation of all the projects, preferably under the aegis of the Planning Commission. Historically, investors have faced many impediments such as corruption, bureaucratic regulations, high taxes and inter-state restrictions (in terms of movement of goods). These factors have been identified by the government for changes at the World Economic Forum.

The government also has plans to increase infrastructure spending from 4.7 percent to 8 percent within the next few years. The Indian Finance Minister estimated that at least US\$100 billion is required from private investors to propel economic growth, create jobs and to stimulate exports. The important avenues for private investments are the development of highways (the government has plans to build 6,000 kilometres of highways connecting all the metros); strengthening the power position; a US\$110 million programme to improve urban infrastructure; providing funding to explore domestic sources of natural gas; enhancing water supply by rainwater harvesting; water treatment and desalination plants; and real estate and building infrastructure for the mushrooming SEZs.

These planned developments will strengthen the economic and social fabric of the economy. These also reflect huge business and investment opportunities offered by the Indian economy for both domestic and foreign investors. Quite naturally, PPPs would be an ideal partnership to take advantage of these opportunities and to push India's development further forward. ■

Maoism, Governance and the Red Corridor

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Maoism is a powerful ideological statement on the processes of development in India. It is not, therefore, a strange coincidence that ultra-left extremism resurfaced in areas that are economically backward and, thus, politically most assertive in challenging the projects that seem to be critically linked with the processes of globalisation. The India shining campaign appears to be a paradox and perhaps a campaign without substance, in view of the growing consolidation of Maoism across the length and breadth of India. Given the fact that 13 out of a total of 28 Indian states have already been affected, one simply cannot wish it away as a ripple which will disappear in no time. Furthermore, the fact that the Indian Home Ministry's open acknowledgement that Maoists are a significant political force in as many as 170 (out of 604) districts in India also indicates the ideological viability of the movement at the grassroots. Drawing on the doctrinal support from Marxism-Leninism and the strategic inspiration from the political ideas of Mao Tse-tung, the ideology that the contemporary Maoists seek to articulate is also a response to the failure of India's developmental strategies. In this sense, despite its unique appeal immediately after independence, the Nehruvian scheme of the socialistic pattern of society was hardly an effective strategy for uniform socio-economic development across the country. So Maoism is also an outcome of 'disillusionment' with an ideology that was judiciously articulated by independent India's political leadership as perhaps the most appropriate strategy for economic development. In other words, given the socio-economic roots, it can safely be argued that, besides its ideological appeal, Maoism is also a contextual response to 'mal-governance' or 'lack of governance' in the affected areas.

This article, therefore, seeks to dwell on those factors that provide a plausible explanation for the growing significance of the 'Red Corridor' or 'Red Belt' in contemporary India. Since the Red Corridor or the 'compact revolutionary zones', as characterised by the Home Ministry is an articulation of obvious mass discontent, one cannot dismiss Maoism as 'infantile disorder'. Instead, it has raised serious questions not only on India's development strategies,



but also on the state that seemed to have failed to gauge 'the erosion of state' at the grassroots due to its uncritical faith in the planning-driven economic model. One should not also lose sight of the contemporary context of globalisation that, by linking the domestic capital with its global counterpart, theoretically substantiates the major Marxist formulation that the market-driven capitalism is borderless and, hence, is naturally expansive for its survival.

The Geographic Expanse

The Red Corridor is not an academic expression. This is an empirical reality linking a significant part of the subcontinent. Although the Nepali Maoists have abdicated the path of violent revolution by joining the government, it will not be wrong to suggest that the Red Corridor represents a vast land mass stretching from Pashupati in Nepal to Tirupati in Tamil Nadu. A perusal at the spread of the movement clearly shows that the Red Belt runs through a compact geographical zone involving 13 Indian states, including Uttar Pradesh, Bihar, West Bengal, Jharkhand, Orissa, Madhya Pradesh, Chattisgarh, Andhra Pradesh, Maharashtra, Karnataka and Tamil Nadu. Of these states, Andhra Pradesh and West Bengal are perhaps the only two Indian provinces where the ultra-left extremism had flourished in the 1960s in the name of the Naxalbari movement. The fact that ultra-left ideologies have now become significant in

mass mobilisation in states other than West Bengal and Andhra Pradesh clearly suggests the ideological depth of Maoism which is, besides being inspired by Mao's national democracy, also a contextual articulation of 'the lived experience' of 'the wretched of the earth'. Furthermore, one can also identify a pattern if one is drawn to those locations where the movements appear to be well-entrenched. As evident, Maoism is a strong ideological current in areas bordering two or more provinces in the Red Belt. And, mostly, these areas have dense forests or difficult hilly terrain where mere survival is most difficult, given the appalling poverty there.

Ramification of Ultra-Leftwing Extremism

Broadly speaking, the political outfits clinging to ultra-leftwing extremism seem to be ideologically compatible though they differ from one another in terms of 'the tactical line' or the methodology of revolution. Of these outfits, the Communist Party of India (Maoist) or CPI (Maoist) seems to have gained prominence presumably because of its growing popularity in the Red Corridor. Formed on 16 September 2004 out of a merger of Andhra Pradesh-based People's War Group and the Maoist Communist Centre of Bihar, the CPI (Maoist) succeeded in releasing their colleagues from jails in Orissa and Bihar in 2006. Besides the two successive jail breaks, the Maoists drew national attention by launching successful attacks on the government-sponsored resistance campaign – Sulva Judam – which is a para-military force seeking to combat violence by violence.

Ideology and its Articulation

The Maoists drew sustenance from the prevalent inequities. Besides the well-entrenched feudal land relations, displacement of the tribals from their natural habitat is also another factor that has hardly received attention from the political authority. In other words, the failure to address genuine socio-economic grievances in the affected areas seems to have created a space for Maoism to strike roots. Given the massive transfer of forest and agricultural



land for developing industry, machine-dependent mining and infrastructural facilities for agro-business, it is but natural for the Maoists to emerge as saviours for their commitment to fight against the socio-economic imbalances, artificially created to benefit one class against another. It is not, therefore, surprising that, for the adivasis (tribals), the sarkar (government) is an exploiter in the form of 'forest officials who denied their entry to the forests, the people who demanded bribes and state-sponsored contractors who paid less than the minimum wage'.

There is no doubt that Maoism draws on a version of Marxism-Leninism that Mao Tse-tung evolved while leading China to 'New Democracy'. Accordingly, Maoism holds that India is a semi-feudal and neo-colonial country, and its semi-feudal social base serves as a base for imperialism of a virulent variety in the context of a globalising world facilitating exploitation by a class of big comprador-bureaucrat capitalists acting on behalf of the global capital. The basic task of the revolution is, therefore, to eliminate feudalism, comprador-bureaucratic capitalism and imperialism. The major contradiction in India is between feudalism and the toiling masses. This determines the present stage of national democratic revolution in which the apparently antagonistic classes will form a unit to liquidate feudalism and bureaucratic-capitalism. Although drawn on Marxism-Leninism, Maoism has also sought to adapt itself to the peculiar Indian social reality by seeking to fight against social oppression, especially untouchability, casteism and gender-discrimination.

Government Responses

For the government, the ultra-leftwing extremism is reduced to 'a law and order' problem ignoring its socio-economic dimension. As a result, the government resorted to what is known as 'the police approach' to combat a growing movement that gradually became a security threat to the Indian state. Recently, there has been



a change in the governmental attitude, as the Prime Minister, Dr Manmohan Singh, has outlined. By making a distinction between the hardcore revolutionary who needs to be dealt with severely and foot-soldier who can be weaned-off from the path of violence through socio-economic packages, Dr Singh has suggested a significant shift in policies dealing with the ultra-leftwing extremism. Central to his statement is the idea that the so-called Red menace is more a socio-economic problem and less a problem of law and order. This is what led to the constitution of anti-Naxal cell in the Union Ministry of Home Affairs and also Inter-ministerial Committee, headed by a senior minister of the Union government in Delhi. While the latter will monitor the implementation of the developmental package, meant for the affected areas, the former will be responsible for devising policies and steps to address the issue by means other than violence.

Concluding Observations

The Red Corridor is a reality and Maoism is critical to its meaningful existence simply because of significant socio-cultural differences among the affected states within an area stretching from Nepal to Tamil Nadu. The Red Corridor is a sharp comment on the processes of development that has been pursued in these areas by the government and its agents disregarding completely the socio-economic requirements of 'the peripheral' sections of society. As a result, governance is largely articulated in terms of 'the maintenance of law and order'.

Although Maoism has raised critical socio-economic issues, it is still perhaps in its embryonic state for a variety of reasons. First, Maoism is, in its present form, a politically-contrived approach to genuine socio-economic grievances which is, inter alia, limiting its ideological appeal given the lack of serious attention on the economic agenda. Secondly, the rise and consolidation of various factions seem to be crippling the movement. Despite waging 'people's struggle', the dissenters raise issues relating to the authoritarian functioning of the organisation. Even the role of Jan Adalat (people's court) has caused dissension among the ranks for indulging in 'kangaroo justice' meted out to the dissenters from within, suspected police informers and to those refusing to accept their instructions. Finally, the Maoists are not free from charges of corruption. There are reports that the Maoists regularly receive kickbacks from the contractors involved in projects for infrastructural development in the affected Indian provinces. Not only has this charge alienated a significant section of 'genuine workers', it has also caused a serious dent in its support base.

Nonetheless, Maoism is neither a ripple nor a mere law and order problem. Instead, it is a well-thought out diagnosis of India's socio-economic ills that cannot be put under the carpet for obvious reasons. By raising critical developmental issues involving people, Maoism has also provoked a serious debate on the state-led and planning-driven model of development. The Red Corridor is, thus, not an academic expression but is a significant conceptualisation of a reality that so far remains 'peripheral' for all practical purposes. ■

Inaugural Symposium on Pakistan



The Institute of South Asian Studies (ISAS) organised its first international symposium on Pakistan titled "Pakistan in Regional and Global Politics" on 24 and 25 May 2007 in Singapore. Close to 200 participants signed up for the symposium.

The two-day event brought together eminent international scholars from Singapore and overseas to share their professional views on various themes. These included Pakistan and global security, Pakistan's international relations, politics and identity in Pakistan, and economic development of Pakistan.

H.E. Humayun Akhtar Khan, Pakistan's Federal Minister for Commerce, delivered the inaugural address for the symposium. Other eminent speakers included Professor Amin Saikal from the Australian National University; Dr Selig Harrison from the Center for International Policy in Washington D.C.; Professor Robert G. Wirsing from the Asia-Pacific Center for Security Studies in Honolulu; Dr Arslan Razmi from the University of Massachusetts at Amherst; Professor Kanti Bajpai from the Doon School in Dehradun, India; Professor Pervaiz Cheema from the Islamabad Policy Research Institute in Pakistan; Professor Imran Ali from Lahore University of Management Sciences (LUMS) in Pakistan; Professor Mohammad Waseem, also from LUMS; Professor Akbar Zaidi from Karachi in Pakistan; Dr Marie Lall, Visiting Research Fellow at ISAS; and Dr Rajshree Jetly, Research Fellow at ISAS.

This symposium was timely. With Pakistan emerging as an important strategic player in regional and global strategic relations, the event provided an excellent opportunity for a deeper and more intense understanding of Pakistan's socio-political, economic and security landscapes as well as in its regional and international relations.

India and the Central Asian Republics - Strengthening Economic Ties

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The relationship between India and the Central Asia Republics (CARs) of Kazakhstan, Turkmenistan, Kyrgyzstan, Uzbekistan and Tajikistan dates back centuries and has evolved through mutual cultural and economic interactions. For India, the CARs were the transit route through which it traded with the rest of the world and through which Buddhism travelled from India to China.

The relationship between India and the Central Asian region was subsumed with the advent of communist rule and, for many years, the nature and the character of the then Indo-Soviet Union trade and economic relations determined the relationship that India had with the CARs.

These five republics gained independence in 1991 and, since then, efforts have been made to strengthen the old ties and there is no denying that there is enormous scope for pragmatic and profitable engagement between the two. We focus here on the economic opportunities that await both the regions as the potential for comparative advantage is vast. Central Asia is a huge consumer market and India can provide the goods and services. Both India and Central Asia have resources which can be pooled for a broader regional cooperation in Asia.

Trade between India and the CARs has increased from US\$31.86 billion in 1996-97 to almost US\$180 billion in 2004-05. However, this trade is far below its potential and the issue of stagnating trade and investment relations between India and Central Asia has been a cause of concern for both sides. Notwithstanding this, the outlook on the region seems to suggest that there is enormous scope and potential to engage in meaningful and fruitful politico-economic relationship with Central Asia. On India's part, there is a renewed thrust on developing trade and economic ties with the countries of Central Asia. In fact, the five CARs hold a priority position in the future initiatives proposed for the Commonwealth of Independent States (CIS) by Indian policymakers and analysts. Among the CARs, India interacts more with Kazakhstan and Uzbekistan. More than 30 Uzbek-Indian joint ventures in Uzbekistan have been initiated

in the past few years. The two countries are considering Indian gas exploration in Uzbekistan through India's public sector Oil and Natural Gas Commission and the Gas Authority of India Limited.

The major commodities being exported from India include pharmaceuticals, tea, readymade garments, woolen and leather goods, jute manufacturers, cosmetics, cotton yarn, machinery, machine tools, rice, plastic products, machinery and instruments, electronic goods and chemicals. Imports from the CARs are restricted to raw cotton, iron and steel, and zinc.

The future prospects for cooperation between Central Asia and India in the field of energy security seem to be very important. This region is thought to contain key global reserves. According to an estimate given by Central Asian sources, the confirmed oil deposits are between 13 to 15 billion barrels, which is 2.7 percent of all the confirmed deposits in the world. On the other hand, confirmed deposits of natural gas in Central Asia are around 270 to 360 trillion cubic feet, which constitute around seven percent of world deposits. The main oil and gas deposits in the CARs are in Kazakhstan, Turkmenistan and Uzbekistan whereas Kyrgyzstan and Tajikistan have enormous hydel resources. In Tajikistan, each square kilometre of the territory has up to two million kw hours



of hydel resources. Both India and China, the two growing giants, are competing in the region to secure oil and gas. In September 2005, India lost out to China in the acquisition of Petrokhazakhstan, a gas and oil company in Kazakhstan.

As far as the Turkmenistan-Afghanistan-Pakistan-India gas pipeline is concerned, this project can go a long way to alleviating the energy deficit in India and forging long term economic and political links between India and the CARs. With the ousting of the Taliban regime in Afghanistan, the installation of a pro-United States regime and improving Indo-Pakistan relations, the Turkmenistan-Afghanistan-Pakistan project is back on track. Nevertheless, progress has been impeded by the competing Iran-Pakistan-India pipeline, sporadic violence in Afghanistan, Turkmenistan's isolation and questions over whether Turkmenistan has sufficient gas to meet India's and Pakistan's needs, given its competing energy agreements with Ukraine, Russia and Iran, and its own domestic consumption needs.

The project was initially started with Turkmenistan, Afghanistan and Pakistan, and India was asked to join much later. The 1,600 kilometres pipeline would transport up to 30 billion cubic metres of gas and India will pay US\$600 million annually as transit fee to Pakistan. The successful completion and working of this pipeline is predominantly dependent on the political and strategic intentions of the players involved.

It has been suggested that, with Indian energy consumption expected to grow by over six percent per annum, the country's reliance on imports which is currently 60 percent (or 75 million tons) will double to 150 million tons per annum by 2010.

Transportation of the regions' oil and gas is the major issue. One of the main obstacles to developing vibrant trade relations between India and the CARs is the lack of transit routes. India can cooperate with Russia to access Central Asian oil and gas. Among several options available, the North-South corridor provides the best alternative that will link Russia, India, Iran and the CARs by road, rail and sea. It would cut shipment time from India to Europe by 10 to 15 days and transportation costs by about 30 percent. This route would help India gain access to the CIS markets.

Drugs, pharmaceuticals and healthcare have also emerged as key areas of cooperation between India and Central Asia, owing to the efficiency levels of the Indian industry and its cost advantage in the global market. The joint venture between the Indian company, Ajanta Pharma, and the Ministry of Health in Turkmenistan, named Turkmenderman Ajanta Pharma Limited, currently provides approximately half of the pharmaceutical needs of Turkmenistan.

There is no denying that the Central Asian region is very important to India not only economically but also strategically and for security purposes. India has faced certain challenges in the region because of daunting conditions such as non-availability of hard currency and lack of conversion facility services. Nevertheless, commercial and economic ties between India and Central Asia are at a stage where there is

optimism. The level of trade between India and CARs has been below potential and, hence, there is much scope for building trade linkages. India is import dependent in the oil and natural gas sector whereas the Central Asian countries have yet to make strides in the information technology sector. Similarly, in the banking sector, the Central Asian countries could benefit from the Indian experience.

Keeping in view the potential possibilities and the economic growth of India, we can hope that in the near future, it will become easier for India to reach out to the CARs and vice-versa, and bring back the flourishing days of the silk route era. ■

ISAS Publishes State Studies

The Institute of South Asian Studies (ISAS) has published its first series of studies on Indian states. The first two publications are on Kerala and Tamil Nadu.

In the recent past, several studies have attempted to make a comparative evaluation of the performance of Indian states. Given the wide diversity in attributes, endowments and development parameters, it appeared more meaningful for ISAS to look at studies of individual states in India. The recent efforts of the Union Planning Commission in India to put together State Development Reports for individual states are an articulation of the same recognition.

In ISAS, however, issues of business opportunities are important from a Singapore perspective. These reports on Kerala and Tamil Nadu, therefore, attempt an in-depth study of the two states from the perspectives of development parameters, the political environment of policy-making as well as opportunities available in the states.

If you would like to have a complimentary copy of the publications, please contact Ms Irma at (65) 6516 4239 (DID) or email at isasijie@nus.edu.sg to arrange to collect your copy from ISAS.

Ethnic Conflict and Economic Growth in Sri Lanka

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Sri Lanka was the first South Asian country to dismantle its socialist economy in 1977. In contrast to many countries, the 1977 liberalisation reforms in Sri Lanka did not come in the wake of a major political or economic crisis. They were implemented by a government democratically elected on a platform of 'opening up' the economy. Foreign investments were welcomed and, from 1977-1983 (initial period of economic liberalisation or pre-ethnic conflict period), the economy grew by 5.37 percent a year. But in July 1983, the long-simmering tension between the nation's Sinhalese majority and Tamil minority led to violent anti-Tamil riots and the country plunged into a civil war. From 1984-1989 (initial period of conflict period), Sri Lanka's growth rate reduced to 3.49 percent per annum. However, tourism and tea exports remained relatively strong. By the 1990s, Sri Lanka accepted that its economy had to learn to live with the fighting. It recorded an impressive economic growth 5.33 percent during 1990-2000. In fact, that growth ended in 2001 when the Liberation Tigers of Tamil Eelam (LTTE) launched an attack on Sri Lanka's only international airport. As a result, tourists stayed away and insurance companies began slapping a surcharge on all goods shipped to Sri Lankan ports. Consequently, the economy slipped (with a -1.4 percent of growth) into its worst recession in decades. However, in the last five years, the economy has become resilient due to the ceasefire agreement and occasional peace in the country.

The annual growth rate for Sri Lanka for the entire conflict period (1984-2006) was only 4.61 percent. However, the economy grew by 5.61 percent in the recent conflict period (2002-06), which was marginally higher (5.37 percent) than the average annual growth rate in the pre-conflict period. With per capita income rising to above US\$1,000 in 2004, Sri Lanka is on a steady path to achieving the status of a middle-income country. This notwithstanding, it is widely believed that, if economic activities were not halted by the ethnic conflict in Sri Lanka, there would have been a more respectable economic growth over the years.

Economic growth in Sri Lanka in recent years has been dominated by the services sector, followed by the industrial sector. The services sector accounted for over 55 percent of the gross domestic product (GDP) in 2005 and it was spurred by the continued buoyancy of the telecommunications and tourism sectors. The



industrial sector sustained a robust growth of 6.3 percent in 2006 as compared to 5.9 percent in 2001, despite the challenges posed by the end of the Multi-Fiber Agreement in 2005. The manufacturing sub-sector, comprising the vital garments industries and construction, continued to perform strongly. Agriculture has continued to lag behind industry and the services sector. But the growth performance of the agricultural sector improved largely on the account of a bumper harvest of paddy and the recovery in fisheries, which contracted significantly in the aftermath of the tsunami. The sector recorded a growth of about 4.8 percent in 2006 as compared to 1.2 percent in 2000. The recent accelerated growth momentum

has been supported by increased external financial flows for post-tsunami reconstruction and a rapid expansion in domestic demand.

It is also imperative to note that the recent national income accounts estimation of Sri Lanka does not include the north and east provinces as evident from the statistical publications of the Central Bank of Sri Lanka. According to anecdotal evidence, the north and east provinces have experienced a negative economic growth rate since 1990 due to the intensification of the civil war. If included, the two regions could offset the positive growth rates of the rest of the country and the overall growth rates would be lower than the official figures of the Central Bank of Sri Lanka.

It is no understatement that Sri Lanka's growth rate for the last 25 years could have been higher had it not been for the conflict. It is important to endorse the point that the conflict-driven country has paid a high economic price over the years. Sri Lanka increased its defence expenditure from 0.77 billion Sri Lankan rupees in 1977 to a budgeted 139.6 billion Sri Lankan rupees in 2007. This is an almost a two hundred-fold increase. Defence expenditure made up 11.4 percent of total public expenditure in 1991 and it increased to 17 percent in 2000. This implies that, on the average, the government spent nearly four percent of the GDP on defence during 1995-2005. The World Bank estimates that, in 2000 alone,



it was around eight percent. In the past few years, defence expenditure has become the single largest component of public expenditure by the government. This increase in defence expenditure led to a deceleration of social expenditure in the country, especially from 1995 onwards. For example, public expenditure on health, as a proportion of the GDP, was around 1.7 percent in 1999. It decreased to 1.5 percent in 2003. Such reduction will have a profound negative impact on the human and social development indicators of Sri Lanka in due course.

ISAS Management Board



New Member

The Institute of South Asian Studies welcomes Professor Tan Eng Chye, Deputy President (Academic Affairs) and Provost, National University of Singapore (NUS), as a member of the Management Board.

Professor Tan has a Bachelor in Mathematics (Honours) degree from NUS, and a MSc and Ph.D. in Mathematics from Yale University.

The disruptions caused by the conflicts raised the cost of goods and services, thus driving up inflation, on an average, to 9.5 percent of the GDP for the entire conflict period (1984-2006). The current increase in defence spending naturally places a further strain on Sri Lanka's budget deficit. Significantly, the funds assigned to defence could be used to upgrade the island's infrastructure. The economy has deteriorated in the past year on the account of continued fiscal pressures, part of which is linked to the escalation of conflict and accommodating monetary policies. While the policies have supported economic growth in recent years, this is a short-run phenomenon and cannot be sustained over the long run.

Sri Lanka's conflict remains resistant to durable solutions. Recent military offensives in the east, in particular, and continuing into the north, have secured tracts of land and placed the LTTE at a clear disadvantage. It is continuing to stagnate in an unresolved impasse. The recent air strikes by the LTTE indicate that, while it is emaciated, it is certainly no less dangerous and it is a cause of increasing concern. Certainly, the distant battlefields of the north-east are once again in danger of becoming a gruesome reality for those in or near residential areas in Colombo, the financial and tourism hubs, and to vital infrastructure, utilities and public meeting places. It will create an unparalleled crisis of confidence in the government and to its avowed commitment to fundamental rights and constitutional

governance. This on-going undeclared war between the LTTE and the Sri Lankan government will exponentially increase military spending, and this economic burden will vitiate the growth of the economy.

Therefore, there is a need to end the prolonged ethnic conflict with a negotiated peace. It will not only provide stability to the country but will also give strength to rationalise the fiscal and monetary policy stance so as to restore stability and ultimately support higher growth on a more sustainable basis. ■

Snippets on South Asia

*Dr Jayan Jose Thomas
Research Fellow, ISAS*

Maoists join Government in Nepal

On 1 April 2007, an interim government led by Prime Minister Girija Prasad Koirala took office in Nepal. In an important development, the Maoists, under the banner of Communist Party of Nepal (Maoist) [CPN (M)], joined the new government. The Maoists had taken up arms against the state 11 years ago.

There are 22 ministers in the new interim government in Nepal. The Nepali Congress has four ministers who will handle the portfolios of defence, home, finance, peace and reconstruction, and science and technology. The CPN (M) has five ministers in the new government. They will handle the portfolios relating to information and communication, local development, physical planning and works, forest and women. The Communist Party of Nepal (UML) has five cabinet-ranked ministers and one minister of state. The Nepali Congress (D), the fourth largest party in the interim legislature, has three cabinet-ranked ministers and one minister of state.

A meeting of top leaders of the ruling Seven Party Alliance and the CPN (M) held on 1 April 2007 took a key decision

to hold the Constituent Assembly elections in Nepal on 20 June 2007. The meeting also decided to amend the interim constitution to give powers to the interim legislature to abolish the monarchy by a two-thirds majority. On 11 April 2007, Nepal's government approved the amendment bill in the interim constitution, providing powers to the interim legislature to abolish the monarchy. With the approval of the bill, the legislature has sweeping powers to abolish the monarchy by a two-thirds majority if the king was found meddling with the Constituent Assembly polls. The new bill also gives the power to the legislature to oust the Prime Minister by two-thirds majority. Earlier, there was no provision in the interim constitution to challenge the Prime Minister. Another important amendment is that a quarter of the lawmakers can summon a meeting of the interim legislature.

At the same time, the Maoists have applied for the status of a political party ahead of the general elections slated for later this year. According to the Maoists' second-in-command, Baburam Bhattarai, the official name of their party will be the Communist Party of Nepal (Maoists).

Bhutan prepares for Parliamentary Democracy

Bhutan has begun preparations for transforming the country's political system from absolute rule by the monarchy into a parliamentary democracy by 2008. As part of these preparations, Bhutan is also conducting mock elections. The first round of mock elections was held on 21 April 2007. The second round of elections is scheduled to be held on 28 May 2007.

Bhutan has an estimated 400,000 voters eligible to exercise their franchise in 869 polling booths spread over 47 parliamentary constituencies in the Himalayan kingdom. The country has a population of about 600,000 people.

The parties participating in the dummy elections have been named Druk (Thunder Dragon) Blue Party, Druk Green Party, Druk Red Party and Druk Yellow Party. According to Bhutan's Chief Election Commissioner,

Dasho Kunzang Wangdi, the two parties which get the highest number of votes in the elections held on 21 April 2007 will go on to contest the final round of elections on 28 May 2007.

The process of transforming Bhutan into a parliamentary democracy began in 2001. In that year, then King of Bhutan, Jigme Singye Wangchuk, announced that the monarchy would eventually step aside and Bhutan would progressively move towards a parliamentary democracy. Indeed, Bhutan has taken several steps in this regard over the past few years. A draft constitution for the country has already been prepared. Election Commissioner Wangdi says that painstaking preparations are in progress for the actual elections. Meanwhile, last year, King Jigme Singye Wangchuk abdicated the throne in favour of his eldest son, Jigme Khesar Namgyal Wangchuck.

Afghanistan becomes SAARC's Eighth Member

Afghanistan became the latest (eighth) member country to join the South Asian Association for Regional Cooperation (SAARC). The decision in this regard was taken at the 14th SAARC Summit in New Delhi that began on 2 April 2007.

Afghanistan's President, Hamid Karzai, in his maiden address to the SAARC, expressed confidence that Afghanistan's full

membership in the SAARC would maximise the benefits of economic cooperation within member states. He pointed out that the proposed Turkmenistan-Afghanistan-Pakistan-India gas pipeline project should be given high priority. As a new member, Afghanistan looks up to the SAARC for its development. The country has suffered over the past two decades due to economic and political isolation. Mr Karzai also called for an end to extremism and terrorism in the region.

New Government in Bangladesh

A new government led by President, Mr Iajuddin Ahmed, and Chief Advisor, Mr Fakhruddin Ahmed, took over the reins of the administration in Bangladesh on 12 January 2007. This development occurred after months of political impasse with the declaration of general elections in Bangladesh in October 2006. A caretaker government led by the then-Chief Advisor, Iajuddin Ahmed (the current President), was to oversee the general elections in Bangladesh, which were scheduled for 22 January 2007.

In the months after October 2006, a bitter feud ensued between the two major political formations in the country - the Awami League and Bangladesh Nationalist Party (BNP). The Awami League alleged that the entire election machinery had been systematically corrupted to ensure victory for the BNP alliance led by Khaleda Zia. On 3 January 2007, the Awami League and around 18 smaller parties allied to it announced that they would boycott the January general elections.

On 11 January 2007, the United Nations and the European Union suspended their election monitoring operations in Bangladesh,

expressing strong doubts about the prospects of conducting a fair election in Bangladesh. On 11 January itself, the Chief Advisor of the caretaker government, Iajuddin Ahmed (the current president), announced a state of emergency in Bangladesh. Immediately after the declaration of emergency, President Ahmed announced his resignation as the Chief Advisor as well as the postponement of the scheduled election. On 12 January 2007, the former Bangladesh Bank governor, Fakhruddin Ahmed, was sworn in as the new Chief Advisor.

Today, Bangladesh continues to be in a state of emergency, and the country has suspended some basic rights provided by the constitution such as freedom of movement, assembly and speech. Reports indicate that the caretaker government has arrested more than 160 leading political figures, including the son of former Prime Minister Begum Khaleda Zia. There are also reports that Khaleda Zia would be leaving the country for Saudi Arabia soon. At the same time, the prospects for another former Prime Minister, Sheikh Hasina Wazed, who is now in the United States, to return to Bangladesh are rather bleak.

Indian Budget 2007

The Institute of South Asian Studies organised a seminar on "Indian Budget 2007" on 4 April 2007. More than 60 participants attended the seminar.

H.E. Dr Subrahmanyam Jaishankar, India's High Commissioner to Singapore, delivered the opening address for the event. The panel of speakers included Dr Govinda Rao, Director of the National Institute of Public Finance and Policy, and Member of the Economic Advisory Council to the Prime Minister of India; and Mrs Anshula Kant, Chief Executive Officer of the State Bank of India in Singapore.

During his presentation, Dr Rao touched on the nature, targets and achievements of fiscal adjustment as well as growth concerns and tax reforms. In her presentation, Mrs Kant talked about the robust and sustainable gross domestic product growth of India. She also stated that India was fast becoming a global manufacturing hub which is leading the way in her growth. At the same time, she pointed to India's large population with favourable demographics and a highly skilled labour force as key determinants in India's continued economic reforms.



ISAS New Research Staff



Professor Errol D'Souza
Visiting Senior Research Fellow

Professor Errol D'Souza studied Economics and Statistics at the University of Bombay where he was awarded the Kashinath Trimbak Telang gold medal for obtaining the first rank in his M.A. (Economics) degree. He went on to obtain his Ph.D. as a University Grants Commission National Research Fellow from the Jawaharlal Nehru University, New Delhi, with a study of the fiscal limitations on state intervention in post-independence India. He then joined Goa University as an Assistant Professor in the Department of Economics and for sometime was a Consultant to the Finance Department, Government of Goa, on fiscal issues. In 1994, he moved to the University of Bombay as an Associate Professor in Industrial Economics and Public Finance. In 1995-96, he was awarded a Ford Foundation fellowship and was a Visiting Scholar at Columbia University, New York, where he did theoretical work on the effectiveness of fiscal policy and tax evasion. Subsequently, he was appointed the Industrial Finance Corporation of India Chair Professor at the Department of Economics, University of Mumbai.

Professor D'Souza is currently a Professor in the Economics Area at the Indian Institute of Management, Ahmedabad. He was an Associate of the Indian Institute of Advanced Studies, Shimla, and is currently a consultant to the Indian industry, the banking sector, the Reserve Bank of India, the United Nations Development Program, the International Labour Organisation and the Indian government. He is on the Advisory Committee of University Grants Commission of India programmes, a Director on the board of the National Housing Bank, and is currently writing a book on Macroeconomics that will be published shortly by Pearson Education.

Professor D'Souza will be with ISAS for two months in May and June 2007.



Professor Dilip Nachane
Visiting Senior Research Fellow

Professor Dilip Nachane completed his M.A. (Mathematics) and M.A. (Economics) at the University of Bombay (now Mumbai) with distinction, being awarded the Chancellor's Gold Medal for obtaining the first rank at his M.A. (Economics) examination. He was later awarded the Ph.D. (Economics) degree by the University of Bombay in 1973, for his thesis entitled Studies in the Theory of Optimal Economic Growth. He began his career as Assistant Professor at the NIBM (National Institute of Bank Management, Pune, India) from 1973 to 1976, and was subsequently appointed Reader in Transport Economics at the Department of Economics, University of Bombay in 1976. In 1978, he was appointed Professor of Modern Quantitative Economics (UGC Chair) at the Department of Economics, University of Bombay, in which he continued till 2003. From 1993 to 1999, he held the position of Director, Department of Economics, University of Bombay. Currently (from 2003 onwards), he is Senior Professor at the Indra Gandhi Institute of Development Research, Mumbai.

Professor Nachane has held several visiting assignments abroad. He was Fulbright Post-Doctoral Fellow at the University of Texas (Austin, USA) in 1983-84, Hallsworth Fellow at the University of Manchester, United Kingdom (UK) in 1987-88 and 1997-98, and Jean Monnet Fellow at the EUI (European University Institute, Florence, Italy) in 2002. Additionally, he has been Visiting Professor at the University of British Columbia (Vancouver, Canada) in 1988-89, at the University of Ulster, UK (1991-92), and at the Otto von Guericke University (Magdeburg, Germany) (Summer 2002, 2003 and 2004).

He has been actively associated with several Committees and Working Groups of the Reserve Bank of India, and the Indian and Maharashtra governments. He is also on the Board of Directors and Governing Boards of several important organisations in India.

He is Managing Editor of the Journal of Quantitative Economics and an Editor of Macroeconomics and Finance in Emerging Market Economies (a Francis & Taylor Journal to be launched in January 2008).

In recognition of his outstanding contributions to teaching and research in India, he was a recipient of the UGC Prnavanand Saraswati Award in 2004. The University of Mumbai had earlier conferred on him its Best Teacher Award in 2002. He was elected President of the Indian Econometric Society for the year 2002-03.

Professor Nachane will be with ISAS for five months with effect from 1 June 2007.



Dr Marie-Carine Lall
Visiting Research Fellow

Dr Marie Lall is a South Asia specialist and holds a Ph.D. in International Relations from the London School of Economics and Political Science, United Kingdom. Her earlier degrees include an MPhil from Cambridge and a B.Sc. from the London School of Economics and Political Science. She is the author of *India's Missed Opportunity* (Ashgate 2001) and of numerous articles and chapters on issues of politics in South Asia.

She is currently a lecturer in Education Policy at the Institute of Education, University of London and an associate fellow at Chatham House, London. She has also held a post of visiting lecturer at the School of Oriental and African Studies where she taught undergraduate and postgraduate courses of government and politics of South Asia for three years. She has joined ISAS as a visiting research fellow.

Her current research and research interests include the politics of South Asia; India and Pakistan – political economy, foreign policy formulation, including pipeline diplomacy; Indo-Burmese relations, migration and Diaspora politics; education policy with regards to gender, race and social exclusion issues in developed and developing countries; education policy in India and Pakistan; and formation of national identity in South Asia.



Mr M. Shahidul Islam
Research Associate

Mr M. Shahidul Islam obtained his Master of Social Sciences (Economics) from the National University of Singapore in July 2004. He also has a Master degree in the same discipline from the University of Chittagong, Bangladesh.

Prior to joining the Institute, Mr Islam worked as a Research Associate with Policy Consultancy Associates from September 2005 to March 2007. During this period, he provided research assistance to an ASEAN Secretariat project on regional trade and investment. He also worked as a Research Associate at the

Institute of Southeast Asian Studies (ISEAS) from September 2004 to August 2005 where he was the Assistant Editor of the ASEAN Economic Bulletin, ISEAS' in-house research journal.

Mr Islam has written and published papers on global financial imbalances, outsourcing and globalisation, focusing on Southeast Asia and South Asia.

His areas of interest include India-Bangladesh economic relations; regionalism in South Asia; linkages between climate change and sustainable development; and outsourcing and globalisation of services.



Mr Iftikhar A. Lodhi
Research Associate

Mr Iftikhar A. Lodhi completed his Master in Public Policy from the Lee Kuan Yew School of Public Policy (LKYSPP), National University of Singapore, in 2006, and graduated in computer sciences from B. Z. University, Pakistan in 1998.

Mr Lodhi worked as a Research Assistant at the LKYSPP from May 2006 to March 2007. During this period, he worked on various development and governance policy issues, including political risk; energy security; India-China poverty alleviation strategies; and nuclear energy. He also worked as a political secretary to a Member of Parliament (Pakistan) where he focused on budget analysis; and social and foreign policy issues. He is currently working on the political economy of oil and gas in Central and South Asia, and financial capital flows across the world.

Mr Lodhi's interests comprise a range of issues under international political economy; development, governance, and institutions. More specifically, they include energy security; political risk in South and Central Asia; and regional integration in South Asia.

ISAS Interns



Ms Amanda Goh

Amanda Goh is currently a second year undergraduate at the Singapore Management University, majoring in Political Science. She hopes to pursue a career as a researcher or in development, either with a non government organisation or an international organisation such as the United Nations.

Amanda's research interests include poverty and underdevelopment, more specifically, the role of governance in poverty reduction. South Asia provides an excellent study area, given the various roles it plays in terms of micro-financing, agriculture and environment against a diverse political backdrop.

Away from academic pursuits, Amanda has a strong interest in music, having been part of a performing group for the last six years. She also finds great meaning in rendering her service to the less privileged in society.

Internship Programme

The Institute of South Asian Studies launched the ISAS internship programme in May 2006. Opened to undergraduates or postgraduates who have an interest in the South Asian region, the three-month programme sees the interns being involved in research, networking activities and study committees at the Institute. Opportunities are also provided for the interns to spend some time in South Asia.



Ms Shobitha Vasudevan

Shobitha Vasudevan graduated with a Bachelor of Arts (Honours) in History from the National University of Singapore (NUS) in 2007. Her areas of interest in NUS were the South Asian region, especially its history, international relations, security and conflict studies, and sociology.

Shobitha was a student of the University Scholars Programme (USP) at NUS. She represented the USP and the university at several conferences in Singapore and overseas. She was also active in extra-curricular activities in NUS, serving as Honorary General Secretary in the History Society as well sitting on other committees. She also performed during inter-club dance competitions and in Indian dance.

During her vacations, Shobitha kept herself occupied with internship attachments and as a student researcher. She is an avid traveller. Her ventures overseas have made her change her outlook and perspectives on many issues as well as have inspired her to engage in in-depth research and to work independently. She believes the internship at ISAS would further help her in this regard.



Ms Tuty Raihanah Bte Mostarom

Tuty Raihanah Bte Mostarom is currently pursuing her Bachelor of Social Sciences (Honours) at NUS, with a major in Political Science. Her areas of interest are Southeast Asia's international relations and governance as well as political Islam. She hopes to pursue her postgraduate studies in political Islam of the region.

Tuty Raihanah is active in extra-curricular activities in and out of school. She was with the Muslim Society at NUS, serving as Assistant Head for Publicity and Publications. She helped organise numerous events in NUS and around Singapore. She is currently serving as Vice Chairperson of the Darussalam Mosque Youth Wing (DSYW). She travelled with a team of volunteers to Aceh in December 2006 to help out at Fajar Hidayah, an orphanage with which DSYW has a long-standing commitment. She is also a tutor with Mendaki.

Her long term career goal is to contribute to the development of Muslim communities, either through research in the academia or by teaching in less developed countries.

ISAS Recent Events

Seminar by Dr Amar Athwal, Department of Political Science, University of Toronto, Canada, “*The Maritime Dimensions of Sino-Indian Relations*”, 9 May 2007.

Seminar by Mr Nishchal Nath Pandey, Visiting Research Fellow, ISAS, “*The Nepal Crisis: The Issues and the Way Forward*”, 22 February 2007.

Seminar by Professor Mario Rutten, Visiting Senior Research Fellow, Asia Research Institute, “*Contested Family Relations and Government Policy: Linkages between Patel Migrants in Britain and India*”, 7 March 2007.

Roundtable session with Professor Bidyut Chakrabarty, Dean, Faculty of Social Science, University of Delhi, India, “*Maoism, Governance and the Red Corridor*”, 14 March 2007.

Seminar on “*Indian Budget 2007*”, 4 April 2007.

Seminar by Mr Dhiraj Nayyar, Trinity College, University of Cambridge, United Kingdom, “*Dancing a Difficult Tango: Industry and Government in India: 1947-2007*”, 14 May 2007.

Seminar by Professor Pratap Bhanu Mehta, President and Chief Executive, Centre for Policy Research, India, “*The UPA and the Politics of Reform: A Mid-Term Assessment*”, 15 May 2007.

Joint ISAS-East Asian Institute seminar by Professor Aditya Bhattacharjea, Professor of Economics, Delhi School of Economics, University of Delhi, India, “*India-China Trade Relations*”, 17 May 2007.

Seminar by Dr Hooman Peimani, Senior Independent Consultant with United Nations Agencies in Switzerland and Central Asia, “*India, Pakistan and China: Quest for Energy Security*”, 22 May 2007.

ISAS International Symposium on Pakistan titled “*Pakistan in Regional and Global Politics*”, 24-25 May 2007.

ISAS Recent Publications

Books

Kerala – Economic Growth and Investment Opportunities, Dr Jayan Jose Thomas, Research Fellow, ISAS, March 2007.

Tamil Nadu – Economic Growth, Governance and Business Opportunities, Dr S. Narayan, Head of Research and Visiting Senior Research Fellow, ISAS; Dr Rajshree Jetly, Research Fellow, ISAS; and Ms Indu Rayadurgam, Research Associate, ISAS, April 2007.

ISAS Briefs

‘*The Train Blasts: Impact on Indo-Pakistan Relations*’, Dr S. Narayan, Head of Research and Visiting Senior Research Fellow, ISAS, 24 February 2007.

‘*Recent State Assembly Elections in India: How Big a Setback for the Congress?*’, Dr Maathai K. Mathiyazhagan, Research Fellow, ISAS, 8 March 2007.

‘*There’s something about Maya: Changing Politics in India’s largest state*’, Mr Dhiraj Nayyar, Research Scholar in Economics, Trinity College, Cambridge, 16 May 2007.

‘*Pakistan’s Constitutional Crisis – What’s next for Musharraf?*’, Dr Marie Lall, Visiting Research Fellow, ISAS, 16 May 2007.

‘*The Uttar Pradesh State Election – Will it change the Political Equation at the Centre?*’, Dr Maathai K. Mathiyazhagan, Research Fellow, ISAS, 17 May 2007.

ISAS Working Paper

‘*Price Controls on Pharmaceutical Products in India*’, Dr S. Narayan, Head of Research and Visiting Senior Research Fellow, ISAS, 19 March 2007.