



The plane truth

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Highlights

- The Rafale deal has been the subject of heated claims and counter-claims on two broad issues — that the contract to purchase 36 French multi-role fighter aircraft was grossly overvalued and that it was tainted by crony capitalism.
- Ammunition for the second charge came from an unexpected quarter with former French President François Hollande stating in an interview that it was India that suggested the Anil Ambani-owned Reliance Defence Ltd. as the offset partner for the deal.
- While the Centre has insisted that the choice of offset partners is entirely that of the manufacturer, or of Dassault Aviation, Mr. Hollande's remarks were widely perceived as bolstering the Congress allegation that the Rafale deal was structured to favour one industrialist.
- In the storm that ensued, the clarificatory statements issued — by the Centre, the French Foreign Ministry and Dassault — did little to clearly address what Mr. Hollande had said.
- It remains to be seen whether Mr. Hollande will now choose to complete his half-finished remarks to the French investigative website.
- No questions have been raised about the capabilities of the Rafale jet, and the corruption allegations have persisted in the absence — unlike in the case of some other defence deals such as Bofors — of a financial trail.
- But a fair part of the reason for the concerns about the deal relate to process.
- It is true that the deal was signed only in September 2016, after clearance from the Cabinet Committee on Security, but Mr. Modi's 2015 declaration of a new deal clearly caught even many of his senior officials unawares, who were labouring under the belief that negotiations for the purchase of 126 Rafale aircraft, initiated by the UPA government, were still on.
- As things stand, greater transparency is the only way to clear the air.
- Private briefings to Opposition leaders and the disclosure of all information that doesn't jeopardise national security or impact the aircrafts' operational capability are good starting points.
- The decision to reject the formation of a Joint Parliamentary Committee to examine the deal should be reconsidered.
- If the political war over Rafale continues, it is defence modernisation that will become the real victim.