

# The 2019 media resolutions

Informed lobbying, more communication with consumers and fighting hate with civility on social media should be the industry's resolutions this year



## MEDIASCOPE

VANITA KOHLI-KHANDEKAR

It is the time to make resolutions. Here are a couple then for India's ₹1.47 lakh crore media and entertainment industry.

@Can the men and women running the big firms in Indian media resolve to

have stronger, better, more informed lobbying rather than ad-hoc litigation. And to communicate with all stakeholders not just the government and regulators.

A case in point is the Telecom Regulatory Authority of India's 2016 Tariff Order that it is currently trying to implement. Why it came about remains a mystery? India is a very competitive television market. There are three distribution technologies each with significant scale — cable, DTH and online. There are over 867 channels. The average revenue per user is among the lowest in the world. What then prompted such a granular tariff order is a puzzle? Regulators in developed markets usually analyse the impact, cost and the gain of implementing or not implementing a new rule or policy? Consumer groups, trade, and every possible stakeholder know what is involved. There is a sense of ownership among all stakeholders.

In India after over 25 years of private television and more than 30 years of cable there exists a lack of basic information — among consumers, media and regulators — on how this industry functions. Do you as a consumer know that Indian TV prices are among the lowest in the world? Does Indian business media know that the TV industry employs 1.65 million people directly and indirectly or that it pays billions of rupees in taxes every year? Do journalists on the beat understand how ratings work, how pricing is fixed? If a million consumers sign onto DTH or cable in a year what does it mean for employment, taxes and job opportunities? Why is the macro-impact of this ₹66,000 crore industry not evident?

Because it has never communicated with the people who matter most. The UK's creative industries flourished because of the efforts of industry bodies such as Producers Alliance for Cinema

and Television. The consumer in the UK knows exactly what he pays for the BBC every day. The last and arguably only time the Indian broadcast industry got together to talk to the consumer was when cable digitisation was mandated in 2011.

Ditto for films which bear the brunt of every protest and nonsensical opinion. The industry employs 0.7 million people directly and indirectly and pays a third of its revenues as taxes.

But for some reason these two industries, which influence millions of minds through their content, are unable to communicate their contribution to society, the economy and to consumers. Can they resolve to do a better job of that this year?

@For some time now, hate, abuse and viciousness have become the defining facets of social media. Now I read that the government is insisting that social media firms use tech to clean up their act. Sure, they should clean out vitriolic stuff but the fact remains that the vitriol exists. Twitter or Facebook are just platforms. Think of them as coffee shops we hang out in. The screaming, shouting, bad language is not provoked by them. We go there and behave badly. Earlier polite manners

forbade us from showing our prejudices or bigotry. At some point in the last few years it became fashionable. A display of ill-informed hatred is considered a sign of honesty or plain-speaking.

What if we turned things around by making decency, civility and good behaviour a status symbol? And using the same platforms that are used to amplify hatred, to amplify decency. Remember that by making voting a status symbol and a sign of pride and responsibility, India pushed up its average voting percentage in the last decade. It happened because ad films, theatre, TV and films made it fashionable to show your index finger with the indelible ink after voting. When Amitabh Bachchan and Shah Rukh Khan can vote why can't you, the pictures seemed to say.

Let us resolve then to fight hate with our best, most civil behaviour. As Michelle Obama said at some point in the build up to the 2016 US Presidential campaign, "When they go low, we go high." Surely there are more decent, peace-loving Indians than hateful, vitriolic ones. We simply haven't heard from them on social media.

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## CHINESE WHISPERS

### Silence of the siren



West Bengal Chief Minister Mamata Banerjee had announced on Monday that the siren would be played in several parts of the state at midnight to welcome 2019. Some people in the chief minister's office (CMO) also pointed out that the siren would be played in the city after 32 years to mark the advent of new year. Elaborate security arrangements were made at various points to ensure there were no disruptions and people of the city waited with bated breath... errr strained ears. But alas, there was no siren. What happened? No answers were forthcoming from the CMO. It is possible the sounds of the siren were drowned out by the noise of firecrackers, reasoned some, as the city got back to business as usual on January 1.

### Media outreach

With Lok Sabha polls round the corner, senior ministers in the Narendra Modi government are set to launch a sustained outreach to spread the message of the government's programmes and policies of its tenure. Not just union ministers, Bharatiya Janata Party (BJP) spokespersons have also been asked to reach out to journalists in the next fortnight. The BJP has also decided to project a less combative approach in the media by inducting the seasoned Rajiv Pratap Rudy recently in its panel of spokespersons. Not just Rudy, but Union ministers like Piyush Goyal and others are scheduled to meet journalists in the days and weeks to come.

### Bracing for a face-off



Amethi is bracing for an interesting face-off this Friday. Fresh from his victory in a clutch of Assembly elections, Congress President Rahul Gandhi (pictured) is scheduled to attend some programmes in Amethi on January 4 and 5 organised by party workers. On January 4, Union Textile Minister Smriti Irani will participate in a blanket distribution programme organised by Raghav Ram Seva Sansthan in the town. The Bharatiya Janata Party has made a strong push for Amethi since the 2014 Lok Sabha elections, when Irani lost to Gandhi. Irani continues to make regular visits to the constituency.

# The importance of de-risking PE buyouts

Private Equity funds ought to consider forming consortiums. This will not only allow such investors to overcome capacity issues but also help distribute their risks

NIREN PATEL, SHIVAM ARORA & KAUSHIKI AGARWAL

It's certainly boom time in the private equity (PE) buyout space. In the year just gone by, India witnessed the value of PE buyouts rise to \$5.5 billion — the highest since the turn of the decade, and more than double the value of 2017. What's more, the last quarter of 2018-19 is set to push that value up even further, surpassing the \$6 billion mark.

Buyout opportunities have come and continue to come from large and small businesses alike. While large businesses are looking to sell their non-core specialisation segments — such as the buyout of Unilever's spreads division by KKR in December of 2017 and more recently, Kodak's sale of its flexographic packaging business to a private equity firm in November of 2018 — small businesses are trying to benefit from the premium that PE funds are willing to pay to avoid the challenges that come with seeing a business through its seed stage.

We have seen particular interest in the infrastructure, technology and financial services space for buyout deals. Notably, the overhaul of the insolvency framework has led to the distressed assets sector in India attracting a lot of interest from investors.

In our opinion, the success of a buyout opportunity — apart from being contingent on financial considerations — is intrinsically linked to the sector-specific knowledge and experience that the management of the PE fund possesses, especially in the distressed space.

It is only with this know-how that the PE fund will be able to drive the target entity based on sector-specific needs and considerations.

Here are a few key commercial factors that PE funds look at before considering a buyout.

The most important consideration for a PE fund is the future exit opportunity and the potential return the exit will generate, even though value creation remains an important factor. In the Indian context, an initial public offering (IPO) presents investors with the best exit opportunity in terms of the return on capital. However, for certain PE funds, especially those seeking short-term exit opportunities, the key consideration would be the potential to secure a secondary buyout or sale to a strategic investor.

The second factor considered by PE funds is leveraged buyouts; such buyouts are attractive to PE funds as they provide the potential for increased returns — considering their cost of debt is lower than both the return on equity in target entities, and the opportunity cost of capital. Taking advantage of this potential for return is a major incentive for PE funds to adopt the buyout route. However, the opportunities available for leveraged buyouts in India is very limited due to the large number of regulatory restrictions, such as stringent exposure norms for financial institutions, restrictions on foreign and domestic lending by companies, corporate governance restrictions, foreign exchange regulations, and tax considerations.

Valuation and growth is the third



issue that PE funds look at, prior to signing a buyout deal. PE funds tend to focus on the qualitative aspects of a transaction like the strength of the management of the buyout entity, the network created by the target etc. However, quantitative aspects remain equally important. Free cash flow, debt servicing capacity, profit ratios, and most importantly, the effect of the investment on the potential year-on-year growth of the target are important determinants for arriving at the valuation of the target.

This brings us to the subject of managing interests. Corporate entities are well regulated, with certain legal protections in place for minority shareholders. Thus, it is essential for PE funds to ensure that their own management and governance obligations — primarily contractual — are harmonised with those of the

target entity. While managing the buyout entity may increase complications for PE investors, the maximisation of returns is ultimately in the best interest of all investors in the target entity.

The last consideration pertains to regulatory challenges. While acquiring controlling stakes in large corporates is a challenge by itself, regulatory restrictions — including limitations placed on domestic funds alternative investment funds regulations and the lack of leverage opportunities for large acquisitions — make this only tougher! Moreover, with the recent requirements introduced by Indian regulators in relation to ultimate beneficial ownership, individuals who ultimately own/control substantial interests in an entity are identified on a look through basis, bringing them under the scrutiny of the regulator. In our view, PE funds ought to con-

sider forming consortiums. This is especially important given the increasing number of distressed deal opportunities in India, and for the acquisition of larger businesses. Strategic consortiums, such as the ones formed by the Blackstone Group LP, Carlyle Group LP, Onex Corp, and Canada Pension Plan Investment Board to invest in Arconic, and closer to home, the consortium of Temasek and Advent for the buyout of Crompton Greaves Consumer Electricals Ltd, will not only allow such PE investors to overcome capacity issues but also distribute their risks.

This, we feel, is the definitive way forward for 2019 and beyond.

Patel (partner), Arora (associate) & Agarwal (associate) are lawyers with the corporate and M&A practice at Khaitan & Co. Views are personal

## DECODED

The Reserve Bank of India in its Financial Stability Report has pointed out the reasons why the existing oversight structures related to financial conglomerates may not be enough to monitor systemic risks such large entities can pose for the financial markets. Jash Kriplani explains.

# A call for timely action

Why has the Reserve Bank of India called for an improvement of the oversight structure of financial conglomerates?

Over the years, FCs have become a key constituent of the financial markets. Such conglomerates have presence across various segments of the financial market — including banks, insurance and mutual funds. Due to their deep engagement in the financial markets, the stability of these conglomerates is also important for the stability of the financial market. After the Infrastructure Leasing and Financial Services (IL&FS) crisis, the RBI feels that the oversight framework related to the FCs need to be geared for timely measures. Timely intervention can help in containing the contagion risks when such FCs face challenges in keeping their own balance sheet in sound health.

How are FCs monitored under the existing framework?

FCs submit Financial Conglomerate Returns (FINCON) on a quarterly basis. These submissions capture information related to intra-group transactions covering short-term lending, placement of deposits, investments in bonds/debt securities, commercial papers, certificate of deposits, units of mutual funds etc. within the group entities. These filings help the banking regula-

tor in understanding the movement of funds within the group entities.

The FINCON returns format itself is likely to be changed soon to enhance the information flow. A revised FINCON returns format will capture additional detailed information related to borrowings made by each group entity in an FC. Further, the bifurcation in terms of short-term borrowings (up to one year) and long-term borrowings (more than one year) will also be obtained. According to the regulator, this will help in ascertaining the dependence of the FC's group entities on banks and short-term borrowings. The oversight of financial conglomerates is being carried out by an Inter Regulatory Forum for monitoring Financial Conglomerates, which is one of the four working groups set up under the aegis of the FSDC Sub-Committee.

What are the gaps in the existing oversight regime?

The RBI's report said the current definition for identifying an FC itself might be missing some key elements. A group which has significant cross-sectoral activities but do not have a significant presence in at least two sectors is not covered in the existing definition. While significant presence in activities is a major contributor to an entity's systemic risk, it is not the



only contributor. As per the definition adopted by the Inter Regulatory Forum, "a group would be identified as an FC on the basis of its significant presence in two or more market segments (banking, insurance, securities, non-banking finance and pension fund)." The report observed that complex and camouflaged inter-group linkages through credit support and potency of spillover effects in times of turmoil (through banking sector linkages) are becoming important considerations for identifying FCs in the Indian context. It is also important to have an oversight of groups that are engaged in financial intermediation with significant spillover potential and yet have a significant part of their group revenue coming from non-financial businesses.

What are some of the changes

being mooted? The FSR says the information the FCs are presently being asked to furnish is fairly exhaustive, but also notes that it is backward looking and so it may not be able to capture emerging risks and vulnerabilities adequately. The report proposes some changes that can be considered to improve the oversight framework so that risks can be flagged early. The report calls for a risk sensitive oversight regime for FCs where the intensity of the oversight takes into account the size of the entity and the likelihood of an adverse event (say, over a one-year horizon). This may make it possible for regulators and other related agencies to take timely remedial measures. Some of the trigger events for conducting an FC's assessment may be adverse rating action, unutilised credit lines falling below a certain threshold and bunching of maturing liabilities.

## LETTERS

### Utility versus technology

This refers to your article "Cycling to the ultimate mobility solution" (January 1). The wheel is obviously turning full circle. Technological advancement has indeed made man overlook environmental benefits. Excessive petrol and diesel fumes is increasing atmospheric pollution. Cars were invented to save on time. However, with excessive modernisation people have come to associate cars and fuel-driven two-wheelers as status symbols rather than utility vehicles. The increased production of such vehicles has clogged roads and today travelling time has increased rather than decreased. Humility pays in the final analysis and the utility value of the cycle is being felt all the more today. Western countries have already taken measures to reduce parking spaces and reduce the use of technology-driven transport to solve the problem of road congestion, save time and reverse the effects of atmospheric pollution. A new mindset needs to be inculcated among the future generations so that they take to cycles as the primary mode of transport.

Cycles are available at more affordable prices and can even be rented in some places. Infrastructure modification may be difficult and costly but not impossible. Utility will gradually replace technology.

**C. Gopinath Nair Kochi**

### Loan waiver doesn't work

This refers to the editorial "Waiver politics"

## HAMBONE

DID YOU KNOW FOR EVERY MAN OVER 50 THERE ARE SIX WOMEN?



BY MIKE FLANAGAN

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## Mr Modi is right

PM deserves credit for resisting nationwide farm loan waiver

In an interview on New Year's Day, Prime Minister Narendra Modi said that, while any state government was free to institute a farm loan waiver, his own government was focused on "empowering" farmers. The prime minister pointed out that, in the past too, many rounds of farm loan waivers had occurred, but farmers continued to get into troubling amounts of debt — indicating that a structural problem existed and it was yet to be solved. The prime minister is also quite correct in saying that small farmers do not get any benefit from such waivers because they mostly take loans from moneylenders. He deserves full credit for resisting populist pressure from within his own party and from the Opposition to conduct a national-level farm loan waiver. Multiple state governments, including Bharatiya Janata Party-ruled Uttar Pradesh, have waived agricultural loans. Some, like in Tamil Nadu, did so during the course of their terms; others, like in UP and in the three Hindi-speaking states to which the elections have just concluded, did so following an assembly election in which waivers were promised during the campaign. Thus, the pressure on Mr Modi is considerable, and it is a relief that he is standing firm against a dangerous policy, which he correctly described as a political stunt.

Farm loan waivers are certainly no solution to the systemic problems in India's agricultural sector, as the prime minister has pointed out. Indeed, it is quite likely that they make things quite worse. They carry with them the problem of moral hazard — creating a system in which farmers take more loans than they need or can afford, on the assumption that if the loans turn bad then they will at some point be waived under political pressure. This causes the breakdown of the entire agricultural credit system. When state governments fail to compensate banks on time for their losses on loans that have been declared to be waived, banks become stressed, and stop lending — meaning that those farmers who depend on credit run into trouble. Finally, the state governments that pay the banks discover that they have run out of money for other essential activity, such as investment and capital formation. If they seek to spend the money anyway, they build up problematic amounts of debt — their fiscal deficits, too, might run up against the cap set by past finance commissions, causing a crisis of federalism.

Thus, there are multiple ways in which, as Mr Modi argues, loan waivers are not the answer. He pointed out that much of the money that has been spent over his term in office on improvements in irrigation could instead have been spent on loan waivers to greater political profit. But that would not have addressed farm insecurity in any meaningful manner. The need of the day is to ensure that average incomes in the farming sector are higher, and the cost of inputs that require borrowing become more affordable. One way to ensure this sustained prosperity is the creation of solid non-farm jobs that can absorb excess personnel in agriculture, who otherwise drive down productivity in the sector. This should be the focus of the government, not hopeless farm loan waivers.

## Divorced from reason

In its current form, the triple talaq Bill is flawed

Advocates of women's rights should be relieved that the debate over the triple talaq Bill was washed out in the Upper House on Monday after its swift, near-debateless passage through the Lok Sabha last month. This should not signal, as the ruling party seeks to portray, opposition politicians' approval of the practice of this instant form of divorce, which has uniquely endured in the South Asian Muslim community. Triple talaq, or talaq-e-biddat, has no place in 21st century India. On this point, it is heartening to see that most major political parties are on the same page. Indeed, the Congress agreed to support the introduction of the Bill in the Lok Sabha. By rights, then, the ruling party should earn kudos for seeking to empower the rights of Muslim women, even as it highlights the failure of the so-called pro-minority Congress to do anything meaningful for the community it purports to champion.

But a closer look at the Muslim Women (Protection of Marriage) Bill suggests a degree of overkill, which makes the ruling party's intentions somewhat suspect. Contrary to the intent of the legislation, it would weaken the position of Muslim women. Many have questioned the need for a law when the five-judge Supreme Court Bench had outlawed the practice in a landmark 3-2 judgment in August 2017. The government may argue that in introducing the legislation, as it initially did in December 2017, it was merely following the dictates of the apex court to make a new law on triple talaq within six months of the verdict. It has chosen to overlook the fact that the court also stated that if a law did not come into force within six months its injunction would continue. The fact that the first Bill was defeated in the Rajya Sabha, where the ruling party lacks the requisite numbers, should have convinced the government to let the matter rest. Even so, it chose to pass an Ordinance in September last year.

But the Ordinance and both versions of the Bill are deeply flawed. Clause four stipulates a three-year prison sentence and a fine. Clause seven in the original Bill states that the offence would be non-bailable, reduced to a bailable offence in the latest version. First, it is unclear why a civil contract should carry a criminal penalty. Second, the imprisonment clauses emphatically do not protect the rights of divorced Muslim women. Both Bills stated that a Muslim woman on whom talaq was pronounced was entitled to receive from her husband a subsistence allowance for her and her dependent children. How a man who is incarcerated for three years — which would likely mar his chance to earn a livelihood for the rest of his life — can be expected to pay his wife and children a subsistence allowance is an issue that no supporter of the Bill has answered. This remains the sticking-point between the government and the Opposition, and as Parliament reconvenes after the New Year break, it is hoped that this version of the Bill is appropriately modified so that Muslim women are genuinely empowered instead of becoming pawns in an electoral game.

ILLUSTRATION BY BINAY SINHA



# 2019: The year of the wolves

Can the American constitution withstand the partisans?

In Willa Cather's novel *My Antonia*, there are two kind Russian farmers named Peter and Pavel who have settled on the Nebraska prairie. On his death bed, Pavel tells the story of how they came to emigrate there.

Many years before, back in Russia, the two young men had been the groomsmen at a friend's wedding. The party went on well after midnight and eventually a caravan of seven sledges carried the families through the snow, back to where they were staying. As they rode, faint streaks of shadow — hundreds of them — could be seen dashing through the trees along the trail. Suddenly, the howling of wolves erupted from all directions.

The horses took off and the wolves attacked. The rear sledge hit a clump and overturned. The shrieks were horrific as the wolves pounced on their human prey. Another sledge tipped and then another, and the swarms of wolves descended on the families.

Pavel and Peter were in the lead sledge, carrying the bride and groom. They were careening at top speed, but one of their horses was now near death with exhaustion. Pavel turned to the groom. They would have to lighten their load. He pointed to the bride. The groom refused to let her be tossed over. Pavel fought with him and tried to rip her away. In the scuffle he threw them both out and to the wolves.

Peter and Pavel survived — but lived in infamy. They were the monsters who had thrown a bride to the wolves. They were forced to flee to the New World.

The story reminds us how thin the crust of civilization really is. It reminds us of what otherwise good people are capable at moments of severe stress and crisis, when fear is up and when conflict — red in tooth and claw — takes control.

It's an especially good story to tell as we enter 2019, because this looks to be the year of the wolves — the year when savage and previously unimaginable things might happen.



DAVID BROOKS

It will be a year of divided government and unprecedented partisan conflict. It will be a year in which Donald Trump is isolated and unrestrained as never before. And it will be in this atmosphere that indictments will fall, provoking not just a political crisis but a constitutional one.

There are now over a dozen investigations into Trump's various scandals. If we lived in a healthy society, the ensuing indictments would be handled in a serious way — somber congressional hearings, dispassionate court proceedings. Everybody would step back and be sobered by the fact that our very system of law is at stake.

But we don't live in a healthy society and we

## Budget: A numbers game

Union Budgets are largely judged by the numbers they project for the coming year and by the extent of slippage or improvement over the numbers they had projected earlier for the current year. Thus, the Union Budget to be presented next month would be analysed on the basis of the numbers it projects for 2019-20 and the revised numbers for 2018-19. The revised numbers or the Revised Estimates (RE) will capture the variance over what was projected last February as Budget Estimates or BE for 2018-19. Even though the exercise by Finance Minister Arun Jaitley next month will be to present an Interim Budget, the general commentary after its presentation would be focused mostly on the BE for 2019-20 and the RE for 2018-19.

However, the Budgets of the Union government every year also present another set of numbers, called Actuals and these pertain to the financial year previous to the one when the Budget is presented. For instance, the Actuals for 2017-18 would be available in February 2019 in the same document along with the BE and the RE for 2018-19 and the BE for 2019-20. So focused will be the commentary on the RE numbers for the current year and the BE numbers for the next year that the Actuals for the last year will be simply ignored. This is a mistake and ignoring the Actuals of the last year, and not examining their variance from the original BE and RE numbers, can weaken the quality of Budget analysis.

The numbers for Actuals escape proper scrutiny because they are released in a comparable format only after a year has gone by. And the urgency and priority of focusing on the current year and the coming year are so much more pressing that public finance analysis in India takes a hit. An analysis of the likely Actuals for 2017-18, gleaned from the numbers made available by the Controller General of Accounts (CGA), reveals a few interesting trends on how the Narendra Modi government managed its

revenues and expenditure last year.

The startling revelation is not in the fiscal deficit or revenue deficit numbers. The government's fiscal deficit for 2017-18 has been maintained at 3.5 per cent of gross domestic product or GDP under both the RE and Actuals, just as the revenue deficit, too, has been kept at 2.6 per cent of GDP under both the estimates. However, sharp variations are noticeable in respect of revenue and expenditure, with revenue showing a shortfall, which has been made good by a cut in expenditure.



### NEW DELHI DIARY

A K BHATTACHARYA

Tax revenue for the Centre in the RE for 2017-18 was estimated at ₹12.69 trillion, about 15 per cent more than the Actuals for 2016-17. But the CGA numbers show that the Actuals for 2017-18 would be lower at ₹12.43 trillion, about ₹26,800 crore less than the RE. In other words, the Actuals for the Centre's tax revenue in 2017-18 would grow at a lower rate of 13 per cent over the Actuals for 2016-17. The variations are wider for non-tax revenue. The latest actual CGA number for non-tax revenue in 2017-18 at ₹1.92 trillion shows a decline of ₹43,450 crore or 18 per cent from the RE numbers for last year. When Mr Jaitley presented the Budget last February, non-tax revenue as per RE 2017-18 was shown to have already declined by 13 per cent to ₹2.35 trillion, compared to the Actuals of 2016-17. Now, this decline on the basis of Actuals of both the years seems to be steeper at almost 29 per cent. This reflects poorly on the government's revenue from dividends and profits from the central public sector undertakings, interest receipt and fees from a host of government services, including telecom spectrum. Since the recovery of loans under capital receipts also declined though marginally, the overall revenue for 2017-18 (excluding borrowings) as per Actuals would thus be less by ₹71,900 crore over the RE of ₹16.23 trillion for the same year.

If the government still managed to keep its fiscal and revenue deficits at the numbers given in the RE,

don't have a healthy president.

Trump doesn't recognise, understand or respect institutional authority. He only understands personal power. He sees every conflict as a personal conflict in which he destroys or gets destroyed.

When the indictments come down, Trump won't play by the rules. He'll seek to delegitimise those rules. He'll seek to delegitimise our legal institutions. He'll personalise every indictment, slander every prosecutor. He'll seek to destroy the edifice of law in order to save himself.

We know the language he'll use. It will be the anti-establishment, anti-institutional language that has been coursing through the left and right for the past few decades: The establishment is corrupt, the game is rigged, the elites are out to get you.

At that point congressional leaders will face the defining choice of their careers: Where does their ultimate loyalty lie, to the Constitution or to their party?

If their loyalty is to the Constitution, they will step back and figure out, in a bipartisan way, how to hold the sort of hearings that Congress held during the Watergate scandal — hearings that inspired trust in the system. They will step back and find men and women of integrity — the modern versions of Archibald Cox, Elliot Richardson and Judge John Sirica — who would work to restore decency amid the moral rot.

On the other hand, if they put party above nation, they will see this crisis as just another episode in our long-running political circus. They'll fall back in partisan lines. They'll hurl abuse. Their primary concern will be: How can this help me in 2020?

If that happens, then the roughly 40 per cent of Americans who support Trump will see serious evidence that he committed felonies, but they won't care! They'll conclude that this is not about law or integrity. It's just a political show trial. They'll see there is no higher authority that all Americans are accountable to. It's just power and popularity straight through.

If that happens, we'll have to face the fact that our Constitution and system of law were not strong enough to withstand the partisan furies that now define our politics. We'll have to face the fact that America has become another fragile state — a kakistocracy, where laws are passed and broken without consequence, where good people lay low and where wolves are left free to prey on the weak.

*The writer is columnist with The Times since 2003. He is the author of 'The Road to Character' and the forthcoming book, 'The Second Mountain'*

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## Cheering madrasas



### BOOK REVIEW

HASAN SUROOR

A madrasa is a quintessentially Islamic institution which, like Islam, doesn't recognise the notion of separate religious and secular spaces and regards *dini* (religious or spiritual) and *duniyawi* (worldly/material) as two sides of the same coin — a non-negotiable package, take it or leave it. A worldview that makes madrasas look antediluvian — and the education they impart irrelevant to the needs and temper of a secular age.

Many would say they don't just "look" antediluvian; they're antediluvian and no

amount of pretend-modernisation by bringing in computers and introducing a smattering of English can change their inherently insular and exclusivist outlook.

This book, however, has a more nuanced take, arguing that for all their flaws they offer a route to educational mobility for Muslim girls from conservative and lower middle class families, particularly from rural areas. The study is confined to only girls' madrasas that train women in Islamic studies, a comparatively recent phenomenon.

Hem Borker, a Delhi-based academic, makes a brave attempt to establish their relevance, but in the end, the image one is left with is of an institution that, at its heart, is fundamentally obscurantist with a culture of exclusion and phoney piety. The book is based on research she did for her DPhil from Oxford University, for which she spent some time at one of India's leading women's madrasas — Madrasa Jamiatul Mominat near Jamia

Millia in Delhi. She argues that many girls from conservative families find madrasas empowering and a potential stepping stone to mainstream higher education, and a career. She cites instances of girls she met who successfully followed this route. Madrasas, according to her, changed their lives. Otherwise, they may have been still stuck at home, changing nappies.

But her case studies seem more like exceptions. Besides, what they're ultimately able to achieve is down entirely to their own aspirations and determination to fulfil them. The role of madrasas is only incidental. An extract Borker reproduces from a brochure of a girls' madrasa in Moradabad is revealing for the madrasas' vision of an ideal educated Muslim woman.

It reads: "A...girl will serve her husband and keep him happy by taking care of his various needs within the Shariyah. With her technical and academic knowledge she

can also help her husband with work, business and family. As a mother, [the] girl will be able to provide proper upbringing to her children and provide them with good morals, religious and modern education.

She will be able to build a sound character in her children."

Even Ms Borker appears to cringe while describing the level of segregation and the misogyny she encountered in madrasas starting with the "obstacles" she herself faced getting access to them as a "single Hindu researcher studying abroad."

"My eventual success in securing access to Madrasa Jamiatul Mominat was in many ways the result of a combination of persistence, flexibility, and luck."

Even then, she was allowed restricted access, forced to cover her head and (like the students) prohibited from using mobile phone, laptop, camera or tape recorder. The madrasa's dress code required girls to cover themselves from head to toe all the time so that no part of their body, includ-

ing even a strand of hair, was exposed.

"This dress code is strictly enforced as a means of training the girls to follow the practice of purdah outside the madrasa. In fact, girls are taught that a proper dress code is one of the most important markers that communicates the modesty and chastity of an Alima (a learned woman) to an outsider."

She found girls living isolated lives behind multiple layers of security, totally cut off from the outside world. From the photos in the book, the madrasa looks more like a high-security prison than an educational institution. Girls are taught to use computers, but Internet use is banned — as are all "means of entertainment" such as seeing movies or going out for meals.

"The madrasa environment was very different from anything that I had been exposed to in the course of my own education or professional experience as a social worker in educational settings," Ms Borker writes.

Though she had worked with minority communities before she had "never engaged with an institution that is so

Muslim, not just in terms of the student and staff composition, but also in its cultural norms, behavioural practices and ethos...zealously fenced, with multiple levels of security, which can be quite unwelcoming and intimidating."

Madrasas' idea of a pious Muslim woman's "appropriate behaviour" is to strip her of any semblance of personal freedom. Curious about the outside world, girls Ms Borker interacted with would ask her: "Do you wear cut sleeves, make-up, do girls and boys live in the same place, do you sit next to boys, do you have male teachers?"

At a time when anything to do with Muslims and Islam is under scrutiny, it's refreshing to come across a sympathetic viewpoint, and I wish I could share Ms Borker's enthusiasm for madrasas. Alas, I find myself struggling.

### MADRASAS AND THE MAKING OF ISLAMIC WOMANHOOD

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Oxford University Press  
326 pages; ₹1,195