

Decoding 2019



TICKER

MIHIR SHARMA

Of course, the only correct answer to that question is: "Nobody has the slightest idea". But, for some reason, people seem to be extremely dissatisfied with that answer. So let's break down the uncertainties, so at least we know why we don't know what we desperately want to know.

First, we don't know how much popularity the Prime Minister has gained or lost over the past couple of years. There are some indications that he is less popular than he was earlier: people are more given to mocking him, for example. The tracking data collected by various psephologists, especially at the Centre for the Study of Developing Societies, also seems to suggest that his popularity peaked a few years ago. Anecdotal, people will say that it peaked sometime between demonetisation and the launch of the goods and services tax or GST — perhaps, fortunately for the BJP, at the time of the UP elections.

But it is also true that he might be more popular than he was earlier. This is my own view. In 2014, he was a relatively unknown quantity, and benefited from the apparent difference that he brought to national politics. But, in 2019, he is an institution. There is a generation of young Indians that has grown accustomed to his style; and, through skilful propaganda, Narendra Modi has become an uncle-teacher-guru figure to large swathes of the country. In spite of disappointment at his government's performance, the PM's own popularity may well have increased.

Second, we do not know what the government has planned for the next couple of months. It is conventional wisdom in New Delhi that Narendra Modi and Amit Shah will not go into the general elections without having somehow managed the narrative through one or more "big bangs". These may not be of the size or reach of demonetisation. But, as the political success of the so-called "surgical strikes" demonstrated, they do not have to be. That episode made it clear that you can, in fact, take an action that has been done before and sell whatever it may be as something completely new — and open up a new front in the debate that you completely dominate.

Third, we do not know how Opposition unity will play out. Will the Congress' success in three Hindi-speaking states mean that it is more capable of playing an anchor role for a possible coalition? Will instead it be seen as possible weakness on the BJP's part, increasing the incentive for individual Opposition parties to strike out on their own instead of standing together against the Modi juggernaut? This is something that will only play out over the next few weeks. It is important to note that this will not happen in isolation either — the BJP will use all its resources, including the institutional machinery available to a governing party, to ensure that the opposition does not in fact come together.

Fourth, what is the real composition of the electorate? In other countries, with stable demographics and economies, it is relatively clear what the relative weights of various social groups and economic classes are. Here, not only is that not clear to start with, but it changes rapidly in just five-year intervals. Hence if we believe that the BJP is less popular in rural areas for reasons of increasing distress, what does that actually mean? How many traditionally "rural" constituencies will actually be determined by the votes of an electorate voting on primarily rural issues? This is extremely uncertain.

Fifth, there is UP. It has always been clear that the next election will be decided in India's traditional heartland. If the BJP sweeps it as it did in 2014 and in the Assembly polls, it may miss out on 272 overall but it will come easily within touching range of a majority government. If the Bahujan Samaj Party and the Samajwadi Party stay together, but the BJP's vote share does not fall too much, then it might win about half the seats it did in 2014 — complicating government formation but not making it impossible. If the alliance stays together and the BJP's vote share falls by about as much it has in the by-elections, then it will lose most of its UP seats, and very likely find itself in Opposition.

All Indian elections are uncertain, but this one is more uncertain than most. Rationally, there are too many imponderables. But, instinctively, for many of us, there remains the expectation that the BJP under Modi and Shah is too much of a political machine, and built up too much of a lead in 2014, to lose easily.

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Paradise in the making

Really? Then why are more Indians than ever before so desperate to flee India?



WHERE MONEY TALKS

SUNANDA K DATTA-RAY

Official India's boastful buoyancy recalls a story that did the rounds in the 1980s when Ronald Reagan was the US president, and East Europe not yet chanting Mikhail Gorbachev's mantra of glasnost and perestroika. It was said in those days of ideological rigour that a Pole applied to the authorities for permission to apply for a passport.

"Why?" they asked. He wanted to visit the US. "Why?" He wanted to attend Ronald Reagan's funeral. "Reagan isn't dead," they retorted.

"The decadent capitalist West holds funerals only after death!" The man preferred to wait in the US than in Poland for Reagan to die.

No Indian would dream of being so unpatriotic. They might have four years ago but that was before Narendra Modi announced "India's surge towards becoming a five trillion dollar economy", as an inspiring message from the Prime Minister's Office reminds us. The PMO gloats over all the tectonic changes and the "massive transformation" since then, the "giant strides that seemed unimaginable" before that dawn when it became bliss to be alive. Corruption disappeared, business became easy, and "sanitation coverage" soared to "97 per cent". Blame faeces-spattered pavements and roadside urinating on the errant 3 per cent. They will vanish when India becomes Congress-mukt Bharat.

Given this paradise in the making for the last four years, why are even more Indians than ever before so desperately anxious to flee India? Almost everyone would gladly drop everything and jump on modern India's equivalent of the high road to England that was "the noblest prospect which a Scotchman ever sees", said Dr Johnson. For Indians, it's probably Dubai or Qatar from where flights radiate in all direc-

tions. So much so that it's become positively embarrassing not being an immigrant. "An Indian from India?" foreigners ask in astonishment on my travels abroad. "Never met one before!" I assure them there are plenty more where I come from, that all Indians don't yet live in New Jersey or Southall.

"India had the most outward migrants in 2017 (17 million) followed by China (10 million) and Bangladesh (7.5 million)", says the Asian Development Bank (ADB). That puts an altogether different gloss on the other proud boast that we lead the world in remittances. Yes, we do, but there are two reasons why the \$80 billion that Indian expats send back far surpasses the savings of Chinese, Filipino, Mexican, Nigerian, Egyptian, Pakistani, Bangladeshi and Vietnamese migrants. First, India's diaspora is the world's biggest. Second, much of this money comes from the Persian Gulf region where some 8.5 million Indians slave away without being allowed to let down roots or even invest locally. They have no choice but to send their money to wife and village.

They are not lordly professionals who entertain Donald Trump, flaunt the Republican Hindu Coalition's colours, root for the Bharatiya Janata Party and whisk their investments away

LUNCH WITH BS ▶ RITU BERI | INTERNATIONAL FASHION DESIGNER

In the lap of luxury

Beri tells Venu Sandhu how India has forever undersold its brand of luxury and why the government must get involved for the industry to get global recognition

Luxury and the government don't go together. The president might live in the country's most luxurious house and several ministers and chief ministers might have bungalows allotted to them in prized parts of Delhi, yet the governments of our country do not want to be seen as patronising luxury. Ritu Beri wants to change that.

"If India is to make a name in the world of luxury, the way Paris and Milan have, we need our policy makers to understand and support luxury," says the designer who has kept an eye on the industry, both domestic and international, for nearly three decades now.

I am meeting Beri at Dolce Tonino in Mehrauli, which is one of the seven ancient cities that make present-day Delhi. The chaotic area, where chic showrooms and designer studios share space with factory seconds outlets and small, haphazardly stocked shops, offers a glimpse of the many worlds that India is. A quaint Italian and salad place, Tonino sits by the busy national highway that runs all the way to Chennai. However, apart from the occasional sound of a Delhi Metro train passing by, the place whose architecture is inspired by Tuscan villas is peaceful.

It's a sunny winter afternoon and we choose to sit in the courtyard. Instead of the elaborate Tuscan menu, we opt for salads. Beri goes for Macedonia di frutta quinoa (summer fruit and quinoa salad with beetroot), while I pick pollo arrosto, which has a much longer name but which is basically roasted chicken salad with grapes, dry apricot, spring onion, fresh fennel and apple cider vinegar dressing.

Beri, who says she doesn't believe in taking a break from work, has had particularly busy few months as she hosted the third edition of the

Luxury Symposium. The symposium, which was organised by the Luxury League, Beri's not-for-profit foundation of prominent luxury brands, is aimed at putting Brand India on the global luxury map by encouraging synergy among stakeholders, and in the process providing game changing opportunities to artisans and craftsmen. Beri realises that if this is to happen, she needs to bring the government on board.

This year, the symposium did succeed in catching the attention of the powers that be. The Prime Minister and the Vice-President sent across letters of encouragement. "And after three years, the commerce minister came," says Beri, taking a spoonful of the salad. "He announced that they would like to start a vertical for luxury and once a year organise an international luxury fair under the ITPO (India Trade Promotion Organisation, headquartered at Delhi's Pragati Maidan). I think that's huge."

Among the eight ministers who turned up at the event was the minority affairs minister, who assured support to some national award winning artisans who were present at the symposium along with a clutch of master craftsmen — weavers, spinners, *zardozi* makers. "And the external affairs minister said they'd like the local luxury brands to offer them modern versions of what they can give as gifts to global heads of state, instead of just picking something up from the cottage emporium," says Beri, clearly pleased with these developments. "It's a start."

The idea for the Luxury League and symposium took root when Beri attended a luxury conference in Paris three years ago. "There they talked about how luxury comes from different countries. They spoke about Belgium, Vietnam and several other

countries but India found no mention," says Beri. "It irked me as I sat there in the audience. I believe that India epitomises luxury — it exists in our royalty, our palaces, our jewellery, our weddings, our food and even in the kind of family time we have. We are luxurious. Period."

The experience irked her, but also excited and provoked her. "I started a trust (The Luxury League) and realised the reason we are not being acknowledged for our "brandness" is that the government does not understand what our treasures are. And even if it does, it does not realise how much we can leverage it," she says.

The grapes in my roasted chicken salad have added a tangy twist and made a predictable dish exciting. That's the kind of twist Beri is talking about — one that will, say, turn a beautiful handmade, hand-crafted piece of work that today carries an affordable tag into a Made in India item of luxury.

"The Cartiers and Van Cleef & Arpels can't match our Indian jewellery. Yet, look at how they market themselves," she says. "We don't tap into our history or create a story to sell a brand."

A shining example of this is Khadi. Khadi, she says, is such a romantic story, one that has Mahatma Gandhi associated with it — "who in the world doesn't know him?"

"We have such a powerful product here, which we don't need to introduce to the world. We just have to talk about it," says the designer who was appointed advisor to the Khadi and Village Industries Commission in 2016 to promote khadi globally. It pains her that the fabric she has had a close relationship with from the time she started out as a designer in 1990 continues to be sold in government style: "the branding, marketing, advertising — all is



ILLUSTRATION BY BINAY SINHA

government. It's not cool. If we have to position khadi at another level, we need to think international standards," she says. It's the same with the trade fairs that India organises abroad. "All we offer is tradition and ethnicity. There is no modernity in what we present to the world."

Our salads are almost over. The portions were large and satisfying. "It's too healthy, this stuff," says Beri about the quinoa. She skips the dessert and opts for green tea, but suggests that I try the chocolate dessert. I order a fonduta di cioccolato con gelato. A baked patty packed with chocolate and accompanied

with vanilla ice-cream arrives. I run my spoon through it and a volcano of chocolate erupts on my plate. Divine. Beri no longer exhibits her creations at fashion shows or fashion weeks. Ask her about it and the response is this: Been there, done that.

Beri is from the first batch of the National Institute of Fashion Technology (NIFT). "Back then fashion was a course you took up just before you were getting married — it was not a serious profession," she laughs. NIFT changed that. Even though it had no campus and classes were held in the shopping complex of Samrat Hotel, just across the street from the prime minister's residence in Delhi, the faculty was world class, Beri recalls.

Right after passing out in December 1990, she launched her brand, "Lavanya", which means "charm". "Since there was not much to contest with, the Ritu Beri label was an overnight success. I was making pots of money," she says. She opened her boutique in the living room of the first floor of her parents' house, not far from the Greater Kailash I market, a shopper's paradise in Delhi, and turned the balcony of the house into the show window. At a time when public relations professionals weren't heard of, she hired a PR agency for her brand.

Beri would go on to become the first Asian designer to head a French fashion brand, Jean-Louis Scherrer, and would thereafter have one foot in Paris and another in India. In the mid-1990s, much before the bridal fairs and bridal weeks became a thing, she would do a bridal wear-focused show in Delhi.

Today, a lot of Beri's energy — and she has plenty of — is consumed by The Luxury League. "When I started, people said, 'Call it The Heritage League because luxury will not get much support from policy makers'. And I said, 'Hell with you. I am not into architecture.'" She understands that at many levels, the world "luxury" is anti-vote. "But it's not — it's handwork, it's your *karigars* (craftsmen) you are supporting."

She's trying to change a mindset. "It will happen," she says, "It is happening."

Of rat holes and claustrophobia



PEOPLE LIKE THEM

GEETANJALI KRISHNA

This week, a cold dark space in my heart, about the size of a rat hole, cast a pall on the New Year celebrations. For way back in 2012, a conversation with the family of an illegal rat hole miner in the hills of Cherrapunji in Meghalaya had left a deep impact. We'd encountered them while hiking to the limestone caves this area is peppered with. En route, the ground underfoot was dirty black because of surface deposits of coal. After a while we came across what looked slightly bigger than a rabbit hole. Next to it lay a pair of slippers. Ahead, a woman was cooking rice on an open fire while keeping a watch-

ful eye on a young child who was scrambling through the rocks and collecting bits of coal in a basket. The father must have gone into the rat hole, I surmised. But probably because this was a small, completely illegal set up, the woman angrily shooed us away when I tried to photograph it.

Later however, when we were on our way back, we ran into her husband, his arms and face blackened with coal. What he told us about the conditions inside the rat hole mine made me feel ashamed of the momentary claustrophobia I had experienced inside the limestone cave, when there was ground water pooling under my feet and little bits of rock and mud falling on my head from above.

There are two equally primitive ways in which rat holes operate, he told us. What he did was simply burrow a tunnel parallel to the ground until he reached a coal seam. Then he'd break off chunks of coal with a pickaxe, fill his rudimentary baskets and collect them in a heap outside the mine. At other sites where coal seams were deeper in the earth, miners would lower themselves into a vertical shaft and then burrow their way to a coal seam.

How did he do it, I asked, memories of my tunnel terror still fresh in

the mind. "My family and I were starving in our village in Bihar," he said. "This is hard work, but at least I earn enough to feed them. It was dangerous work," he said. "These hills are full of such holes and since the land is owned by the tribes here, there is no way to regulate mining here!" He'd heard of many mishaps, he said. "My wife stays close; if I don't emerge from the tunnel on time, she'll raise the alarm. Other miners don't have this luxury". Our conversation came to an abrupt end when I asked who employed him to do this job.

I left, wondering how the government and the civil society of Meghalaya could turn a blind eye to the hazards of rat hole mining. They all must be complicit, I feel, for years after that visit to Meghalaya, and years after the National Green Tribunal banned rat-hole mining in the state, the 15 miners trapped in the illegal shaft in the East Jaintia Hills sadly attest to the fact that little has changed on the ground. Perhaps this tragedy will compel the government to develop and, most importantly, implement, proper regulation on mining. Meanwhile, memories of my panicky claustrophobia in that cave make me even more anxious about the fate of the trapped miners.

Trust me, I'm an expert



PEOPLE LIKE US

KISHORE SINGH

I am a recent expert on *lehngas*. Not of my choosing, I hasten to add — I was co-opted into the shebang when things appeared to collapse between expectations and experience. Tears were shed; tempers frayed. When I pitched in, it was by way of support for the campaign to find the best wedding outfit ever, and to have it commissioned within the time we had at our disposal (a few months). What I hadn't counted on was being dragged to appointments at designers' sanctums for trials, to Chandni Chowk for comparisons, to approve (or not) the way a skirt swayed. Was it too subtle for the price? Too blingy for the occasion? What colour of fabric,

what of the embroidery?

Here's what I learned. The trousseau team sizes up your intent on sight — casual browsers, nervous novices, panicky last-minuteers. You don't just go cruising for wedding outfits, you have to seek appointments with the bridal team, and if you want the designer present, you have to beg, or pull strings, find somebody who knows somebody who knows the designer and will do you the favour — but you owe a whopping huge one in return. It's easier to see a heart surgeon than a designer whose appearances on social pages far outnumber their presence before clients. Woe be it if you're late for your appointment because the slots are quickly taken by other brides in the queue.

It didn't matter that I could not always be present. The enterprising bride — soon to be our daughter-in-law — would WhatsApp pictures as she made time for fit-outs and trials between her meetings. These demanded an urgent response, too bad if you had to excuse yourself from pressing matters in the office. Was this motif better? Did the colour demand a contrast lining? Did I prefer georgette to chiffon, organdie to net? Scant work or heavy? The *lehnga* took precedence over work.

Did you know that the average weight

of a wedding *lehnga* is 20 kilos? That weight needs to be dispersed evenly across a circumference of several metres so the bride is not in danger of keeling over and collapsing on one side, or toppling over inelegantly because the top and bottom ratios were not engineered with the precision of a NASA space rocket. Add a *dupatta* weighed down with *zardozi* and the weight of gold around neck, ears and wrists, and you have the feistiest of women morphing into comely brides under the heft of what they're wearing.

It finally came to pass that the bride found her outfit and all was well with the world till the groom — our son — took a sulk. Why were we not invested in his outfit? Did we not care how he would look on his wedding? Was he supposed to pick something off the shelf on this most important day of his life? Could we make the effort to find him something to match his bride's dress? And so it began all over again. My wife's pick of brocade was shot down by the first designer we went to. We're now hunting for something that's customised, hand-embroidered, not entirely subdued, nor too flashy, that he will wear for one time and forever consign to the back of his cupboard. Did I tell you I'm also now an expert on *sherwanis*?

Lutyens Delhi

The prime minister says that his regret has been his inability to win over “Lutyens Delhi”. The term referred originally to the government buildings and surrounding bungalow zone that the British built as their new Indian capital a century ago. Edwin Lutyens was one of the chief architects, but (fortunately) many of his ideas for the new capital were shot down. Lutyens’ initial ideas did not include the choice of red sandstone, traffic roundabouts, trees and bushes, and placing Rashtrapati Bhavan atop Raisina Hill. Most of the buildings in the new capital (including the bungalows) were actually designed by other architects, not Lutyens. But Lutyens’ Delhi it is, though he had an active dislike of most things Indian, including its people.

So who lives in this anti-Modi centre of town? More than 90 per cent of the original 1,000-odd bungalows spread over some 19 sq km are owned by the government, and house ministers, MPs, senior officials and the military brass. They could not be the source of Mr Modi’s regret. But Lutyens Delhi has been expanded in stages to 28 acres so as to include the diplomatic enclave and tony residential areas like Golf Links. These are among the country’s most sought-after addresses. Chief ministers wangle Lutyens bungalows. Parliamentarians past their term are reluctant to leave. Businessmen from other cities acquire Lutyens residences. Retired government officers hang out in the Gymkhana Club. Yet, the area’s population would be under 300,000, less than 2 per cent of a city of 16 million. Why would any politician, let alone the prime minister, bother with them?

The real Lutyens Delhi, therefore, is not the architectural legacy or the residents. Rather, it is an idiom that captures the city’s reality of lobbyists and lawyers, think-tank seminarists and event managers from the business “chambers”, serving and retired diplomats, journalists and (always) the India International Centre — which with its modest intellectual resources and basic food menus must be perpetually surprised at the importance it is given.

One could call it “the establishment”, except it is not certain that India has an “establishment” — a small, mostly self-selecting elite group that commands long-term authority. In Britain, the short form for this was Oxbridge, whose alumni ruled the country and ran London’s all-important financial centre irrespective of who was elected to office. Delhi’s educational elite, comprising the English-as-first-language alumni of half a dozen colleges and institutes, does not qualify in the same way, though many of them are in government in one way or the other and easily spotted in the city’s watering holes.

In Washington, they talk similarly of the Beltway, a large ring road. Those who live within the Beltway are often said to be politically divorced from the rest of the country. That’s not true of Delhi, which, with its mix of people from the north, south, east and west, tends to vote with the all-India swing: eg. with the BJP in 2014. But Lutyens Delhi is different. Its opinion-leaders debate liberalism and secularism, while voters worry about unviable farms, jobs and now stray cattle, none of which Lutyens Delhites have to worry about. Yashwant Sinha, as finance minister, used to say that the questions he was asked in post-Budget interviews had nothing to do with the concerns of his voters in Hazaribagh.

The Modi government is not without its eminences from Lutyens Delhi, like Arun Jaitley and Hardeep Puri. But Mr Modi is right in believing that the dominant views in this enclave (a favourite Delhi word) are not aligned with his. So what exactly is the regret? That perhaps the BJP is still cast as the subaltern. It has managed to rewrite some text-books, squeeze or raid seditious NGOs, induct intellectual storm-troopers like Subramanian Swamy and S Gurusamy, get retired generals on its side, gain its share of voice on news TV, and take control of places like Jawaharlal Nehru University, but it does not yet constitute the establishment, or what passes for it. Will the subalterns eventually storm the Bastille? Ironically, it is the voter who may decide.

The year that changed the 2019 race

Twelve months have rewritten India’s political script and Lok Sabha elections this summer will see a real contest

One week may or may not be a long time in politics, but a year can be. A political year, doesn’t, however, necessarily follow the Gregorian rhythm but one that is so schizophrenic that you mostly feel it once it has left you by. It also changes from year to year, and not necessarily every year.

Let’s simplify. There can be years at a stretch when our politics remains fundamentally static. The three years between mid-May 2014 and late 2017 were like that. These years could be a political commentator’s nightmare if only the prime minister had not taken pains to light them up with demonetisation, etc.

Until the winter of 2017, most analysts would have agreed on three things: That a second term for Narendra Modi was a done deal; that Rahul Gandhi and his Congress were in terminal decline; and that, long after Indira Gandhi’s heyday, India was headed for a long spell of one-party rule, and unipolarity. The big win of Uttar Pradesh had 21 states under the BJP’s belt and pretty much set the tone for the rest of the state elections scheduled during the Modi government’s term, and the big test in 2019.

Something changed by mid-December 2017. Yes, the BJP won a remarkable sixth term in Gujarat but the contest had been closer than anyone had anticipated. It was reflected in the anxiety that both Mr Modi and Amit Shah displayed in their campaign.

The prime minister’s tears — in victory and relief — at the BJP parliamentary party meeting shortly thereafter, showed what a close call it had been. We had then written that this will bring about a fundamental shift in Modi-Shah politics. That they will no longer be plugging growth and jobs but a three-point proposition of Hindutva, hard nationalism with welfare, and corruption-busting crusading. We can look back in satisfaction that we made the right call.

It still wasn’t the most important change and, to that extent, we failed to anticipate it. On December 18, 2017, not many would have said that Indian politics would lose its unipolarity in

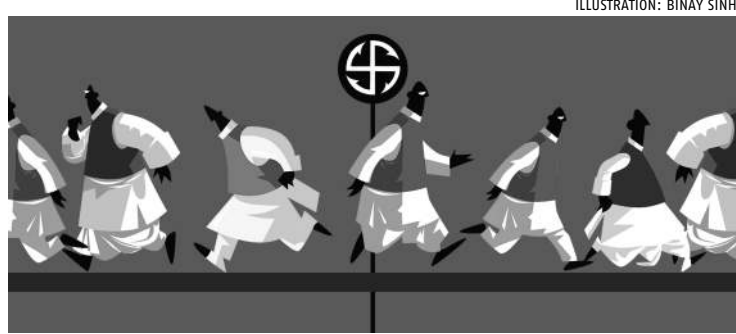


ILLUSTRATION: BINAY SINHA

the next 12 months. That’s exactly what has happened now.

How unipolar our politics had become was evident in that storied, sniggering exchange between Times Now anchor Navika Kumar and BJP General Secretary Ram Madhav. Asked what the BJP would do if it fell short of the numbers in Karnataka, the ruling party’s most powerful and prominent commissar said, so what, we’ve got Amit Shah.

It was no empty boast. It was conventional wisdom that if the BJP fell short of the numbers anywhere, enough of the rest will automatically gravitate to it as the only pole to go to. Its successes in Goa and the smaller Northeastern states, where it would form the government whether or not it was the largest party (Goa, Manipur) or in a minority of two (Meghalaya), had shown that the numbers no longer mattered to it as there was no competition. Many of these Northeastern BJP governments, therefore, were more like leveraged buyouts. That is the leverage, Ram Madhav suggested, Mr Shah personalised.

It changed first with Karnataka. While the Congress surprised its friend and foe by going against its power instinct to cede chief ministership to a smaller ally, the seeds of a new politics were planted: A growing alliance of all those who were so desperate to keep the BJP out, and they

would pay any price for it now. This challenged Amit Shah style politics. His power, of course, came from resources, and that much-used word these days — “agencies”.

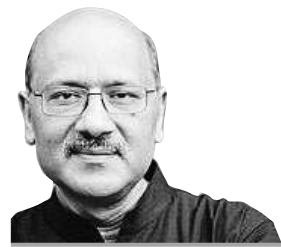
At some point in the battle for Karnataka, the BJP’s rivals lost their lure for immediate largesse and fear of the agencies. The BJP’s inability to win despite bending every law and morality by getting the CBI to let off the Bellary brothers months before that election was a political setback of lasting implications. Mr Modi’s inability to swing a decisive win despite anti-incumbency and humongous spends, Bellary mafia power, combined with that formidable show of

autonomy by the Supreme Court, which sat overnight to prevent a hijack in Bengaluru, had taken away the aura of invincibility from Mr Modi.

First of all, Karnataka proved that Mr Modi and Mr Shah were no unbeatable geniuses, and the Congress still had the guile to defeat them strategically. Further, Mr Modi had failed to win an election where he was the favourite, the powers of resources and agencies had failed to win over MLAs, and institutions, notably the Supreme Court, were defying him. A footnote: This had happened about a year after the first institutional setback to the Modi-Shah BJP, at the Election Commission, over Ahmed Patel’s Rajya Sabha election in Gujarat. It was now becoming clear that you could take the

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NATIONAL INTEREST

SHEKHAR GUPTA

The story of the ₹2,000 note



VIEWPOINT

DEVANGSHU DATTA

I was a cricketer axiom that a wicket-keeper was only noticed when he fumbled; a keeper who flawlessly received every delivery and took all chances could play out a match without comment. That changed with coloured clothes and the “chirping” algorithm; nowadays a keeper is the team’s designated sledger. Fumbles and missed chances are overlooked if he can get quick runs.

The same axiom still holds true for currency notes, however. A good currency note will be introduced without fanfare. It will be seamlessly integrated into transactions. It will be durable and incorporate security

features that make it hard to forge.

The ₹2,000 note introduced during demonetisation (in November 2016) checked none of those boxes. It was criticised from day one even as its advocates extolled the virtues of its (non-existent) chip. It was the wrong size physically, and couldn’t be dispensed from ATMs. The colour induced seizures in epileptics. The dye used ran upon the slightest application of moisture. The security features were minimal and temptingly easy to copy.

It was also the wrong dimension in terms of value. Some genius assumed that a 2,000 note could seamlessly replace 500s and 1000s in ordinary transactions. What’s more, change could be easily created for it using only the ₹100 notes. If that genius had consulted an actual chai-wallah, he might have thought twice.

There was a simple arithmetical absurdity. In November 2016, 86 per cent of the currency in circulation (CIC) was demonetised. The largest remaining note was that of ₹100 — this constituted about 10 per cent of CIC. The ₹2,000 note was churned out at a great pace, which is why it used shoddy dye and minimal security. It eventually constituted 38 per cent of CIC.

Assume a transaction of ₹00 — say, a

couple of beef rolls in Kolkata. Pay for it with a ₹2,000 note. You need 19x the number of notes in change. Given the ratio of 100s in circulation to the number of 2000s, a severe shortage of change is guaranteed. This was not the case either with the ₹500 or the ₹1,000 note — the change ratio was much better with smaller denominations.

The lack of durability has been irritating to people who have been forced to go to their banks and argue over replacements for brand new, discoloured notes. The lack of security has led to more fakes. According to the Reserve Bank of India, 18,567 fakes had been detected by March 2018, when the ₹2,000 note had been in circulation for just 17 months. The “insecure” old ₹500 note, which had been in circulation since the year 2000, took 15 years to reach that mark. Yes, higher rates of detections could be due to better technology but that sort of differential means there are far higher numbers of fakes in circulation.

The ₹2,000 note has also been in the news for other fumbles. It is a good store of money for precisely the same reason why it’s a bad note for small transactions. It’s physically possible to pack more money in less space. A cynical realtor told me that the property market survived 2017 and 2018

only because the ₹2,000 note enabled big black transactions. Indeed, anecdotal evidence suggests that the black ratio of land deals (cash to cheque) has remained more or less constant, except for a brief 3 month period in 2016-17 when the real estate market just froze. Real estate is one of the two largest repositories of black money. The other large sinkhole for black money is campaign financing. It doesn’t take a conspiracy theorist to wonder if reports — that the ₹2,000 note is not going to be printed anymore — has any connection to the upcoming general elections.

In that context, rumours of a sudden demonetisation of the ₹2,000 note prior to elections are less farfetched than the events of November 8, 2016. Fake or not, this rumour made shopkeepers reluctant to accept the ₹2,000 notes. This may be why the Economic Affairs Secretary had issued a denial.

Another demonetisation would inconvenience any political party unprepared for it. But it would also inconvenience chai-wallahs and pakoda sellers and the electorate would not deal well with it. If it happens, the ₹2,000 note would be the shortest-lived and most-commented upon currency note in India’s history.

The governor and the media



LINE AND LENGTH

T C A SRINIVASA-RAGHAVAN

Films, sport, politics, sex — and now central bank governors as well. You’d never have thought a day would come when a part of the media would cover them with the same intensity, even if not the same frequency.

There was a time when no one knew the names of central bank governors, nor cared. I remember going for a job interview in 1973 and being asked who the RBI governor was. I didn’t have a clue and almost said Tulmohan Ram, who was in the news those days for a major scandal.

The obscurity of central bank governors gave way to fame in 1980, when Paul Volcker became chairman of the US Fed and, in order to control inflation in America, brutally squeezed out liquidity.

and the political need to blame someone, the US media raised Volcker to the same level of visibility as Bo Derek, who often dressed scantily in her films.

In India, always late to catch up, the 1980s continued along the old lines — near zero mention of the governor’s name even when the RBI was being covered. Between 1977 and 1990, the RBI had four governors whose names probably appeared in the press — only print then — maybe 10 times a year.

There wasn’t even a whisper when one of them threatened to resign and another actually did. Governors were not news, the RBI was — and even that only twice a year when it announced the slack season credit policy in April and the busy season one in October.

Monkey see, monkey do

This began to change in the 1990s but very slowly. S Venkitaraman and C Rangarajan were old school and preferred to keep a low profile.

Even Bimal Jalan, who cultivated the press assiduously, kept his head down and let his deputy governors do much of the talking. The press, which was yet to become the media, also showed a scant interest.

But in 2001, George W Bush chose India as America’s friend. This about-turn

in US policy — it had imposed sanctions on India in 1998 after India tested its second nuclear weapon — brought with it a sudden upsurge in the flow of US dollars into India.

The Western press, catering to the needs of the City of London and Wall Street, soon started focusing on the governor and the Indian media followed suit. The latter became such a nuisance that when a governor asked me once how to avoid the waiting hordes of TV journalists seeking a “bite” I told him never to go anywhere where there was no backdoor. Then the finance minister became envious of all the coverage the governor was getting and also started giving “bites”. This prompted one finance secretary to tell his minister not to make impromptu statements, to no avail of course. After September 2008, the coverage of the governor became even more intense and it led to a distinct improvement in the RBI’s media management. The governor started giving audience.

And then, in 2013 came Raghuram Rajan. In appearance, he was very different from two of his immediate predecessors.

Handsome, articulate, IIT, IIM, TAS, MIT, professor of finance — India’s Bo Derek had arrived. The media went crazy and Mr Rajan paid the price. All his erudition and learning could not undo the

effect of the out-of-context reporting that followed.

He was followed by Urjit Patel, who can put Trappist monks to shame. But deciding that discretion is the better part of valour was of no use. If Mr Rajan was toasted, Mr Patel was roasted — for doing a governor’s main job, which is to keep inflation low.

A turning wicket

Shaktikanta Das has been put in to bat on this wicket. He will not only have to deal with the media but also a new coalition that expands budgetarily unfunded entitlements.

Mr Das is not new to the media, having had to deal with it singly and in groups over the last decade. The high point of that exposure was when he was asked to fish the prime minister’s demonetised chestnuts out of the fire.

Mr Das now has to decide how to deal with it over the next three years. I can offer two suggestions.

First, don’t stand on status and protocol. Meet the beat journalists over small impromptu private lunches as I believe Mr Jalan used to. As to the editors, they don’t matter. So meet them in groups.

Second, tell the beat reporters what Y V Reddy once said: Watch what I do, not what I say.

Gangs of the OTT War

EYE CULTURE

VIKRAM JOHRI

In their race to come up with the most originals in the shortest span of time, Netflix and Amazon Video both launched a series of India-focused shows this year. Of these, *Sacred Games* on Netflix and *Mirzapur* on Amazon Video, sprawling productions with Bollywood royalty starring, generated the most buzz.

Neither show though succeeded, even if it racked up the numbers on IMDb, the online movie aggregator that is the byword for critical success derived from its 10-point system. Currently, *Sacred Games* is at an 8.9 while *Mirzapur* boasts only the slightly less stellar 8.6.

Given Netflix’s superior marketing spends, its show has been discussed threadbare in the media, while Amazon’s offering, in the absence of the show having sparked a national conversation the way its Netflix rival did, has become something of a cult classic, with dedicated viewers lauding it on online forums.

Set in the Uttar Pradesh city from which it derives its name, *Mirzapur* is the story of Kaleen Bhaiya (Pankaj Tripathi), a carpets-and-guns trader who runs the town as its unchallenged boss. His son, Munna Bhaiya (Divyendu Sharma) is a criminally reckless no-gooder who, to prove the point, kills the groom of a wedding party in the very first episode.

When the family of the slain youth approach Ramakanth Pandit (Rajesh Tailang), an upright lawyer, to fight their case, Kaleen Bhaiya deposes his son to take care of the matter. Things do not go as planned — Pandit’s two sons Guddu and Bablu (Ali Fazal and Vikrant Massey, respectively) beat the goons to a pulp and do not leave Munna unhurt either.

The problem with *Mirzapur* is neither the storyline nor is the noirish treatment of its subject matter. It is its unrelenting grimness. It would not be spoiling the show to reveal that Guddu and Bablu come to work for Kaleen Bhaiya as a resolution to the episode. One of their first tasks is to check if a distributor of guns is siphoning money to a rival. When they reach his home, not only do they kill the distributor in cold blood, they also finish off his family.

The show tries to introduce a semblance of rationality through the dual personalities of Guddu, the beefy pageant-title dreamer who is eager to kill, and Bablu, the studious IAS aspirant who must agree to work for Kaleen Bhaiya if he is to survive in *Mirzapur*.

power of the BJP on, and hope to not just survive but even win.

It set up a different tone for the coming Hindi heartland elections. The party and its allies could now believe that Mr Modi was beatable, something they wouldn’t have dreamed of before mid-December 2017. By mid-December 2018, they believed for the first time that power was within their reach. That is why we call December to December 2017-18 as a most important political year.

The afternoon the Madhya Pradesh-Rajasthan-Chhattisgarh results came, we had said that Mr Modi’s idea of creating a Congress-mukt India was over. He also acknowledged it indirectly in his now doubly-famous interview to ANI’s Smita Prakash by saying that his idea of a “Congress-mukt” India wasn’t that the party was demolished and buried but where its ideology and thought ceased to exist. Then he defined his idea of that Congress thought: Casteism, dynastic politics, undemocratic and nepotism.

Now, with the rise of Rahul Gandhi, a caste-based parties’ alliance (SP-BSP) threatening the BJP in Uttar Pradesh and the Congress counter-attacking him with corruption charges, even if his definition of the Congress as a thought is correct, it is now back, much stronger than it was at any time after 2010.

This is the second pole Indian politics was missing for at least three years. You will have to be nuts to say that Mr Modi is now an underdog for 2019. His personal popularity, connect with his audiences and magnetism are largely intact. As we have said before, in India a strong leader with a majority has never yet been defeated by a challenger. He (or she, as with Indira Gandhi in 1977) must defeat himself.

For that three things must happen: One, that he should become so unpopular that people will vote against him, no matter who might come to power in his place. Two, that a critical mass of diverse political forces should detest him so much that they will sink their differences and ambitions and come together against him, fear being the glue. And three, that there must be someone, some force for them to gather around, not necessarily a likely prime minister. In 1977, against Indira Gandhi Jayaprakash Narayan played that role, and in 1989 against Rajiv Gandhi, it was V P Singh.

From being a bumbling, fading dynast a year ago, Rahul Gandhi has led his Congress into that — second pole position. The game for 2019 is now on — the reason the prime minister has chosen to miss Parliament and launched his campaign already.

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