

# A flight that wasn't

How did Naresh Goyal and his wife clear immigration at the Mumbai airport if there was a lookout circular?



**NOT FOR PROFIT**

NIVEDITA MOOKERJI

A powerful business tycoon being deplaned and stopped from flying out of the country could any day be a scene from a racy thriller. But the dramatic sequence of events leading

to Jet Airways Founder Naresh Goyal and his wife getting off-boarded from an Emirates flight to Dubai holds a mystery that hasn't been unravelled.

How did Goyal and his wife clear the immigration at Mumbai airport if there was a lookout circular, on the basis of which they were told to get off the plane some minutes later? With no clear answer to the question from the authorities, there are two possibilities that may have played out last Saturday when Goyal, an NRI, almost left for Dubai where he has a residence, and may have wanted to proceed to London from there.

The first and the most likely scenario a deconstruction of the event throws up is that there was no lookout circular for the Goyals but it may have been in the making. That's why the immigration, which had no evidence of a lookout cir-

cular, cleared them and the duo got into their first class cabin on the plane. After the Goyals cleared the immigration, an alert, either at the airport or on the flight, would have been sent to top government officials, resulting in a flurry of activity on the ground including giving the final touches to the lookout circular. By the time the Goyals returned to the Mumbai airport after being de-boarded from the Emirates flight, the authorities were possibly ready with the lookout circular issued by the Serious Fraud Investigation Office (SFIO), stopping them from travelling overseas. It is not known who at the Mumbai airport or from the Emirates flight raised an alarm that Goyal and his wife, with unpaid dues of more than ₹8,500 crore, were leaving the country.

Functionaries in the SFIO, under the Ministry of Corporate Affairs, later clarified

that a list of around 20 persons had been drawn up for lookout circulars, based on transaction frauds and origin of funds, and that the Goyals were part of the list.

A second scenario, as to why the Goyals were allowed to cross the immigration and board the flight to Dubai, is not completely unbelievable either. That is, the SFIO lookout circular against the Goyals was already in place but the immigration failed to spot the names. Such errors do happen routinely, it seems. For example, a top banker was stopped a few months ago at an Indian airport on his return from a trip abroad. He was asked how he had managed to travel overseas because there was a lookout circular against him. The stunned executive, who's part of a list of bankers under the scrutiny of the Central Bureau of Investigation (CBI) for loans given to the now defunct Vijay Mallya-founded Kingfisher Airlines, tried to explain that the immigration did not stop him when he was leaving the country and that he had no clue there was a lookout circular against him. In that case too, the immigration probably didn't catch the name right

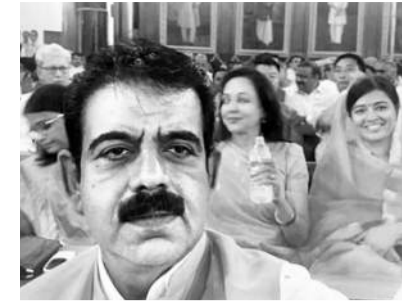
despite the CBI circular being in place.

So much for a lookout circular, that by definition, is a letter used by authorities to check whether a travelling person is wanted by the police. The circular is typically used at immigration checks at international borders like airports or sea ports to monitor entry and exit of people required by law enforcement authorities. Whether or not the immigration officers are aware, a lookout circular comes with an expiry date. According to the guidelines prepared by the Ministry of Home Affairs, validity of a circular is stated by the originating law enforcement agency. Unless specified, it is valid for a period of one year but it can be extended in case there's a request. That implies that a lookout circular stands suspended beyond one year, unless the validity is extended or specified.

Now that elections are over and results are out, the government would like to be seen as coming down hard on industrialists, who are under the scanner. In that backdrop, the lookout circular against the Goyals is just a beginning, despite the mystery of the immigration giving them an all clear.

## CHINESE WHISPERS

### Fanboy moment



There are many first-time Members of Parliament this time and most of them are in the news for some reason or the other. Shankar Lalwani (pictured) from Indore is one of them. When he reached Delhi to attend a meeting of the NDA parliamentary board, he noted that actor and fellow MP Hema Malini was also present at the meeting. Without wasting time, he clicked a selfie with the actor in the background. The selfie went viral in no time. When he returned to Indore and local leaders asked him about the picture, an embarrassed Lalwani backtracked: "I was just clicking a selfie. I had no idea who was sitting behind me," he told his party colleagues.

### All eyes on Raveendranath



The All India Anna Dravida Munnetra Kazhagam won just one of the 38 seats in Tamil Nadu in the just concluded Lok Sabha election. But the party is hopeful of getting a plum post in the to-be-formed National Democratic Alliance (NDA) government at the centre, said minister Kadambur Raju. OP Raveendranath (pictured), son of state Deputy Chief Minister and AIADMK coordinator O Panneerselvam, is the only winner from the party and he is known to share a warm relationship with the Bharatiya Janata Party leadership at the centre. All eyes, therefore, are on the 39-year-old.

### Coming soon: Chambers' PC



Not many remember that the various business chambers did not hold the traditional press conferences (PCs) by their incoming presidents this year. The appointments were over by April but the PCs had been postponed to ensure they are heard by the new government. Wait for the announcements about those PCs soon.

# Switching from slow to fast track

After languishing for over a decade, the DFC corridor now has a new deadline. And it's a race against time

SHINE JACOB

In January 2004, Australia commissioned what is regarded as one of the most difficult railway lines to be ever built in the world — across the inhospitable terrain from Alice Spring in the north to the deepwater port of Darwin in the south. Around the same time, the Railway Board in India, headed by Chairman R K Singh, was working on pulling off a similar feat with a dedicated track for freight to speed up traffic flow.

The project was shelved after initial deliberations citing cost effectiveness, but was given a fresh lease of life in 2006. But since it received the final go-ahead, the Dedicated Freight Corridor (DFC) has been stumbling over hurdles — from land acquisition issues to cost escalation and delay in implementation.

Nearly a decade and a half later, however, DFC may finally see the light of day with the Narendra Modi government planning to complete it by December 2021, ahead of India's 75th Independence day in 2022.

According to multiple sources close to the development, completion of Eastern and Western Dedicated Freight corridors by 2021 will be one of the key priorities of the Modi government during its second tenure. "The western and eastern dedicated freight corridors, covering 3,360 km of track across nine states, are vital to increase the total traffic of the Railways by at least 144 million tonne (mt) by 2022," said an official close to developments.

In a strategic vision document prepared in March, the Railways' has set a target to increase its share in the coun-

try's overall freight basket from 33 per cent to around 50 per cent by 2030. Studies conducted by the World Bank, which is funding the Eastern DFC with a loan of \$2.360 billion, and Japan International Cooperation Agency, which offering ₹38,722 crore for the Western DFC, traffic flow is set to reach 264 MT for eastern corridor and 284 MT for the western corridor in 20 years.

The corridor is a massive logistical exercise for the Railways. So far, the Dedicated Freight Corridor Corporation of India (DFCCIL) — a special purpose vehicle for the project incorporated in 2006 — has awarded all contracts for construction to begin, except for system contracts for Khurja-Dadri and Khurja-Ludhiana sections of the eastern corridor.

Land acquisition was initially a big hurdle but by February this year, nearly 98.5 per cent of the land has been acquired — except for the Sonnagar to Dankuni section, which is in the process of being acquired, according to a senior DFCCIL official.

But the construction work is only half way through and meeting the target is a race against time. On August 15 last year, the Railways had conducted its first successful trial run of the western corridor covering a 190-km stretch from Ateli to Phulera. This was followed by two more trials between Badan and Khurja (194 km of the eastern corridor in November) and Madar and Kishangarh Balawas (306 km on the eastern corridor).

The delay has of course not been without consequences for the Railways. Though the initial cost of the project was ₹28,181 crore, a revised estimate in



**Eastern Dedicated Freight Corridor:**  
LUDHIANA TO DANKUNI  
**1,856 Kms** Of this, 538 Kms from Sonnagar to Dankuni are under PPP

**Western Dedicated Freight Corridor:**  
JAWAHARLAL NEHRU PORT TERMINAL (JNPT) TO DADRI  
**1,504 Kms**

**INVESTMENT**  
TOTAL ₹ **81,459** CRORE  
Expenditure incurred so far: Over ₹ **43,000** crore

Land acquired: **98.5%**

Physical progress: **55%**



2015 pegged it at ₹81,459 crore — factoring in price escalation and interest during construction.

"DFC was initially conceptualised with a lower axle load, which was later increased to a heavier 32.5 tonnes substructure axle load and superstructure with axle load of 25 tonnes, that naturally increased the cost of the project. In addition to this, cost of land, change of scope of the project and some other technical requirements also added to the cost," said R Sivadasan, former finance commissioner with the railways.

After the renewed focus, the Railways seem confident of finishing it

on time. "Though started work in 2007, the DFCs were initially expected to be on track by 2011. However, due to speeding up of work in last three years, we will be able to deliver it by December 2021," said another official.

What's of concern though is that land acquisition woes and project delays are not rare for the Railways. According to available data, at least 505 projects — including 263 doubling of lines, 185 new lines and 57 gauge conversion — are under various stages of execution. Of this, several projects are facing a cost overrun — owing to issues like acquisition of land, shifting of utilities and delay in various statutory clearances.

All these projects are important to increase the Railways' freight and passenger traffic as well to help it compete efficiently with other means of transport. The DFC, for instance, will not just increase the freight volume, but also increase the average pace of freight traffic in the country. According to the Railways, the average speed in DFC will be around 75 kmph, compared to the existing 25 kmph. One advantage for consumers will be the cost effectiveness, as it is expected to cut the unit cost of transport by at least 40 per cent. DFCCIL also expects savings of 457 MT of CO2 emission over a period of 30 years, once the project is on track.

## INNOCOLUMN

# Competitor obsession promotes hubris



R GOPALAKRISHNAN

Many Indian startups, designed on Silicon Valley principles, appear to be aiming to destroy the enemy and to grab the prize of winner takes all. In the process, they are drowning in a dangerous ocean of swirling losses. I cannot understand why so many Indian unicorns are eulogised for business savvy and growth even though they incur every year a loss of three to four times their revenue.

Commenting on Silicon Valley, *The Economist* (April 20, 2019) reported that 12 or so American unicorns that have listed are likely to post combined losses of \$14 billion for the last year, with cumulative losses of \$49 billion. The poster boy startup for stupidity in funding and management preoccupation with valuations is Theranos. Among well-established companies, Xerox's inability to read emerging consumer needs has been well documented as a case of losing focus.

Cycles of human folly have played out for centuries, so why would people not continue with their foolish acts? On the flip side, there are magnificent startups that invested heavily, incurred losses but built up unbelievably valu-

able companies. Remember, it is not the incurring of losses that is incorrect. How come losses work for some, and not for others? Winners are consumer-focused, not competitor-focused. Companies like Microsoft, Amazon and Apple, which invested in deep technologies behaved differently from the undifferentiated, copycat companies that simply out-advertise competitors.

In my book, *CRASH: lessons from the rise and exit of CEOs*, I have reviewed the pernicious and damaging effects of power on leaders. The suppression of the empathy neurons in the brain results in an over-assessment of their capabilities — recall how Napoleon invaded Russia foolishly in 1812 when he famously said that Impossible is a word found only in a fool's dictionary. Such an arrogant and self-preening leader would be least aware of the effect of power on his or her behaviour.

As argued in some writings (Mark Bonchek and Gene Corfield, *Harvard Business Review*, April 28, 2016), customers are individuals, who are sort of tiny enterprises. Individually, consumers are changing faster than the company; their needs are quite liquid, and they are concerned with the service that suits them, not with the service provider or the technology. Changing consumer preference is the reason why getting a management's eye off consumer-orientation produces unintended consequences.

Modern design thinking lays great emphasis on the role of empathy. This is quite foundational and requires you to put yourself in the hearts of people and experience the feelings of the other person. When the voice of the product, the voice of the system and the voice of the process are all heard together, then an infinitely superior



ILLUSTRATIONS BY BINAY SINHA

product experience emerges with effectiveness. A technique known as TRIZ is used by experts.

An institution that is competitor-focused to a fault comes through as self-preening and over-confident, especially when a firm has enjoyed a winning spree. During the onslaught of Nirma on Hindustan Unilever's detergent business from 1970s to mid-1980s, there were many internal discussions about the unfair tactics of the competitor. When the company waded from ankle-deep into hip-deep hot water, a spirited chairman and vice-chairman (Ashok Ganguly and Susim Datta) massively aligned the company back to consumer-focus, creating Wheel. Wheel detergent played a cardinal role in restoring the company's focus and became a valuable brand for HLL over time.

Patanjali Ayurved started with huge bluster, captured through the personal image of Baba Ramdev. It was highly competitor-focused. The company pretended to be in national service, and about to blast MNCs off their profit-sucking ways. Equity analysts wrote

fawning reviews, so did the pink press. Patanjali has lost its way amidst its own competitor obsession.

It is not only companies, but other institutions as well that should avoid competitor-obsession. Among political parties, history suggests that if communications to the voter ooze with self-praise and obsessive derision of the competition, unexpected results can emerge. As examples, recall the self-preening behaviour of the then ruling political parties that lost elections in India in 1977 (Congress) and in 2004 (Bharatiya Janata Party); think of the superbly confident Yahya Khan before the Pakistani elections of 1970, resulting in the East Pakistan revolt.

Arrogant, self-centered, competitor obsession is more than likely to fail — whether a company, a political party or any other institution.

The writer is a corporate advisor and distinguished professor of IIT Kharagpur. During his career, he was a director of Tata Sons and a vice chairman of Hindustan Unilever. Email: rgopal@themindworks.me

## LETTERS

### Static, not dynamic

Please refer to the article, "Average tax payer 346 years behind MPs" (May 29) by Sachin Mampatta. It says that the average assets of an MP are now 345.8 times that of the annual income of a tax filing individual. This is fine. But when in the next sentence he says that "this means that it will take the average taxpayer 345.8 years to earn the equivalent of the assets of an average Lok Sabha MP", he has committed the mistake of assuming that the income of the MPs will stay put. In terms of economics, he has committed the mistake of a ceteris paribus assumption which means, "other things remaining the same". The correct assumption is called mutatis mutandis, which means "other things changing". He has made a static assumption rather than a dynamic assumption. What will change is that the rich will become richer at a much faster rate than the poor. Thomas Piketty, in his famous book, *Capital in the Twenty-First Century*, has proved this thesis. The most quoted Piketty theory is, "... that no one, to my knowledge, has questioned: that 60 per cent of the increase in US national income in the 30 years after 1977 went to just the top 1 per cent of earners. The only section of the US population that has done better than the top 1 per cent is the top 10th of that 1 per cent. The top 100th of the 1 per cent have done best of all". So the average man will never ever catch up with the rich MPs.

Sukumar Mukhopadhyay via email

### Sachin Mampatta responds:

Unfortunately there is no way to find out the rate at which an MP's asset might grow in the future, or the quantum by which the average tax payer will fall behind. The availability of such estimates may well prove the reader's point that the gap will worsen. In their absence however, we can only wait for 2024.

### Right assessment

The column "Why monetary transmission is not easy in India" (May 29) by Hasmukh Adhia was worth reading. The writer has identified a number of reasons for ineffective monetary policy transmission. The journey to bring in different yardsticks such as prime lending rate to benchmark prime lending rate and from base rate to marginal cost of funds based lending rate, has not facilitated the desired level of transmission so far. Besides the reasons narrated by the writer that are posing hurdles in effective transmission of monetary policy, one major risk that banks face is the "mismatch risk" — between its assets and liabilities. The writer is correct in saying there is a need to address the inherent compulsions that stop banks from passing on rate cut benefits to borrowers.

Saagar Soni Gandhinagar

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## HAMBONE



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## Disciplining NBFCs

RBI's draft rules will help reboot the sector

The Reserve Bank of India's (RBI's) proposal to introduce liquidity buffers for non-banking financial companies (NBFCs) may restrict their ability to lend, but this short-term pain is necessary to make the sector more responsible. NBFCs did play a critical role by partially filling the vacuum created by the trouble in public sector banks (PSBs) and increasing their geographical reach via swift adoption of new technologies. As a result, the share of NBFCs in total loans rose to 23 per cent in FY19 from just 13 per cent in FY12 — a period that saw a sharp erosion in PSB lending. However, reckless lending practices and wide asset-liability mismatch (ALM) due to borrowing short-term and lending long-term have caused a huge liquidity shortage. The stringent guidelines, which are expected to improve liquidity management in NBFCs and cushion them against crises that arise from asset-liability mismatches, are necessary as the IL&FS crisis caused a lot of pain, especially among banks and mutual funds. For debt mutual funds, defaults in repayments have led to erosion in net asset values. With another ₹1.3 trillion NBFC papers set to mature in the next few months, mutual funds are expected to reduce their exposure to the sector significantly. Against this backdrop, cleaning up of books and a clear idea of the asset-liability situation will give more confidence to lenders and make the sector healthy in the long run.

RBI's proposals include maintaining a liquidity coverage ratio (LCR) equal to 30 days of net cash outflows for all systemically important NBFCs. LCR, maintained in high-quality liquid assets, ensures that financial institutions have enough liquidity to fall back on for 30 days in case of a significant liquidity stress. If implemented, the process will start from 2020 with LCR at 60 per cent, and end in 2024 at 100 per cent. The central bank has also granulated the one- to 30-day maturity bucket into three buckets — one to seven days, eight to 14 days, and 15-30 days buckets. This maximum ALM has been capped at 10-20 per cent in the buckets running up to a year — a relief as ALM guidelines were expected to be more stringent at 5 per cent from the current 15 per cent.

The move has its detractors, too, who say the central bank is proposing "liquidity management" at a time when there is no liquidity in the system. Also, the LCR requirement margin will impact NBFCs with longer-term products. For example, commercial and other vehicle financiers with product durations of three to five years would feel the pinch, and housing finance companies will be impacted the most, as their asset maturity is the highest at seven to eight years. They also argue that credit is likely to slow down in the medium-term and margins will get cramped due to investments in low-yielding assets, thereby hitting profits.

A possible consequence of these measures is that weaker NBFCs with poor liquidity management will get absorbed into their larger counterparts to comply with the RBI's liquidity buffer norms. This is not necessarily a bad thing as the NBFC sector has too many players without the required scale. In a way, this is inevitable as even the staunchest supporters of NBFCs can't deny the fact that a large number of such companies have been slipshod in implementing prudential norms or risk mitigation standards.

## Water woes

Crop diversification is the need of the hour

Haryana's decision to incentivise diversion of cropland from water-guzzling paddy to less water-consuming crops like maize, pulses and others is a welcome step towards mitigating the high-water footprint of its agriculture. Widespread rice cultivation is deemed the chief cause of rapid decline in groundwater in nearly 75 per cent of the state. Paddy, especially non-Basmati paddy, has not been the traditional crop of this inherently water-stressed state. It was introduced chiefly to meet the needs of the other food-deficit regions, most of which are now growing enough rice on their own. Haryana, therefore, need not expend its scarce water on cultivating non-Basmati rice, each kilogram of which takes a massive 3,000 to 3,500 litres of water to grow. The sops mooted to spur changes in cropping pattern include ₹2,000 per acre as cash, free seeds of the alternative crops, full reimbursement of crop insurance premium and assured procurement of the output at the minimum support prices fixed by the Centre.

Haryana, indeed, is not the only state that needs crop diversification of this kind to ensure sustainable use of water. Its adjoining areas of Punjab, western Uttar Pradesh and eastern Rajasthan, as also parts of southern states like Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra, need to modify their cropping systems to conserve water. Though, arguably, fiscal incentives-based crop diversification can worsen the already strained state finances, this burden would seem trivial when weighed against the consequences of inaction on this front. Going by the reckoning of the National Institute for Transforming India (NITI) Aayog, the lives and livelihood of millions of Indians are in jeopardy due to water deprivation. About 600 million people are already facing high to extremely high water stress and 200,000 of them die every year due to inadequate access to it. The consequential economic losses are anticipated by the NITI Aayog to amount to worth around 6 per cent of the gross domestic product (GDP) by 2050.

Moreover, with business as usual, the demand of water is projected to surge to twice the availability by as early as 2030. The water level in about 54 per cent of wells across the country is receding at a worrisome pace due to withdrawals exceeding the annual recharge. Worse still, the quality of nearly 70 per cent of the available water is rather poor, thanks to rampant contamination, rendering it unfit for domestic uses and, in some cases, even for irrigation. Unsurprisingly, India ranks 120 among 122 countries in the global water quality index.

The potential advantages of crop diversification, on the other hand, can be many. Apart from saving water, it can stave off the demand for power and diesel needed for running irrigation equipment. Besides, it can help improve environment by cutting down emissions of greenhouse gases like methane and nitrous oxide which are spewed routinely from the flooded paddy fields and the smoke generated by burning paddy stubbles. Most importantly, inclusion of legumes (pulses) in the cropping systems can restore soil health by fixing nitrogen into it, thus diminishing the fertiliser requirement of the subsequent crops. It is, therefore, imperative to economise the use of water in agriculture through measures like crop diversifications, strict regulation of groundwater extraction and pricing water in accordance with its scarcity value.

# It's about high-quality jobs

We need millions of high-quality jobs to become a developed nation

ILLUSTRATION: BINAY SINHA

In earlier articles, "It's about jobs" (*Business Standard*, 1st April and 29th April), I argued that India's essential need is to create millions of high-quality jobs. That requires us to get the supply of quality talent right — improving our skilling programme, school quality, and female participation in the workforce. In the second article, I argued that millions of good jobs in manufacturing companies could absorb the supply of well-educated and trained women and men — but this required labour reform. This concluding article is about why high-quality jobs are so important, and how tourism is the essential service sector that can add to a jobs boom in manufacturing.

The great Stanford sociologist Alex Inkeles was a seminal contributor to modernisation theory. Modernisation theory argues that the development of a country is built on the development of its people. In particular, as a society modernises, people adopt a set of more modern attitudes. These include "a sense of personal efficacy; openness to new experience; respect for science and technology; acceptance of the need for strict scheduling of time; and a positive orientation toward planning ahead". These modern attitudes are the essential building blocks of an advanced society — and indeed an advanced economy. Not only do they make the individual modern, but they also make for participant citizens — with interest in the news and a sense of national identity that rises above religious and local ties. So how does an individual become modern?

Alex Inkeles' classic book, *Becoming Modern*, reported the results of a major multi-year six country (that included India) research project. The key contribution was to provide an empirical scale of modernity that applied universally, and to establish its source. The two key sources of modernity were the school and the factory, with one year in school worth roughly two in a factory. Nothing else came close — not family background, or the friends one has, or what one reads, or mass media, or the speeches of political or religious leaders. The school one can understand — developing the individual is what it is there for. But a factory employs people not to develop them, but to produce things. Why was it such a powerful moderniser, in Inkeles' words, "a school for modernity"?

A factory is about production. But the way a factory is organised inherently develops the individual. People work to a manufacturing schedule; this teaches planning. One sees a direct connection between work and output — so it isn't luck that delivers results but learning and using skills. That fosters efficacy. Any decent factory has a focus on efficiency — that directly connects using time productively to output. Change is the norm in factories, so new experience is valued. Technology is all around one, making the individual more pro-



ductive. And decision-making requires data, valuing a scientific temper over superstition.

It is for these reasons that manufacturing jobs matter. But why not service jobs? Formal service jobs can be powerful modernisers — our challenge is that most formal service occupations require high levels of education, and there aren't that many of them. Take our most successful industry — the IT sector. An industry that has boomed for over 30 years employs 4 million people directly today. And some of those directly employed, and most of those indirectly employed, are informal occupations — drivers, and security services, and domestic staff — that are not "schools for modernity". A country of 1.3 billion, with a workforce of 500 million growing at 20 million a year, needs a lot more.

There is a big exception: Tourism. Tourism can be as effective a school for modernity as the factory — indeed, done right it can be even better. One of my favourite resorts anywhere in the world is the Shillim resort. Shillim is in the middle of a thoroughly rural area, 30 km from the nearest town, Lonavla, which is itself no metropolis. Shillim today directly employs around 450 people. A policy of recruiting locally has created two hundred jobs for young men and women from the nearby villages that have a population of around 1,000. These young people are taught all those things that make people modern. An intensive training programme teaches everything from hospitality domain skills to the soft skills essential to success in a luxury resort. In the eight years since Shillim opened, hundreds of lives have been transformed, and with it the fortunes of their families in the next generation.

Shillim needs to become India writ large. Tourism is our greatest untapped opportunity. No country can match us in the combination of architectural

diversity (with everything from Mughal forts and tombs to Hindu temples and the colonial grandeur of New Delhi), unmatched natural beauty (from the backwaters of Kerala to the beauty of the Kashmir Valley), and a richer diversity of culture than in any other country (there is no such thing as Indian dress or Indian food — we have dozens of distinct dress styles and even more cuisines). With all this to offer, why are we at No 25 in the world tourism rankings? Why can't we match the No 1 country, France, with 83 million annual tourist arrivals instead of our current 15 million (half of whom are NRIs)? A first step would be to match Thailand's 33 million.

The alternative to hundreds of millions of formal high-quality jobs — in manufacturing or tourism — is one of millions of informal marginally employed drivers and cleaners and delivery boys. T N Ninan's insightful and thought-provoking edit in *Business Standard* many years ago on the horrendous Nirbhaya rape has always haunted me. He pointed out how different the victim and rapists were in their paths of modernity. The victim and her friend were educated, and with good job prospects in formal occupations. The rapists were all in informal, unstable occupations — with nothing that either taught them modern attitudes nor gave them a stake in the existing system. The difference was not where the victims and rapists had come from, but the education, exposure and employment of their families. A modern future for India requires that we do all that is necessary — labour reform to unleash labour-intensive manufacturing, policies to promote garments and footwear and food-processing, and a tourism Czar with the power to work across ministries and state governments to attract 80 million annual tourists to India in the term of this government. The alternative could condemn us, in Trotsky's words, to the ash heap of history.

The writer is co-chairman of Forbes Marshall, past president of CII, and chairman of the Centre for Technology, Innovation and Economic Research (CTIER). Email: ndforbes@forbesmarshall.com



INDIA'S WORLD?

NAUSHAD FORBES

## Pluralism lives

Lutyns' liberals and sundry "sickular" analysts have been dumbfounded by the election results that handed Narendra Modi's Bharatiya Janata Party (BJP) an unanticipated majority in the Lok Sabha. The elite intellectual discourse since then has eddied around the xenophobic and communal content of the campaign, which appears to have trumped the myriad non-achievements of Mr Modi's 2014 promises. So should we pronounce the funeral oration for plural, inclusive India?

The past five years offer clues to why the answer can as well be no.

Critics of Mr Modi have attributed his almost single-handed victory to his undoubted charisma, money power, youthful muscle power and a command over the national broadcasting apparatus. All these advantages multiplied from 2014 onwards — in fact, Mr Modi's All India Radio talk show *Mann Ki Baat* was considered a potent electoral tool. Yet his party lost eight seats in Lok Sabha bypolls and several key state elections in the past five years. In the 20-odd Assembly polls since then, non-BJP parties won almost as often as the BJP, though the exigencies of power politics induced two of them to tie up subsequently with the saffron party and the party broke ground in the north-east.

For evidence recall: The Assembly elections of Delhi and Bihar (2015), Odisha (in 2014 and 2019), West Bengal (in 2016) and the Big Three of 2018 in Chhattisgarh, Madhya Pradesh and Rajasthan, the UP Assembly by-elections in Gorakhpur and Phulpur in 2018.

The Hindutva tide was no weaker than it is today. But all of these wins came on the back of down-to-earth bread-and-butter issues: Delhi on

providing *bijli*, *paani*, schools and health to the urban poor, Bihar and Odisha on development, West Bengal on protecting land rights (until Mamata Banerjee inexplicably opted for communal appeasement), and Chhattisgarh, MP and Rajasthan on widespread farmer unrest, to offer some examples.

Mr Modi's 2014 majority owed much to the non-casteist, job-creating development plank on which he campaigned convincingly and energetically. His vision of a red-tape — and corruption-free India, of efficient administration with plentiful jobs and a fast-growing economy — a stark contrast to the tired, venal alliance in power — encouraged many voters steeped in India's foundational values to press the button next to the lotus symbol.

Thus, presented with an energetic, credible competing vision of progress that is not necessarily predicated on religion and nationalism, it is just as possible for electorates to respond positively. It is easy to forget now that at the start of 2019, Mr Modi's poor performance on the economic front had raised prospect of a comeback but with a significantly reduced number of seats. That the Congress was unable to offer voters a credible nationwide alternative vision at all had as much to do with the oblique nature of its campaign when compared with Mr Modi and Amit Shah subliminal messaging.

Rahul Gandhi's distance from the *aam aadmi* way of thinking caused him to focus on issues that have little resonance for them. Whether Mr Modi made money on the Rafale deal (especially when there was no evidence of this) is irrelevant when livelihoods are at stake. Mr Gandhi's mawkish big message of Love (as against the BJP's hate cam-

paign, in case you missed the memo) made no sense at all. Ill-conceived warnings of Muslims being killed en-masse if the BJP came to power even as the Congress offered soft Hindutva imagery via multiple temple visits only confused the signals for the average voter. Although it is possible to debate the wisdom or otherwise of the income support programme NYAY, it came far too late and was poorly propagated. The irony is that the Congress has an entrenched grassroots organisation and capable state satraps that Mr Gandhi did not leverage judiciously. His performance has only served to validate Mr Modi's sneers at the inadequate "dynast".

In contrast, Messrs Modi and Shah had something Mr Gandhi, two decades younger, lacked: the zealots' vitality to mobilise the people and craft a narrative that is guaranteed to resonate when times are bad. Generating fear of an inchoate Other — Pakistan, Islamic terrorists, issues that it single-handedly revived in Jammu & Kashmir after a decade of relative peace — is a handy alibi when an economy stagnates and foreign investors seek other pastures. Mr Modi's detractors compare him with Indira Gandhi in his authoritarianism and disregard for institutions and constitutional norms. His regime's similarities with West Bengal's defunct Left Front are also striking. Just as the Left Front's success with land redistribution rooted its three decades in power, the initial triumphs of schemes such as Jan Dhan and Ujjwala exposed the *aam aadmi* outside Gujarat to Mr Modi's capabilities. Just as the Left Front found a useful recruiting base among unemployed youth — the result of its own anti-industry policies — record youth unemployment provided Mr Modi with a large cohort of political foot soldiers.

Mr Modi, in permanent campaign mode, is planning his strategies for various elections in 2020. Time for his secular opponents to get their act together asap, you would think.



SWOT

KANIKA DATTA

## BJP's 'Chanakya' unplugged



BOOK REVIEW

ARCHIS MOHAN

Prime Minister Narendra Modi will take the oath of office for his second term, with his council of ministers, on Thursday. There is anticipation that Bharatiya Janata Party (BJP) president Amit Shah would be a member of the cabinet committee on security, reprising his role as home minister, a portfolio he held in Gujarat when Mr Modi was chief minister.

Mr Shah has had a meteoric rise in national politics. In mid-2010, Mr Shah spent time in jail in the Sohrabuddin

Sheikh encounter case. Four years later, Mr Shah was the BJP chief. He debuted in the Rajya Sabha by 2017, and BJP MPs were soon turning to him for advice on the party's floor strategy instead of Leader of the House Arun Jaitley. Mr Shah is now a Lok Sabha member, having won his election from Gandhinagar, and thought of as the natural successor to Mr Modi post-2025.

In *Amit Shah and The March of BJP*, authors Anirban Ganguly and Shivanand Dwivedi, both associated with a BJP think tank, the Syama Prasad Mookerjee Research Foundation, are effusive in their praise of the BJP's "Chanakya" as a master political strategist.

The book, the authors state in the introduction, is an attempt at recording the story of Mr Shah's years at the BJP's helm "relying on authentic sources, material and information" since most of the available material on the man is based "on speculations, surmises and assumptions" by people, they

believe, have never had access to actual information.

The writers state that their several meetings with BJP chief "busted" the "false and often peddled descriptions" of Mr Shah's style being "corporate and isolated". "Shah came across as very earthy and hands-on, someone who has risen through the ranks and, more importantly, has not forgotten his roots and past," the authors write.

The book provides, for the benefit of its readers, "selected video links with QR codes" of 15 of Mr Shah's speeches. There is a separate eight-page section titled "Amit Shah's Thoughts". These include Mr Shah's praise of khadi, his simple lifestyle, commitment to "garib kalyan", or welfare of the poor, his paeans to India's cultural heritage and so on.

More interesting are some of the personal details.

The chapter, "Rising Through the Ranks", has details on Mr Shah's ancestral

family and his political journey. The authors quote an unnamed BJP leader who was pleasantly surprised to find Mr Shah sitting with his five-month-old granddaughter Rudri, "repeatedly looking at her in deep compassion and smiling, while humming the Mahatma's favourite bhajan".

Mr Shah was born in 1964 to a wealthy Nagar-Vaishnav family of Gujarat. His grandfather relocated the family to their ancestral home in Gujarat's Mansa from Mumbai. Shah's great-grandfather and grandfather were *nagarsheth* of the princely state of Mansa. According to his family lore, Arvind Ghose, later known as Sri Aurobindo, visited the family once and it still preserves the chair that sat on it. The authors say Mr Shah's family was rich but prepared him for a life of hard work. While his sisters would go to school in a horse-drawn carriage, Mr Shah had to walk to the school.

Shah started his political work as a 13-year-old in 1977 when he stuck posters for Janata Party candidates from Mehsana, Maniben Patel, the daughter of Sardar Vallabhbhai Patel. Later, he joined the Akhil

Bharatiya Vidyarthi Parishad. The rest of the story is known widely enough for it to be recounted here.

The authors say Mr Shah does not like to travel abroad. He has been interested in cricket and chess and his last visit abroad was to Munich when he headed the chess association of Gujarat and has a good grasp of astrology. The authors write that Mr Shah refused to discuss his interest as it was "personal and therefore inconsequential while emphasising that astrology is a completely scientific subject."

The book has an interesting episode from Mr Shah's life when the courts had externalised him from Gujarat in 2010.

In September 2010, Mr Shah was on his first visit to Varanasi. One evening he joined the Ganga *aarti* and had an epiphany. "Shah felt strange ripples rising within himself, these were waves of thoughts, of a deep inward rumination of which he had no inkling, it was in a state of being which he had never experienced before," the authors write.

"Certain questions began haunting him: Why is this immortal city in such a state of degeneration? Is the lap of Mother Ganga

only meant to dump the dirt that others generate?...She needed to be saved," the authors write, stressing how the experience "left a deep imprint on his psyche".

The authors write that there was then no possibility of Modi becoming the party's prime ministerial candidate. "Yet Shah's heart had hitched itself to the city, the thought of its plight was gnawing at him from within. It was as if he had to replay a debt to the city of Kashi. Shah told one of his confidantes, 'As soon as I get a chance, I will do something for this city and this state'. His usually rock solid demeanour melted like wax at the site of Varanasi, his experience had been a transformative one; his willpower and resolve had strengthened," the authors write.

Is it too much to ask of a prestigious international publisher such as Bloomsbury to come up with biographies that are a tad more dispassionate?

AMIT SHAH AND THE MARCH OF BJP  
Anirban Ganguly & Shivanand Dwivedi  
Bloomsbury, 296 pages, ₹999