

Our do unto others politics

Indian politics is caught in a vicious cycle of vendettas. BJP has taken it to a new level by weaponising CBI, ED, I-T, TV channels and social media

It's been an unlikely couple of weeks when, even in the season of Kashmir, Narendra Modi and Imran Khan have yielded space to three mere initialisms: CBI, ED, I-T.

That is because we have seen a flurry of the high and mighty raided, charge sheeted, questioned (The Indian media somehow prefers the more sadistic "grilled") and marched in and out of court.

Nothing that happens even in Kashmir right now, or another rant from Imran, or a friendly slap on Donald Trump's wrist by Narendra Modi, can beat the images of middle-aged CBI officers hitching up their trousers and climbing the walls of P Chidambaram's Jor Bagh home for immediate news and *tamasha* value.

This brings back to me a late evening conversation and a treatise on what drives "us politicians" by a formidable practitioner of the craft. Let me also clarify that it was an alcohol-free, one-on-one dinner and therefore not at any elevated levels of "spirituality".

"Why do we invest our lives in politics," my host asked. "Why do we endure the dust, heat, bumpy helicopters, 'dhakka-mukki' (push-and-shove), court cases, arrests, to get this thing called power? *Is mein aisa kya current hai (what is this irresistible pull)?*" he said.

Not the money, he said. After all, even after you made all your money, you couldn't really enjoy it. "In our politics, you can't be seen to be rich," he said, explaining how even your cars, homes and kurtas have to look modest. Even your families can't be seen flaunting jewellery, or splurging.

"Then why do you do so, what is this 'current' of political power and wealth if you can't even enjoy it," I asked.

"*Yehi aap nahin samjhokey* (this is what you don't understand), Shekhar Gupta," he said. Then he went on to explain what happens when you get power. You do to the guy you defeated exactly what he did to you. Not even so much to him, but to his people.

"We know who his people are, in every district, every village," he said. "We send our police, vigilance bureau, whatever after them. For those we really want to target, we may even keep a kilo of illegal opium or a murder charge handy." Then what happens, he asked.

I said, "Obviously, when your victim suffers you get your revenge."

"See, you don't understand us politicians (*rajneta log*)," he said. When we hurt these people, they go running to their bosses and say, *huzoor, bachao mujhe* (sir, please save me). Then their leader says, he can't because he hasn't got the power any more. The torture he suffers (*jab woh tadapta hai*), that is our fix, he said. "*Tab dil mein*

jo thandak padti hai, uske liye 5 saal dhakke khaate hain (the incredible pleasure we get from our rivals' helplessness to help his own is why we work so hard at our politics)."

Please do not jump to the conclusion that it's another anonymous story, because I promise to tell you who he was. Please stay with me until the end. Because, there is a twist in the tale.

This conversation took place almost two decades back. Much has happened since to build a large enough body of evidence to teach us how right he was.

At this particular point, we have P Chidambaram in custody, and his son Karti accused in the INX Media case, Bhopinder Singh Hooda and former treasurer of Congress Motilal Vora charge sheeted at the age of 90 in the Associated Journals Ltd land allocation case, Kamal Nath under I-T probe, his nephew accused of receiving a bribe for AugustaWestland helicopter purchase and arrested for bank loan fraud, Sonia, Rahul Gandhi and key aides under trial in the National Herald case, Karnataka Congress stalwart D K Shivakumar under the ED's scanner, and so on.

In 2015, not long after the BJP came to power, a corruption case was filed against the Congress party's Himachal Pradesh chief minister Virbhadra Singh and his home was raided on the day of his second daughter's wedding. He had to rush home from the wedding venue and even cancel the celebratory lunch.

Prafal Patel is living through frequent trysts with the ED on a bunch of cases; several of Mamata Banerjee's party colleagues, loyal police officers all have 'dates' with the CBI they couldn't exactly be enjoying.

Then, you can go back. Within two weeks of coming to power in the summer of 2001, Jayalalitha charged her predecessor M Karunanidhi in a ₹12 crore "flyover" scam, had his home raided at 1.45 am, and the dramatic visuals of the old man being hauled down the steps would still shake you up.

At various points of time, Lalu, Mulayam and Mayawati were charged by the CBI, ED or I-T, irrespective of who was in power, the NDA or UPA. It is just that the cases waxed or waned, depending on whether they were playing ball with the Centre or not. Check the archives of the weeks leading up to the no-confidence motion against the UPA on the nuclear deal.

The latest to join the group of these usual suspects is Raj Thackeray, now accused by the ED of allegedly having made fake deals and making ₹20 crore out of the wreck called IL&FS.

Do the forensics on each one of these cases, and you will find a pattern. In each, the party now in trouble had done something similar, when it was in power, to the current incumbents. Amit Shah and Narendra Modi faced legal and criminal challenges for a decade, the former spending three months in custody on a "fake encounter" and murder charge (cleared later). Do note that Mr Shah too was pulled out when caught up in a child's wedding.

One of the two judges who ordered a CBI probe against Mr Shah did so two days before his retirement. He was facing a CBI probe in what was called as the provident fund scam in Ghaziabad. The CBI cleared him soon enough, and then Akhilesh Yadav's "secular" government made him chairman of UP's State Human Rights Commission. A wedding interrupted, a judge in a hurry two days before retirement, and a reward afterwards. Sounds familiar now?

There is no point getting into who threw the first rock. Because we are now caught in a vicious cycle. What used to happen in states two decades ago has come to the Centre. The BJP has only taken it to another level. First, by this triple weaponisation of the agencies, a few TV channels and social media. And second, by leaving the side-door open. To anybody willing to defect to them.

This is precisely what my host that evening had said. This was the pattern in our rougher, state politics. Badals versus Amarinder, Mulayam versus Mayawati, Jayalalitha versus Karunanidhi, Devi Lal versus Bansi Lal versus Bhajan Lal. Now this has come to New Delhi.

I am not about to break the promise I made to you earlier, to tell you the name of the political stalwart who gave me that master class in modern realpolitik of vengeance and sadistic joy. It was Om Prakash Chautala, then chief minister of Haryana and the conversation took place at Haryana Bhawan. And where is he now? In Tihar Jail.

He and one of his sons are serving a 10-year sentence for corruption. Because their politics of vengeance caught up with them, as have the voters. In these Lok Sabha elections, their party, which won a majority in Haryana once, secured just over 1.8 per cent votes. I look forward to a fresh chat with him once he comes out to ask what he thinks of where politics is headed.

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NATIONAL INTEREST
SHEKHAR GUPTA

Changing the narrative?

It has long been said that it takes a crisis for Indian politicians to undertake systemic economic reforms. We have seen the truth of that adage over the past week. Additionally, it was probably Arun Shourie who said that, for the Modi government, managing the headlines on the economy is almost as important as managing the economy itself. That would explain the brilliant timing of the finance minister's press conference yesterday, 90 minutes before the lowest quarterly GDP growth numbers in six years were announced, with manufacturing growth at a dismal 0.6 per cent. The National Statistical Office's ominous thunder faded in impact, given Nirmala Sitharaman's lightning strikes in banking.

So we have twin narratives. On the one hand, the economy's tempo is slower than at any point since the days of the "fragile five" in 2013 (when oil prices were twice as high). Growth over the last four quarters has averaged only 6.1 per cent. With the last quarterly growth figure of just 5 per cent, and dim prospects for the current quarter, get ready for the slowest annual growth since 2012-13.

The government has partially neutralised the impact of such bad news with its counter-narrative, of being responsive to the emerging situation. Since successive crises in the financial sector are seen as having impacted the broader economy by disrupting the flow of credit, the government has focused its attention on that by frontloading the re-capitalisation of its banks and now by folding 10 banks into four. Both announcements are designed to make for entities with stronger balance sheets. The RBI has chipped in with a larger-than-usual dropping of its policy rates to the lowest level in nine years.

Other announcements have come thick and fast. There have been rollbacks of tax pronouncements in the Budget, the further opening up of mining and retailing to foreign investment, and a massive subsidy for sugar exports so that mills can use the money to pay sugarcane farmers their dues. More generous depreciation rates have been designed to boost the sagging sales of commercial vehicles. Also coming, it is said, are a boost to government investment in infrastructure, incentives to promote exports, and a package for real estate. Meanwhile, the recent softening of the rupee's external value despite weak oil prices suggests a very belated realisation that an over-valued currency does the economy no good.

It is hard to recall another week in the two Modi governments' history that has been as packed with economic policy pronouncements. Senior government personages say that the government is now in listening mode, and willing to pay heed to criticism — something endorsed by businessmen. So what does it all amount to?

As a strategy, a steady flow of announcements is probably better than a single big-bang package that, if it fails to do the trick, leaves the situation even less hopeful than before. A continuous flow of announcements makes for lower risk and a more open-ended approach, since it can be continued till the cumulative impact makes people start thinking differently about the future, and (hopefully) begin to spend or invest more. Viewed through this prism, the government needs to do some more, and to plug some important gaps, before it can hope to change the mood.

As a first-line objective, the government would want to arrest the cyclical downswing and for consumption and investment to bottom out. Change will have to come first in consumption, since companies with stressed cash flows will hold off on investment till they see signs of improved sales. Bankers say the demand for corporate credit remains weak, but retail demand could well pick up by the festival season — if, by then, today's postponed demand starts spilling out. However, other than addressing the problems of cane growers, the government has done little to boost rural demand. Bear in mind that agricultural prices have been depressed, and rural wages have been more or less static for the past five years. Apart from which, there remain all the structural issues that wait to be addressed. So, long haul yet before the narrative really changes.

Going beyond the central bank "put"



VIEWPOINT
DEVANGSHU DATTA

The moral hazard created by the "Bernanke Put" and the Troubled Asset Relief Program or TARP in 2008 is still exerting a malign influence over global markets in 2019. In 2008, the Federal Reserve and the US treasury department took desperate measures to stem the rot as the full dimensions of the subprime crisis became apparent.

The Fed expanded its balance sheet, pumping money into the global system by buying bonds. TARP focused on cleaning up toxic assets. Other central banks fol-

lowed in the wake of the Fed with rate cuts, quantitative easing (QE) and other liquidity-enhancing measures. Governments deployed counter cyclical policies. India, for example, vastly increased public spending. Similar measures were adopted and continued after the financial crisis of 2011-12.

The moral hazard lies in the fact that traders now expect similar measures every time there is a growth blip, or some problem affecting the global economy. This encourages risk taking behaviour, predicated on the assumption that there will be bailouts if something goes wrong. Donald Trump's tweetstorms exhorting the Fed to cut rates, reinforces the assumption that a "put" is in place.

It's hard to make a definitive assessment of the policy action after the subprime crash. It wasn't completely successful. The global economy didn't recover totally and hasn't ever registered the robust growth rates of 2005 since.

Indeed QE continues in Japan and both European Union and

Japan have negative rates. But on the other hand, things could surely have gotten a lot worse without the bailouts.

Another troubling issue is that the slowdown of 2019 isn't due to a financial crisis, as in 2008, or 2011. It's been triggered by geopolitics. The US-China trade war is directly responsible for a large proportion of the slowdown.

Brexit has not yet happened but it has already caused issues. The UK is a large economy. Brexit will impact the entire Eurozone and cause some uncertainty across the rest of the world. In addition, there are simmering tensions involving Iran, Syria, Venezuela, and potential flashpoints for conflict in the subcontinent and on the Korean Peninsula. There is also Hong Kong.

Contrast this with 2008. There was a full blown financial crisis then. But trade barriers were low-

er. The Eurozone didn't look like crumbling as a political entity. The US-Iran equation was less fraught. Venezuela and Syria were going concerns.

More or less coordinated central bank action coupled to counter-cyclical government policies worked, at least to contain that crisis. Right

now, it's a moot point if either central banks or governments can coordinate policies. Indeed if Mr. Trump's utterances are to be taken seriously, adversarial relationships with the US taking on the rest of the World appears more likely than coordination.

As of now, the free trade of goods is impeded. It will take time for manufacturers to rework supply chains to reduce China dependencies. There are no guarantees that Mr Trump would not then raise tariffs on say, Vietnam or Bangladesh, or wherever manufacturers move.

There are also serious impediments to free labour movement. Brexit is one example. The rest of the Eurozone is also seeing an upsurge of nationalism, which could result in problems for movements within that bloc. The US has tightened visa requirements, significantly raising costs for IT service providers. At the lower end of the services market, tighter checks on potentially illegal immigrants has also started to hurt American service industries.

Unlike in 2008, monetary loosening will not address these concerns. In essence, we are seeing the rollback of three decades of globalization—a period when goods and, to a lesser extent, people, moved with increasing freedom across the world.

This current situation can only be addressed by governments talking to each other and agreeing to loosen newly-erected barriers. Looser monetary policy might spark off a strange situation, where capital flies across borders but goods and people face barriers. In that event, we're likely to see asset inflation. But growth won't accelerate meaningfully, until and unless the real geopolitical issues causing this slowdown are addressed.

The teachers we knew

EYE CULTURE
ANJULI BHARGAVA

She walks into the café, and although we have never met, I recognise her immediately. My instinct is to stand up and say good morning. She's got an air of authority. When she speaks, she holds your attention. She is the quintessential teacher.

This is a breed I was quite familiar with during my years in school. Ms Puri (the withering-look one), Ms Bhatt (the charming one, the boys and male colleagues loved), Ms Shahi (could have been modeling instead), Ms Mahajan (the no-nonsense air), Ms Mehta (cute, pert and lively) ... the list goes on. All these teachers I refer to had a very distinct personality and were forces to reckon with — some more than others!

Let me explain why I call them "quintessential teachers". There are certain common qualities these ladies represent.

For one, they had a presence. They were all there. When they entered the room, you noticed. When they spoke, you listened. When their eyes were on you — even from one end of what seemed like an endless corridor — you felt them. You knew you were heading into trouble, if not already there.

Second, they had an aura of calm and gentility. They never seemed harried or troubled — no matter what was happening in the classroom. Somehow, they knew how to make it right again. I'm not sure whether everyone was as cool as they appeared, but there was definitely something consistent and cool about their attire and the general look. Where is this sari shop they all seemed to favour? Between them, they represented every state of India in their selection — Bengali cotton, bandhini, ikat, patola and South silks.

But one thing was for certain: They all managed to look consistently comfortable and unruffled in their crisp saris. There was also what we called the "big bindi brigade". This lot also usually had a large distinct red dot on their foreheads — the kind one associates with Usha Uthup or Shubha Mudgal.

These teachers were language-agnostic. It didn't matter which language they communicated with their students in — it may have been English, Hindi, Urdu, or even Odia — but they managed to get their meaning across with éclat. With little or no ambiguity. They essentially meant business. Again, some more than others.

Most of these teachers — not all of course — were quite sensitive and

gentle in their dealing. It may not have appeared back then but most of them listened, even though you were just a 13- or 14-year-old and may not be dropping any pearls of wisdom. They actually heard you.

Then there were those who could shut you up with one look. They didn't say much — the look just conveyed their message: "if you know what's better for you, shut up". These were actually the most dreaded ones: The withering look that made you squirm and feel like a worm, quaking in your shoes. Back then, of course, we as students felt we had been especially picked upon but in reality, these looks usually didn't come your way without a very good reason.

Reading — something teachers no longer appear to manage — was something almost all these teachers did with a passion. They read because they loved reading. I remember sometimes passing the teachers common room and finding one or the other teacher with her nose in a book. Of course, many knitted then...in general, their hands always seemed busy and their minds uncluttered.

One distinct quality most of these teachers had was their ability to hold your attention. Not only did they hold your attention, a few made you fall in love with a subject, or even just a character. I know my English elective teacher made me fall in love with Bathsheba, the haughty and fiery farmer woman in Thomas Hardy's *Far From the Madding Crowd*. I still remember the knot in my stomach I felt as she brought alive Pip's absolute terror at coming across his prisoner in the marshes in *Great Expectations*.

One of my biggest regrets today is not having taken up history in Classes 11 and 12, under one of the few male teachers in the arts section, the inimitable Zai Davar. By the time a student reached Class 10 in the CBSE back then, history was reduced to a meaningless series of names and dates and, therefore, I dropped it, only to realise now that it is one of my favourite subjects.

I don't know whether all this is just a figment of an overly vivid imagination or a crazy wave of sentimental nostalgia — triggered by my recent meeting with a quintessential teacher, the kind that is slowly turning extinct. I do know that this less hi-tech, less fancy and rather prosperous variety inspires more confidence in me than today's slightly anorexic, slightly lost, nervous, and more style over substance kind. And teachers need to start reading again. Period.

PS: My meeting was with Jyotsna Brar, former principal of Welham Girls, Dehradun.

NDA II: Politically verbose, economically dumb



LINE AND LENGTH
T C A SRINIVASA RAGHAVAN

This article has been triggered by a question that the editorial director of this newspaper, A K Bhattacharya, asked a few days ago during a talk he gave on the economy. Why was the government not able to get its version about the RBI's transfer of ₹1.76 trillion across, he asked. How is it that the opposite version now dominates the discourse?

Which brings me to a larger paradox. How does Prime Minister Narendra Modi get his personal messaging and the government's political messaging so right — Modi as saviour, Article 370, triple talaq, etc — while getting its economic messaging so wrong?

If you look back, it was the opposite in Gujarat during its Modi years from 2002 to 2014. As chief minister Mr Modi got his economic messaging spot on — remember the Gujarat Model? — and his personal messaging quite wrong.

How is it that eminent and neutral economists like Bimal Jalan and Rakesh Mohan are being implicitly charged with toeing the government line? Neither is a *bhakt* of the "BJP is always right" variety.

The same thing can be said about many other things. Take the case of GDP.

Pronab Sen, who headed the ministry of statistics and supervised the new GDP series, is like a brother to me. TCA Anant is actually a very close cousin. They are not bhakts by any stretch of the imagination. Quite the opposite, actually.

Even on demonetisation, banking, NPAs, employment, exports, exchange rate management, fiscal deficit, etc the government has failed to get its message across. Such comprehensive failure is quite extraordinary. Even the UPA's woes in this regard pale in comparison.

This may not cause the BJP electoral worries. But cow worship cannot be the only measure of patriotism. Surely one important measure of patriotism is also to not make your country look bad to your own people.

Its own enemy

This is not to say that the government version would be 100 per cent correct and the opposite version is 100 per cent wrong. But where the NDA's economic performance is concerned, the truth lies not somewhere near the middle but closer to the government version.

It's just that it can't get this across effectively. So the dominant impression is the opposite one — that everything is totally, well, messed up, shall we say.

Modi Mark II needs to think about this and not insist that messaging is also only a cyclical problem and not a structural one. Truth to tell, it is purely a structural one, and it

starts with the prime minister himself and its roots lie in the sustained personal attacks on him after the riots of 2002.

His response has been to ignore the Opposition and the media completely. You should listen to the speech he gave on May 24, 2013, at the launch of the Ahmedabad edition of the *Hindu Business Line*, where I was employed then. "I don't need any of you," was his message. It is available on YouTube.

To make matters worse, several persons currently holding important positions, or who had held such positions, have begun to muddy the waters.

Prominent among them are some currently serving part-time members of the Prime Minister's Economic Advisory Council and some former members of the Statistical Commission, one former RBI governor and one former chief economic advisor, who was his *chela*. The combined effect is quite devastating.

It is no coincidence that they are all academics who believe in the freedom of speech provision of the Constitution but not in the other part which imposes reasonable restraint. If nothing else, mere good manners demand that you behave yourself.

That said, there is the bad news itself. One relates to the slowing of the rate of output growth and the other to the rate of growth of jobs. Since neither can be explained away by bad news management, what should the government do?

The real problem

To me the problem seems to be this: Whereas as chief minister Mr Modi was anxious to draw attention away from himself and divert it to his economic deeds, as prime minister he has been doing the opposite.

Someone in the Prime Minister's Office needs to tell Mr Modi that he is the problem. Previous prime ministers always had someone who would tell them this. The list is long, starting with P N Haksar and ending with Pulok Chatterjee.

It didn't always work but it didn't always fail, either.