Directors must act on signals



THE WISE LEADER

R. GOPALAKRISHNAN

is arrogant, in-your-face and cocky? Watch very carefully for prodromal signals and act on the 5Cs: Consider, consult, counsel, coach and, if all fail, then confront. Before any disaster, there

are prodromal signals, which portend a development. For example, in Newark, USA, recently, the municipal water tested positive for lead. Despite this,

ow do you deal with a high per-

forming CEO who

the insensitive and defensive mayor wrote to reassure the public, followed by a condemnation of the "false statements". The federal government heavily intervened to reverse the mayor last week. Another example: In 2011, John Looker, suffering from brain cancer, raised millions of dollars from Americans. Gradually, a small club of doubters developed on whether Looker had cancer at all. Upon confrontation, John Looker admitted to his lies. A bigger scam was averted by responding to the behavioural signals (refer article by Abby Ellin, The New York Times, August 1, 2019).

If board directors perceive unusual, unproven signals, should they act, and if so how? I suggest through a 5C Action Ladder — consider, consult, counsel, coach and, if all fail, then confront. Even if the evidence is not legally provable, they should act. Boards are not ceremonial, they have obligations; their actions must be based on facts and shared judg-

Every recent case of corporate governance failure had developed through a trail of early signals, which directors did observe. JP Morgan received an internal warning about the risks of continuing to deal with Jeffrey Epstein, who finally committed suicide in a New York jail (on August 10). But nobody listened. Consider the prodromal warnings in the cases of Ranbaxy, Jet Airways and YES Bank. After the disaster, media strings together the sequence of events and then it appears obvious that the board should have acted. At a recent governance conclave, participants seemed to agree on how to deal with a superlatively performing chief executive, who is arrogant.

Here is an ongoing drama about a real institution, presented as if it were a company.

The CEO had consistently positioned the company as the fastest growing, particularly since he took over. Growth targets were announced with panache, accompanied by spending plans on grandiose projects. These were cheered with great enthusiasm by credulous investors. The CEO oozed charisma and had a Demosthenes-like oratory skill; he repeatedly pointed out that his predecessors had been losers, and promised to move fast and compensate for lost time. The CEO expressed his vision of quadrupling the value of the company by 2030. Meanwhile, some signals started to accumulate:

■ While competitors faced business headwinds, the CEO did not even admit to a problem. His front-facing employees and business associates were bewildered.

■ The chief accountant (book keeper) of the company observed that the deficit in the company cash flows was higher than what had been projected in the annual accounts. He felt that the barrier of prudent management had been breached by the real deficit. The CFO diplomatically responded that this would be "investigated seriously".

■ The company's former chief of business strategy later announced doubts about the company's revenue recognition methodology. The growth required to be corrected, according to him, because the growth over the last few years had been overstated. Amazing!

■ The company had a risk management department. The head and the deputy head had a simmering difference of opinion and styles. This difference broke into the open, caus-

ing directors to wonder how reliable its functioning was. ■ Some independent directors expressed concern about the internal matters and the functioning of the board. The CEO soft-pedalled and agreed to investigate their complaints.

■ Another independent director, who chaired the board's treasury and risk management committee guit the board: later ad-

mitting to serious differences on prudent management of risks ■ The CEO had announced major projects, involving significant capital purchases from overseas. Unconfirmed signals suggested that company procedures had been subverted.

The CEO, of course, denied the allegations strongly. ■ In two independent communications, a group of suppliers and distributors expressed concern about the company's practices. As committed partners of the company, they wished to alert management. This was refuted in strong terms by another group of suppliers and distributors, who expressed loyalty to the company, implying that the first group was disloyal.

In this case, should the directors do something, maybe along the 5C path or any other? Does the answer not seem a big "yes"?

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Bercow "shocked"; his options limited

The offender is Her Majesty herself even though everyone knows she is obliged to do the bidding of the prime minister she has appointed



WHERE MONEY TALKS

SUNANDA K DATTA-RAY

t may sound presumptuous. But listening to John Bercow, Speaker of the British ► House of Commons, simmering in wrath over Parliament suddenly being shut down for more than five weeks, the late Bijoy Kumar Banerjee might well have adapted Gopal Krishna Gokhale's famous line and chuckled, "What Bengal thinks today, Britain thinks tomorrow."

For ignoramuses (or ignorami if you wish to sound pedantic), Banerjee was the West Bengal Legislative Assembly Speaker responsible in 1967 for what constitutional pundits call the most confident, bold and impartial act in India's legislative history. I can do no

better than repeat a few lines from this column of March 5, 2016, which recalled that stormy November 29 morning when I took my mother to the Assembly and the security man checking her handbag joked, "I must make sure Madam that you are not carrying a hand bomb in your handbag!" I wrote, "No sooner had the governor, Dharma Vira, a retired ICS officer, taken his seat than the Speaker, Bijoy Banerjee, stood up and wagging his finger like a village schoolmaster admonishing errant children, intoned that by summoning the Assembly, the governor had dealt the greatest blow to democracy since 1642, when King Charles I entered the House of Commons. The MPs he had gone to arrest had disappeared; asked about their whereabouts, the speaker, William Lenthall, famously replied in words Banerjee would have loved to utter, 'I have neither eyes to see nor tongue to speak in this place but as this House is pleased to direct me, whose servant I am here'."

Banerjee then adjourned the House sine die. The background to that drama was the governor's dismissal (presumably under Indira Gandhi's orders) of West Bengal's elected United Front government. Instead, he appointed the septuagenarian former Congress chief minister, Prafulla Chandra Ghosh, who pretended to head a notional "Progressive Democratic Front". The front had no existence outside Raj Bhavan's drawing room where the governor deluded himself that Ghosh's minority regime commanded a legislative majority. Back in the safety of Raj Bhavan (and no doubt after an exhaustive telephone conversation with his mentors in New Delhi). Dharma Vira retaliated to the tat of Banerjee's adjournment with the tit of dissolution. A crippling hartal followed by rioting led to the predictable President's Rule.

Bercow professes to be as shocked and indignant as Banerjee at what he calls "a constitutional outrage" whose "purpose" of stopping Parliament debate on Brexit is "blindingly obvious". But his options are limited in gentlemanly, law-abiding, protocol-bound Britain. The offender is not a civil servant governor appointed by the prime minister but Her Majesty herself even though everyone knows she is obliged to do the bidding of the prime minister she has appointed. It was Boris Johnson who decided Parliament should be prorogued although he is protected in the looking-glass world of British constitutional politics by the fiction of "The Queen's Most Excellent Majesty in Council' taking the decision. The Queen is said to have acted on the advice not of her prime minister but of her Privy Council. In conse-

quence, "the Right Honourable the Lord High Chancellor of Great Britain" will carry out her wish and prorogue Parliament. That exalted worthy is another MP who is appointed by the prime minister but enjoys nominal precedence over his boss.

Such anomalies and inconsistences spare what has been called the most aristocratic of democracies and the most democratic of aristocracies, the hurly-burly of Indian legislatures. I well remember the pandemonium in the West Bengal Assembly after Banerjee's bombshell when the dumpy little governor had to be bundled out into his car, his glasses knocked off in the melee. Towering over others, Siddhartha Shankar Ray, suspected by some of planning the coup and destined to become West Bengal's last Congress chief minister, clasped a bulky copy of Erskine May's Parliamentary Practice. The book might have been effective as a missile had Ray chosen to hurl it at Banerjee, but served no purpose in guiding our rough and ready politicians in practising India's tumultuous version of parliamentary politics.

There can be no question of Bercow or anyone else reacting so churlishly when the Queen in all her regal finery opens Parliament on October 14. But Her Majesty might spare a moment to ponder on the advice of an anti-Brexit organisation called Best for Britain: "If the Queen is asked to help, she would do well to remember history doesn't look too kindly on royals who aid and abet the suspension of democracy."

That takes me back to Banerjee's declamation about Charles I. But, of course, no matter what the great and the good say, history dare not repeat itself.

LUNCH WITH BS ▶ RATISH NANDA | CEO | AGA KHAN TRUST FOR CULTURE

Touching lives, not just structures

Nanda tells Veenu Sandhu that conservation and development go hand in hand

t's just past noon. Sidewok, a pan-Asian restaurant at Khan Market in New Delhi where we've decided to meet over an early lunch, is empty. Soon diners will trickle in. Khan Market — originally a market-cum-residential area for Partition refugees, now often counted among the most expensive retail high streets of the world — is not far from Ratish Nanda's "on-site office" at Sunder Nursery. Within six months of being opened to the

public, the stunningly restored 90-acre nursery complex with water bodies, Mughal-era monuments and lush green patches was listed on Time's 2018 list of the world's 100 greatest places to visit. Near Sunder Nursery, the Humayun's Tomb and several other monuments within the complex that houses it are listed as Unesco World Heritage Sites - courtesy the restoration efforts of the Aga Khan Trust for Culture in India, of which Nanda is chief executive. And, across the busy Mathura Road that runs past the grand tomb is the Nizamuddin basti, where the community is reaping the benefits of the mammoth conservation exercise. While at Humayun's Tomb the visitor numbers have increased dramatically since the restoration in September 2013, within the basti the conservation has meant employment and better quality of life for the local population.

"Conservation and development go hand in hand — you can't have conservation by turning your back on the people," says Nanda, as don't know why I am so hooked on raw papaya salad!" he says —to be followed by shredded lamb in hot garlic sauce (one of my favourites), Thai red curry and steamed rice.

At the Nizamuddin basti, the trust started by fixing a school as part of a conservation effort and providing a pathology lab that has served some 460,000 patients till now which says something about the success of the initiative, that has reached out beyond the catchment community of 20,000. It built women's toilets long before building toilets became a movement in India, created women's parks, introduced a women and child health programme and also looked to provide economic opportunities to women.

women of Nizamuddin at Humayun's Tomb, of course with permission from the ASI (Archaeological Survey of India), which manages the tomb complex." On the hard cover is a pattern from the Humayun's Tomb. Another such self-help group, Zaika-e-Nizamuddin (flavours of Nizamuddin), runs a food delivery service with recipes drawn from the area's 700-year-old culinary heritage. The day I meet Nanda, four members of the group are in Hyderabad preparing dishes at the Park Hyatt kitchen.

Just as we begin talking about food, the som tum arrives at our table. The papaya is fresh and crunchy, and with the peanuts and the tangy, mildly sweet dressing, it makes for a deliciously light appetiser.

His approach is understated but Nanda is clearly passionate about the work he does. "I would do this job for free," he says. While he'd rather talk about his work than how he got into it, he relents when I ask. He studied to be an architect at the School of Habitat Studies in Delhi. "Ours was the first batch and we had a subject called Urban History. I got hooked in the very first year." He used to live in South Extension, "but till I got into college I had never crossed over to Kotla Mubarakpur (which is less than 1.5 km away)". The day he did, he says he was exposed to 600 years of architecture: baolis (stepwells), tombs, mosques... "I was a bit shocked. When you look around as an architect, our historic buildings in Delhi touch a chord in your heart that modern architecture doesn't."

As an architect, the critical question for him was: "What were they doing so different to produce this timeless architecture that we are not?" Traditional architecture, he says, is environmentally sustainable, suited to Indian weather conditions, is beautiful and it represents what we were and where we were as a civilisation.

"Architecture," he says, "is the mother of all arts. It just started with curiosity about the city - and the possibility of being able to save even a bit of that is a blessing."

By now, our plates have been changed and the main course is here. The lamb is perfect tender, shredded long, and slightly on the and Remains) that came out in 2014. It critically recognises that our traditional craftsmen are key to any conservation effort in India." This, he says, has been the trust's vision

right from the beginning. "What we are doing at the Aga Khan Trust for Culture is model projects. We are not here to take over every building in the country. We are here to demonstrate how conservation can be done and how it can lead to a lot of government objectives being fulfilled, one of which is employment creation." At the Humayun's Tomb, for example, 650,000 man days of work has been undertaken by craftsmen using the very tools that their forefathers used centuries ago. "Almost 75 to 80 per cent of what we spend in conservation is paid as craftsmen wages."

The other change is that the government seems to have realised that even culture needs to be liberalised. "Culture is still seen as the responsibility of the government — of the ASI to be presice. But the government's 'Adopt a Heritage' scheme is now inviting corporations and even individuals to come and fix our monuments." Corporate social responsibility also allows for spends in conservation. "It didn't earlier."

Conservation of a monument cannot be limited to the monument itself. This is the crux of the restoration and conservation projects Nanda has been part of. "What we have been saying since the 1980s was ratified in 2015-16 by the Unesco, which talked about the historic urban landscape approach."

The trust's ongoing restoration of the Qutb Shahi Tombs in Hyderabad, close to the famous Golconda Fort, also follows this approach. Here, besides the ton also gone into restoring the baolis.

While the scale of the work is for all to see, its impact isn't always measurable. Sometimes one just gets a glimpse of it — like when the community of Nizamuddin approached the trust in 2015 to undertake the conservation of their mosque after seeing the work at Humavun's Tomb. The 14th century dargah, the resting place of Sufi saint Nizamuddin Auliya and his disciple Amir Khusro, is now being restored. "It is a live mosque and it is taking us much longer than we thought because every now and then we have to stop work for Eid. Ramzan or Urs."

What has happened at Nizamuddin is that the way the community views itself has changed — and that, says Nanda, is how conservation ought to touch the lives of people.



red curry is, well, just that — red curry. Though difficult to get wrong, some places tend to overdo the flavours. This one, thankfully, doesn't. Around us, the tables are beginning to fill

up and the chatter is getting louder. But Nanda's focus doesn't waiver for a moment. A lot, he says, has changed in the sphere of

conservation in India and in the attitude towards conservation since the time he started. "There is a new national policy on conserva-

Nanda slides his yellow diary towards me. sweeter side, with just the right amount of gartion (National Policy for the Conservation of "This," he says, "is made and sold by the lic so as not to overpower the senses. The Thai the Ancient Monuments, Archaeological Sites Shikoh Zaidi's Red Revolution Don't blame it on me



PEOPLE LIKE THEM

GEETANJALI KRISHNA

couple of years ago, I visited the Bulandshahr, Uttar Pradesh, branch of the Shiv Nadar Foundation-run VidyaGyan School for underprivileged meritorious students. Spending as much as ₹21 lakh per student over seven years, the two branches of VidyaGyan (the other one is in Sitapur, UP) provide world-class educational inputs in the hope that their students will develop into social doers with strong rural roots. While the campus was impressive and students even more so, I wondered whether transplanting children from households with incomes of less than ₹1 lakh (a prerequisite for admission) into privileged boarding schools would impact their ability to return to their communities. A recent conversation with Shikoh Zaidi, a Class 12 student of VidyaGyan Sitapur,

made me realise that not only could this be done, but that young people like her have the potential to become potent tools of social change.

"Last year, for a school project, I studied girl child education in my village," Zaidi told me. Conversations with community members enabled her to identify two basic reasons why her contemporaries in the village dropped out — either their parents weren't committed to their education or the girls themselves found going to school tough while menstruating as they didn't have access to sanitary napkins or clean toilets. Commercial napkins were unaffordable. "And, the government-subsidised lowcost pads were only available 20 km away in the block clinic." she said.

Consequently, all the women she spoke to used cloth instead, drying it away from the public gaze instead of in full sunlight to kill the germs.

"As part of a reading assignment in school, I'd read Deepa Narayan's book on gender inequality called Chup," she said. "It inspired me to help the young girls in my village." Zaidi started by organising meetings to talk about health and hygiene. "Initially, nobody was interested," she recounted. "But my father supported me wholeheartedly and when he requested our neighbours to come for my meetings, they couldn't refuse him." With the help of animation videos downloaded from the internet, the teenager started by talking about menstrual hygiene and the need to break the taboos around periods.

Many in her conservative community, including her mother, were initially shocked. "It was quite daunting, especially as many of the girls giggled loudly while I was speaking," she said. "But I felt I had to go on."

Zaidi derived much strength from her father, a farmer who has studied up to Class 12. "Abbu jaan has always supported my project," she said, "as he firmly believes that lifting taboos around menstruation and educating girls on menstrual hygiene will go a long way in empowering them." With his support and regular mentoring by VidyaGyan schoolteachers, Zaidi has spent the last year having open conversations about healthy menstruation practices in her community. Consequently, more and more families are coming around to the idea of letting their daughters use sanitary napkins and allowing them greater freedom during menstruation. "Now I'm going to pressurise the health department to make low-cost sanitary napkins available with the ASHA health workers in our village," she says.

In Class 12 now, Zaidi wants to study law and hopes to join the IAS. "Having received such a good education in school, I'll do whatever it takes to help my community." she said in parting. "Promoting menstrual hygiene is just a start...'



PEOPLE LIKE US **KISHORE SINGH**

¬irst, my tailor said I now had a "relaxed" girth. He was measuring me up for new trousers, and when I suggested he stick with the old measurements because I'd walk off the difference, he sniggered. And, at any rate, he processed the order providing a more comfortable fit around the waist, thus robbing me of the incentive of losing those inches to fit into my old clothes. I blame him for not reining in those love handles.

Earlier this week, out at a friend's for dinner, an acquaintance sized me up critically and announced to the whole room — why? — that I'd gained weight. There was the tut-tutting you'd expect following such announ-

cement, so I abstained from a third drink, or snacks, and barely had any dinner at all, sticking to salads. "You won't lose weight this way," the acquaintance — a couple of stones heavier than me — chortled. I blame him for robbing me of the motivation to stay on a diet.

Then, last night, I went to meet a friend ahead of a family dinner, and he accused me of putting on weight. I demurred, saying I was puffy from lack of sleep, to which he said, "You have a belly." I was so upset I ate more than I ought over a lavishly ordered meal. I blame him for making me feel miserable because of which I over-ate. How's a person to stay slim with

friends like this? Over the years, my wife and I had arrived at an arrangement about leaving at the crack of dawn to go on a walk along a selected periphery of a few kilometers till, one day, my wife opted out. It's been many months that she won't wake up early, leaving me to read the papers alone, and eat biscuits from nervousness. Nor will she summon the yoga instructor. Or accompany me to a gym. By some strange alchemy, she's losing weight doing nothing at all, while I've, well,

piled it on. Naturally, she's to blame. I've told the cook not to give me

toast for breakfast, or cereals for meals, to which he's acquiesced while grumbling about the dining habits and demands of the household. And cleverly changed his cooking to include pastas, or pao with bhaji, or kulchas, which I'm asked not to fuss over since they're "fermented". That the accompaniments are loaded with carbs, or fried, is not discussed. My weight gain is a result of the cook's calorific regime.

You'd think escaping to the farm for detox would feature on one's weight-loss primer, but the maali there tends to operate in the traditional mould. He'll ply you with jugloads of frothy lassi, or various sugary inducements, bringing armloads of fattening stuff from neighbouring farms, and leave it about. You can hardly lose weight when your own staff is hell-bent on force-feeding you.

So I thought I'd turn teetotaler for a bit, but wouldn't you know it, that's when the kids would ask you to join them to toast a promotion, or because they were opening a bottle of something special at home — and what's the point of joining in if you have to restrict your intake to a thimbleful or two. They're as much to blame for my obese figure as those others who're mocking me for it.

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WEEKEND RUMINATIONS

T N NINAN

Changing the narrative?

t 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 bigbang 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.

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

t'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

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 NATIONAL INTEREST politics," my host asked. "Why do we endure the dust, heat, bumpy helicopters, 'dhakka-mukki' (pushand-shove), court cases, arrests, to

get this thing called power? Is mein aisa kya current hai (what is this irresistible pull)?" he said.

SHEKHAR GUPTA

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

"Yehi aap nahin samjhogey (this is what you don't understand), Shekhar Guptaji," 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

"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.

 $T^{
m his}$ 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, he and his son Karti accused in the INX Media case, Bhupinder 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 bribe AugustaWestland helicopter purchase and arrested for bank loan fraud, Sonia, Rahul Gandhi and kev aides under trial in the

> National Herald case, Karnataka

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middle-aged CBI

Congress stalwart D K Shivakumar under the ED's scanner, and so on. In 2015, not long after the BJP came to power,

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. Praful Patel is living through fre-

quent 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, Jayalalithaa 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 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 sidedoor 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, Jayalalithaa 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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Going beyond the central bank "put"

large



VIEWPOINT

DEVANGSHU DATTA

he 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 assessment of the policy action the full dimensions of the subprime crisis became apparent.

sheet, pumping money into the and hasn't ever registered the global system by buying bonds. TARP focused on cleaning up toxic assets. Other central banks fol- and both European Union and

lowed in the wake of the Fed with Japan have negative rates. But on er. The Eurozone didn't look like rate cuts, quantitative easing (QE) and other liquidity-enhancing measures. Governments deployed counter cyclical policies. India, for example, vastly increased public spending. Similar measures the financial crisis of 2011-12.

The moral hazard lies in the ly responsible for a fact that traders now expect sim- large proportion of In essence, we are ilar 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

It's hard to make a definitive after the subprime crash. It wasn't completely successful. The global The Fed expanded its balance economy didn't recover totally robust growth rates of 2005 since. Indeed QE continues in Japan

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 The US-China trade war is direct- policies worked, at least to con-

Brexit has not yet of three decades of happened but it has globalization-a caused period when goods issues. The UK is a and, to a lesser economy. extent, people, Brexit will impact moved with the entire Eurozone increasing freedom and cause some across the world

uncertainty across the rest of the world. In addition. likely than coordination. 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-

crumbing as a political entity. The US-Iran equation was less fraught. Venezuela and Syria were going concerns.

More or less coordinated cenfinancial crisis, as in 2008, or 2011. tral bank action coupled to

> tain that crisis. Right now, it's a moot point if either central banks coordinate policies. Indeed if Mr. Trump's utterances are to be seriously, adversarial relationships with the US taking on the rest of the World appears more

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 man-

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 loosing will not address these con or governments can cerns. 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.

It is no coincidence that they

the freedom of speech provision

of the Constitution but not in the

other part which imposes rea-

sonable restraint. If nothing else,

mere good manners demand that

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

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

Minister's Office needs to tell Mr

Someone in the Prime

That said, there is the bad

you behave yourself.

the government do?

The real problem

doing the opposite.

The teachers we knew

EYE CULTURE

ANJULI BHARGAVA

he 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.

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 vou 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

These teachers were languageagnostic. 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 eclat. With little or no ambiguity. They essentially meant business. Again, some more than others.

Most of these teachers — not all of

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 dread 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 iust 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 Zal 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 hitech, 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.

Brar, former principal of Welham Girls,

NDA II: Politically verbose, economically dumb



LINE AND LENGTH

T C A SRINIVASA RAGHAVAN

his 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

If you look back, it was the and his personal messaging quite bad to your own people. How is it that eminent and Its own enemy

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.

Modi years from 2002 to 2014. As ship cannot be the only measure chief minister Mr Modi got his of patriotism. Surely one imporeconomic messaging spot on — tant measure of patriotism is also remember the Gujarat Model? — to not make your country look

neutral economists like Bimal This is not to say that the gov-Jalan and Rakesh Mohan are ernment version would be 100 being implicitly charged with 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 some-

To me the problem

seems to be this:

Whereas as chief

minister Mr Modi version. It's just that it was anxious to draw can't get this across attention away from effectively. So the himself and divert it dominant impresto his economic sion is the opposite deeds, as prime one — that everyminister he has thing is totally, been doing the well, messed up, opposite

where near the

middle but closer

to the government

shall we say. Modi Mark II needs to think about this and not Commission, one former RBI insist that messaging is also only governor and one former chief a cyclical problem and not a structural one. Truth to tell, it is *chela*. The combined effect is purely a structural one, and it quite devastating.

This may not cause the BJP starts with the prime minister opposite in Gujarat during its electoral worries. But cow wor- himself and its roots lie in the are all academics who believe in 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 parttime members of the Prime Minister's Economic Advisory Council and some former members of the Statistical

them this. The list is long, starting with P N Haksar and ending economic advisor, who was his with Pulok Chatterjee.

It didn't always work but it

didn't always fail, either.

Modi that he is the problem. Previous prime ministers always had someone who would tell

course — were quite sensitive and Dehradun.

PS: My meeting was with Jyotsna