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**Lessons in Sobriety:
Fukushima and India**

Manu V. Mathai

**India-EU Free Trade
Agreement:**

Kavaljit Singh

Revisiting YMC

D. K. Giri

The Pattabhic Mystique

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Few options before Pakistan

Kuldip Nayar

Islamabad is damned both ways: whether it admits to its hand in the US operation which killed Osama bin Laden or it says that it did not know that he was living at Abbotabad, close to Pakistan's military academy. The first option may evoke an anti-Pakistan storm within and outside the country because Osama had come to represent anti-American sentiment among most Muslims. At present, people's mood is sullen but not evocative.

The second option will be taken with a pinch of salt. Not many are willing to trust Islamabad that it was not aware of Osama, his wives and 13 children living in a mansion in the heart of Pakistan for the last five years. America's anti-terrorism chief has already asked Pakistan to prove that it did not know of Osama's whereabouts. He has alleged that there was a supportive terrorist network which needed to be exposed.

For the world, it is a serious matter which Islamabad must attend to in a serious manner. It would be difficult to sell what Pakistan envoy to the US has said: Pakistan is making inquiries how Osama came to Abbotabad and lived without the authorities knowing it. Different voices from different places to explain may not do. Without a valid explanation, Pakistan would find itself in a tighter position as the days go by.

My inference is that top circles in the Pakistan establishment knew about his residence and Osama's stay at this place. One allegation is that the ISI had built the huge mansion for him. It must be very large because four US helicopters ultimately landed in the compound. But whoever built Osama's residence, the fact of its existence cannot be denied.

True, Pakistan's sovereignty has been violated as former President General Pervez Musharraf has said. But the American commandoes, numbering 3,000, have been operating in Pakistan for many years. The four helicopters which conducted the operation flew from Ghazi, the Pakistan territory where the US has an airbase. Islamabad should not have allowed the Americans to enter from day one. My fear is that much more trouble is in store for Pakistan because

Washington is determined to use it for its war in Afghanistan.

Whatever the rhetoric, I do not buy the argument that Pakistan knew about the operation. Islamabad is spreading this information – even through its foreign missions – that it knew about it and connived at the whole operation. This is not true. America did not trust Pakistan on the operation in any manner because it had burnt its fingers earlier.

A couple of times the US had pinpointed Osama's hideout and communicated to Islamabad before carrying out the operation. But all the times it turned out that Osama had left the hideout at the eleventh hour. The US State Department has openly said that Pakistan was not kept in the "loop." It was entirely a US operation from the beginning till the end.

Pakistan may feel embarrassed over the statements by some top military echelons and former retired Foreign Service hands. One Air Marshall has said on one Indian TV network that Islamabad supported the US operation, but did not want to admit it because they were still in the midst of a war against the Al-Qaida.

A Foreign Service hand said that they wanted to punish the Al-Qaida which has killed some 4,000 Pakistani soldiers and nearly 40,000 civilians. Therefore, according to him, Pakistan was justified in letting the US operation to take place without any challenge. He announced that they would continue to support the Taliban. This is apparently borne out of hope that the Taliban should come back to

rule Afghanistan and give Pakistan the vicarious satisfaction of having the strategic depth.

Washington may gloat over the elimination of Osama. Secretary of State Hillary said: This is America and what it decides it carries out. She should realise that Osama emerged because he was able to harness the hurt of Muslims who have felt America's interference in their internal affairs. His elimination may ultimately end Al-Qaida. But some other Al-Qaida will come up – Taliban are already there – to garner opinion against the US and the West which look anti-Islam in their policies to the Muslims. Terrorism, they generally believe, is the term that has been tagged to them to give them a bad name. America and the West have to seriously consider how to allay their fears. President Obama tried to reach out to Muslims at Cairo but the words he used have turned out to be empty. Muslims expect him to give a concrete shape to the sentiments he had expressed to prove his credibility.

When America emerged victorious in the cold war after defeating the Soviet Union in Afghanistan, the West believed that it had ended the ideology of communism. But this is not true because the expressions against globalization may not have got coherence and the channel to ventilate them. But they are there in every country to be seen. Similarly, the Al-Qaida may end but as an ideology it will appear in some other shape in some other countries. In fact, the Lakshar-e-Toibba is offshoot of the Al-Qaida philosophy. The root cause is the grievance. Unless that is tackled,

the fertile ground for any group or a bunch of people to come up and disturb the peace will always be there.

India's response was along the expected lines. Prime Minister Manmohan Singh said that the whole incident proved that Pakistan was a haven for terrorists. He termed Bin Laden's death a "significant step forward" and hope that it would deal decisive blow to the Al-Qaida and other terrorist groups. Home Minister P. Chidambaram hoped that the embarrassment would now compel Islamabad to effectively prosecute those involved in the 26/11 Mumbai terrorists attack. Of course, this will be the litmus test to judge Pakistan's keenness to pursue the Mumbai terrorists.

Yet I wish our reaction had been more considerate. We should have talked about joint action against terrorists in the entire region and proposed a common ground. Of course, it is known that there are some elements in Pakistan operating against India with the connivance of Islamabad. A joint operation will eliminate official assistance, if there is any.

At this time when both the countries are in the midst of a positive dialogue a proposal of joint operation would have gone down well. People in Pakistan, brainwashed to hate India, would have seen a gesture from Delhi as a step to help Pakistan when it needs the help most. It would have also given the impression that its own government was in the wrong and not India. This is how normal conditions can be created for a sturdy friendship.

Notes & Comments

Not content with sanctioning so many SEZs in various parts of the country (God knows how many of them did materialize in reality), the Government of India is planning to father a new series named National Manufacturing Investment Zones (NMIZs). Anand Sharma, the Union Industry Minister, said that it would be a historic blunder for the country not to have a national manufacturing policy. He said that in the backdrop of reports of opposition from ministries of environment and labour to the proposal to relax certain laws such a policy was needed.

Well, the UPA government, like a hydra, is talking with hundred tongues. Their many functionaries, including the Prime Minister, have been saying that the development plans must be 'inclusive'. That obviously should mean including the labourers as important stakeholders. And the problem of Global Warming is referred to umpteen number of times expressing concern about the potential dangers. And now the Industry Minister suddenly announces that the country must have manufacturing policy that

NMIZs

would allow the enterprisers to downsize labour. As it is, Indian economy is having a large number of unemployed and considerable component of under-employment. The LPG policies may have accelerated the growth in GDP, but all that is jobless. The American recession of 2008 had its shocking impact on the textiles, garments and IT industries of ours. About three lakh medium and large industrial units have been closed down for some yearst. In the backdrop of this, how can any proposal of downsizing the labour be termed wise? Or is it motivated by oneupmanship vis-à-vis China ?

Another point is about environment protection. All major rivers of the country have been rendered sewage channels by the industrial units situated nearby. Augmentation of vehicles production and increasing privatized use of vehicles is leading to enhanced outlet of CO2 that contributes greatly to Global Warming. Should all this be allowed to go on unrestrained? The Industry Minister would do well to update his homework on these two counts.

Perhaps, Anand Sharma is trying to implement the real policy of the Congress to do everything to please the wealthy and not to care about the plight of the poor. Probably they feel that for overtaking China, industry must be freed from the shackles of labour laws, which are already diluted to a considerable extent. And ridiculing environmental concerns has become a fashion with the neo-rich. But the country is not the private fiefdom of the rich people. The county belongs to 80 crores of the poor and toiling people. They have greater claim on the government for adequate care and support.

The Minister has averred that NMIZs will subsume SEZs. Is it a hint that many more farmers are likely to be driven away from their lands - which are also their main means of livelihood? The peasants of country will have to be prepared to resist this new onslaught. The machinations of Anand Sharmas will have to be defeated by the force of vigilant public opinion.

System

As soon as the scam-scarred Manmohan Singh Government conceded the demands of Anna Hazare, an "outsider", on Lokpal Bill a number of highbrows had started lamenting over the bypassing of the system and lowering the prestige of elected representatives and downgrading the Parliament. Hardly are they

ruffled by the fact that the Lokpal Bill has been lying on the shelf of the Parliament for more than 40 years. On the other hand the over-enthusiasm of the Civil Society men and women for devising various official posts for dealing with, nay weeding out, corruption is a bit of a puzzle.

Nobody bothers about the reasons why such a plethora of laws and systems are proving worthless. The occupants of the high offices, be they politicians or bureaucrats, are concerned with interior decoration of offices and homes and are least concerned with quick disposal of the work they are supposed to do and are paid for handsomely. And nobody

is afraid of any action being taken against them. This is the nature of the rot we are engulfed with. The elite and the ruling classes are not at all concerned with the convenience of the common man, let alone his welfare.

The central issue before us is – how to motivate the persons manning the system and how to develop an army of watchdogs who would prod

the lethargic babus by peaceful methods.

Living examples, not hollow sermons, can motivate the people, be they employees or politicians. A party, in the form of army of dedicated young men and women, earning their livelihoods and voluntarily shouldering the responsibilities of building up the political party

would be the right answer. Let the socialists, young and old, the young more in numbers, all over the country join hands to build up new Socialist Party of India and for India. There would be no glamour or gain. It will be all hard work and uphill struggle all round. Our Motherland demands it.

–Pannalal Surana

Lessons in Sobriety: Fukushima and India

Manu V. Mathai

In recent years, as the long shadows of Three Mile Island and Chernobyl grew faint, a stalling nuclear industry and its boosters in the policy world foretold a “Nuclear Renaissance” and found their evidence in the nuclear power expansion plans formulated by many countries, most notably India and China. In the wake of the events at Fukushima, leaders across the world were quick to call for safety reassessments of these plans. But none went as far as to definitively recognize that a different future, one without nuclear energy, was needed. Instead, reflecting the collective technological optimism (or arrogance) of our age, one leader after another echoed: “the tragic nuclear incidents in Japan...should make us revisit strategies for nuclear safety, learning lessons from these experiences” (Prime Minister Manmohan Singh, quoted in *The Financial Times*, March 18, 2011).

What after all are the lessons we might learn from the unfolding mess at Fukushima? The media reports suggest that the reactors responded to the quake as expected by breaking the chain reaction... kudos

to the engineers who designed these reactors. The second lesson we can learn is that diesel back-up generators for the cooling system will not work when flooded, so please don’t build them in the likely path of a 33-foot tsunami wave! Evidently, it wasn’t the lack of engineering skill or sophistication that was the undoing of the reactors at Fukushima; it was simply the unknowability of the countless possibilities or contingencies in any accident situation. The designers simply could not foresee a 33-foot tsunami wave flooding the back-up diesel generators. Contingencies by definition are unforeseeable, more so in the case of extremely complicated and interconnected systems such as nuclear reactors. That should give us pause when leaders mouth assurances about “learning from these experiences.” These lessons may not tell you more than the fact that diesel generators and water don’t go together!

This reality of nuclear technology becomes all the more urgent in the context of India’s infamously insular nuclear energy establishment. From its beginnings in 1948, under Dr.

Homi Jehangir Bhabha and Prime Minister Jawaharlal Nehru, the Atomic Energy Commission (AEC) and subsequently, its executive arm, the Department of Atomic Energy have been very insular institutions. The chairman of the AEC reports directly to the Prime Minister. There is no cabinet or parliamentary oversight. While this is remarkable in a country that prides its democracy, the substantive result is that executive, legislative and judicial skills to design regulation and exert oversight over the nuclear power enterprise is dangerously lacking. The nuclear energy institution in the country was designed to concentrate expertise, debate and discussion within the AEC and its subsidiary entities. Even the Atomic Energy Regulatory Board (AERB) reports to the AEC – whose chairman also serves as the secretary to the DAE, whose plans and projects the AERB is supposed to “regulate.” So, not only are we trying to learn lessons that are perhaps impossible to learn, but the little learning that might be possible is intentionally stunted by insulating the atomic energy establishment from open and informed debate and criticism. As

the former chairman of the AERB, A. Gopalakrishnan noted: "...the nuclear establishment in India, which handles both the civilian and military aspects of nuclear power, is a very powerful entity with direct access to the highest levels of government. Its recommendations on policy and projects are often unquestioned by decision makers, and the establishment has its own rationale of why their present policies are the right ones" (2002, *Annual Review of Energy and Environment*, Vol. 27, Page 391)

So, while the prime minister promises the country that lessons will be learned from Japan's tragedy, how are Indians to believe that the bitter lessons ("truth is bitter" as the cliché goes) will not be overlooked by an institution convinced that its "present policies are the right ones" even while it hides behind unprecedented isolation from open debate, criticism and discussion? Reacting to the unfolding situation in Japan, India's vigorous environment minister Jairam Ramesh was honest enough to recognize the notoriously inadequate nuclear regulatory infrastructure in the country. But after paying the customary nod to learning lessons and reforming the regulatory mechanism, he concluded: "I can't envision a situation where India will say 'a complete ban on nuclear power'" (*The Financial Times*, March 18, 2011).

This inability to disown nuclear power rides partly on a powerful discourse of economic development that grips the country and the world. Broadly, this is a discourse of dramatic economic growth rates and rapid increases in electricity generation. This is a discourse conceived inside the mirage of abundance with no

consequence, which appeared at the height of the fossil fuel age. As that age dies off, as the scarcity of fossil fuels becomes apparent and as the environmental consequences of that brief encounter become apparent, countries around the world, India included, are desperate to find alternatives that can keep that mirage from passing. Nuclear energy is considered a crucial alternative.

Thus there might be a more difficult lesson to learn from what we're seeing unfold in Japan. The party is over and its time to clean up. The uncontrolled energy abundance of the fossil fuel age is beginning to decline and it cannot be sustained without risking the possibility of more Fukushimas. The upshot is that our discourse of economic development has to grapple with finding less energy and material intensive models of sustaining jobs, livelihoods and human well-being. It calls on us to revisit what we mean by each of these categories and re-imagine them in creative ways. This is a tall order, but one well worth the creativity and ingenuity of the human mind and its unbounded ability to imagine new realities.

Truly renewable sources of energy such as solar energy are crucial to this effort. While it cannot promise the uncontrolled abundance of the fossil fuel age, it certainly affords a future of controlled abundance in the spirit that Mahatma Gandhi spoke off: "the earth provides enough to satisfy every man's need but not his greed." The crucial advantage of solar power in a country like India is decentralization. The technology is distinctly conducive to the dispersed development of small industries. Or put differently it lends itself easily to distributed means to create wealth. Unlike say, nuclear power, which

concentrates the means to create wealth and then seeks to distribute it through a grossly inadequate market system or corrupt bureaucracies.

Many years ago an Indian of great distinction observed "instead of competing with the sun, what we have to do is to find some way of utilizing what the sun thrusts upon us with matchless persistence. Let the sun split the atom, fuse the nuclei for us" (1957, *ISCUS Journal*, Vol. 4 (special number). D.D. Kosambi's prescient challenge to nuclear power as energy policy in India cost this brilliant polyglot his job at the Tata Institute of Fundamental Research. Reacting with a touch of humor to the treatment meted out to him Kosambi noted "the sun has not yet been abolished by decree, so that the matter may be taken up at some future date when common sense gets a chance" (1964, *Seminar*, No. 61.) Energy and economic development policy in India has squandered five decades by competing with the sun. The tragedy of today offers *yet another* opportunity to reflect and seize the many urgent lessons in sobriety.

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India-EU Free Trade Agreement: Rethinking Banking Services Liberalization

Kavaljit Singh

Since 2007, India and EU have been negotiating a free trade agreement (FTA) — covering trade in goods and services, investments, intellectual property rights and government procurement — that is fraught with problems. Till now, ten negotiating rounds have been held. The agreement is expected to be finalized by mid-2011.

One of the major underlying themes in the ongoing negotiations is the liberalization of trade and investment in banking services. With the help of FTA with India, EU is seeking greater market access and export gains for its banks through cross-border supply and direct investments. Some of the key demands emanating from Europe include removal of all barriers to market access (commercial presence, cross-border supply and consumption) and grant of national treatment commitments.

The EU banks and powerful lobby groups such as European Services Forum (ESF) have put forward a slew of demands including removal of all restrictions pertaining to branch licenses, foreign ownership (of both public and private banks), numerical quotas, equity ceilings, differential taxation, and voting rights. The ESF is seeking removal of priority sector lending on locally incorporated EU-owned banks besides removal of current restrictions under which branch licenses may be denied if foreign banks' aggregate share of

the banking market exceeds 15 percent.

Another key demand of ESF relates to the removal of restrictions on foreign banks to participate in exchange traded commodity products. The ESF has also demanded free access to deposits made by the state-owned companies.

By asset size, six out of top 10 foreign banks in India are EU-based. The 9 EU-based banks together controlled 65 per cent of total assets of foreign banks in India in 2008. Hence, the policy implications of opening up of Indian banking sector under the India-EU FTA would be markedly different from other FTAs such as India-Singapore Comprehensive Economic Cooperation Agreement.

The Burgeoning Financial Services Trade

Though there are 27 member-states of the EU, the banking services agenda is aggressively pushed by the UK and Germany under the proposed India-EU FTA. The UK is one the leading centers for global banking with the largest share of cross-border banking lending (18 percent) in the world. The financial services alone account for 8.3 percent of its GDP.

The UK remains the leading exporter of financial services in the world. According to IFSL estimates, the UK's financial sector net exports

were £41.8 billion in 2009 despite the global financial crisis. Banks were the largest single contributor, with net exports of £25.3 billion. The bulk of UK banks' net exports were generated through spread earnings (£10.6 billion) with the largest contribution by derivatives.

In terms of UK's balance of trade in goods and services in 2009, trade surpluses generated by financial services (£40.2 billion) managed to partially offset large deficits in goods (£82 billion). The UK's financial services trade surplus with India was £206 million in 2007, with banks contributing £197 million. Over the years, Germany and Ireland have also registered significant trade surpluses in financial services.

Tapping Diaspora Remittances

A number of Indian banks (especially big private banks) are also striving for increased presence in Europe. It is interesting to note that Indian banks are not aiming at capturing the highly competitive domestic banking markets in Europe. Rather their aim is to tap the non-resident Indians (NRIs) based in EU member-states. Since India is the largest remittance recipient country in the world (\$55 billion in 2010), Indian banks are keen to serve this lucrative business segment by increasing their presence in the European banking markets.

Of late, some domestic banks are also facilitating acquisition of

European companies by big Indian corporations. For instance, ICICI Bank co-financed United Spirits' takeover of Scotch whisky distillers, Whyte & Mackay, in 2007 and Tata Motors' \$2.3 billion takeover of Jaguar and Land Rover in 2008.

The Lure of Niche Banking Markets

The motives of EU-based banks behind entering Indian banking markets are obvious due to immense profit opportunities and a stable banking system. For London-headquartered Standard Chartered, India became the largest contributor to the bank's global operating profits in 2010. The bank's profits in India reached \$1.2 billion in 2010. For UK-based HSBC Holdings, Europe's largest bank by market capitalization, India was the seventh largest contributor to its global profits in 2008.

By and large, European banks are interested in serving three niche market segments in India: up-market consumer retail finance, wealth management services and investment banking. Several European banks (such as Societe Generale and BNP Paribas) are keen to expand their presence in niche markets such as private banking. The big ticket mergers and acquisitions (particularly in cross-border segment) taking place in corporate India require investment banking, underwriting and other advisory services where big European banks have a competitive edge over domestic banks.

The Urban-centric European Banks

To date, most of bank branches of EU-based banks are located in

metropolitan areas and major Indian cities where bulk of premium banking business is concentrated. As on March 2010, there were 9 EU-based banks operating in India with a network of 213 branches. Out of which, 163 branches (76.5 per cent) were located in metropolitan areas, 45 (21 per cent) in urban areas and merely 5 (2.3 per cent) in semi-urban areas.

It is distressing to note that EU-based banks have not yet opened a single branch in the rural areas. This is despite the fact that several EU banks have been operating in India for more than 150 years. Established in 1858, Standard Chartered Bank is the oldest foreign bank in India. BNP Paribas and HSBC began their operations in India in 1860s.

Not surprisingly, European and other foreign banks are not serving the poor and low-income people residing in metropolitan and urban areas. There is no regulatory ban on foreign banks to serve the urban poor and low-income people.

The Extent of Financial Exclusion in India

In India, financial exclusion has strong linkages with poverty and is predominantly concentrated among the poor and marginalized sections of society. Various studies have measured the extent of financial exclusion in India. The National Sample Survey Organisation of the Ministry of Statistics and Programme Implementation carried out All India Debt and Investment Survey (AIDIS) 2002-03 to assess the indebtedness of Indian farmers. The Survey revealed that 45.9 million farmer households in the country (nearly 51 per cent) do not have access to credit, either from

institutional or non-institutional sources.

One of the negative consequences of banking sector reforms is the decline in bank branches in rural areas even though the total number of bank branches in India has increased. The total number of bank branches of all scheduled commercial banks (including regional rural banks) increased from 72,752 at end-June 2007 to 76,518 at end-June 2008 but the share of rural branches declined to 40.7 percent at end-June 2008 from 42.1 percent at end-June 2007. In 1991, the share of rural branches was the highest (58.5 percent). In other words, the recent spurt in bank branches has worsened the rural-urban ratio.

In August 2005, the RBI issued a list of 391 underbanked districts in India with population per branch more than the national average of 16,000. The underbanked population is higher in the North Eastern and Eastern regions.

Since the 1990s, the banking sector has witnessed a secular decline in agricultural credit. This is in sharp contrast to the 1970s and 80s when a significant shift in bank lending in favor of agricultural sector took place. The state-owned banks contributed 77.3 per cent of total credit to agriculture at end-March 2007 while the remaining was contributed by private sector and RRBs.

Besides, there is a significant decline in banking lending to small- and medium-sized enterprises (SMEs) since the 1990s. The SMEs account for almost 40 per cent of India's total production, 42 percent of exports and are the second largest employer after agriculture.

The SMEs produce over 8,000 value-added products and are involved in several services sector.

The Exclusive Banking Model

Since European banks have no branches in the rural areas, they are not obliged to serve the vast sections of rural households who are excluded from the formal banking system. Their contribution in the opening of “no frills” bank account under the financial inclusion program has been abysmal.

Typically, foreign (and big domestic private banks) are averse to provide banking services to the poor people because they find such clients less lucrative.

In particular, foreign banks tend to follow “exclusive banking” by offering services to a small number of clients. Several EU-based banks and their lobby groups have expressed their discomfort in fulfilling the mandatory priority sector lending requirements. Rather they prefer a niche banking model with no riders in terms of social and developmental banking.

It is well established that not only foreign banks in India charge higher fees from customers for providing banking services but maintaining a bank account requires substantial financial resources. Given the fact that the average up-market retail banking customer can be ten times more profitable than the average mass-market retail customer, it is highly unlikely that the commercial interests of European banks would match with the developmental needs of unbanked population. Rather the liberal entry of European banks may constrict the access of banking services in the country:

geographically, socially and functionally

Some Pertinent Questions

In the context of proposed India-EU trade agreement, the following questions need to be put before the trade negotiators:

Will European banks augment the reach of the banking system to millions of Indian citizens who do not have access to basic banking services? Will EU-based banks undertake social and developmental banking? Can European banks meet the targets of financial inclusion for rural households, as suggested by the Committee on Financial Inclusion? Would European banks open their branches in low-income neighborhoods? What extraordinary services European banks would provide to serve unbanked population? What specialization and experience do European banks have when it comes to providing basic banking services to landless rural workers and urban poor dwellers?

The Fallout of the Global Financial Crisis

Several European banks had acquired US-based mortgage and “toxic” financial assets whose value plummeted sharply during 2007-08. This contributed to a sudden loss of confidence within the European banking system as banks became reluctant to lend to one another, thereby causing a dramatic loss of liquidity.

The highly leveraged EU-based banks (particularly in the UK, France, Germany and Ireland) sought billions of euros of state help to rebuild their balance sheets battered by the financial meltdown.

The European governments provided more than \$3 trillion through guarantees and recapitalization schemes to save the ailing banks. Since the financial crisis badly infected the real economy, the EU economies are not out of the woods yet as there are renewed worries about rising unemployment.

Post-crisis, serious questions have been raised about the strength and credibility of European banks. The global financial crisis has put a big question mark about their efficiency, “best practices” and state-of-the-art risk management models. The crisis has also exposed the poor corporate governance and transparency norms of several European banks.

Given the higher degree of interconnectedness among EU banks, problems in one country quickly put the entire financial system at risk. Without doubt, the EU is facing unprecedented challenges in maintaining financial stability and strengthening banking regulations.

In contrast, India banking system has largely remained insulated from global turmoil thanks to limited presence of foreign banks, negligible exposure of domestic banks to US sub-prime markets and related financial instruments, and enlarged state ownership of banking system. Often criticized as “inward-looking” and “conservative,” India’s regulatory framework also acted as a key determinant in protecting the domestic banking system from the global financial turmoil.

Rethinking the Benefits and Costs of Banking Sector Liberalization

The proponents of banking services liberalization tend to

overlook the potential costs associated with the entry of foreign banks in host countries. If the entry of foreign banks is allowed through acquisition of domestic banks, it may lead to concentration of banking markets and loss of competition.

The foreign banks can be a source of cross-border contagion from adverse shocks originated elsewhere. A large presence of foreign banks originated in crisis-ridden countries could lead to rapid transmission of financial shocks in the host countries.

The parent bank may also reduce exposure in a host country or move out completely due to losses suffered in home or other countries. Post-crisis, foreign banks have drastically reduced lending in India. During 2009-10, the loan portfolio of foreign banks contracted by 9.7 percent. The UK's Royal Bank of Scotland has decided to exit from or shrink its operations in 36 countries (including India and China) due to problems at its parent bank.

In addition, it is highly debatable whether foreign banks' presence has a stabilizing role in the case of a systemic crisis. In Argentina, for instance, several foreign banks chose to leave the country when a financial crisis erupted in 2001.

Furthermore, the entry of foreign banks poses new challenges to regulation and supervision. The regulatory and supervisory authorities are restricted to their national borders while foreign banks can easily cross national borders and operate internationally. The overall responsibility for the parent bank remains with the regulatory authorities in the home country. But there is little coordination and sharing

of information among the regulatory authorities of home and host countries.

The global financial crisis has proved beyond doubt that increased financial integration can transmit financial shocks across countries. Financial innovation in certain unregulated products and markets can also augment financial shocks. The crisis has highlighted the risks associated with the presence of large financial conglomerates in the domestic banking system. Post-crisis, several proposals for enhanced regulation and supervision

of financial conglomerates (which operate in different segments such as banking, insurance, securities and private equity) are under consideration at various levels.

Keeping these new developments in view, the policy makers should rethink about the benefits of opening up of banking services under the framework of India-EU FTA.

—Madhyam, *New Delhi* (www.madhyam.org.in). This article is an excerpt from a Briefing Paper published by Madhyam.

Madhu Limaye remembered

Rich tributes were paid to the great Socialist leader and freedom fighter, Late Madhu Limaye, on his 90th Birthday on 1st May 2011, at a socialist gathering at Gandhi Peace Foundation in New Delhi. Noted Socialist writer and thinker Mastram Kapoor presided over the function organized by Rajnath Sharma and S S Nehra of Gandhi Bhawan, Barabanki, (U.P.). Justice Rajinder Sachar, Ramvilas Paswan, Ajay Singh, ex-Union Minister, Saghir Ahmed, Raghu Thakur, Prof. Ishwari Prasad, Prof. Rajkumar Jain, Prof. Anand Kumar, Ram Bahadur Rai and many others spoke at the meeting.

A discussion was organized on this occasion on the "Role of Madhu Limay in Parliament and his contribution for the civil liberties". Participating in the discussion, Ram Vilas Paswan, MP and President of Lok Janshakti Party stated that late Shri Limaye was not only a prominent political leader but also a great socialist thinker. Despite belonging to the upper caste, he fought for the empowerment of the oppressed and backward classes

throughout his life. It was during his Chairmanship of the Socialist Party (1958-59) that the party adopted the policy of preferential treatment to the backward castes, women and the minorities and started the movement for the 60 percent reservation in government jobs. Shri Paswan stated that the country would continue getting inspired from the writings of late Madhu Limaye in order to bring the basic change in the country for the empowerment of the oppressed classes of the country.

Raghu Thakur said that Madhu Limaye was a staunch critic of RSS and its ideology. He strongly opposed the RSS ideology of Hindu Rashtra, its language policy, its demand of the review of the Constitution. Madhu Limaye once wrote that RSS were opposed to national movement, national flag and were against the democratic socialist pattern of society on the basis of Justice, Social, Political and Economic. RSS' philosophy is of similar to that of Nazi Hitler and Fascist Mussolini.

—Qurban Ali

Revisiting YMC

D. K. Giri

Yusuf Meherally Centre was set up in 1961 to commemorate Yusuf Meherally, a freedom fighter, a Social Democrat and the youngest Mayor of Bombay, till then. Having worked in Bombay for seven years or so, the Centre moved to rural areas, and is located at Tara and Bandhanwadi, some three hours' drive from Mumbai towards Goa. I had the good fortune of visiting the Centre 25 years ago, and again, as the Centre was inaugurating the "Bapu Kuti" to mark its 50th year, on 1st May 2011. My revisit reflects my own journey in public life, and perhaps that of Dr. G. G. Parikh who is nearly double my age, with much richer experience of life and events. Speaking for myself, my journey has done the full circle, and I am back to where I started 25 years ago. That cycle is politics–development or constructive work–politics.

Politics and Social Change

The etymology of politics, as told by Biswanth Pandit, a veteran socialist of Orissa to me when I was 18 (25 years ago), is "king of policies". What it means is that, it is the most effective instrument for change, development and social justice. In a democratic system, politics seems to be sovereign. Bernard Crick said, in "In Defense of Politics", that you may not think of politics but "the decisions made by politicians affect us all, from cradle to grave". When I became politically conscious in 1975, the Emergency was imposed curbing all political and civil liberties. Jayaprakash Narayan, one of the tallest figures of India's freedom movement, launched the

"second freedom movement" aimed at the restoration of democracy. For me, and many others of my age, JP's clarion call was irresistible. We plunged into the movement and thereafter there was no looking back. Emergency was lifted, Janata Party came to power, and the rest is history. I guess young G. G. Parikh was in a similar situation when the national freedom movement was at its peak. The call by Gandhiji during "Quit India Movement" would have drawn many young men and women like him into national liberation struggle.

I was fully convinced that politics, the predominant forum as it were, alone can make tangible and substantive change. All other social initiatives, NGO/CSO activities are only cosmetic. In 1984, when there was a leadership development course in Vishwa Yuva Kendra which I attended as the General Secretary of Chhatra Janata, the student wing of Janata Party, I found myself the only political youth amongst 29 other NGO leaders. Given my politicization, I was in total disagreement with their perspectives that refused to have anything to do with politics. I left the course halfway as I thought it was a waste of time to talk of issues outside the political process. Little did I realize then the "politics is a necessary evil" and there are many non-political means to bring about change. People like G. G. Parikh understood it much earlier. While engaging in active politics, GG is also a social worker, builder, reformer and entrepreneur. He started Yusuf Meherally Centre 50 years ago to help build a safer and healthier society through

constructive, selfless voluntary work.

Bapu Kuti

Since then the Centre has expanded to the length and breadth of the country, operating from nine different states. I was amazed to see young volunteers from J&K to Kerala, full of vigour and spirit of sacrifice. The Centre's social work is based on volunteerism. In addition to medical and social work, the Centre has become a premier rural development agency. It has several income and employment generation activities like pottery, khadi, bakery, vermi-composting, sustainable agriculture, bio-diesel and bio-gas plants, non-formal education, three regular schools – two Marathi medium and one Urdu medium – and a non-formal vocational training centre for Adivasi youth, apart from a hostel for Adivasi girls. A visit to the Centre and a stroll through its huts and cottages, make you feel proudly self-reliant as an Indian, a rural Indian.

Bapu Kuti is a replica of what originally exists in Sewa Gram, where Gandhi spent part of his life. Bapu Kuti has been set up in YMC's Madhu-Pramila Dandavate Sankul to re-anchor us in perennial human values – satya (truth), ahimsa (non-violence), samata (equity), sanyam (self-control), shramdan (voluntary labour), shramapratistha (dignity of labour), shanti (peace) and sadbhav (goodwill). Bapu Kuti reminds us of how much we have strayed from these timeless values, and as a consequence, what disasters we

have brought upon ourselves! Lack of ethics in business and politics has created havoc in the society and environment, causing global warming, which unchecked, will make the world unlivable. The makers of Bapu Kutu in YMC say: "For years we had served and hoped that man will be less selfish, more virtuous, cooperative, etc. So far we have achieved so little, Bapu Kutu is meant to change the man for better".

Bapu Kutu was inaugurated and dedicated to the people in the presence of Salman Khursheed, the Union Minister in UPA government, and Sudarshan Iyengar, the Vice-Chancellor of Gujarat Vidyapeeth. The inaugural meeting was short - marked by a rich debate between the Gandhian and the current ways of nation-building and development. G. G. Parikh in his welcoming address said sharply: "the development model led and imposed by the MNCs will ruin our economy, environment, and will create unacceptable inequalities". Giving the example of proposed Jaitapur nuclear plant, he urged Hussain Dalwai, an MLC and a former Minister in Maharashtra government, sitting on the dais, to be careful as they fall in the trap of the multinationals. Salman Khursheed took the criticism gracefully. He echoed the sentiments of G. G. Parikh as he felt proud of being associated with revival of Gandhian spirit through replication of Bapu Kutu. Reminiscing his childhood, which was spent under the caring influence of Gandhiji, he said that coming to Bapu Kutu for any person in public life is like coming back to mother's lap. One feels re-invigorated and re-charged after spending even a few moments in mother's lap. He promised to carry the spirit and messages to his colleagues in the government.

Schumacher and NGO Action

Having grown with the belief in the power of political action for social change, I gradually realized that only political debates, protests, and pronouncements will not be enough, concrete action on the ground "touching human lives" was necessary. Hence I joined Schumacher Centre, a development organization named after E. F. Schumacher. Schumacher, the author of the legendary book "Small is Beautiful: Economics as if People Mattered" was a Gandhian. He believed in rural development, small technology and small enterprise and argued that development has to be people-centred, not for capital or goods. He was a Buddhist who believed that without work people lose their self-identity as human beings, feel wasted, and that economy has to be compassionate not competitive and exploitative. We tried to put these principles into practice in income and self-employment generation projects in remote rural areas. But I kept coming back to the question, "is it enough to touch a few people or a few villages"? Is it possible to ensure development without macro changes through politics? I was interacting with politicians of social democratic persuasion in different parties, in my capacity as the General Secretary of Association for Democratic Socialism. The tension in my mind on politics v/s development, state v/s civil society/NGO lingered.

New Approach

After 25 years, I returned to YMC. G. G. Parikh had, all these years, been involved in active politics while he was building up YMC as well. But I was a bit surprised by GG's deep anguish on account of shallowness of politics as well as by

his convictions about the new approach that YMC and its supporters are about to adopt. That approach consisted of five questions GG asked to all his friends and supporters gathered on May 1 from different parts of the country. They were all - men and women - with rich experience. His questions or assertions are: (i) India's development is not possible without development of rural areas; (ii) Under the present state system, dominated by the corporates, no employment is possible; (iii) We don't believe in doles, we want work; (iv) Any employment generation programme has to be people-centric; (v) We need to have alternative models of development.

There was cordial discussion around these issues in a congenial atmosphere. GG's questions completed the circle in my own journey. There was a coherent set of reactions to GG's questions, except that whether we should change the man and not worry about the system or vice versa or do both. Before coming to the conclusion, let me react to GG's assertions in my own way, which of course aligns with many of those present there. It is true that rural development is the real test of a nation's growth and progress. But the question is how. Shall we make our villages self-reliant? Shall we link them to the so-called mainstream economy? Shall we not invert the 'Bottom of the Pyramid' thesis of G. K. Prahlad, where the villagers are not consumers of big corporates but are sellers of their own products? On the question of work and employment and alternative development, GG is spot on. We must all salute GG's courage and conviction that we could defeat

(Continued on Page 15)

The Pattabhic Mystique

Nandana Reddy

He was the first thing I saw when I was born. He was 33, strikingly handsome and gentle. He appeared like a soft warm light on my horizon exuding unconditional love, the promise of tranquillity and contentment. I should have guessed that this was the beginning of a very long relationship, 54 years, the longest I have had with anyone and one of the closest. It was intellectual, emotional and political. He inspired, guided, shared, comforted and saw me through innumerable ups and downs. He is in many ways my life and he shaped me.

That is why it is difficult to describe Pattabhi as just a father. He was so much more to my brother Konarak and I. He was first and foremost our friend in the truest sense of the word. We could confide our most embarrassing secrets, our innermost fears and those strange feelings that give one goose pimples and hot flushes. He banished our ghosts and wiped out those scary shadows that creep up in the night. He opened us to the world of astronomy, history, mathematics, poetry and humour. But most of all he brought magic and adventure into our lives.

Life was not easy during our early years. Money was scarce; we had to make ends meet. My father's experiments as a businessman were stymied by his soft heart and trusting nature and he lost more money than he ever made. Yet, we never felt want or insecurity; instead each day was a celebration of small things. An unexpected repayment of an old loan meant a picnic on the Marina Beach

eating the famous Madras Billal *Biriyani* or a day at the Gymkhana Club, swimming and relishing fried fish and tartar sauce with chocolate cake as desert. The sale of old newspapers at the end of each week brought with it a *masala dosai* at the Drive-in Woodlands.

But there were so many things that did not need money. A clear summer sky at night to view the stars while sleeping on the roof between our parents; watching ants carry sugar to their ant hill; a rare solar eclipse; and listening to bed time stories of Thenalli Raman, the epics and my parents' crazy escapades.

Dr. Lohia observed; "*I have met no one more relaxed than him, no one so utterly at peace with himself as Pattabhi*". He exuded tranquillity. Sitting on his lap, encircled in his arms, one knew that no harm could come to you. Yet he was provocative while never judgemental. He never criticised and was never advisory. Instead he posed questions to which we had to find the answers. He would constantly play the 'devil's advocate' and refined this into such an art and argue for the *wrong* side so convincingly that it would sometimes infuriate me. He sincerely pursued the truth with an open mind and till the end he was open to new ideas and perspectives.

He had an unfailing sense of humour and the ability to see the funny side and laugh at one's self even in the gravest adversity and this quality is why we enjoyed every moment of life and felt secure. This is probably why we affectionately

nicknamed him 'Mr. Reddy' and often called him that!

He lived his life by three main principles. The first was curiosity. He would delve into every issue or individual soul, examining it from all perspectives and enjoy the newness of the discovery. He was like a mathematician examining an equation or analysing a theorem, toying with it until a perfect balance was achieved.

He believed in always taking the longest way between two points. As a result we would end up taking 12 hours from Madras to Bangalore or 10 hours from Pondicherry to Thiruvannamalai! These were delightful trips when he would ask us (then very young children) to decide which road to take. "Right or left?" he would say and merrily drive down the road we pointed out. What lovely little villages we discovered! At lunch time we would find a shady spot and cook *uppitu* under a large old tree, spread our *jamkanas* and have a nap or pluck tamarinds and suck the sweet sour fruit till our teeth were on edge.

He applied this principle not just to travel but to other life journeys as well be they philosophical, political or emotional quests. He even applied it in his pursuit of love! He was convinced that the longest way brought with it new and unknown possibilities and opened up untrodden paths, while the shortest way was boring, conventional and stale.

His third principle was breaking tradition. He said "*Convergent*

thinking produces tradition. It is only divergent thinking that produces discoveries." He was the most unconventional, untraditional person I know. At the age of 19, breaking literary convention, he was the first to write modern poetry in Telugu and became the father of modern poetry in his mother tongue. "Exactly 60 years back, when Telugu poetry was in the throes of a historical turn of an era, 'Fiddle Ragala Dozen' of Pattabhi was published...Sri Sri ... gave a new direction to poetry in 1930 and turned it towards progressive poetry's "march past". Telugu poetry however even then did not disentangle itself from the shackles of metric-poetry. Pattabhi turned the Telugu poetry to a new path of experimental-expression which was different from romantic poetry on the one hand and the progressive poetry on the other. He is the first person who has experimented, and experimented so well to write in free--verse.¹"

He revolted against tradition when he fell in love and married my mother Snehalatha, a Christian, and was excommunicated by his father. Every film he made was an experiment in a 'new way'. He decided to shoot Samskara with a hand held camera, documentary style, and as no cameraman in the industry was willing to do this, he decided to hire Tom Cowan, then an unknown quantity, an Australian hitchhiking through India. Chandamarutha was an experiment in 16mm and Sringaramasa a love story with just two human characters!

Mr. Reddy believed that "Life is not a lesson but one experience after another. Each experience is unique. Life is a grand

celebration with its innumerable arches of welcome. The life we know consciously, is only one and the lessons, if any, we learn are like acquiring a comb when we have grown bald. Life should be like cricket with two innings, then what life teaches may be useful in the second innings. But alas it is not so."

It is no wonder that Hari, my husband, fell in love with my father first and then me!

The Husband

Going through my father's writing I found this; "Dr. Ram Manohar Lohia has written somewhere that the only two worthwhile pursuits for a man is either the pursuit of God or the pursuit of woman. From these twin pursuits all the sciences, arts and philosophies are generated. It is curious that Dr. Lohia, though belonging to a Marwari family, did not consider that pursuit of money worthwhile for a man. In my case, I pursued poetry, films, mathematics, money and love. Talking of love, - it was in love that I was most successful, though the pursuit was arduous and had to cross family objections, caste and religion. I was graced with the most beautiful and remarkable woman as my wife²."

Pattabhi's pursuit of my mother has all the ingredients of a Bollywood film. He first saw the stunningly beautiful Snehalatha at a dance recital. It was love at first sight. He vowed that he would not shave or cut his hair until he had won her hand in marriage. He begged to be introduced and began wooing her. My mother who was then studying

at the Queen Mary's College was captivated by this charming young intellectual, so erudite and artistic. They realised that they were meant for each other. Family objections on both sides followed, they had a secret Arya Samaj ceremony with a few close friends and my mother's youngest brother, Maurice, as witnesses.

When my father went to Nellore to tell my Grandfather, the house was in mourning, as my Grandfather had already announced that his eldest son was as good as dead. He disinherited Pattabhi; with little to live on, the young couple made a home in a small cottage on Adyar beach. This became the hub for all their friends and it buzzed with activity – political discussions, theatre and the arts. Instead of bemoaning their fate, they celebrated life.

However, the promise of good times to come was a continuous one as expressed in this poem by Pattabhi on peach coloured handmade paper;

*Now the thorny Path has ended
Lo! And behold the flower!
Distant goals are all befriended
Success will be a wooing lover*

**With deep love
From Pattabhi
To Sneha**

My father was a romantic. Every wedding anniversary he would present my mother with a poem and if finances permitted, a gift. The poems were treasured, but alas I never found them! The gifts too were no ordinary gifts, they were intricately planned surprises. One year he drove to Pondicherry to get her a bottle of French Champagne!

Another year it was an antique *mangalsutra*, yet another, a surprise camping holiday!

My Mother was an artist, an actor, dancer and activist. She was the outward gregarious person who loved people and abhorred injustice, while my father was the more reflective. She was passionate and warm and he was calm and empathetic. He engulfed her with his love, gave her a safe harbour to anchor and supported her in all she did. As one of our close friends Lakshmi Krishnamurthy said; "*he was the shade that protected the flame*".

Pattabhi was comfortable in this role. In his article 'What life has taught me' in the Deccan Herald, November 13 1993, he says; "*After I returned to India, I reluctantly entered many businesses which mercifully proved disastrous. But one activity I am proud of was helping my wife, Snehalata Reddy, to start an amateur dramatic troupe, the Madras Players, which is flourishing today and has set a high water mark for excellence in contemporary play production.*"

They shared a rich partnership based on mutual love and respect and filled with idealism and this is summed up in his note; "*Love – I am a romantic, I guess, because I see a great difference between the love humans share and the copulation of animals. The physical act in all its gaunt, bare four letter word explicitness has nothing to do with love and less to do with humanity. Love has dignity and beauty, magic and idealism and life has to have these things too.*"

After Snehalatha passed away, his romance with her continued. He fasted every year on her birthday and anniversary, garlanded a portrait of her and lit incense. This is a portrait that was painted by a Spanish artist in Seville in 1952. My mother was just 27 years old, yet the painting is ageless. It could have been her at any age! It seemed to grow with her and the artist somehow captured the dilemmas and pain she was to endure later in life. How he managed to see this in a 27 year old, radiant with happiness and love is amazing. It is almost a prediction of things to come.

Though my father lived with us, he would visit Saint Marks Road every day and spend time sitting in the living room where the portrait hangs, communing with her. The love affair lasted all his life and every creative act of his was an ode to her.

His last script 'Savitri', based on Aurobindo's epic masterpiece described a woman's dispute with death and her ability to vanquish *Yamma* through argument alone. This was perhaps his way of saying that Snehalata had done the same – she too had vanquished the evil of the State of emergency and conquered death in her own way. She too had outwitted all the *Yammas* in her life.

The Poet

Poetry was in his blood. He spoke in prose poetry, but it was not the usual trite romantic stuff. His poems and limericks were cutting, controversial and revolutionary. Dr. V Kondal Rao who translated some of his poems into English wrote; "*His humour runs through all his poems, succinct, subtle, gentle like R.K. Narayan's, Woodhouse's. There is satire but with a feather touch.*"

An excerpt from one of Pattabhi's poems 'Spring' illustrates this;

I am told
'Spring' has come to Madras city.
But where is it?
I have not heard any cuckoo's coo
Except the shrill sounds of the
buses and the trains.

Has it really come
The Spring season?

Yes! Yes! Look! There!
There, before the 'Chellaram's'
How it is advertised with the words
'Grand Spring Sales', 'At most
attractive rates'
'At unheard of reduced prices'.
Words, stinging the eyes, clinging
on to the ears.
Spring must have really come!³

Pattabhi was greatly influenced by his uncle and brother-in-law, Sri B. Gopal Reddy who used to recite "*with his sweet, mellifluous voice Tagore's Bengali poetry and translate them ad lib into Telugu*"⁴. He was also responsible for personally taking my father to Shantiniketan to study in Tagore's University.

In Pattabhi's own words; "*In Shantiniketan (I) succumbed to the charms of the place. The whole atmosphere was romantic, resonant with the music of Tagore's Bengali songs. I had a surfeit of lyrical poetry of Gurudev Tagore in the romantic atmosphere of Shantiniketan for nearly two years. I joined the Calcutta University for my Literature M.A. and took up residence in the dingy rooms of lower Chitpur road... The din the squalor and the human misery shocked me to the core. The mad commercial activity of the city and the loathsome brothels of*

Chitpur road where innocence was exploited by avarice disturbed me greatly. Besides this, the gathering war clouds in Europe completely shattered the misty moonlight influence of Tagore. It was the year 1938. This provided me with my angle of vision for my first book of poems in Telugu, namely Fidalu Ragalu Dozen. I wrote this book a year later, at the age of 19 years, while staying in the ministerial house of Gopal Reddy in Mambalam, Madras⁵.”

Telegu poetry of that time was dominated by Visweswara Rao’s poetry in the grand tradition of Bhava Kavivam and Sri Sri’s revolutionary poetry. Pattabhi “*had to make space for himself between these two*” and so he “*chose deliberately to write prose poems inspired by the style of Walt Whitman on one side and that of Oscar Wilde on the other. It is not as if I was opposed to Bhava Kavivam. There was a surfeit of that kind of poetry and I longed for a change.*”⁶

His poetry created a stir. With his first book, at the age of 19, he found a release for his “*agitated feelings*” but he had to find new weapons. He wanted the “*readers to sit up and take note*”. He wrote that he was prepared for even abuse. “*Abuse would have served my purpose admirably*” he said. “*It is apathy that kills. Only out of friction can progress be achieved. This also explains why I wrote all the poems in first person singular. Buffoonery, egoism and sex were all part of my arsenal.*”⁷

He “*had to find a rhythm that reflected the beat of the city with its cacophony of street noises mingled with human anguish. This ruled out the traditional prosody*

and even the native metres of Geya Kavivam. There is an aspect of prosody which is its incantatory effect. Verse however revolutionary, lulls one to a sense of well being and satisfaction.”⁸

“The chaos of the external world could not brook a proper grammar. Debunking of established values was essential before a new order could be built. I wanted to peer behind the smug mask that society wears. All these thought not explicitly as I mention, were within me when I composed these poems.”⁹

¹ **Prof. R.V.S. Sundaram**, Dept. Of Telugu, University Of Mysore, Karnataka, India, ‘A Poet with a Difference’

² **Pattabhi Rama Reddy**, ‘Last Tune’, 17th March 1994, Speech at 75th Birthday Felicitation Hyderabad.

³ **Dr.VKondal Rao**, ‘Poetry ‘Pattabhi’ (Ragala Dozen), June 1999.

⁴ **Pattabhi Rama Reddy**, ‘Thirty Four Years Ago’, 5th December 1972

⁵ Ibid

⁶ Ibid

⁷ Ibid

⁸ Ibid

⁹ Ibid

(to be concluded)

(Continued from Page 11)

the manipulative economics of big corporates by producing for ourselves and creating our own market, not the markets they present by manipulating the tastes and psychology of consumers.

To conclude, I feel deeply sorry for the way GG feels disillusioned with the politics and the State. With a heavy heart, he shared with us his apprehension that even genuine socialist ministers in the government were falling prey to manipulation by the multinationals. He thought that state power will always be used for the big and vested interests. He sees no hope through the State. He would rather believe in and harness peoples’ productive skills, the social capital rather than wasting his time in trying to change the class character of the State. GG made us to think whether we should create the “new man” or “change the system” or do both. I do not have the answers; but I intuitively feel that GG is correct, let us begin from the beginning, create goodness in the society, build good human beings and the systems are bound to be impacted.

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